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# 2026/2027

# DRAFT INTERGRATED DEVELOPMENT PLAN

# FOR

# DANNHAUSER LOCAL MUNICIPALITY

Dannhauser Local Municipality
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# LIST OF ACRONYMS

| | |
|---|---|
| B2B | Back to Basics |
| CBO | Community Based Organization |
| COGTA | Co-operative Governance and Traditional Affairs |
| DDM | District Development Model |
| DMP | Disaster Management Plan |
| EAP | Employee Assistant Programme |
| EIA | Environmental Impact Assessment |
| EMF | Environmental Management Framework |

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| EPWP | Expanded Public Works Programme |
| GDP | Gross Domestic Product |
| GIS | Geographical Information System |
| HDA | Housing Development Agency |
| HSP | Housing Sector Plans |
| HR | Human Resources |
| ICT | Information Communication Technology |
| IGR | Intergovernmental Relations |
| IDP | Integrated Development Plan |
| IWMP | Integrated Waste Management Plan |
| JMPT | Joint Municipal Planning Tribunal |
| KPA | Key Performance Area |
| KPI | Key Performance Indicator |
| LED | Local Economic Development |
| LUMS | Land Use Management System |
| MFMA | Municipal Finance Management Act |
| MIG | Municipal Infrastructure Grant |
| MPAC | Municipal Public Accounts |
| MSA | Municipal Systems Act |
| NDP | National Development Plan |
| NGO | Non-Governmental Organization |
| OSS | Operation Sukuma Sakhe |
| OPMS | Organizational Performance Management Systems |
| PMS | Performance Management System |
| RDP | Reconstruction and Development Programme |

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| SCM | Supply Chain Management |
| SCOA | Standard Chart of Accounts |
| SDBIP | Service Delivery Budget Implementation Plan |
| SDF | Spatial Development Framework |
| SDIP | Service Delivery Improvement Plan |
| SPLUMA | Spatial Planning and Land Use Management Act |
| WBP | Ward Based Plans |

## SECTION A: CHAPTER 1; EXECUTIVE SUMMARY INTRODUCTION AND BACKGROUND

Following the South African Local Government Elections of November 2021, Councillors across all municipalities assumed office with a clear mandate, to foster development, strengthen governance, and deliver essential services. Despite the challenges inherent in restructuring Political Office Bearers and Municipal Administration, Dannhauser Municipality has remained steadfast in its mission to serve our communities with diligence and integrity.

We have undertaken targeted interventions to address pressing issues. Youth unemployment remains a priority, and through the Expanded Public Works Program (EPWP) and comprehensive skills development initiatives, we are equipping young people with the expertise required to access sustainable employment. Rural agriculture, a sector with immense potential for economic growth, continues to receive our support through innovative farming techniques and strategic partnerships.

Social development is central to our agenda. In combatting substance abuse, we have leveraged sports tournaments as a tool for youth engagement, fostering community cohesion, promoting healthy lifestyles, and creating pathways for personal growth. Our commitment to participatory governance is evident in the ongoing consultation process for the review of the Integrated Development Plan (IDP) and Budget for the 2025/2026 financial year, ensuring that our strategies remain aligned with the aspirations of our residents.

A significant milestone lies ahead as we prepare to relocate to our new municipal offices, a move that will enhance operational efficiency and strengthen service delivery.

**Key Challenges**

Despite these strides, we acknowledge the challenges that continue to confront our municipality:

- **Youth Unemployment:** Persistent joblessness among young people threatens longterm socio-economic stability.
- **Limited Economic Diversification:** Heavy reliance on agriculture and public works programs without sufficient private sector investment.
- **Substance Abuse and Social Ills:** Rising cases of drug and alcohol abuse undermine community development.
- **Infrastructure Deficits:** Inadequate roads, water supply, and sanitation services hinder growth and service delivery.
- **Climate Change and Disaster Risks:** Increasing vulnerability to floods, droughts, and environmental hazards.
- **Governance and Administrative Capacity:** Ongoing restructuring challenges affect efficiency and responsiveness.

To address these challenges listed above, we propose the following:

- **Strengthen Youth Employment Programs:** Expand EPWP and partner with private enterprises to create sustainable job opportunities.
- **Diversify the Local Economy:** Encourage small business development, promote entrepreneurship, and attract investment in sectors beyond agriculture.
- **Enhance Social Development Initiatives:** Scale up awareness campaigns, rehabilitation support, and community-based programs to combat substance abuse.
- **Invest in Infrastructure:** Prioritize road maintenance, water provision, and sanitation projects to improve quality of life and enable economic activity.
- **Climate Resilience Strategies:** Implement disaster preparedness measures, promote climate-smart agriculture, and strengthen early warning systems.
- **Capacity Building in Governance:** Provide training for municipal officials, streamline administrative processes, and reinforce accountability mechanisms.

In conclusion, I extend my deepest gratitude to our Traditional Leaders, Councilors, Municipal

Officials, and all stakeholders for their unwavering support. Above all, I thank the residents of Dannhauser Municipality for their trust and partnership. Together, we remain committed to alleviating poverty, addressing health challenges, and building resilience against climate change.

Let us move forward with determination, united in purpose, and dedicated to achieving sustainable growth and impactful governance. The future of Dannhauser depends on our collective resolve, and I am confident that through collaboration, we will deliver positive outcomes for all.

**His Worship the Mayor,**

**Councilor B.A. Radebe**

## INTRODUCTION AND BACKGROUND

The Dannhauser Local Municipality, situated within the Amajuba District Municipality, has implemented its fifth-generation Integrated Development Plan (IDP) for the period 2021/22 to 2026/27. This strategic framework outlines the municipality's development vision over a five-year cycle, ensuring continuous assessment and refinement through annual reviews to enhance implementation effectiveness.

Serving as a comprehensive jurisdictional development framework, the IDP integrates the municipality's vision, mission, goals, objectives, strategies, and operational plans. Additionally, it aligns municipal priorities with provincial and national government directives to foster sustainable development and improve the quality of life for all residents.

In adherence to Sections 152 and 153 of the South African Constitution, the municipality remains committed to fulfilling its developmental mandate, addressing key priorities such as:

- **Poverty Alleviation:** Facilitating employment opportunities and economic empowerment initiatives.
- **Service Delivery Excellence:** Ensuring the consistent provision of essential municipal services.
- **Public Participation:** Strengthening transparency and community engagement through accessible information-sharing mechanisms.

The municipality's strategic functions—including planning, budgeting, operational management, and decision-making—are guided by the IDP. This alignment ensures that municipal activities support the broader objectives of the National Development Plan (NDP) 2030, fostering coordination and integration across all spheres of government.

In compliance with the Municipal Systems Act (Act No. 32 of 2000), the IDP incorporates key elements essential for credibility and effective governance, including:

- A clearly defined long-term development vision.
- A comprehensive assessment of municipal development levels and service delivery requirements.
- Strategic priorities and developmental goals for the elected term.
- Alignment with national and provincial sector planning frameworks.
- A spatial development framework outlining structured land-use management guidelines.
- A financial plan featuring a three-year budget forecast, implementation strategies, key performance indicators, and measurable targets.

Through this structured approach, Dannhauser Local Municipality remains dedicated to fostering inclusive growth, institutional efficiency, and meaningful socio-economic development.

## WHO ARE WE?

Dannhauser Local Municipality is a **small, predominantly rural municipality** in the **Amajuba District** of **KwaZulu-Natal, South Africa**. It covers an area of **1,516 square kilometers** and is one of three local municipalities in the district, alongside **Newcastle** and **Emadlangeni**2.

**Key Features of Dannhauser Municipality**

- **Mining & Economy:** Historically, Dannhauser has been a **coal mining hub**, with several mines established before the 1980s. Mining remains a significant part of the local economy.
- **Geography & Infrastructure:** The municipality is strategically located **midway between Durban and Johannesburg**, near the **N11 national road** and a **major**
- **railway line**.
- **Governance & Administration:** It is divided into **13 wards** and includes **58 settlement areas**. It also has **three traditional councils**:
    - **Ingwe Traditional Council**
    - **Gule Traditional Council**
    - **Emalangeni Traditional Council**.
- **Natural Landscape:** The area is characterized by **scenic landscapes** and **numerous rivers**, including the **Ngagane** and **uMzinyathi Rivers**.

Dannhauser Local Municipality has a diverse economy, with **mining, agriculture, and smallscale industries** playing key roles in its development.

**1. Mining Industry**

- Dannhauser is historically known for its **coal mining** sector, with several mines operating in and around the municipality.
- The mining industry contributes significantly to local employment and economic activity.
- However, environmental concerns and sustainability challenges remain important factors in the sector's future.

**2. Agriculture & Farming**

- The municipality benefits from **fertile soil and a favorable climate**, supporting various crops and livestock farming.
- Agriculture provides jobs and sustains rural communities, with **commercial and subsistence farming** both present.
- Key agricultural products include **maize, vegetables, and livestock farming**.

**3. Small Businesses & Local Trade**

- Dannhauser has a growing **small business sector**, including retail, manufacturing, and service-based enterprises.
- The municipality supports **Small, Medium, and Micro Enterprises (SMMEs)** to boost local economic development. Infrastructure projects, such as **rural roads and community halls**, aim to improve business conditions.

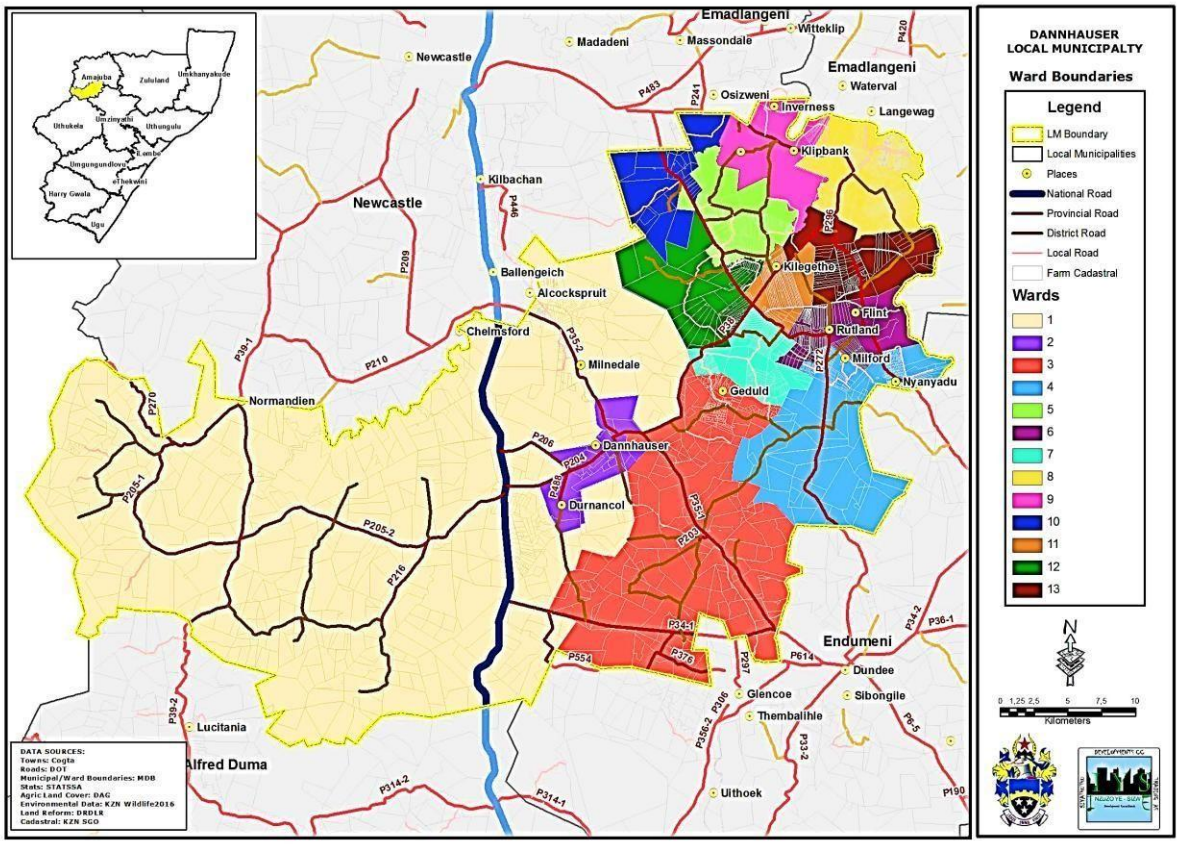
**4. Transport & Logistics**

- Dannhauser **strategic location** along a railway line connecting **Durban and Johannesburg** makes it a potential hub for transport and logistics.
- The **N11 national road** provides access to major markets, supporting trade and mobility.

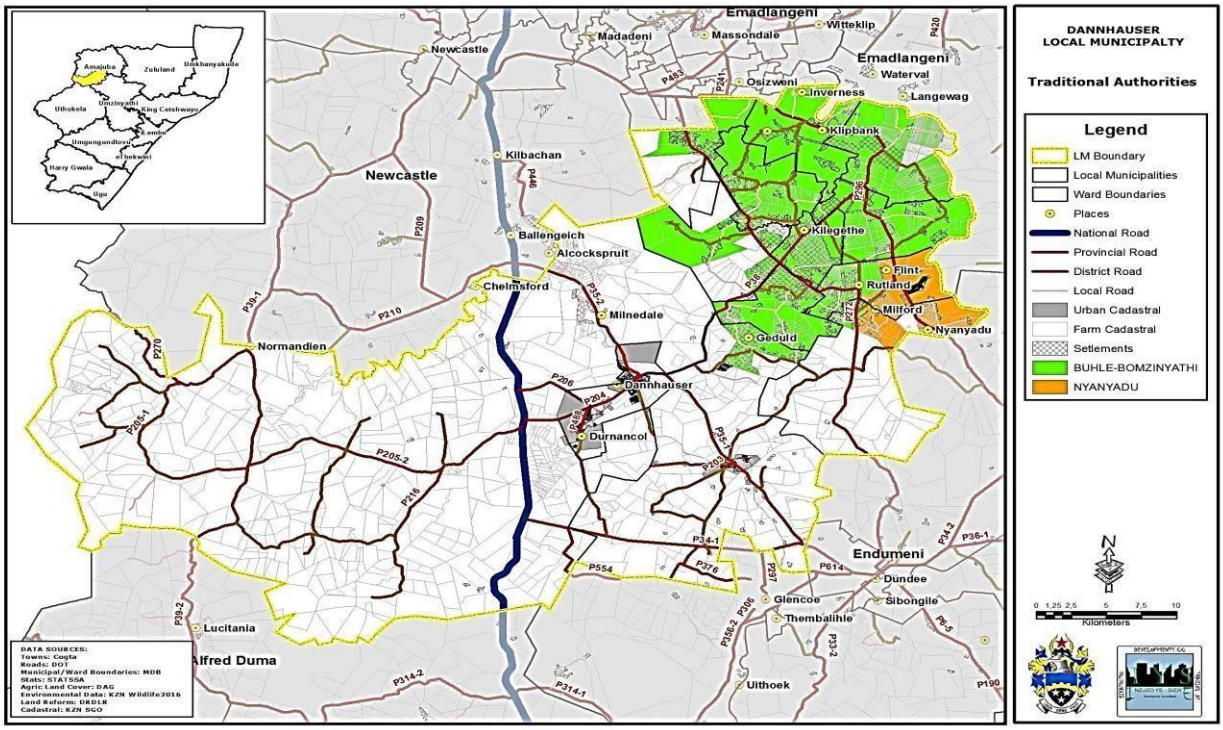
**5. Municipal Development Initiatives**

- The municipality invests in **economic development programs**, including **skills training and business support**.

Efforts to improve **service delivery, infrastructure, and investment opportunities** are ongoing




## Map 1: Ward Boundaries




**Map 2: (SDF. 2011/22 page 6) (Ubuhlebomzinyathi; Emalangeni; Gule & Ingwe)**

# CONSTITUTIONAL CONTEXT

## PREPARATION OF A LEGALLY COMPLIANT IDP

The fifth generation 2022/2027 is informed highly by the responses to the MEC comments as raised in the 2021/2022 IDP review the following indicates municipal intervention as the issues raised.

## Table 1: MEC Comments and Municipal Interventions.

## MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

| IDP COMMENTS/EFFORT | COGTAS FEEDBACK | Departments Feedback | Conclusion and way forward |
|---|---|---|---|
| - A template in accordance with the IDP Framework guidelines was established and circulated to departments for 2025/2026 IDP | The overall score has declined from 4.4/5 to 3.9/5. While this remains above the required threshold, it is imperative that we consistently achieve a minimum score of 4.5/5 to demonstrate that we are operating within our full capabilities. The MEC has highlighted the following areas of concern:<br>• Inconsistencies in reporting on critical posts.<br>• Inconsistencies in reporting on individuals living with disabilities.<br>• Insufficient information regarding the implementation of Corporate Services policies.<br>• Key Performance Areas (KPAs) situational analysis and key challenges not adequately addressed. | | - The template has been populated and updated as per IDP guidelines.<br>- The IDP unit has recommended that a session be held with the Corporate Services Department, during which a reporting template will be circulated to guide the timely addressed. |

department in preparing its submissions. This session has been scheduled for 19 January 2025.

| IDP COMMENTS/EFFORT | COGTAS FEEDBACK | Departments Feedback | Conclusion and way forward |
|---|---|---|---|
| | The KPA has shown an upward trend in scoring, which is commendable. However, it is essential that we aim to achieve at least than the 3.0/5 the 2025/2026 year. The MEC has<br>**BASIC SERVICE DELIVERY**<br>A template in accordance with the IDP Framework guidelines was established and circulated to departments for 2025/2026 IDP | Waste Management By-Laws has been consistently developed and 4.5/5, rather shared to be recorded for included in the financial IDP. | - The IDP unit has recommended that a session be held with the Planning and Economic Development, Technical services and Community Services during which a reporting template will be |

provided the following comments for improvement:

- A comprehensive list of water and sanitation projects should be developed over the fiveyear planning horizon, aligned with the phases of the IDMS.
- Current reports on housing are inaccurate, with no spatial representation of housing backlogs and no clear way forward. The absence of a housing sector plan further limits the accuracy of information.
- Electricity service backlogs require more reporting.
- Waste management by-laws should be developed to support infrastructure and educational initiatives that enhance it is continuous (annual) as per the T&C. information is required on The licensing, engineering and the remaining drawings

1. Intergrated Waste Management Plan (IWMP)
2. Solid Waste Management ByLaws and Penalties
3. Environmental Management Plan
4. Cemetery Plan
5. Cemetery By- Laws

The Landfill site is still within its operational life span and is in compliance with the License. The External Audits should be developed by the independent auditor has been done and that sustainability. Additional information is required on engineering audits, and drawings

circulated to guide the department in preparing its submissions. This session has been scheduled for 13,14 & 16 January 2025 simultaneously.

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| | operational lifespan of are still at the facilities.<br>- Accessibility of community facilities for people living with disabilities has not been adequately demonstrated.<br>- The Spatial Development Framework (SDF) does not sufficiently address basic service provision for farm dwellers. The use of KZN Cogta's farm dwellers service guidelines is recommended.<br>- More maps are needed to strengthen spatial analysis.<br>- A SWOT analysis of the KPAs should be conducted to provide a clearer situational overview.<br>- | planning stage and to be completed in the 2026/2027 financial year. |

**LOCAL ECONOMIC DEVELOPMENT**

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| **IDP COMMENTS/EFFORT** | was established and circulated to departments for 2025/2026 IDP. |
| A template in accordance with the IDP Framework guidelines | |

| IDP COMMENTS/EFFORT | GOOD GOVERNANCE AND PUBLIC PARTICIPATION | | |
|---|---|---|---|
| **COGTAS FEEDBACK** | **COGTAS FEEDBACK** | **Departments Feedback** | **Conclusion and way forward** |
| This KPA has experienced a slight decline in its score, moving from 2.8 to 2.7. Our objective remains to consistently achieve a minimum score of 4.5 each year in order to secure a strong position within KwaZulu-Natal as a whole. The MEC has provided the following comments and recommendations:<br>• The review of the LED strategy does not reflect its formal adoption, rendering the document noncredible.<br>• The Implementation Plan is outdated and therefore was not considered for scoring, as it lacks concise and relevant content. | A template in accordance with the IDP Framework guidelines was established and circulated to departments for 2025/2026 IDP. | **Feedback:**<br>The 2025/26 IDP has recommended that a session be held with the Planning and Economic Development during which a reporting template will be circulated to guide the department in preparing its submissions. This session has been scheduled for 13 January 2025. | |

| IDP COMMENTS/EFFORT |
|---|
| A template in accordance with the IDP Framework guidelines was established and circulated to |

| | | |
|---|---|---|
| The KPA has demonstrated an upward trend in scoring, which is commendable. However, it remains critical that we consistently achieve a minimum score of 4.5/5, rather than the 3.92 recorded for the 2025/2026 financial year. The MEC has provided the following comments and recommendations:<br>• The municipality has delivered commendable work.<br>• No Service Delivery Improvement Plan (SDIP) or Service Delivery Charter has been developed to date, and as a result, there is no indication of the three services identified for improvement. | | The IDP unit has recommended that a session be held with the Planning and Economic Development and Corporate Services during which a reporting template will be circulated to guide the department in preparing its submissions. This session has been scheduled for 13 and 19 January 2025 simultaneously. |

**CROSS CUTTING**

| **COGTAS FEEDBACK** | **Departments Feedback** | **Conclusion and way forward** |
|---|---|---|

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|---|---|---|
| | The KPA has remained stagnant at a score of 2.0 for the past two consecutive years, which is below the accepted norm of a 50% average. | Working with COGTA PDMC the gaps on the Disaster Management plan has been |
| departments for 2025/2026 IDP. | The MEC has provided the following comments recommendations: | addressed. The legislative gaps and has been |

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|---|---|---|---|
| • | The municipality is identified and commended for its covered in the compliance with the review Disaster Spatial Planning and Land Management | | |
| • | Use Management Act. sector plan and A thorough review of the it has been Spatial Development sent to Council Framework (SDF) and for adoption in Spatial Development Plan the current (SDP) is required to financial year | | |
| • | ensure the credibility of 2025/2026. the IDP document. | | |
| • | The use of Census 2022 data is essential when A permanent reviewing the SDP and person for SDF, and environmental Disaster has concerns should also be been appointed | | |
| • | addressed within these and the the documents. Manager for Critical aspects of disaster fire and management and fire Disaster will be services have not been appointed in adequately covered, the 2026/2027 falling short of minimum financial year. legislative requirements. | | |

Greater budget allocation A R1.1 million to disaster management budget has and fire services is been allocated recommended. for Disaster in The municipality is the current encouraged to collaborate financial year.

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| with relevant sector departments at both District and Provincial levels to strengthen climate adaptation strategies and promote sustainability. | The MOU has been signed between Dannhauser and the neighboring municipalities for collaboration especially in addressing the challenges on fire and rescue services within the inland cluster. |
| | The climate change policy is still on the development stage and consultation and will be finalized in the last Quarter of the 2025/2026 financial year. |

## MUNICIPAL FINANCIAL VIABILITY

| IDP COMMENTS/EFFORT | COGTAS FEEDBACK | Departments Feedback | Conclusion and way forward |
|---|---|---|---|
| A template in accordance with the IDP Framework guidelines was established and circulated to departments for 2025/2026 IDP.<br>The score has declined from 3.65 to 2.27 for the 2025/2026 financial year. To address this, the MEC has provided the following comments and recommendations:<br>• There is a significant shortage of viable information regarding ratios, repairs and maintenance, revenue management, and indigent support, which have not been | clearly articulated.<br>• The SWOT analysis for the KPA has not been fully outlined and requires further development.<br>The IDP unit has recommended that a session be held with Budget and Treasury Office during which a reporting template will be circulated to guide the department in preparing its submissions. This session has been scheduled for 15 January 2025 simultaneously. | | |

- In preparing this document also the following was considered:
    - Ward Based Plans
    - Stats SA Community Survey
    - The Cogta IDP framework Guide
    - Different Stakeholder comments and engagements
    - Back to Basics Programs • Public participation clustered meetings were conducted as follows:

| ITEM | WARDS/INSTITUTIONAL | DATE | VENUE |
|---|---|---|---|
| Capital projects and Budget workshop | Institutional (Councillors and Amakhosi) | 27 March 2026 | TBC |
| IDP/Budget Roadshow | All wards (1-13) | TBC | TBC |

Table 2: Public Participation

The table below illustrates all the Dannhauser Local Municipality's Process

| STAGES/PHASES OF THE IDP PROCESS | |
|---|---|
| **IDP Phases** | **Activities** |
| **Preparatory Phase** | O Identification and establishment of stakeholders and/ or structures and sources of information.<br>O Development of the IDP Framework and Process Plan. |
| **Analysis Phase** | O Compilation of levels of development and backlogs that suggest areas of intervention. |
| **Strategies Phase** | O Reviewing the Vision, Mission, Strategies and Objectives |
| **Projects Phase** | O Identification of possible projects and their funding sources |
| **Integration Phase** | O Sector plans summary inclusion and programmes of action. |

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| **Approval Phase** | ○ Submission of Draft IDP to Council<br>○ Roadshow on Public Participation and publication ○ Amendments of the Draft IDP according to comments.<br>○ Submission of final IDP to council for approval and adoption. |

Table 3: IDP Process Plan

In accordance with the provisions of its communication strategy, the municipality utilizes the Following methods to communicate with the people of Dannhauser:

- Notice boards
- emails
- Municipal Communications Forums
- External newsletters
- IDP Roadshows and Ward meetings
- Media
- Advertising
- Radio
- Social media
- Mobile communication
- Branding
- Loud hailing

## HOW TO ADRESS OUR KEY CHALLENGES?

The Dannhauser Local Municipality Administration convened Moderation Committee meetings on 14 February 2026 and 25 February 2026. These sessions were held to moderate and cascade performance outcomes to middle managers. A key focus of the discussions was the close monitoring of National Indicators. During the meetings, several challenges were identified, and targeted interventions were proposed to address them effectively.

| **KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT** | |
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| **KEY CHALLENGE(S)** | **INTERVENTIONS/PRIORITIES** |

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| ➢ High staff turnover (the turnover is attributed to non-competitive remuneration as compared to other municipal positions that are similar)<br>➢ Critical positions still vacant (the remuneration is not competitive, and this is further impacted on by a lack of office space to accommodate any new staff members)<br>➢ Non-conductive working conditions due to limited office space | ➢ Implementation of staff retention strategy (to integrate with SALGA and Cogta on remuneration offered to staff members)<br>➢ Advertising, selecting & recruiting of vacant positions as per approved Organogram in line with the prioritize critical positions.<br>➢ Human Resources Strategy and Implementation Strategy to be continuously implemented in 2025/26.<br>➢ To ensure the Employment Equity Plan is fully implemented in 2025/26.<br>➢ Staff retention Policy Implementation in 2025/26.<br>➢ The implementation of the Work Skills Plan, through Skills development, is to be intensified in all staff structures in 2025/26.<br>➢ Ensuring the implementation of the Recruitment & Selection policies; and<br>➢ Municipal Political Administrators to be empowered through various political skills empowerment in 2025/26. ➢ |
| **KPA 2: BASIC SERVICE DELIVERY** | |
| **KEY CHALLENGE(S)** | **INTERVENTIONS** |

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| ➢ Limited municipal revenue generating activities to enhance service delivery (municipality relies on minimal revenues from service charges – waste; urban property rates; licensing and traffic fines).<br>➢ Highly reliant on grants for infrastructure development & maintenance and basic service delivery (grants such as equitable share and MIG including smaller grants are the ones that aid the | ➢ Municipality is identifying strategic economic sectors it can develop and grow to enhance revenue generating activities through economic infrastructure development.<br>➢ Development of business plans to source funding for various economic projects to supplement the minimal grant and other income revenue source. |

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| municipality to sustain itself in a financial year).<br>➢ Limited Equitable share Allocation to allow for basic service delivery to all areas (the allocation is for a few households, but it is not extended to the greater households under the poverty margin in traditional authority areas).<br>➢ Lack of funding to rehabilitate & upgrade tarred roads & storm water systems owned by the municipality in urban areas (the municipality cannot afford to rehabilitate and upgrade all its dilapidated tarred roads due to lack of funding sources that are not loans, this is due to limited revenues).<br>➢ Some areas still face major challenges of water & liquid sanitation services (Amajuba District the WSA still has major water & sanitation infrastructure backlogs within the jurisdiction that need to be addressed).<br>➢ Operations and maintenance activities are limited due to lack of funds (minimal revenue is collected from other sources of income by the municipality, the dilapidating infrastructure is at a critical level and the 8 % allocated for maintenance is mainly utilized on gravel roads they are constantly destroyed due to weather conditions and traffic); and<br>➢ Lack of public infrastructure such as recreational facilities; hawkers' shelters; nurseries; sports fields, and primary schools (the municipality does not have sufficient funds through its MIG funding as its MIG is fully committed to other projects, while it only caters for a few of the mentioned projects). | ➢ Development of business plans to source funding for various infrastructure projects to supplement the minimal grant and other income revenue source.<br>➢ Engage Amajuba District Municipality (Water Services Authority) to address water and liquid sanitation challenges; and<br>➢ Municipality to lobby for more funding through its MIG allocation.<br>➢ To lobby for an increase in Equitable Share Allocation to enable the delivery of basic services.<br>➢ The development of the Industrial Area that will support SMME & Coops business activities. ➢ The obtaining of a bulk water license for the Industrial Area.<br>➢ The development of support infrastructure for social and economic development and growth.<br>➢ To deliver additional mast lights and streetlights in all wards.<br>➢ To ensure that refuse removal is expanded to other wards which currently do not receive this service.<br>➢ The provision of a financial budget for operations & maintenance for municipal owned infrastructure and assets.<br>➢ Develop an infrastructure renewal strategy. |

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## KPA 3: LOCAL ECONOMIC DEVELOPMENT (LED) & SOCIAL DEVELOPMENT

| KEY CHALLEGE(S) | INTERVENTION(S) |
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| ➢ Low economic activities (the municipal jurisdiction lacks proper economic infrastructure to draw both foreign and local investors, and an investment strategy to market the municipality must be undertaken to win the investors)<br>➢ High rate of unemployment (this is due to low economic activities based on the above point)<br>➢ No investment framework<br>➢ Poor infrastructure to attract investors (a lack of economic infrastructure and dilapidating public infrastructures is causing a low investor to pull) | ➢ Finalize and adoption of the Comprehensive LED Strategy by end of May 2025<br>➢ Finalize establishment of the LED forum required to enhance economic development and job creation.<br>➢ Initiate programmes and incentives for support to SMMEs; Co-ops & Informal traders.<br>➢ To aid in sourcing funds for our local SMMEs & Co-ops to fulfill their operational mandate.<br>➢ To effectively monitor, develop and grow our SMMEs, Co-ops & informal Traders.<br>➢ To ensure that our SMMEs & Coops have access to markets.<br>➢ To tap into indirect funding & operational equipment for our SMMEs & Co-ops.<br>➢ To aid local SMMEs; Co-ops & Local Traders remain viable; sustainable and profitable.<br>➢ Develop SMMEs & Co-ops in the Agriculture; Agro-processing; manufacturing; Tourism; Mining Beneficiation; and other subsectors of the contributory sectors.<br>➢ To effectively identify opportunities within each contributing economic |

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| | sector of the municipal jurisdiction and enhance investment from both |

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| | local and international companies; and<br>➢ Sourcing of funds to develop and upgrade existing economic and public infrastructures. |
| **KPA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT** | |
| **KEY CHALLENGE(S)** | **INTERVENTIONS** |

| | |
|---|---|
| ➢ Low revenue base (this is due to the high reliant on grants from national and provincial government and minimal revenue from service charges and property rates mainly from the urban residential areas)<br>➢ Lack of funding (the municipality has outstanding projects that are required by the municipality, but they are unfunded due to budget limitations) ➢ Significant debtors' book (the high debtor's book was caused by some individuals not seeking to pay the municipality and indigent debtors to be written-off of which a council resolution was passed approving their writing-off in 2019/20 financial year)<br>➢ Need of capacitation (there are vacant positions within the department which is currently causing strain to other staff members based on work overload. This work overload is leading to high staff turnover. This is further escalated by the need to have new office space) | ➢ Integrate with LED identify key strategic economic sector to develop that can enhance revenue generation.<br>➢ Develop business plans for funds sourcing for critical areas that do not have any budget allocation.<br>➢ Enhance debtors' collection, the municipality has appointed a debt collection company and has implemented key control systems to ensure collection rate is increased and debt owed to the municipality does not extend over 60 days. The indigent debtors will be written off.<br>➢ Advertise positions and recruit the right candidates.<br>➢ Expediate the construction of the new municipal expansion offices.<br>➢ Enhance the management of the Indigent Register.<br>➢ Making a provision for disabled individuals within the SCM policy. ➢ Thorough development of an asset register.<br>➢ Development of an asset renewal plan.<br>➢ Implementation of the 2024/25 Audit Action Plan.<br>➢ Ensure the sourcing of funds for unfunded capital projects.<br>➢ Ensure strict financial viability and management of municipal funds. ➢ Ensure fruitless & wasteful expenditure is eliminated. ➢ Ensure that MSCOA is adhered too. |

| | |
|---|---|
| | ➢ Ensuring that the 2020/21 AFS are credible.<br>➢ Skills enhancement of staff is upheld within the department. |

| | |
|---|---|
| | ➢ The elimination of any financial risk areas that may cause fraud or any loss to the municipality.<br>➢ Ensure full compliance with all legislations that govern municipal finances and reporting within required timeframes. |
| **KPA 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION** | |
| **KEY CHALLENGE(S)** | **INTERVENTIONS** |
| ➢ Full implementation of risk management required (the delay was due to the delay in setting up the internal risk management committee)<br>➢ The municipality urged to participate in the IGR Structures with the family of municipalities within the district and to implement the IGR Terms of Reference (although municipality is complying with the IGR Terms of Reference, the shortage of skills causes a slow implementation) | ➢ Develop awareness of full risk management to departmental heads and ensure compliance with risk management findings and implementation of recommendations by the risk committee.<br>➢ To ensure that if incapacitated the municipality to implement the IGR Terms of Reference.<br>➢ Ensure that all IGR meetings both in District & Provincial are attended and reported.<br>➢ Enhancing municipal to sector department integration for various reporting and support programmes and alignment to the mandates of the sector departments.<br>➢ Ensure that all Committee meetings as required by the Municipal Structures Act, are fulfilled, and reported on. |
| **KPA 6: ENVIRONMENTAL AND SPATIAL MANAGEMENT** | |
| **KEY CHALLENGE(S)** | **INTERVENTIONS** |

| | |
|---|---|
| ➢ Land claims still not yet finalized (Amajuba District to fast track its finalization of follow-up with DRDLAR)<br>➢ Vast tracts of land that are not utilized (the municipality only owns a small portion of the land within its jurisdiction, the majority being owned by private stakeholders, Ingonyama Trust and SANRAL. The owners of | ➢ Integrate with Amajuba District and DRDLR to resolve land claims.<br>➢ Land must be fully utilized, and more strides to be made in engaging stakeholders who own majority of the land.<br>➢ Creation of a municipal database for land within the jurisdiction. |
| most of the land are slow in responding to the requests of the municipality on land use.) | ➢ Develop a comprehensive Spatial Development Framework (SDF) in line with SPLUMA.<br>➢ Ensure that the SDF has a comprehensive Capital Investment Framework.<br>➢ Ensure that a Climate Change Strategy is developed.<br>➢ Ensure that the urban & rural LUMS policies are compliant and enhance development of the municipality.<br>➢ Ensure that the Disaster Management Strategy is comprehensive and addresses all areas of disaster within the jurisdiction and that it is responsive to the needs of the affected communities. ➢ Enhance capacitation of the department with skilled individuals.<br>➢ Ensure skills development within the unit. |

Table 4: Key challenges and Interventions

## A.6 DEVELOPMENT INTERVENTIONS

The Municipality has recognized crucial growth efforts in its Jurisdiction. The core purpose of these existing and projected actions is to resolve societal, financial, and structural difficulties. In the central zones, the primary intention is to revitalize Dannhauser Nodes to draw in investors.

## DANNHAUSER LOCAL MUNICIPALITY LONG-TERM VISION

### VISION

A trusted, and caring local municipality that promotes good governance, inclusive and sustainable development.

### MISSION

We are a united and trusted local municipality that prioritizes service delivery through co-operative governance and public participation.

### CORE VALUES

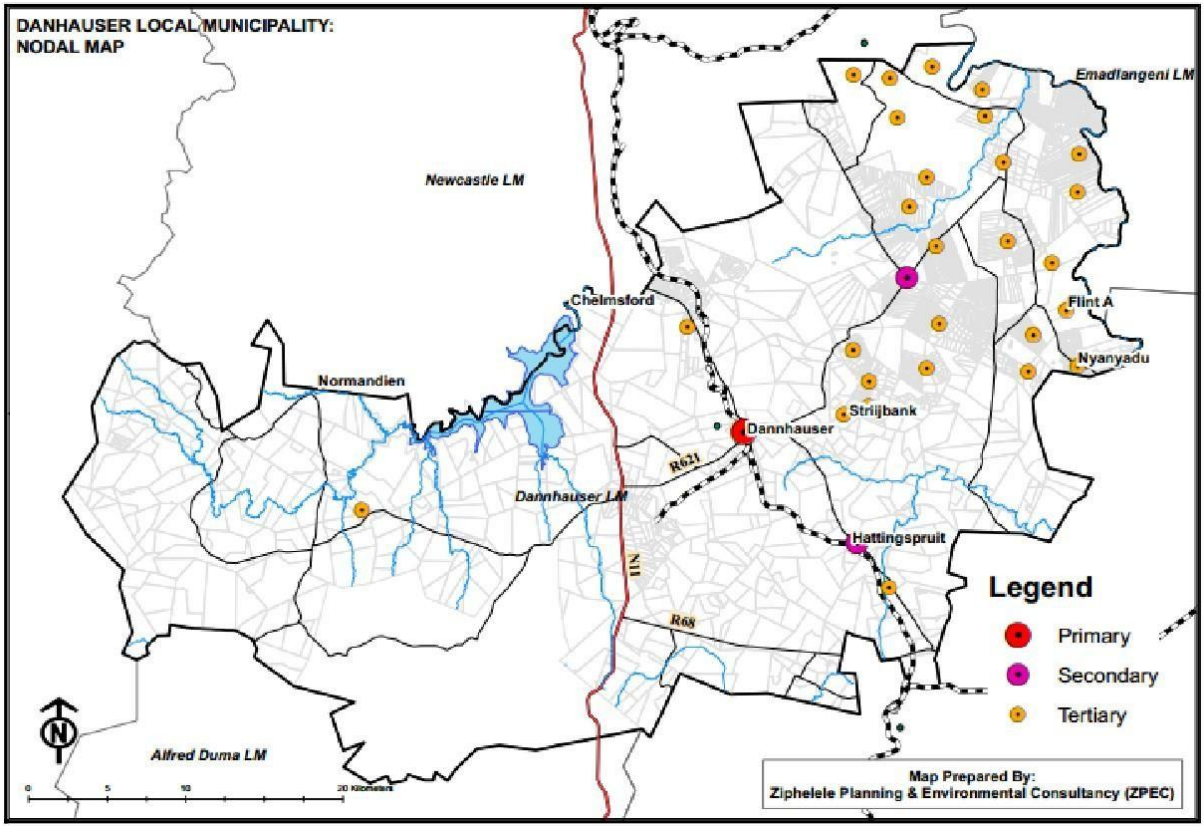
The municipality is planning on prioritizing the following for the 2026/2027 financial year:

- Establishment of sustainable income generating infrastructure projects.
- Job Creation
- Explore tourism withing the municipal area - Disaster risk assessments.
- Amakhosi to make land available for proposed developments in their areas of jurisdiction.
- Facilitation of a process of attraction of investors for anchor projects.

The Municipal goals are the necessary result that Dannhauser local municipality achieved through the short-term and long-term period. The alignment of goals as contained in the Spatial Development Framework, District Growth Development Plan, Provincial Growth Development Plan and National Development Plan.

The following are the short-term goals (2025/2026 Financial Year) that the municipality will strive to achieve:

- Assist and support Small Medium Enterprises
- Job creation
- Poverty alleviation
- Sports tournaments
- Storm and disaster controls
- Improvement of socio-economic structure




Map 3: Dannhauser Nodes

## IMPLEMENTATION OF THE IDP

In terms of Section 53 (1) (c) (ii) of the MFMA, the SDBIP is defined as a detailed plan approved by the mayor of a

municipality for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate the following:

(a) Projections for each month of –

(i) Revenue to be collected, by source & vote;

(ii) Operational and capital expenditure, by vote

(b) Service delivery targets and performance indicators for each quarter, and

(c) Other matters prescribed;

Being a management and implementation plan (not a policy proposal) the SDBIP is not required to be approved by the council. According to Section 53 of the MFMA, the Mayor is expected to approve the SDBIP within 28 days after the approval of the budget. This section requires that

the Mayor take all reasonable steps to ensure that the SDBIP is approved within 28 days. In addition, the Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are circulated or made public within 14 days after its approval.

**DDM ONE PLAN - CATALYTIC PROJECTS**

1. **BRIDGE CONSTRUCTION – CONSTRUCTION OF ROAD OVER RAIL BRIDGE.**
   The development proposal for a new motorway bridge and the extension of Old Cambrian Road. It will be extended to intersect the Extension Precinct area and join the R621 along the east boundary of the precinct area. This will help redirect the heavy-duty vehicles that currently transverse through the CBD area from the south of the town.
   **At this stage, preliminary costing completed.**
   **Project details:**
   **Project owner(s)/ Implementing entity. Dannhauser Local Municipality**

| | |
|---|---|
| **Project timeframe** | **18 Months** |
| **Project sector / industry** | **Economy** |
| **Proposed budget** | **R50 000 000.00** |
| **Stakeholders / Social Partners** | **Dannhauser LM, Dept of Trade Industry.** |
| **Project Location** | **Latitude: -28.014609**<br>**Longitude: 30.061744** |

| | |
|---|---|
| **Household that will benefit from this project** | **3000** |
| **People in the district/metro who will benefit from this project** | **1500** |
| **Women, youth, and persons with disabilities who will benefit for this project** | **350** |
| **Temporary or construction jobs that will be created by this project** | **650** |
| **Permanent jobs that will be created by this project** | **30** |

   **Beneficiary size (Level 3 community project specific)**

2. **INDUSTRIAL HUB – CONSTRUCTION OF INDUSTRIAL HUB/OFFICE PARK DEVELOPMENT.** The industrial park development within the precinct area is a strategic move by the municipality to stabilize and revitalize local industries. By creating a dedicated zone for industrial activity, the town can better support manufacturing,

logistics, and other production-based businesses that have been in decline. **Business proposal to be submitted and External investors proposal, advert to be circulated publicly for interested parties.**

**Project details:**

**Project owner(s)/ Implementing entity. Dannhauser Local Municipality**

| | |
|---|---|
| **Project timeframe** | **3 Years** |
| **Project sector / industry** | **Infrastructure** |
| **Proposed budget** | **R50 000 000.00** |
| **Stakeholders / Social Partners** | **Dannhauser LM, Dept of Trade Industry.** |
| **Project Location** | **Latitude: -28.016201**<br>**Longitude: 30.065983** |

| | |
|---|---|
| **Household that will benefit from this project** | **5000** |
| **People in the district/metro who will benefit from this project** | **350** |
| **Women, youth, and persons with disabilities who will benefit for this project** | **1000** |
| **Temporary or construction jobs that will be created by this project** | **1500** |
| **Permanent jobs that will be created by this project** | **45** |

**Beneficiary size (Level 3 community project specific)**

3. **TESTING STATION – REVAMPING OF TESTING STATION.**

Transforming the Dannhauser Testing station into efficient and customer-focused facility by upgrading physical facilities, testing equipment, and digital systems to meet national standards and improve service reliability. **At this point Design and Bill of quantity are completed.**

**Project details:**

**Project owner(s)/ Implementing entity. Dannhauser Local Municipality**

| | |
|---|---|
| **Project timeframe** | **1 Year** |
| **Project sector / industry** | **Infrastructure and Economy** |
| **Proposed budget** | **R16 000 000.00** |
| **Stakeholders / Social Partners** | **Dannhauser LM, Dept of Trade Industry.** |

| | |
|---|---|
| **Project Location** | **Latitude: -28.015308**<br>**Longitude: 30.065224** |
| **Household that will benefit from this project** | **10000** |
| **People in the district/metro who will benefit from this project** | **2500** |
| **Women, youth, and persons with disabilities who will benefit for this project** | **1500** |
| **Temporary or construction jobs that will be created by this project** | **150** |
| **Permanent jobs that will be created by this project** | **15** |
| **Beneficiary size (Level 3 community project specific)** | |

**CAPITAL PROJECTS**

| PROJECT NAME | WARD | DURATION OF THE PROJECT | BUDGET |
|---|---|---|---|
| Upgrade of Emafusini township urban roads in ward 2 | Ward 2 | 6 months | R 5 929 374.27 |
| Rehabilitation of Dannhauser urban roads in ward 2 | Ward 2 | 8 months | R 8 039 439.07 |
| Upgrade of Durnacol urban roads ward 2 | Ward 2 | 8 months | R 9 684 779.35 |
| Construction of Koppie Allen gravel access road ward 1 | Ward 1 | 6 months | R 5 400 598.04 |
| Construction of Ema-16 gravel road | Ward 3 | 6 months | R 2 000 000.00 |
| Construction of Nkanjeni Culvert | Ward 8 | 6 months | R 1 000 000.00 |

| | | | |
|---|---|---|---|
| Construction of Ekujabuleni access road | Ward 2 | 6 months | R 3 500 000.00 |
| Construction of Nkosibomvu causeway and gravel access road ward 6 | Ward 6 | 8 months | R 5 727 812.08 |
| Upgrade of Ramaphosa access roads in ward 3 phase 1 | Ward 3 | 6 months | R 5 382 290.40 |
| Construction of Mooi gravel road ward 13 | Ward 13 | 8 months | R7 166 387.11 |
| Construction of Empungolweni gravel road ward 7 | Ward 7 | 8 months | R 2 394 856.10 |
| Construction of community hall in ward 9 | Ward 9 | 8 months | R 5 662 962.00 |
| Construction of community hall in ward 10 | Ward 10 | 8 months | R 6 942 000.30 |
| Construction of Killkeel community hall ward 11 | Ward 11 | 8 months | R 6 088 587.51 |
| Construction of Mpungwini community hall ward 1 | Ward 1 | 8 months | R 6 106 319.83 |
| Construction of community hall in ward 6 | Ward 6 | 8 months | R 3 683 962.27 |
| Rural road phase 5 | Ward 5 | 6 months | R 4 126 738.20 |
| Rural road phase 5 | Ward 11 | 6 months | R 3 706 664.94 |
| Rural road phase 5 | Ward 12 | 6 months | R 3 465 242.68 |
| Rural road phase 5 | Ward 12 | 6 months | R 2 463 479.98 |

| | | | |
|---|---|---|---|
| Rural road phase 5 | Ward 8 | 6 months | R2 771 842.70 |
| Construction of Flint Community Hall | Ward 6 | 8 months | R7 051 457.04 |
| Construction of Hilltop Community Hall | Ward 7 | 8 months | R7 093 125.20 |
| Construction of Internal Roads Network in the Industrial Areas | Ward 2 | 12 months | R34 812 257.95 |
| Extension of Old Cambrian Road | Ward 2 | 12 months | R31 516 635.58 |
| Revitalization of Dannhauser Main Street | Ward 2 | 12 months | R 20,383,234.10 |
| Construction of Nguqunguqu Culvert Bridge | Ward 3 | 10 months | R13 789 796.80 |
| Construction of childcare facility | Ward 05 | 8 months | R2 000 000.00 |
| Construction of childcare facility | Ward 08 | 8 months | R2 000 000.00 |
| Construction of childcare facility | Ward 12 | 8 months | R2 000 000.00 |

## A.7 2025/2026 PERFORMANCE MEASUREMENT

The municipality has established and adopted the Performance Management framework and policy to measure, monitor and implement our progress, and thus the Framework and Policy is reviewed annually. We have detailed key Performance Indicators in support of the municipal development strategy, which is aligned with the goals, objectives and Integrated Development Plan to ensure consistency in measuring performance.

Individual performance is in the implementation phase as the municipality will be adopting the policy by the 30th of June 2025.

**2025/2026 Revised SDBIP**

| SDBIP NO | STRATEGIC OBJECTIVE | STRATEGY | INDICATOR | GOAL | ANNUAL TARGET |
|---|---|---|---|---|---|
| **KPA 1: Municipal Transformation and Institutional Development** | | | | | |
| **Back to Basics: Building institutional resilience and administrative capability** | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| MT 1 | Regular monitor and evaluate performance of the Service Providers rendered services on behalf of Dannhauser municipality | Outsourced services effectively managed | Number reports on monitored and evaluated performance assessment of the external Service Providers with signed SLA's | To ensure that all contracted Service Providers deliver efficient, reliable, and highquality services in line with municipal standards and community needs, through consistent monitoring, evaluation, and corrective interventions. | 12x Performance Assessment reports external Service Providers in the Year ending 30 June 2026 |
| MT 2 | To comply with WSP | Develop, legislative consult and LGSETA of the WSP and submission | Submission of the 26/27 WSP to | | Date of submission requirements adoption of 2026/27 WSP to LGSETA by |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | 30 April 2026 |
| MT 3 | | Implementation of WSP 2026/27 WSP | Number of training interventions offered | WSP | 2025/26 | | 5x 2025/26 training interventions offered in the year ending 30 June 2026 |
| MT 4 | Review and organogram | Adoption of organogram by council | Date of adoption of the 2026/27 organogram | | the 2026/27 2026/27 | adoption 2025/26 | Date of organogram organogram in the year ending 30 June 2026 |
| MT 5 | Implement 2025/26 organogram recruitment selection | Implementation of the posts in the and 30 June | Number of filled vacant posts year ending | | 2026 MT | Adequately, | 8x filled vacant Review and Number |
| 6 | implementation of the municipal policies | develop, review, municipal policies | adoption of Organisational municipal policies | and adopted | policies | municipal | adopt and adopted in the year ending 30 June 2026 |
| MT | Develop records | Developme | Date of adoption of | | | | Date of |

| | | | | | |
|---|---|---|---|---|---|
| 7 | system which in line with norms and strategy | management of records manageme nt strategy in the year ending 30 June 2026 | nt of record management strategy | 2026/27 adoption of manageme national archives | 2026/27 nt |
| MT 8 | | Developme nt of records procedure | 2026/27 records manual | Date of adoption procedure manual | Date of 2026/27 manual in the year ending 30 June 2026 |
| MT 9 | Adequately, the municipal policies | Review and develop, review, the ICT in | Date of adoption of strategy | 2026/27 of the ICT adoption of the ICT implementation of strategy | Date of adopt and strategy the year ending 30 June 2026 |
| MT 10 | | Review and adoption of | Date of 2026/27 adoption of the ICT | adoption of the ICT plan | plan the ICT plan in the year ending 30 June 2026 |
| MT 11 | To ensure a safe and secure properties managed services | Manage properties organisation | Number of municipal properties managed support system | municipal security municipality | 16x property of available through |
| MT | To facilitate the | Developme | 12 | provision of | nt of |

| | | | | | | |
|---|---|---|---|---|---|---|
| | integrated human settlement in-line with provincial and national norms and standards | Housing Sector Plan | | | | ort system in the year ending 30 June 2026 |
| | | | Date of adoption sector plan | Date of 2025/26 | Housing 2025/26 | Adoption of Housing Sector Plan by council in the year ending 30 June 2026 |

**KPA 2: Basic Service Delivery**

**Back to Basis: Delivering basic services**

| | | | | | | |
|---|---|---|---|---|---|---|
| BSD 1 | Provide, improve and maintain new | Construction of | | | | |
| | and existing infrastructure | Keelkeel Community Hall in ward 11 | av ail abl e su pp % Construction progress made on the Construction of Keelkeel community hall in ward 11 in the year ending 30 June 2026 | | | 100% constructio n progress made on the Constructio n of Keelkeel community hall in ward 11 in the year ending 30 June |

| | | | |
|---|---|---|---|
| | | | 2026 |
| BSD 2 | Construction of Empungwini Community Hall in ward 01 | % Construction progress made on the Construction of Empungwini community hall in ward 01 in the year ending 30 June 2026 | 30% construction progress made on the Construction of Empungwini community hall in ward 01 in the year ending 30 June 2026 |

| | | | |
|---|---|---|---|
| BSD 3 | Construction of Flint community hall in ward 06 | % Construction progress made on the Construction of Flint community hall in ward 06 in the year ending 30 June 2026 | 100% Construction progress made on the Construction of Flint community hall in ward 06 in the year ending 30 June 2026 |
| BSD 4 | Construction of Hilltop community hall in ward 07 | % Construction progress made on the Construction of Hilltop ward 07 in the year ending 30 June 2026 | constructio n progress made on the Constructio n of Hilltop community hall in ward 07 in the year ending 30 June 2026 |
| BSD 5 | Construction of ward 9 community | Percentage of construction of Ward 9 community Hall in | constructio n progress |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | the year ending 30 June 2025 | | | made on the Constructio n of community hall in ward 09 in the year ending 30 June 2026 |
| BSD 6 | To provide access infrastructure for households. | Provision of to electricity Infrastructur e to 100 households in ward 05 | Number of planning Electrical and detailed designs for construction of electricity infrastructure in ward 5 | | and | 1x planning and detailed designs for constructio n of electricity in ward 5 in the year ending 30 June 2026 |
| BSD 7 | | Provision of Electrical Infrastructur households | Number of electricity poles to be provided to households in ward poles to be provided to households in ward 10 | 10 | electricity to 100 10 ward 10 in | 30x provided to the year ending 30 June 2026 |
| BSD 8 | Provision of Infrastructur | Number of planning for construction of | 1x planning and detailed designs | | Electrical and | detailed |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | e to 100 households in ward 01 | electricity infrastructure in ward 1 | | | designs for constructio n of electricity in ward 1 in the year ending 30 June 2026 |
| BSD 9 | Electrical | and detailed designs | Provision of | and Infrastructur e to 100 households in ward 06 | Number of planning for construction of electricity infrastructure in ward 6 | detailed | 1x planning | designs for constructio n of electricity in ward 6 in the year ending 30 June 2026 |
| BSD | Provision of | Number of planning | 1x planning | 10 | Electrical and detailed designs and | | | |
| | | | | Infrastructur e to 100 households in ward 07 | for construction of electricity infrastructure in ward 7 | | | detailed designs for constructio n of electricity in ward 7 in the year ending 30 June 2026 |
| BSD | Provision of | Number of planning | 1x planning | 11 | Electrical and detailed designs and | | | |
| | | | | Infrastructur e to 100 | for construction of electricity | | | detailed designs for |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | households in ward 09 | infrastructure in ward 9 | | constructio n of electricity in ward 9 in the year ending 30 June 2026 |
| BSD 12 | Electrical | and detailed designs | Provision of and Infrastructur e to 100 households in ward 11 | Number of planning for construction of electricity infrastructure in ward 11 | detailed | 1x planning designs for constructio n of electricity in ward 11 in the year ending 30 June 2026 |
| BSD 13 | Electrical and detailed designs and | Provision of Infrastructur e to 100 households in ward 13 | Number of planning for construction of electricity infrastructure in ward 13 | 1x planning | | detailed designs for constructio n of electricity in ward 13 in the year ending 30 June 2026 |
| BSD 14 | | | Provision of 2x high of 2 high in ward 03 | Percentage of planned high mast light completion mast lights completed in Ward 03 | | 15% installations (2 units) mast lights |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | by 30 June 2026. |
| BSD 15 | Provide, improve and maintain new Urban Roads in ward 02 | Upgrading of Durnacol Urban Roads in ward 02 by 30 June 2026 | % Overall construction progress made on the Upgrading of Durnacol Urban Roads in ward 02 by 30 June 2026 | Overall constructio n progress | Overall infrastructure | 100% and existing Roads made on the Upgrading of Durnacol Urban Roads in ward 02 by 30 June 2026 |
| BSD 16 | | Upgrading of Vanjazi Gravel Access Road in ward 12 | % Overall construction progress made on the Upgrading Vanjazi Gravel Access Road in ward 12 by 30 June 2026 | Overall constructio n progress | | 100% |
| BSD 17 | | Upgrading of | % Overall construction progress made on the | Overall | | 100% |

| | | | | | |
|---|---|---|---|---|---|
| | Eastborne Access Gravel Road in ward 10 | Upgrading of Eastborne Access Gravel Road in ward 10 | | made on the constructio n progress | 10 by 30 June 2026 Upgrading of Eastborne Access Gravel Road in ward 10 by 30 June 2026 |
| BSD 18 | Upgrading of Culvert bridge in ward 07 | % Overall construction progress made on the Upgrading of Culvert constructio n progress | | made on the | 100% Overall bridge in ward 07 by 30 June 2026 Upgrading of Culvert bridge in ward 07 by 30 June 2026 |
| BSD 19 | Constructio n of Ward 8 Creche | % construction progress made on the construction of Creche in ward 08 | | | 20% constructio n progress made on the constructio n of Creche |

| | | | | |
|---|---|---|---|---|
| | | | | in ward 08 in the year ending 30 June 2026 |
| BSD 20 | Constructio n of Ward 5 Creche | % construction progress made on the construction of Creche in ward 05 | | 20% constructio n progress made on the constructio n of Creche in ward 05 in the year ending 30 June 2026 |
| BSD 21 | Constructio n of Ward 12 Creche | % construction progress made on the construction of Creche in ward 12 | | 20% constructio n progress made on the constructio n of Creche in ward 12 in the year ending 30 June 2026 |
| BSD 22 | Constructio n of Municipal Testing Grounds | percentage completion of testing centre in ward 2 | Completion | 15% of the Testing centre in |

| | | | | |
|---|---|---|---|---|
| | | | | ward 2 in the year ending 30 June 2026 |
| BSD 23 | To ensure safe and clean environment within Dannhauser Municipal Area | Regular provision of waste removal services as per approved municipal schedule in the year ending 30 June 2026 | Number of reports on waste removal within Dannhauser area | 4x reports on waste removal services provided as per approved municipal schedule in the year |
| BSD 24 | | Promote health and safe environment | Number of cleaning and awareness campaign conducted | 4x cleaning and awareness campaign conducted in the year ending 30 June 2026 |
| BSD 25 | Access to public information within the municipal area | Accessibility Management of library services. Provision of lending, | Number of reports on users accessing library services and computer services | 4x reports on users accessing computer |
| BSD 26 | | and internet services | Number of computer training programs conducted and monitored | 2x computer training programme conducted and |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | monitored in the year ending 30 June 2026 |
| BSD 27 | | | Number of reports on monitoring and management of materials and registered users | on monitoring lending library and | 4x reports on manageme nt of lending library materials and registered users in the year ending 30 June 2026 |
| BSD 28 | Provision of law enforcement/by-operations | Conduct multidisciplinary operations prevention roadblocks | Number of conducted stop and search and walk-about | search laws and crime conducted | 4x stop and search, visibility in the year ending 30 June 2026 |
| BSD 29 | To ensure the Implementation of animal astray within enforcement within the municipal | Animal Pound By-Law and the high Pound By-Law and municipal area astray jurisdiction | Number of reports on reducing the high rate | Enforcement the designated within the designated municipal area | 4x report on reducing the gazetted Animal Law of rate of its in the year ending 30 June 2026 |
| BSD | To respond on the | Disaster | Number of reports on | | 4x reports |

| | | | | |
|---|---|---|---|---|
| 30 | reported disaster reported assessment and on related incidents incidences assessmen<br>and the provision of relief to victims of disaster | managed effectively | responds to incidents of disaster | t and responds to incidents of disaster in the year ending 30 June 2026 |
| BSD 31 | To ensure safe and clean environment Free Basic households earning month that<br>removal) | Provision of registered indigent indigent Municipal Area received | Percentage of registered within Dannhauser (Waste earning<br>free basic services, including refuse removal | Services less than R5 000 per households 100% of less than R5 000 per month that received free basic services, including refuse removal, in the year ending 30 June 2026. |
| BSD 32 | To facilitate the integrated human with provincial and national norms and | To address provision of housing backlog in completed of Disaster/Re settlement in line line with Disaster/Relief lief shelters<br>natural Shelters in ward 1, 3, in the year disasters 4, 5, 6 & 8 ending 30 standards June 2026 | constructed & of 30 | Completion |
| BSD 33 | | Rural and urban | Preliminary planning and design studies for | Completion 1X |

| | | | | | |
|---|---|---|---|---|---|
| | | Housing Project: Implementation | the construction of disaster/relief shelters in all wards | | report on preliminary planning and design for 15 disaster/relief shelters in the year ending 30 June 2026 |
| BSD 34 | | | Number of project steering committee meetings conducted to facilitate and monitor implementation of six human settlement projects in wards 2, 3, 5, 9, 10, and 13 by 30 June 2026. | | Conduct 24x project steering committee meetings (average 4 per project) to monitor progress in six human settlement projects in the year ending 30 June 2026. |

**KPA 3: Local Economic Development**

**Back to Basics: Promoting Sound Financial Management**

| | | | | | |
|---|---|---|---|---|---|
| LED 1 | Implement comprehensive LED strategy for the growth of all economic sectors in | Ensuring LED programmes are implemente | Number of LED subcommittees' meetings held quarterly | | 4x LED subcommittees meeting in the year |

| | | | | |
|---|---|---|---|---|
| | Dannhauser municipal area | d, monitored, reviewed and evaluated. | Number of formal businesses issued with business licences in terms of business Act 71 of 1991 | ending 30 June 2026 |
| LED 2 | | | | 4x Businesses licenses issued to formal Businesses in terms Business Act 71 of 1991 in the year ending 30 June 2026. |
| LED 3 | | | Number of informal businesses issued with trading permits in terms of informal economic policy | 10x trading permits issued to informal businesses in the year ending 30 June 2026. |

| | | | |
|---|---|---|---|
| LED 4 | | Number of inspection reports on the implementation of SLP projects | Conduct 4x monitoring inspection reports of SLP implementation across all mines in Dannhauser in the year ending 30 June 2026 |
| LED 5 | | Number of quarterly progress reports produced to facilitate development of a milestone tracking | preand monitor the planning studies for shopping centre in Ward 2 through development |
| | | | 4x progress report on shopping centre in the year ending 30 June 2026 |
| LED Capacity building for related Development | Implement programs | Number of LED programs implemented for SMMES | 4x LED 6 local Economic Empowerment related programs implemented in the year ending 30 June 2026. |

| | | | | |
|---|---|---|---|---|
| LED 7 | To promote employment in through municipal June 2026 | To implement municipal created through the year | Number of jobs jobs to be EPWP programs | 570 EPWP opportunities and monitor EPWP created ending 30 and projects. program |
| LED 8 | Create job opportunities, safe & clean recycling at 30 | Implementation of waste in environment a landfill waste June 2026 | Number of recycled wastes in tonnage of recycle tonnage in site informal | 4x number the year & formal ending picker |

**KPA 4: Good Governance & Public Participation**

**Back to Basics: Promoting good governance, transparency and accountable**

| | | | | |
|---|---|---|---|---|
| GG 1 | To ensure progressive compliance with institutional and governance requirements | Budgeting | Date of Adoption of the 2025/26 Adjustment Budget by Council | Adoption of 2025/26 Adjustment Budget by Council by 28 February 2026 |
| GG 2 | | | Date of adoption of the 2026/27 draft Budget by Council | Date of adoption of the 2026/27 Draft Budget by Council 31 March 2025 |

| | | | |
|---|---|---|---|
| GG 3 | | Date of Approval of the 2026/27 Final Budget by Council | Approval of 2026/27 Final Budget by Council 31 May 2026 |
| GG 4 | Financial Reporting | Number of submitted Section 71 reports (including SCM/Expenditure/Revenue, reporting) to Mayor, National/Provincial Treasury BTO and council | Submission of 12 X Monthly Section 71 reports to Mayor and Provincial treasury, MPAC, Exco, within 10 working days after the end of the month in the year ending 30 June 2026 |
| GG 5 | | Date of submission of section 72 report to Mayor, National/Provincial Mayor MPAC and Council by MM | Date of submission of Sect 72 Report to treasury, Exco, BTO, the by 25 (2025/26) to Council January 2026 |
| GG | | Date of Submission of | Date of |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 6 | | | | 2024/25 Annual Financial Statements | | of 2024/25 to AG | submission AFS to AG by 31 Aug 2025 by 31 August 2025 |
| GG | Manageme nt | Date of Adoption of Indigent and Reviewed | | Adoption of 7 2026/27 households | nt of the Indigent and Reviewed 2026/27 Council | Updated the Indigent Policy by Updated | |
| GG 8 | To provide reasonable adequacy and systems | Manageme nt Verification | Asset Verification conducted | Number asset 2024/2025 assurance on the effectiveness of conducted internal control | | nt Review and performed | 1x and reviewed indigent Policy by Council in the year ending 30 June 2026 |
| GG 9 | To provide disaster prevention, co-ordinate and programs measures. | Effectively awareness programs preparedness | | Number of disaster awareness mitigation and awareness conducted co- programs ordinated on disaster and manageme in the year ending 30 June 2026 | | and provide co-ordinated monitored nt | 4x disaster |
| GG | Develop, review and | Review and | | Date and Adoption of | | | Date and |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 10 | adopt sector plans | adoption of management sector department | the manageme | the 2026/27 disaster plan by council | disaster 2026/27 | Adoption of nt sector | related to disaster plan | the manageme |
| | | | | | | | | nt sector plan by council in the year ending 30 June 2026 |
| GG 11 | | | Review, adoption of Integrated Waste Manageme nt Plan (IWMP) | Date of adoption for 2026/27 IWMP | | | | Date for adoption 2026/27 IWMP in the year ending 30 June 2026 |
| GG 12 | | | Review and adoption of the cemetery plan | Date of adoption 2026/27 of the cemetery plan | | | | Date for adoption cemetery plan in the year ending 30 June 2026 |

| | | | | |
|---|---|---|---|---|
| GG 13 | | Development and adoption environmental management plan | Date of adoption 2026/27 of the environmental management plan | Date for adoption environmental management plan in the year ending 30 June 2026 |
| GG 14 | | development, adoption and gazette of waste management by-laws | Date of adoption and gazette 2026/27 of the waste management by-laws | Date of adoption and gazette 2026/27 of the waste management by-laws in the year ending 30 June 2026 |
| GG 15 | Implementation of IGR framework | Implementation of Sukumasakhe Sukumasak Operation Sukumasak meetings he attended in the year ending 30 June 2026 | Number of Operation meetings attended he | 4x |
| GG 16 | | Co-ordinate and convene of the local forum disaster management advisory forum | Number of meetings of local disaster advisory forum meeting conducted | 4x local disaster advisory in the year ending 30 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | June 2026 |
| GG 17 | To direct traffic and improve safety and | Traffic Services ( drivers and and Exco in | Number of Traffic Services report submitted to Exco | services security learners, submitted to Portfolio | portfolio report to Portfolio | 4x traffic licensing) and |
| | | | | | | the year ending 30 June 2026 |
| GG 18 | To market the library resources and facilities to its maximum usage | library outreach s in local | programmes orientation and | library conducted during library week the year programme June 2026 | | ending 30 week program in schools and community |
| GG 19 | To ensure the functional of Audit reports and risk | ion of Risk reports | management Committee Plan | progress nt Action | progress and register submitted | Performance Manageme submitted and risk register in the year |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | ending 30 June 2026 |
| GG 20 | | Achieve Unqualified Audit Opinion | % implementation of the AGSA action plan | | 100% implementation of the 2024/2025 AGSA Action Plan in the year ending 30 June 2026 |
| GG 21 | To ensure progressive institutional and | Review and adoption of revised SDBIP | Date of review and adoption of revised SDBIP | compliance with 2025/26 | 2025/26 Date of revised SDBIP by 28 Feb 2026 |
| GG 22 | Monitorgovernance requirements the | performance assessments for the year ending 2025/2026 (MM & Directors) | GG 24 | year 2025/2026 | Develop, submission and adoption of 2026/27 SDBIP |
| GG 23 | | Adoption of Mid-year performance report for the financial | Number of assessments | 1x 2024/25 performance conducted | Performance assessments to be conducted in the year ending 30 June 2026 |

| | | | | | |
|---|---|---|---|---|---|
| Date of adoption of 2025/26 Mid-year Mid-year by council | 2025/26 Performance | Adoption of Report performance report by Council 25 January | Date of submission of Draft of the SDBIP to the Mayor Draft after adoption of the the Mayor | Submission the 2026/27 by MM within 14 days SDBIP to Draft 2026/2027 Budget and IDP Review | 2026 by MM within 14 days after approval of the Draft Budget and IDP Review in the year ending 30 June 2026 |
| GG 25 | | | Date of approval of 2026/27 Final SDBIP by the Mayor/Council | | Approval of 2026/27 Final SDBIP by Mayor/Council within 28 days after 2026/27 budget approval in the year ending 30 June 2026 |
| GG | | Adoption of | Date of Adoption of | | Date of |

| | | | | |
|---|---|---|---|---|
| 26 | | the 2024/25 Annual Report | the 2024/25 Draft Annual Report by Council | Adoption of the 2024/25 Draft Annual Report by Council in the year ending 30 June 2026 |
| GG | Date of Adoption of | Adoption of | 27 | the 2024/25 Oversight Report by Council | Oversight Report 2024/2025 by Council in the year ending 30 June 2026 |
| GG 28 | | | | Date of Adoption of the 2024/25 Final Annual Report by Council | Date of Adoption of the 2024/25 Final Annual Report by Council in the year ending 30 June 2026 |
| GG 29 | | Develop and | | Date of adoption of the 2026/27 Draft IDP | Date of adoption of |

| | | | | | |
|---|---|---|---|---|---|
| | | | adoption of the 2026/27 | 2026/27 IDP Draft IDP | by Council by 31 March 2026 |
| GG 30 | | | Date of Adoption of 2026/27 Final IDP by Council 31 May 2026 | | Date of adoption of 2026/27 Final IDP by Council in 31 May 2026 |
| GG 31 | Ensure a participative/consult ative, transparent and accountable governance | Effective Ward Committees System | Number of Ward Committee meetings conducted (ward 1-13) | | 156x Ward Committee meetings conducted (12x per ward) in the year ending 30 June 2026 |

| | | | | |
|---|---|---|---|---|
| GG 32 | | Ensure the existence and functionality of the public participation structures. | Number of IDP RF conducted | 2x IDP RF meetings conducted in the year ending 30 June 2026 |
| GG 33 | | | Number of IDP steering committee meeting conducted | 4x of IDP steering committee meeting conducted in the year ending 30 June 2026 |
| GG 34 | | | Number of MRRT meetings conducted | 4x MRRT meetings conducted in the year ending 30 June 2026 |
| GG 35 | | Improve the public participation and communicat ion | Number of ward constituency meetings conducted | 26x ward constituenc y and engageme nt meeting conducted processes in the year ending 30 June 2026 |
| GG 36 | To ensure the functional of Audit Committee | Functional of Audit and Performance Committee | Number of Audit and Performance Committee meeting co-ordinated | 4x AC meetings in the year ending 30 June 2026 |
| GG | Regular issued, | Communica | Number of media and | 4x media |

| | | | | | | |
|---|---|---|---|---|---|---|
| 37 | compile media and tion and statements by the release governance Municipality | communication statement communication media published and communica Municipality on statements tion matters of by the issued in | | | | statements the year ending 30 June 2026 |
| GG 38 | Implement Special Programmes as per and and Programme and IDP coordinated | Coordinate and Programmes Special s as per approved | Number of Special on Special approved implemented as per conducted plans and | Budget implement s Programme in the year structures | | 4x reports Coordinated approved plan and ending 30 June 2026 |
| GG 39 | Implementation of IGR framework | Coordinate and attendance of IGR Structures through stakeholder | Number of DDM Meetings coordinated and attended attended in invitation | the year from | ending 30 June 2026 s | 4x report DDM Meetings coordinated and |
| GG 40 | To ensure that the municipality has litigations attended to | Ensure compliance reports produced on the year South African laws legislations | Number of progress reports in zero litigations gains June 2026 and | | | 4x progress with all ending 30 |
| GG 41 | To ensure progressive the year institutional and | Implementat ion of the sitting as per reports in compliance with standing rules of ending 30 governance order | Number of councils | | approved schedule June 2026 | 4x progress |

| | | | | |
|---|---|---|---|---|
| GG 42 | | requirements | Number of EXCO sitting as per approved schedule | 12x of council sitting convened in the year ending 30 June 2026 |
| GG | Number of MPAC | | 12x EXCO 43 sitting held convened | in the year ending 30 June 2026 |
| GG 44 | | | Number of Technical, Community, Corporate, Planning & Economic Development and Budget & Treasury Office sitting as per approved schedule | 4x MPAC convened in the year ending 30 June 2026 |
| GG 45 | | Adequately implementation of the compliance | Number of monitoring and maintenance reports produced on and policy and the municipal fleet vehicles | 4x of monitoring maintenance reports produced on the 30 municipal fleet vehicles in the year ending 30 June 2026 |

| | | | | |
|---|---|---|---|---|
| GG 46 | Implementation of OHS in line with regulations | Number of Roll-out OHS programs conducted | | 4x Roll-out OHS programs conducted in the year ending 30 June 2026 |
| GG 47 | Provision of administration support and | Number of reports on administrative and governance support to council | | 4x reports on administrative support provided to municipal council in the year ending in 30 June 2026 |
| GG 48 | Rural and urban Housing Project: Implementation | Number of housing forum meetings held quartely | | 4x housing forum meetings held in the year ending 30 June 2026 |

**KPA 5: Cross Cutting**

**Back to Basis: Delivering Basic Services**

| | | | | |
|---|---|---|---|---|
| CC 1 | Maintenance of public areas & cemeteries | Greening & Gardening in municipal | | and public areas |

| | | | | | | |
|---|---|---|---|---|---|---|
| CC 2 | To regularly provide effective services to Community in create environment | landfill site (disposal site) clean and safe monthly | Compliant the maintained | Number of reports on of waste capped in compliance the landfill site licence | 4x reports waste tonnages capped in with Dannhauser LM | in the year ending 30 June 2026 |
| | Number of reports on municipal Public open public space and cemeteries | on maintained amneties, parks and areas and cemeteries | public | | | Dannhauser LM landfill site in the year ending 30 June 2026 |
| CC 3 | To ensure that the Spatial Development Framework is aligned with LUMS | Effective Monitoring & Evaluation Implementation of Spatial Planning | SDF prepared and ending 30 | Adoption of the reviewed 2025/2026 SDF by council of Review by Developme June 2026. | nt and Town | Date of Adoption of 2025/26 Council by the year |

**KPA 6: Municipal Financial Viability and Management**

**Back to Basics: Ensuring sound financial management and accounting**

| | | | | | | |
|---|---|---|---|---|---|---|
| MFV 1 | To improve expenditure against | Departmental budget spent on operational al spent on monitoring | % of departmental spent within | department control/Regular approved budget | actually operational | 100% of budget |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | departmental dept budget budget in | budget budget to curb | against irregular | approved | expenditure | | the year ending 30 June 2026 |
| MF V 2 | Manage and effect proper by reducing UIFWE | Effect proper control budget and financial processes which minimise UIFWE | Number of Quarterly reports on irregular, fruitless and unauthorized Irregular, other expenditure | | Fruitless | | 4 x Quarterly Reports On and unauthorized Expenditure in the year ending 30 June 2026 |
| MF V 3 | Municipality's Budget spent on | Municipality's Budget budgeted | the WSP | % of budget spent on spending of spent on Workplace Skills Plan | | actually | 100% the Skills Plan amount on WSP in the year ending 30 June 2026 |
| MF V 4 | To effectively manage financial conditional grants | Effective management of grant dependent | % of the grants spent Grants projects | | budget in | | Spend 100% of the Monthly |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | the year ending 30 JUNE 2026 |
| MFV 5 | To improve expenditure control/ departmental irregular | Enhanced municipal revenue collected and budget collected budget to curb ion | % of budgeted revenue collected budget to curb implementat | | regular monitoring | budgeting by 30 June | 95% of revenue 2026 |
| MFV 6 | expenditure | | Number of Supply Chain Management reports prepared and submitted to Mayor & | PT | Reports | | 4XSupply Chain Manageme nt Quarterly prepared and submitted Mayor & PT by 30 June 2026 |
| MFV 7 | | | % of Capital budget spent | | | | 100% Capital budget spent by 30 June 2026 |
| MFV 8 | | | Percentage of outstanding debtors to to revenue MFMA Circular 71. | g debtors revenue ratio | | | Outstandin as per ratio <0.5 (50%) by 30 June 2026. |
| MF | | | % of Debt Coverage | | | | Debt |

| | | | | | |
|---|---|---|---|---|---|
| V 9 | | | | Ratio, as per MFMA Circular 71 | coverage ratio maintained at greater than 1 for the year ending 30 June 2026. |
| MF | Cash coverage ratio | Cash coverage ratio maintained as per MFMA Circular 71 | V 10 | | maintained at greater than 1 month for the year ending 30 June 2026, as per MFMA Circular 71." |
| MF V 11 | | | | Current ratio maintained aas per MFMA Circular 71 | Current ratio maintained between 1.5:1 and 2:1 by 30 June 2026. |

## MUNICIPAL REPORTS

### FINANCIAL PLAN

The approach adopted in the development of the long-term financing plan for this project involved relevant research, interviews and an analysis of relevant documentation to ascertain institutional, service delivery, infrastructure and financial challenges impacting the performance and service delivery imperatives of the Municipality.

### ANNUAL REPORTS

# SECTION B: PLANNING AND DEVELOPMENT OF PRINCIPLES AND GOVERNMENT POLICIES AND IMPERATIVES

## SUSTAINABLE DEVELOPMENT GOALS (SDG's)

The Sustainable Development Goals were adopted by all United Nations members in 2015, creating 17 world Sustainable Development Goals. The aim of these global goals is "peace and prosperity for people and the planet" while tackling climate change and working to preserve oceans and forests.

| **SUSTAINABLE DEVELOPMENT GOALS (SDGS)** | **MUNICIPAL INTEVENTION** |
|---|---|
| Sustainable cities and communities | SDF Review |

| | |
|---|---|
| Work and Economic Growth | Job creations through EPWP and CWP programs |
| Quality education | The municipality is assisting top 10 students with Tertiary education fees. |
| No poverty and Zero Hunger | The municipality has ward based/ upliftment programs to alleviate such. |
| Affordable and clean Energy | Introduction to the Free basic Electricity programmes |
| Gender Equality | The municipality and an Employment and Equity Plan that is reviewed and adopted yearly. |

Table 7: SDGs and Municipal interventions

## NATIONAL DEVELOPMENT PLAN

The National Development Plan introduces the long-term vision for the future development of South Africa. It is a country wide strategy intended to eliminate poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems. It also acknowledges the spatial inefficiencies that characterizes existing settlements and commits the national government to developing national policy framework to address these abnormalities. The objectives of the NDP includes;

- improving education;
- training and innovation;
- economy and employment;
- environmental sustainability and resilience;
- inclusive rural economy;
- transforming human settlements;
- provision of health care for all;
- social protection;
- building safer communities;
- fighting corruption; and economic infrastructure.

The NDP requires the plans of the municipality to respond directly to the area specific issued.

**Table 17: alignment with the NDP**

| NATIONAL DEVELOPMENT PLAN | MUNICIPAL INTEVERNTION |
|---|---|
| To create 11 million jobs by 2030 by | Through EPWP job creations |
| To raise per capital Income from R50 000 in 2027 to R120 000 | By increasing rates collections norms |
| To Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent | National |
| Establish a competitive base of infrastructure, human resources, and regulatory frameworks | By prioritizing infrastructure projects |
| Ensure that skilled, technical, professional, and managerial posts better reflect the country's racial, gender and disability makeup | The municipality has an Employment Equity Plan which is reviewed and implemented annually. |
| Broaden ownership of assets to historically disadvantaged groups | |

Table 8:NDP and Municipal Inteventions

The municipality has aligned itself with the ADGDP 2030, and has adopted the following as per table

| NDP GOALS | PGDS GOALS | DGDS | DANNHAUSER LED STRATEGY GOALS | OUTPUTS/ PROJECTS | CATALYTIC PROJECTS |
|---|---|---|---|---|---|
| Job Creation | Job Creation | Job creation - Developing community partnerships – EPWP & Cooperatives | Reduction in rate of unemployment in Dannhauser | With the implementation of this strategy and projects identified, it is assumed that it will create temporary jobs and permanent jobs over the next 5 years. | Agroprocessing Industrial Sewing, Blo making, RASET Bakeries |
| Human Resource Development | Human Resource Development | Developing the District into a Leather Processing Hub | Implement marketable skills development programs Baking, Food Processing, Furniture, Sewing, Blocks | Capacitate 150 people over the next five years | Skills programs & Learnership leather, agr processing |

| | | | | | |
|---|---|---|---|---|---|
| Improving the quality of education, training, and innovation | Human and Community Development | Implementing special programs for vulnerable communities | Enhance sustainable household food security | Implement 10 poverty alleviation projects over the next five years Communal Gardens, Capacity | Provision o inputs, equipment capacity for food production |

| NDP GOALS | PGDS GOALS | DGDS | DANNHAUSER LED STRATEGY GOALS | OUTPUTS/ PROJECTS | CATALYTIC PROJECTS |
|---|---|---|---|---|---|
| | | | | building on innovative farming methods | |
| Improving Economic Infrastructure | Strategic infrastructure | Developing the rural economic infrastructure | Increased availability of economic infrastructure for PDIs in the local towns | Develop funding proposals for economic infrastructure at various sites | Mini factori & Stalls |
| Transition to a low carbon economy | Environmental sustainability | Developing sustainable development & Climate change mitigation | Increased resilience to climate change | Support renewable energy and drought resilience projects on an annual basis | Climate Change partnership water tanks boreholes, natural springs, efficient wa use educa promotion multi-crop |
| | | | Alternative energy generation | Support 2 alternative energy projects over the next 5 years | |

| | | | | | |
|---|---|---|---|---|---|
| Governance and Policy | Governance and Policy | Good governance | Strong participation of business and NGOs in policy and program | Facilitate annual LED Forum meetings | Forums |
| NDP GOALS | PGDS GOALS | DGDS | DANNHAUSER LED STRATEGY GOALS development for LED | OUTPUTS/ PROJECTS | CATALYTIC PROJECTS |
| Reversing the spatial effects of apartheid | **Spatial equity** | **Agrarian Revolution & sustainable land reform** | **Develop sustainable small-scale farming operations** | **Support 50 emerging farmers annually** | Radical Agrarian Socio-Economic Transforma Program t |

## STATE OF PROVINCIAL ADDRESS

The State of the Nation Address reflects a decisive national shift towards infrastructure-led growth, energy reform, and institutional restructuring, which collectively reconfigure South Africa's spatial development logic. The emphasis on large-scale public infrastructure investment (exceeding R1 trillion) and the unlocking of private sector participation in energy, rail and port systems signals a transition towards corridor-driven economic structuring and logistics efficiency as primary spatial drivers.

This is reinforced by reforms to freight rail access, port concessions and high-speed rail planning, which collectively prioritise national connectivity networks and export-oriented corridors over dispersed, low-productivity spaces. Concurrently, energy system restructuring—particularly the diversification into renewable energy and grid expansion—implies a decentralisation of energy production nodes, enabling new spatial opportunities in previously marginal regions.

However, the persistent crisis in water infrastructure and local government functionality highlights a structural constraint: spatial transformation is increasingly contingent on institutional capacity and infrastructure maintenance at municipal level, with national government signalling direct intervention where local systems fail.

Within the context of Dannhauser Local Municipality, these national priorities necessitate a strategic realignment away from dispersed rural development towards corridor-anchored and node-focused structuring. This reinforces the prioritisation of the N11 as a primary economic spine, with the R621 functioning as a secondary structuring corridor, concentrating investment, movement and economic activity along these axes.

This implies a shift towards strengthening Dannhauser Town as the primary service and economic node, while rationalising growth in secondary nodes such as Durnacol and Hattingspruit to support corridor-based development. The national focus on logistics efficiency and infrastructure investment necessitates targeted infrastructure upgrading along these corridors, rather than continued diffuse servicing of scattered rural settlements.

Furthermore, the emphasis on energy reform and infrastructure investment implies opportunities for localised renewable energy integration and infrastructure-led economic stimulation, particularly in areas with existing grid

access. However, the explicit national recognition of municipal dysfunction necessitates a parallel focus on institutional strengthening and service delivery consolidation, implying that spatial expansion beyond existing serviceable footprints should be constrained. Overall, the SONA reinforces a spatial logic of concentration, connectivity and infrastructure prioritisation, necessitating that Dannhauser's SDF align with a model of selective investment, corridor intensification, and managed rural restructuring.

## STATE OF PROVINCIAL ADDRESS

The KwaZulu-Natal State of the Province Address (2026) signals a strong provincial emphasis on infrastructure-led recovery, logistics competitiveness, service delivery stabilisation, and rural economic inclusion, which collectively reinforce a spatial development model centred on corridor intensification and nodal consolidation within the provincial system. The prioritisation of transport and logistics—particularly the strengthening of the Durban–Free State–Gauteng freight axis and improvements to provincial road networks—indicates a continued shift towards strategic corridor investment as the backbone of regional economic growth, while concurrent investments in water, energy resilience, and social infrastructure highlight the need to stabilise foundational service systems as a prerequisite for spatial transformation.

The province's focus on agricultural development, township and rural economies, and industrial revitalisation further reflects a dual spatial agenda: leveraging high-growth corridors while attempting to integrate lagging rural regions into productive value chains. However, persistent governance and municipal capacity constraints—particularly in infrastructure maintenance, financial management, and service delivery—underscore a critical limitation: spatial restructuring is contingent on institutional effectiveness at local level, with provincial intervention increasingly positioned as a corrective mechanism.

Within the Dannhauser Local Municipality context, these provincial priorities necessitate a clear alignment with corridor-based structuring and selective nodal investment, rather than diffuse rural expansion.

This reinforces the prioritisation of the N11 corridor as a strategic linkage to the broader provincial freight and logistics system, with the R621 functioning as a key internal structuring route supporting agricultural and local economic activity. This implies a shift towards consolidating growth within Dannhauser Town as the primary node, while strategically supporting secondary nodes such as Durnacol and Hattingspruit in relation to corridor access and service viability.

The provincial emphasis on agriculture and rural development necessitates the targeted development of productive rural zones linked to these corridors,

rather than the continued servicing of fragmented, low-density settlements. Simultaneously, the strong focus on infrastructure rehabilitation and service delivery stabilisation implies that capital investment should prioritise bulk infrastructure upgrading and maintenance within existing service footprints, limiting outward expansion.

Furthermore, the province's drive for economic diversification and smallscale enterprise development suggests opportunities for corridor-linked agro-processing and logistics support functions within the municipality. Overall, the SOPA reinforces a spatial logic of connectivity, consolidation, and infrastructure-first development, implying that Dannhauser's SDF should prioritise corridor intensification, nodal strengthening, and disciplined infrastructure-led growth aligned to provincial investment trajectories.

## KWA-ZULU NATAL PROVINCIAL AND GROWTH DEVELOPMENT STRATEGY (PGDS)

The Revised 2016 KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS) bolsters the province's commitment to achieving the vision of KwaZulu-Natal (KZN) as a "Prosperous Province with a healthy, secure and skilled population, living in dignity and harmony, acting as a gateway to Africa and the world". The plan recognises that environmental vulnerability, social need and economic development are not evenly distributed, and spatial disparities will always exist due to the spatial distribution of natural resources, historical imperatives and cultural factors.

The PGDS provides a long-term vision for KZN, presenting the situational overview along with the strategic analysis of the province. This strategy focuses on sustainable growth and development through addressing social, economic, environmental, infrastructural, governance and spatial issues. The strategy is built on seven strategic goals (inclusive economic growth, human resource development, human and community development, environmental sustainability, infrastructure development, governance and policy and spatial equity) along with thirty-one objectives, of which new amendments of strategies have occurred such as to enhance spatial economic development, waste management capacity and expand the application of green technologies to achieving this.

### Alignment with PGDS

| PGDS GOALS | MUNICIPAL INTERVENTION |
|---|---|
| Environmental Sustainability | Helping households plant trees |
| Human and Community Development | Construction and Maintenance of rural access roads<br>Budgeting for Ward upliftment projects |

| | |
|---|---|
| Human Resources Development | Skills development programs<br>Review and implementation of the WSP. |
| Governance and Policy | Annual Municipal Policy reviews Efficient WSP implementation |
| Spatial equity | Year reviewal of the SDF |
| Inclusive Economic Growth | Ward upliftment projects<br>Implementing EPWP<br>Development of Agricultural sectors |

Table: 11 PGDS Goals and Municipal Interventions

## PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS)

PSEDS sets where government directs its investment and development initiatives, capitalise on complementarities, facilitate consistent, focused decision making, bring about strategic co-ordination, interaction and alignment. The strategy recognizes the agriculture, tourism, manufacturing and service sectors as the four key drivers of the KZN economy. The focus areas of the strategy are then mapped out showing the areas of highest existing and future development potential for each of the four-key economic drivers of the economy.

## PROVINCIAL GROWTH AND DEVELOPMENT PLAN (PGDP)

The Provincial Growth and Development Plan (PGDP) is the implementation framework for the PDGS and therefore has the same strategic goals. The plan develops a theory of change for the implementation of the PGDS outlining broad actions to be undertaken and performance indicators. The PGDP framework has Action Working groups (AWGs) which are platforms for stakeholders to participate in the ongoing refinement and implementation of the PGDP. The first generation of the PGDP was first adopted in August 2012, later updated in 2015 and recently been revised 2018.

This encompasses the monitoring, evaluation, reporting and review of components and brings together all the relevant key indicators, targets and interventions required to achieve the strategic objectives. The PGDP is a strategic management tool for the province to ensure that it is a concerted and measured effort to achieve the 2035 Vision, which the province of KwaZulu-Natal is planned to maximize its position as a gateway to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment. The main purpose of this PGDP is to translate the PGDS into an implementation plan which will provide a sound platform for departmental, sectoral and stakeholder annual performance planning and therefore to guide resource allocation.

In this transition from strategy to plan, the focus is on driving implementation in a coordinated and integrated manner, where progress can be measured against predetermined targets and where roles and responsibilities have been confirmed within established lines of accountability. The PGDP clearly indicates:

- The desired 2035 outcomes in the 7 goals and 31 objectives, with a focus on 2020;
- A set of indicators that will be applied to measure the progress being made to achieve the desired outcomes;
- The targets and the KZN growth path for 2020, 2025, 2030 and 2035 in respect of each of the indicators;
- The strategic interventions required to achieve the set targets;
- The catalytic projects in support of the PGDP Goals;
- The institutional framework for the implementation of the PGDP;
- The monitoring, evaluation, reporting and review framework of the plan; and
- Technical indicator descriptors.

## AMAJUBA DISTRICT GROWTH DEVELOPMENT PLAN 2030 (ADGDP)

The District Growth and Development Plan is a relatively new approach to address economic development at a local level. The plan takes its lead from the Provincial Planning Commission in stating that employment equity and other measures of redress should continue and be made more effective by focusing on the environments in which capabilities are developed. The objectives of the Amajuba DGDP are:

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

The Amajuba DGDP is not intended to be 'inventory' development plan for the district, but will rather focus on a limited but strategic, high-impact, fast-track interventions that can act as catalysts for accelerated and shared growth. Therefore, the 5-Year Strategic

Programme as outlined in the Integrated Development Plan and the associated sector plans, and the other district or local municipal planning and service delivery instruments will continue along-side and align with the Amajuba DGDP. The Amajuba DGDP will therefore serve as a district translation and an implementation framework for the PDGS. One of the economic targets from DGDP is for employment within the district economy of Amajuba to increase from 2010 baseline of 159 258 people employed to 180 000 in 2020; and 220 000 people employed in 2030. This target goes hand in hand with increasing the GDP per Capita within the district economy of Amajuba from 2010 baseline of R 27,347 per capita to R 35, 690 in 2020; and R48,000 in 2030. This is doubling of GDP Per Capita as per the National Development Plan. The district must focus on the creation of employment through unleashing agricultural potential, tourism, enhancing industrial development through investment into the key productive sectors of manufacturing, tourism, transport and logistics, the green economy and service sectors, expansion of government-led job creation programmes, promoting SMME and entrepreneurial development and developing the knowledge base to enhance the knowledge economy.

In accordance with the above, the municipality through its strategic areas of economic and social development and growth has further aligned itself with the Millennium Developmental Goals which are still privy to addressing matters, these are:

- Halving extreme poverty and hunger.
- Achieving universal primary education.
- Promoting gender-equality.
- Reducing under-five mortality by two-thirds.
- Reducing maternal mortality by three-quarters.
- Reversing the spread of HIV / AIDS, malaria, and TB.
- Ensuring environmental sustainability; and

Developing a global partnership for development with targets for aid, trade, and debt relief.

## BACK TO BASICS

The key performance areas for all municipalities and also adopted by Dannhauser, are as follows;

- Put people and their concerns first and ensure constant contact with communities through effective public participation platforms.
- Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for, and delivery of infrastructure and amenities, maintenance, and upkeep, including the budgeting

to do this. Municipalities must ensure that there are no failures in services and where there are, restore them with urgency.

- Be well governed and demonstrate good governance and administration - cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability.
- Ensure sound financial management and accounting, and prudently manage resources to sustainably deliver services and bring development to communities; and
- Build and maintain sound institutional and administrative capabilities administered and managed by dedicated and skilled personnel at all

The Dannhauser Local Municipality has enforced the following Back to basics campaigns and are not limited to:

- Implementation of the EPWP programs Waste Management, grass cutting and Parks maintenance
- Road rehabilitation: Area based Potholes, maintenance of sidewalks, cleaning of storm water channels
- Clean up campaigns and special operations Illegal Dumping, Grass cutting, removal of illegal connections, fixing dysfunctional streetlights

## AMAJUBA DISTRICT DEVELOPMENT MODEL

The DDM is a practical Intergovernmental Relations (IGR) mechanism to enable all three spheres of government to work together, with communities and stakeholders in order to plan, budget and implement efficiently and effectively. The District Development Model (DDM) is based on the following Objectives:

- Solve the Silos at a horizontal level and vertical level;
- Maximize impact and align plans and resources at our disposal through the development of One District, One Plan and One Budget;
- Narrow the distance between people and government by strengthening the coordination role and capacities at the district and city levels;
- Ensure inclusivity by gender budgeting based on the needs and aspirations of our people and communities at a local level;
- Build government capacities support to Municipalities;
- Strengthen monitoring and evaluation at District and Local Levels;

- Implement a balanced approach towards development between urban and rural areas; • Ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment and equality; and
- Exercise oversight over budget and projects in an accountable and transparent manner.

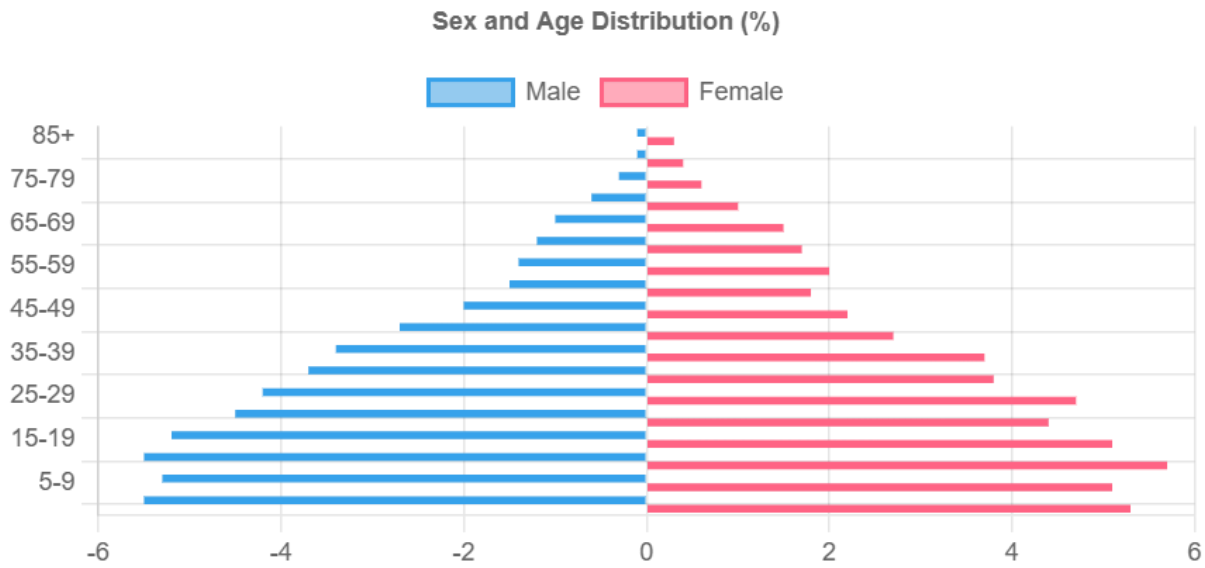
# SECTION C:
# SITUATIONAL ANALYSIS



## SECTION C: SITUATIONAL ANALYSIS C1 DEMOGRAPHIC CHARACTERISTICS

Statistics South Africa has released the 2022 Community Survey results. This information was used to analyze the trends in demographic and social economic profiles. The 2011 and the Census 2016 as well as the 2022 Community survey data was then used to compare trends and patterns within the municipality. According to Statistics South Africa 2022 Dannhauser Local Municipality population is approximately 142 750.

### Sex and Age Distribution




Graph 1:Source- Statistics SA, Census 2022

The population pyramid above depicts a young population age structure which is characterized by high dependency ratio. The pyramid indicates that it is broad- based with high population of children such picture depicts high fertility. With the picture presented above, it is imperative that planning in this LM should prioritize interventions that invest in children-wellbeing in doing so, the bigger picture is to catch-up with demographic dividend. The investment to children incorporates high quality education, Early Childhood Development, nutrition, healthcare programmes/services. Nevertheless, the Municipality also represents a high population of youth. Having indicated this, the Municipality should ensure that planning incorporates all age cohorts with emphasis on health care services,



sexual reproductive health and rights, employment opportunities for economic active group, business opportunities, education services, and recreation and sports services.

Programmes and plans that promotes gender equality are also imperative in planning. Investing in economic active age group is also a highest priority to strive the balance and ensuring that the LM also cater for the needs of youth, retain them, this encompass; education, economic/employment opportunities, health services including sexual reproductive health and rights services, sports, and recreation services.

All interventions must consider the importance of gender mainstreaming in their implementation.

## DEMOGRAPHIC DIVIDEND

The ward-level age and gender files show a municipality with a broad labour-force base but still a young dependency burden. Across the municipality, approximately 61.8% of the population falls in the 15–64 working-age group, 32.5% is 0–14, and 5.7% is 65+. That is broadly consistent with the draft Dannhauser IDP's finding that the municipality is dominated by younger age groups and has a high dependency ratio.

*Census 2022, Ward Estimates*

| Ward 2022 | | WARD 1 | WARD 2 | WARD 3 | WARD 4 | WARD 5 | WARD 6 | WARD 7 | |
|---|---|---|---|---|---|---|---|---|---|
| | **0 - 4** | 1374 | 784 | 1032 | 1219 | 835 | 1246 | 1041 | |
| | **5 - 9** | 1286 | 732 | 982 | 1061 | 871 | 1190 | 1140 | |
| | **10 - 14** | 1336 | 906 | 1016 | 1218 | 946 | 1254 | 1146 | |
| | **15 - 19** | 1215 | 976 | 937 | 1152 | 848 | 1162 | 1008 | |
| | **20 - 24** | 1114 | 1004 | 918 | 923 | 768 | 950 | 837 | |
| | **25 - 29** | 1194 | 987 | 853 | 875 | 690 | 849 | 887 | |

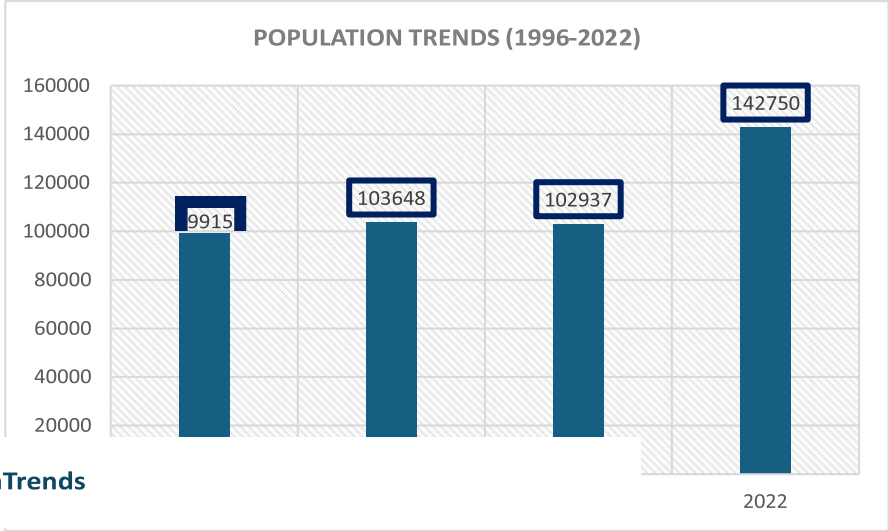
| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **30 - 34** | 1052 | 917 | 772 | 769 | 573 | 770 | 771 | |
| | **35 - 39** | 1010 | 796 | 737 | 709 | 555 | 617 | 701 | |

**Table 1: Age Structure Per Ward**



| GENDER COHORT | WARD 1 | WARD 2 | WARD 3 | WARD 4 | WARD 5 | WARD 6 | WARD 7 | WARD 8 |
|---|---|---|---|---|---|---|---|---|
| MALE | 6264 | 4806 | 4787 | 5113 | 3935 | 5128 | 4869 | 5709 |
| FEMALE | 6454 | 5400 | 5006 | 5394 | 4250 | 5395 | 5180 | 6055 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **40 - 44** | 746 | 623 | 571 | 581 | 411 | 558 | 519 | |
| | **45 - 49** | 619 | 484 | 426 | 378 | 352 | 404 | 436 | |
| | **50 - 54** | 447 | 437 | 391 | 361 | 293 | 307 | 313 | |
| | **55 - 59** | 425 | 488 | 375 | 340 | 269 | 350 | 322 | |
| | **60 - 64** | 339 | 384 | 270 | 288 | 254 | 259 | 293 | |
| | **65 - 69** | 274 | 314 | 228 | 254 | 203 | 223 | 266 | |
| | **70 - 74** | 143 | 166 | 138 | 147 | 138 | 167 | 150 | |
| | **75 - 79** | 60 | 128 | 79 | 98 | 89 | 91 | 122 | |
| | **80 - 84** | 46 | 31 | 42 | 88 | 48 | 74 | 52 | |
| | **85+** | 37 | 48 | 27 | 44 | 40 | 53 | 45 | |




**Graph 1: PopulationTrends**

The population trend for Dannhauser Local Municipality shows a non-linear growth trajectory, with modest increases between 1996 (±99,156) and 2001 (±103,648), followed by relative stagnation or slight decline by 2011 (±102,937), and then a sharp increase to approximately 142,750 by 2022. This pattern is critical to interpret correctly. The stagnation between 2001 and 2011 likely reflects outmigration pressures, weak local economic absorption, and limited structural growth, consistent with the municipality's role as a labour-sending area within the broader Amajuba District Municipality.

The significant increase by 2022, however, does not automatically signal strong endogenous economic growth; rather, it may reflect a combination of natural population growth, household consolidation, boundary/data changes, or return migration dynamics, particularly in a context of constrained urban opportunities elsewhere. This creates a critical spatial contradiction: population is growing faster than the local economy's capacity to absorb it, reinforcing pressure on land, services, and infrastructure systems. From an SDF perspective, this trend demands a highly controlled and strategic spatial response.

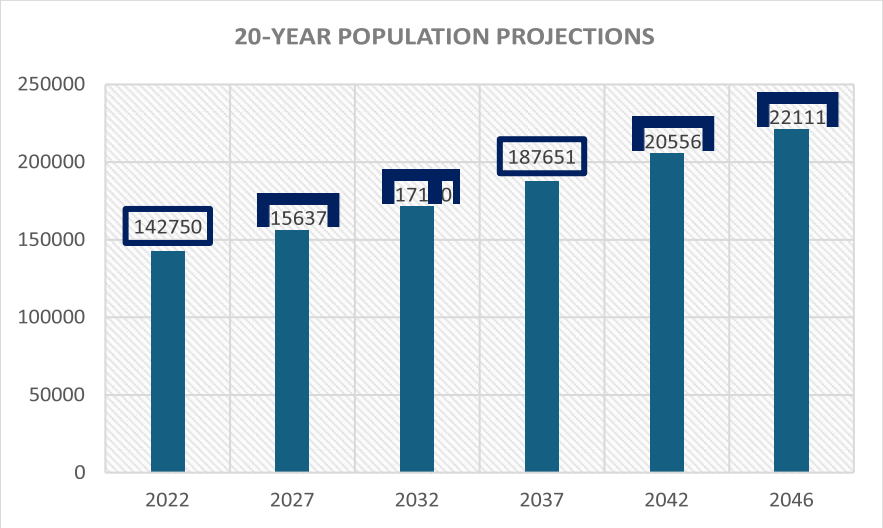
First, the municipality must shift from passive accommodation of population growth to active spatial structuring, ensuring that new population is directed toward existing nodes such as Dannhauser town, Durnacol, and key service centres, rather than allowing continued dispersed rural expansion. Second, the sharp recent population increase

intensifies the urgency of bulk infrastructure prioritisation, particularly water, sanitation, electricity, and road access in high-growth areas, but this must be sequenced spatially to avoid unsustainable service extension.

Third, the divergence between population growth and economic performance reinforces the need to align demographic growth with economic corridors, especially along the N11 and R621, where access and investment potential are highest. Fourth, settlement planning must anticipate increasing demand for housing, social facilities, and local economic opportunities, but these should be concentrated to achieve threshold and efficiency.

Finally, the SDF must explicitly manage the risk that continued population growth without spatial discipline will entrench low-density sprawl, rising service costs, and deepening poverty, and instead leverage this growth to support nodal consolidation, densification, and corridor-based development that can underpin a more resilient and efficient municipal spatial form.

## Population Projections




**Graph 2: Population Projections**

The population projections of the DLM have been determined using the Compound Annual Growth Rate of the municipality since 1996, which remains at 1.84%. Using this figure, the population trends can thus be determined for the next 20 years.
The 20-year population projections for Dannhauser Local Municipality indicate a consistent and sustained growth trajectory, with the population expected to increase from approximately 142,750 in 2022 to about 221,115 by 2046. This represents an increase of

roughly 55% over the projection period, translating into steady incremental growth across each five-year interval.

Unlike the historical trend, which showed periods of stagnation and fluctuation, the projection suggests a structurally expanding population base, likely driven by a combination of natural population growth and continued demographic momentum from the existing youthful population structure.

Critically, this growth is not aligned with evidence of strong local economic expansion, reinforcing the risk that population increase will outpace employment creation, infrastructure capacity, and service delivery systems. This creates a high-probability scenario of intensifying pressure on land, housing, bulk infrastructure, and social services, particularly in already stressed and spatially inefficient settlement patterns. If unmanaged, this trajectory will entrench low-density expansion, increase service delivery costs, and deepen socioeconomic vulnerability, especially in rural and peripheral areas.

From an SDF perspective, these projections fundamentally shift the planning paradigm from reactive to anticipatory. The municipality must plan for scale, not marginal growth. First, all future population growth must be spatially channelled into a defined hierarchy of nodes, led by Dannhauser town as the primary growth centre, supported by Durnacol and other secondary service nodes, thereby avoiding uncontrolled outward expansion. Second, the projected increase justifies a long-term bulk infrastructure investment framework, but one that is spatially targeted—prioritising high-growth nodes and corridors rather than extending networks indiscriminately.

Third, the growth trajectory reinforces the need to align settlement expansion with economic structuring, particularly along the N11 and R621 corridors, ensuring that population concentration supports labour access, logistics efficiency, and investment viability. Fourth, land use management must proactively designate future residential expansion zones, mixed-use areas, and densification corridors, preventing informal and fragmented development patterns. Finally, the scale of projected growth necessitates embedding phased development controls (short, medium, long term) within the SDF, ensuring that infrastructure, housing, and economic opportunities are synchronised with demographic expansion, thereby transforming population growth from a liability into a structured driver of spatial efficiency and economic resilience.

## Ward-Level Population

Ward-level population is not evenly distributed. Based on the uploaded ward estimates, Ward 9 is the largest concentration point, accounting for about 12.7% of the municipal population, followed by Wards 1, 8, 10, 6, and 4. These wards are the clearest short- to medium-term pressure points for social services, local mobility, and infrastructure demand. At the opposite end, Ward 5 is the smallest population base, followed by Ward

13. The implication is that the SDF should not spread infrastructure investment uniformly across all wards; it should differentiate between high-pressure wards and lowdensity support areas.

The age structure also varies materially across wards. Ward 2 has the strongest working-age profile, with nearly 69.5% of its population in the 15–64 bracket, suggesting a relatively stronger labour-force concentration and greater potential to support nodebased service and economic functions. By contrast, Wards 6 and 9 have notably heavier child dependency burdens, with roughly 35% of residents under 15. That does not automatically make them growth nodes; it signals that these wards carry a high current and future burden for schools, clinics, local transport, and household support systems.

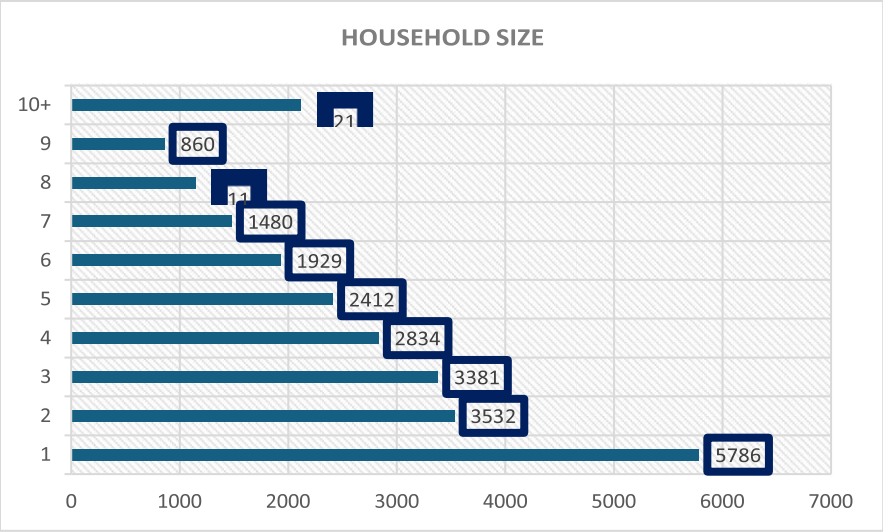
Gender balance is consistently female-skewed across all wards. Sex ratios range from roughly 89 males per 100 females in Ward 2 to about 97 in Ward 1. This is consistent with the wider municipal pattern recorded in the IDP. Spatially, that matters because female-

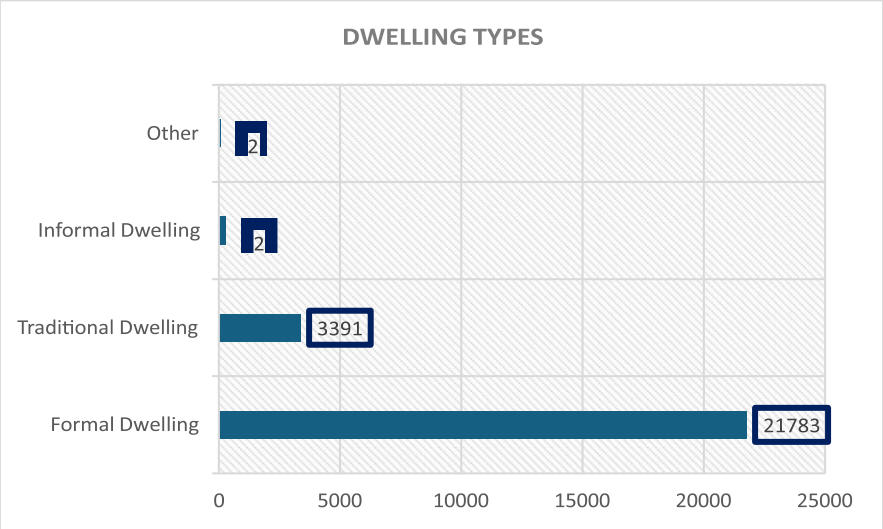
majority household systems often correlate with income vulnerability, care burdens, and greater dependence on proximate services rather than long-distance access. **Spatial implication for the SDF:** The demographic pattern justifies a differentiated settlement strategy. High-population wards should be treated as priority intervention spaces for social infrastructure and infrastructure maintenance, while wards with relatively high working-age concentrations should be prioritised for employment access, small-scale enterprise support, and transport linkage strengthening. The SDF should not plan as if all wards have equal growth pressure.

## Household Structure, Dwelling Typologies and Tenure Patterns

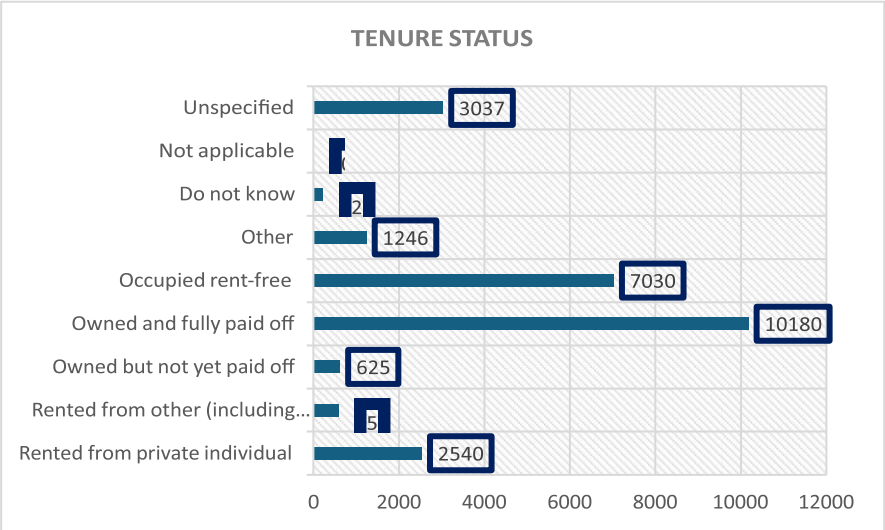
The dwelling and tenure profile shows a municipality that is neither highly informal nor fully urbanised. Formal dwellings account for roughly **85.5%** of recorded households, traditional dwellings **13.3%**, informal dwellings only **1.1%**, and other forms are negligible. This is critical. The main spatial problem is **not** classic metropolitan-scale informal settlement expansion. It is the persistence of a dispersed formal-traditional settlement system, much of it outside compact urban form.

**Graph 3: H**




**Graph 4: Dwelling Types**




**Graph 5: Tenure Status**

*Source: Census 2022*

Tenure reinforces this. About 40.0% of households are owned and fully paid off, 27.6% are occupied rent-free, and only about 12.3% fall into formal rental categories. That is a low-mobility, low-turnover land and housing structure. It suggests that much of the municipal settlement pattern is socially embedded rather than market-led. The SDF therefore cannot assume that restructuring will occur through normal private property market dynamics. It will require public investment, land-use management, service targeting, and targeted rural settlement management.

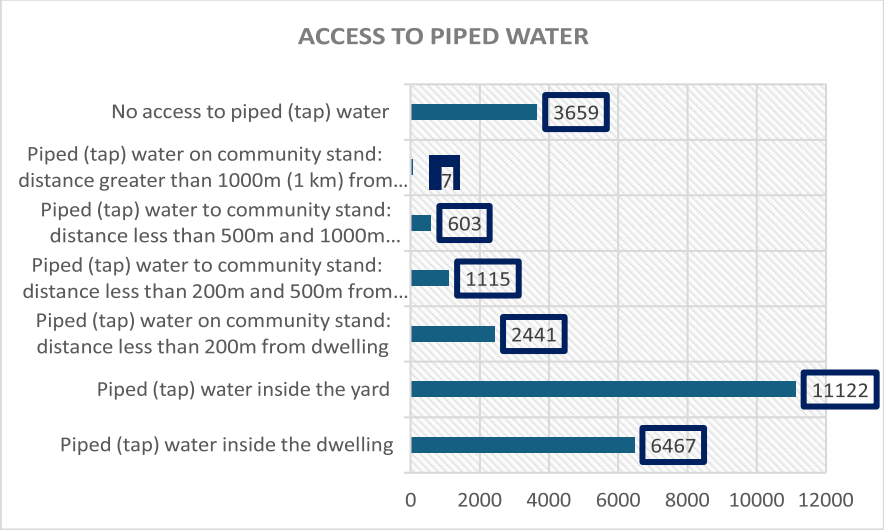
Household size is also important. One-person households are the single largest category at 22.7%, but the overall profile is still heavy in medium and large households, with 8.3% of households recording 10 or more members. The uploaded distribution implies an average household size of roughly 4.2 persons, while the draft Dannhauser IDP notes an increase from 5.0 in 2011 to 5.6 in 2022. Either way, the planning message is the same: household pressure remains significant, and large-family accommodation remains spatially relevant.

The RDP file is weaker because of a large, unspecified component, but it still suggests that only about 12% of households are clearly recorded as living in subsidised dwellings. That means the municipality's housing challenge is not merely delivery volume; it is also upgrading, servicing, and directing growth into more efficient locations. **Spatial implication for the SDF:** The SDF should treat Dannhauser as a municipality with a dispersed, largely permanent settlement footprint rather than a rapidly formalising urban market. Planning emphasis should therefore fall on consolidation, infill in or near existing

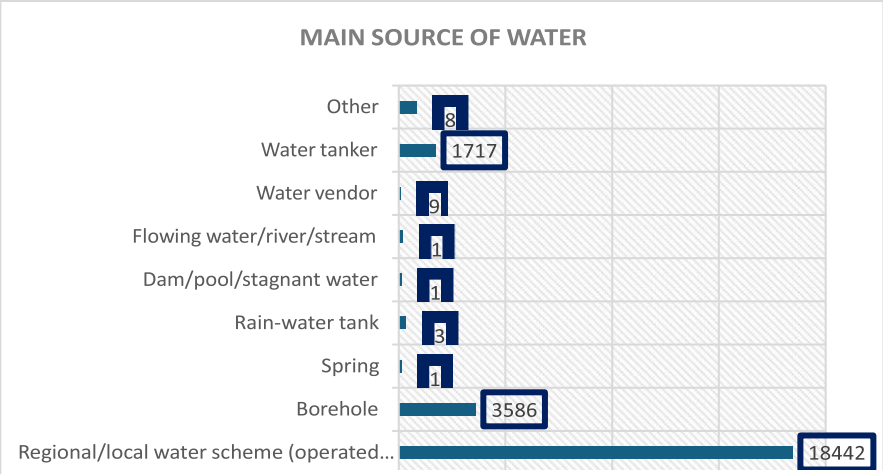
serviceable settlements, and preventing further low-efficiency outward spread of residential growth into infrastructure-expensive areas.

## 1.1 Basic Services, Infrastructure Access and Backlog Geography

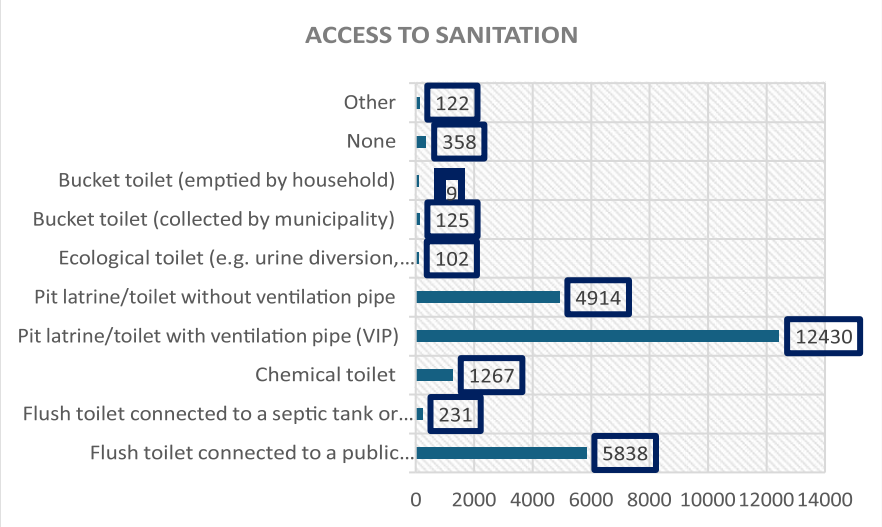
The services profile is the clearest warning signal in the dataset. Piped water access is mixed. About 25.4% of households have piped water inside the dwelling, 43.7% have it inside the yard, and 14.4% report no access to piped water. A further share depends on community standpipes at varying distances. This aligns with existing municipal evidence that parts of Dannhauser continue to face water vulnerability and that major bulk water interventions remain necessary. Planned projects in the Amajuba IDP include emergency bulk water to Ramaphosa, Hilltop and Skobhareni, sanitation infill works across Wards 1–13, and major upgrades to the Durnacol regional supply system.



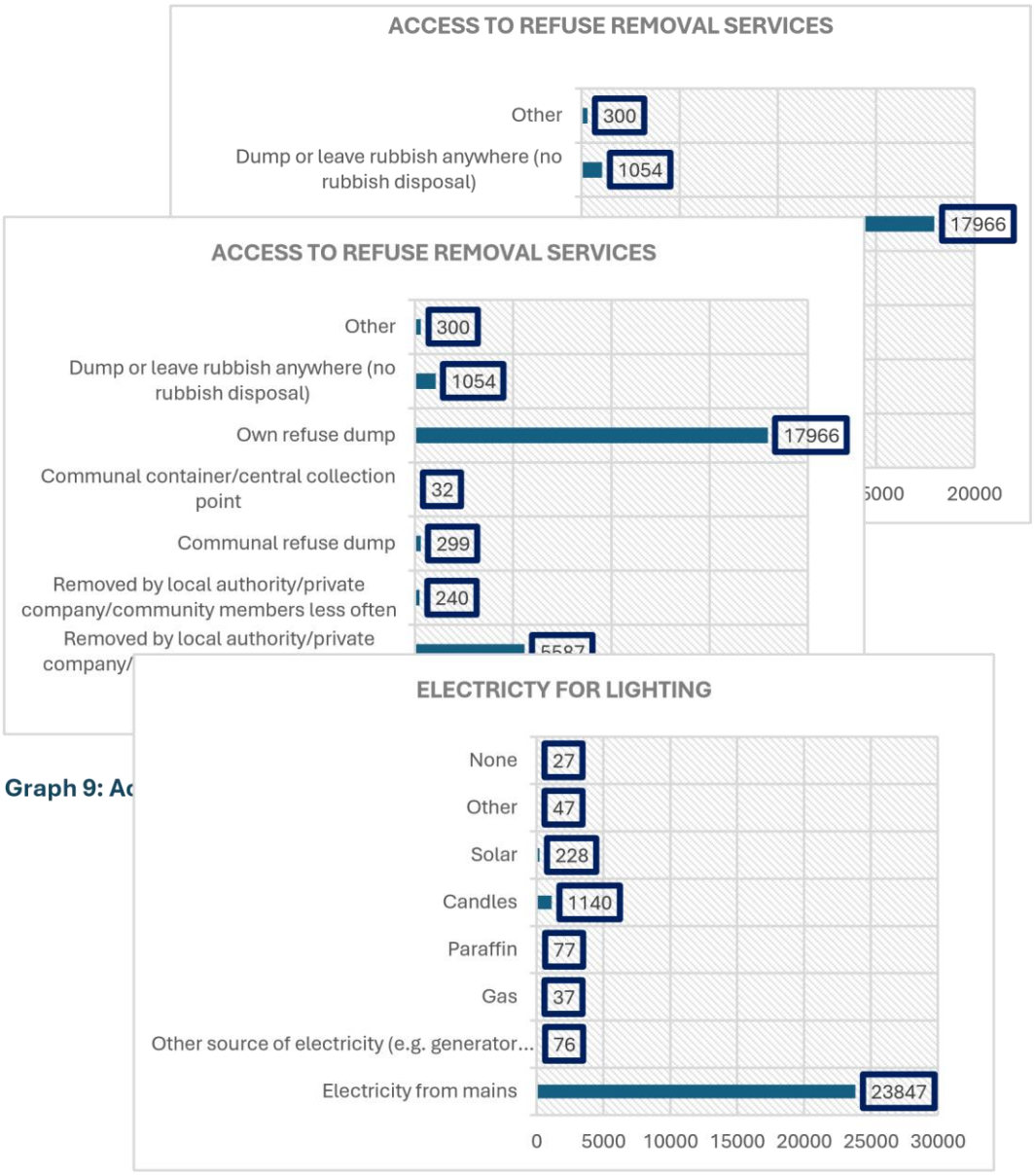

**Graph 6: Access to Piped Water**




**Graph 7: Main Source of Water**




**Graph 8: Access to Sanitation**




**Graph 9: Ac**

**Graph 11: Electricity for Lighting**

Sanitation is even more structurally revealing. Only 22.9% of households use a flush toilet connected to public sewerage, while 48.8% rely on VIPs and 19.3% use pit latrines without ventilation. That means more than two-thirds of households remain outside full waterborne sanitation. Existing IDP material already records a strong sanitation backlog and planned VIP infill interventions across rural wards. The planning implication is blunt: dispersed growth is worsening the cost and complexity of sanitation provision.

Refuse removal remains highly uneven. The uploaded Census 2022 file shows only 21.9% of households receiving at least weekly removal, while 70.5% rely on their own refuse dump and 4.1% dump or leave rubbish anywhere. The draft Dannhauser IDP

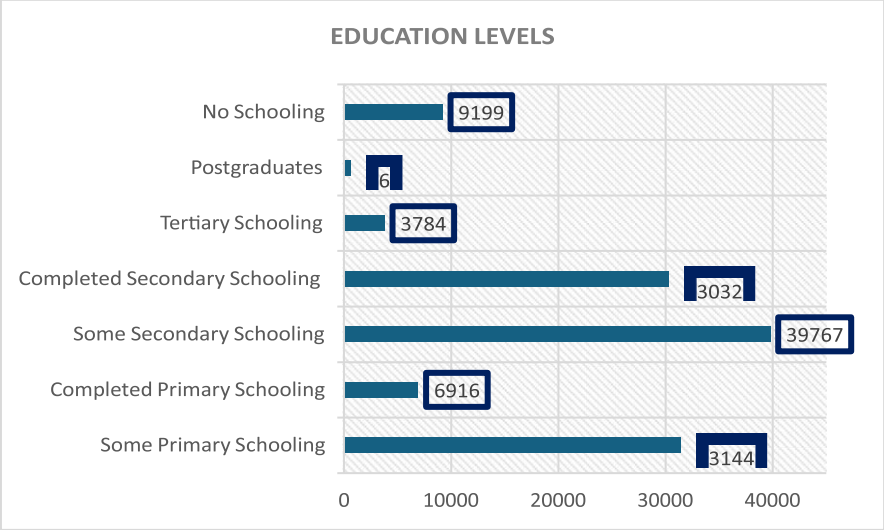
provides ward-level solid waste evidence: Ward 2 is by far the strongest serviced area, with 2,150 households receiving weekly removal, while most other wards remain overwhelmingly dependent on own dumps.

Existing planning documents have long identified weekly refuse coverage as low because of rural dispersion. This is not a minor environmental issue; it is a direct indicator of fragmented service geography.
Electricity presents a more positive but still differentiated picture. For lighting, 93.6% of households use mains electricity.

For cooking, however, reliance falls to 71.7%, with gas at 14.8% and coal at 6.9%. Thus, electrification access is relatively strong, but energy poverty persists in functional terms: many households are connected yet still do not rely on electricity for energyintensive domestic use.
**Spatial implication for the SDF:** The SDF should explicitly sequence infrastructure investment into existing higher-order settlements and identifiable high-pressure wards, rather than normalising universal outward service spread. Water and sanitation must be tied to settlement consolidation. Refuse removal should be extended selectively through clustered rural collection systems and transfer points, not by accepting permanent service inefficiency as the norm.

## Education Levels and Human Capital Structure

Education levels reveal a municipality with a weak post-school profile. Matric is the single largest qualification category at about 21.2%, which is important because it indicates a real secondary-school completion base. But only about 2.0% of residents appear to hold diploma-or-degree qualifications at post-school level, and there is still a meaningful no-schooling cohort of about 4.7%. This broadly supports the Amajuba LED finding that Dannhauser lags better-performing centres such as Newcastle in higher education attainment.




**Graph 12: Education Levels**

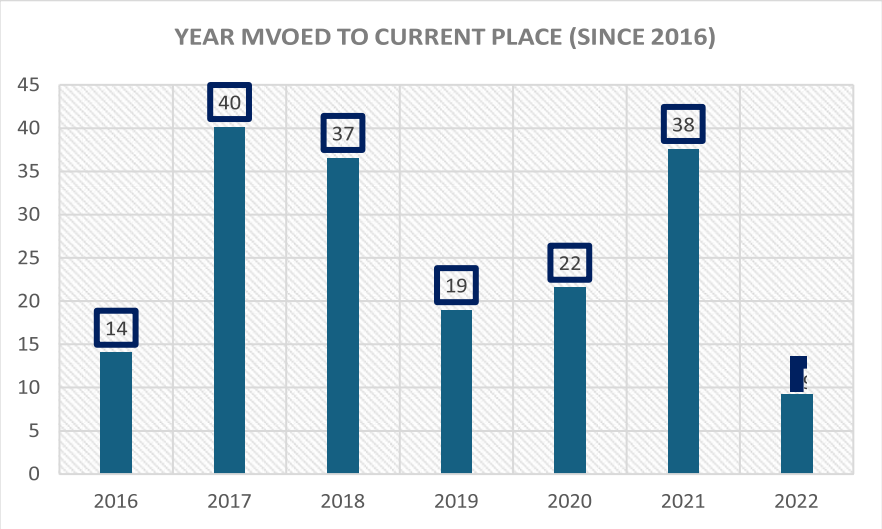
The spatial meaning is straightforward. Dannhauser does not currently possess the human capital base to support a broad high-skill urban economy across the entire municipal area. That does not mean the local economy is static; it means the SDF should be realistic about which nodes can carry what kinds of development. Higherorder service, education, logistics, agro-processing, and public-sector functions should be concentrated where access and agglomeration are strongest, rather than dispersed thinly across the settlement field.

The absence of tertiary education facilities in Dannhauser, noted in the SDF, sharpens this challenge. Residents must rely on Newcastle, Dundee, and Ladysmith for higher education access. That increases commuting or out-migration pressure, especially among younger cohorts.
**Spatial implication for the SDF:** The SDF should support a hierarchy in which Dannhauser town and linked higher-order nodes function as education-access and skills-support anchors, while rural settlements are planned primarily around service accessibility rather than aspirational but unsustainable local institutional duplication.

## Migration, Mobility and Settlement Change

Migration data confirms that Dannhauser remains a relatively low-mobility municipality. The province-of-birth data shows about **96.3%** of residents were born in KwaZulu-Natal, and the previous-residence file shows 97.0% last resided in KwaZulu-Natal. Gauteng is the only significant external province in either dataset, but even then the shares are modest.

The “main reason for moving” file is dominated by non-applicable cases, which itself is telling: most residents have not recently relocated. Among movers, the strongest reasons are new dwelling for household and moving closer to spouse/family, with work and education reasons present but smaller.



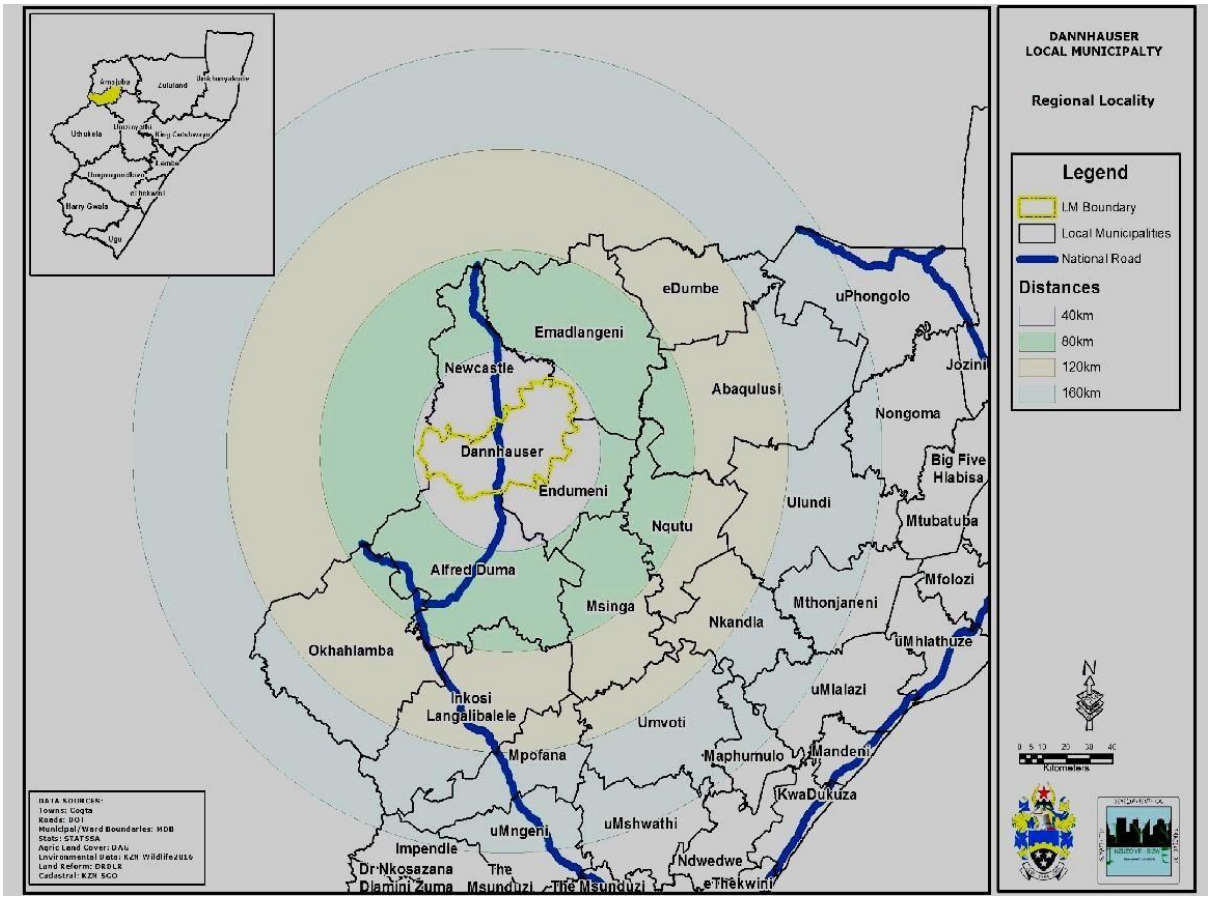

**Graph 13: Year Moved to Current Place**

## SPATIAL ANALYSIS

### REGIONAL CONTEXT

Dannhauser Local Municipality falls within Amajuba District Municipality in the province of KwaZulu-Natal. Named after Renier Dannhauser, a prominent farmer and German settler who purchased farms in the area in 1872 (Wikipedia), the municipality is predominantly rural, Dannhauser municipality occupying approximately 1 516km$^2$ or 22% of the geographical size and accounting for 21% of the district’s population. It has a total of 13 Wards and 58 settlement areas with varying population densities. The district is peripherally located when viewed at a national and provincial scale, however it is well connected and enjoys a relatively high level of accessibility within its spatial and

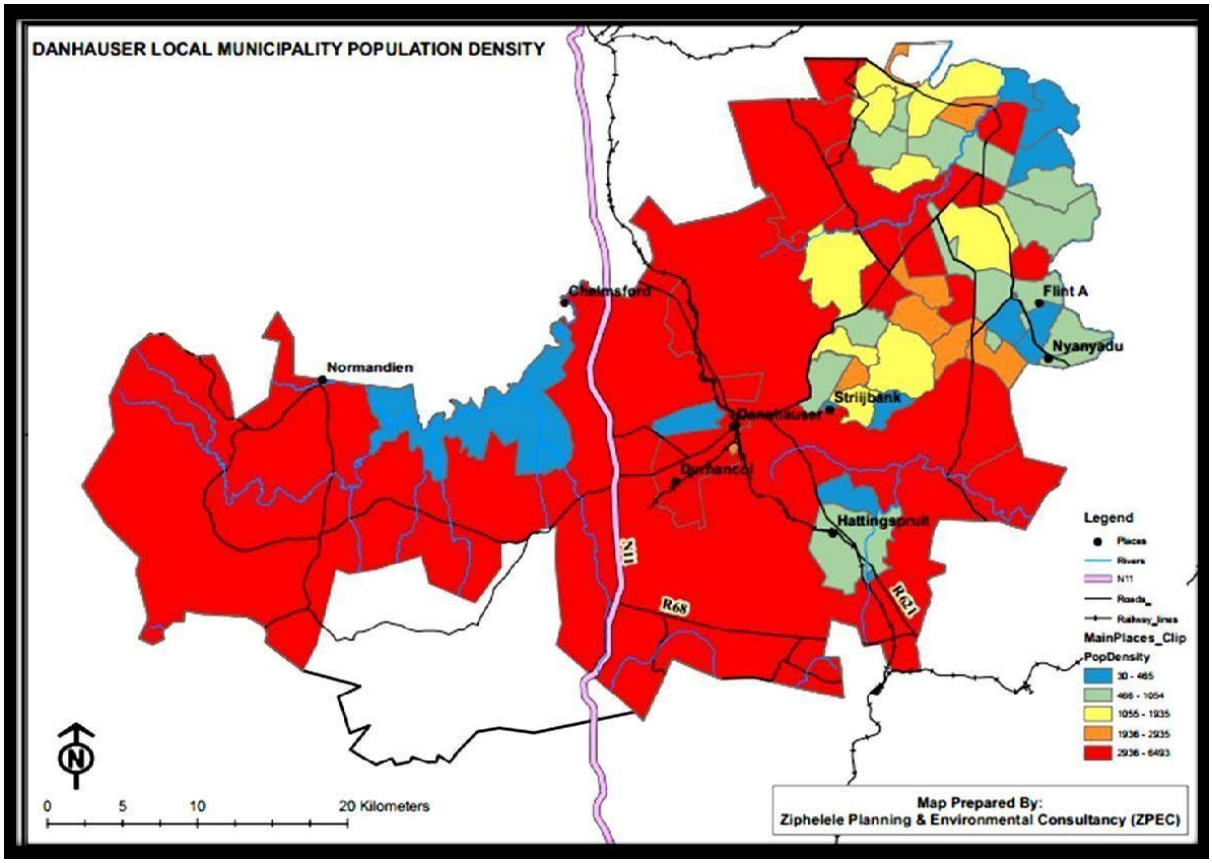
economic functional region. SDF.2024/2025 refers to Dannhauser' s location within the regional context.




Map 4:Regional context

## DISTRIBUTION OF POPULATION

Dannhauser Local Municipality is largely dispersed in its distribution of population, this is due to its rural nature. The population densities are highest in Tribal Authority Council areas situated within the north-eastern portion of the municipal area and Dannhauser Town. The other towns that exist in the municipal jurisdiction with noticeable populations are Hattingspruit, Inverness, Kilgethe, Kilpbank, Milford, Normandien, Nyanyadu, Rutland Ntendeka and Witteklip. The Urban population is 7 436 while the non-Urban population is 97 905. The north-eastern corner of Dannhauser municipal area is largely land under traditional council authorities which are mainly Nyanyadu Community Authority and Ubuhlebmzinyathi Traditional Council are traditional council authorities. The map below represents the population density patterns within the municipal jurisdiction.




Map 5: Population Density

## ADMINISTRATIVE ENTITIES

Dannhauser municipality is divided into thirteen (13) electoral wards. The population of the municipality is unevenly distributed across these wards. Wards 1, 7, 8, 9 are the most populated with 14271, 16579, 12361 and 12131 people respectively while wards 3 and 5 have the least population figures. The north-eastern portion of the Dannhauser municipal area is largely land under the administration of traditional councils. It includes a portion of Ubuhlebomzinyathi Community Authority (that falls within Dannhauser Municipality), covering an area of approximately 13, 395 km2 in extent and Nyanyandu Traditional Council area which accounts for about 1, 1190 km2 of the total municipal area. The other Traditional Council Authorities are Ingwe, Emalangeni and Gule.

## STRUCTURING ELEMENTS

Dannhauser municipality has several structuring elements which influence the growth of the municipality, and these are highlighted within the SDF, these include:

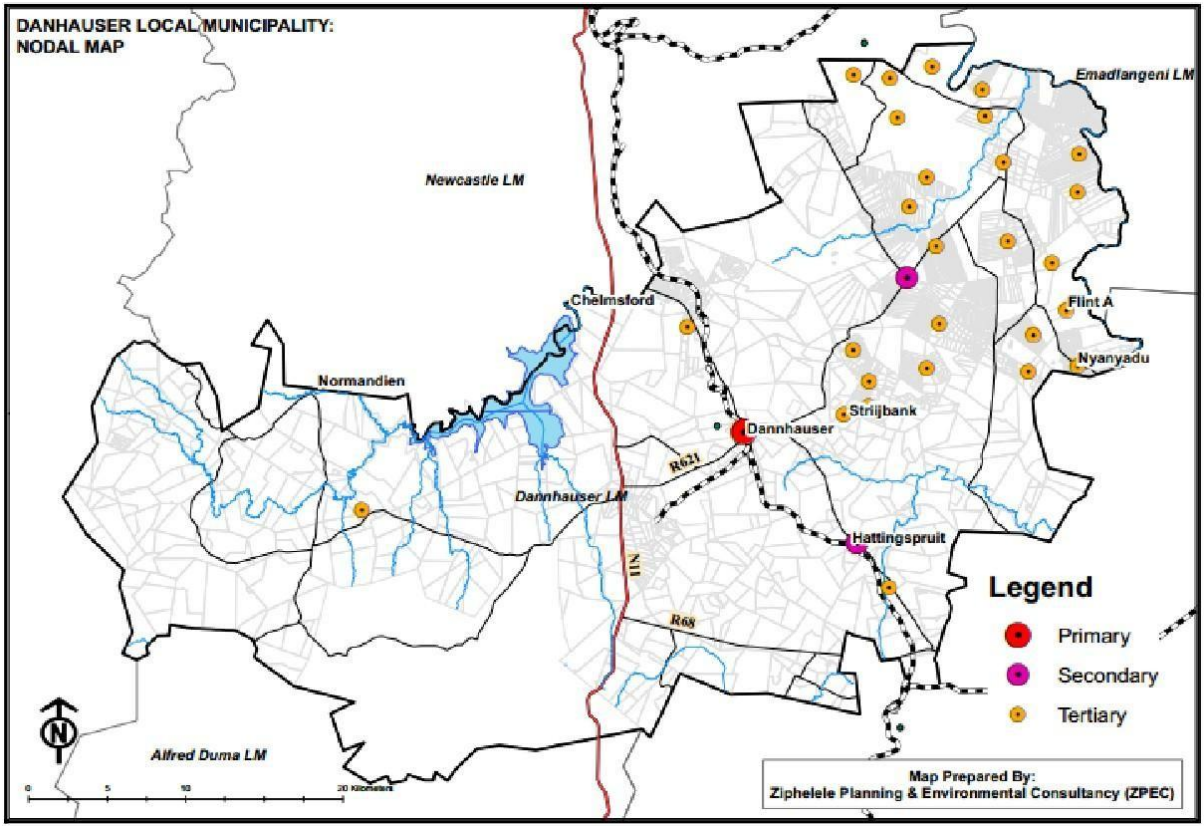
- The role of N11 – which traverses the municipal area in a north–to–south direction in a manner that diagonally splits the municipal area into two.
- Influence of Chelmsford Nature Reserves and Rivers on boundary delineation processes.
- Settlement nodes and Hierarchy.

- Concentration of urban settlements (Dannhauser and Hattingspruit) along R 621 in a ribbon development style.
- Rural settlements mainly concentrated in the north-eastern portion of the municipal jurisdiction.
- Impact of past spatial planning practices which created a high concentration of rural settlements on the northeastern side of the municipal area and commercial farmlands agglomeration on the southwestern part of the municipality.; ▪ Agricultural node.
- Tourism node.
- Mining node.
- Industrial node.
- CBD Expansion & Regeneration node.
- Rail-track; and
- Proposed & planned housing development settlements.

## EXISTING NODES AND CORRIDORS

The municipality has an existing hierarchical system on how it defines its different levels of nodes, this is largely influenced by the patterns of development and the proposed future developments including transport linkages. Further guidance on its nodal hierarchy is defined by the PSEDS, point 2.1.7. The current nodes are distinguished in the following manner.

- Existing and only need maintenance.
- Existing and needs to be upgraded into a higher level; and
- New node to be developed from concept and have a certain threshold due to the ▪ nature it is intended for.




Map 6: Nodal Map

## PRIMARY NODE

Dannhauser Town is deemed to be a primary node; it serves as a public services and administration center for the whole jurisdiction. It is surrounded by labour intensive activities such as mining, chicken brooding, a milling plant, a recently developed Industrial Area, establishment of an Agri-hub and is currently finalizing its tourism strategy. Reference to the Provincial Spatial Economic Development Strategy (PSEDS – 2.1.7), which outlines the elements that characterize and classify the nodes.

## SECONDARY NODE

The PSEDS further provides elements that constitute a secondary node; the municipality in relation to these characteristics has documented through its Precinct Plan, its development of the primary node (Dannhauser Town) into a secondary node. The municipal LED Strategy and SDF 2021/22 incorporate various social and economic development plans that enable the conversion from a primary node into a secondary node. The municipality takes into consideration the investment undertaken by Cogta KZN of approximately R 60 million in the newly established Industrial Area facility and the DRDLR & DAFF's District's Agri-hub main operations center situated at Renier Farm. These two developments are already on zoned land. The Industrial Area is an initiative of the N 3 / N 11 Industrial corridor development which links Durban, Free State and Gauteng, it has been extended into the N3 route which incorporates other municipal jurisdictions of Ladysmith and eMadlangeni. The development is relative to the SIP 2

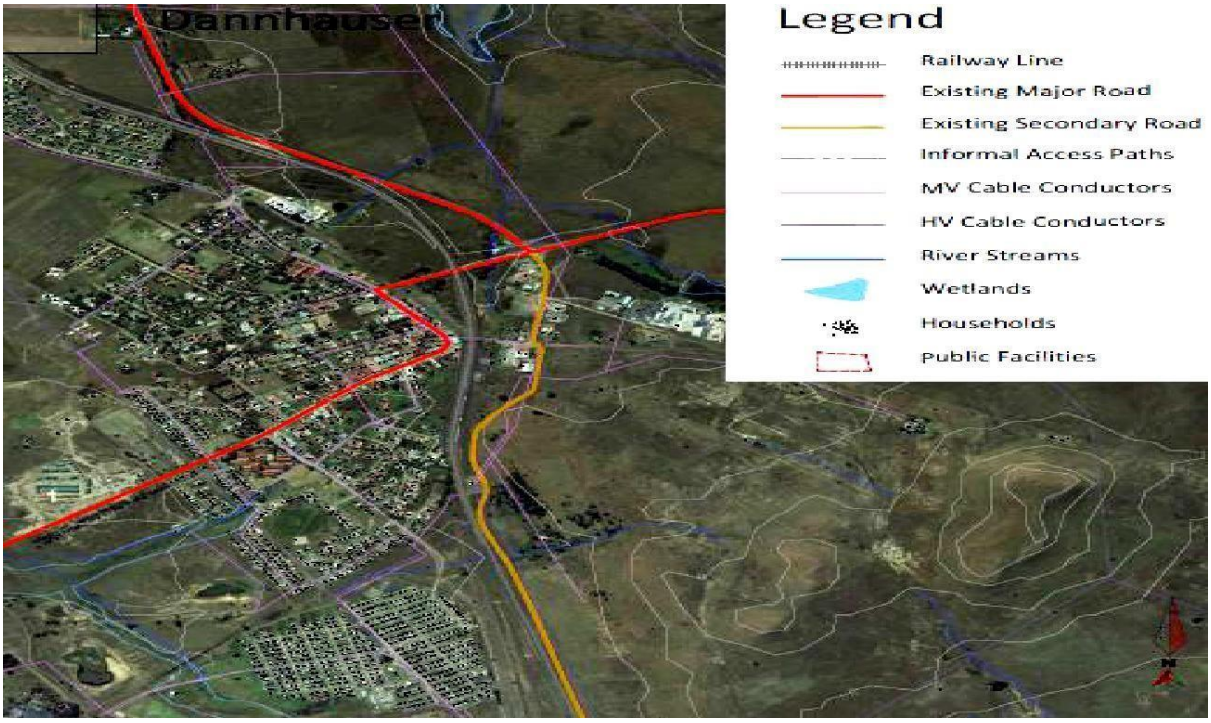
projects endorsed by provincial and national government. Dannhauser town is now experiencing several new housing developments, some are low-cost housing, while others are middle & high-income housing developments. The municipality seeks to apply for a township status for the newly developed Ramaphosa settlement (eradication of slams initiative). The development of tourism over the next three to five years in the Chelmsford Nature Reserve & Ntshingwayo Kamahole Xhosa Dam area together with related infrastructure will greatly impact on the nodal status of the town. In addition to tourism, the mining sector seeks to implement its mining beneficiation programmes within the community, this will advance the development of SMME's within the jurisdiction.

The strategic positioning of Dannhauser is deemed central to Durban Sea Port, Richards Bay Sea Port, Dube Trade port and is in proximity of the airports of Newcastle (currently under construction), King Shaka International, Pietermaritzburg Airport, Margate Airport and Richards Bay Airport. The municipality is sourcing funds to upgrade the tarred roads & storm water systems in the urban residential areas, it is further integrating with Amajuba District Municipality to address the bulk water & sanitation infrastructure, and to upgrade and build new economic & social infrastructure. The strategic developmental goal with regards to Dannhauser Town will ultimately change it into a secondary node. Currently a Land Use Management Scheme that applies to Urban & Rural areas is in place. The other two current official areas within the jurisdiction that are secondary nodes.

## Dannhauser Town

Dannhauser town is the CDB of the municipal jurisdiction. It is the central economic hub and has retail shops, sole traders, an Industrial Area, municipal offices, public infrastructure such as a taxi rank / a clinic / bus stop, a petrol service station, a bank, and urban residential areas. Reference is made to SDF page.7, which indicates this as "Pressure Point.1" due to the nature of activities.

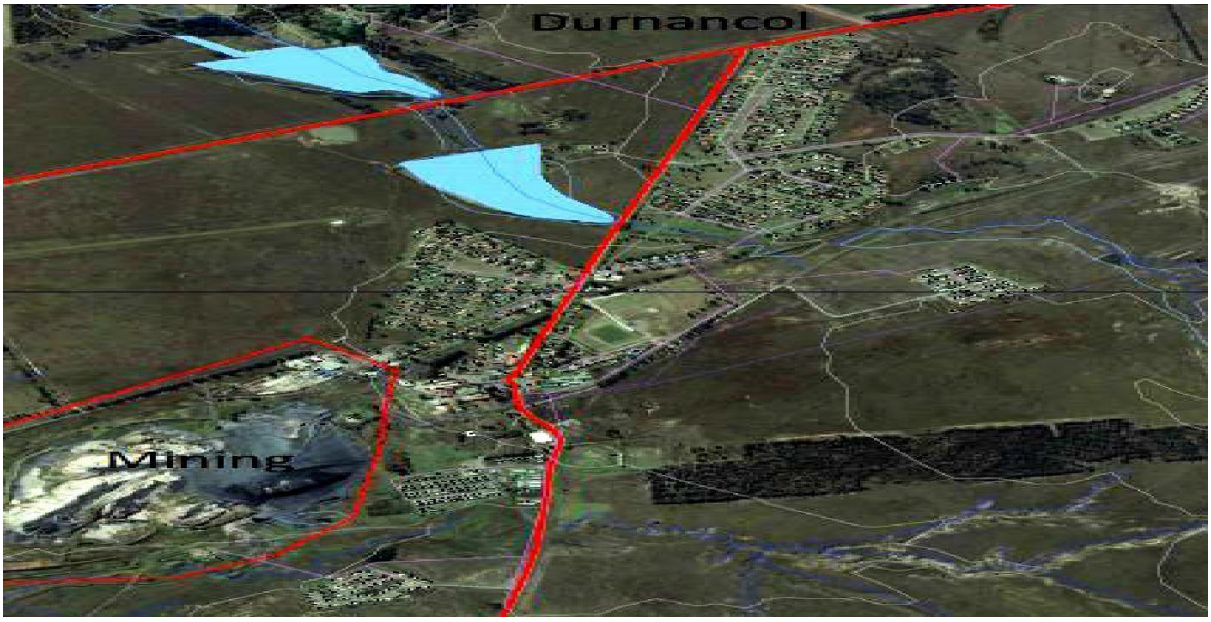
**Map:7 Dannhauser Town Areal Map**




## Durnacol Town

This is situated within approximately 4km from Dannhauser Town, the SDF.2021/22 page.8 classifies this as pressure point.2, it is a formal mining residential area. These are housing clusters that were owned by the mining company that closed its operations and donated the houses to the residents.

**Map:8 Durnacol Areal Map**




## Hattingspruit Town

Apart from Dannhauser town, Hattingspruit Town, which is along the R 621 towards Dundee has a relatively small economic activity but is largely driven by the existing Industrial Area which has a large manufacturing operation (Dabmar Manufacturing Company Pty Ltd) that employs over 100 people, a municipal satellite office and a small tourism resort (Glencoe Yacht Club) next to the Tom Worthington dam with a few chalets. SDF.2021/22 page.9, classifies this as pressure point 3.

**Map 9: Hattingspruit Town Areal Map**

## Milnedale/Skombaren

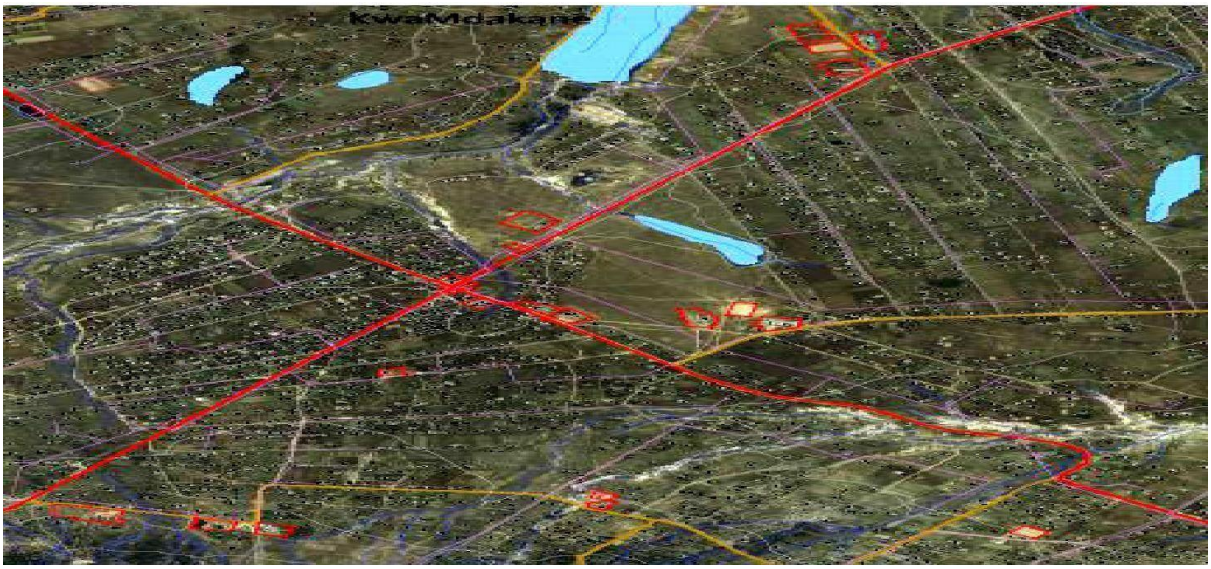
This area is classified as pressure point.4 by the SDF.202/25, It has a general high population compared to KwaMdakane.

### Map:10 Milnedale/Skombaren Areal Map

**KwaMdakane**

This is a service hub as it provides a higher order and more permanent range of services. It is a highly populated rural settlement and offers several government and non-government services including but not limited to, pension pay points, health care, sporting facilities, Thusong Center and social welfare. It is a typical rural settlement characterized by subsistence farming, an array of livestock farming and economic activities in the form of small-medium scale businesses e.g., tuck shops, brickyards, fuel service station, etc.  SDF.2024/25 pressure point.

### Map:11 KwaMdakane Areal Map




## TERTIARY NODE

These small canters will serve as location points for community facilities serving the local community, they include:

- Primary and secondary schools.
- Clinics including mobile clinics.
- Pension pay points.
- Community halls and other community facilities.

The following have been identified as tertiary centers/nodes:

⇨ Nyanyadu
⇨ Buffalo flats area
⇨ Settlements within the Ubuhlebmzinyathi Tradition Council area of jurisdiction.

## RURAL SERVICE NODE

Rural service centers are usually established around tribal / traditional administration centers as well as other accessible rural points, reference PSEDS. The two main tribal authority councils that have a high density of housing settlements are Ubuhlebomzinyathi Community Authority and Nyanyadu Traditional Council. The tribal areas do have some social and economic infrastructures, pension points and have access to mobile clinics. There are schools situated within their council jurisdictions and range from crèche's, primary and secondary. There are no tertiary education facilities. Bus & taxi stops are available and some informal trading/market areas. There is however a need to develop recreational facilities and libraries.

### Map: 12 Ubuhlebomzinyathi Areal Map

## TOURISM NODE

There are specific opportunities for tourism in Dannhauser based on the natural attractions of the area, including the Ntshingwayo Dam and Chelmsford Nature Reserve, closeness to the battlefields, outdoor adventures, and other cultural attractions. Investors have identified structures in Durnacol that were left by the Durnacol mine and initiated a process of converting the structures to a recreation area that will consist of the conference center, playing area (with a pool) for both children and adults.

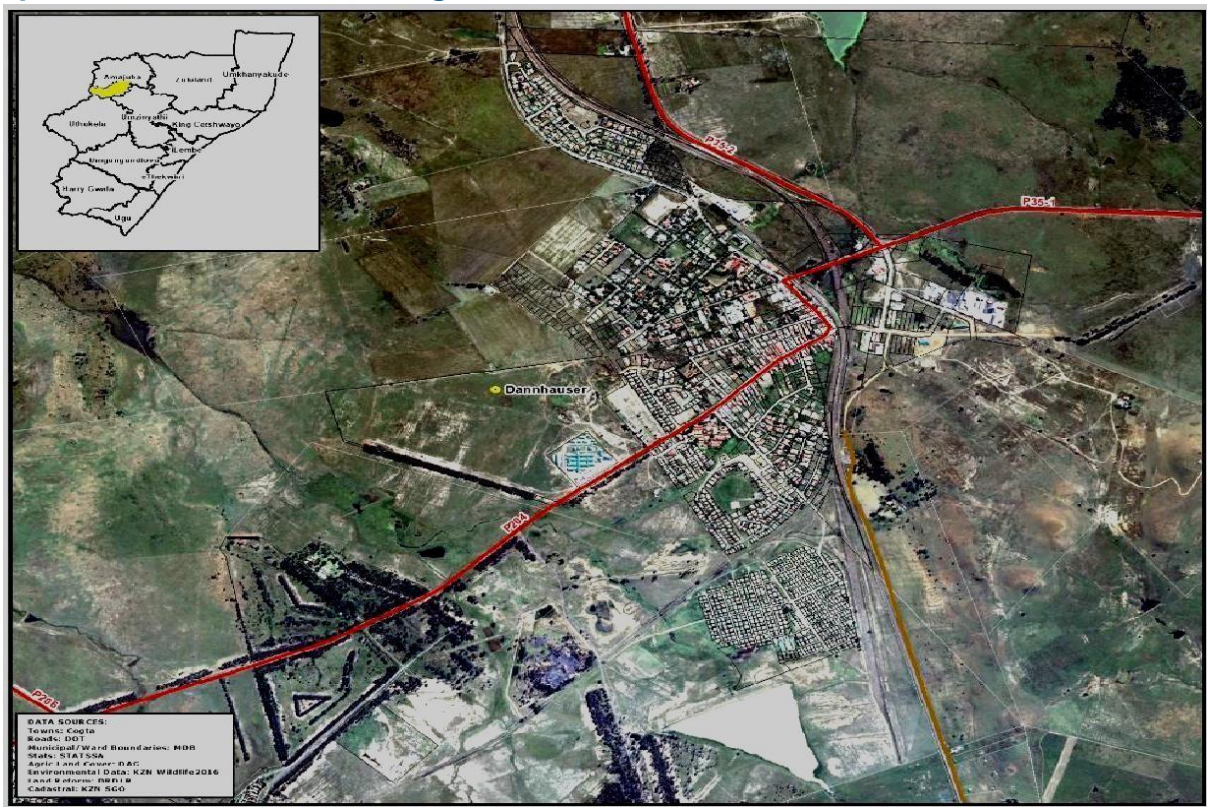
Dannhauser tourism is currently characterized by conservation areas, wetland and catchment areas, vegetation, and very little cultural/heritage. The following tourism attractions exist within the municipality:

- St Margaret's Presbyterian church
- Tom Worthington Dam
- Bonani Wild and Wonderful

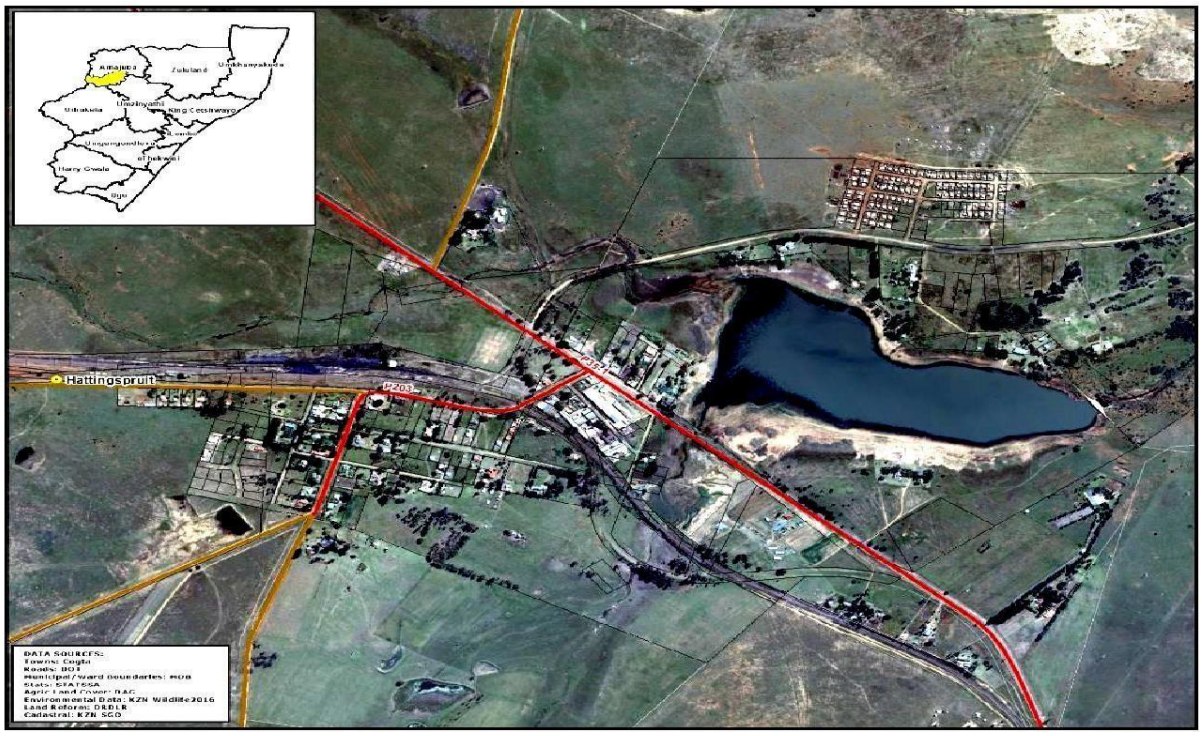
## URBAN EDGE

The urban edge in Dannhauser is mainly the CBD, the Industrial Area area, the Clinic, Durncol and Hattingspruit. These areas are characterized by tarred roads with storm water systems, a few streetlights, and the municipal administrative building. The surrounding areas are rural lands with scattered and clustered settlements in different areas. The map below represents the Urban Edge.

### Map:13 Dannhauser Urban Edge

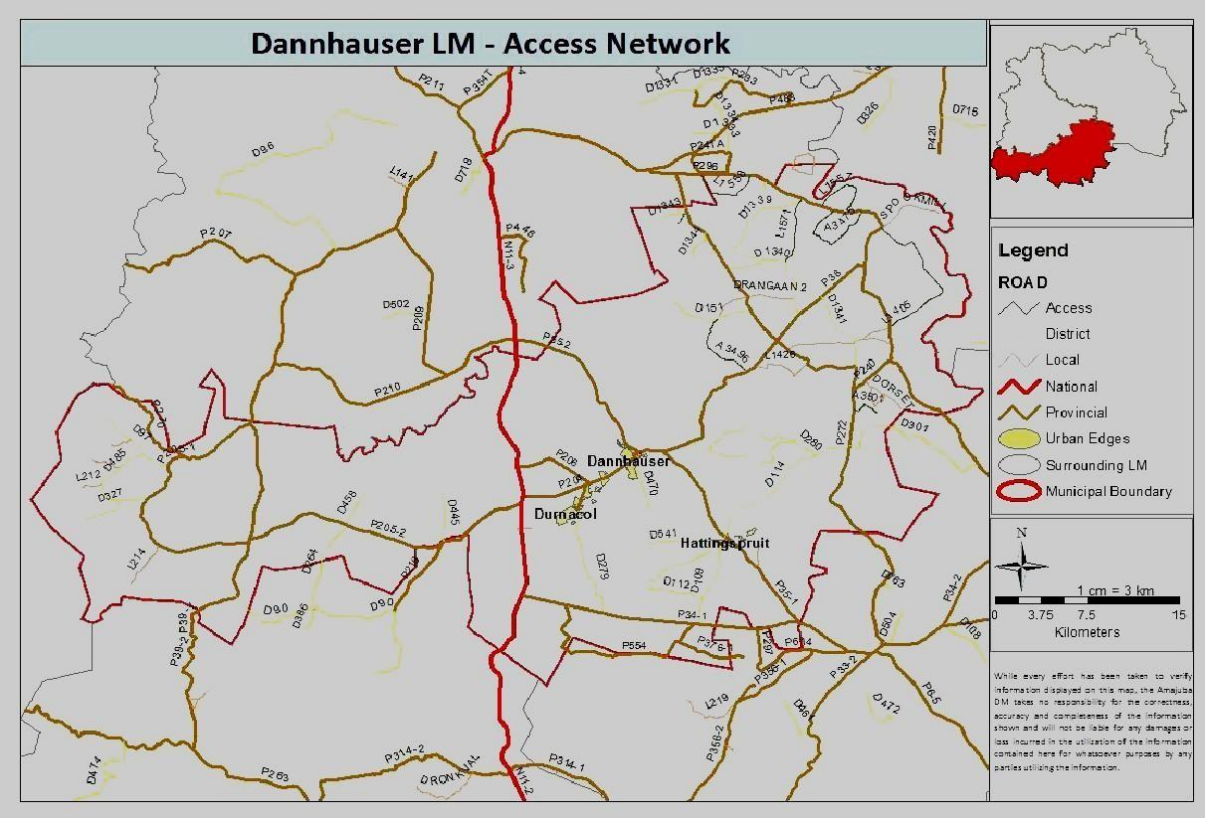


## Map: 14 Hattingspruit Urban Edge




## CORRIDORS

## Map:15 Dannhauser Road Networks




## PRIMARY LINKAGE CORRIDORS

The N11 national road linking Newcastle (the Amajuba's regional center) to the north of the municipal area and Ladysmith (the uThukela District's regional center) to the south of the municipal area is the primary corridor. The linkage allows areas of intense development to be integrated, and development of various economic activities to be undertaken. The corridor serves both as a transport and tourism corridor and is a route linking Amajuba District to Gauteng.

## SECONDARY LINKAGE CORRIDORS

The secondary corridor is the R621 main road, it interconnects the N11 with Dannhauser town and Dannhauser Town to Hattingspruit satellite and back to the N11 (and onto Newcastle) to the north and to Dundee and Glencoe (and on to the R33 main road) to the to the south.

## TERTIARY LINKAGE CORRIDORS

Tertiary corridors link service satellites in the sub-district and provide access to public and commercial facilities at a community level. The three main tertiary corridors within the municipality are as follows:

- Road 272 which runs south from main road 483 linking Madadeni and Osizweni in the adjacent Newcastle municipal area. Road 38 linking Dannhauser to the southwest to Dundee.
- Road 296 interconnecting south-east from Osizweni and connecting road 38 to Dannhauser while linking the satellites of Naasfarm, Thirst and Kilkeel to Dannhauser and or alternatively to Flint, Road 240, and Road 272 to Dundee to the south; and
- Road 205-2 which runs from the N11 in a westerly direction and links through to Road 39 to the north of the municipal area.
- north of the municipal area.

## LAND COVERS AND BROAD LAND USES

## LAND COVER

The municipal area is largely covered by Grasslands, Natural Freshwater, and Bushlands. There are marginal urban settlements (Dannhauser Town, Durncol & Hattingspruit) that surround the CBD in a 10 km radius, while the rural settlements are more clustered in the north-east portion of the municipal jurisdiction. Apart from the settlements, the land is also used for commercial, industrial, and mining activities.

## BROAD LAND USES

The current land use pattern in Dannhauser has evolved in response to the settlement pattern, the natural environment, and the regional access routes. It also reflects the rural nature of the region within which Dannhauser Municipality is located. The following are the main land use categories in the area:

✓ Settlements.
✓ Commercial farmlands.
✓ Conservation. ✓ Mining.

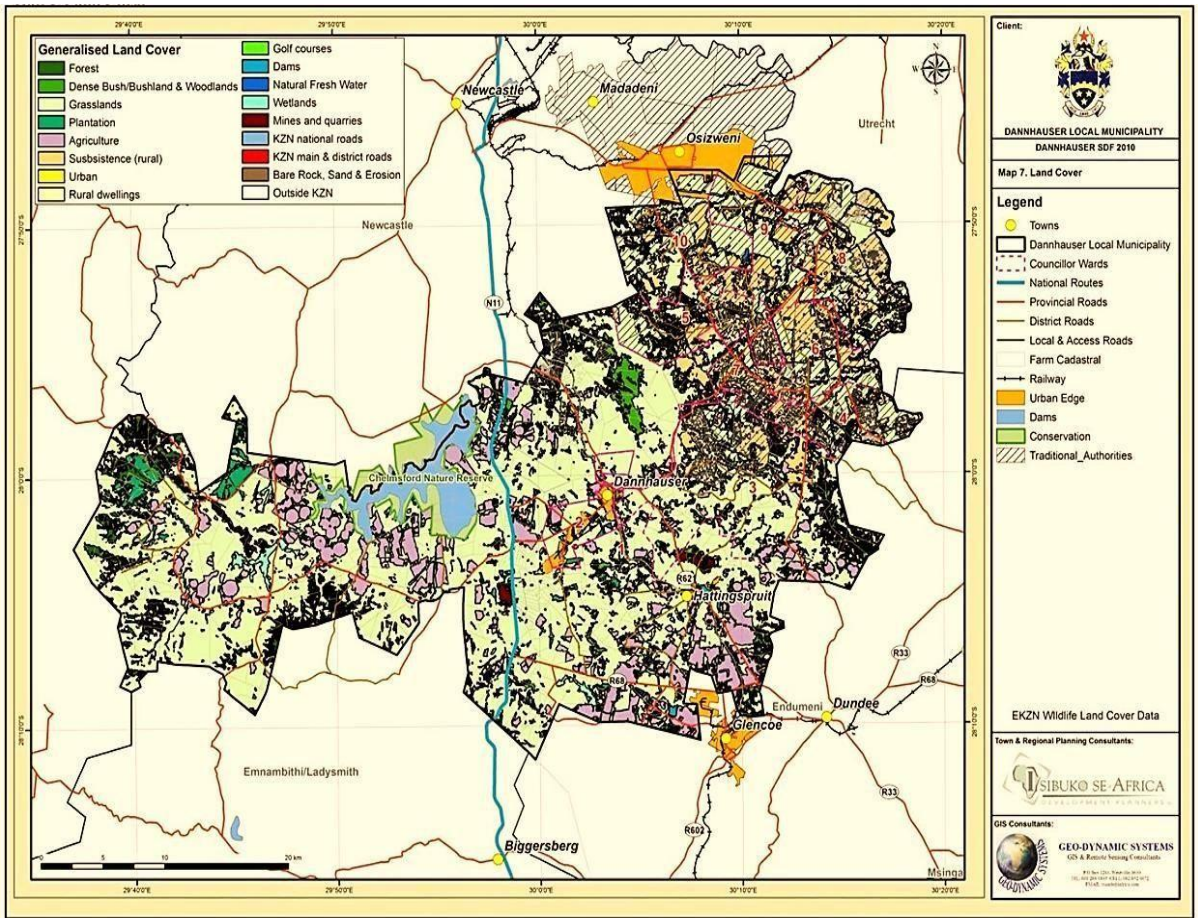
Land use patterns within each of these areas vary significantly, reflecting their historical development and evolution.

**Land Use and Area coverage in Dannhauser Municipal Area (SDF.2024/25)**

| LANDOWNER | AREA (Ha) | Ownership % |
|---|---|---|
| **Eskom** | 0,42 | 0,00 |
| **Government** | 12 277,85 | 4,07 |
| **Ingonyama Trust** | 25 496,70 | 8,46 |
| **Dannhauser Municipality** | 359,30 | 0,12 |
| **Private** | 262 760,28 | 87,20 |
| **SANRAL** | 5,19 | 0.00 |
| **Telkom** | 0,09 | 0.00 |
| **Transnet** | 440,10 | 0,15 |
| **Total** | **301 339,9** | 100 |

**Table 24: Land use and Area coverage**

**Map: 16 Land Cover**




## FORESTRY & AGRICULTURE

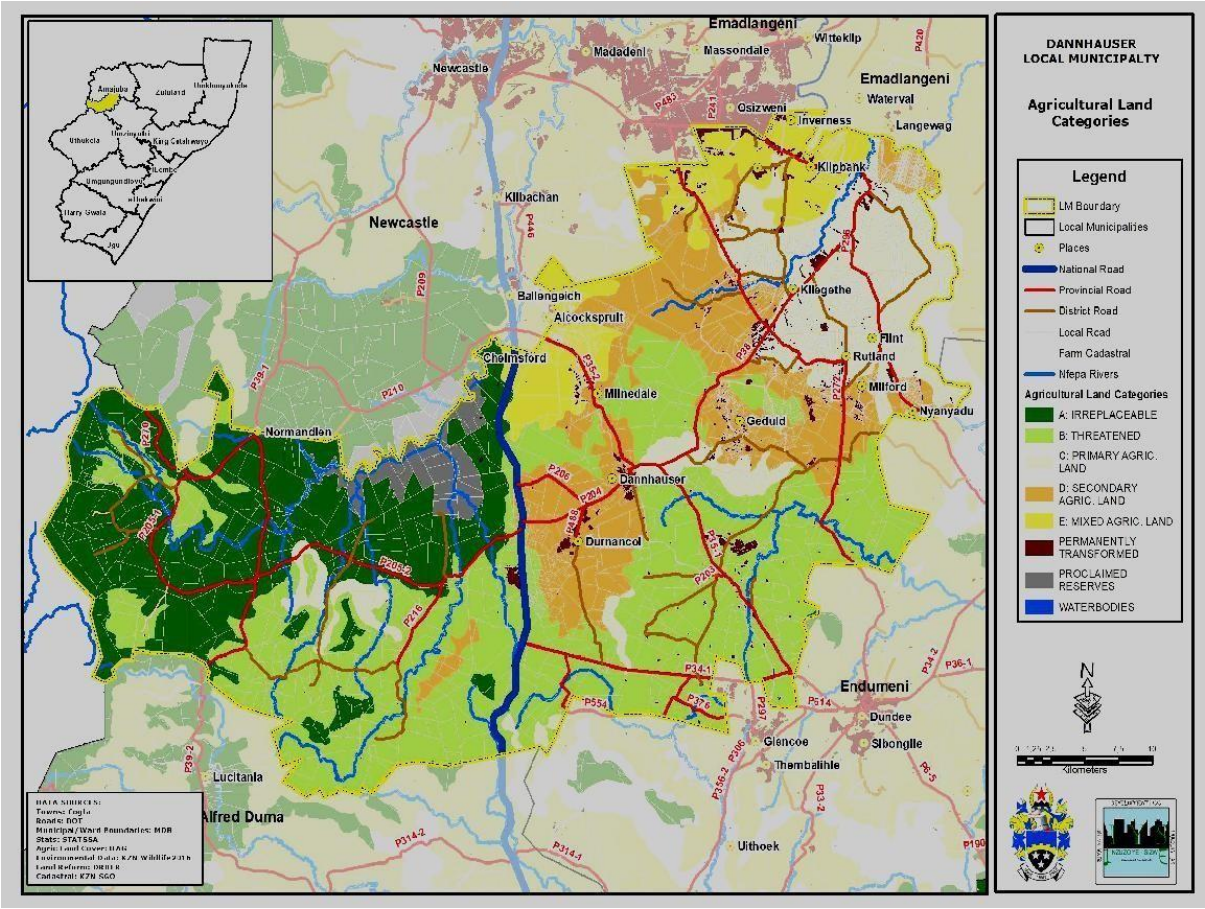
The grasslands are mainly found within the commercial farms and serve as grazing areas for livestock. Subsistence agriculture mainly exists within the traditional council areas, in the form small gardens within homestead boundaries and in the form of crop plantation fields located during the different settlement clusters. The fertility of the land is further substantiated by DRDLR establishing an Agri-hub at Renier Farm that support crop farming to subsistence farmers within the jurisdiction. The municipality is in the process of purchasing fertile land so that it assists local subsistence farmers who are currently marginalized. There are large tracts of land that are currently unused, this is due to most of the fertile land being owned by private individuals and trusts. There is a lack of access to capital, skilled labour and proper infrastructure for some farmers who have tracts of land, this aggravates the situation and causes the land to remain dormant.

## SUBSISTENCE AGRICULTURE

Dannhauser is predominantly rural, most of the population resides within the northeastern portion of the municipal jurisdiction owned by tribal authorities, the land in these areas is highly fertile, and residents engage in small subsistence farming that

supports their household meals. The nature of the farming is crop and vegetables, but some rear a few livestock. SDF identifies the following as potential agricultural land.

**Map: 17Agricultural Land Categories**




## LAND OWNERSHIP

A large portion of the land is owned by Ingonyama Trust and private individuals, while a small portion is owned by the municipality and other state organs.

## SOUTH AFRICA'S LAND AUDIT (LAND OWNERSHIP)-2018

The Department of Rural Development and Land Reform published in 2013 the first Land Audit on State-Owned Land. That Land Audit revealed, among its findings, that most of this state land was unsurvey and unregistered trust land which is occupied by individuals and communities in the former homelands. The department has embarked on a process to survey, register and vest that trust land to individual and community owners through the Communal Land Tenure Bill. The primary source of information in this report was obtained from the:

a) Office of the Chief Registrar of Deeds for land ownership information.

b) Office of the Chief Surveyor-General for cadastral information.
c) Department of Home Affairs for population register that contains nationality of origin and gender of South AfriE.6.1can citizens; and
d) Statistics South Africa for census data that contain the race of individuals.

Records pertaining to land ownership are available electronically in the Deeds Registration System (DRS). These records contain only the name, surname and South African identity number or date of birth – but not race. The DHA maintains the electronic population register which contains, amongst others, names, surnames, South African identity numbers, nationality, and gender - but not the race of South African citizens. Stats SA is the only institution that officially collects and keeps a database that has the race of individuals.

Classification of landowners was the first step. Classification of owners was done in two levels. The initial classification distinguished between private and state owners. Three classification categories were used, namely: state, private and other. Private landowners were classified into five sub-categories of individuals, companies, community-based organizations (CBOs), and trusts. CBOs include Community Property Associations (CPAs), Churches, Homeowners Associations (HOAs) and others. Individuals are natural persons. Companies are Close Corporation and PTY (Ltd), excluding public entities. Five categories were used to classify land ownership according to gender. These classifications are male, female, male-female, co-ownership and other. Male-female was used to classify land owned jointly by male(s) and female(s). Other was used to classify land owned by owners that were not found in the DHA population register. Co-ownership was used to classify land where the land is owned by the combination of the four classifications. Incomplete owner names that made it impossible to determine if the owner is state or private were classified as other. Land owned by national government, municipalities, provincial government, public entities, public schools were classified as state, including land in the name of Ingonyama Trust. Ownership of land by companies, trusts, individuals, communitybased organizations were all classified as private.

The Land Audit reveals the relationship of South Africans to one another through the management of land as a resource for sustainable development and nation-building. It shows that 114 223 276 ha or 94% of 121 924 881 ha land in the country is registered in the Deeds Office. The outstanding 7 701 605 ha or 6% is unregistered trust state land in the Eastern Cape and Limpopo at 5 545 156 ha. The department has embarked on a process to survey, register and vest that state trust land to individual and community owners via, among others, applicable legislative instruments.

The Land Audit also shows that individuals, companies, and trusts own 89 523 044 ha or 90% of the 114 223 276-ha land. Individuals own 37 800 986 ha or 39% of this total

land; followed by trusts at 29 291 857 ha or 31%; companies at 23 199 904 or 25%; CBOs at 3 549 489 ha or 4%; and co-ownership at 883 589 ha or 1%. The same individuals own most of these companies, trusts, and CBOs. Farms and agricultural holdings - with 469 258 or 6% of total land parcels and 111 025 515 ha or 97% of the total land - are owned by 588 045 or 7% of total landowners. Erven in urban areas, which number 6 839 985 or 94% of total land parcels, with only have 3 197 760 ha or 3% of the total land – are owned by 8 469 845 or 93% of the total owners of land, with an average of 0.4 ha per owner. With 65% or 56 million of the total population found in these tiny land parcels, they command higher locational rent and prices than any in the R8 trillion national property market.

The Land Audit reveals that Whites own 26 663 144 ha or 72% of the total 37 031 283 ha farms and agricultural holdings by individual landowners; followed by Colored at 5 371 383 ha or 15%, Indians at 2 031 790 ha or 5%, Africans at 1 314 873 ha or 4%, other at 1 271 562 ha or 3%, and co-owners at 425 537 ha or 1%. Individual males own 26 202 689 ha or 72% of the total farms and agricultural holdings owned by individual owners; followed by females at 4 871 013 or 13%. Male-female own 3 970 315 ha or 11%, co-owners 655 242 ha or 2%, and other 1 379 029 ha or 3%. Finally, South African individuals own 33 996 255 ha or 92% of the total farms and agricultural holdings; followed by foreign individuals at 769 284 ha or 2%; co-ownership at 933 728 ha or 2%; and other at 1 379 023 ha or 4%.

## LAND OWNERSHIP IN SOUTH AFRICA – 2024/2025

**Table 25: Number of landowners by land type, parcels, extent in hectares and landowner type**

| Land Parcel Type | Parcels | | Extent | | Owners | |
|---|---|---|---|---|---|---|
| | No. | % | Ha | % | No. | % |
| **Erven** | 6 839 985 | 94 | 3 197 760 | 3 | 8 469 845 | 93 |
| **Agricultural Holdings** | 50 253 | 1 | 340 272 | 1 | 60 623 | 1 |
| **Farms** | 419 005 | 5 | 110 685 243 | 96 | 527 422 | 6 |
| **Total** | **7 309 243** | **100** | **114 223 276** | **100** | **9 057 890** | **100** |

**(DRDLR - 2024/2025)**

## Interpretation of above figures

- 
- Table shows that a total of 7 309 243 land parcels and a total of 114 223 276 ha (or 94% of SA land) in the Deeds Office has a total of 9 057 890 owners in the country. A total of 6 839 985 evens or 94% of total land parcels has a total of 8 469 845 or 93% owners at an average of 0.4 ha per owner.
- Table also shows that there are 50 253 agricultural holdings, a relic of subdivisions of large estates in the Union of South Africa, which constitute 340 272 ha or 1% of total land and parcels. They are owned by 527 422 or 6% of the total owners at 6 ha per owner. They are now being converted to non-agricultural commercial, residential, and industrial land uses.
- Table further shows that there are 527 422 or 6% of the total who own 419 005 farms with 110 685 243 ha or 96% of farmland, at an average of 210 ha farmland per owner.

### Table 26: KwaZulu-Natal land Ownership by Ha & % of Total land in Province

| KwaZulu – Natal | Number of Hectares | % |
|---|---|---|
| Individuals | 1 579 543 | 30 |
| Companies | 1 627 042 | 31 |
| CBOs | 300 556 | 6 |
| Trusts | 1 562 455 | 30 |
| Co-Ownership | 161 950 | 1 |
| **Grand Total** | **5 231 547** | **100** |

### Table 27: Kwazulu-Natal Individuals by Race Land Ownership

| KwaZulu – Natal | Number of landowners | % |
|---|---|---|
| White | 8 748 | 29 |

| | | |
|---|---|---|
| African | 11 215 | 37 |
| Coloured | 2 711 | 9 |
| Indian | 5 960 | 20 |
| Other | 1 358 | 4 |
| **Grand Total** | **29 992** | **100** |

(**DRDLR – 2024/2025)**

**Table 28: KwaZulu-Natal Individual Land Owners by Gender in Hectares**

| KwaZulu – Natal | Number of landowners by Gender | % |
|---|---|---|
| Male | 934 891 | 58 |
| Female | 134 896 | 8 |
| Male – Female | 130 532 | 8 |
| Co-owners | 86 998 | 5 |
| Other | 33 0760 | 20 |
| **Grand Total** | **1 617 493** | **100** |

**(DRDLR - 2024/2025)**

## INGONYAMA TRUST LAND

Ingonyama Trust Land accounts for some 25 496,70 ha of the Dannhauser municipal area and includes the farms Struisvogel, West Port, Rooi Port, Mourne, Flint, Springbok Laagte, Dorset, and Portion 1 of the farm Peach Hill and Portion 1 of the farm Flint. Most of this land is located to the north of Dannhauser Town and within the administrative boundaries of Ubuhlebmzinyathi and Nyanyadu Traditional Council area.

## MUNICIPAL OWNED LAND

According to the Dannhauser Municipal Valuation Roll, Municipal Land accounts for a rather small portion of the land within the municipality. The municipality is listed as a

user department in mostly land under state ownership. According to data received from the Surveyor General, municipal land only accounts for 359,30 ha of the total land area.

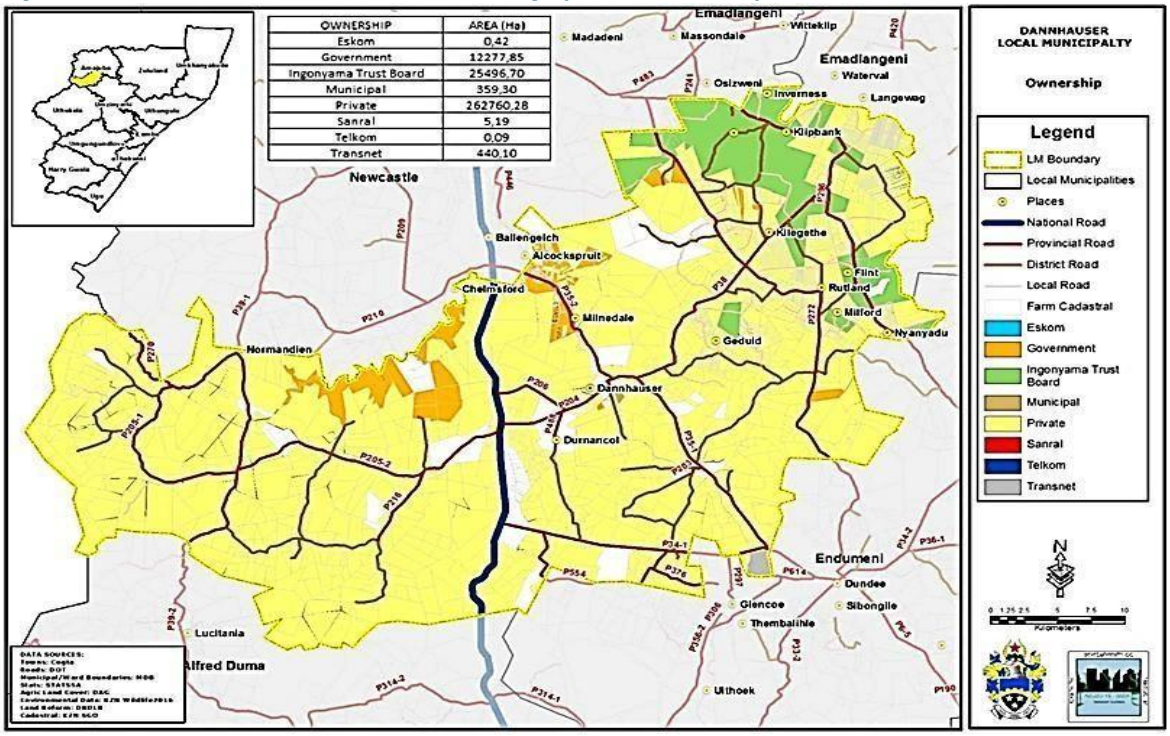
## STATE OWNED LAND

There are numerous parcels of state land located throughout the municipal area. This land is under the ownership of the Department of Rural Development and Land Reform and accounts for some 12 277,85 ha. State land includes parcels of land upon which various facilities are located, these include government and municipal offices, police stations, schools, and utilities such as the sewerage works plant in Alcock spruit.

## PRIVATELY OWENED LAND (INDIVIDUALS & TRUSTS)

According to the Dannhauser Municipal Valuation roll, a greater share of the land within the municipality is in private ownership. Land parcels, which were previously recorded as municipal land, have been recently registered under private ownership by the deed's registrar. This situation is likely to change further as more land is increasingly registered in the name of trusts because of the land reform program.

### Map 18: Dannhauser Land Ownership (SDF.2024/25)




## LAND CLAIMS

Despite years of relatively good Integrated Development Planning processes in Amajuba District Municipality, issues of land tenure reform have remained marginal and isolated

due to a lack of high-level integration and alignment between land tenure reform and spatial planning within the municipality, DRDLR and Amajuba District together with Lack of sustained co-ordination between DRDLR and Commission on Restitution of Land Dannhauser. It is worth to note that currently there are only nine (9) claims that have been lodged and are in their final stages although it has been over 5 years awaiting a response. The communities who were once assisted to reclaim their land are still experiencing a challenge with receiving basic service delivery of water and sanitation, Amajuba District still must incorporate them into their planning process. The communities affected are Ndlamlenze, Amantungwa, and Thekwane.

## LAND RESTITUTION

According to the information possessed by the municipality, nine (9) land restitution claims lodged with the Land Claims Commission and their status are summarized in the table below:

**Table 29: Status of Land Claims**

| LAND REFORM | AREA (Ha) | % |
|---|---|---|
| Transferred Redistribution | 2957,52 | 3,62 |
| Restitution Claims | 51 771,12 | 63,32 |
| Labour Tenants | 27 026,34 | 33,06 |
| **TOTAL** | **81 754,98** | **100** |

## LAND REFORM

Dannhauser Municipality is characterized by complex and intricate land tenure reform challenges. These can be categorized as follows:

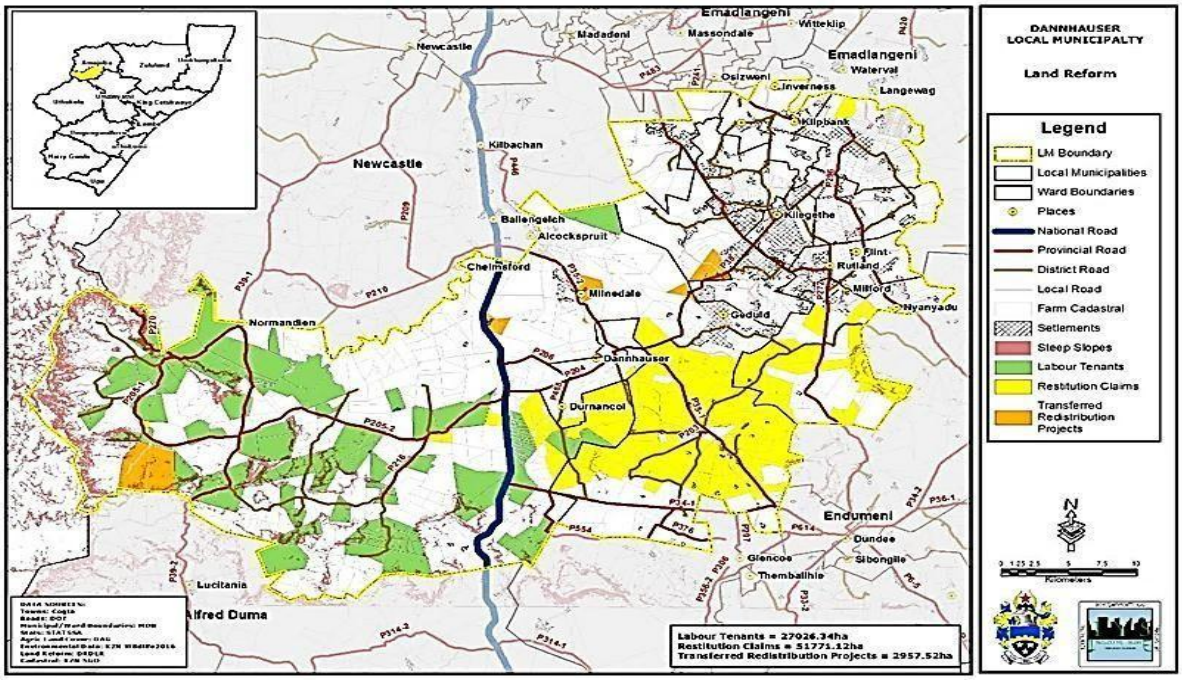
- **Farm dwellers** whose land rights are protected in terms of the Extension of Security of Tenure Act, Act 62 of 1997 (ESTA). These are households that are established within commercial farms, but their members are no longer providing labour to the farm. A situation exists wherein some farm owners have left or passed on, and their past labourers still dwell on the farm, and more dwellers have moved onto the farm although they never worked on the farm.
- **Land reform** in Dannhauser Municipality is implemented through the various arms of the programmes. These include Land Redistribution, Land Restitution and Labour

Tenants. Restitution claims (transferred and gazetted) accounts for the largest percentage of land reform in the municipal area. The total area of the municipality that is under land reform is approximately 81754, 98ha. This accounts for 47, 87% of the municipal area.

- **Land redistribution** in Dannhauser municipality has been implemented through the following grants: Land Distribution for Agricultural Development (LRAD), Settlement / Production Land Acquisition Grant (SPLAG), and Settlement Land Acquisition Grant (SLAG). There are 30 cases of transferred redistribution in Dannhauser Municipality. Of these 30 cases, 13 are through the PLAS grant, 8 through the LRAD grant, 3 through SLAG and 6 through SPLAG. 57 properties are affected by these cases.
- **Land restitution** – there are 8 settled claims and 10 gazetted claims in Dannhauser Municipality. These settled claims cover 16 properties while the gazetted claims extend over 83 properties.

- **Labour tenant** - there are also several labour tenant applications, covering 26026.34 hectares of land. Settlements established through land reform programs include Alcockspruit, Mossdale, Elandsklip and Long Lands. The land reform projects (labour tenant claims) are found to be located on irreplaceable agricultural category towards the west of the municipality, threatened agricultural category is found on the south where there are several labour tenants and restitution claims. The land reform claims are said to be located within the good potential agricultural land.

### Map: 19 Land Reform (SDF - 2024)

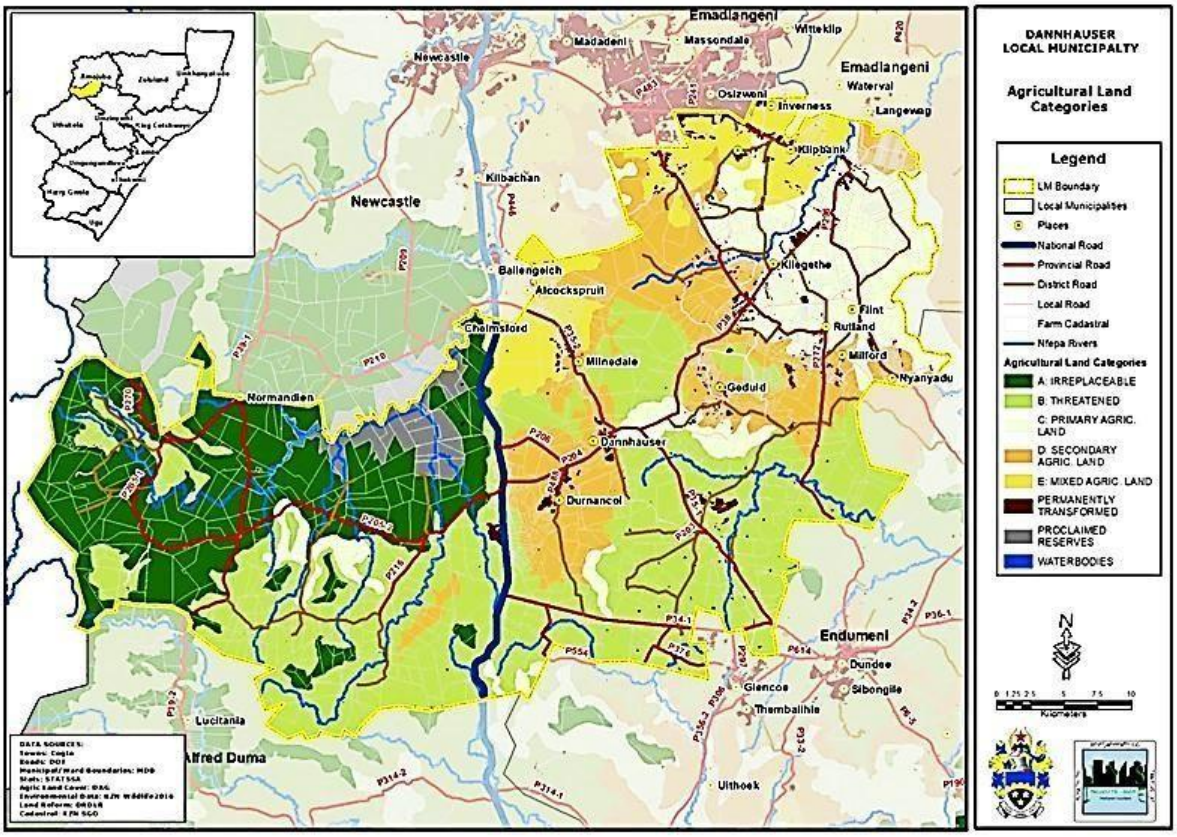


## LAND CAPABILITY

The agricultural potential of the municipal area varies but falls within six main ratings, ranging from High potential to very low potential land. About 19% of the land constitutes high agricultural land while. These are located on the western segment of the municipal area while portions of the mid-northern sections and the southeastern areas, approximately 16% are good agricultural land. The rest of the eastern portions of the municipal area, which constitutes about 52% of the land, covering mostly the eastern half of the area, are considered as moderate agricultural land. These areas extend from Hattingspruit to Durnacol and to the north-eastern segments around Nyanyadu, Kilegethe, Brakwater, Klipbank and Inverness areas.

About 6% of the land is low agricultural potential. These include areas along the mid-western boundary, some parts along the mid portions of the southern boundary and some portions along the steep slopes east of Durnacol and Dannhauser. Also, about 7% of the area, covering the western outskirts has very restricted agricultural potential. The areas marked as of high agricultural potential should be reserved for commercial agricultural production and excluded as much as possible from non-agricultural activities or developments. Areas of low or very low agricultural potential are recommended for commercial or other non-agricultural developments. The map below shows the land potential of various land parcels in the municipal jurisdiction.

### Map: 20Agricultural Land Categories (SDF.2024/25)




## PRIVATE SECTOR DEVELOPMENT

Dannhauser is attracting private investors within the CBD, there is currently a handful of small business operators, it is only being disadvantaged by the slow pace of infrastructure development. The slow pace is due to minimal funding received by the municipality in the form of grants as its revenue generation is very limited. It is important to note that there are current on-going developments that have been initiated by provincial government departments, and these are Industrial Area – Cogta Kzn, AgriHub – DRDLR and Tourism, this will result in a potential pulling in of more investors in the private sector.

An investment framework to draw in investors into the Industrial Area is being developed by the municipality together with the criteria of vetting the investors, the DRDLR has already delivered farming implements at the Agri-Hub site (Renier Farm) and is in the process of training SMME's & co-operatives and with Tourism a tourism strategy is currently being developed, it will detail areas that will serve as tourism products and where infrastructure relating to tourism must be situated.

The private sector development is a key point with regards to revenue generation for the municipality, this will be successfully undertaken by the municipality's business licensing authority and commercial rates will be applicable.

## C.2.9 ENVIRONMENTAL ANALYSIS

The natural environment is an important resource within the municipal jurisdiction, it enables activities such as agriculture, tourism, and infrastructure development to be undertaken in areas deemed suitable. The ecological resources should be considered as structuring elements of guiding various economic and social development activities.

The municipality is developing an Integrated Environmental Management Plan which takes cognizance of the biological assets the jurisdiction holds. The biological assets are to be preserved and where possible economic benefits become derived from them. The natural environment is a combination of various land characteristics including topography, slope soils, hydrology and so forth. Steep slopes, unstable soils, poor drainage, and unfavorable geological formations are factors that make a given area a low development potential, while level ground, stable soils, good drainage, and favorable geological structures allow for good development. Dannhauser will be able to identify the environmental areas that have favorable and unfavorable characteristics, this will inform the zoning of areas for various economic and social development activities.

## SUITABLE LAND FOR AGRICULTURE

Based on a broad 'Agri-potentials' or 'bio-resource' classification by the KZN Department of Agriculture and Rural Development, all agricultural land within the municipal area has been categorized according to its agricultural potential. The system provides for 8 land capability categories ranging from prime arable land (Class I) to land which is unsuitable for any agricultural use (Class VIII). The resulting land resource units can then be related to the appropriate agricultural land uses and levels of intensity thereof. The classes are represented below

**Table 30: Agricultural Land Capability Classes**

| LAND CAPABILITY CLASS | LAND RESOURCE CATEGORY | RECOMMENDED LAND USE |
|---|---|---|
| I & II Under irrigation | High potential irrigable land | Intensive irrigated cropping |
| I & II | | |

| | | |
|---|---|---|
| **Without irrigation** | **High potential arable land suitable for intensive dryland cropping** | **Intensive dryland cropping** |
| **III** | **Arable land with moderate potential for dryland cropping** | **Semi-intensive dryland cropping** |
| **IV** | **Arable land of limited potential for dryland cropping** | **Limited cropping, preferably only to perennials.** |
| **V** | **Wetlands and watercourses** | **Soil and water conservation with only limited grazing.** |
| **VI** | **Good non-arable land with scope for intensification but not annual cropping.** | **Suitable for pastures or, in high rainfall areas, forestry.** |
| **VII** | **Rough non-arable land suitable only for extensive use.** | **Suitable only for carefully managed extensive grazing.** |

This classification is of importance as it influences the future evaluation of any possible development projects, one key consideration must always be the implications of the loss of valuable productive agricultural land. The agricultural potential of the municipal area varies but falls within six main ratings, ranging from High potential to very low potential land. Approximately 19% of the land constitutes high potential agricultural land. Such land is located mostly on the western segment of the municipal area. Portions of the midnorthern sections and the southeastern areas are classified as having good agricultural potential and account for 16% of the municipal area. The rest of the eastern portions of the municipal area, which constitutes about 52% of the land, covering mostly the eastern half of the area, are considered as having moderate potential agricultural land.

These areas extend from Hattingspruit to Durnacol and to the north-eastern portions around Nyanyadu, Kilegethe, Brakwater, Klipbank and Inverness areas. Only, about 6% of the land is said to be of low agricultural potential. These include areas along the midwestern boundary, some parts along the mid portions of the southern boundary and some portions along the steep slopes east of Durnacol and Dannhauser. In addition, about 7% of the area, covering the western outskirts has very restricted agricultural potential. The areas are considered to have extremely high agricultural potential and

accordingly be reserved for commercial agricultural production and excluded as much as possible from non-agricultural activities or developments. Areas of low or very low agricultural potential are recommended for commercial or other non-agricultural developments.

Consequently, any proposed development within an area categorized as having good to high agricultural potential should be subjected to further investigation with regards to the implications of its possible loss and how it can be saved. Conversely, in the areas of poor agricultural potential, there is a need to ensure the promotion of sound agricultural practices to avoid degradation of the fragile soils in these areas. Programmes for the rehabilitation of eroded areas should also be implemented, possibly under a public works programme.

## BIODIVERSITY (INCLUDING PROTECTED AREAS) ENVARONMENTAL ASSETS

The Dannhauser municipal area is endowed with numerous environmental assets, which are of conservation and economic value. These include:

- The Chelmsford Nature Reserve - this is the only KZN Wildlife protected area reserve in the municipal area. It is a 6 014-ha reserve and is located around the Ntshingwayo Dam.
- Important Escarpments - these are found along the western and southern boundary of the municipality and are identified as being of high conservation value.
- Important species sites - these include the wetland e.g., Paddavlei (which is a habitat for the endangered White winged Flufftail), threatened plant species and grasslands.

Important ecosystems - the municipality falls within the Acocks Veld Type 66 (Natal sour sandveld) which is endemic to KwaZulu Natal. The area has a high incidence of Red Data species, forest patches and medicinal plants.

## GEALOGY AND SOILS

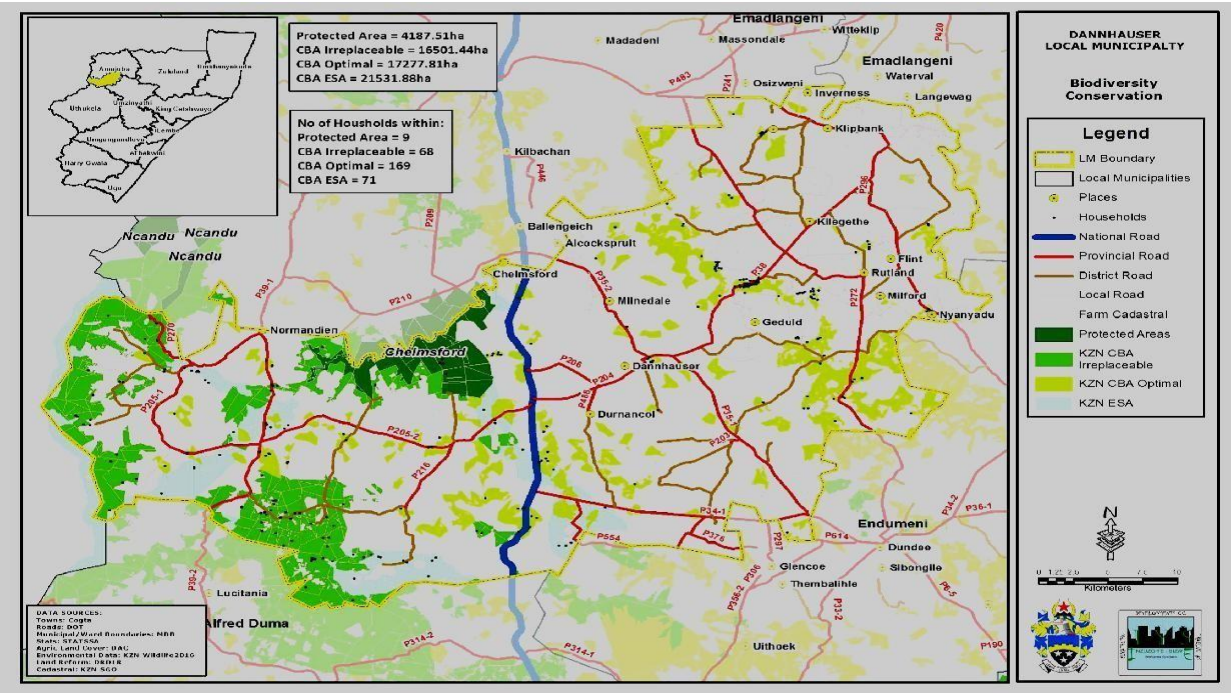
Vast land in Dannhauser comprises of Arenite and small portions are covered in Dolerite and Shale. The major soil types covering Dannhauser Local Municipality are Loam Soil, Sandy Clay Loam, Silt Loam and Silty Clay soils (Amajuba District EMP:2024).

## CONVERSATION AREAS

Areas that are protected formally within the municipal area include areas around the Ntshingwayo Dam. In addition, the game ranch along the south-western boundary of the site is of conservation significance but is not a protected area. Other areas of high conservation significance include all the wetlands and areas up to 30m around these wetlands and 100m from the banks of all rivers within the various catchments. In

addition, areas along the southern portion of the Chelmsford Nature Reserve are protected due to high biodiversity concerns. These areas should not be allocated for any development (NDG Africa: 2010)

## Map: 21 Protected Areas




## HISTORICAL INFRASTRUCTURE

The old infrastructure that exists within the municipal jurisdiction are related to Durnacol mine and Hattingspruit (old hotel – heritage). The buildings are being preserved and will be incorporated into the tourism products portfolio.

## CULTURAL/HERITAGE

Information available on the area does not reveal any sites or landmarks of provincial or national significance. However, one of the dominant cultural materials that need to be

noted are the graves. It is known that communities are invariably culturally attached to burial sites due to various cultural beliefs. Potential disturbances of these sites could result in severe social and cultural conflicts.
Location of all cultural materials and other materials of heritage significance should be determined prior to or during the planning of developments. Amafa KwaZulu Natal needs to be a key stakeholder in all development planning processes. Furthermore, the Dannhauser municipal area is situated in relatively proximity to the battlefields route. These routes may also be of heritage significance to the area (NDG AFRICA: 2010). The municipality has appointed a service provider to undertake a tourism resources assessment and strategy, the findings may or may not possibly impact on the listed cultural and heritage assets available within the jurisdiction.

## VEGETATION

Vegetation type within the boundary of the Dannhauser Municipality varies significantly but is dominated mainly by five vegetation types. These include:

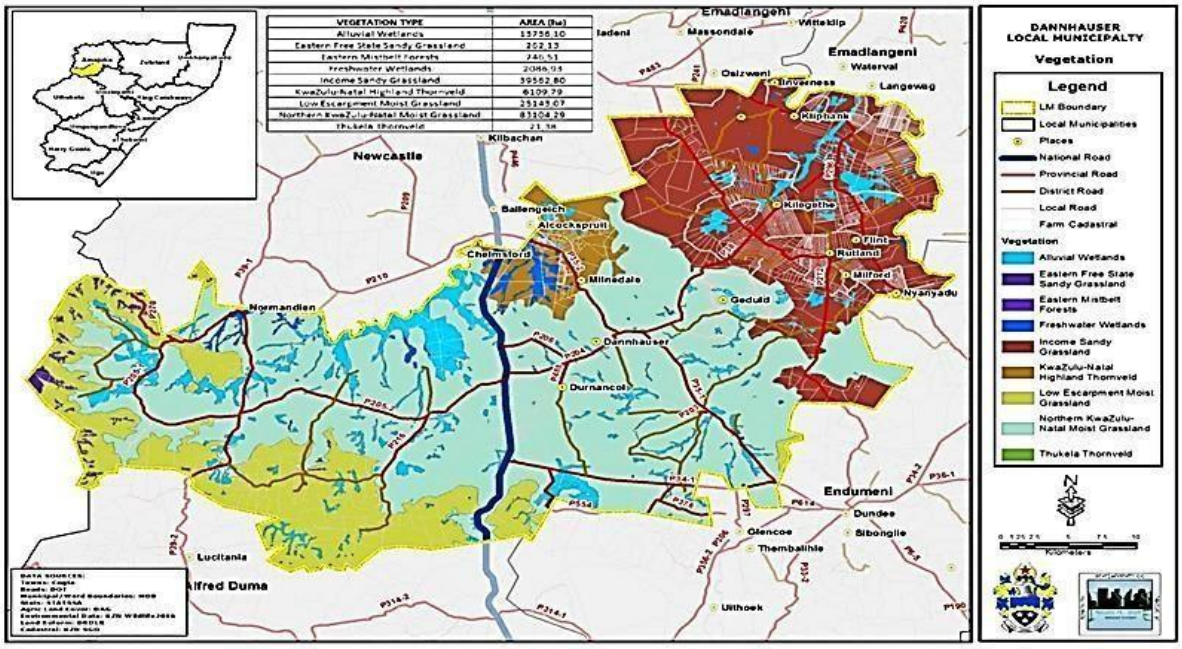
- The Income Sandy Grassland located at the northeastern corner of the municipality, covering the towns of Nyanyadu through Kilgethe to Inverness.
- The Glencoe Moist Grassland, located to the eastern side of the N11 around the towns of Hattingspruit to Gedule, to Durnacol and to the southern portion of Milnerdale.
- The Northern KwaZulu-Natal Moist Grassland. This is located along the southern portions of the municipal boundary, near Glencoe to the western portions of the N11, south of the Dam and to the western portions of the municipal area.
- The KwaZulu-Natal Highland Thornville, which covers the mid northern section of the municipality, north-west of Milnerdale, and the Low Escarpment Moist Grassland, which covers the western outskirts of the municipality and a small portion along the southern border close to the N11.

According to the KZN Wildlife Vegetation Status Database, the Northern KZN Moist Grassland is vulnerable while the Glencoe Moist and Income Sandy Grasslands are endangered and endemic to KZN. Vegetation that is endangered is one that has undergone immense transformation that its very existence in an indigenous form is threatened. Vegetation classified as endangered is thus of high conservation status. In view of this, the areas with untransformed vegetation are mostly on the eastern half of the municipality, covered by the Glencoe Moist and Income Sandy Grasslands.

These should be excluded from active development, especially one that involves the removal of vegetation. This will ensure that the impacts on the vegetation types are not

exacerbated and that linkages between the various vegetation types of the broader region are enhanced; these areas covered by the Glencoe Moist Grassland and Income Sandy Grassland should be included in the passive open spaces in the area. It should be noted however that development of any untransformed or derelict area might be subject to an environmental impact assessment. The key environmental issues may be including the removal of vegetation, particularly in areas covered by the endangered vegetation types as stated above, if the transformation or the size of the development is more than the development threshold in hectares (NDG AFRICA:2010).

Map:22 Dannhauser vegetation (SDF.2024/25)




## HYDROLOGY & WATER SYSTEMS

The municipality has categorized the hydrological aspect as surface and underground water, this allows the analysis of the movement, distribution, and quality of the water. There are sub catchments of the Ngobiya, Mbabane and Mzinyashana rivers within the larger Buffelsriver catchments. The mid northern portions fall within the larger Ngagane catchments, which contains very significant and endangered ecosystems and plant species, which are of high conservation value.

Several drainage lines traverse the municipal area and are accompanied by associated functional wetlands. **(A wetland is formed on floodplains where periodic flooding or high-water tables provide moisture, the wetlands undergo various constant**

**changes as rivers and streams form new channels and when floods scour the floodplain or deposit new material)**.

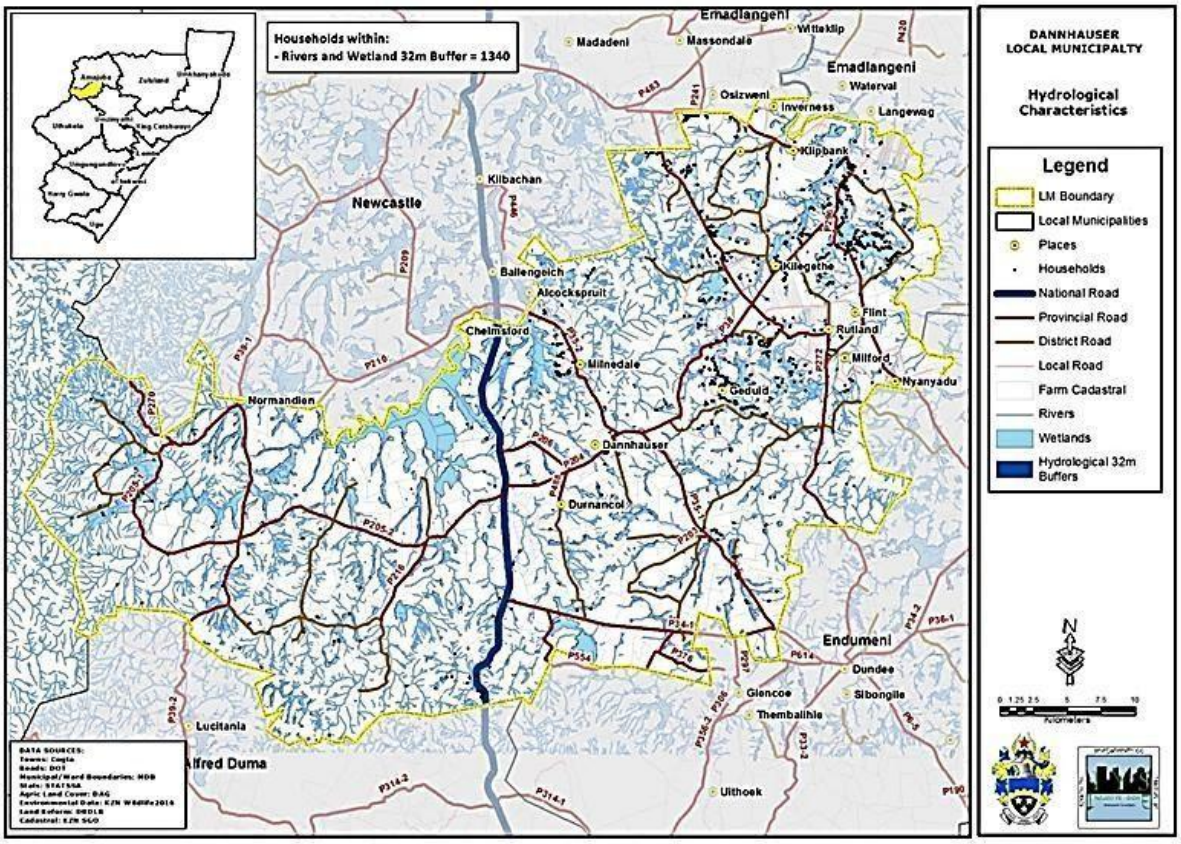
The main wetlands are located on the north-eastern to the south-eastern portions of the Municipal area and are highly sensitive. They are habitation areas for rare plants and animal species. The wetlands function as ecological infrastructure and perform very important hydrological functions such as flood attenuation and the maintenance of water quantity and quality of river systems. These important ecological systems need to be protected and managed as effectively as possible. Wetland areas as well as areas within 100m of the riverbank should be excluded from active development. It is advisable to conserve these areas as passive or at worst active open spaces, particularly in order to preserve the significant functionality of these hydrological bodies within the catchments.

The Chelmsford Nature Reserve & Ntshingwayo Kamahole Xhosa Dam and Tom Worthington Dam contribute to groundwater and surface water. Seepage from the base of the dams into the ground below cause the adjustment of the water table upwards, while overflowing of the dam due to heavy rainfalls causes small streams to be developed.

Dannhauser's hydrology must be regularly monitored due to the coal mining activities currently occurring within its jurisdiction. There is a risk of acid mine drainage due to the sulfur acid associated with coal mining dissolves into surface and ground water, this may lead to the pollution or contamination of the water and subsequently an environmental damage due to outflow & seepage.

The regulation of acid mine drainage is undertaken by the Department of Minerals, and if any water challenges are experienced the Department of Water Affairs. Currently there are negative reports due to mining operations. Even though the municipality is not a water authority, still it ensures that Amajuba District Municipality (Water Services Authority) applies and ensures compliance with Chapter 7 of the National Water Act, No.36 of 1998 as amended.

Map 23: Natural Water Systems SDF.2021/22


Households within:
- Rivers and Wetland 32m Buffer = 1340
DANNHAUSER
LOCAL MUNICIPALTY
Hydrological
Characteristics
Legend
LM Boundary
Local Municipalities
Places
Households
National Road
Provincial Road
District Road
Local Road
Farm Cadastral
Rivers
Wetlands
Hydrological 32m
Buffers
Newcastle
Emadlangeni
Endumeni
Alfred Duma
Madadeni
Massondale
Witteklip
Osizweni
Inverness
Waterval
Langewag
Klipbank
Kilbachan
Ballengeich
Alcockspruit
Chelmsford
Milnedale
Normandien
Dannhauser
Durnancol
Geduld
Flint
Rutland
Milford
Nyanyadu
Killegethe
Dundee
Sibongile
Glencoe
Thembalihle
Ulithoek
Lucitania
DATA SOURCES:

## AIR QUALITY

The Development Bank of Southern Africa prepared a sustainability report for Dannhauser Municipality in 2010. The issue of air quality was identified as one of the challenges facing the municipality due to bad smells from the old mines or coal dumps that exist. There are currently no reporting systems in place and no equipment for testing of air quality. The substandard nature of the air quality in the area is mostly visible in the mornings and at night. The bad air quality causes a negative health impact on the communities and the animals within proximity of the emitting elements (mines & dumps). The National Environmental Management Act No.107 of 1998, gives effect to the Air Quality Act No.39 of 2004 and provides that the quality of air must be conducive for the healthy living of people and other forms of life.

The municipality will engage with mining companies and develop a proper monitoring and reporting system that will enable decisive action to be undertaken when the quality of air is compromised. It will progress the implementation of carbon emission reduction as the country is part of the Kyoto Protocol. The Kyoto Protocol is an international treaty which extends the 1992 United Nations Framework Convention on Climate Change (UNFCCC), it intends to reduce carbon emissions that are man-made.

## ENVIRONMENTAL MANAGEMENT

The following are several key spatial issues and trends identified from an analysis of the Dannhauser Municipality informant Maps:

- ⇨ There are high levels of poverty and dense settlement in the North-East portion of the municipal area and there is therefore a resultant need for land for settlement purposes, as well as subsistence and commercial agricultural purposes.
- ⇨ There is a need to conserve and protect the natural resources the municipality is endowed with, that is, the soil, water, environmentally sensitive features and important landscapes, ecosystems and communities and species sites.
- ⇨ There is a need to maximize the agricultural potential of the area and facilitate the production of the highest outputs.
- ⇨ The N11 and R621 Roads provide good access within the municipal area and from the municipal area.
- ⇨ The Ntshingwayo Dam, the scenic landscapes and important environmental ecosystems, communities and species present valuable tourism and recreational opportunities.
- ⇨ There is a need to address environmental degradation due to overgrazing, poor agricultural practices, and a need to rehabilitate closed and abandoned mines.

## CLIMATE CHANGE & RESPONSE TO CLIMATE CHANGE

Dannhauser climate is classified as warm and temperate. The municipality's climate potential is predominantly and moderately good, however to the west, relatively good climate potential is observed with overly good climate potential. In winter, there is much less rainfall in Dannhauser than in summer. The climate within the study area is classified as Cwb by the Köppen-Geiger system. *Cwb* = Subtropical highland climate or temperate oceanic climate with dry winters; coldest month averaging above 0 °C, all months with average temperatures below 22 °C, and at least four months averaging above 10 °C. At least ten times as much rain in the wettest month of summer as in the driest month of winter (an alternative definition is 70% or more of average annual precipitation received in the warmest six months).

The average annual temperature in Dannhauser is 16.5 °C. About 782 mm of precipitation falls annually. The least amount of rainfall occurs in June. The average in this month is 8 mm. With an average of 136 mm, the most precipitation falls in January. The temperatures are highest on average in January, at around 21.0 °C. July has the lowest average temperature of the year. It is 10.2 °C. Dannhauser falls under the group C of five main climate groups, the Temperate (mesothermal) climates. This type of climate has the coldest month averaging between 0 °C and 18 °C and at least one month averaging above 10 °C. The variation in the precipitation between the driest and wettest months is 128 mm. During the year, the average temperatures vary by 10.8 °C.

Climate change is a change in the statistical distribution of weather patterns when that change lasts for an extended period of time. According to the BSP for Amajuba (2014), climate change is the dominant driver of biodiversity loss by the end of the 21$^{st}$ century, climate change impacts, such as increased severity and unpredictability of droughts, storms, and floods, and altered rainfall patterns, higher temperatures and higher evaporation and transpiration will place more pressure on biodiversity assets and ecosystems. Increased spread of diseases, increased fire risk and spread of exotic species are amongst the secondary impacts of climate change placing increased pressure on biodiversity. As a result, biodiversity and ecosystem support areas need to be managed in such a way that their resilience to extreme events is maintained and

enhanced. Resilience enables ecosystems to absorb both expected and unforeseen change, in order to retain ecological functioning (Cadman et. al. Munzhedzi, 2010).
The healthier and more biodiverse an ecosystem, and the better the maintenance of biodiversity patterns, connectivity and ecosystem processes, the more resilient the biodiversity and ecological support areas will be to climate change impacts. As a result, biodiversity planning and management needs to take account of the findings of climate change risk assessments (Laros & Jones, 2010). Ecological corridors and habitat buffer areas are important mechanisms for maintaining ecological networks, allowing plants and animals to migrate, disperse and adapt to the pressures of changing habitat conditions and climate

## Impacts of Climate Change on Agriculture

The projected impacts of climate change on agriculture are anticipated to be comprehensive. Systems for agriculture worldwide are already subjected to both positive and negative impacts, where the negative ones are highly prevalent (Climate Change Synthesis Report, 2014). The South African Long-Term Adaptation Scenarios' (LTAS) Flagship Research Programme identified various climate change impacts on the agricultural sector that are anticipated to have severe implications on food production (Climate Change Synthesis Report, 2014).

In KwaZulu-Natal, the province is likely to encounter drastic changes where factors, such as unfavourable temperatures and rainfall conditions, will have major impacts on agriculture. The daily maximum temperatures are expected to increase by 1.5°C and 2.5°C by 2065 and increase between 3°C and 5°C by 2100 (eThekwini Municipality, 2014). Heat waves and temperatures over 30°C will also increase from October to March, rainfall patterns are expected to become more concentrated into heavy rainfalls and/or floods, which will result in longer dry periods.

Future projections also identify expected intensity in rainfall by 2065 with an increase of up to 500mm by 2100 (eThekwini Municipality2014). In relation with these weather patterns, climate change is predicted to pose significant challenges in the agricultural sector. For instance, extended dry periods will result in water availability shortages from various sources (dams, underground water recharge, etc.) that will result in decreased agricultural productivity (eThekwini Municipality, 2007). Increased temperatures in Dannhauser municipal areas will further contribute to crop impairment and heat stress for livestock. Higher temperatures could also have nefarious impacts on rain fed arable land, thus creating a greater need for irrigation.

Extreme weather patterns are forecasted to affect food supply chains by disrupting transport networks, food storage warehouses, and processing facilities. For example, climate change disasters such as rainstorms and floods can disrupt food transportation networks (Kasavel et al., 2014). Moreover, predicted flooding will result in water-logged soils and leaching of nutrients, resulting in low yields. Projected climate inconsistency may compromise both commercial and small-scale farming and affect food security.

The following is the impact of adverse climate changes to agriculture activities in Dannhauser:

## Table 31: Summarized Impacts of Climate Change

| **Summarized impacts of climate change on agriculture in Dannhauser Municipality Climate Change Scenario: Increase in Temperature** | |
|---|---|
| **Food System Impacts** | **Food Security Impacts** |
| ***Food production:***<br>Shift in agro-ecological zones.<br>Change in crops grown per area.<br>Decrease in yield due to heat stress.<br>Increased weed pressure.<br>Increased disease pressure; and<br>Heat stress impact on animal productivity.<br>***Food processing:***<br>Increased need for cooling of perishable products; and Change in postharvest losses.<br>***Food distribution:***<br>Shorter shelf life of perishables; and<br>Improved refrigeration needed.<br>***Food consumption:***<br>Food perishes quicker, requires more preservation or refrigeration | ***Food availability:***<br>Overall decrease in food supply.<br>Shorter shelf life for perishable products reduces availability.<br>***Food accessibility:***<br>Reduced availability leads to increase in food prices which would make food less affordable, particularly for urban populations.<br>***Food utilization:***<br>Need to eat food sooner with shorter shelf life.<br>Might require more fluid intake; and Change in food types consumed.<br>***Food stability:***<br>Reduction in stability of food supply due to decreased availability; and<br>Potential greater seasonal variation in supply |
| **Climate Change Scenario: Increase in Severe Weather events e.g., storms and floods** | |
| **Food System Impacts** | **Food Security Impacts** |

| | |
|---|---|
| ***Food consumption:***<br>Change in growing conditions (damaged crops, lower yields; soil erosion); and<br>Impact on livestock health ***Food processing:***<br>Damaged storage facilities and processing plants ***Food distribution:***<br>Damage to transport network.<br>***Food consumption:***<br>Food basket composition changed.<br>Increased water-related health risks and cleanliness of food | ***Food availability:***<br>Decrease in food availability.<br>Increased need for food aid; and<br>Increase in food imports.<br>***Food accessibility:***<br>Increase in food prices make food less affordable.<br>Food supply chains can be affected, resulting in allocation problems.<br>***Food utilization:***<br>Food safety problems due to spoilage or emergency rations being used; and<br>Preferred foods not available<br>***Food stability***<br>· Overall decrease in food stability |

## Climate Change Policy Context in South Africa

Climate change is a relatively new area of policy development in South Africa. As policies and structures are developed, it is necessary to ensure that they are evidence-based, coordinated and coherent. The international and national climate change policies and structures, are as follows:

The United Nations Framework Convention on Climate Change (UNFCCC). This international treaty provides guidance on setting agreements pertaining to the reduction of greenhouse gas emissions.

The Paris Agreement came into effect on 4 November 2017. This is the first agreement all countries have committed to and stipulates that all countries must reduce carbon emissions to limit global temperature increase to 1.5 degrees Celsius above preindustrial levels.

South Africa's Nationally Determined Contributions came into effect after the Paris Agreement was signed. South Africa is therefore required to report on mitigation and adaptation efforts. Concerning mitigation, South Africa is to reduce emissions by a range between 398 and 614 million metric tons of carbon equivalent by 2025 and 2030. There are several instruments to ensure reduction in carbon emissions including car tax and company carbon budgets among other instruments. With

reference to adaptation a National Adaptation Plan is currently being developed, and climate change is to be incorporated in all policy frameworks, institutional capacity is to be enhanced, vulnerability and adaptation monitoring systems are to be in place, vulnerability assessment and adaptation needs framework are to be developed and there needs to be communication of past investments in adaptation for education and awareness.

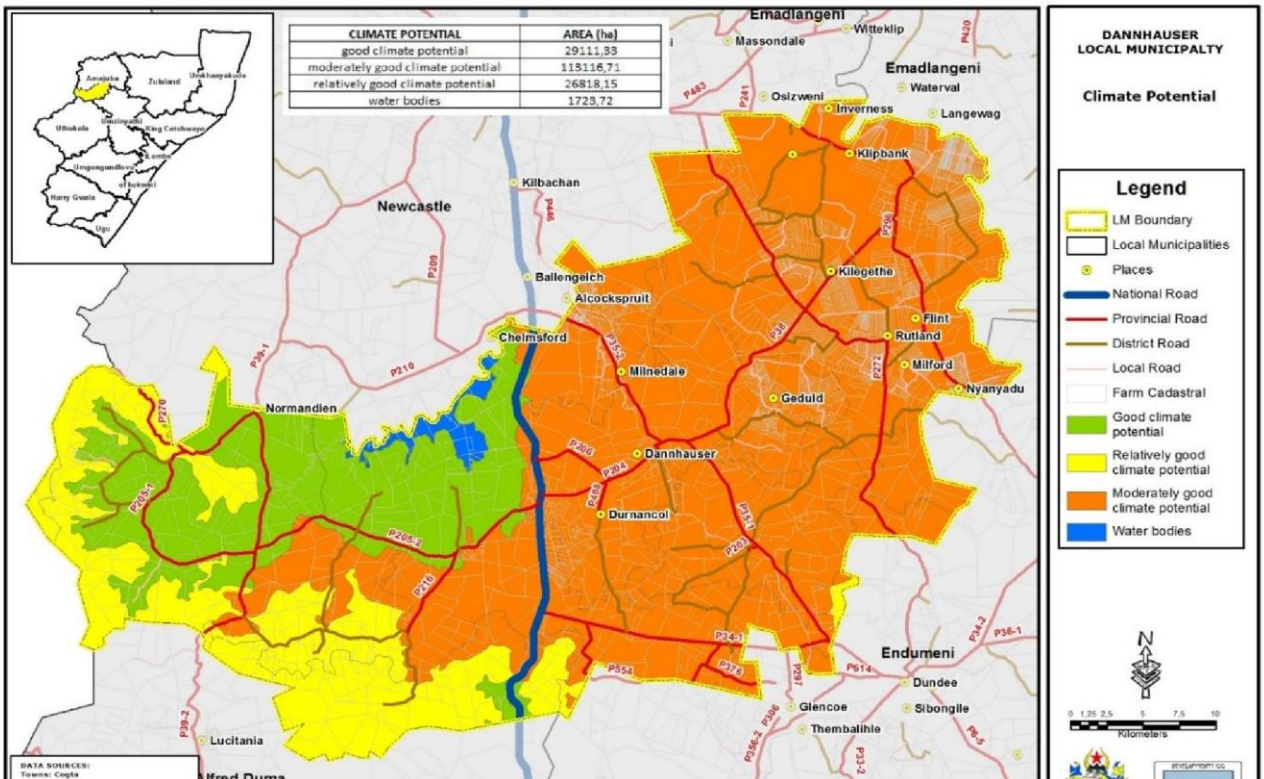
The National Climate Change Response White Paper (NCCRWP) was adopted in 2011 and presents the South African Government's vision for an effective climate change response in the long-term, to transition to a climate-resilient and lower-carbon economy and society.

The National Development Plan focuses on eliminating poverty and reducing inequality by 2030 and creating an environmentally sustainable country through mitigation and adaptation efforts.

Long Term Mitigation Scenarios, outline different scenarios of mitigation action for South Africa.

Long Term Adaptation Scenarios consist of two phases. Phase one was the identification of climate change trends and projections as well as impacts and responses for the main sectors. Phase two focused on integrating issues such as climate information and early warning systems, disaster risk reduction, human settlements, and food security.

## Map 24: Climate Potential



way to achieve intended objectives (or in the case of existing strategic action, changing/improving it) i.e., consider appropriate alternatives and proposing mitigation measures.

The SEA should be initiated early in the decision-making process before alternatives have been rejected or substantial decisions made. It will not focus only the environmental issues, but also considers social and economic issues. Public participation is a cornerstone of an effective SEA, since it ensures that the SEA process is comprehensive, gives appropriate recognition to relevant issues and is transparent. This principle should then be translated to the real-life examples of SEAs.
The overall objectives are:

- To aid in the provision of the municipality's environmental position, intentions, principles, and priorities in attaining a strategic environmental development and sustainability.
- Enable the protection of endangered conservation areas.
- Ensure that developments follow environmental practices prescribed.
- Implementation on environmental rehabilitation where required.
- Provide for timeframes, structures, and reporting systems with regards to the implementation plan; and
- Ensure that environmental sustainability is attained.

At this stage the following environmental issues are considered critical for a SEA process:

## SPATIAL AND ENVIRONMENTAL MANAGEMENT TRENDS

The following are several key spatial issues and trends identified from an analysis of the Dannhauser Municipality informant Maps:

- There are high levels of poverty and dense settlement in the North-East portion of the municipal area and there is therefore a resultant need for land for settlement purposes, as well as subsistence and commercial agricultural purposes.
- There is a need to conserve and protect the natural resources the municipality is endowed with, that is, the soil, water, environmentally sensitive features and important landscapes, ecosystems and communities and species sites.
- There is a need to maximize the agricultural potential of the area and facilitate the production of the highest outputs.
- The N11 and R621 Roads provide good access within the municipal area and from the municipal area.
- The Ntshingwayo Dam, the scenic landscapes and important environmental ecosystems, communities and species present valuable tourism and recreational opportunities.

- There is a need to address environmental degradation due to overgrazing, poor agricultural practices, and a need to rehabilitate closed and abandoned mines.

## SPATIAL AND ENVIRONMENTAL: SWOT ANALYSIS SDF COMPARISON

### Table 32: SWOT ANALYSIS

| STRENGTHS | OPPORTUNITIES |
|---|---|
| ⇨ Chelmsford Nature Reserve ⇨ Hosts important Escarpments.<br>⇨ Hosts important species sites.<br>⇨ Hosts important ecosystems.<br>⇨ About 19% of the land constitutes high potential agricultural land<br>⇨ Ntshingwayo Dam<br>⇨ The municipality has an operational Disaster and Environmental Section | ⇨ Opportunity to initiate tourism projects.<br>⇨ Room to initiate Agricultural projects.<br>⇨ There is room to reduce poverty and unemployment through agriculture &tourism projects.<br>⇨ The Municipality has Land available for expand the Landfill site. |
| **WEAKNESSES** | **THREATS** |
| ⇨ Large portions of land owned by private individuals and trusts.<br>⇨ Steep terrain.<br>⇨ Obstacles that limit agricultural activities.<br>⇨ Poor road infrastructure.<br>⇨ Lack of funding to empower subsistence farmers.<br>⇨ Lack of Waste bylaws | ● Increase in poverty levels.<br>● Endangered species are prone to land transformation.<br>● Increase in under development of land due to private and trust ownerships.<br>● Lack of environmental guidelines to direct sustainable developments ● Illegal Dumping activities<br>● Flood-line developments. |

## C.2.15MUNICIPAL INSTITUTIONAL CAPACITY

### Disaster Management as a Shared Function

The management of disasters within Dannhauser municipality is a shared function between Dannhauser municipality and Amajuba District Municipality. As such, the local municipality has prepared a Disaster Management Plan to minimize, reduce and eradicate any risk that the area may face due to disasters. This plan indicates that a disaster can be natural or anthropogenic. It also states that disasters and development have both a negative and positive relationship, this relationship needs to be recognized and managed to achieve sustainable development. In a negative sense, disasters can destroy development or uncontrolled, improper development can cause disasters.
In a positive sense, disaster can create an opportunity for more resilient development; proper development can reduce the risk of disasters occurring. Dannhauser Disaster Management Plan further points out that inappropriately planned development such as development in a floodplain increases disaster risk by making the new community susceptible to flooding. The development of well-planned and effective flood defense measures can decrease the vulnerability of the community and thus contribute to disaster risk reduction. Disasters are inevitable, although we do not always know when and where they will happen. But their worst effects can be partially or completely prevented by preparation, early warning, and swift and decisive responses.

### Role of Dannhauser Municipality

The municipal policy highlights the following:

- As a local municipality, Dannhauser hereby takes responsibility for all local disaster incidents, which can be managed within its resources.
- Council has set aside R 4 million towards rebuilding houses in the event of mud houses being destroyed and R 200 000.00 annually for others forms of relief for victims of any disaster within the jurisdiction.
- The municipality shall within its broader statutory disaster management obligations, focus its disaster management efforts on disaster mitigations.
- The municipality shall, in executing its responsibility, closely liaise with the other government spheres particularly the District Municipality.
- The municipality shall establish a disaster co-ordination committee comprising of all its departments to ensure that all its available resources needed for disaster are properly mobilized and applied.

- Any re-usable material assistance dispatched during and to address a disaster shall be closely monitored and any material remaining unused must be returned to the municipality.
- To facilitate proper reporting of disasters, the affected community members shall be required or assisted to specifically declare their need/apply for the relief; and The Mayor and Municipality Manager shall be the central stakeholders responsible for the implementation of this policy.

## ENTERPRISE RISK MANAGEMENT

Its functionality – The risk management unit is in place and comprises of risk manager, risk officer and risk intern. Its functionality is to have the following objectives. No, we have not appointed a risk committee. However, we are in the process of implementing a risk committee.The MANCO serves as the risk committee currently.

Effective Operational Performance, Policies are enhanced, less disaster and surprises, increased amount of positive feedback from community and other interested stakeholders i.e. Auditor-General, added value across service areas, improved number of targets achieved, improved internal controls, consistent management of risk and opportunities resulting in improved service delivery. Improve Financial Performance**,** Increased revenue generation, prudent spending, reduced level of irregular expenditure and fraud, credible financial reporting, etc.

Improve Human Resources Management, Reduce staff turnover, absenteeism, and stress. Improve Corporate Governance and Compliance Systems, Reduction in legal challenges, improved corporate governance statement, which is better substantiated and demonstrated, increased public satisfaction, and enhanced organizational image. Avoid certain adverse outcomes through taking proactive steps (fraud risk prevention, adverse audit opinion, etc.). Help organizations cope when actual disastrous incidents occur (business continuity plans, insurance etc.).

Increased probability of achieving objectives. Risk management is participatory and proactive and therefore helps management achieve the institutions' financial targets and assists with the Prevention of loss of resources.

Identifying and managing multiple and cross-enterprise risks. Institutions face a myriad of risks affecting multiple parts of the institution. ERM facilitates coordinated responses to the interrelated impacts and enhances an integrated response to multiple risks.

## Risk register and fraud risk register.

The risk register is currently being reviewed and updated via risk assessment processes and will be finalized before 30 June 2025.

## Anti-fraud and anti-corruption strategy in place, aims and objectives thereon.

The anti-fraud and anti-corruption strategy is currently in draft stage and once it is finalized it will be presented through the right channels for adoption.

## RISK ASSESSMENT

Dannhauser Municipality has undertaken the process of profiling and weighted all the risks that affect its municipal area.

### RISK PROFILE

**Table 33: Risk Profile**

| Type of Disaster | Low Risk | Medium Risk | High Risk |
|---|---|---|---|
| Flooding | | | X |
| House Fires | | | X |
| Severe Storms | | | X |
| Transport Accidents | | | X |
| Landslides | | X | |
| Environmental Pollution | | X | |
| Hazmat | | X | |
| Animal & Plant Diseases | | X | |
| Human Epidemic Disease | | X | |
| Drought | | X | |
| Lighting | | X | |
| Thunderstorms | | | X |
| Hail | | X | |
| Veld Fires | | | X |
| Disasters Caused by Mining | X | | |

## RISK REDUCTION AND PREVENTION

Good risk reduction and prevention includes proper planning and integrating with Amajuba District Municipality which is the custodian of Disaster Management within the District. The municipality has planning groups, committees, joint response teams and recovery project teams, this is however undertaken in conjunction with the district. To enhance the prevention mechanism, the municipality has identified the construction of floods levees, relocation of housing and essential services away from flood plains, use of better building standards and introducing hazardous waste regulations. Coordination with Tribal Authority Council Administrators where there is a high density of housing and school infrastructures has been implemented.

The municipality has identified the following prevention and mitigation strategies.

- The development of an early warning system for natural disasters such as floods, hailstorms, and droughts.
- Prevent forest fires by having fire breaks.
- LED Programmes.
- Upgrade and maintenance of infrastructure.
- Develop protocols for specific risks.
- Road and sidewalk maintenance.
- Upgrade and maintenance of landfill sites.
- Public awareness campaigns.
- Replacement of old vehicles and machinery.
- Develop poverty alleviation strategies; and
- Develop job creation programmes (i.e... Cleaning campaigns).

.

### Preparation

The municipality has a preparedness plan in place, the plan will be executed in line with the specific disaster. Through good preparation, the effects of disasters and significant incidents can often be reduced. Good preparation should include information and education of the public about hazards. Management of the municipality will be in the forefront. All relevant stakeholders and joint project teams will be notified where they are deemed necessary to intervene, this is to ensure that each disaster is managed appropriately with the correct resources.

## C.2.16 RESPONSE AND RECOVERY

### Response

In major emergencies, it is critical that an efficient and effective disaster response is mobilized. Response is a collective responsibility. In a major emergency or disaster, people need to know, what to do, who will do it and how it will be done. The municipality highly relies on Amajuba District to aid with fire-fighting equipment; however, it seeks to purchase equipment that will be readily available as the need may arise while Amajuba is attending to other disasters. An official who is a part of management is on standby for any emergency calls.

### Recovery

Recovery from major disaster can be a long and costly process. Essential services such as water and power may need to be restored; addition medical services may be required, or temporary housing and family support may be needed. Although the yearly allocation may be deemed not to be sufficient, the municipality will have to make appropriate additional allocations if the disaster is severe.

## TRAINING AND AWARENESS

The training needs that are generally suggested for emergency responses include the following:

- Community Awareness.
- Workplace Emergency.
- Professional Fire Fighting skills.
- Victim Management Skills.
- Disaster risk assessment.
- Various Disaster Plans; (Fire & thunderstorms)  Radio Communication.
- Contingency Plan development.
- Safety planning at Live Events.
- Disaster Operation Centre Management Skills and Procedures. (ADM)

## FUNDING REQUIREMENTS

Municipality has set aside a disaster budget of R 4 million with regards to infrastructure housing development when mud houses are destroyed due to disasters and R 200 000.00 for various relief aid to families affected by disasters.

## C.2.17 DISASTER MANAGEMENT SWOT ANALYSIS

**Table 34: Disaster Management SWOT Analysis**

| | |
|---|---|
| **Strengths**<br>● Support from the district.<br>● Support from local NGOs. | **Weaknesses**<br>● Lack of dedicated and skilled personnel to perform the function of disaster management, fire, and rescue services.<br>● Lack of equipment for firefighting services |
| | ● Lack of disaster response vehicles |
| **Opportunities**<br>● The municipality has potential to establish a coordinated disaster management fire and rescue services unit.<br>● The municipality has the potential to establish and improve working relationships with other relevant disaster management stakeholders.<br>● Participation NGOs and CBOs on issues of disaster management<br>● Involvement of councilors and traditional leaders on issues of disaster management and sitting in the forum.<br>● The municipality will capacitate the ward committees once they have been elected to | **Threats**<br>● Inadequate resources for both functions<br>● Inaccessible roads by emergency vehicles due to no existence of access roads<br>● Consistent occurrences of naturally induced disasters.<br>● Human settlements are not built in accordance with national building standards and regulations (rural and informal settlements)<br>● Human settlements near the streams |

| | |
|---|---|
| assist the municipality in performing the assigned duties for disaster management. | |

## DANNHAUSER LOCAL MUNICIPALITY KEY PERFORMANCE AREAS

### MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Municipal Transformation and Institutional Development (MTID) is one of the five Key Performance Areas (KPAs) under the local government performance management system. It is aimed at enhancing the capacity, performance, and structure of the municipality to deliver effective and efficient services to the community.

In Dannhauser Local Municipality, MTID focuses on building an accountable, professional, and development-oriented workforce while ensuring that the municipality is institutionally structured to meet its constitutional mandate.

### HUMAN RESOURCE STRATEGY AND PLAN

- To align the municipality's human resource and institutional capacity with its service delivery goals.
- To ensure that the municipality has the right structures, policies, and people in place to fulfill its developmental mandate.
- To promote good governance, transparency, and efficient administration.

**The Human Resource Management Strategy and Implementation Plan are aimed at:**

- Ensuring that the Municipality has the right number and composition of employees with the right competencies, in the right places, to deliver on the Municipality's mandate and achieve its strategic goals and objectives.
- Ensuring that the Municipality makes optimum use of human resources and anticipates and manages surpluses and shortages of staff.
- Ensuring that Municipal staff are suitably skilled and competent to add value to the Municipality in delivering sustainable solutions, advice, and capacity building.
- Ensuring that the Municipality attracts, retains, and develops a diverse workforce in line with

***Employment Equity regulations and targets***

- Aligning the strategic objectives of the HRM in the Dannhauser Local Municipality with the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000): Local Government: Municipal Staff Regulations.

**The following are benefits of a strategic human resource management plan:**

- Ensure the alignment of HR strategies with the goals and objectives of the municipality.
- Good governance and compliance to legislation, codes and HR standards
- Increased job satisfaction
- Better organizational culture
- Improved customer satisfaction (Internal and External)
- A proactive approach to managing employees.
- Increased productivity because of committed and loyal workforce

## Legislation, Policies, Circulars, White Paper, Collective Agreements

There are various Legislation applicable to Local Government and Human Resources in that needs to be considered when a Strategic Human Resource Plan is compiled or reviewed on an annual basis. There are also other applicable Circulars, White Papers, policies, and collective that need to be considered when inputs are considered for strategic HR plans. Recently the new Staff Regulations were promulgated which introduced major changes in HR administration. It is also vital to ensure that the integrated HRM & HRD Strategy and Implementation Plan further address the key requirements of a wide range of legislation. Current

legislation governing human resources management and human resources development planning within the local government sector is listed below:

- The Constitution of the Republic of South Africa
- Municipal Systems Act
- Municipal Structures Act
- Municipal Demarcation Act
- Municipal Finance Management Act, 1999
- Employment Equity Act, 1998
- Labour Relations Act, 1995
- Occupational Health and Safety Act
- Basic Conditions of Employment Act, 1997
- Skills Development Act, 1998
- Skills Development Levies Act, 1999
- South African Qualifications Authority Act, 1995
- Compensation for Occupational Injuries and Diseases Act, 1993
- Treasury Regulations, 2002

| HR ISSUES | CHALLENGES | PLAN OF ACTION |
|---|---|---|
| **Vacant Posts and Organizational Structure** | Delays in recruitment and filling of critical positions negatively affect service delivery. | Budget provisions and timeously filling the critical positions. |
| **Labour Relations** | Change may come from employees if communicated or consulted on. | Proper consultation and communication with organized labour, employees and relevant portfolios when Organisational changes such as restructuring, new policies, etc. take place. Management create resistance not properly |

| | | |
|---|---|---|
| **Poor Individual Performance Management Systems** | Incomplete submission of POEs and poor development of Key Performance Indicators. | Providing support and one on one engagement with employees. |
| **HR Systems and Compliance** | Non implementation of the online HR systems | Arranging the automated implementation and setup of the automated HR System with business partners. |
| **Workplace Morale** | Decline in staff morale | Appointment of EAP Practitioner and Increase EAP planned activities to improve staff morale. |

**Organizational Development**

HR leaders are responsible for ensuring that culture management is a core focus of their organization's competitive efforts. For HR leaders to influence culture, they need to work with senior management to identify what the organizational culture should look like. Culture should be lead from the top. Strategic thinking and planning must extend beyond merely meeting business goals and focus more intently on an organization's most valuable asset its people. HR has been described as the "caretaker" of organizational culture. In carrying out this essential role, all members of the HR team should help build and manage a strong culture by:

a) Being a role model for the organization's beliefs.
b) Reinforcing organizational values.
c) Ensuring that organizational ethics are defined, understood and practiced.
d) Enabling two-way communications and feedback channels.
e) Defining roles, responsibilities and accountabilities.
f) Providing continuous learning and training.
g) Sustaining reward and recognition systems.
h) Encouraging empowerment and teams.

i) Promoting a customer-supplier work environment.

j) Recognizing and solving individual and organizational problems and issues.

The Dannhauser Local Municipality comprises of 13 ward Councilors and 12 PR Councilors which amounts to 25 Councilors, with 5 Executive Members Committee (EXCO) and 9 Municipal Public Accounts Committee members (MPAC). Which the Municipal Council is chaired by the Speaker, Honorable S Ndlela, EXCO is chaired by the Mayor, Honorable Cllr BA Radebe and MPAC is chaired by Cllr Mabaso

**COUNCIL**

| **POLITICAL PARTY** | **NUMBER OF SEATS** |
|---|---|
| ANC | 9 |
| IFP | 9 |
| EFF | 3 |
| DA | 1 |
| ABC | 1 |
| TSSA | 1 |
| CFP | 1 |

**EXCO**

| **POLITICAL PARTY** | **NUMBER OF SEATS** |
|---|---|
| ANC | 2 |
| IFP | 2 |
| EFF | 1 |

**MPAC**

| **POLITICAL PARTY** | **NUMBER OF SEATS** |
|---|---|
| ANC | 2 |
| IFP | 2 |
| EFF | 1 |
| DA | 1 |
| TSSA | 1 |
| ABC | 1 |
| CFP | 1 |

**POWERS AND FUNCTIONS OF PORTFOLO COMMITTEES**

| **NAME OF THE COMMITTEE** | **POWERS AND FUNCTIONS** | **CHAIRPERSON** |
|---|---|---|
| Council | Legislative Authority and Executive Authority | Cllr MT Mabaso |

| | | |
|---|---|---|
| EXCO | Strategic Planning, Financial oversight, and monitoring the performance of the organization | Cllr BA Radebe |
| MPAC | Annual Reports Review, irregular Expenditure, review, monitor financial misconduct and promote good governance | Cllr VG Ngcane |
| Technical Services | Ensuring efficient and effective Municipal Services | Cllr S. Nzuza |
| Budget and Treasury Office | Oversight and scrutiny, oversight of financial dealings | Cllr BA Radebe |
| Community Services | Policy development legislative scrutiny and public engagement. | Cllr BTD Langa |
| Planning and Economic Development | Public Engagement, oversight, and policy review. | Cllr BTD Langa |
| Corporate Services | Budget oversight, risk management, policy implementation | Cllr S Nzuza |

**ORGANISATIONAL STRUCTURE**

The Dannhauser Local Municipality has established an Organogram based on the mandate facilitated by the powers and function of the municipal administrative and it was approved by the Council in 30 May 2025 together with the Integrated Development Plan.

The municipality comprises of 6 departments, namely:

1. Office of the Municipal Manager
2. Corporate Services
3. Community Services
4. Budget and Treasury Office
5. Technical Services, and

6. Planning and Economic Development.

**Section 54 and section 56/57 Managers:**

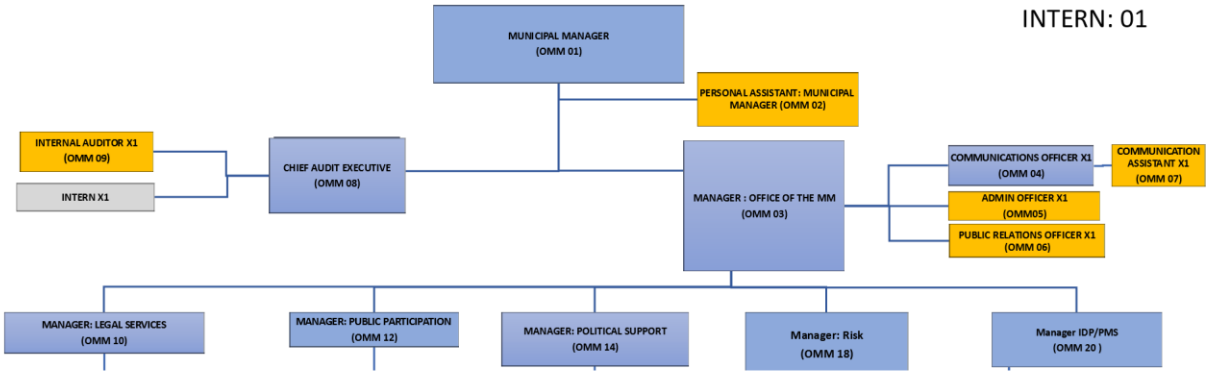
| Name & Surname | Designation | Gender |
|---|---|---|
| Mandlenkosi Sidwell Sithole | Municipal Manager | Male |
| Enock Vusumuzi Mdlalose | CFO | Male |
| Nokulunga Modulate Shangase | Corporate Director | Female |
| Innocent Mfanafuthi Ngwabe | Community Services | Male |
| Lungelo Phumulile Gcabashe | Technical Services | Female |
| Sibusiso Siphesihle Nkabinde | Planning | Male |

## Approved Municipal Organogram.

**OFFICE OF THE MUNICIPAL MANAGER**

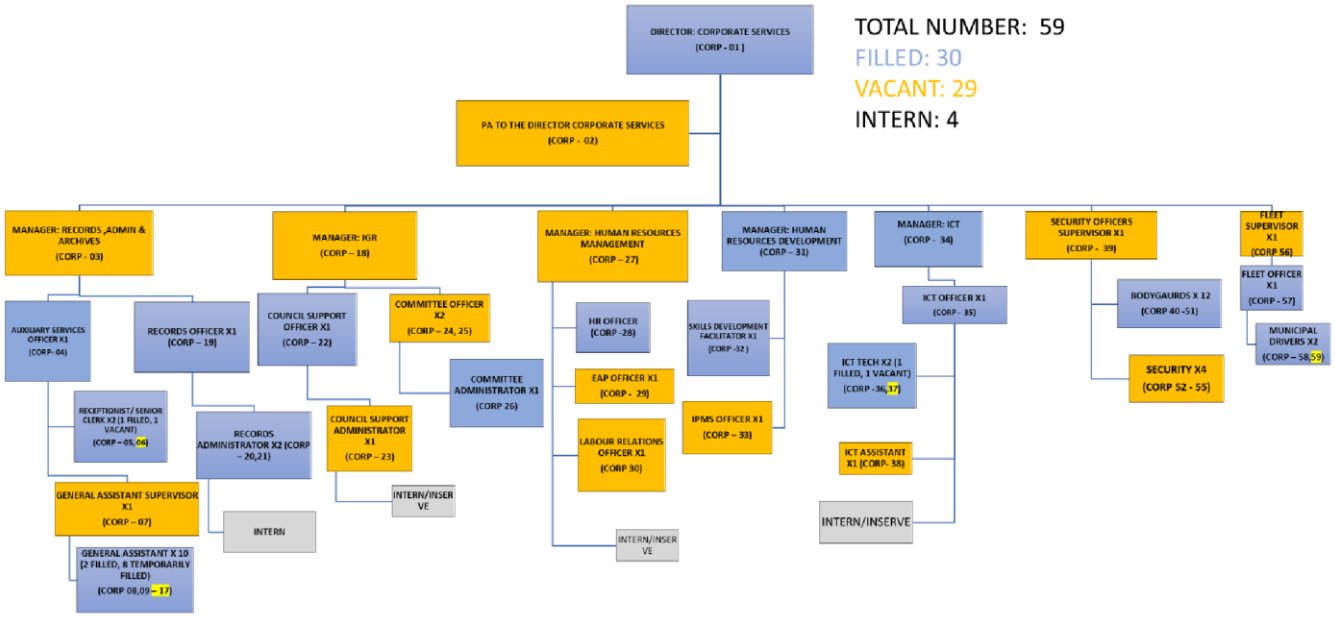
TOTAL NUMBER: 22
FILLED: 15

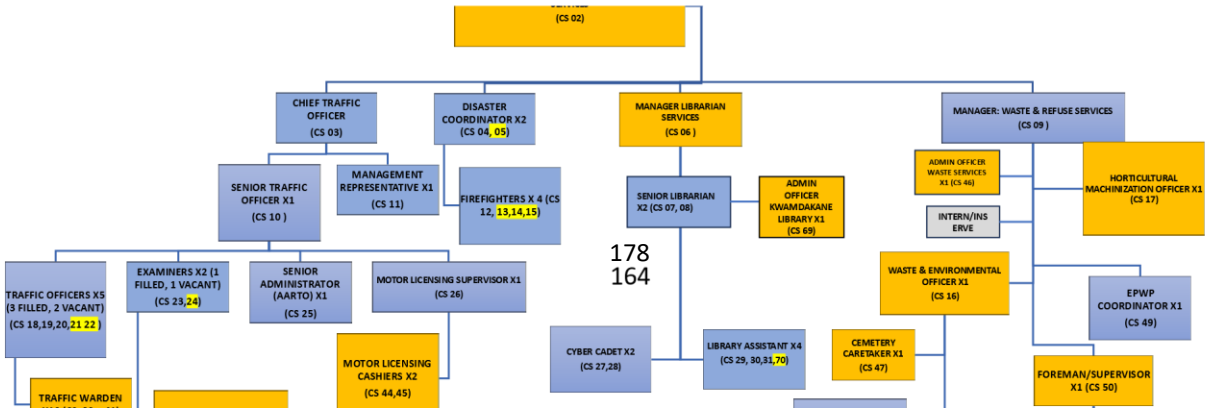
VACANT: 07
INTERN: 01




# CORPORATE SERVICES DEPARTMENT

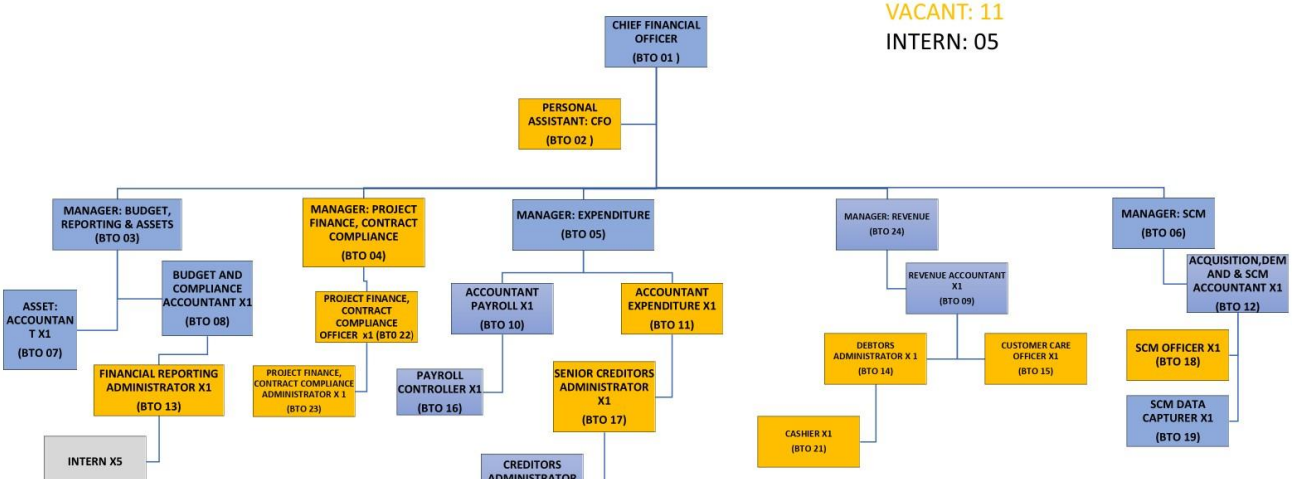
TOTAL NUMBER: 59
FILLED: 30
VACANT: 29
INTERN: 4



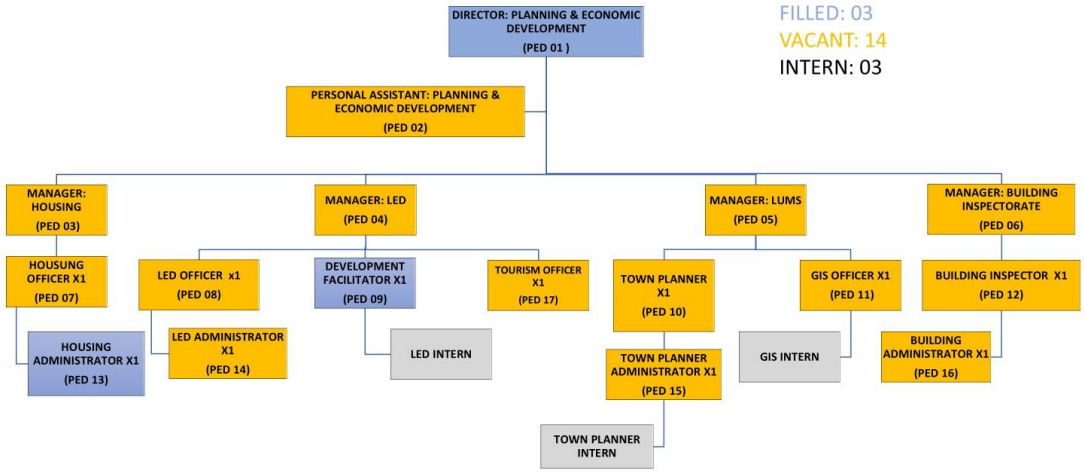
# BUDGET & TREASURY OFFICE

TOTAL NUMBER: 24
FILLED: 13
VACANT: 11
INTERN: 05

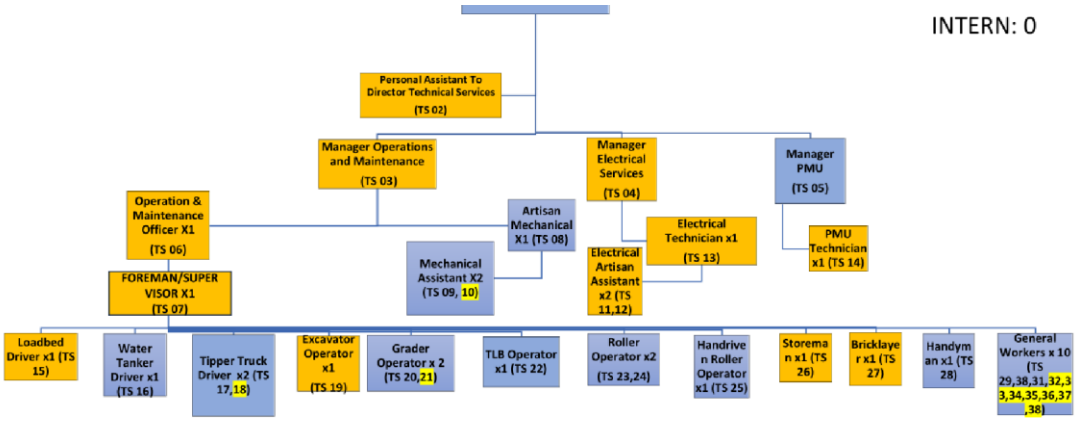



# PLANNING &ECONOMIC DEVELOPMENT

TOTAL NUMBER: 17
FILLED: 03
VACANT: 14
INTERN: 03




INTERN: 0



**MUNICIPAL DEPARTMENTS AND FUNCTIONS**

| DEPARTMENT | CORE FUNCTIONS AND UNITS | DIRECTORATE |
|---|---|---|
| Office of the Municipal Manager | Municipal Strategic Management<br><br>Manager office of the Municipal Manager<br>Risk Management | Municipal Manager Mr. M.S Sithole<br>Manager: Mr. V.E Mdlalose<br>Manager: Thandeka Koza Manager: Mr. P.J Ndlovu<br>Manager: Mr. S Cele<br>Manager: Mr. S Nkosi<br>Manager: Mr. NS Hlatshwayo |

Manager: Mr. SC Ngobese
Director: Mrs. NM Shangase
Manager Human Resources: Carol Mahlangu
Manager ICT: Siyathokoza Ngcobo
Records Officer: Sibongile Dube
Council Support: Siphiwe Jele

IDP/PMS

Internal Audit
Legal Services
Communications
Office of the Mayor

Public Participation

Corporate Services

Human Resources

ICT

| | | |
|---|---|---|
| | Record Management | |
| | Committee Office<br>Council Support | |
| | Auxiliary Services | |
| | Fleet Management | |
| | Security | |
| | | Auxiliary: Nokuthula Dukashe<br>Fleet Officer: Sebenzile Gule |
| Community Services | Environmental and Waste Management | Director Mr. M Ngwabe |
| | Disaster and Fire Management | Manager Waste: Siyabonga Khumalo |
| | Library Service | Senior Librarian: Nokubonga Myeza |
| | Protection Services | Chief Traffic Officer: Sphesihle Nzuza |

| | | |
|---|---|---|
| Budget and Treasury Office | | Chief Financial Officer Mr. EV Mdlalose |
| | Budget<br>Assets Management | Manager Budget: Sikelela Sidwell Buthelezi |
| | Revenue Management | Manager Revenue: Miss Z Zulu |
| | Expenditure Management | Manager Expenditure: Gcinile Mtambo |
| | Supply Chain Management | Manager SCM: Joe Hlongwane |
| Technical Services | | Mrs. LB Gcabashe |
| | Project Management<br>Electrical Engineering<br>Civil Engineering<br>Operations and Maintenance | PMU Manager: ZT Mnguni |
| Planning and Economic Development | Local Economic Development<br>Tourism<br>Housing<br>Rural Development<br>GIS and Town Planning<br>Building Inspection | Mr. S.S Nkabinde Housing administrator: Bongani Mandlingozi Development Facilitator: Bongani Kunene |

**VACANCY RATE**

| | |
|---|---|
| Total posts as per organogram | 230 |
| Filled posts | 112 |
| Vacant posts | 118 |
| % Percentage | 51% |

## POLICIES

| | |
|---|---|
| Grievance Procedure | Condolatory Policy |
| Disciplinary Code and Procedures | EAP |
| Performance Management Policy | OHS |
| Individual Performance Management Policy | Leave Management Policy |
| Acting Appointment and Additiona Responsibility | Employment Equity Policy |
| Task Job Evaluation | Working hours and Punctuality Policy |
| Placement policy | Staff Establishment Policy |
| Recognition of Long Service | Succession Career Path Policy |
| Induction Programme | Study Training Assistant Employee and Councilors |
| Sexual Harassment | Intoxicating substance abuse |
| Code of conduct | IPMS Policy |
| Termination of services | Skills Development |
| Vehicle Transport Allowance Perk Scheme | Recruitment , selection & appointment policy |
| Overtime Allowance Policy | Promotion/Transfer/Secondment and Appointment policy |

| | |
|---|---|
| Retention policy | Main collective agreement |
| Code of Conduct with regards to Political Activities by Municipal Employees | |
| | |
| | |

**The municipality has 2 disabled employees which makes 2%**

| **Category** | **Target** |
|---|---|
| Top Management | **0** |
| Senior Management | **0** |
| Professional | **0** |
| Skilled | **2** |
| Semi-Skilled | **2** |
| Unskilled | **2** |
| **Total:** | **6** |

## KEY CHALLENGES

1. Human Resources (HR)
   - Delays in recruitment and filling of critical vacant posts due to budget constraints and lengthy recruitment processes.
   - Delays in recruitment and filling of critical positions negatively affect service delivery.
   - Change Management may create resistance from employees if not properly communicated or consulted on.
   - Non implementation of the automated online HR leave systems
   - Decline in staff morale

2. Information Technology (IT)
   - Aging ICT infrastructure and systems that require upgrades and regular maintenance.
   - Limited ICT resources to support digital transformation initiatives and modern municipal systems.
   - Internet connectivity challenges affect productivity and service delivery.

- Budget constraints that limit the implementation of new ICT solutions and cybersecurity measures.

3. Occupational Health and Safety (OHS)
   - Limited awareness and training among employees regarding occupational health and safety practices.
   - Inadequate monitoring and compliance with safety standards within certain municipal facilities.
   - Need for regular workplace risk assessments and safety audits to ensure compliance with OHS legislation.

4. Human Resource Development (HRD)
   - Insufficient participation in professional development and capacity-building programmes.
   - Limited budget allocation for training, workshops, and skills development initiatives.
   - Incomplete submission of POEs and poor development of Key Performance Indicators.

5. Records Management
   - Need for improved compliance with records management policies and legislative requirements.
   - Inadequate records management systems and reliance on manual filing processes.
   - Risk of loss or misplacement of important municipal documents due to poor document control.
   - Limited digitization of records, which affects efficiency in accessing information.

**RECOMMENDATIONS**

1. Human Resources (HR)
   - Fast-track recruitment processes by setting clear internal turnaround times for advertising, shortlisting, interviews, and appointment.
   - Prioritise the filling of critical and funded posts through a proper recruitment plan approved by management.
   - Develop and implement a formal change management plan for all organisational changes

- Prioritise the implementation of the automated leave system with clear timelines and assigned responsibilities.
- Promote employee wellness programmes and support initiatives.

2. Information Technology (IT)
   - Develop and implement the ICT Infrastructure plan, prioritise critical systems and ensure that the maintenance schedule is in place and implemented.
   - Locate additional budget to the ICT unit and consider the upscaling the current staff and appointing specialized personnel to support digital transformation (ICT Management support).
   - Explore backup connectivity solution and upgrade the internet bandwith and stability to ensure continuous operation.
   - Invest in Cybersecurity tools and perform regular system updates, conduct staff awareness to protect Municipal data and systems from cyber threats.

3. Occupational Health and Safety (OHS)
   - Regular implementation of OHS awareness programmes as planned by the OHS committee so as to educate the employees of the safety procedures.
   - Develop a OHS plan to be implemented and monitored by the OHS Committee which will assist in ensuring that all facilities are in compliance with the safety standards.

4. Human Resource Development (HRD)
   - Ensure that training participation part of performance agreements and KPIs.
   - Maximise utilisation of external funding opportunities such as grants from the Local Government Sector Education and Training Authority and other SETAs
   - Implement cost-effective training methods such as in-house training and online learning.
   - Provide training and guidance on Portfolio of Evidence (POE) compilation and KPI development.
   - Strengthen monitoring and enforce submission deadlines.
   - Ensure regular performance reviews and support from supervisors.

5. Records Management

Regular awareness for relevant officials on Records Management Policies and strategies.
Budget and procure the services of the electronic filing system

## ICT GOVERNANCE FRAMEWORK

### Background

Information is a strategic resource that underpins the key functions and decision-making processes of a local government. The way information is managed, including the technology used to support it is therefore central to local government's business practices. Alongside its physical, human, and financial resources, a local government must manage its information resources in a way that enables services to be delivered that best meets community needs and the priorities set by council.

The integrated Planning and reporting Framework (IPR) set out how local government should plan for their future through the development of strategic Community Plans and Corporate Business Plans.

The resources needed to implement these plans are identified and managed through asset management plans workforce plans and long-term financial plans. In a similar way, information and information technology resources can be planned for and managed so that they support the strategic objectives and priorities of the organization, as well as ensuring that the business continuity of its day-to-day operations.

- 
- 

Information and Communications technology is also an important foundation for the other resourcing plans.

The ICT strategic Framework set out the key components that need to be considered in managing an organization's information resources. It represents the key elements, and their relationships, that might be expected in an "ideal" environment. The extent to which it is applicable will obviously depend on the size and complexity of the individual local government. It recognizes that there will be differing capacity within the local government sector to implement ICT and manage it in line with the IPR Framework.

The Framework is not a compliance requirement. It is a resource that local governments can use to plan for, manage and review their information and technology assets. It will be accompanied by a few templates guides and supporting documents that are designed to assist these processes.

What is ICT?
Information and communications Technology or ICT refers to technology that will store, retrieve, manipulate, transmit or receive information electronically or in digital form. It includes hardware, communications devices, or applications, including computer hardware, software, network infrastructure, video conferencing, telephone, and mobile phones.

## Importance of ICT in an organization

Information and communications technology (ICT) is important to organizations because it can help with a variety of tasks, including:

- **Communication and collaboration**: ICT can improve communication and collaboration between employees.
- **Data security**: ICT can help businesses keep their own data and their customers' data secure.
- **Decision-making**: ICT can help companies understand their customers and identify market trends, which can lead to better decisions.
- **Automation**: ICT can automate routine tasks, which can free up staff time for other activities.
- **Knowledge sharing**: ICT can help facilitate knowledge sharing.
- **Customer service**: ICT can help enhance customer service.

- **Data backup and disaster recovery**: Cloud computing can make data backup, disaster recovery, and business continuity easier and less expensive.
  **Project management**: Cloud computing can help boost project management outcomes.
  **Managerial control**: ICT can help managers control business functions, personnel, and other resources.

## What is the ICT Strategic Framework

The ICT Strategic Framework provides a high-level framework for the effective management of information and technology to ensure ICT systems are controlled and maintained in line with corporate objectives and emerging trends.
The ICT Strategic Framework will be accompanied by supporting documents and tools as the ICT Maturity Model, templates and example documents, policies and strategies plans, which are key resources for effective implementation of the framework.

## Purpose of the ICT Strategic Framework

**Strategic Framework has been developed as a tool to:**

- Assist Chief Executive Officers, executive team and elected members to better understand the complexity of managing information and technology within local government.
- Encourage local governments to improve the ICT capability.
- Enable each local government to operate at or above the ICT baseline Standard.
- Ensure ICT is adequately managed to support all aspects of local government operations, and
- Support all related elements of the integrated Planning and Reporting Framework.

The ICT Strategic Framework establishes an ICT Baseline which identifies the minimum requirements for the effective provision of Information management and information technology services to effectively support local government operations. Understanding the complexity of information and technology management within local government is the first step in applying the necessary measures to ensure that the baseline ICT standards are being met.

About the Framework

**The ICT Strategic Framework is made up of seven Elements:**

| |
|---|
| **GOVERNANCE** |

- 
- 

| |
|---|
| **EMERGING TRENDS AND TECHNOLOGIES** |
| **BUSINESS SYSTEMS AND APPLICATIONS** |
| **INFRASTRUCTURE AND TECHNOLOGY** |
| **ICT BUSINESS CONTINUITY** |
| **SECURITY** |
| **PROJECT MANAGEMENT** |

These elements should all be considered in managing information, systems, networks, and infrastructure to ensure that ICT systems are secure, protected from risk, adequately tested and controlled, and developed and maintained in line with corporate objectives.

The first seven elements and their relationships comprise an Information Technology Framework. The Framework should be used in conjunction with the ICT Maturity Model to assess the capability of the local government in relation to its size and functions and develop appropriate action plans in response.

## Information Technology Framework

The Information Technology Framework provides a high-level framework for the effective management of IT within local government. The framework identifies the elements of IT that should be considered as a minimum baseline, in managing systems, network, devices and data, to ensure that and maintained in line with corporate objectives.
What is the structure of the ICT Framework

The ICT Framework represents the discipline of ICT management as comprising seven key elements. The framework has been designed with four pillars reflecting the four main ICT disciplines, with Governance overarching all aspect of ICT at the top of the framework, and robust project management underpinning the framework. The positioning of emerging technologies and trends over the four pillars of ICT recognizes the role that disruptive technology has on the delivery of ICT services.

**The key elements of the ICT framework are:**

- Governance – the guiding strategies, principles, and practices that correct and effective delivery of ICT and provides a framework for ICT decision making.
- Emerging Trends and Technologies - The emerging trends and technologies providing challenges and opportunities for local government in managing ICT systems, and delivery of future ICT services.
  Business Systems and Applications – The software systems and applications used to deliver local government ICT services.
  Infrastructure and Technology – The hardware and network infrastructure used to deliver local government ICT services.
- IT Business Continuity – The activities undertaken to enable a local government to perform its key functions and deliver its ICT Services.
- Security – Protecting information and systems from unauthorized access, use, modification, disclosure, or destruction.
- Project Management – The discipline of planning, organizing, controlling, and managing resources to achieve specific goals.

The key elements are each made up of a few lower-level elements. Together, these elements describe the discipline of managing each of the elements identified within the framework. It is important to note that all elements of the framework are interrelated, and consideration should be given to how the element interrelate when using and implementing the framework.

**MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT SWOT ANALYSIS**

**STRENGTHS** **WEAKNESSES**

- Procedures and policies in place
- Sound financial Management /administration
- Annual review of organisational structure
- Annual workforce planning sessions been conducted.
- Effective management of Workplace Skills Plan
- High quality output by HR Team

- Inability to retain talent.
- Change management to be accelerated.
- Partial Compliance with OHS Legislation and regulations.
- Lack of commitment by employees to the individual Performance Management Systems
- Lack of employee wellness programme

- HR Policy register updated annually.

- Better and improved communication systems
- (Information sharing)
- Fourth Industrial Revolution (HRIS)
- Develop expertise in all disciplines of HR
- Development of Service Standards for each discipline
- Development of SOP's
- Automation of all HR Leave Processes

- Low staff productivity levels
- Low staff morale
- Too much time spend on compliance and no innovation.
- Budget constraints
- Administrative compliance (time-consuming)
- Over-Dependency on Key Personnel
- Inability to attract suitably qualified candidates.

- Internal and external bursaries awarded annually.
- Successful implementation of
- Learnerships/Interns/students
- Sound recruitment and selection processes and procedures in place

**OPPORTUNITIES**

- Continuous development of the existing workforce
- Leadership development

**THREATS**

- High Vacancy Rate

## Dispute Resolution Mechanisms

A clear process to be followed to resolve disputes arising from the interpretation and implementation of the EE Plan, including the responsible persons and timeframes for each step to resolve the dispute. The internal procedure about the implementation and interpretation of the Plan, in terms of section 20(2)(g) of the Act is set out below:

In the event of any party declaring a dispute related to the Employment Equity Plan or any aspect of the Employment Equity Act, Code of Good Practice or Regulations passed in terms of the Employment Equity Act, the party declaring a dispute shall notify the other party in writing thereof stating the nature of the dispute, the reasons for the dispute, the proposed terms of settlement, and the proposed dates and times for the meeting provided;

Within five (5) working days of receiving such notice as is envisaged above, the receiving party shall respond in writing to the notice, setting out its own position on the dispute including its settlement proposal.

The Employment Equity Forum shall attempt to meet at least twenty (20) working days after the date of the written response, to consider the dispute in an endeavour to facilitate a settlement. The parties may mutually agree to hold further meetings to try and resolve the dispute. The parties may also agree on an external party to assist with resolving the dispute through conciliation, mediation or by providing expert opinion.

Should the parties fail to resolve or settle the dispute, at the meeting envisaged, either party may resort to refer the dispute to the relevant dispute provisions of the Labour Relations Act or the Employment Equity Act.

## SENIOR MANAGERS ASSIGNED TO MONITOR AND IMPLEMENT THE PLAN

The Corporate Manager is the Senior Manager assigned to monitor the implementation of the Plan inconclusion with the Employment Equity Forum. Duration of the Plan: It is five years – 1st October 2022 to 31st September 2026

## WORKPLACE SKILLS PLAN (Planned - 2022/2026)

### WORKPLACE SKILLS PLAN

Workplace Skills Plan (WSP) for the period 2026/2027 as submitted to the LGSETA identified skills gaps and planned interventions to address these gaps. The WSP is being implemented as planned and the training beneficiaries include Political leaders, Senior Management, Middle Management and their

subordinates. The training and development will enhance the transformation of the municipality and its efficiency in delivering basic services to the community. Corporate governance will also be upheld, and proper financial management and management of municipal resources will be undertaken. The Workplace Skills Plan is Annexed hereto.

Table: Total Planned Beneficiaries 2026/2027

| LGSETA Strategic Focus Area | Municipal Key Performance Area | Main IDP Priority Linked to Key Performance Area | Female - Employed | Male - Employed | Total | Female - Unemployed | Male - Unemployed | Total |
|---|---|---|---|---|---|---|---|---|
| Enhancing Good Governance, Leadership and Management Capabilities | Good Governance and the linking of democracy | | 9 | 11 | 20 | 0 | 0 | 0 |
| Promoting Sound Financial Management & Financial Viability | Municipal Financial Viability and Management | Financial Viability | 3 | 2 | 5 | 7 | 3 | 10 |
| Enhancing Infrastructure and Service Delivery | Basic Service Delivery and Infrastructure Development | | 5 | 14 | 19 | 0 | 0 | 0 |
| Enhancing Municipal Planning | Municipal Transformation and Institutional Development | | 4 | 5 | 9 | 0 | 0 | 0 |
| Promoting Spatial Transformation and Inclusion | Sustainable Local Economic Development | | 0 | 0 | 0 | 0 | 0 | 0 |
| Totals | | | 21 | 32 | 53 | 7 | 3 | 10 |

**Table: Total Actual Adult Education & Training Beneficiaries as at April 2026**

| AET Level | Female LGSETA funded - Employed | Female Other funded - Employed | Male LGSETA funded - Employed | Male Other funded - Employed | Total | Female LGSETA funded - Unemployed | Female Other funded - Unemployed | Male LGSETA funded - Unemployed | Male Other funded - Unemployed | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| AET Level 1 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 |
| AET Level 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| AET Level 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| AET Level 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| National Senior Certificate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Totals | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 |

**Table: Total Actual Workplace Training Systems Beneficiaries as at April 2026**

| Type | Female Beneficiaries | Male Beneficiaries | Total | Total number of training interventions | Total number of training interventions funded by LGSETA |
|---|---|---|---|---|---|
| Skills Development Facilitator | 1 | 0 | 1 | 1 | 1 |
| Local Labour Forum | 6 | 10 | 16 | 1 | 0 |
| Training Committee | 3 | 5 | 8 | 1 | 1 |
| Totals | 10 | 15 | 25 | 3 | 2 |

## Table: Total Actual Training Beneficiaries as at April 2026

| LGSETA Strategic Focus Area | Municipal Key Performance Area | Main IDP Priority Linked to Key Performance Area | Female - Employed | Male - Employed | Total | Female - Unemployed | Male - Unemployed | Total |
|---|---|---|---|---|---|---|---|---|
| Enhancing Good Governance, Leadership and Management Capabilities | Good Governance and the linking of democracy | 1.General Administration2. Public Administration NQF level 4/5/6/73. Administration Assistant 4. Information Technology entry and advanced and End user computing5. Cross Cutting, environmental Special Facilitator 6. Project Management NQF Level 4 and 5 | 5 | 9 | 14 | 0 | 0 | 0 |
| Promoting Sound Financial Management & Financial Viability | Municipal Financial Viability and Management | 1. Municipal Financial Management Programme (MFMP)2. Internal Audit and risk Management 3. Revenue Management4. Supply Chain Management5. Unauthorized, | 3 | 5 | 8 | 0 | 0 | 0 |

| LGSETA Strategic Focus Area | Municipal Key Performance Area | Main IDP Priority Linked to Key Performance Area | Female - Employed | Male - Employed | Total | Female - Unemployed | Male - Unemployed | Total |
|---|---|---|---|---|---|---|---|---|
| | | Irregular, Fruitless and Wasteful Expenditure | | | | | | |
| Enhancing Infrastructure and Service Delivery | Basic Service Delivery and Infrastructure Development | 1. Technical skills (Electrical and road maintenance)2. Plumbing3. Welding4. Disaster Management 5. Fire fighting 6. Bricklaying | 0 | 4 | 4 | 0 | 0 | 0 |
| Enhancing Municipal Planning | Municipal Transformation and Institutional Development | 1. Human Resources Management2. General Administration3. End user Computing4. Councillor development 5. Ward Committee Development6. Public Management NQF Level 67. Administrative Assistant NQF Level 68. Secretarial Course9. Fleet Management10. | 3 | 5 | 8 | 0 | 0 | 0 |
| | | Occupational Health and Safety11. Employee Health and Wellness | | | | | | |
| Promoting Spatial Transformation and Inclusion | Sustainable Local Economic Development | 1. Project Management2. Local Economic Development NQF 4/53. SMME's Entry course accreditation4. Tourism 6. Community development and rural development NQF 4/5 and higher | 0 | 0 | 0 | 0 | 0 | 0 |
| Totals | | | 11 | 23 | 34 | 0 | 0 | 0 |

## ENVIRONMENTAL MANAGEMENT PERSONNEL

The municipality does not have permanent staff members undertaking environmental duties, a position has been established for an Environmental Officer but is still vacant. Reliance is placed on Amajuba District to undertake some of the duties and external 198takeholder

## EMPLOYMENT EQUITY AND RETENTION POLICY

The municipality approved the Employment Equity Plan, in line with Section 20 of the Employment Equity Act 55 of 1998. Council adopted it in May 2022, The Annual Employment Equity Report was submitted online to the Department of Labour portal system, to comply with Employment Equity Act. Dannhauser Municipality developed and adopted this policy in 2021, and it will be reviewed annually. Municipality acknowledges that the accomplishment of its service delivery objectives is reliant on its ability to attract and retain quality and committed staff, particularly to strategic positions. The Municipality adopted a Human resources retention strategy which aims to ensure that all employees are compensated fairly and are treated equally throughout the Municipality. Currently the Municipality has employed 4 people with disabilities.

The municipality Retention policy intends to retain employees.

- Provide Training and development for employees.
- Scarce skills allowance to certain positions
- Scarce skills paid at a top-grade
- Provide Tertiary Education for employees through Bursaries and learnerships.

## ICT GOVERNANCE FRAMEWORK

Background

Information is a strategic resource that underpins the key functions and decisionmaking processes of a local government. The way information is managed, including the technology used to support it is therefore central to local government's business practices. Alongside its physical, human, and financial resources, a local government must manage its information resources in a way that enables services to be delivered that best meets community needs and the priorities set by council.

The integrated Planning and reporting Framework (IPR) set out how local government should plan for their future through the development of strategic Community Plans and Corporate Business Plans.

The resources needed to implement these plans are identified and managed through asset management plans workforce plans and long-term financial plans. In a similar way, information and information technology resources can be planned for and managed so that they support the strategic objectives and priorities of the organization, as well as ensuring that the business continuity of its day-to-day operations.

Information and Communications technology is also an important foundation for the other resourcing plans.

The ICT strategic Framework set out the key components that need to be considered in managing an organization's information resources. It represents the key elements, and their relationships, that might be expected in an "ideal" environment. The extent to which it is applicable will obviously depend on the size and complexity of the individual local government. It recognizes that there will be differing capacity within the local government sector to implement ICT and manage it in line with the IPR Framework.

The Framework is not a compliance "equi'ement. It is a resource that local governments can use to plan for, manage and review their information and technology assets. It will be accompanied by a few templates guides and supporting documents that are designed to assist these processes.

**What is ICT?**

Information and communications Technology or ICT refers to technology that will store, retrieve, manipulate, transmit or receive information electronically or in digital form. It includes hardware, communications devices, or applications, including computer hardware, software, network infrastructure, video conferencing, telephone, and mobile phones.

Importance of ICT in an organization

Information and communications technology (ICT) is important to organizations because it can help with a variety of tasks, including:

- **Communication and collaboration**: ICT can improve communication and collaboration between employees.
- **Data security**: ICT can help businesses keep their own data and their customers' data secure.

- **Decision-making**: ICT can help companies understand their customers and identify market trends, which can lead to better decisions.
- **Automation**: ICT can automate routine tasks, which can free up staff time for other activities.
- **Knowledge sharing**: ICT can help facilitate knowledge sharing.
- **Customer service**: ICT can help enhance customer service.
- **Data backup and disaster recovery**: Cloud computing can make data backup, disaster recovery, and business continuity easier and less expensive.
- **Project management**: Cloud computing can help boost project management outcomes.
- **Managerial control**: ICT can help managers control business functions, personnel, and other resources.

What is the ICT Strategic Framework

The ICT Strategic Framework provides a high-level framework for the effective management of information and technology to ensure ICT systems are controlled and maintained in line with corporate objectives and emerging trends.

The ICT Strategic Framework will be accompanied by supporting documents and tools as the ICT Maturity Model, templates and example documents, policies and strategies plans, which are key resources for effective implementation of the framework.

Purpose of the ICT Strategic Framework

**Strategic Framework has been developed as a tool to:**

- Assist Chief Executive Officers, executive team and elected members to better understand the complexity of managing information and technology within local government.
- Encourage local governments to improve the ICT capability.
- Enable each local government to operate at or above the ICT baseline Standard.
- Ensure ICT is adequately managed to support all aspects of local government operations, and
- Support all related elements of the integrated Planning and Reporting Framework.

The ICT Strategic Framework establishes an ICT Baseline which identifies the minimum requirements for the effective provision of Information management and information technology services to effectively support local government operations. Understanding the complexity of

information and technology management within local government is the first step in applying the necessary measures to ensure that the baseline ICT standards are being met.

About the Framework

**The ICT Strategic Framework is made up of seven Elements:**

| |
|---|
| **GOVERNANCE** |
| **EMERGING TRENDS AND TECHNOLOGIES** |
| **BUSINESS SYSTEMS AND APPLICATIONS** |
| **INFRASTRUCTURE AND TECHNOLOGY** |
| **ICT BUSINESS CONTINUITY** |
| **SECURITY** |
| **PROJECT MANAGEMENT** |

Table 58: ICT Elements

These elements should all be considered in managing information, systems, networks, and infrastructure to ensure that ICT systems are secure, protected from risk, adequately tested and controlled, and developed and maintained in line with corporate objectives.

The first seven elements and their relationships comprise an Information Technology Framework. The Framework should be used in conjunction with the ICT Maturity Model to assess the capability of the local government in relation to its size and functions and develop appropriate action plans in response.

Information Technology Framework

The Information Technology Framework provides a high-level framework for the effective management of IT within local government. The framework identifies the elements of IT

that should be considered as a minimum baseline, in managing systems, network, devices and data, to ensure that and maintained in line with corporate objectives.

What is the structure of the ICT Framework

The ICT Framework represents the discipline of ICT management as comprising seven key elements. The framework has been designed with four pillars reflecting the four main ICT disciplines, with Governance overarching all aspect of ICT at the top of the framework, and robust project management underpinning the framework. The positioning of emerging technologies and trends over the four pillars of ICT recognizes the role that disruptive technology has on the delivery of ICT services.

**The key elements of the ICT framework are:**

- Governance – the guiding strategies, principles, and practices that correct and effective delivery of ICT and provides a framework for ICT decision making.
- Emerging Trends and Technologies - The emerging trends and technologies providing challenges and opportunities for local government in managing ICT systems, and delivery of future ICT services.
- Business Systems and Applications – The software systems and applications used to deliver local government ICT services.
- Infrastructure and Technology – The hardware and network infrastructure used to deliver local government ICT services.
- IT Business Continuity – The activities undertaken to enable a local government to perform its key functions and deliver its ICT Services.
- Security – Protecting information and systems from unauthorized access, use, modification, disclosure, or destruction.
- Project Management – The discipline of planning, organizing, controlling, and managing resources to achieve specific goals.

The key elements are each made up of a few lower-level elements. Together, these elements describe the discipline of managing each of the elements identified within the framework. It is important to note that all elements of the framework are interrelated, and consideration should be given to how the element interrelate when using and implementing the framework.

## MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT SWOT ANALYSIS

| STRENGHTS | WEAKNESSES |
|---|---|
| • Procedures and policies in place<br>• HR Policy register updated annually.<br>• Sound financial Management /administration<br>• Annual review of organisational structure<br>• Annual workforce planning sessions been conducted.<br>• Effective management of Workplace Skills Plan<br>• High quality output by HR Team<br>• Internal and external bursaries awarded annually.<br>• Successful implementation of<br>• Learnerships/Interns/students<br>• Sound recruitment and selection processes and procedures in place | • Strategic HR Management lacking<br>• Strategic Risk Management insufficient<br>• Inability to retain talent.<br>• Lack of Talent Management & Succession planning<br>• Change management to be accelerated.<br>• Lack of dashboard/metrics in HR<br>• HRM Data not analysed/monitored.<br>• Partial Compliance with OHS Legislation and regulations.<br>• Non-Functioning of Safety Committee Forum<br>• Lack of Performance Management System<br>• Lack of employee wellness programme |

| OPPORTUNITIES | THREATS |
|---|---|
| • Continuous development of the existing workforce<br>• Leadership development<br>• Better and improved communication systems<br>• (Information sharing)<br>• Fourth Industrial Revolution (HRIS)<br>• Develop expertise in all disciplines of HR<br>• Development of Service Standards for each discipline<br>• Development of SOP's<br>• Automation of all HR Processes | • Low staff productivity levels<br>• Low staff morale<br>• Too much time spend on compliance and no innovation.<br>• Staff have negative view of the implementation of HR functions.<br>• Budget constraints<br>• Administrative compliance (time-consuming)<br>• Covid-19 Pandemic<br>• Over-Dependency on Key Personnel<br>• Inability to attract suitably qualified candidates. • High Vacancy Rate |

Table 59 : SWOT Analysis

**KEY CHALLENGES**

1. Human Resources (HR)
   - Delays in recruitment and filling of critical vacant posts due to budget constraints and lengthy recruitment processes.
   - Delays in recruitment and filling of critical positions negatively affect service delivery.
   - Change Management may create resistance from employees if not properly communicated or consulted on.
   - Non implementation of the automated online HR leave systems
   - Decline in staff morale

2. Information Technology (IT)
   - Aging ICT infrastructure and systems that require upgrades and regular maintenance.

- Limited ICT resources to support digital transformation initiatives and modern municipal systems.
- Internet connectivity challenges affect productivity and service delivery.
- Budget constraints that limit the implementation of new ICT solutions and cybersecurity measures.

3. Occupational Health and Safety (OHS)
   - Limited awareness and training among employees regarding occupational health and safety practices.
   - Inadequate monitoring and compliance with safety standards within certain municipal facilities.
   - Need for regular workplace risk assessments and safety audits to ensure compliance with OHS legislation.

4. Human Resource Development (HRD)
   - Insufficient participation in professional development and capacity-building programmes.
   - Limited budget allocation for training, workshops, and skills development initiatives.
   - Incomplete submission of POEs and poor development of Key Performance Indicators.

5. Records Management
   - Need for improved compliance with records management policies and legislative requirements.
   - Inadequate records management systems and reliance on manual filing processes.
   - Risk of loss or misplacement of important municipal documents due to poor document control.
   - Limited digitization of records, which affects efficiency in accessing information.

## C.4 KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

This refers to the principles and practices that guide how a government operates, including accountability, transparency, and adherence to the rule of law.

## Public Participation

This involves actively engaging citizens in decision-making processes, ensuring their voices are heard and their concerns addressed

A KPA ward committee consists of the ward councilor, who is the elected representative, and up to 10 other members from the community, also elected by the community. These members are elected by their fellow residents of the ward.

Key Points:

### Structure:

The ward committee is a democratic body representing the community, led by the ward councilors. Elected by geographic model.

### Purpose:

The committee serves as a communication channel and consultative body between the community and the municipality on matters affecting the ward.

### Functions:

They make recommendations to the councilors and council, represent the community on development plans, ensure good communication, and help the community participate in the budget process.

### Membership:

The committee includes the ward councilor and up to 10 community members, all elected by the ward residents.

## BATHO PELE POLICY AND PROCUDURE MANUAL

The purpose of the Batho Pele policy. to transform South African public

service delivery by prioritizing the needs and experiences of citizens.

### Improving Public Service Delivery

Its purpose is to shift from a rules-bound, bureaucratic approach to one that is customer-oriented and results-driven, with a focus on efficiency, effectiveness, and accountability.

It is all about giving good customer service to the users of government services. All public servants are required to practice Batho Pele.

A Municipal Rapid Response Team (MRRT) is a specialized unit within a municipality that quickly addresses service delivery problems and community concerns, often in response to protests or other emergencies. These teams are designed to ensure swift action and resolution of issues, prioritizing areas facing pressure and potential unrest

- **Citizen-Centric Approach:**

**Key Objectives of Batho Pele:**

Batho Pele emphasizes placing citizens at the center of delivery service, ensuring services are responsive to their needs and preferences.

- **Improved Service Delivery:**

It aims to enhance the quality, efficiency, and effectiveness of public services.

- **Addressing Inequalities:**

Batho Pele seeks to rectify disparities in service delivery, ensuring access for all citizens.

- **Accountability and Transparency:**

It promotes a culture of accountability within the public service, requiring public servants to be transparent and responsive to citizens.

- **Continuous Improvement:**

Batho Pele encourages a commitment to ongoing improvement in service delivery, striving for excellence.

- **Respect and Dignity:**

It emphasizes treating citizens with respect, dignity, and empathy. In practice, Batho Pele principles are applied through:

- **Consultation:** Engaging with citizens to understand their needs and expectations.
- **Courteous and Efficient Service:** Ensuring public servants are polite, friendly, and efficient in their interactions with citizens.
- **Fair and Equitable Access:** Providing equal access to services regardless of status or background.

- **Addressing Grievances:** Providing mechanisms for citizens to raise grievances and receive a speedy and effective remedy.
- **Value for Money:** Ensuring public services are provided efficiently and economically.
- **Transparency and Openness:** Being transparent about how services are delivered and how they are being improved.

## OBJECTIVES OF THE POLICY

- To have a customer centric approach to service delivery
- To improve service delivery, with a shift way away from inward –looking, bureaucratic systems, processes and attitudes as an increased commitment, personal sacrifice, dedication and a search for new ways of working which put the needs of the public first, which are better, faster and more responsive to the citizens' needs.
- To provide easy access to information and services of Dannhauser Local Municipality, as provided by Access to Public Information Act.

## OPERATION SUKUMA SAKHE (OSS)

Operation Sukuma Sakhe (OSS) War Rooms are part of a province-wide integrated service delivery model aimed at addressing poverty and improving community wellbeing. These war rooms, located in each ward, serve as a hub for gathering information, discussing needs, and coordinating service delivery.

The aim of Operation Sukuma Sakhe (OSS) war rooms is to facilitate comprehensive and integrated service delivery to communities, focusing on poverty alleviation and addressing social ills. These war rooms serve as a hub for gathering information about community needs, coordinating interventions from various government departments, and mobilizing local resources to address these needs.

The primary objective of Operation Sukuma Sakhe (OSS) war rooms is to facilitate the provision of government services to communities and households through collaboration and integration of various government departments,

## STRUCTURES OF OSS

We have a war room structure in the ward level. In all these structures we have the chairperson, deputy chairperson, secretary and the deputy secretary

- **Provincial Task Team (PTT):**

The highest level, overseeing all OSS activities at the provincial level.

- **District Task Team (DTT):**

Operates within individual districts, coordinating efforts at the district level.

- **Local Task Team (LTT):**

Focuses on specific local areas, working with local municipalities and communities.

- **Ward Task Team (WTT) / War Room:**

The most localized level, operating at the ward level to gather information and coordinate interventions within communities.

| CHALLENGES | RECOMMANDATION |
|---|---|

| | |
|---|---|
| Government departments does not want to attend war room and LTT meetings | . The recommendation is that the structures must be reformed and be capacitated. The management |
| | should stand for elections in the LTT and PTT |
| Formal structures in the war room and LTT are not in the good condition | |
| | |

Table 60; Challenges and Recommendations

## SECTOR DEPARTMENTS

- MUNICIPALITY
- COMMUNITY MEMEBERS
- DEPT HEALTH- CHIEF DR FP MTSHALI (CEO)
- DSD -MR MNDAWENI
- CDW- Ben NDAZA
- SASSA- MR MADINANA
- AGRICULTURE MISS BONGIWE MALULEKA

## DISTRICT DELIVERY MODEL

The DDM is a practical Intergovernmental Relations (IGR) mechanism to enable all three spheres of government to work together, with communities and stakeholders in order to plan, budget and implement efficiently and effectively. The District Development Model (DDM) is based on the following Objectives:

- Solve the Silos at a horizontal level and vertical level;

- Maximize impact and align plans and resources at our disposal through the development of One District, One Plan and One Budget;
- Narrow the distance between people and government by strengthening the coordination role and capacities at the district and city levels;
- Ensure inclusivity by gender budgeting based on the needs and aspirations of our people and communities at a local level;
- Build government capacities support to Municipalities;
- Strengthen monitoring and evaluation at District and Local Levels;
- Implement a balanced approach towards development between urban and rural areas; • Ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment and equality; and
- Exercise oversight over budget and projects in an accountable and transparent manner.

## INTERGOVERNMENTAL RELATIONS

Intergovernmental Relations Legislation

Applicable Legislation

1. Intergovernmental Relations Framework Act (IGRFA)*: Provides a framework for intergovernmental relations in South Africa.

2. Constitution of the Republic of South Africa*: Defines the roles and responsibilities of different spheres of government.

## STRUCTURES

1. *Intergovernmental Forums*: Facilitate coordination and cooperation between national, provincial, and local governments.

2. *President's Coordinating Council*: Brings together the President, Premiers, and other stakeholders to discuss national priorities.

3. *Ministerial Forums*: Facilitate coordination between national and provincial governments on specific issues.

4. *District Development Model*: Aims to improve coordination and planning at the district level, ensuring integrated service delivery and development.

## PURPOSE

1. *Cooperative Governance*: Promote cooperative governance and intergovernmental relations.
2. *Coordination*: Enhance coordination between different spheres of government.
3. *Effective Service Delivery*: Ensure effective service delivery and development. Conclusion

Intergovernmental relations legislation and structures, including the District Development Model, play a crucial role in promoting cooperative governance and ensuring effective service delivery in South Africa

## WARD COMMITTEES FUNCTIONALITY

The "MSA" (Act 117 of 1998) refers to the Local Government: Municipal Structures Act. This Act, enacted in South Africa, deals with the establishment, structure, and functions of municipalities, including the division of powers between different categories and types of municipalities. It also addresses aspects like electoral systems and internal systems within municipalities

In Dannhauser Local Municipality there are 13 wards. **Ward committees function** as a representative structure of the communities and form a bridge by coordinating and facilitating effective communication between the municipal council and the citizens they represent.

Ward committees are important to the local government system as they are the link between the councilors and the community.

The ward committee system is also said to play an important role in giving meaning to the notion of “the people shall govern”. This is because local government is regarded as the level of government closest to the people and ward committees are just one way to ensure that citizens give input to the decisions that local councils make.

## PARTICIPATION OF AMAKHOSI IN COUNCIL MEETINGS

In Dannhauser Local Municipality we have 3 amakhosi

Amakhosi is serving in our jurisdiction. Attendance at meetings varied, with some showing consistent participation.

Nkosi Zwane 082 644 1925

Nkosi Nkosi 066 163 2582

Nkosi Gule 079 816 2190

## IDP/BUDGET STEERING COMMITTEE

Dannhauser Local Municipality does not have an IDP steering Committee that has been functional and that is due to the political and administration instability and it should comprises of the Municipal Manager, HODs, Honorable Mayor as the Chairperson, Speaker and Whips of Political parties which is legislated to have 4 standings, however in the Extended Manco dated the 26 May 2025, the Committee resolved that the Steering Committee will be established soonest, before the 30 June 2025.

## MANAGEMENT STRUCTURES

The Municipality has Top Manco that is chaired by the Municipal Manager and comprises of all Head of Departments and schedules to meet weekly and has Extended Manco that comprises of all Unit's managers within the municipality which also sits weekly.

## Communication Strategy/Plan

### Adoption Status

The Dannhauser Municipality communication strategy/plan has not been adopted yet. Our unit has completed its part in developing the plan and it is currently under review by the council. The council is reviewing all policies in preparation for the next new financial year and adoption.

### Importance

A well-crafted communication strategy is crucial for the municipality's success. Its importance can be seen in several key areas:

- It improves transparency and accountability ensuring that all stakeholders have access to accurate and timely information.
- It ensures consistent messaging across all stakeholders, which helps to build trust and credibility
- It facilitates the spread of information, supporting municipal communication goals and objectives.
- It aligns messaging with the municipality's mission and vision.

### Objectives

The objectives of the communication strategy/plan are multifaceted and designed to support the municipality overall goals. These objectives include:

- Establishing clear communication channels that facilitate the flow of information between the municipality and its stakeholders.
- Ensuring consistent and timely messaging, which helps to build trust and credibility with stakeholders.
- Engaging stakeholders effectively, promoting municipal communication goals and objectives. It seeks to build and maintain a positive image by ensuring that all communication is accurate, transparent, and consistent.

By achieving these objectives, the municipality can improve its overall communication effectiveness and achieve its goals. By adopting a comprehensive communication plan, the municipality will be better equipped to navigate the complexities of internal and external communication, ultimately driving success and growth.

## INTERNAL AUDIT AND AUDIT COMMITTEE

### Functions of internal audit

Internal Audit Function evaluates and contributes to the improvement of risk management, control, and governance processes.

### Governance

Internal Audit Function should assist the Dannhauser Local Municipality's Audit Committee, Council and Management in achieving the goals of the Dannhauser Local Municipality by evaluating the process through which:

- Goals and values are established and communicated.
- The accomplishment of goals is monitored; and
- Accountability is ensured and corporate values are preserved.

### Risk Management

Internal Audit Function should assist the Dannhauser Local Municipality in identifying, evaluating, and assessing significant organizational risk and should provide assurance as to the effectiveness of the related internal controls regarding the focus areas reviewed.

- ***It must be emphasized that Internal Audit Function is not responsible for implementing controls and managing risk. Internal Audit Function is responsible for reporting on the effectiveness of the risk management process.***

## Controls

Internal Audit Function should evaluate if the controls of the focus arear as set out in its Internal Audit Function Plan, and which management relies on to manage the risk down to acceptable levels, are appropriate and functioning as intended and make recommendations for enhancement or improvement of the current system of internal control.

- ***It must be stressed that Internal Audit Function is not responsible for implementing and managing controls. Internal Audit Function is responsible for reporting on the effectiveness of the control environment.***

The Internal audit function is authorised to:

- Have unrestricted access to all functions, records, property and personnel.
- Have full and uninhibited access to the Municipal Manager.
- Allocate resources, set frequencies, select subjects, determine scope of work, and apply the techniques required to accomplish audit objectives, and
- Obtain the full co-operation of the personnel at Dannhauser Local Municipality, where Internal Audit will perform reviews, as well as other specialised services from within or outside the municipality.
- The Internal Audit function is not authorised to.
- Perform any operational duties/ line function tasks for the Dannhauser Local Municipality.
- Initiate or approve accounting transactions external to the internal audit function.
- Direct the activities of any employee not employed by the Internal Audit function, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.
- The Internal Audit function will conduct audits in accordance with the "*Code of Ethics*" and "*Standards for the Professional Practice of Internal Auditing*" of The Institute of Internal Auditors.
- Plans and reports

| Focus Area/Project | Coverage/ Scope | 2024 | 2025 | 2026 |
|---|---|---|---|---|
| | | Hours | Hours | Hours |
| **Planning and Oversight** | | | | |
| Risk Management, risk assessment and annual audit plan | Monitoring, review, and risk assessment process will be an ongoing process with specific emphasis during the risk assessment and annual plan stage and will focus on both the strategic and operational level. | Done | Review and update | Review and update |
| Audit Committee meetings | Planning for and attendance of audit committee meeting | 50 | 50 | 50 |

| | | | | |
|---|---|---|---|---|
| Management meetings | General meetings with management (HOD and line management) on a regular basis to assess audit coverage requirements based on changing risks. | 230 | 230 | 230 |
| Auditor General | Continuously | 50 | 50 | 50 |

Table 61: AI Plans and Reports

## Audit committee reports and Charter

### Introduction

Section 165 of the MFMA prescribes the establishment of the internal audit Unit. Internal audit is an important component of internal control, risk management and corporate governance and provides the necessary assurance and advisory services to the organization regarding the efficiency and effectiveness of the system of internal control.

This Internal Audit Charter represents the general authorization from management to conduct a certain scope of work. The specific authorization to do the work is the internal audit plan, which will be approved by the Audit Committee.

### Role of Internal Audit

Dannhauser Local Municipality has established an internal audit function to provide the Management and Audit Committee with assurance through independent appraisal of the business processes and controls necessary to manage the risks to ensure the municipality achieves its objectives.

*Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the municipality's operations. It helps the Municipality to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*

## Mission

The mission of Internal Audit is to provide an innovative, responsive, and effective value adding internal audit service by assisting management in controlling risks, monitoring compliance, improving the efficiency and effectiveness of internal control systems and governance processes.

## Purpose

The purpose of the charter is to set the nature, role, responsibility, and authority of the internal audit function of the municipality and outline the scope of their work. It has been prepared to provide and support an effective internal audit service consistent with relevant legislative requirements and adherence to the Professional Standards published by the Institute of Internal Auditors (IIA).

The charter must be approved by the Audit Committee and accepted by the Accounting Officer.

## Co-Sourced Internal Audit Function

The Internal Audit Function may be co-sourced where the municipality requires capacity to assist its internal audit function and is deemed to be cost effective. Co-sourcing allows the internal audit function of the municipality to work with a trusted internal audit firm. In situations in which the internal audit is co-sourced, oversight and responsibility for the internal audit function must be maintained by Internal Audit Management of the municipality.

Dannhauser Municipality will co-source some projects to the approved municipal panel of internal audit services providers.

## Objectivity and Independence

Independence is achieved through the organisational status of the Internal Audit Function and the objectivity of the internal auditors.

- In achieving its independent organisational status, Internal Audit shall report to the Audit Committee. The relationship between the Audit Committee and the Internal Audit Function encompasses reporting and oversight relationships.
- The Internal Audit function will report administratively to the Municipal Manager, and functionally to the Audit Committee of the Council.
- Each internal auditor shall have an objective attitude and will be in a sufficiently independent position to be able to exercise professional judgement, express opinions, and present recommendations with impartiality.

Specifically:

- The Internal Audit Function, notwithstanding its employment by Dannhauser Local Municipality, should be free from any conflict of interest arising either from professional or personal relationships or other interests in Municipality or related activity.
- The Internal Audit Function should be free from undue influence, which either restricts or modifies the scope or conduct of its work or over-rules or significantly affects its judgement as to the content of any internal audit charter.
- In the interests of independence, the Internal Audit Function will have no direct responsibility for or authority over, any of the Municipality's activities and will have direct access to all members of the Audit and Performance Committee. Internal Audit Activity should:
- Have no direct operational responsibility or authority over any of the activities reviewed.
- Neither develop nor install systems or procedures, prepare records, or engage in any other activity that would normally be audited.
- Not initiate or approve accounting transactions external to the scope; and
- Avoid conflict of interest

## Authority

The CAE/Internal Audit Manager reports to the Municipal Manager of the Dannhauser Municipality administratively and to the Dannhauser Municipality Audit and Performance Committee functional and has unrestricted access to the Chairperson of the Audit Committee.

The CAE/Internal Audit Manager and Internal Audit staff are authorised to.

- Carry out a programme of Internal Audit projects, as necessary, to meet the objectives and purpose of the departments within the Municipality.
- To have full access to all relevant Dannhauser documents, records, assets, properties, plants, computers, personnel etc., that will enable Internal Audit Function to fulfil its mandate, with very strict and absolute accountability for safekeeping and confidentiality thereof, whilst carrying out the Internal Audit mission.

Specific, redefined, sensitive, and highly confidential matters will, however, be managed by the CAE/Internal Audit Manager him/herself.

In the interests of independence, the Municipality's Internal Audit staff has neither direct responsibility for, nor authority over, any of the activities they review.
The Internal Audit Function is not authorized to: •

Perform any operational duties for the

Municipality.

- Initiate or approve accounting transactions external to the Internal Audit Function.
- Direct the activities of any of the Municipality's employees not employed by the Internal Audit Function, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

## Scope and responsibilities

The Internal Audit Function is responsible for rendering Internal Audit Services to the Municipality.

Audits are conducted in accordance with the Code of Ethics and Standards of the Professional Practice of Internal Auditing as laid down by the Institute of Internal Auditors. The audit scope will be based on management's assessment of corporate risk. Audit coverage should focus on high-risk areas and stress internal control assessments. The activities performed by the Municipality's Internal Audit Function in executing its responsibilities include but are not restricted to:

- Ascertaining the level of compliance with policies, plans, procedures, laws and regulations.
- Assessing the adequacy of controls to safeguard assets, including intangible assets.
- Appraising the economy and efficiency with which resources are employed.
- Reviewing operations to ascertain whether established objectives and goals are being achieved as planned.
- Assisting management in identifying business risks and assessing the adequacy and effectiveness of their risk management processes.
- Reviewing the risk philosophy of the municipality. This includes the Risk Management Policy, Risk Management Strategy, Fraud Prevention Plan, Risk Management reporting lines, the values that have been developed for the municipality.
- Reviewing the appropriateness of the risk tolerance levels set by the Municipality taking into consideration the risk profile of the Municipality.

- Providing assurance over the design and functioning of the control environment, information and communication systems and the monitoring systems.
- Providing assurance over the municipality's risk identification and assessment processes.
- Utilizing the results of the risk assessment to develop long term and current year internal audit plans.
- Providing independent assurance as to whether the Risk Management Strategy, Risk Management Implementation Plan and Fraud Prevention Plan have been effectively implemented within the Municipality.
- Providing independent assurance over the adequacy of the control environment. This includes providing assurance over the effectiveness of the internal controls implemented to mitigate the identified risks.

The result of the audits and appropriate recommended corrective actions are presented to the management of the function or activity under review.

The CAE/Internal Audit Manager is responsible for promoting the development of an effective Internal Audit function at the Municipality. The CAE/Internal Audit Manager is also responsible for participating in the Audit Committee, which was established to enhance the overall effectiveness of Internal Auditing in the municipality.

## Due Professional Care

The Code of Ethics and Standards of the Professional Practice of Internal Auditing, as laid down by the Institute of Internal Auditors, are relevant to the work of the Internal Audit Function.

The CAE/Internal Audit Manager should promote and maintain adequate quality standards within the Internal Audit Function. S/he should establish methods of evaluating the work of staff, to ensure that the function fulfils its responsibilities and has proper regard for the standards set by the Institute of Internal Auditors.

The integrity and conduct of each internal auditor must be above reproach, always. He/she must not place himself in a position where responsibilities and private interests' conflict and any personal interest should be declared timeously.

The internal auditor must always maintain the confidentiality of the information submitted during auditing.

## Performance Auditing

The promotion of efficiency and effectiveness depends on adequate overall management arrangements for planning, budgeting, authorisation, control, and evaluation of the use of resources. Whereas CAE/Internal Audit Manager is responsible for the implementation of

proper functioning of such overall management arrangements, the responsibility of performance audit to confirm independently that these measures do exist and are effective and reported to management, and the Audit Committee on these issues.

Management has the following responsibilities:

- Implementing and managing a process of risk management within the Municipality by identifying and addressing risks and controls on a continuous basis,
- Proposing the areas of investigation by internal audit,
- Prevention of fraud, theft, corruption, and maladministration,
- Development and implementation of new system,
- Ensuring that the internal audit function has the support of top management,
- Responding timeously to resolution of matters reported on and implementation of audit recommendations,
- Ensuring timely resolution of matters reported on and implementation of audit recommendations.

## Internal Audit Plan

At least annually, the Internal Audit team will submit the Internal Audit Plan to the Audit and Performance Committee for review and approval. The Internal Audit Plan will consist of a work schedule and resource requirements for the next fiscal/calendar year.

The Internal Audit Plan will be developed based on a prioritization of the audit universe using a risk- based methodology. Any significant deviation from the approved Internal Audit Plan will be communicated to the Audit and Performance Committee through periodic activity reports.

## Periodic Assessment

The CAE/Internal Audit Manager will periodically report to the audit committee on the internal audit function’s purpose, authority, and responsibility, as well as performance relative to its plan. Reporting will also include significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Accounting Officer and the audit committee.

In addition, the CAE/Internal Audit Manager will communicate to the Audit and Performance Committee on the internal audit quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five years.

## Quality Assurance and Improvement

The activities of the internal audit must be guided, monitored and supervised at each level of operation to ensure that they are consistently performed in accordance with the International Standards for the Professional Practice of Internal Audit. The quality assurance and improvement programme should include periodic internal assessments within a short time prior to an external assessment which can facilitate and reduce the cost of the external assessment.

## Fraud Limitation

The identification and prevention of fraud is clearly a management responsibility. Internal audit is well qualified to assist management to identify the main fraud risks facing the various departments within the municipality and can assist management in designing appropriate controls that could minimize the effects of the risks.

## Reporting

Detailed written reports will be prepared and issued to management following the completion of each audit. The contents will be discussed with the management of the units audited and their responses considered before the report is finalized and distributed.

Regular reports highlighting significant audit findings and recommendations and summarizing internal audit activities shall be provided to the Chairperson of the Audit Committee and reported on at Audit and Performance Committee meetings. Internal Audit Function (CAE/Manager) reports administratively to Municipal Manager and functional to the Audit and Performance Committee, IIA standards permits no delegation of responsibility from Accounting Officer for Internal Audit Function.

The Internal Audit Activity will also report on the actual performance of the internal audit team against the annual internal audit plan to the Audit and Performance Committee on a quarterly basis. The Internal Audit Function will also be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open file until cleared.

## Internal Audit Service

The planning and execution of internal audit visits, and the frequency thereof will be determined when the Risk Profile and Internal Audit Plan are compiled.

## Management responsibilities

Although the role of Internal Audit is to review internal controls, systems, procedures, risks etc., management and ultimately the Council retain full responsibility for ensuring that the

Municipality maintains an appropriate framework of controls to reduce business risks to an acceptable level.

Management is responsible for the establishment and maintenance of an effective system of governance to:

- Establish and communicate organisatiosal goals and values
- Monitor the accomplishment of goals
- Ensure accountability and that values are preserved
- Invite Internal Audit Function (CAE/Manager) to the Senior management meeting and on MPAC to advice on Auditing and Risk Management issues.

Management is furthermore responsible for the establishment and maintenance of an effective system of risk management and internal control. The objectives of the system of risk management and internal control are, inter alia, to provide management with reasonable, but not absolute, assurance that:

- Risks are properly managed – management has the responsibility to put in place systems and procedures to ensure early identification of risks and formulation of action plans to eliminate or mitigate any risks identified to an acceptable level.
- Assets are safeguarded – management has the responsibility to put in place measures to ensure that the municipality's assets are safeguarded against harm, loss, and theft. • Financial and operational information is reliable - Maintaining proper accounting records that are up to date.
- Operations are effective and efficient - Management has the responsibility and accountability for addressing weaknesses and inefficiencies in the operating environment, including those identified in both External and Internal Audit Reports, and for taking the necessary corrective action.
- Laws, regulations, and policies are complied with.

The principal safeguard against fraud, misstatement and irregularities is an effective system of internal control. The prevention and detection of fraud is therefore management's responsibility.

Other management responsibilities include:

- To play an active and contributory role in establishing a Risk Profile of the institution and for their own specific divisions/operations and thereafter accept co-ownership of the continuous maintenance and update of the profile.

- To inform the CAE/Internal Audit Manager and Municipal Manager of any significant internal control problems, thefts, frauds, defalcations, unauthorized transactions, accounting breakdowns, large stock shortages, major bad debts etc. Significant matters will be reported on at the Audit and Performance Committee meetings.
- Ensuring that the Internal Audit Function has:
    - the support of top management
    - direct access and freedom to report to top management, including the audit committee.

## Relationship with external auditors

The Municipality's External Auditors (Auditor General) fulfil a statutory duty for which they are responsible to the Council.

The Municipality's Internal Audit Function will co-ordinate its activities with those of the external auditors to obtain maximum assurance and to avoid duplication of audit effort.

Internal audit may carry out follow-ups on comments and recommendations contained in the External Audit reports (i.e., action plan follow, follow up audits on high-risk areas etc.).

## Special Assignments

The CAE/Internal Audit Manager may from time to time accept requests from the Municipal Manager and/or the Audit Committee to undertake special assignments. The terms of reference for those assignments, which may involve some measure of line responsibility, will, however, be agreed upon beforehand.

## Review period for Charter

The Internal Audit Charter should be reviewed annually, and amendments proposed where necessary.

## AUDIT COMMITTEE

| Name and Surname | Designation |
|---|---|
| Sithembiso Ngwenya | AC Chairperson |
| Samson Ngwenya | AC Member |
| Sboniso Mthembu | AC Member |
| Velaphi Kubeka | AC Member |

Table 62:AC members

## ENTERPRISE RISK MANAGEMENT

Its functionality – The risk management unit is in place and comprises of risk manager, risk officer and risk intern. Its functionality is to have the following objectives:

1. Effective Operational Performance, Policies are enhanced, less disaster and surprises, increased amount of positive feedback from community and other interested stakeholders i.e. Auditor-General, added value across service areas, improved number of targets achieved, improved internal controls, consistent management of risk and opportunities resulting in improved service delivery.

2. Improve Financial Performance**,** Increased revenue generation, prudent spending, reduced level of irregular expenditure and fraud, credible financial reporting, etc.

3. Improve Human Resources Management, Reduce staff turnover, absenteeism, and stress.

4. Improve Corporate Governance and Compliance Systems, Reduction in legal challenges, improved corporate governance statement, which is better substantiated and demonstrated, increased public satisfaction, and enhanced organizational image.

5. Avoid certain adverse outcomes through taking proactive steps (fraud risk prevention, adverse audit opinion, etc.).
6. Help organizations cope when actual disastrous incidents occur (business continuity plans, insurance etc.).

7. Increased probability of achieving objectives. Risk management is participatory and proactive and therefore helps management achieve the institutions' financial targets and assists with the Prevention of loss of resources.

8. Identifying and managing multiple and cross-enterprise risks. Institutions face a myriad of risks affecting multiple parts of the institution. ERM facilitates coordinated responses to the interrelated impacts and enhances an integrated response to multiple risks.

9. Does it have a committee yet? No, we have not appointed a risk committee. However we are in the process of implementing risk committee.

10. Risk register and fraud risk register. The risk register is currently being reviewed and updated via risk assessment processes and will be finalized before 30 June 2025.

11. Does the municipality have anti-fraud and anti-corruption strategy in place, aims and objectives thereon. The anti-fraud and anti-corruption strategy is currently in draft stage and once it is finalized it will be presented through the right channels for adoption.

## BID COMMITTES

Section 112(1) of the Local Government Municipal Finance Management Act 56 of 200, the Supply Chain Management Policy of a municipality must be fair, equitable, Transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal Supply Chain Management.

The Dannhauser Local Municipality's Accounting Officer is required by the legislation as established the following committees:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

All the committees are effectively functional, and the following municipal officials are appointed:

**BID SPECIFICATION COMMITTEE**

| NAME AND SURNAME | DEPARTMENT/UNIT | DESIGNATION |
|---|---|---|
| Mr SS Nkabinde | Planning and Economic Development | Director |
| Sikelela Buthelezi | Budget and Treasury Office | Manager: Budget |
| Veli Mdlalose | Office of the Municipal Manager | Manager in the Office of the Municipal Manager |
| Carol Mahlangu | Corporate Services | HRD Manager |

| | | |
|---|---|---|
| Bongani Madlingosi | Planning and Economic Development | Housing Officer |
| Londiwe Khoza | Budget and Treasury Office | SCM Clerk |
| Snethemba Mkhize | Budget and Treasury Office | SCM Intern |

Table 63: BID Spec Committee

**BID EVALUATION COMMITTEE**

| NAME AND SURNAME | DEPARTMENT/UNIT | DESIGNATION |
|---|---|---|
| Thandeka Koza | Office of the Municipal manager | Manager:Risk |
| Zipho Zulu | Budget and Treasury Office | Manager:Revenue |
| Zanele Mnguni | Technical Services | Manager: PMU |
| Siphesihle Nzuza | Corporate Services | Chief Officer |
| Zethu Mnguni | Budget and Treasury Office | SCM Accountant |

Table 64:Bid Evaluation Committee

| BID ADJUDICATION COMMITTEE | | |
|---|---|---|
| **NAME AND SURNAME** | **DEPARTMENT/UNIT** | **DESIGNATION** |
| 1. Vusumuzi Mdlalose | Finance/CFO | Chief Financial Officer |
| 2. Mrs Lungelo Gcabashe | Technical/Director | Director Technical Services |
| 3. Mr Mfanafuthi Ngwabe | Community Services/Director | Director Community Services |
| 4. Mrs Nokulunga Shangase | Corporate services/Director | Director Community Services |
| 5. Mr Mfanafuthi Joe Hlongwane | Finance/SCM | SCM Manager |

Table 65: BID Adjudication Committee

## MUNICIPAL POLICIES, PLANS AND STRATEGIES

Table 66: Municipal Policies

| POLICY | COMPLETED Y/N | DATE OF ADOPTION | DATE OF REVIEWAL |
|---|---|---|---|
| Induction Policy | Y | 30 May 2025 | 29 May 2026 |
| Leave Policy | Y | 30 May 2025 | 29 May 2026 |
| Occupational Health and Safety Policy | Y | 30 May 2025 | 29 May 2026 |
| Promotion Policy | Y | 30 May 2025 | 29 May 2026 |
| Retention Policy | Y | 30 May 2025 | 29 May 2026 |
| Acting Allowance Policy | Y | 30 May 2025 | 29 May 2026 |
| Code of Ethics Policy | Y | 30 May 2025 | 29 May 2026 |

| | | | |
|---|---|---|---|
| Disciplinary Hearing Policy | Y | 30 May 2025 | 29 May 2026 |
| Hours of work and overtime Policy | Y | 30 May 2025 | 29 May 2026 |
| Placement Policy | Y | 30 May 2025 | 29 May 2026 |
| Performance Management Policy Framework | Y | 30 May 2025 | 29 May 2026 |
| Recruitment and Selection Policy | Y | 30 May 2025 | 29 May 2026 |
| Recognition of long Service Policy | Y | 30 May 2025 | 29 May 2026 |
| Remuneration Policy | Y | 30 May 2025 | 29 May 2026 |
| Sexual Harassment Policy | Y | 30 May 2025 | 29 May 2026 |
| Condolatory Policy | Y | 30 May 2025 | 29 May 2026 |
| Standby Allowance Policy | Y | 30 May 2025 | 29 May 2026 |
| Termination of Employment Policy | Y | 30 May 2025 | 29 May 2026 |
| Training and Development Policy | Y | 30 May 2025 | 29 May 2026 |
| IT Security Policy | Y | 30 May 2025 | 29 May 2026 |
| Backup and Restore Policy | Y | 30 May 2025 | 29 May 2026 |
| User Account Management Policy | Y | 30 May 2025 | 29 May 2026 |

| | | | |
|---|---|---|---|
| Budget Virement Policy | Y | 30 May 2025 | 29 May 2026 |
| Disaster Management Policy | Y | 30 May 2025 | 29 May 2026 |
| Housing Sector Plan | Y | 30 May 2025 | 29 May 2026 |
| Communication Strategy | Y | 30 May 2025 | 29 May 2026 |
| Batho Pele Policy | Y | 30 May 2025 | 29 May 2026 |
| Human Resource Strategy | Y | 30 May 2025 | 29 May 2026 |
| LED Strategy | Y | 30 May 2025 | 29 May 2026 |
| Risk Management Policy | Y | 30 May 2025 | 29 May 2026 |
| Safety and Security Policy | Y | 30 May 2025 | 29 May 2026 |
| Asset Maintenance Policy | Y | 30 May 2025 | 29 May 2026 |
| Asset Disposal Policy | Y | 30 May 2025 | 29 May 2026 |
| Credit Control and Debt Collection By-Law | Y | 30 May 2025 | 29 May 2026 |
| S&T Policy | Y | 30 May 2025 | 29 May 2026 |
| Supply Chain Management Policy | Y | 30 May 2025 | 29 May 2026 |
| Indigent Policy | Y | 30 May 2025 | 29 May 2026 |
| Tariffs Policy | Y | 30 May 2025 | 29 May 2026 |
| Subsistence and Travel Policy | Y | 30 May 2025 | 29 May 2026 |
| Petty Cash Policy | Y | 30 May 2025 | 29 May 2026 |

| | | | |
|---|---|---|---|
| Banking and Investment Policy | Y | 30 May 2025 | 29 May 2026 |
| Budget Policy | Y | 30 May 2025 | 29 May 2026 |
| Municipal Property Rates Policy | Y | 30 May 2025 | 29 May 2026 |
| Operations and Maintenance Policy | Y | 30 May 2025 | 29 May 2026 |
| Records Management Policy | Y | 30 May 2025 | 29 May 2026 |
| Records Management Strategy | Y | 30 May 2025 | 29 May 2026 |

**MUNICIPAL BY-LAWS**

| By-Laws | Status | Adoption Date | Promulgation Date |
|---|---|---|---|
| Fire Rescue | | | |
| SPLUMA | | | |
| Animal pound | | | |
| Building Control | | | |
| Housing | | | |
| Animal Pound | | | |
| IWMP | Endorsed | | |

Table 67: Municipal By-Laws

## OVERSIGHT /MUNICIPAL PUBLIC ACCOUNTS COMMITTEE(MPAC)

- **Core function of the committee**
- Primary task of MPAC includes to consider and evaluate the content of the Annual report and to make recommendations to council.to examine financial statements and audit reports of the municipal and municipal entities. The committee seat once a month and the committee report to the council on a quarterly basis.

| Cllrs Details | Gender | Political Party | Designation |
|---|---|---|---|
| V Ngcane | Female | TSSA | Chairperson |
| MS Mkhumane | Female | ANC | Member |
| | | | |
| NP Khumalo | Female | ANC | Member |
| XM Nkosi | Male | IFP | Member |
| EN Buthelezi | Female | IFP | Member |
| SE Mnyaka | Male | CFP | Member |
| D Mkhaza | Female | DA | Member |
| RS Langa | Male | ABC | Member |

Table 68: Mpac

## MUNICIPAL PORTFOLIO COMMITTEES

### Table 69: Directorate, (HOD, Manager & Executive Councilor Responsible

| DIRECTORATE | DIRECTORATE | EXECUTIVE COUNCILLOR |
|---|---|---|
| Municipal Manager | MS Sithole | Councilor BA Radebe |
| Budget & Treasury | EV Mdlalose | Councilor BA Radebe |
| Corporate Services | N Shangashe | Councilor SP Nzuza |

| | | |
|---|---|---|
| Community Services | M Ngwabe | Councilor BTD Langa |
| Engineering Services | LP Gcabashe | Councilor SP Nzuza |
| Planning and Economic Development | SS Nkabinde | Councilor BTD Langa |
| MPAC | EV Mdlalose | Cllr MT Mabaso |

The municipality has established different committees that have been adopted by Council, which assist with ensuring proper functioning of the Council at different levels. The different committees and the committee members are as follows.

**Table:70 Municipal Committee & Members of Committee**

| DESCRIPTION OF COMMITTEE | MEMBERS OF COMMITTEE |
|---|---|

| | |
|---|---|
| EXECUTIVE COMMITTTEE | AB Radebe (Chairperson)<br>RN Made<br>SP Nzuza<br>SEC Kunene<br>BTD Langa |

| | |
|---|---|
| CORPORATIVE SERVICES PORTFOLIO COMMITTEE | Cllr S Nzuza (Chairperson)<br>Cllr M Kunene<br>Cllr MJ Nkabinde<br>Cllr FR Simelane<br>Cllr KB Khanye<br>Cllr SEC Kunene<br>Cllr C Maphisa |
| TECHNICAL SERVICES PORTFOLIO COMMITTEE | Cllr S Nzuza (Chairperson)<br>Cllr BS Sikhakhane<br>Cllr MS Mkhumane<br>Cllr MS Mathebula<br>Cllr RS Langa |

| | |
|---|---|
| COMMUNITY SERVICES PORTFOLIO COMMITTEE | Cllr BTD Langa (Chairperson)<br>CLLR M Kunene<br>CLLR KB Khanye<br>Cllr EN Buthelezi<br>Cllr RS Langa<br>Cllr TS Msibi<br>Cllr S Ndlela |
| | Cllr D Makhaza Cllr<br>ES Myaka |
| BUDGET AND TREASURY OFFICE COMMITTEE | Cllr AB Radebe (Chairperson)<br>Cllr KB Khanye<br>Cllr NP Kumalo<br>Cllr RS Langa<br>Cllr MS Mkhumane |

| | |
|---|---|
| MUNICIPAL PUBLIC ACCOUNTS COMMITTEE | Cllr V Ngcane (Chairperson)<br>Cllr MS Mkhumane<br>Cllr NP Kumalo<br>Cllr EN Buthelezi<br>Cllr RS Langa<br>Cllr XM Nkosi<br>Cllr D Makhaza<br>Cllr S Myaka |

| | |
|---|---|
| LOCAL ECONOMIC DEVELOPMENT AND LOCAL RESOURCE COMMITTEE | BTD Langa (Chairperson)<br>NP Kumalo<br>RN Made<br>MS Mthembu<br>N Mthembu<br>TS Msibi<br>M Kunene<br>BS Sikhakhane |
| LOCAL LABOUR FORUM COMMITTEE | MS Mthembu<br>M Kunene<br>S Nzuza<br>RS Langa |

| | |
|---|---|
| PERFORMANCE & AUDIT COMMITTEE | SE Ngwenya(Chairperson)<br>S Ngwenya<br>V Kubeka<br>S Mthembu<br>Adv N Khambule |
| RISK MANAGEMENT COMMITTEE | SE Ngwenya (Chairperson<br>T Hlengwa<br>S Sithole |
| | |

## GOOD GOVERNANCE SWOT ANALYSIS

### Good Governance and Public Participation SWOT Analysis

| STRENGTHS | WEAKNESSES |
|---|---|

| | |
|---|---|
| ✓ Dannhauser is participating in the IGR structures at a district level.<br>✓ Public participation and municipal structures are in-place which ensures good governance.<br>✓ The Audit committee is in-place.<br>✓ The Internal Audit Unit is functional.<br>✓ Risk Management is in place.<br>✓ IT system is fully functional and has good security encryption thus preventing any hackers.<br>✓ Effective media communication.<br>✓ Portfolio committees are in place.<br>✓ Effective performance management systems and credible reporting.<br>✓ Most policies and bylaws have been developed, approved, and adopted.<br>✓ Operation Sukuma Sakhe is operational.<br>✓ Ward committees are in place.<br>✓ Anti-Fraud & Corruption Strategy | ✓ Some of the ward committees still battle to understand the IDP process and planning cycles. |
| **OPPORTUNITIES** | **THREATS** |
| ▪ Training of ward committees on the Municipal IDP and Budgeting.<br>▪ Greater support from Treasury and Cogta.<br>▪ Implementation of a Communications plan. | ▪ Risk Management not fully understood by Political Office Bearers.<br>▪ Late submission of ward committee reports. If the<br>▪ systems of good governance are not implemented, especially public participation and transparency, this could lead to loss of faith on the municipality's capability and potentially result in community protests.<br>▪ Slow response to matters raised in war rooms. |

Table 80: SWOT Analysis

**CHALLENGES AND CORRECTIVE MEASURES**

| CHALLENGES | CORRECTIVE MEASURES |
|---|---|
| Councilors' failure to sign registers results in inaccurate information captured. | The attendance register will be updated on a quarterly basis. being |

## COMBINED SWOT ANALYSIS

The combined SWOT analysis incorporates the SWOT analysis of each KPA in the prior sections.

**Table 1: Combined SWOT Analysis**

| STRENGTHS | WEAKNESSES |
|---|---|

| | |
|---|---|
| ❍ Chelmsford Nature Reserve ❍ Hosts important Escarpments.<br>❍ Hosts important species sites.<br>❍ Hosts important ecosystems.<br>❍ About 19% of the land constitutes<br>❍ High agricultural land<br>❍ Hosts Ntshingwayo Dam<br>❍ Increase in number of households.<br>❍ Increase in the number of formal dwellings.<br>❍ 80.7% of the population within the municipal area use electricity for lighting.<br>❍ Municipal area has two functioning wastewater treatment works.<br>❍ Strategic Location in terms of road network, railway line, proximity to N11, Durban & Johannesburg.<br>❍ Refuse collection is well undertaken within the urban areas. | ❍ Poor road infrastructure.<br>❍ Lack of funding.<br>❍ High illiteracy rate.<br>❍ Many females headed households.<br>❍ Only 11.5% flush toilets were connected to sewerage (2011).<br>❍ Only 11.5% of the population enjoy the weekly refuse removal services.<br>❍ Only 19.5% of the population have piped water inside dwelling.<br>❍ Some of the local access roads require improvement; and<br>❍ Public transport infrastructure requires attention.<br>❍ No tertiary education facilities<br>❍ Most public facilities are in poor conditions.<br>❍ Most cemeteries are reaching full capacity. |
| ❍ Adequately provided with primary schools.<br>❍ High primary school enrolment.<br>❍ Municipality well provided with clinics and primary health facilities.<br>❍ Most of the positions have been filled.<br>❍ Training of staff on MFMA, AAT (Municipal Finance Accounting) has been undertaken.<br>❍ Dannhauser is participating in the IGR structure at a district level.<br>❍ Public participation and municipal structures are in-place which ensures good governance.<br>❍ Audit committee is in-place.<br>❍ Internal Audit Unit is functional.<br>❍ Most policies and bylaws have been developed, approved, and adopted. | ❍ The advert for the appointment of Audit Committee Members will be issued.<br>❍ The upgrade of IT infrastructure and capacity can be undertaken.<br>❍ Non-compliance by stakeholders by not participating on the IDP processes. ❍ Lack of ICT Strategy (3-year plan) |
| **OPPORTUNITIES** | **THREATS** |

| | |
|---|---|
| ○ Opportunity to initiate tourism projects.<br>○ Room to initiate Agriculture projects.<br>○ There is room to reduce poverty and unemployment through agriculture & tourism projects.<br>○ Good infrastructure to meet investment demands.<br>○ Readily available electricity (energy) to accommodate economic activities.<br>○ Improve service delivery through planning, budgeting, and implementation.<br>○ Training of ward committees on Municipal IDP and Budgeting<br>○ Opportunity to extend refuse removal services to rural areas.<br>○ Room to build secondary schools.<br>○ Room to develop further public facilities.<br>○ Need to identify new cemetery sites | ○ Increase in poverty levels.<br>○ Endangered species are prone to land transformation.<br>○ Increase in under-development.<br>○ Possibility of waterborne diseases.<br>○ Increase in social evils.<br>○ Undermine growth and development.<br>○ Few matriculates.<br>○ Prevalence of social ills due to lack of social<br>○ facilities.<br>○ Lack of burial space.<br>○ None compliance of finance officials with regulations<br>○ None compliance with expenditure on approved funds due to slow implementation of programmes<br>○ Poor access to credit and funding<br>○ If the systems of good governance are not implemented especially public participation and transparency, this could lead to limited mistrust and community uproar. |

Table 81: Combined SWOT Analysis

## KPA 2: BASIC SERVICE DELIVERY

The prosperity of local economic growth is closely linked to the availability of essential and additional infrastructure for the community. All services examined in this section are situated within a designated locality, following the municipality's Spatial Development Framework (SDF) and its jurisdiction, and possess the capacity to advance socioeconomic development. The infrastructure assessment highlights the current state of water supply, sanitation, Transportation infrastructures, housing accessibility, road networks and public transport, waste management, and telecommunications—each playing a vital role in shaping socio-economic progress and improving overall quality of life. However, ensuring sufficient municipal water supply remains a persistent challenge across the municipality.

## SERVICE WATER

Dannhauser Local Municipality does not have a water use license; however, the municipality engages to help the community by placing Jojo tankers from ward 1 to 13. The municipality has the water delivery schedule week 1 and 2 for all wards. When the operator finished delivering water with water tanker, the papers are signed by the members of the community that are near that Jojo tank . The water services function is the functionality and responsibility of Amajuba District Municipality, the Water Services Authority (WSA). Amajuba only oversees the implementation of the services and related bulk infrastructures in Dannhauser and Emadlangeni.

The National Treasury through its Equitable Share Allocation grant transfers the portion for water & liquid sanitation on behalf of Dannhauser households to Amajuba. This will enable Amajuba to undertake any relevant maintenance and related upgrades of bulk infrastructure. The Intergovernmental Relations Act, Act 13 of 2005, the Division of Revenue Act, the Municipal Systems Act, Act 32 of 2000, the Municipal Structures Act, Act 117 of 1998 and Municipal Finance Management Act, Act 56 of 2003, Enable Dannhauser to plan its water & liquid sanitation delivery services with Amajuba District (WSA).

**Dannhauser Local Municipality Water supply**

three sources of potable (Purified) water

**1.Durnacol Water Treatment Plant**, the plant purifies and Supply Ward 2 This plant, pumps purified water to Dannhauser command reservoir then gravitate to the community of Emafusini, Durnacol, Tago Village, Dannhauser CBD and Source of water supply is Chelmsford dam.

**2. UThukela Bulk Water Line from Dundee Supply: through the Biggersburg**

**WTW**.This water line supplies Hattingspruit (Ward 3) and There are no challenges in this supply.

3. **Braakfontein Reservoirs -Buffalo Flats Supply: through the Ngagane WTW.**This water line supplies a portion of ward 1, Ward 4 -13 as well as Waterval Prison. The line is strained since it supplies the majority of Dannhauser rural which is Buffalo Flats area. Although the above wards have infrastructure but there are still supplied by water tankers due low pressure and water shedding. Due to distance of water supply and low water pressure: ADM is currently Constructing 4 booster pump stations in the following areas;

Eastbourne: 27°49'16.61"S, 30° 7'12.33"E
Jessie: 27°56'42.10"S, 30°11'27.29"E
Rutland: 27°56'43.23"S, 30°12'31.42"E Dorset:
27°57'24.90"S, 30°13'45.49"E

**RUDIMENTARY WATER SUPPLY:**

- Portion Of Ward 1 (Normandien) And 3 Rely on Water Tankers.
- There are production boreholes powered by electricity and solar panels feeding the high elevated storage tanks that supplies the community through gravitational flow.
- Hand pumped boreholes are also used as a source of supply and spring protections.

**Table 82: Rudimentary Water supply**

| NO | LOCATION | WARD |
|---|---|---|
| 1. | Esdonela 2 | 6 |
| 2. | Vedriet 2 | 7 |

**Table 83: KEY CHALLENGES, MITTIGATIONS AND INTERVENTIONS**

| Challenges | Mitigation in place | Proposed interventions |
|---|---|---|

| | | |
|---|---|---|
| Ageing infrastructure | Planning for the replacement of the existing infrastructure | Funding Applications |
| Water loss & illegal connections | Fixing of leaks Installing of domestic meters<br>Awareness Campaign | Councillor's engagement with communities. |
| Limited Budget Allocation-WSIG & MIG | Preparation of Business Plans | Accelerated Intervention Programme Funding Applications |
| Unfilled Vacancies due to Budget Constraints | Prioritization of Critical Posts | Budget for Critical Positions<br>. |
| Services provided do not generate revenue for ADM. | Customer Care with Cashiers.<br>Introduction of flat rate<br>Update the Indigent Register | Councillor's engagement with communities / awareness Campaigns. |
| Infrastructure Vandalism by the communities | Community Awareness Campaign | Public Participation |

| | | |
|---|---|---|
| Water Backlogs increase due to infills. | Planning for an additional household | Engagement with Amakhosi and Izinduna |
| Insufficient fund for O&M (reactive maintenance) | Lobby for an increased operational budget, internally. | Ringfence Budget for O & M |
| Shortage of resources (vehicles & equipment) e.g. TLB, Water Tankers | Purchasing of vehicles, repairs to our Fleet.<br>Request assistance from Cogta and other external stakeholders. | Quick response from supporting Departments. |
| Insufficient Bulk Water Supply from uThukela Water | Conclude the construction of a dedicated 20 ML Reservoir. | Divert to the borrowed reservoir as an interim measure. |
| Community unrest/ social issues | Community Awareness Campaigns | Public Participation |

**Table 84: Amajuba Current MIG Funded Projects Implementation Progress in Dannhauser LM.**

| PROJECT NAME | PROJECT DESCRIPTIONS | PROJECT ESTIMATED COST | PROJECT STATUS | ANTICIPATED COMPLETION |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Hilltop Reservoir Settlements Water Supply Scheme | The project aims to improve the services to the minimum RDP standard of standpipes that are within 200m walking distance from houses and reduce water tankers to this communities. | R87 707 050 | 97% complete. | 30 Jun 2025 |

| | | | | |
|---|---|---|---|---|
| | | | | |
| Amajuba DM Maintenance Business Plan (O&M Project) | The project 's aim is to address DWS directives which required that Amajuba DM maintain it water & sanitation (particularly the plants) infrastructure to DWS operational standards. | R9 927 500 | 55% complete. | 30 Jun 2025 |

| | | | | |
|---|---|---|---|---|
| Dedicated Braakfontein Reservoir for the Buffalo Flats Area | The implementation of the project aims to supply the community of Buffalo flats with the required 12Ml/d. The project will provide ADM with total control over the water supply for Buffalo Flats. | R71 659 695 | 98% complete. Project is at ADM legal | TBC |
| Emergency Water Supply To Ramaphosa Settlement, Skombaren and 2 Megalitre Reservoir at Hilltop | The project Phase 1-2 aims to improve water supply to the community Hilltop and Skombaren. | R179 849 330 | 50% complete. | 30 Dec 2026 |

| | | | | |
|---|---|---|---|---|
| Reduction Non-Revenue Water via Reduction of Real Losses | The project intends to reduce the nonrevenue water as part of the objectives of the national water conservation / water demand management. | R39 797 223 | 40% complete. | 30 Aug 2025 |

| | | | | |
|---|---|---|---|---|
| Amajuba District Municipality COVID-19 Intervention Project | The project aims at ensuring residents will have a continuous supply of water for the community of Dannhauser LM | R36 705 465 | 60% | 30 June 2025 |
| Replacement of AC Sewer Pipelines in Dannhauser & Durnacol | The project is aimed at replacing approx. 75km old AC pipelines that frequently block and cause sewer manholes to overflow. | R48 834 679 | Awaiting implementation approval from DWS | Dec 2027 |
| Operation and Maintenance | The project aims at addressing Amajuba DM's limited budget in focusing on operational and maintenance challenges. 10% of the MIG allocation is planned on | R10 191 800 | Business Plan | Jun 2029 |
| | being utilised for O&M matters. | | | |

| | | | | |
|---|---|---|---|---|
| Dannhauser Sanitation Infills Wards 1 to 13 Rural Areas of Dannhauser LM (Phase 1) | The implementation of the project (the installation of 2300 VIP toilet units) is due to new households (Infills) and the demarcation of new wards in Dannhauser LM. | R49 636 670 | Business Plan | Jun 2029 |
| Emergency Bulk water to Ramaphosa, Hill top and Skobhareni - Completion of Phase 1-1 & 1-2 | The aims to complete the remaining works on Phase 1-1 & 1-2 which emerged from the price escalation due to business plan being compiled in 2017. | R92 186 680 | AFA has been submitted, awaiting DWS approval. | Jun 2029 |
| Dannhauser Regional Water Supply Scheme Phase 2 – New Durnacol Bulk Raw Water Supply Pipeline and Pumping Station | The project aims to replace the existing AC pipe that excessively leaks and replace it with a bigger water pipe which will cater for an increased water supply to the community of Dannhauser. | R300 000 000 | Feasibility | Jun 2030 |

| | | | | |
|---|---|---|---|---|
| Dannhauser Regional Water Supply Scheme Phase 3 – Upgrade of Durnacol Water Treatment Works | The project aims to upgrade the existing water treatment works plant from a 5Ml/d to 20Ml/d which will cater for the increased water supply to the growing population of the community of Dannhauser | R600 000 000 | Feasibility | Jun 2030 |

## BULK WATER AND RETICULATION (WSDP AMAJUBA DM)

Access to potable water is one of the key challenges facing Dannhauser Municipality. A substantial number of people and communities do not have access to potable water, which meets the standards set by the Department of Water Affairs and Sanitation. This is confirmed by the results of Census 2022, which indicates that only 25.4% of the total population in the municipal area has access to piped water inside their dwelling units.

However, the Amajuba District Municipality, through the drought relief programmes, has implemented some standpipe projects in the areas of Steildrift (Annievale, Kilkeel and Nelly valley), Emfundweni, Fairbreeze, Eastbourne Farm Extension and Ubuhlebmzinyathi. The program was aimed at giving these communities purified water as a temporary measure and a relief, particularly since some of the boreholes were dry due to drought. These areas are still to be catered for in more long-term water supply projects.

The Department of Rural Development and Land Reform, through the Comprehensive Rural Development Strategy (CRDS), aids in the implementation of the sinking of boreholes, in areas deemed to be rural, and Dannhauser is one of them.

## PIPED WATER INSIDE DWELLING

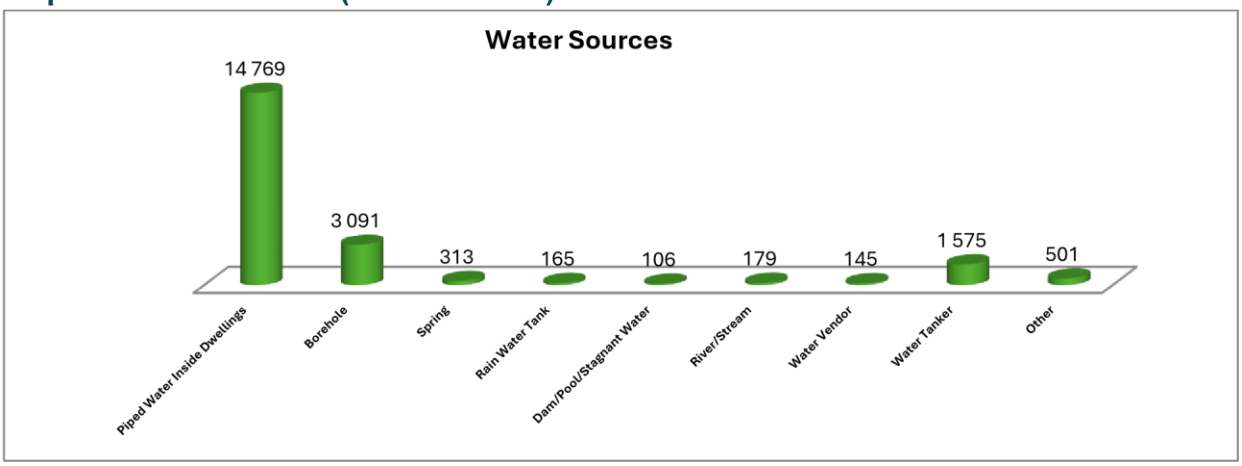
By 2011, 20072,715 out of 102 937 households in Dannhauser municipality had piped water inside their dwelling units, this was a significant jump from approximately 36 258,5 households in 2022, but majority of the population still does not have access to piped water and relies on other sources. This means that people use other sources of water such

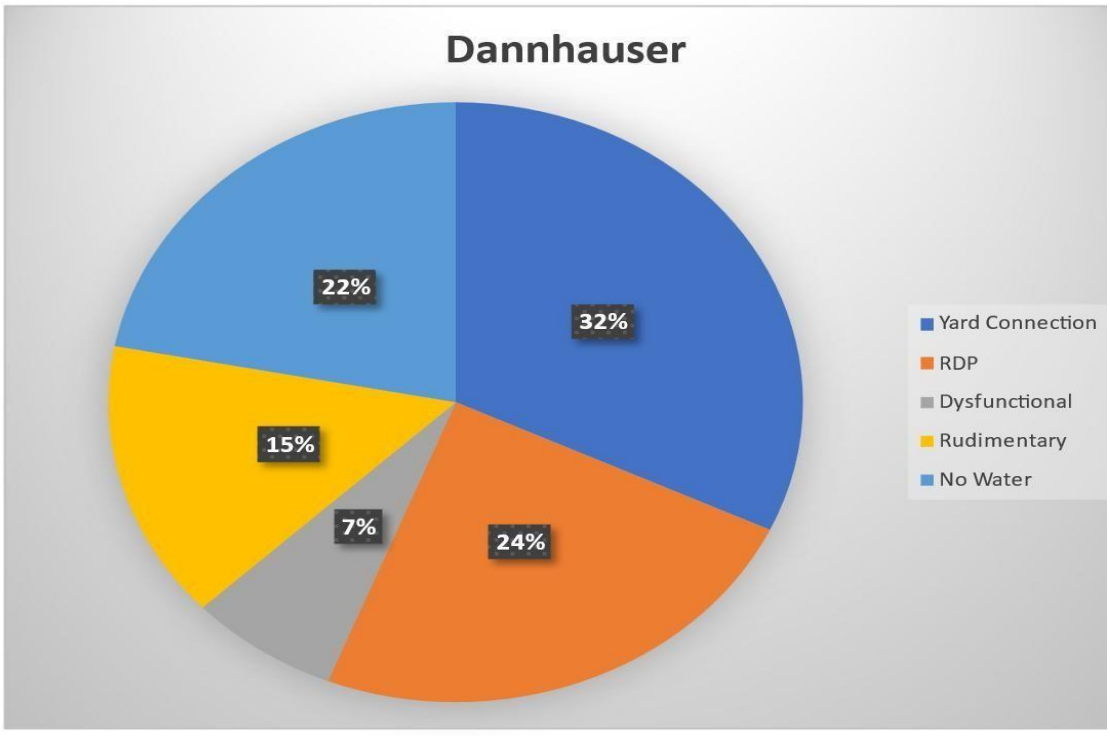
as communal stands and rivers, boreholes, spring, etc. These types of water sources are vulnerable to contamination that could lead to outbreak of waterborne diseases and thus remain a considerable challenge.

## SOURCES OF WATER

The municipal jurisdiction has varying sources of water used by the community; these are depicted in the figure below.

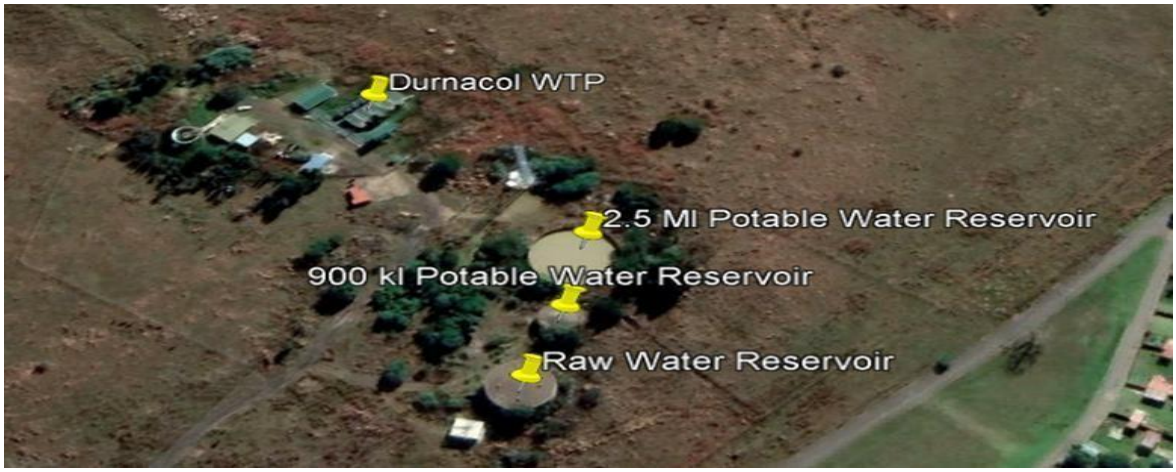
### Graph 6:Water Access (Census 2022)



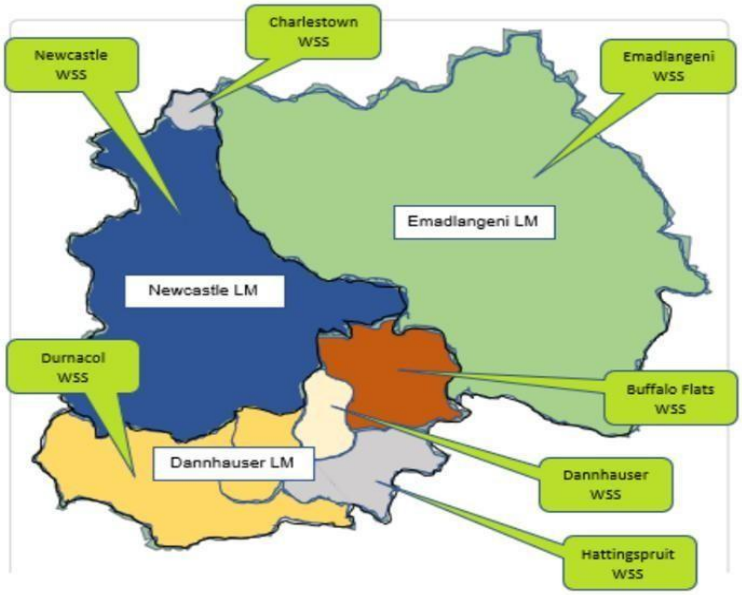



Graph 7: Sources of water

## Map 25 Water supply system image



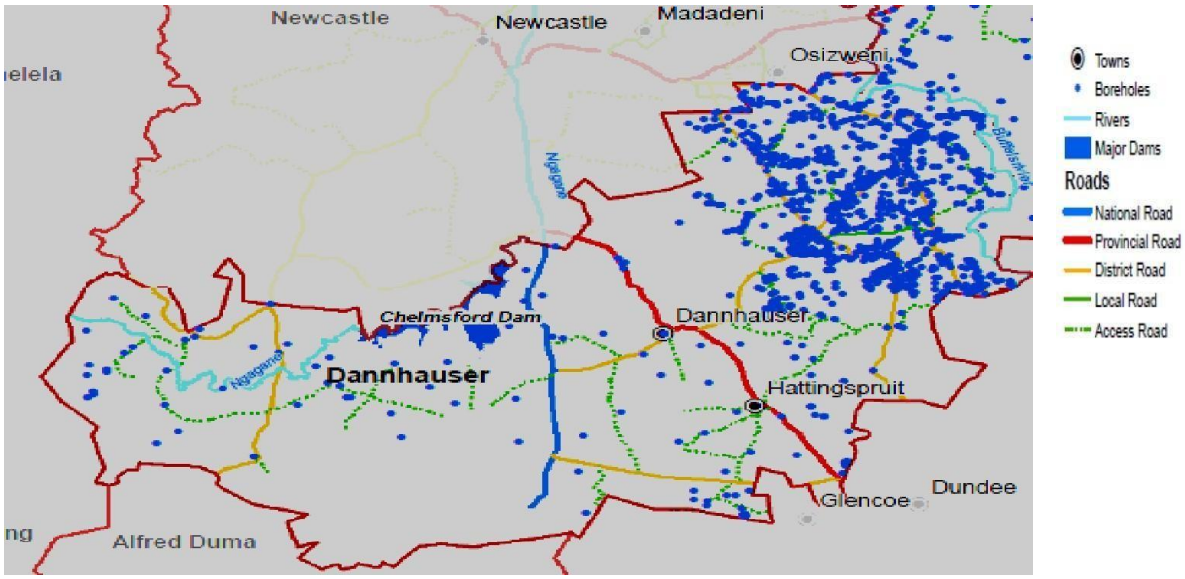

## Map 26 Water system supply map




Over the past 10 years, the municipality has thrived to deliver water to its communities, as evident based on census 2022, out of the households 25 479, 6 472 households had piped water inside their dwellings, while 3 091 who are mainly located in deep rural areas

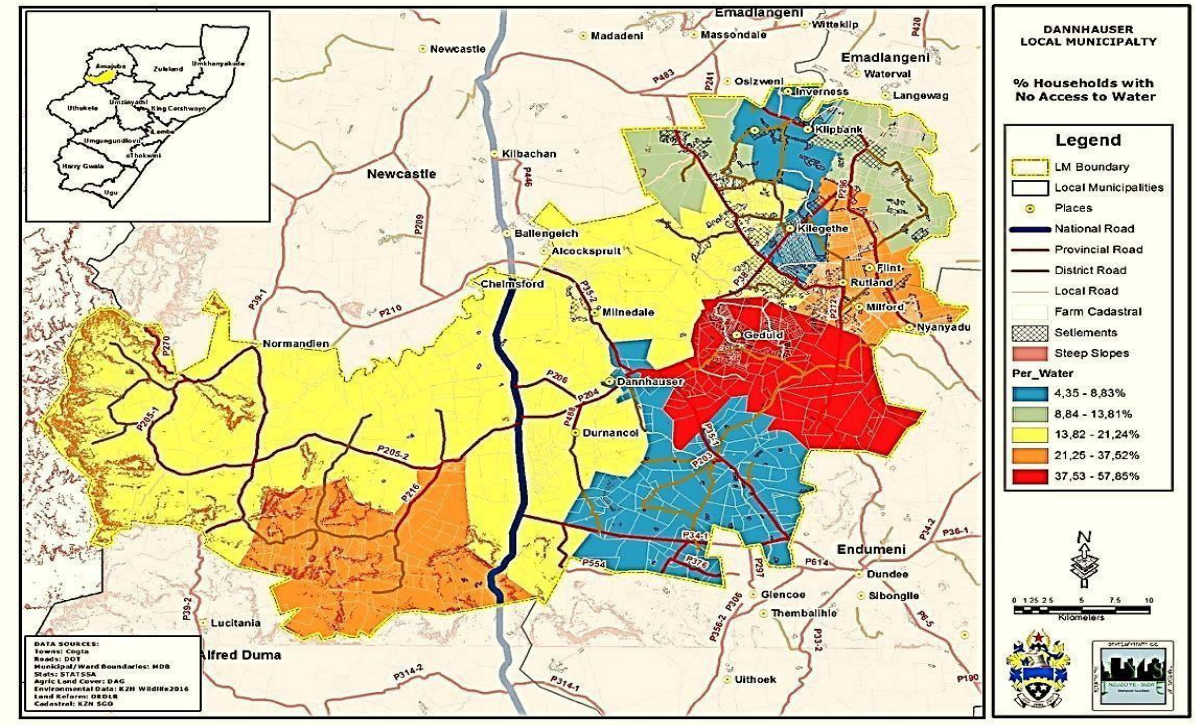
relied on borehole water.  2 984 households still require proper water infrastructure, and the municipality is engaging Amajuba District the Water Services authority to enhance implementation. More still needs to be done as more housing units are being constructed.

### Map:27 Boreholes (Census 2022)




As indicated in map.23 above, and figure.10; there are 3 091 households that rely on boreholes, most of the boreholes are situated in traditional authority land which is towards the north-easterly corner of the municipal jurisdiction where most rural households are situated. A few are situated to the south-easterly and south-westerly side of the jurisdiction. Areas concentrated within the CBD have a handful of boreholes as most of these households and businesses are linked with proper water & sanitation infrastructure.

## Map: 28 Water Backlogs (Census 2022)




Map.28 indicates that the worst area that has no access to water is Geduld, this is mainly rural in setting, and people in this area rely on water from streams or neighboring wards, between 37.53% and 57.83% of total households with no access to water. In proximity to this area, are areas of Flint; Rutland; Milford; and Nyanyandu which range between 21-37% of total households without water access.

**Table 82: Stats SA: Census 2022 Per Ward**

| Wards | No access to piped (tap) water | Piped (tap) water inside the dwelling | Piped (tap) water inside the yard | Piped (tap) water on community stand: distance less than 200m from dwelling | Piped (tap) water to community stand: distance less than 200m and 500m from dwelling | Piped (tap) water to community stand: distance less than 500m and 1000m from dwelling | Piped (tap) water on community stand: distance greater than 1000m (1 km) from dwelling | Grand Total |
|---|---|---|---|---|---|---|---|---|
| Ward 1 | 335 | 319 | 498 | 253 | 69 | 16 | 14 | 1504 |
| Ward 2 | 21 | 1885 | 286 | 20 | 3 | - | - | 2216 |
| Ward 3 | 361 | 199 | 113 | 754 | 223 | 80 | 12 | 1743 |
| Ward 4 | 171 | 74 | 213 | 466 | 205 | 65 | 3 | 1196 |
| Ward 5 | 35 | 77 | 647 | 478 | 24 | - | 2 | 1263 |
| Ward 6 | 166 | 56 | 259 | 903 | 215 | 12 | - | 1611 |
| Ward 7 | 732 | 100 | 192 | 538 | 39 | 9 | 7 | 1616 |
| Ward 8 | 129 | 278 | 811 | 382 | 29 | 4 | - | 1633 |
| Ward 9 | 118 | 223 | 1120 | 395 | 61 | - | 2 | 1919 |
| Ward 10 | 129 | 459 | 659 | 371 | 64 | 25 | 2 | 1710 |
| Ward 11 | 5 | 116 | 380 | 807 | 32 | 23 | 1 | 1364 |
| Ward 12 | 284 | 37 | 643 | 495 | 5 | 3 | 2 | 1470 |
| Ward 13 | 289 | 223 | 398 | 393 | 106 | 6 | 2 | 1417 |
| **Grand Total** | **2775** | **4046** | **6220** | **6254** | **1075** | **245** | **48** | **20661** |

The total list of Jojo tanks that was placed by Dannhauser Municipality in each ward

| JOJO TANKS | | | |
|---|---|---|---|
| **Name of Place** | **Ward** | **Total Per Ward** | **Ward Councillor** |
| Sunset | Ward 1 | | Mkhumane Mthunzi |
| Mabaso | Ward 1 | | Mkhumane Mthunzi |
| Skobhareni | Ward 1 | | Mkhumane Mthunzi |
| Dayimane/Jubhili | Ward 1 | | Mkhumane Mthunzi |
| | | **Ward 1 Total Tanks =4** | |
| | | | |
| Ndomba | Ward 2 | **Ward 2 Total Tank =1** | Kunene Mxolisi |
| | | | |
| Kwakheswa | Ward 3 | | Mthembu Musawenkosi |
| Mgwabi | Ward 3 | | Mthembu Musawenkosi |
| Emaromeni | Ward 3 | | Mthembu Musawenkosi |
| Kliproots | Ward 3 | | Mthembu Musawenkosi |
| Emahlabathini | Ward 3 | | Mthembu Musawenkosi |
| Buthelezi | Ward 3 | | Mthembu Musawenkosi |
| Mdunge | Ward 3 | | Mthembu Musawenkosi |
| Ramaphosa | Ward 3 | | Mthembu Musawenkosi |
| Mfreystata | Ward 3 | | Mthembu Musawenkosi |
| | | **Ward 3 Total Tanks =9** | |
| | | | |
| Kwatoto 1 | Ward 4 | | Langa Busisiwe |
| Kwatoto 2 | Ward 4 | | Langa Busisiwe |

| | | | |
|---|---|---|---|
| Ladybank | Ward 4 | | Langa Busisiwe |
| | | **Ward 4 Total Tanks =3** | |
| | | | |
| Dragon | Ward 5 | | Nkabinde Mlungisi |
| Mdutshwa | Ward 5 | | Nkabinde Mlungisi |
| Etsheni | Ward 5 | | Nkabinde Mlungisi |
| | | **Ward 5 Total Tanks =3** | |
| | | | |
| Mkhumbane | Ward 6 | | Ndlela Sebenzile |

| | | | |
|---|---|---|---|
| Poona | Ward 6 | | Ndlela Sebenzile |
| Flint | Ward 6 | | Ndlela Sebenzile |
| Rutland | Ward 6 | | Ndlela Sebenzile |
| | | **Ward 6 Total Tanks =4** | |
| | | | |
| Allen-Khumalo | Ward 7 | | Simelane Fikile |
| Allen-Mpungose | Ward 7 | | Simelane Fikile |
| Allen-Zwane | Ward 7 | | Simelane Fikile |
| Sdonela-Sthebe | Ward 7 | | Simelane Fikile |
| Buhlebethu Creche | Ward 7 | | Simelane Fikile |
| Vukuzakhe Creche | Ward 7 | | Simelane Fikile |
| | | **Ward 7 Total Tanks =6** | |
| | | | |
| | | | |
| | | | |
| Clifton | Ward 8 | | Made Richard |
| Nkabinde | Ward 8 | | Made Richard |
| Jokisi | Ward 8 | | Made Richard |

| | | | |
|---|---|---|---|
| | | **Ward 8 Total Tanks =3** | |
| | | | |
| Naasfarm | Ward 9 | | Nkosi Xolani |
| Island 1 | Ward 9 | | Nkosi Xolani |
| Island 2 | Ward 9 | | Nkosi Xolani |
| | | **Ward 9 Total Tanks =3** | |
| | | | |
| Ntendeka-Mkhize | Ward 10 | **Ward 10 Total Tank =1** | Mthembu Nkosikhona |
| | | | |
| Ntanzi | Ward 11 | | Radebe Bongani |
| Ndebele | Ward 11 | | Radebe Bongani |
| Zikalala | Ward 11 | | Radebe Bongani |
| Mbhele | Ward 11 | | Radebe Bongani |
| Buthelezi | Ward 11 | | Radebe Bongani |
| | | **Ward 11 Total Tanks =5** | |
| | | | |
| Hhansi | Ward 12 | **Ward 12 Total Tank =1** | Sindi Maphisa |
| | | | |
| Benvah | Ward 13 | | Sikhakhane Blessing |
| Phishili | Ward 13 | | Sikhakhane Blessing |
| | | **Ward 13 Total Tanks =2** | |

Table 83: Jo-Jo tanks The municipality also installed boreholes to mitigate water shortage in ward 1 and 3 to supply water to the communities in rural areas.

| **Ward number & Name** | **Number of Boreholes installed** |
|---|---|
| Normandien (ward 1) | 7 |
| Verdriet (ward 3) | 4 |

Table; 84: number of boreholes installed

## SANITATION INFRASTRUCTURE

Dannhauser Municipality is generally poorly provided with sanitation facilities. Approximately 1.4% of households within the municipality do not have access to sanitation facilities. Rural settlements (68.1% of households) use pit latrines for sanitation purposes while most commercial farms have on-site septic tanks. The sewer system is mainly accessed by households within the town area, but the infrastructure in this regard requires upgrading and maintenance. The Amajuba District Municipality is currently implementing a Sanitation Project, which is funded by the Department of Water Affairs and Sanitation. Project covers all 13 Wards in the municipal area and is funded over a 3-year period. The Department of Human Settlements also has a sanitation project which it has granted funding to, over a period of 3 years, at an amount
of R 15 000 000. The project is running parallel with the project funded by the Department of Water Affairs and Sanitation.

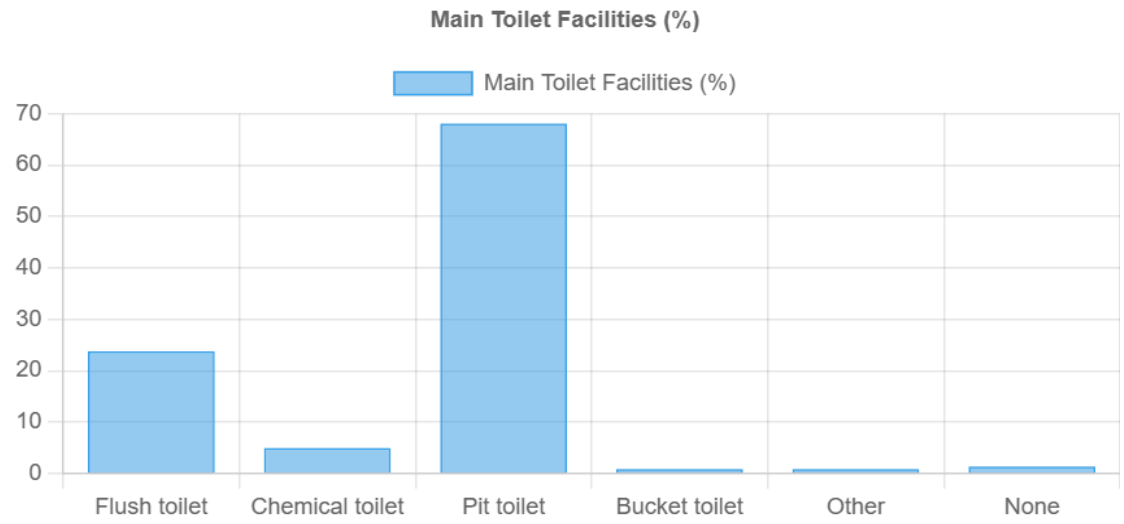
The Department of Rural Development and Land Reform, through the Comprehensive Rural Development Strategy (CRDS), aids in the implementation of V.I.P toilet.

## FLUSHING TOILETS CONNECTED TO SEWERAGE

**HOUSEHOLDS WITH ACCESS TO TOILET FACILITIES**

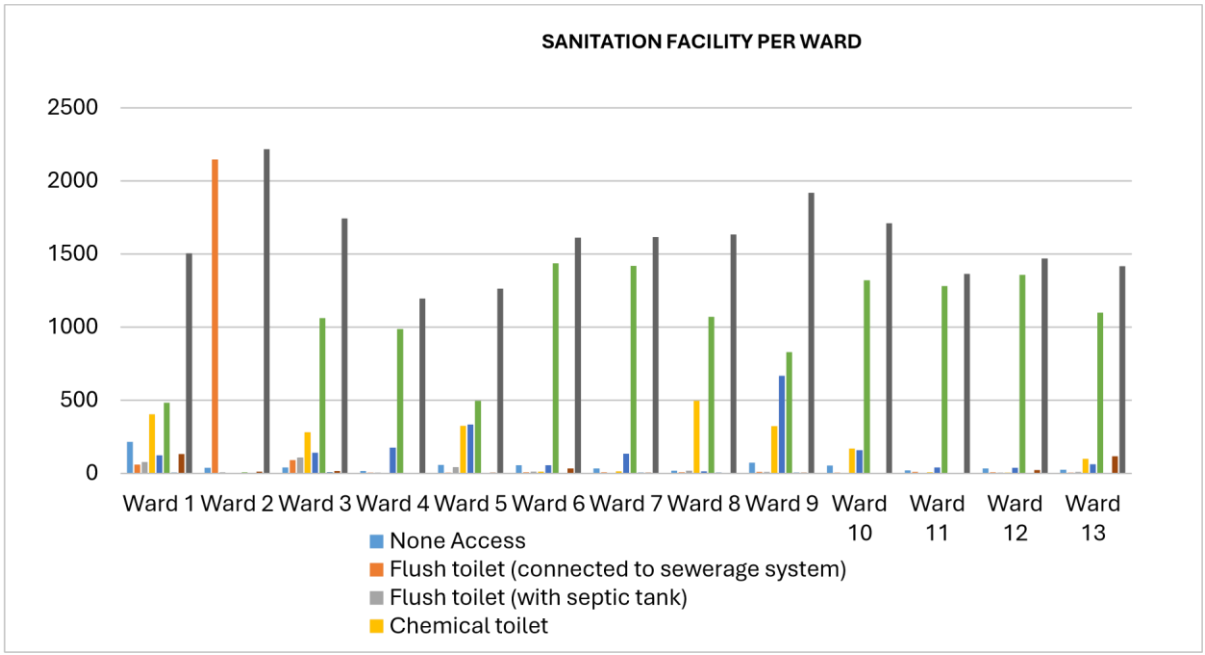
| Name | Frequency | % |
|---|---|---|
| Flush toilet | 6,069 | 23.80% |
| Chemical toilet | 1267 | 5.00% |
| Pit toilet | 17,344 | 68.10% |
| Bucket toilet | 217 | 0.90% |
| Other | 224 | 0.90% |
| None | 358 | 1.40% |
| **Total Households** | **25,479** | **100.00%** |

Table: 85 Source-Statistics SA, Census 2022



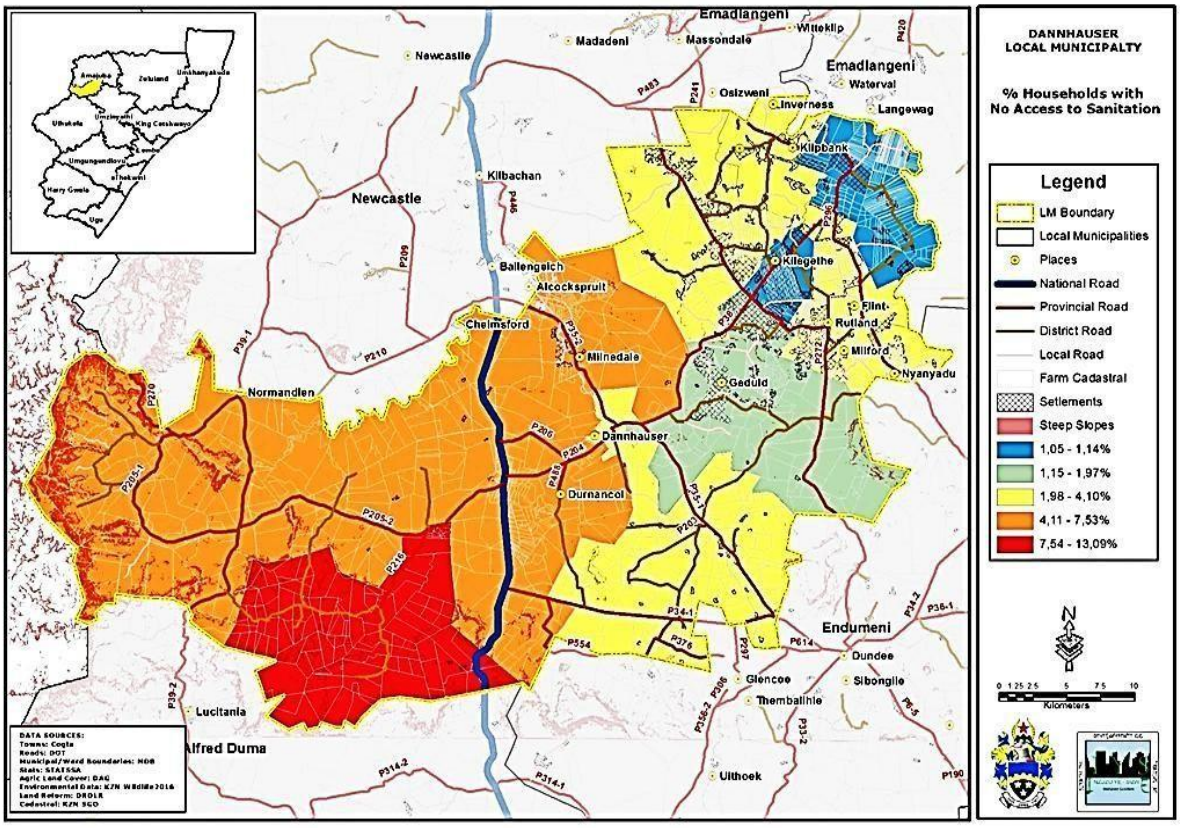

**Graph 8: Source-Statistics SA, Census 2022**

Per Census 2022 data, about 23,8% flush toilets are connected to a sewerage system and septic tank. This is negligible adjustment upwards from 12,9 in 2011. The greater population utilizes Pit Latrine toilets without ventilation (12 849) households, this is highly evident in the rural cluster settlements, they have not been rehabilitated from the time they were constructed, and now residents are digging their own pit latrines. There are 33 households that still rely on the bucket latrine system, and the municipality is making efforts to rule this out. The municipality still needs to majorly address this abnormality of a lack of proper sanitation facilities.



## Graph 9:Source-Statistics SA, Census 2022

## Map:29 Household Sanitation Backlogs (Census 2022)




## Challenges

Shortage of water in our communities brings a big challenge to the municipality because they always come to seek help

## Recommendations

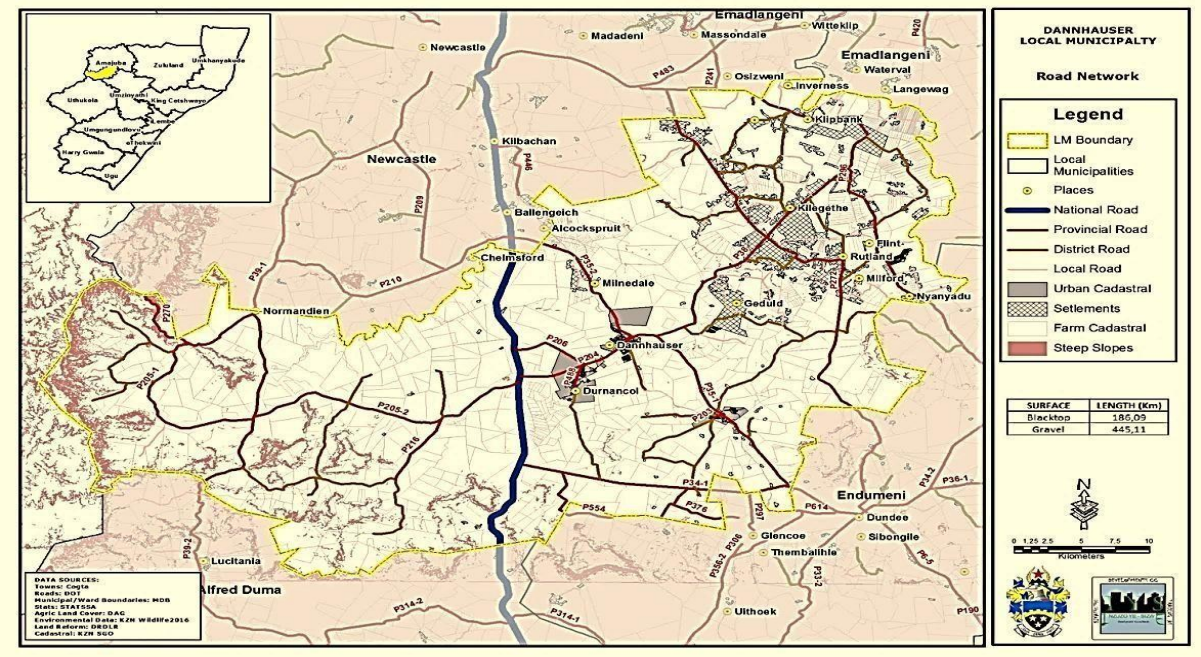
Water Department must give Municipality an authority or the licence to supply water to the communities.

### Transportation Infrastructures

The road network is made up of primarily provincial, district and Dannhauser local municipality's access roads, where some people rely on foot for daily transport, and some on public transport and the rest on their private cars.
The municipality has yellow plant which work under Infrastructure and roads maintenance which work from ward 1-13 buildings/ construct roads in rural areas

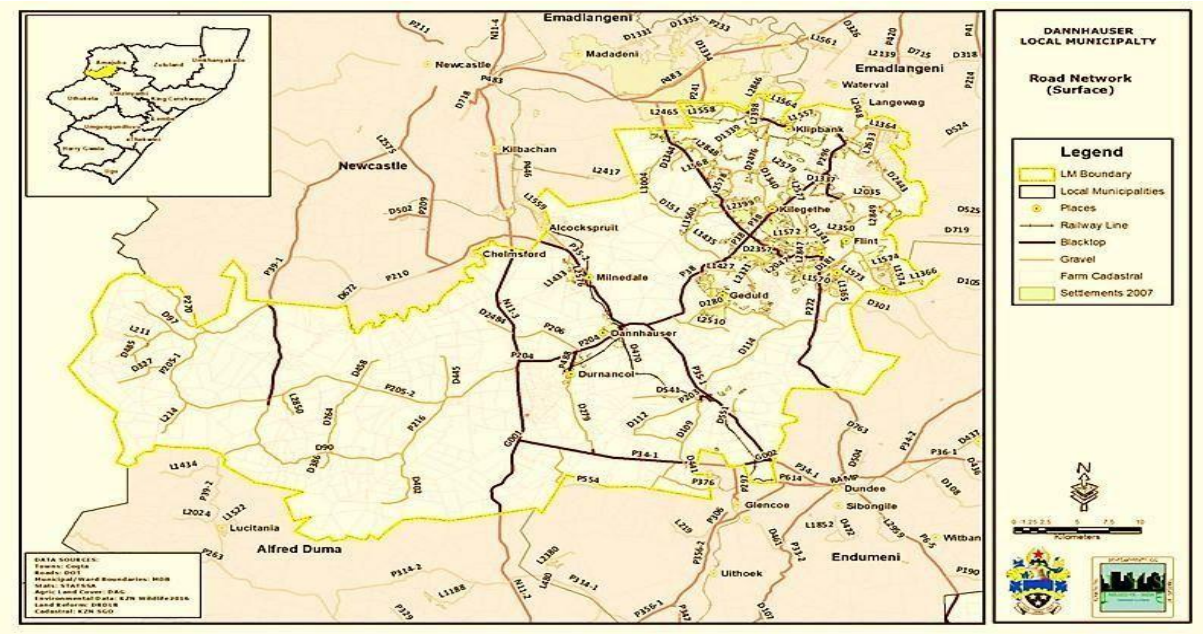
The roads within the municipality belong to National and provincial transport, they also maintain their roads
In the CBD the municipality has a pothole patching team which patches pothole in the township and in CBD.

## Map 30: Municipal Road Network (SDF.2021/22)

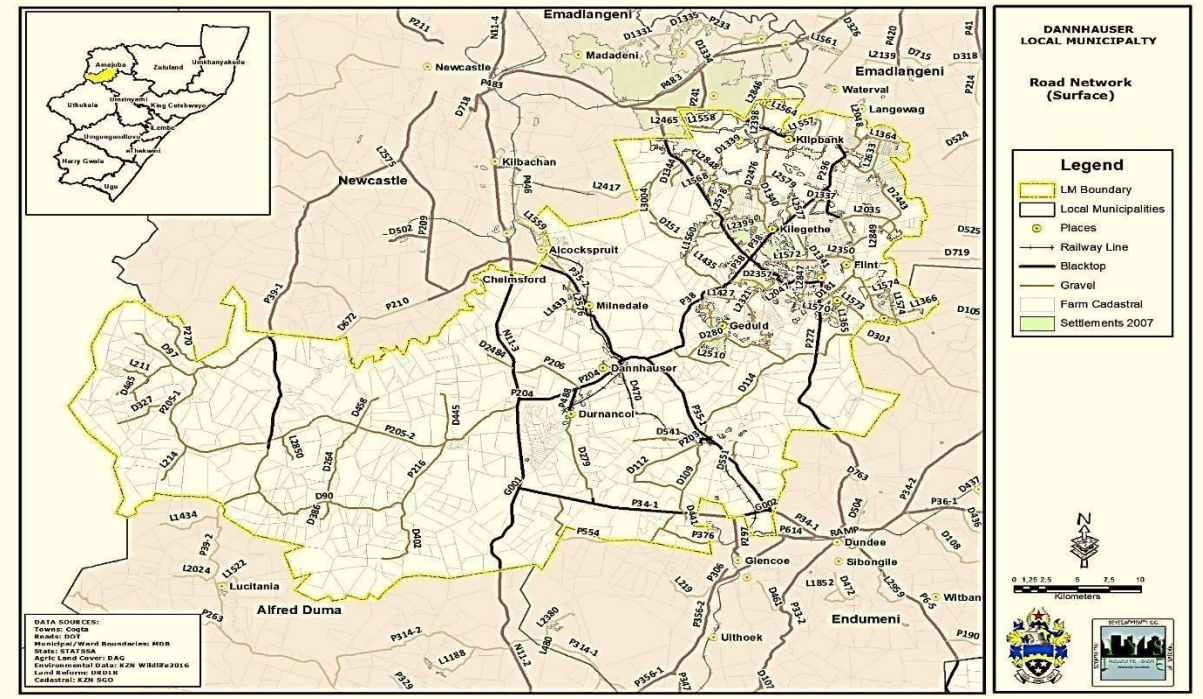



While provincial roads are generally in a good condition as they are maintained by the Department of Transport, but the quality of district and local access roads is generally poor as there is a lack of funding to upgrade and maintain them. These roads are in a state of despair and in dire need of upgrading. The poor state of these roads negatively affects intra and inter-settlement access. It also contributes to the poor public transport system in these areas.

## Map 31: Municipal Road Network Surface (SDF.2021/22)




## Map:32 Department of Transport Roads (SDF.2021/22)



The district and local access roads have not been rehabilitated nor upgraded for over the past 7 years, however the municipality is trying to undertake maintenance through the patching of potholes, although it does not last. The municipality has applied for funding with regards to the upgrading of urban tarred residential roads (approximately 60km in total) and related storm water systems.

## NON-MOTORIZED TRANSPORT

The current state of non-motorized within the municipality identifies several pedestrian problems, as follows:

- A lack of sidewalks in residential areas.
- A lack of sidewalks in CBD.
- Intersections where informal trading is taking place.
- A lack of sidewalk maintenance.
- Speed of vehicles approaching pedestrian crossings.

## PUBLIC TRANSPORT INFRASTRUCTURE

Since Dannhauser is the local municipality, it is built on rural area most of roads are gravel roads only Dannhauser CBD roads which are blacktop.

Buses and taxis routes mostly are department roads which are maintained by the province.

| PROJECT NAME | WARD | DURATION OF THE PROJECT | BUDGET |
|---|---|---|---|
| Upgrade of Emafusini township urban roads in ward 2 | Ward 2 | 6 months | R 5 929 374.27 |
| Rehabilitation of Dannhauser urban roads in ward 2 | Ward 2 | 8 months | R 8 039 439.07 |
| Upgrade of Durnacol urban roads ward 2 | Ward 2 | 8 months | R 9 684 779.35 |

| | | | |
|---|---|---|---|
| Construction of koppie allen gravel access road ward 1 | Ward 1 | 6 months | R 5 400 598.04 |
| Construction of Ema-16 gravel road | Ward 3 | 6 months | R 2 000 000.00 |
| Construction of Nkanjeni Culvert | Ward 8 | 6 months | R 1 000 000.00 |
| Construction of Ekujabuleni access road | Ward 2 | 6 months | R 3 500 000.00 |
| Construction of Nkosibomvu causeway and gravel access road ward 6 | Ward 6 | 8 months | R 5 727 812.08 |
| Upgrade of Ramaphosa access roads in ward 3 phase 1 | Ward 3 | 6 months | R 5 382 290.40 |
| Construction of mooi gravel road ward 13 | Ward 13 | 8 months | R7 166 387.11 |
| Construction of Empungolweni gravel road ward 7 | Ward 7 | 8 months | R 2 394 856.10 |
| Rural road phase 5 | Ward 5 | 6 months | R 4 126 738.20 |
| Rural road phase 5 | Ward 11 | 6 months | R 3 706 664.94 |
| Rural road phase 5 | Ward 12 | 6 months | R 3 465 242.68 |
| Rural road phase 5 | Ward 12 | 6 months | R 2 463 479.98 |
| Rural road phase 5 | Ward 8 | 6 months | R2 771 842.70 |

Table 86: Road Maintanance **ROAD MAINTANANCE**

| PROJECT NAME | WARD | PICTURES |
|---|---|---|

| | | |
|---|---|---|
| Rehabilitation of gravel road | Ward 4 | |
| | Ward 6 | |
| | Ward 8 | |
| | Ward 9 | |
| | Ward 11 | |
| | Ward 12 | |

Table 86: Road maintanance **RAILWAY LINE**

There is a railway line that transverses the municipality, it is owned and used by Transnet to ferry goods to and from Durban and Gauteng. It does not serve the purpose of public transportation. There is no train station available.

## ELECTRICITY INFRASTRUCTURE

Electrification Projects Implemented by Eskom: Eskom obtains project backlog data from the Municipality to facilitate planning and prioritization. Eskom's planning process prioritizes Greenfield (Backlog since 1994) areas in its planning. Eskom issues Network Planning Report (NPR)

Electrification Projects Implemented by Dannhauser Local Municipality: The Municipality and Eskom signs Memorandum of Understanding (MOU), with Eskom providing a Network Planning Report (NPR) before project initiation. Upon completion, the Municipality will transfer the finished projects to Eskom.

-

**Municipal Electricity Backlogs**

The municipality will be providing 100 connections per wards for each financial year.

| PROJE CT | WA RD | PRO JEC T TYP E | SOU RCE OF FUN DIN G | BUDGE T | CONNE CTIONS |
|---|---|---|---|---|---|
| Electrifi cation | 05 | Sch edul e 5B | DLM | R2 100 000.00 | 100 |
| Electrifi cation | 10 | Sch edul e 5B | DLM | R2 100 000.00 | 100 |
| Electrifi cation | 01 | Sch edul e 5B | DLM | R2 100 000.00 | 100 |

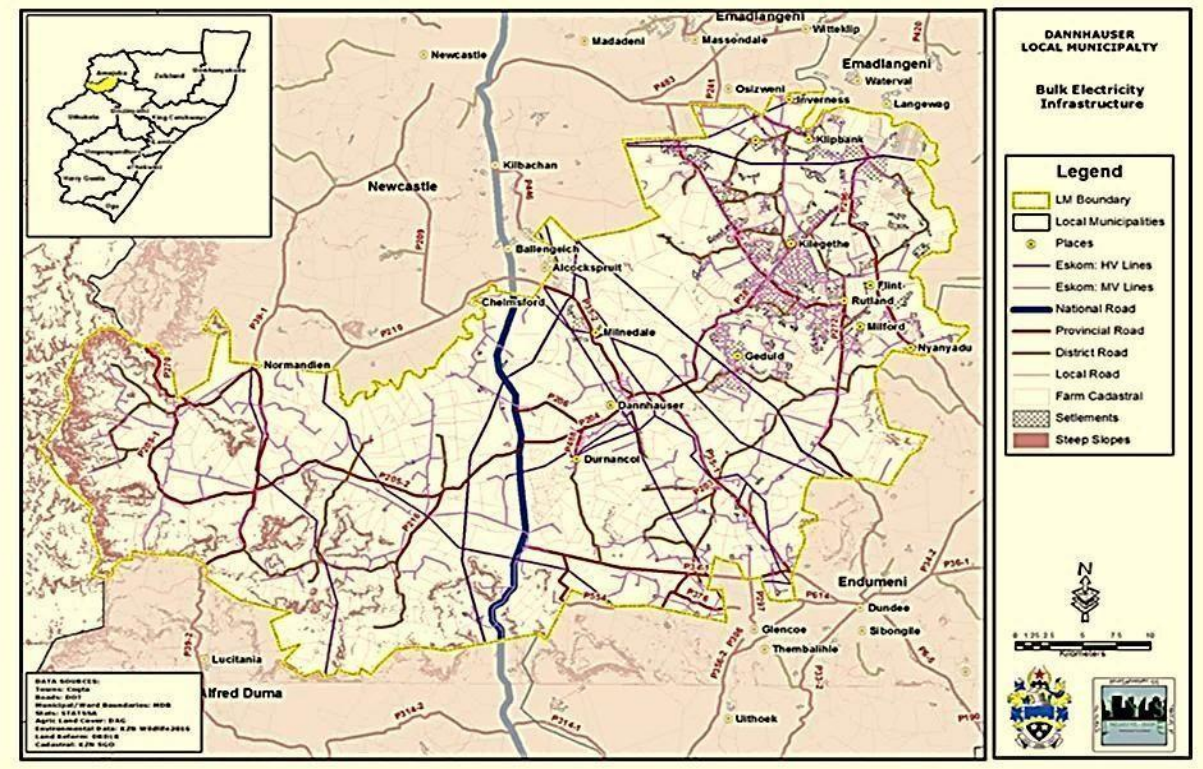
| | | | | | |
|---|---|---|---|---|---|
| Electrifi cation | 06 | Sch edul e 5B | DLM | R2 100 000.00 | 100 |
| Electrifi cation | 07 | Sch edul e 5B | DLM | R2 100 000.00 | 100 |
| Electrifi cation | 09 | Sch edul e 5B | DLM | R2 100 000.00 | 100 |
| Electrifi cation | 11 | Infill type 1 | Esko m | R1 500 000.00 | 200 |
| Old Electrifi cation | 3,4, 8&1 2 | Sch edul e 5B | DLM | R7 000 000.00 | 360 |
| Electrifi cation | | Infill type 1 | Esko m | R2 208 476.78 | 250 |

**Table 87: Electricity Usage of Households in Dannhauser**

| COOKING | | | HEATING | | | LIGHTING | | |
|---|---|---|---|---|---|---|---|---|
| Electricity from mains | 10 711 | 51.8 % | Electricity from mains | 7 762 | 37.6 % | Electricity from mains | 16 585 | 80.3 % |
| Other source of electricity | 36 | 0.2% | Other source of electricity | 22 | 0.1% | Other source of electricity | 0 | 0% |
| Gas | 482 | 2.3% | Gas | 262 | 1.27 % | Gas | 125 | 0.6% |
| Paraffin | 1 392 | 6.7% | Paraffin | 695 | 3.36 % | Paraffin | 167 | 0.8% |
| Wood | 140 6 | 6.4% | Wood | 1 987 | 9.6% | Candles | 3 615 | 17.5 % |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Coal | 5 893 | 29.2 % | | Coal | 7 463 | 36.1 % | | Solar | 115 | 0.6% |
| Animal dung | 489 | 2.14 % | | Animal Dung | 667 | 3.2% | | Unspecified | 55 | 0.2% |
| Other | 156 | 0.76 % | | Other | 92 | 0.4% | | None | 0 | 0% |
| None | 97 | 0.5% | | None | 1 712 | 8.3% | | | | |
| Total | 20 662 | 100 % | | Total | 20 662 | 100 % | | Total | 20 662 | 100 % |

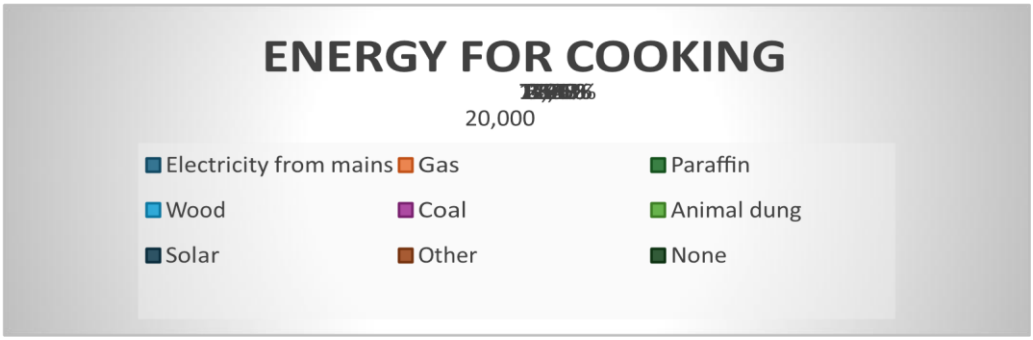
## Map 33: Bulk Electrical Infrastructure Network



## ELECTRICITY FOR COOKING, HEATING AND LIGHTING

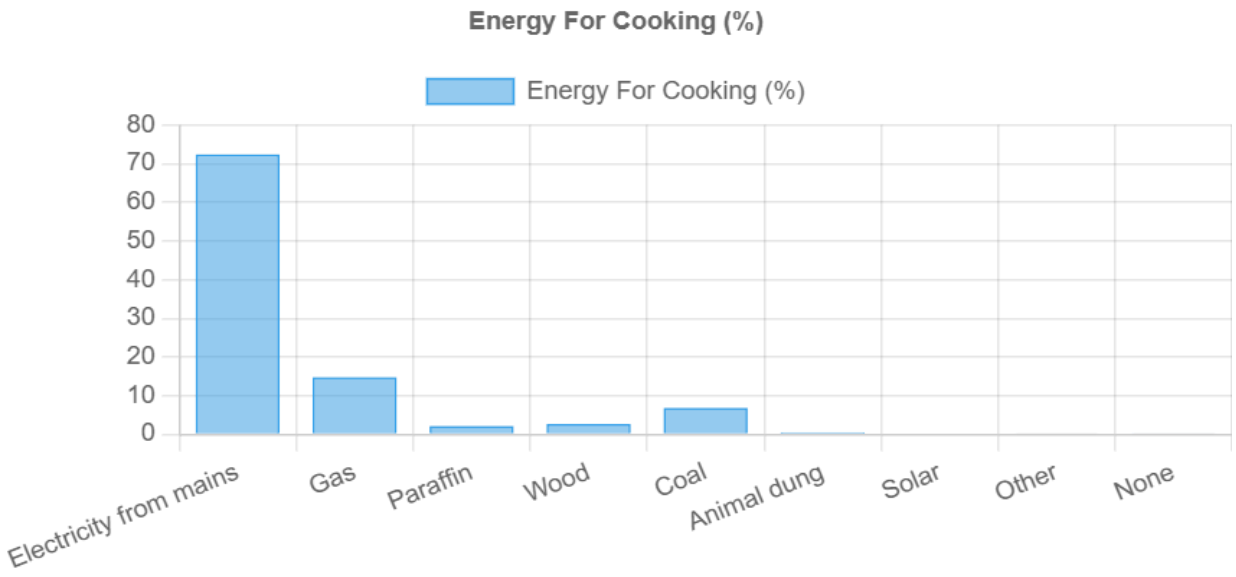
Dannhauser Municipality became the first municipality in the country to electrify all households within its area of jurisdiction. About 80.7% of the population within the municipal area uses electricity for lighting, cooking, and heating purposes. Coal is still used substantially for cooking and heating purposes. A shift away from this resource is needed due to its unsustainable nature. The various forms of energy used by the community are as follows:

**Graph 10: Energy for Cooking (Stats SA: Census 2022)**



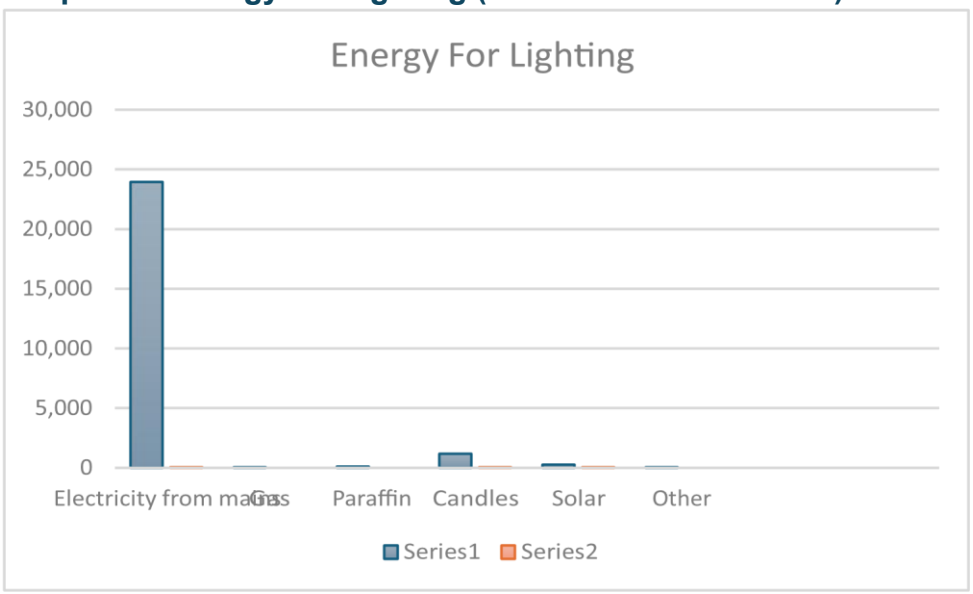

| Name | Frequency | % |
|---|---|---|
| Electricity from mains | 18,436 | 72.40% |
| Gas | 3768 | 14.80% |
| Paraffin | 558 | 2.20% |
| Wood | 687 | 2.70% |
| Coal | 1,750 | 6.90% |
| Animal dung | 140 | 0.60% |
| Solar | 9 | 0.00% |
| Other | 85 | 0.30% |
| None | 45 | 0.20% |
| **Total Households** | **25,478** | **100.00%** |

## Table 88:Source- Statistics SA, Census 2022



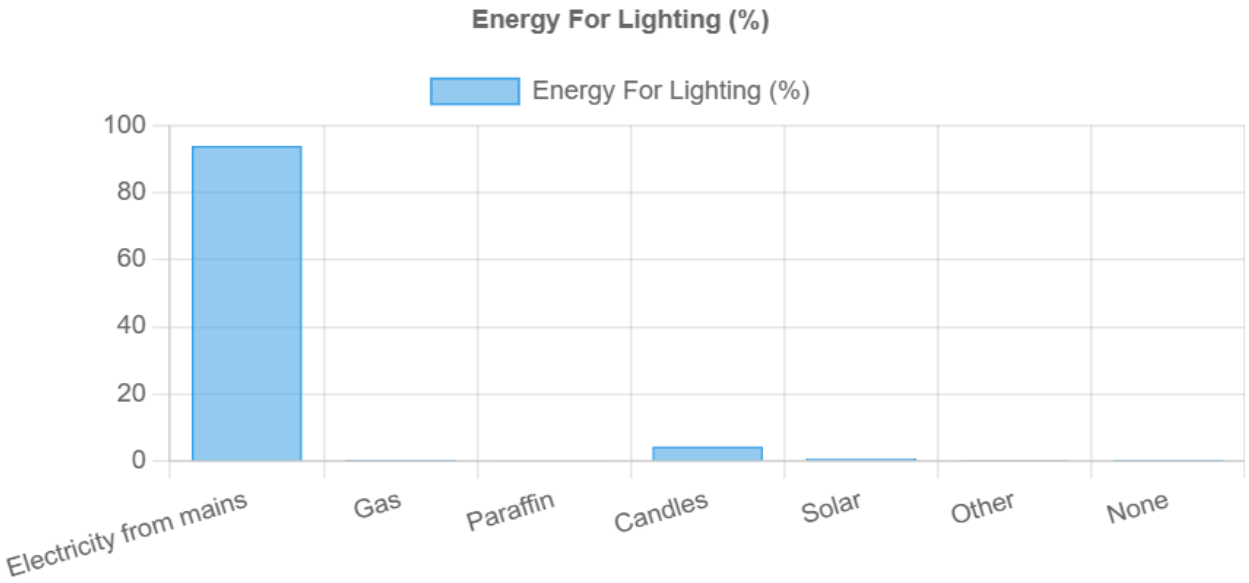

## Graph 11:Source-Statistics SA, Census 2022.

## Graph 12: Energy for Lighting (Stats SA: Census 2022)



### Table 89: Energy for Heating (Stats SA: Census 2022)

| Name | Frequency | % |
|---|---|---|
| Electricity from mains | 23,923 | 93.90% |
| Gas | 37 | 0.10% |
| Paraffin | 77 | 0.30% |
| Candles | 1,140 | 4.50% |
| Solar | 228 | 0.90% |
| Other | 47 | 0.20% |
| None | 27 | 0.10% |
| **Total Households** | **25,479** | **100.00%** |




Graph 12: Source Statistics SA, Census 2022

## ENERGY SECTOR PLAN

- The municipality has not yet developed an energy sector plan but has commenced the process of appointing a service provider to develop one. There are various forms of energy that exist within the jurisdiction, and they will be identified and explained in detail in the sector plan.

## ELECTRICITY BACKLOGS

Eskom current and future focus is on infills, new developments/low costs houses and informal settlements.

- Over 70% of projects planned for the current financial year and the next three years are mainly infills (type 1, 2 and 3 & illegally connected customers).

- Infills program undergo the normal electrification planning process like any other electrification project, and they must also form part of the municipal IDP plan.

- Eskom's plan is to saturate all infills within the ward before moving to the next ward.

- Eskom is also investing on infrastructure upgrade to accommodate future growth.

- Eskom encourages people to pay for electricity to avoid disconnections and transformer explosions.

▪ Councilors are also encouraged to bring information to Eskom for all customers who are illegally connected so their networks can be normalized in line with Eskom electrification planning process.

▪ Municipalities are also encouraged to register indigent customers on Free Basic Electricity

**Electrical Challenges**

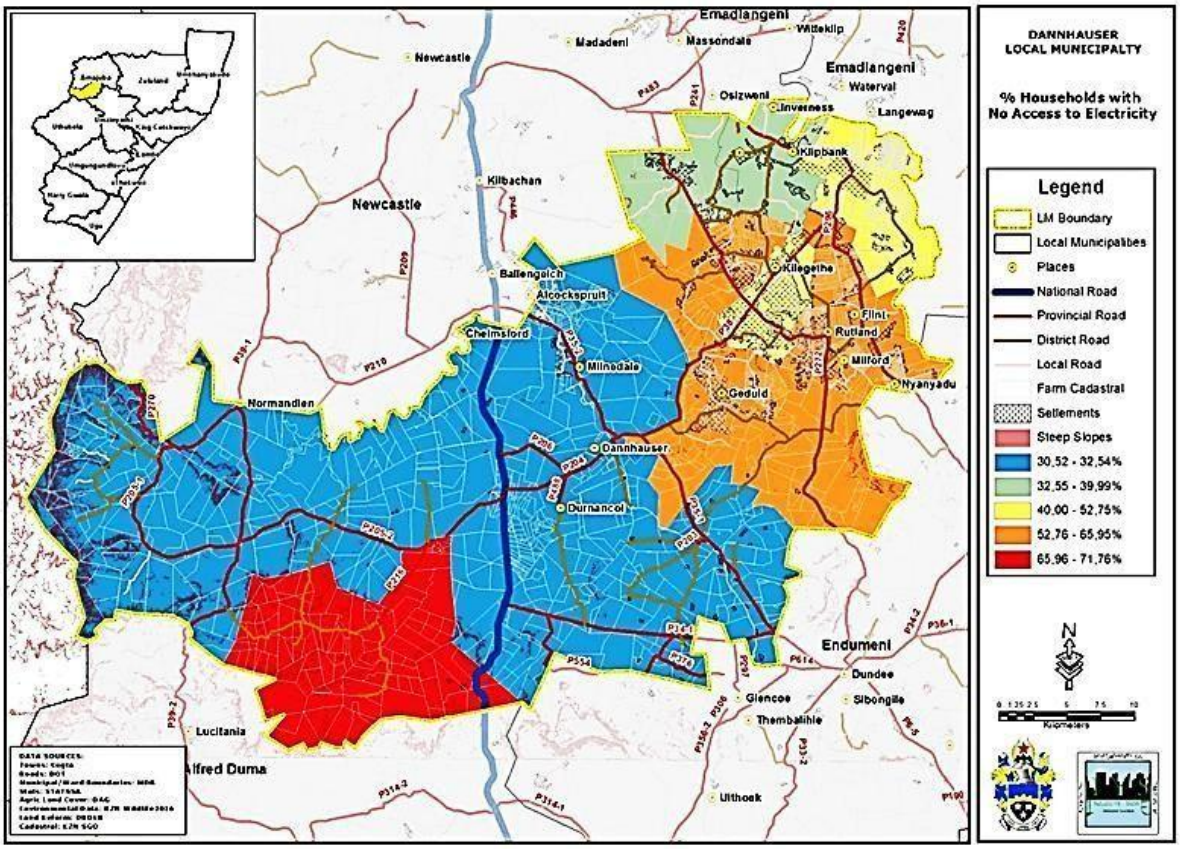
30% demand of work by local SMMEs and cause delay on the implementation of the project due to community unrests or/and destruction of projects. ▪ Increasing illegal connections especially on informal settlements around uBuhlebomzinyathi tribal area ,Clooneen, Shayamoya, Shepstone Lake and surrounding areas.
▪ Non-cooperation from communities who are illegally connected.
▪ Crime and hi-jacking of Eskom employees and contractors, especially on the North.
▪ Theft of Eskom materials on sites and vandalism of new infrastructure on the North.
▪ Poor terrain and bad access in some of the villages that hinders progress of projects. ▪ Environmental and wayleave approval on farms and privately owned land which are delaying projects.
▪ New developments taking place on invaded land and demands for electrification and other services.

**Table 91Electrification Backlog**

| Ward | Backlog |
|---|---|
| 01 | 250 households |
| 02 | 50 connections |
| 03 | 85 connections |
| 04 | 250 connections |
| 05 | 175 connections |
| 06 | 85 connections |
| 07 | 75 households |
| 08 | 120 households |
| 09 | 250 households |
| 10 | 165 households |
| 11 | 100 households |
| 12 | 95 households |

| | |
|---|---|
| 13 | 120 households |

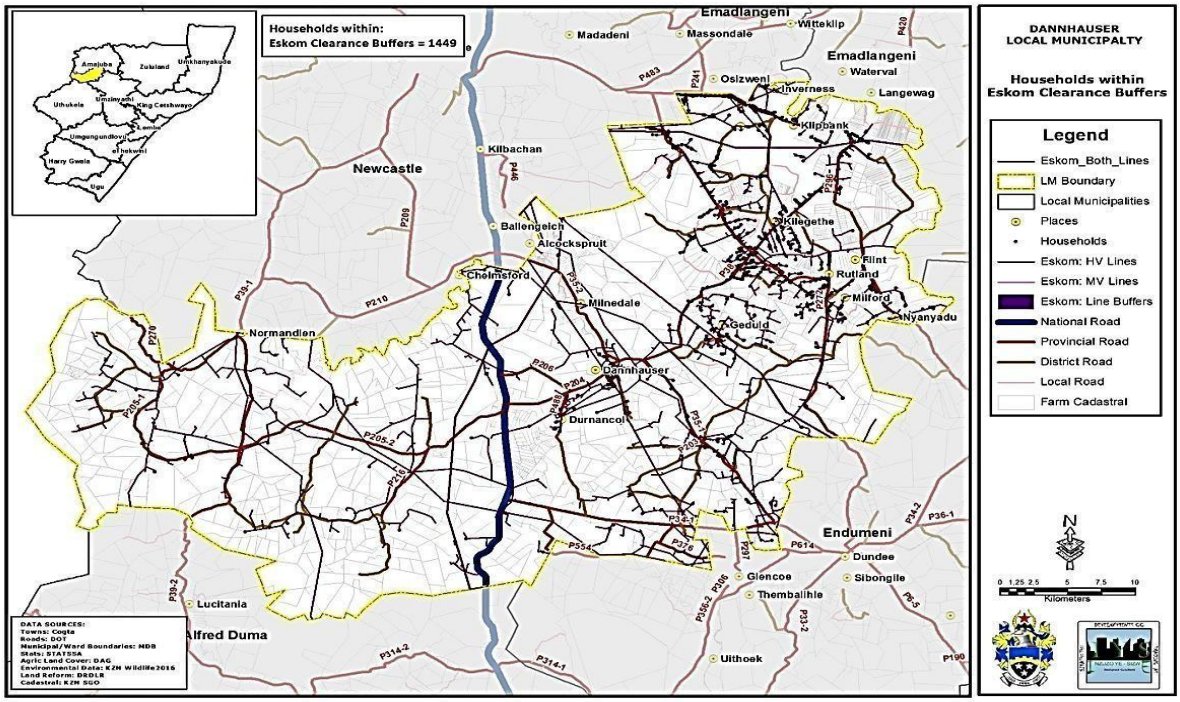
### Map 35: No Access to Electricity




## 6.4.5 ELECTRICITY NEEDS AND PRIORITIES

- The municipality seeks to secure a distribution license and further own the bulk reticulation infrastructure so that it generates revenue. Currently all infrastructures are owned by Eskom. The following map represents the Dannhauser households within the Eskom buffer zone.

### Map 36: Dannhauser Households Within Eskom Buffer




## CAPITAL PROJECTS

| PROJECT NAME | WARD | DURATION OF THE PROJECT | BUDGET |
|---|---|---|---|
| Upgrade of Emafusini township urban roads in ward 2 | Ward 2 | 6 months | R 5 929 374.27 |
| Rehabilitation of Dannhauser urban roads in ward 2 | Ward 2 | 8 months | R 8 039 439.07 |
| Upgrade of Durnacol urban roads ward 2 | Ward 2 | 8 months | R 9 684 779.35 |
| Construction of Koppie Allen | Ward 1 | 6 months | R 5 400 598.04 |

| | | | |
|---|---|---|---|
| gravel access road ward 1 | | | |
| Construction of Ema-16 gravel road | Ward 3 | 6 months | R 2 000 000.00 |
| Construction of Nkanjeni Culvert | Ward 8 | 6 months | R 1 000 000.00 |
| Construction of Ekujabuleni access road | Ward 2 | 6 months | R 3 500 000.00 |
| Construction of Nkosibomvu causeway and gravel access road ward 6 | Ward 6 | 8 months | R 5 727 812.08 |
| Upgrade of Ramaphosa access roads in ward 3 phase 1 | Ward 3 | 6 months | R 5 382 290.40 |
| Construction of Mooi gravel road ward 13 | Ward 13 | 8 months | R7 166 387.11 |
| Construction of Empungolweni gravel road ward 7 | Ward 7 | 8 months | R 2 394 856.10 |
| Construction of community hall in ward 9 | Ward 9 | 8 months | R 5 662 962.00 |
| Construction of community hall in ward 10 | Ward 10 | 8 months | R 6 942 000.30 |
| Construction of Killkeel community hall ward 11 | Ward 11 | 8 months | R 6 088 587.51 |
| Construction of Mpungwini community hall ward 1 | Ward 1 | 8 months | R 6 106 319.83 |
| Construction of community hall in ward 6 | Ward 6 | 8 months | R 3 683 962.27 |
| Rural road phase 5 | Ward 5 | 6 months | R 4 126 738.20 |

| | | | |
|---|---|---|---|
| Rural road phase 5 | Ward 11 | 6 months | R 3 706 664.94 |
| Rural road phase 5 | Ward 12 | 6 months | R 3 465 242.68 |
| Rural road phase 5 | Ward 12 | 6 months | R 2 463 479.98 |
| Rural road phase 5 | Ward 8 | 6 months | R2 771 842.70 |
| Construction of Flint Community Hall | Ward 6 | 8 months | R7 051 457.04 |
| Construction of Hilltop Community Hall | Ward 7 | 8 months | R7 093 125.20 |
| Construction of Internal Roads Network in the Industrial Areas | Ward 2 | 12 months | R34 812 257.95 |
| Extension of Old Cambrian Road | Ward 2 | 12 months | R31 516 635.58 |
| Revitalization of Dannhauser Main Street | Ward 2 | 12 months | R 20,383,234.10 |
| Construction of Nguqunguqu Culvert Bridge | Ward 3 | 10 months | R13 789 796.80 |
| Construction of childcare facility | Ward 05 | 8 months | R2 000 000.00 |
| Construction of childcare facility | Ward 08 | 8 months | R2 000 000.00 |
| Construction of childcare facility | Ward 12 | 8 months | R2 000 000.00 |

**SERVICE DELIVERY AND INFRASTRUCTURE SWOT ANALYSIS**

| **STRENGTHS** | **WEAKNESSES** |
|---|---|
| • Good stakeholder relations: agencies communication and farms<br>• Functional, Modular Building: Infrastructure like Hall and Library building are designed with a flexible and functional<br>• Increase in number of households.<br>• Increased number of informal dwellings<br>• 80.7% of the population within the municipal area use electricity for lighting. | • Lack of understanding of Community, Government<br>• Disconnected department |

- Improved inter-governmental relations with Sector Departments for Infrastructure development; and
- Improved basic service delivery.

**OPPORTUNITIES**

- Funding for infrastructure project
- Technological advancements in water treatment
- Public-private partnership for
- Increased opportunities for Community Development Workers in Wards 1, 3, 8, 9, 11 and 13.
- Opportunities for township developments.

**THREATS**

- Climate change
- Population growth
- Economic downturns
- Changing demographics infrastructure

**SERVICE DELIVERY AND INFRASTRUCTURE CHALLENGES AND RECOMMENDATIONS**

| CHALLENGES | RECOMMENDATIONS |
|---|---|
| Shortage of yellow plant | Municipality must put more budget on buying plant |
| Shortage of General labour | More stuff must be employed |
| Sufficient Budget | Increase budget on service delivery |
| Deteriorating roads, poorly maintained constructed buildings, water and sanitation systems and electricity grids. Lack of capital expenditure for maintenance leads to frequent breakdowns and increased costs for urgent repairs. | Increase capital expenditure on infrastructure by allocating sufficient funds for the development of new and upgrading existing infrastructure<br>Prioritize maintenance by implementing regular and proactive maintenance programs to prevent breakdowns and extend the lifespan of infrastructure |
| Water shortages, many areas experienced water shortages due to inadequate water infrastructure provided by Amajuba District | Supplying water to communities with water tanker. Installation of Boreholes on newly constructed facilities<br>Public participation by involving communities in decision-making processes through public consultations, surveys, and ward committees to services meet their |

| | |
|---|---|
| | needs. Establish effective platforms for residents to report issues and track progress on service request |
| Electricity backlogs | Dannhauser Municipality has embarked funding electrification projects |

Table 38:

## SOLID WASTE MANAGEMENT

The Dannhauser Local Municipality's Waste Management Unit is responsible for managing solid waste within the municipality. Our approach includes:

- **Daily Waste Collection**: A waste collection truck collects waste from households and businesses on a regular schedule.
- **Skip Bin Collection**: A tractor trailer collects skip bins in designated wards (1, 2, 3,7, 11 and 12) on a daily basis following a regular schedule. Currently we have 7 Skip bins located in these wards, and we are also awaiting newly purchased 8 skip bins which will be located on other wards.
- **CBD Maintanaince**: Waste pickers play a crucial role in keeping the Central Business District (CBD) clean and free of liter
- **Waste Management Services**: Waste management services are limited to urban areas; rural and informal areas do not receive such services. The discrepancy in the provision of waste management services may cause residents in informal and rural areas to dump their refuse in the illegal sites or even burn them and that may have negative environmental impacts. Most of the rural areas and informal settlements were observed to have their own refuse pits. In areas where the LM collects waste, it is understood that households are given 20 black bags to cover them for a period of three months. Domestic waste in urban areas contains waste that can be recycled Our unit strives to provide efficient and effective waste management services to residents, promoting a clean and healthy environment. By combining these efforts, we aim to maintain a clean and sustainable environment for the community.

Table : 40 waste generation projections

| ITEM | LOW INCOME | MIDDLE INCOME | HIGH INCOME | KILOGRAMS | TONS |
|---|---|---|---|---|---|
| | | | | | |
| Number of households | 18704 | 1673 | 61 | | |
| Tons/per person/per annum | 0.14965 | 0.2701 | 0.47085 | | |
| Total | 2799.05 | 451.88 | 28.72 | | |
| Grand Total | | | | 3,279,650 | 3279.65 |

## DISPOSAL SITES

- Most households, particularly those in informal and rural areas, do not receive waste management services. These households often use their own dump sites or probably burn waste within their yards which impacts negatively on the sustainability of the environment. The municipality collects waste from urban areas and transports the waste into the landfill site located in Ward 2. The Dannhauser landfill site is owned and managed by Dannhauser LM. There are no on-site records of waste coming in and going out of the Dannhauser landfill site. The landfill site does not have a weighbridge.
-

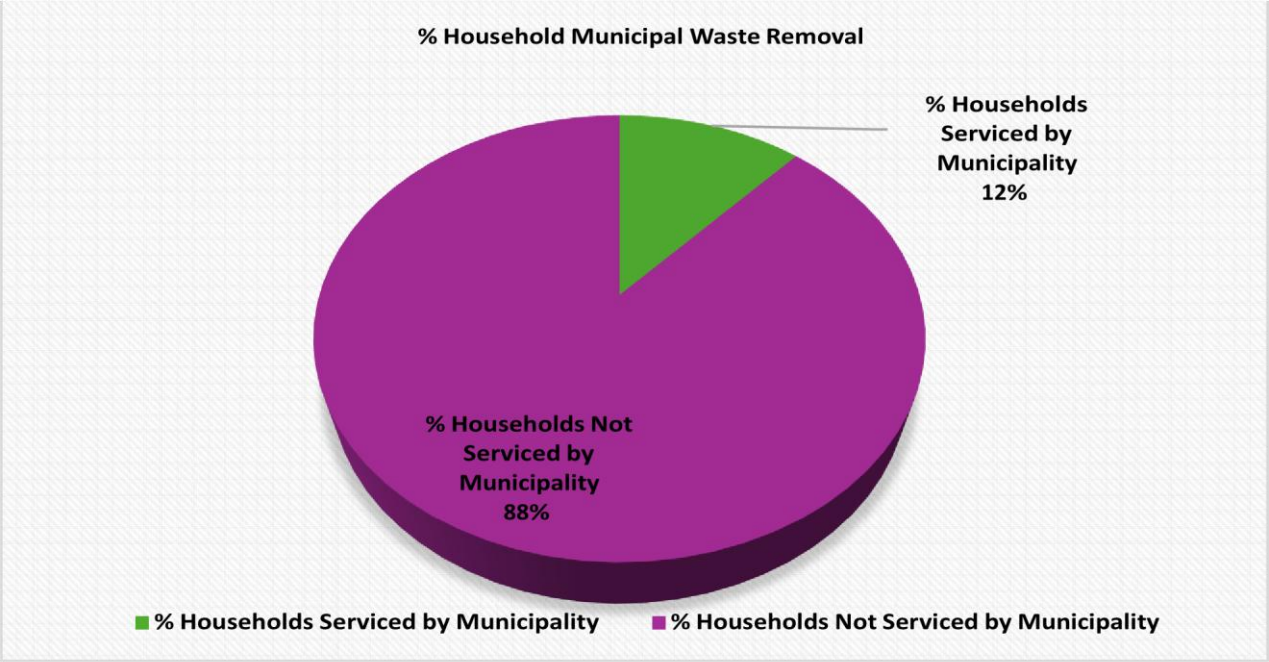
MAP: LANDFILL SITE

- Waste collection schedule

| Days | Area |
|---|---|
| Monday | Dannhauser (CBD) |
| Tuesday | Hattingspriut and Koppie Allen |
| Wednesday | Durnacoal and KwaMdakane |
| Thursday | Newtown and CBD |
| Friday | Emafusini |

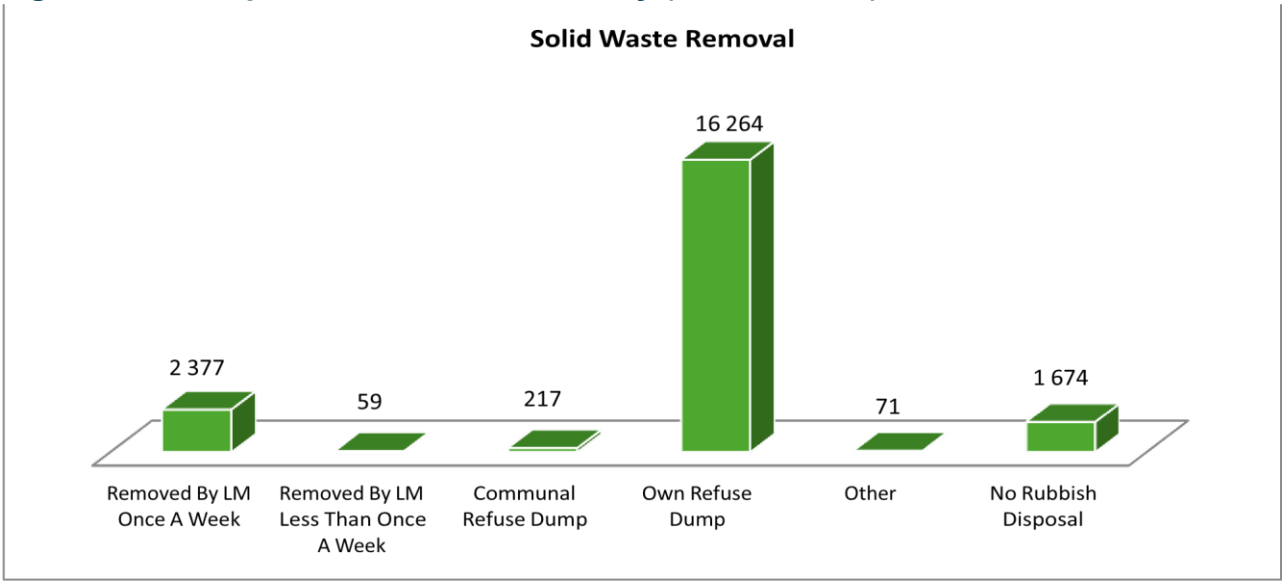
The municipality is only able to service a total of 2 436 households (12 %), while the rest of the 18 225 households (88 %) cater for their own disposals. This is due to a shortage of municipal funding resources for basic service delivery.

**Figure 7: Municipal Household Waste Removal**

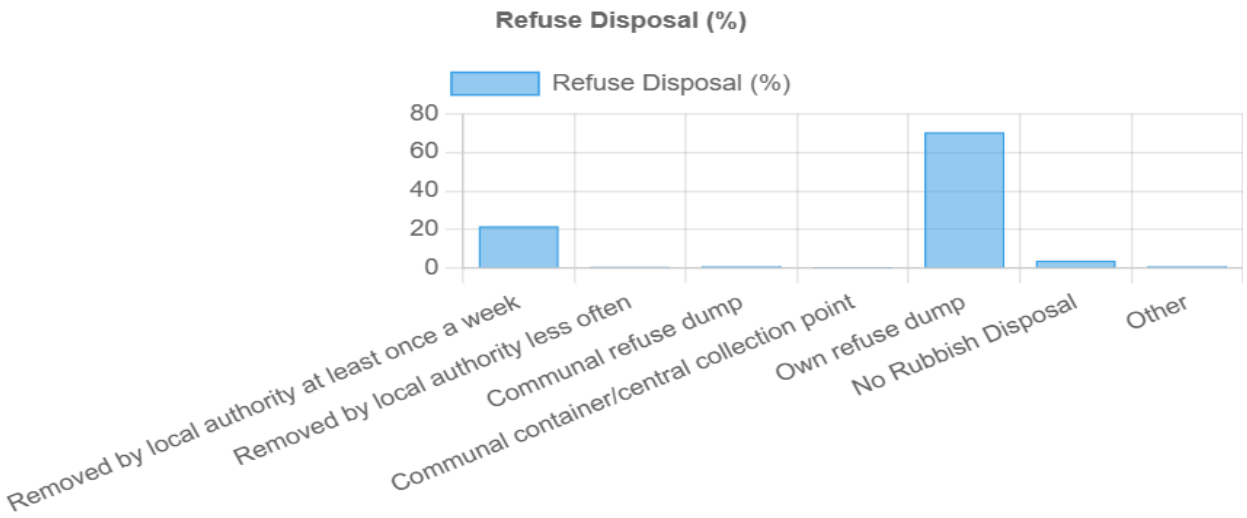



**Stats SA: Census 2022**

## Figure 9: Municipal Waste Removal Weekly (Census 2022)



| Name | Frequency | % |
|---|---|---|
| Removed by local authority at least once a week | 5,581 | 21.90% |
| Removed by local authority less often | 240 | 0.90% |
| Communal refuse dump | 299 | 1.20% |
| Communal container/central collection point | 39 | 0.20% |
| Own refuse dump | 17,966 | 70.50% |
| No Rubbish Disposal | 1,054 | 4.10% |
| Other | 300 | 1.20% |
| **Total Households** | **25,479** | **100.00%** |




Approximately 12% of the population in Dannhauser has access to weekly refuse removal services. This is possibly because majority of the households are in the rural areas which are predominantly occupied by sparsely distributed households, hence making it difficult to offer refuse removal services. However, refuse removal services have been extended to rural areas through the provision of Skip Bins which are collected on a weekly basis.

**Table 64: Stats SA: Solid Waste Removal by Ward (Census 2022)**

| Ward | No rubbish disposal | Removed by local authority at least once a week | Removed by local authority less often | Communal refuse dump | Own refuse dump | Other | Grand Total |
|---|---|---|---|---|---|---|---|
| 52504001: Ward 1 | 320 | 22 | 7 | 62 | 1089 | 4 | 1504 |
| 52504002: Ward 2 | 15 | 2150 | - | 2 | 37 | 10 | 2216 |
| 52504003: Ward 3 | 154 | 116 | 8 | 13 | 1448 | 5 | 1743 |
| 52504004: Ward 4 | 67 | - | 1 | 73 | 1045 | 11 | 1196 |
| 52504005: Ward 5 | 165 | 2 | 3 | - | 1090 | 2 | 1263 |
| 52504006: Ward 6 | 55 | 9 | 8 | 1 | 1535 | 4 | 1611 |
| 52504007: Ward 7 | 156 | 8 | 5 | 10 | 1433 | 4 | 1616 |
| 52504008: Ward 8 | 83 | 16 | 5 | 12 | 1516 | - | 1633 |
| 52504009: Ward 9 | 190 | 12 | 6 | 8 | 1677 | 26 | 1919 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 52504010: Ward 10 | 356 | 7 | 3 | 5 | 1336 | 2 | 1710 |
| 52504011: Ward 11 | 49 | 7 | - | 1 | 1306 | 1 | 1364 |
| 52504012: Ward 12 | 17 | 10 | 4 | - | 1437 | 1 | 1470 |
| 52504013: Ward 13 | 47 | 19 | 8 | 28 | 1315 | - | 1417 |
| Grand Total | 1674 | 2377 | 59 | 217 | 16264 | 71 | 20661 |

Recycling initiatives

- Dannhauser Local Municipality has a promising recycling initiative through a group called Izitha, consisting of six members who work at the municipality's landfill site. This group is responsible for collecting and sorting recyclable materials at the landfill site, promoting recycling and reducing waste. While the municipality does not provide direct financial support, Izitha receives backing from sponsors like PECTO and
  APOLYCO. Any income generated from recycling activities goes directly to Izitha group, empowering them to sustain their efforts. By recycling, Izitha helps reduce the amount of waste sent to the landfills, contributing to the cleaner environment.

-

- A map showing our disposal site location
- An elaboration on our IWMP endorsement, dates and details.
    - The Integrated Waste Management Plan was endorsed by the members of the Executive Council (MEC) on March 26, 2025. This significant milestone showcases the municipality's commitment to effective waste management and sustainable environmental practices Key Aspects of IWMP Endorsement:

    - Date of Endorsement: March 26, 2025
    - Endorsing Authority: Member of the Executive Council (MEC)
    - Municipality: Dannhauser Local Municipality
    - Plan Focus: Integrated Waste Management Plan (IWMP) aimed at promoting sustainable waste management practices and reducing environmental impacts

The IWMP endorsement is a crucial step towards achieving a cleaner and healthier environment for the residents in Dannhauser. It is a testament to the municipality's dedication to addressing waste management challenges and promoting sustainability.

## Status Quo of Communication, Education and Clean-Up Awareness Campaigns

Education and awareness are a critical component to ensure that people are aware of the impact of waste on their health, well-being, and environment. The implementation of waste management programmes (Youth Community Outreach Program and Good Green Deed which was drawn from the Precedent's call for Thuma mina campaign) in the municipality by the Department of Fisheries, Forestry and Environment (DFFE) have not only assisted in achieving Goal 4 of National waste management strategy (NWMS) to ensure that people are aware of the impact of waste on their health, well-being, and

environment. It also supported the municipality to achieve its goal to ensure that the population within Dannhauser Local Municipality are informed and made aware of waste management issues and that all stakeholders are empowered to meet their responsibilities of integrated waste management as stipulated in the IWMP of the municipality. Both community and school based environmental education and awareness programmes have assisted the municipality to encourage communities and schools to have less waste generation rates through the promotion of re-use recycle and recovery of their waste.

The municipality is also considering other alternatives for waste treatment/diversion such as separation at source, composting, etc. Furthermore, the municipality is planning to make available infrastructure for that behavioral change i.e., Buy back center, and to develop waste collection points that are anticipated to function as transfer stations as some rural areas have been identified as areas that are mostly affected by the illegal dumping of waste. This is expected to assist the municipality in dealing with waste management issues and create jobs for local people around those collection points. A range of mechanism and media is used to achieve heightened education and awareness level to ensure that communities within Dannhauser participate in environmental management. The municipality has conducted several environmental awareness since the introduction of Youth Environmental Coordinator and 22 Good Green Deeds participants in 2019. The following table represents the environmental education and awareness campaigns conducted from April 2019- June 2024.

**Table 66: Ward/Community Based Environmental Education and Awareness**

| Ward No | Area | No of awareness conducted |
|---|---|---|
| 1 | Mafusini and Dannhauser | 3 |
| 2 | Koppjie Alleen | 1 |
| 3 | Hattingspruit & vidriet | 3 |

| | | |
|---|---|---|
| 4 | Ladybank & Malinga | 4 |
| 5 | Mbabane | 1 |
| 6 | Rutland & flint | 2 |
| 7 | KwaMdakane | 3 |
| 8 | Springbok | 2 |
| 9 | Mafahlawane | 1 |
| 10 | Ntendeka and 42 area | 2 |
| 11 | KwaMdakane | 1 |
| 12 | KwaJani area | 1 |
| 13 | Next to uMzinyathi river | 1 |
| Total | | 25 |

Learners in schools will always be the agent of change. Raising awareness on environmental issues to them brings hope on the future of environment that sustains life. The following table represents environmental awareness campaigns conducted in different schools within the municipality from April 2023- June 2024.

**Table 67: School Based Environmental Education and Awareness Campaigns (2023-2024)**

| Ward No | School name | No of awareness conducted |
|---|---|---|
| 1 | Gijimani Primary School | 1 |
| 2 | Dannhauser Primary School | 2 |
| 3 | Lethukuthula Primary School Hiltop Primary School | 2 |
| 4 | Hlokomani Primary School<br>Ngabade High School<br>Nyanyadu Primary School | 3 |
| 6 | Moy Primary School<br>Okhalweni Primary School<br>Rutland Primary School | 3 |

| | | |
|---|---|---|
| 7 | Buhle-Be-Allen Primary School<br>Mana High School | 2 |
| 8 | Impala High School | 2 |
| | Mfundweni High School | |
| 9 | Sosinda Primary School | 1 |
| 13 | Spookmil Primary School Greenock Primary School | 2 |
| Total | | 18 |

Clean-up campaigns are meant to discourage the practice of illegal dumping not the other way around. They help in developing the public pride and clean neighborhoods. The involvement of stakeholders, businesses, organizations, and communities is important. In the municipality there is a lack of involvement in clean up campaigns. However, the municipality is still encouraging the involvement of other stakeholders especially the community. The following table represents the clean-up campaigns that were conducted from April 2023- June 2024, and some clean up campaigns were led by the mayor.

**Table 68: Clean Up Campaigns**

| Ward No | Area | No of clean-up campaigns conducted |
|---|---|---|
| 1 | Koppjie Alleen | 1 |
| 2 | Dannhauser Town, Newtown and scheme | 8 |
| 5 | Mbabane | 1 |
| 7 | KwaMdakane, Taxi rank | 5 |
| 11 | KwaMdakane | 2 |
| 12 | KwaJani | 1 |
| 13 | Cooper Farm | 1 |
| Total | | 19 |

## KZN – Human Settlements "Master Spatial Plan"

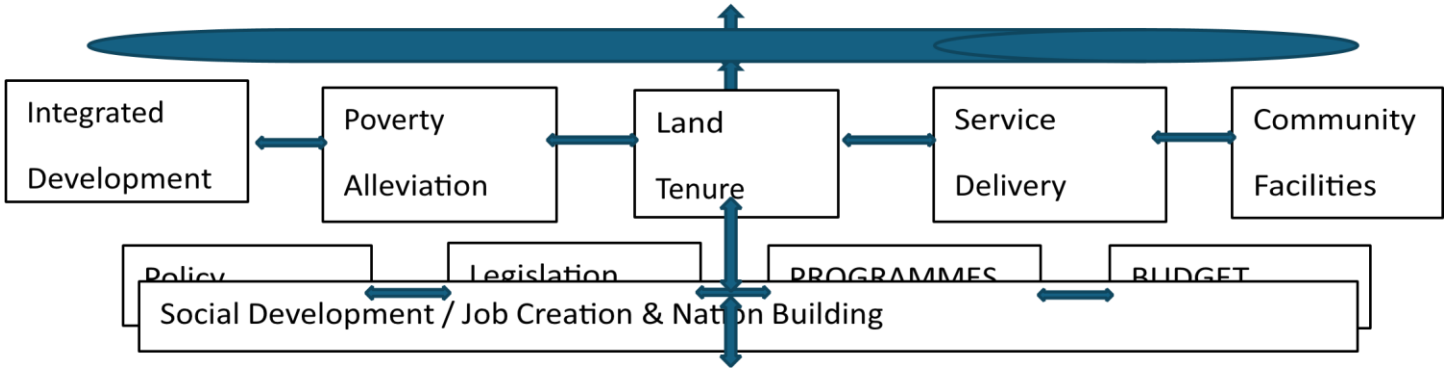
The KZN – Human settlements "Master Spatial Plan, takes into recognition the Housing Act (Act 107 of 1997), this has also been adopted in the "Draft Dannhauser Housing Sector Plan – 2018", they both endorse the following principles; "The establishment and maintenance of habitable, stable and sustainable public and private residential developments to ensure viable households and communities, in areas allowing convenient access to economic opportunities and to health, educational and social amenities, in which all citizens and permanent residents of the Republic will, on a progressive basis, have access to Permanent residential structures with secure tenure, ensuring internal and external privacy and providing adequate protection against the elements; and Potable water, adequate sanitary facilities and domestic energy supply." There are eight broad principles relating to housing delivery and development contained in the Housing Act and the Draft Dannhauser Housing Sector Plan are:

- People-centered development and partnerships.
- Skills Transfer and economic empowerment.
- Fairness and equity.
- Choice.
- Quality and Affordability.
- Innovation.
- Transparency, accountability, and monitoring;

and ▪ Sustainability and fiscal affordability

The Breaking New Ground (BNG) policy was introduced in 2004 to give effect to a shift in the provision of housing. The BNG advocates for a more holistic approach in the delivery of housing, by also focusing on the development social and economic infrastructure. This is to ensure the creation of sustainable settlements, rather than just the provision of housing. The sustainable human settlement creation concept is illustrated below.

Sustainable Human Settlement




## Kzn Human Settlements Master Spatial Plan

To enhance the implementation of the "KZN HS Master Spatial Plan"; the following objectives were adopted by Dannhauser and indicated in its "Draft Housing Sector Plan – 2024/25".

### Seven Specific Objectives:

- Accelerating the delivery of housing as a key strategy of poverty alleviation.
- Utilizing provision of housing as a major job creation strategy.
- Ensuring property can be accessed by all as an asset for wealth creation and empowerment.
- Leveraging growth in the economy.
- Combating crime, promoting social cohesion, and improving quality of life for the poor.
- Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking the barriers between the first economy residential property boom and the second economy slump; and
- Utilizing housing as an instrument for the development of sustainable human settlements, in support of spatial restructuring.

Adoption of the KZN – Master Spatial Plan; has further enabled the municipality to adopt the new plan by implementing the following:

- Progressive informal settlement eradication.
- Promoting densification and integration.
- Enhancing spatial planning.

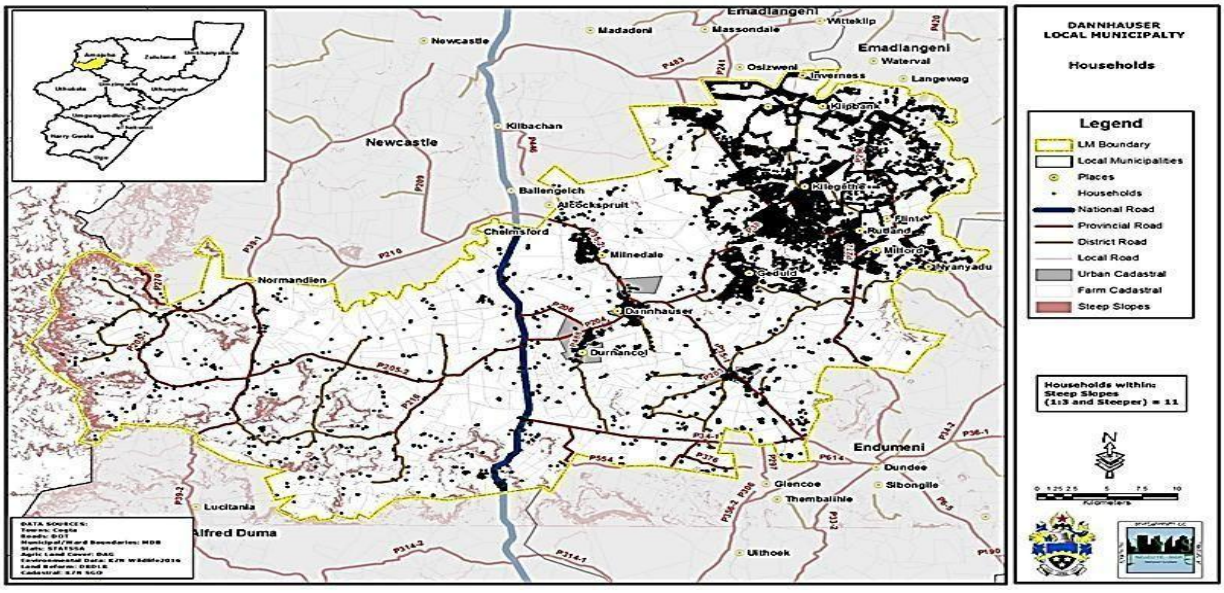
- Enhancing the location of new housing projects.
- Supporting urban renewal and inner-city regeneration.
- Developing social and economic infrastructure; and
- Enhancing housing products

A major synergy between the KZN – HS Master Spatial Plan and the Draft Dannhauser Housing Sector Plan, is based on the none-availability of land to develop houses. As indicated in the “Implications for Provincial Human Settlements Master Spatial Plan: The number of unresolved restitutions claims within the province has complicated the delivery of human settlement within the province. It is imperative that restitution claims on strategically located land parcels be resolved as soon as possible to allow for its development. Municipal owned land should also be made available for human settlement.”

The municipality currently has a few Hectares of land as compared to other stakeholders as per the municipal Draf SDF.2024/25 “Land Ownership Table.5: Page.100.” More land exists in the hands of other Government departments; Ingonyama trust and Private stakeholders. The municipality has developed a Housing Sector Plan which has been subject to scrutiny by the Department of Human Settlements KZN. It is aligned with the municipal SDF and indicates the supporting infrastructures that are required.

**Map below indicates the relative positions of housing developments within the jurisdiction.**

### Map 48: Positioning of Households (SDF 2021/22)



### PGDP Objective: Interventions for Sustainable Human Settlement Intervention 1:

Establishment of a joint provincial forum addressing integrated development planning - A human settlement requires co-ordination such that houses, water, electricity and sanitation are an immediate part of the same product, whilst community life is also enabled by provision of schools, and other social facilities. It is not clear why this coordination is not possible despite it having been long recognized to be a requirement. This intervention is about providing a model for this alignment and co-ordination of government efforts for improved delivery of sustainable Human Settlement. This forum will use as its departure point the Provincial Spatial Development Framework, which has identified KZN's areas of opportunity and intervention. The key government departments that need to be part of this forum is: COGTA (Municipal Planning, Municipal Infrastructure, land management in traditional affairs, DHS, DOT, DARD, DWAS, RDLR (Land Reform, Rural Infrastructure Development), Land Claims Commission, ITB DOE, Eskom.

### Intervention 2:

Densification of settlement patterns - This intervention recognizes that the current settlement patterns are not conducive to cost effective service delivery or environmentally sustainable settlements. This is because of dispersed and fragmented settlement patterns that require people to travel long distance to access economic opportunities or lesser density per hectares that are more expensive to service. This intervention is about proposes an alternative densification model that uses current housing instruments to achieve greater urban densities and more coherent integrated settlements around identified emerging nodes. This intervention will also again be informed by the identified urban and rural nodes within the Provincial Spatial Development Framework.

### Intervention 3:

Transformation of Informal Settlements - This intervention is about providing housing opportunities to people at the low end of the housing market. It proposes to transform these informal settlements via the business instruments of: Informal Settlements Upgrade; Integrated Residential Development Program; and Enhanced Peoples Housing Program. In this way, people living in informal settlements have greater opportunity to access tenure of housing, economic and social opportunities. Property markets must be persuaded to cater for people who are ordinarily not part of the housing social grant and yet cannot afford houses in urban areas.

### Intervention 4:

Develop provincial strategy and plan to address housing Gap Market – This intervention seeks to provide housing subsidy for people, who earn between (R3501 - R15000) in the gap market to allow for purchase of property. These properties range from R450 000 to R700 000 which is entry level housing and usually difficult to obtain bonds. The intervention will include a targeted inclusion of gap housing in all new housing projects aligned to the target contained in national outcome 8. The current housing instrument of Financially Linked Intervention Subsidies (FLIPS) is being used to address this housing challenge. Role players include DOH (Breaking New Ground Strategy), financial institutions and Social Housing Companies.

### Intervention: 5

Expand the Social Housing Program and Rental Program – This intervention is to address the current lack of housing opportunities for low end housing market entrants. The intervention seeks to provide well located accommodation on a rental basis for income brackets between (R3 501 - R7 500). The current housing instruments being used to achieve this are the Social Housing Program, the Institutional Subsidy Program, and the Community Residential Units Program. These instruments either purchase or build units for rental purposes as well as refurbish previous hostels. A description of these instruments follows: Social Housing addresses the need to provide affordable rental units, with convenient access to employment opportunities, only in restructuring zones (areas of economic opportunity/urban renewal). ▪ Institutional Subsidies provide: - Affordable rental accommodation in other parts of settlements (i.e., not areas of economic opportunity); ▪ Capital grants to housing institutions which construct and manage affordable rental units; - For sale of units after 4 years. - Community Residential Units aim to facilitate the provision of secure, stable rental tenure for lower income persons / households not provided for by Social Housing and Institutional Subsidies.

## DANNHAUSER HOUSING SUPPLY AND NEED

This section of the report undertakes an analysis of the housing need and supply within Dannhauser Municipality. It acknowledges that the need for sustainable human settlements is a constant challenge facing the Dannhauser Municipality and South Africa as a whole. This need is partly a result of migration caused by socio-economic pull and push factors as well as a change in population-dynamics – but it is mostly a consequence of past socio-economic and spatial injustices, realized by apartheid governance and spatial planning. Those (previously disadvantaged) in desperate need of sustainable housing are predominantly the landless, rural-poor, and low-income earners.

The need for sustainable human settlement persists despite new policies and legislation ushered in since the dawn of democracy in 1994. While the goalposts continue to shift due to population growth and socio-economic and political dynamics, since 1994, the government has made substantial progress towards the realization of Section 26 of the

Constitution of South Africa "the right to adequate housing for all". This progress in addressing the housing need has been realized employing policy development and planning at all spheres of government for the development of sustainable human settlements and practical implementation thereof.

Like most cities in South African, Dannhauser is experiencing a relatively high rate of urbanization. The population of the Dannhauser Municipality has grown phenomenally over the last three decades, with indications that this phenomenon will continue into the distant future reaching nearly 80% by 2050. It exerts pressure on the existing infrastructure, public facilities, and housing stock, and requires the municipality to respond to the expressed need in a manner that accommodates future demand as well. Dynamic pull and push factors, whereby people migrate from rural to urban areas in search of improved living conditions and employment opportunities contribute to the population growth experienced.

There is an increasing demand for sustainable housing in the Dannhauser. According to Stats SA (2016), more than 61% of the population of Dannhauser is categorized as living in poverty. This indicates the profound depth of the housing predicament within the Dannhauser. The housing need in Dannhauser Municipality is informed by various sources, including statistical analysis of data and the income profile of the population residing in Dannhauser, which provides perspective into the extent of housing demand and need in the municipality within each of the programmes available for delivery.

**Households (based on income band and housing typology) that qualify for the different housing subsidies, programmes, and products:**

- There is a considerable proportion of households/individuals that lie within the low-income category, that qualify for low-cost housing, which is accessible for households that earn less than R3 500 a month.
- The segment of the population that does not earn an income at all constitutes 16% of the population of Dannhauser– of which also qualifies for low-cost housing.
- Households earning below R7 500 qualify for other forms social housing subsidies, such as Social Housing and Finance Linked Individual Subsidy Programmes (FLISP).

**The typology of the need is categorized as follows:**

Rural housing need is concentrated mainly within eleven wards out of the thirteen by virtue of it being the only major rural area within Dannhauser Municipality.

Burgeoning informal settlements with more than 15 000 households is one of the key human settlements' development challenges facing Dannhauser Municipality.

**Rental housing.**

Gap market: The gap housing market comprises people who typically earn between R3 500 and R10 000 per month, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance.

## DANNHAUSER HOUSING DEVELOPMENT STRATEGY

- The Dannhauser Municipality previously followed a "mass housing delivery approach" based on chasing pre-set delivery targets and paid limited attention to the quality of the environments being created. It implemented projects in peripheral areas further from job opportunities and the central business district. These projects occurred in the form of monotonous settlements of RDP houses that perpetuated urban sprawl and segregated the poor from the neighboring communities. The municipality seeks to shift away from this and adopt a strategic approach in line with the long-term development vision it outlined in the IDP and the "Breaking New Ground" policy of the national government.

  The new approach goes beyond the simple construction of houses and focuses on building sustainable communities using housing development as a catalyst. It promotes equality, affirms inherent human dignity, and enables access to adequate housing.

- As such, the municipality's IDP identifies the development of sustainable human settlements as one of the priority programs.
- The DLM seeks to drive programs to build integrated and socially cohesive human settlements. This includes upscaling the delivery of subsidized housing, unlocking housing opportunities across the income spectrum and using housing development as a catalyst for social and economic development. As such, the strategy:
- facilitates and promotes synergies while living space for each locality to develop a unique character based on its strengths and location advantages.
- acknowledges and seeks to refine the development vision outlined in the IDP by indicating the desired future situation in respect of the development of human settlements outlines the human settlement development strategy which provide objectives statements and serve as a road map to the desired future situation; and
- presents the strategic intervention areas/initiatives which essentially are the activities that should be undertaken to achieve the objectives.

**The objectives of the Dannhauser Municipality Human Settlement programmes are as follows:**

- To strengthen the capacity of the municipality to deliver sustainable human settlements.
- To establish synergistic relations with stakeholders and potential partners.
- To develop and implement effective systems and procedures for the delivery of the human settlement programmes.
- To reduce housing backlog in all its forms.
- To eradicate slums by 2030.
- To use housing as a catalyst for spatial transformation and equitable socioeconomic development.
- To eradicate title deed backlog.

## DANNHAUSER TOWN DEVELOPMENT STRATEGY

- The Dannhauser Town Development Strategy presents a long-term vision for the future development of Dannhauser and the surrounding areas, and a framework for improved urban governance, increased investment, and systematic reductions in urban poverty. It identifies eight strategic pillars for future development. These include:
- a need to build sufficient capacity for effective, efficient, and economic delivery of municipal services; continually cleaning the town, enforcing bylaws, responding to community issues, and repairing and maintaining infrastructure; infrastructure development; building a sound financial base; and growing the regional economy.
- integrating local and provincial government plans for the area as a capacity town; creating a learning town and a town of learning (role of Dannhauser as an education hub); and planning for growth (both economic and demographic).
- The latter covers looking at how an increased population will be accommodated and serviced. As part of this, the municipality must increase densities along public transport corridors incrementally, with continuous improvements in non-motorized and other mobility options as well as equitable access to social facilities.

- Dannhauser' s CDS aim to develop possible scenarios and growth paths as well as how to address the impact of the dynamically changing socioeconomic, natural, spatial realities – its CDS is not comprehensive plans, but a selection of a few strategic or catalytic thrusts, which address fundamental problems such as the provision of sustainable human settlements.

**The following are human settlement and basic services issues to be addressed by longer-term plans of Dannhauser:**

- Settlement densities vary significantly across the town, creating problems for a public transport strategy that will overcome apartheid spatial patterns.
- The percentage of people living in informal dwellings is high and continuously increasing.
- Many challenges are face Dannhauser in the provision of basic services.
- Dannhauser provides slightly above the national average in terms of piped water inside dwellings, but this is still well below the other major cities.
- Housing delivery within the town has been minimal.

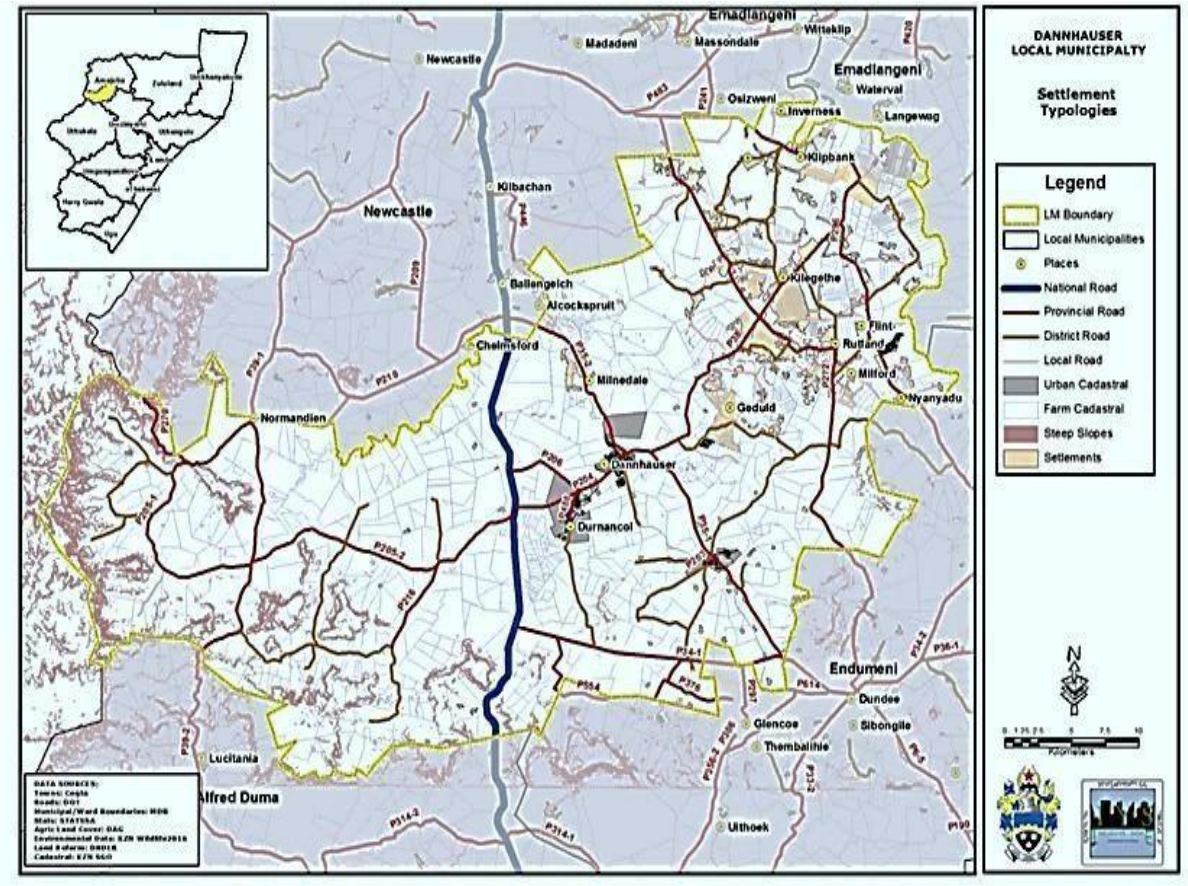
## Settlement Patterns

- Dannhauser Municipality is predominantly rural in character with urban areas limited to Dannhauser and surrounding areas that formed part of the coal mining activities. Given the historical development of the area, it does not have an easily discernible structure and settlement pattern. However, the following are key features of the settlement pattern:
- Urban settlements located mainly around Dannhauser Town. These include Durnacol, Hattingspruit, etc. The majority of these developed as part of the coal mining activities in the area, which subsequently declined.
- Relatively dense peri-urban settlements stretching from east of Osizweni township in Newcastle to the northern part of Dannhauser which include Mafahlawane, Emfundweni, Mbabane, Hadebe and Zondo etc. Some of these settlements are located on Ingonyama Trust land while others are on privately owned land. None of these have received any form of spatial planning.
- Rural settlements covering significant tracts of land in traditional council areas. These settlements did not develop according to predetermined settlement design

systems and procedures; hence, their spatial pattern reflects the impact of traditional land allocation practices.

- Vast commercial farmlands populated at very low densities by commercial farmers and farm dwellers. The latter includes duly recognized labour tenants.
- Settlements that emanated from the land reform program are Alcockspruit, Mossdale, Elandsklip and Long lands. Most of these settlements were designated in terms of the Provision of Land and Assistance Act, Act 126 of 1993 and their plans have a legal status according to this Act.
- Development in most parts of the area is scattered and illustrates an absence of a robust and logical nodal hierarchy. Uneven topography and traditional land allocation practices are some of the main factors that shape these kinds of settlement patterns.

### Map 48: Settlement Topology (SDF 2024/25)




## Urban Settlement

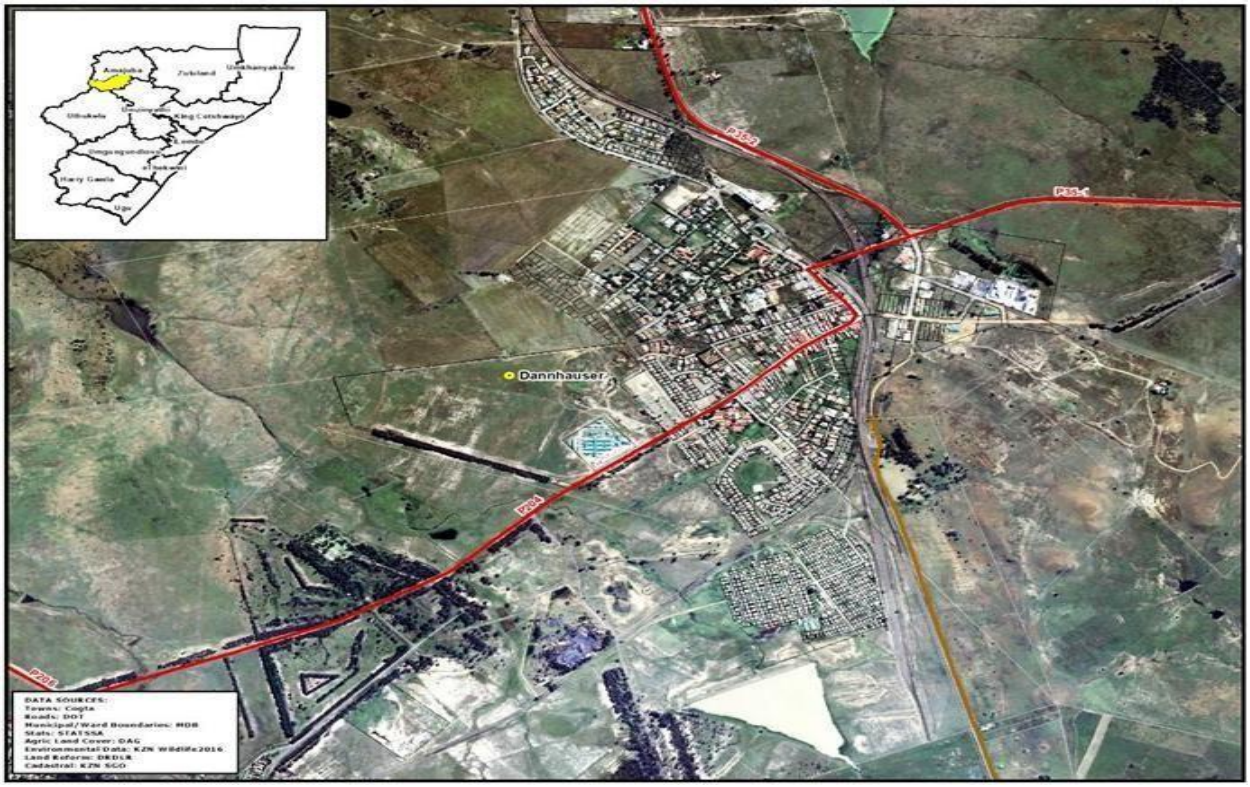
The urban settlement of Dannhauser covers Dannhauser Town (a primary node), Emafusini, Durnacol and part of Hattingspruit. Dannhauser still experiences minor land

related challenges, even though the municipality can purchase strategic portions of lands from private landowners. Two huge portions of land of approximately 100 ha in total, situated the intersection of R 621 and West Street the Department of Human Settlement and Dannhauser Municipality have approved a project of 1000 Housing Units in Dannhauser, the project was in its planning phase in 2015/2017, and some have been completed while others are still in the process of construction.

## Dannhauser Town

Dannhauser town, encompassing the Emafusini and Durnacol areas is the seat of the local municipality. It is classified as a town in the SDF and has since become a somewhat dilapidated rural town with ailing infrastructure, poorly maintained roads, and a lack of aesthetic appeal. The town consists of one main street, where most commercial activities are clustered. The residential component of the town has also been subjected to urban decay and the former glory of its beautiful vintage architectural buildings has since been lost. With the aim of addressing the abovementioned challenge, the municipality is recently adopted the Dannhauser Town Precinct Plan. The municipality is also currently preparing the Extension of Dannhauser Town Precinct Plan and is nearing the completion of this project. This is part of the municipality's plan to extend the clustered Dannhauser town by creating a new strategically located growth area and attract investment. This will also help revive the Dannhauser town.

### Map 49: Dannhauser Town (SDF.2024/25)




## Hattingspruit

The settlement of Hattingspruit is identified as a town and secondary node, but is characterized by urban decay, and exists as a small rural town with poorly maintained infrastructure, substandard roads, and no aesthetic appeal. The area has a high development potential with regards to tourism and the creation of other industrial development opportunities.

### Map 50: Hattingspruit Town (SDF.2024/25)

## Rural Settlement

The rural settlements of Dannhauser municipality are populated by dwellings that have settled in an informal manner. These dwellings accordingly exhibit a rural settlement structure as they have grown organically and not benefited from any formal planning. The spatial morphology and settlement pattern of rural settlements in Dannhauser municipality the rural settlements of Dannhauser municipality are populated by dwellings that have settled in an informal manner. These dwellings accordingly exhibit a rural settlement structure as they have grown organically and have not benefited from any formal planning. The spatial morphology and settlement pattern of rural settlements in Dannhauser municipality reflects the impact of such unguided inhabiting of these areas. The way they are scattered in space in follows different logic from the orthodox spatial planning paradigms. Their growth followed policy prescripts, nor has land use pattern evolved in line with the dictates of systems and procedures such as Planning Schemes.

**The following are some of the other attributes of rural settlements within Dannhauser municipality:**

- Rural settlements in the municipal area have neither followed any predetermined spatial structure nor have they benefitted from ‘formal’ spatial planning. They are scattered in space in an unsystematic manner with limited (achieved by means of social facilities and access roads) if any linkages between them.

- Their location in space is influenced by various livelihood strategies such as access to arable land, reliable sources of water and grazing land. Factors such as access to public facilities, public transport routes and bulk services are fast emerging as critical factors in the growth and expansion of these rural settlements.

- Land allocation is undertaken in terms of the traditional land allocation system, which is not based on any verifiable standards. As a result, site sizes even for similar land uses vary significantly.
- Land ownership pattern and the prevalent land rental systems whereby landowners rent land out to the tenants have also had a profound impact on the settlement patterns.
- Land use management is based on collective memory where members of the community collectively agree that a piece of land is earmarked for a particular use or belongs to someone.
- They differ in size and density depending on location in relation to the abovementioned factors. Relatively high-density settlements are found in the northeastern portion along the R33.
- Movement crisscrosses in a manner that creates a web providing access to public facilities, which are seldom located in, proximity to each other. The nature of rural settlements poses a major challenge for both policy makers and service delivery agencies. Communities have articulated the need for services such as access roads, water, and electricity. While the government has made significant progress in this regard, the process has proved to be frustratingly expensive. The spatial structure or lack thereof causes Inefficiency and accounts for relatively high service delivery costs.
- Some of the households and/or public facilities are located on land that is not suitable for settlement purposes. These include unfavorable geotechnical conditions, floodplains, and wetlands. These seldom form part of the factors that are taken into consideration when allocating land. The key challenge is to direct the location of these settlements and manage their expansion.

## KwaMdakane

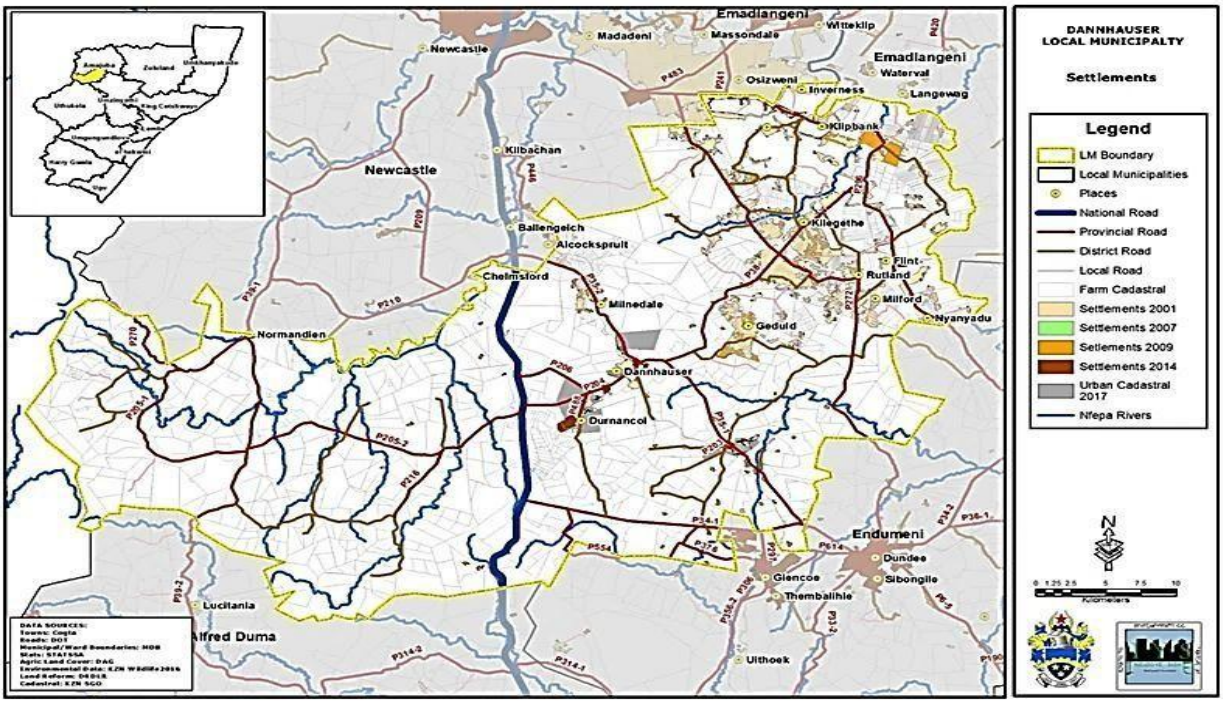
Nellies (KwaMdakane) is identified as a service hub as it provides a higher order and more permanent range of services. It is a highly populated rural settlement that is dynamic and vibrant. The Multi-Purpose Community

Centre (MPCC), along with the clinic are significant attractors of people to the KwaMdakane area. The MPCC provides several government and non-government services, including and not limited to, pension pay points, health care, sporting facilities and social welfare services. However, KwaMdakane is also a typical rural settlement characterized by subsistence farming, pastoral farming, and small-scale economic activity in the form of tuck shops, brickyards, etc.

## Nyanyadu and Ubuhlebmzinyathi

The north-eastern portion of the Dannhauser municipal area is largely land under traditional councils viz. Ubuhlebmzinyathi Community Authority and Nyanyadu Traditional Council. The status of Ubuhlebmzinyathi as a land administration structure, and its responsibility in the allocation of land for different land uses is unclear following the recent transformation of the institution of traditional leadership in the province and the establishment of traditional councils. Traditional councils encounter several challenges in their land allocation processes. Due to the increasing settlement pressures, traditional councils are forced to reduce standards as some settlements are expanding but the resources are limited. This creates a problem, as the systems in place are not capable of managing urbanizing settlements. Hence, the negative effects of this are manifested on settlement patterns.

### Map 51: Settlement Growth (SDF.2024/25)



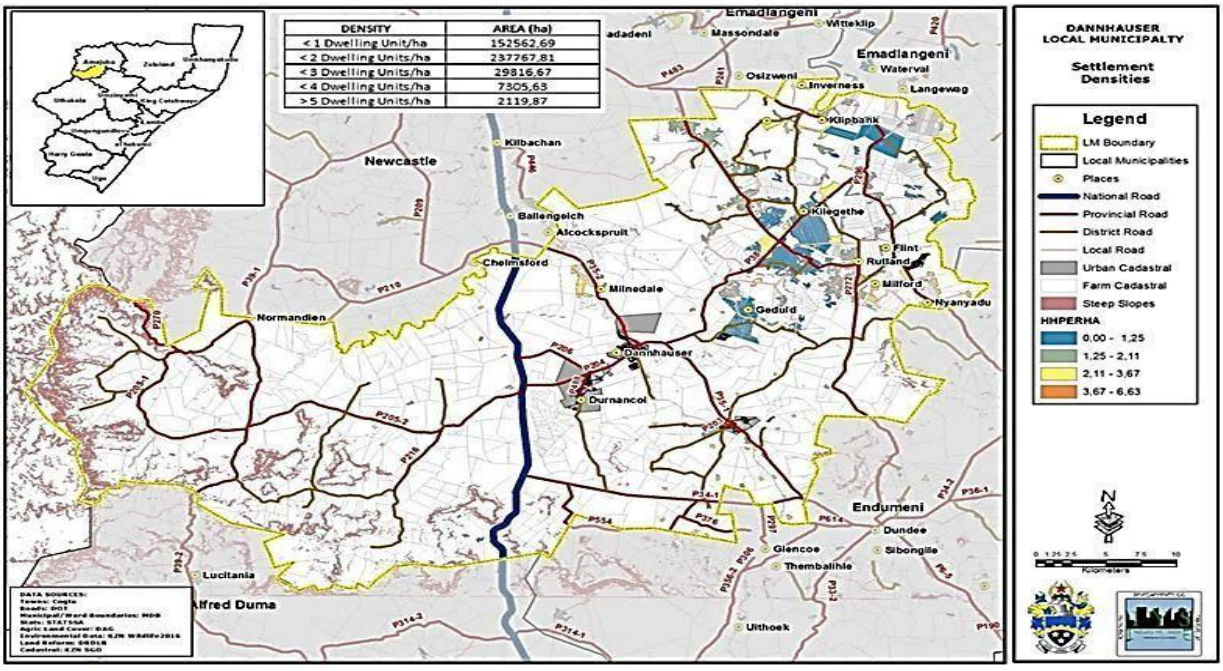

Settlement density is measured in terms of the number of dwellings per hectare. Planning rationale suggests that greater settlement densities contribute significantly to the creation of efficient, integrated, and sustainable human settlements, thus they are encouraged. An analysis of the settlement densities within the Dannhauser Municipality suggests that the households are distributed unevenly within the municipality, with a clear concentration of settlements on the eastern region. These settlements are mainly low-

density settlements, which is typical of rural regions in KwaZulu-Natal. The majority (91%) of settlements have a density of less than 2 dwelling units per hectare, of which 36% of these have a density of less than 1 dwelling units per hectare.

The former translates to an average of 5 000m2 sites while the latter translates to an average of 10 000m2 sites. This reflects that the densities within these rural settlements are generally low as the rural homesteads (imizi) generally have large yards and are dispersed haphazardly in space. This can be attributed to the lack of land allocation standards catering for the allocation of land to rural homesteads. A general correlation exists between the density of settlements and their proximity to transportation networks. In essence, settlement densities tend to be higher in settlements located along main roads.

This is evident along routes such as the P272 which runs traverses the KwaMdakane area and leads to Dundee in a southerly direction; P296 which links the northern settlements/farms such as Groot Geluk, Springboklaagte and Fairbreeze with southern settlements/farms such as Flint and Dorset and P38 which links most of the rural settlements within the Municipality with the Municipality's urban center viz. Dannhauser town. The densities in the context of Dannhauser Municipality are generally spread-out as follows:  High density settlements – Dannhauser Town and surrounding suburban areas due to its urban nature.  Densely populated rural settlements – the KwaMdakane areas and surrounding settlements. Low density rural settlements - the remainder of the municipal with the lowest densities being in the farm settlements and other remote rural settlements. E.g., Nyanyadu

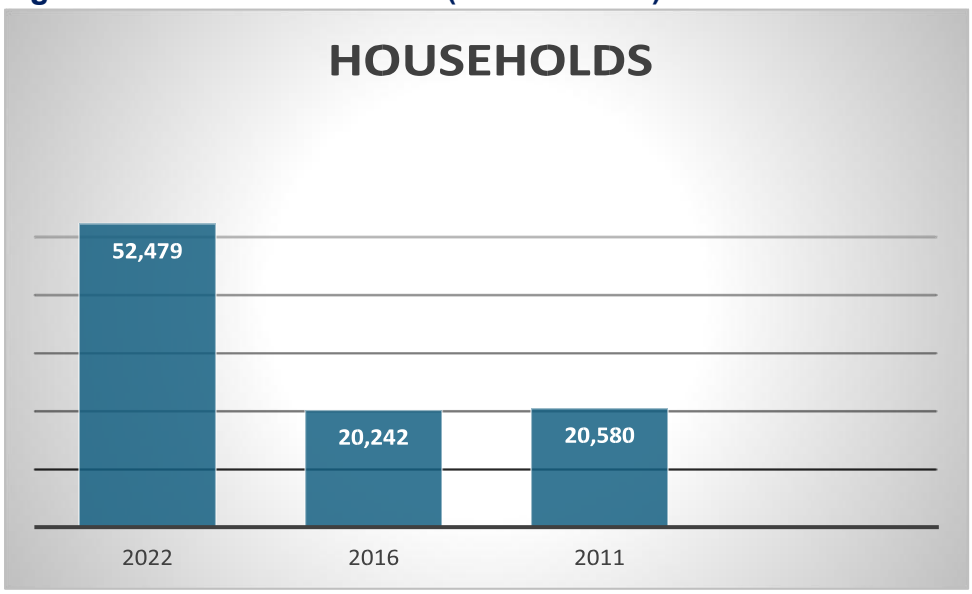
### Map 52: Settlement Densities (SDF.2024/25)



## Current Household Status

The number of households in the municipal area slightly decreased from 20 580 in 2011 to 20 242 in 2016 and Increase 25 479 in 2022. These households are mostly located in rural settlements and are scattered in space in an inefficient manner. These scattered households pose a great challenge in terms of providing basic services such as water, roads, electricity.

**Figure 14: No of Households (Census 2022)**

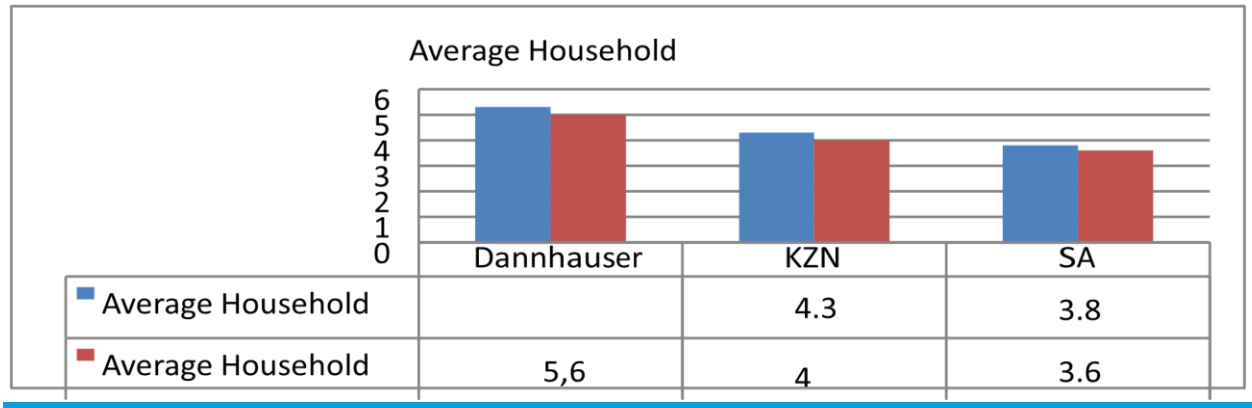



## Average Household Size

The average household size within Dannhauser municipality remained constant at 5 from 2011 to 2017, this is due to the increase in population of 3 180 from 2011 to 2017 being complemented by an increase in the number of households of 405 from 2011 to 2017. The household size is still however higher than both the provincial and national average household sizes. The average household size for KZN Province and South Africa are 4 and 3.6 respectively. Majority (50.7%) of the households in Dannhauser are female headed. This is reinforced by the prior analysis that showed that there are more females than males in the municipal area. Interventions that will favor females to are clearly required to ensure that they are able to enhance their livelihoods and sustain their families.

**Figure 15: Average Household Size (Census2022)**

:




## Formal Dwellings

Dannhauser municipality due to its rural setting has more traditional dwellings compared to formal residential ones. A handful of formal dwellings are situated around Dannhauser Town, in Durnacol and Hattingspruit, while the traditional dwellings are situated on tribal council authority land in the north-eastern portion of the jurisdiction. **Figure 16: Types of Dwellings (Stats SA: Census 2022)**

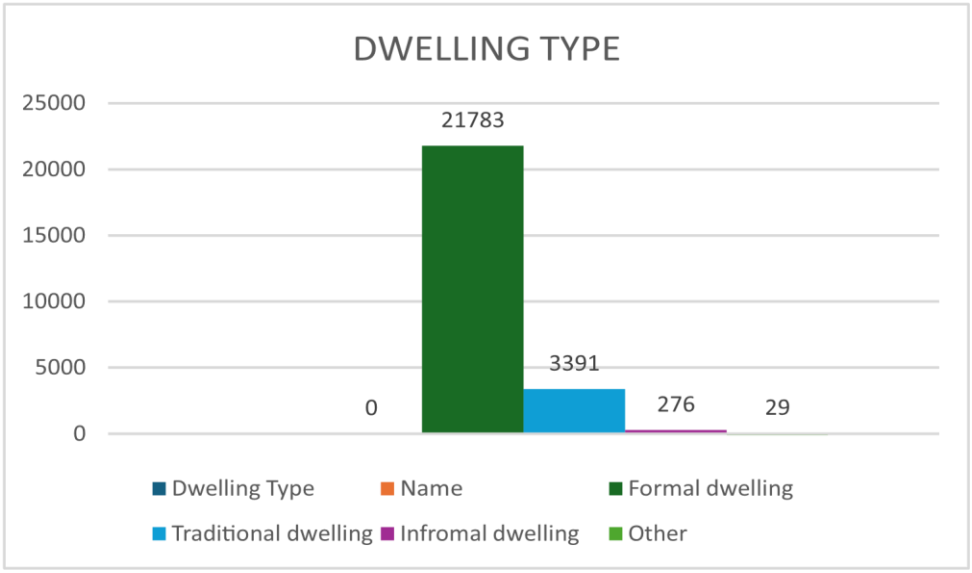


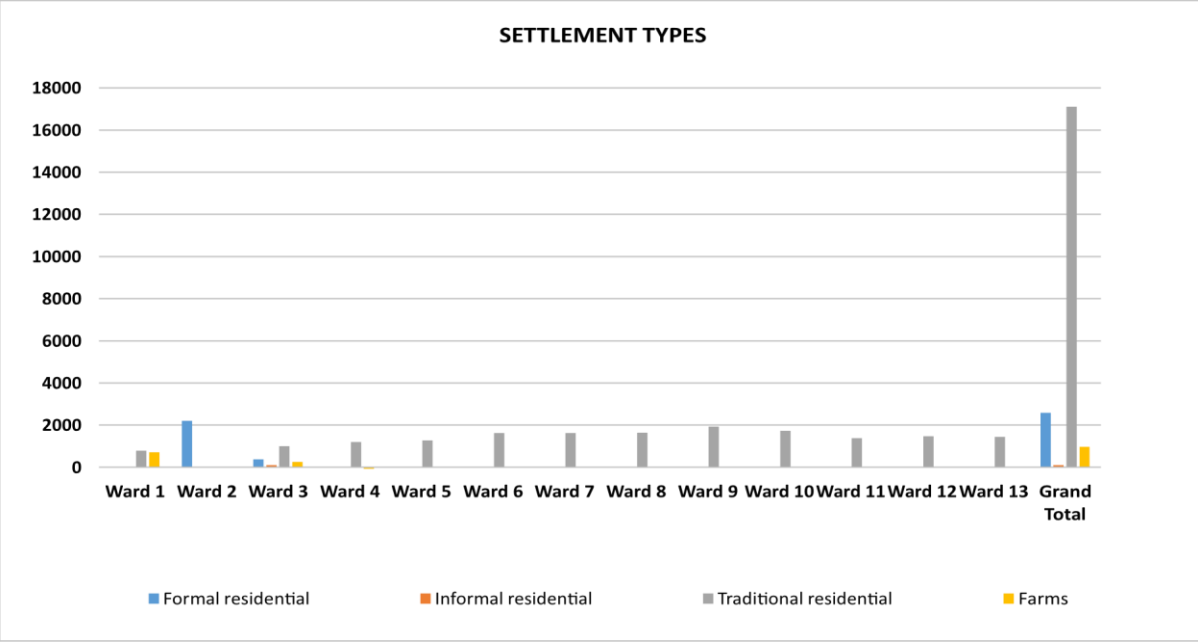

**Table 82: Stats SA: (Census 2022) Settlement Types Per Ward**

| Wards | Formal residential | Informal residential | Traditional residential | Farms | Grand Total |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| **Ward 1** | - | - | 792 | 707 | 1499 |
| **Ward 2** | 2204 | - | - | - | 2204 |
| **Ward 3** | 375 | 106 | 996 | 253 | 1731 |
| **Ward 4** | - | - | 1201 | 13 | 1213 |
| **Ward 5** | - | - | 1271 | - | 1271 |
| **Ward 6** | - | - | 1623 | - | 1623 |
| **Ward 7** | - | - | 1623 | - | 1623 |
| **Ward 8** | - | - | 1645 | - | 1645 |
| **Ward 9** | - | - | 1929 | - | 1929 |
| **Ward 10** | - | - | 1724 | - | 1724 |

| | | | | | |
|---|---|---|---|---|---|
| **Ward 11** | - | - | 1386 | - | 1386 |
| **Ward 12** | - | - | 1477 | - | 1477 |
| **Ward 13** | - | - | 1437 | - | 1437 |
| **Grand Total** | **2579** | **106** | **17103** | **973** | **20761** |

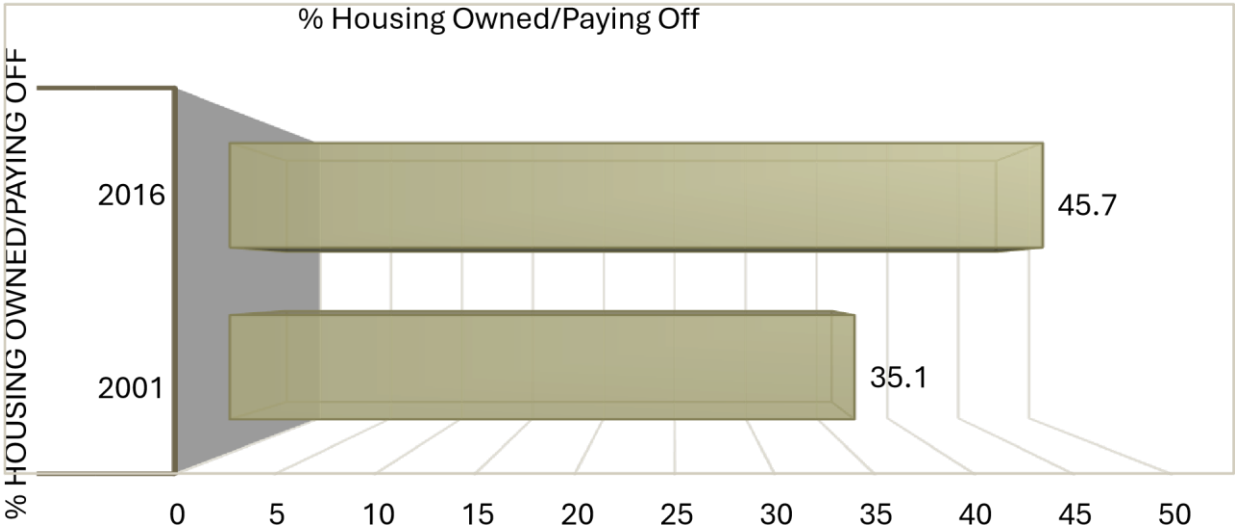
**Figure 17: Settlement Types Stats SA: (Census 2022)**



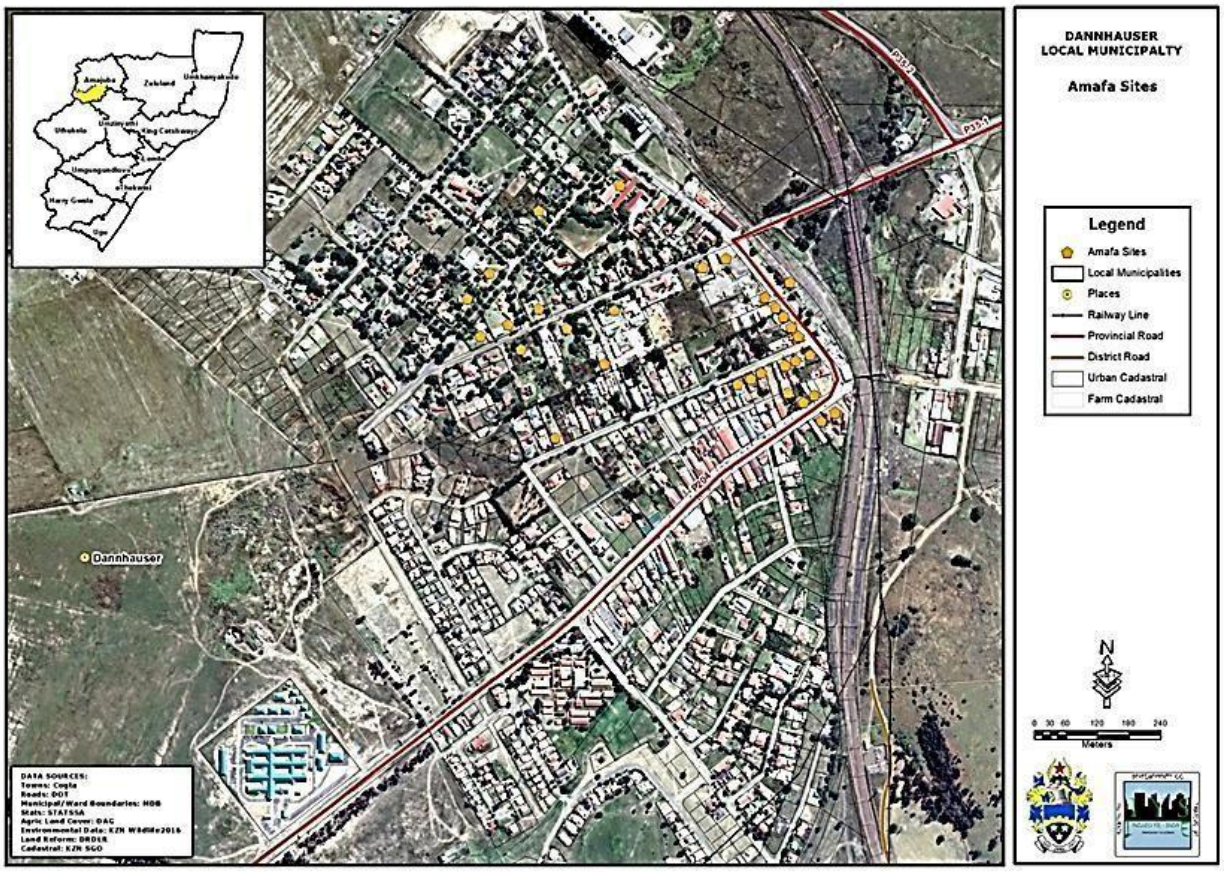

## House Ownership

Approximately 45.7 (Census 2022) of the houses in the municipal area are owned or in the process of being paid off. A significant increase is noted in this regard as only 35.1% of the houses were or being paid off in 2001.

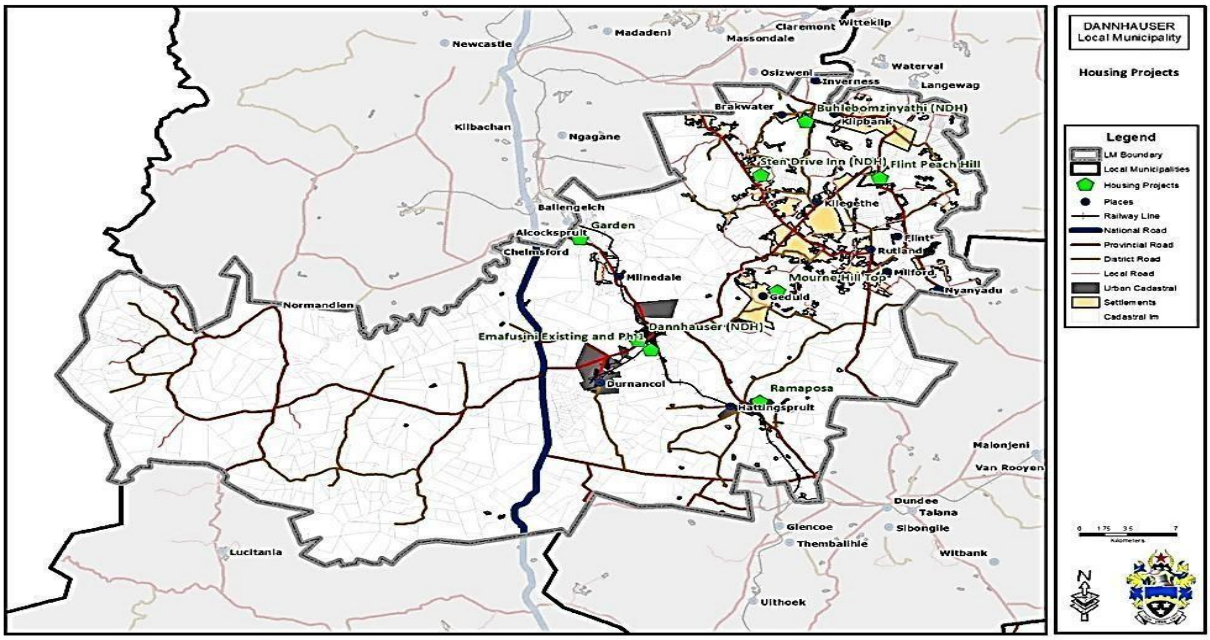
**Figure 18: % of Houses Owned /Paid Off (Census 2022)**




**Map 53: Houses in Amara Sites (SDF 2024/25)**




## Map 54: Positioning of Housing Projects in Dannhauser (SDF 2021/22)




## 5.6.13 Current Projects Awaiting Approval by Human Settlements

### Table 84: Current Housing Projects Waiting Approval by Human Settlement

| PROJECT NAME | PROJECT TYPE | NUMBER OF UNITS | WARD | STATUS QUO | BUDGET |
|---|---|---|---|---|---|
| STRILJBANK | RURAL | 247 | 3 | The service provider had been appointed for the rectification of this project and the business plan has been finalized and will be submitted to human settlement for approval | NIL |

| | | | | | |
|---|---|---|---|---|---|
| DANNHAUSER<br>HOUSING | URBAN | 1000 | 2 | The service provider is busy compiling the trench ii application for approval by human settlements | R 64 000 000 |
| UBUHLEBOMZINYA<br>THI RURAL<br>HOUSING PROJECT | RURAL | 2500 | 9 & 10 | The trench ii application had been submitted to human settlements for approval | R 160 000 000 |
| UBUHLEBOMZINYA<br>THI RURAL<br>HOUSING<br>PROJECTS PHASEII | RURAL | 1800 | 9&10 | The service provider is busy with compiling the trench ii application `to be submitted to human settlements for approval | R 196 200 000 |
| UBUHLEBOMZINYA<br>THI RURAL<br>HOUSING<br>PROJECTS PHASEIII | RURAL | 1800 | 9 & 10 | The service provider is busy with compiling the trench application to be submitted to human settlements for approval | R 196 200 000 |

| | | | | | |
|---|---|---|---|---|---|
| STEIN DRIVEINN<br><br>HOUSING PROJECT | RURAL | 500 | 2 | The trench i application had been submitted to human settlements for approval | R 54 500 000 |

## Future Planned Housing Projects.

### Table 85: Future Housing Projects Planned.

| PROJECT NAME | PROJECT TYPE | NUMBER OF UNITS | WARD | STATUS QUO | BUDGET |
|---|---|---|---|---|---|
| GARDENS HOUSING PROJECT | RURAL | 550 | 1 | Department of human settlements is currently doing the feasibility studies | R 59 950 000 |
| MOURNE/HILTOP RURAL<br><br>HOUSING PROJECT | RURAL | 500 | 3 | Department of human settlements is currently doing the feasibility studies | R 54 500 000 |
| ROOIPOORT/JAN-<br><br>HOUSING PROJECT | RURAL | 500 | 5 | Department of human settlements is currently doing the feasibility studies | R 54 500 000 |

| | | | | | |
|---|---|---|---|---|---|
| FLINT/PEACH HILL RURAL<br><br>HOUSING PROJECT | RURAL | 500 | 6 | Department of human settlements is currently doing the feasibility studies | R 54 500 000 |
| EMFUNDWENI RURAL<br><br>HOUSING PROJECT | RURAL | 250 | 11 | Department of human settlements is currently doing the feasibility studies | R 27 250 000 |

## PLANNED HOUSING PROJECTS.

### Table 86: Planned Housing Project

| Name of the project | Number of Units | Ward Number | Typology |
|---|---|---|---|
| Dannhauser Urban Project | • 50 social & 50 CRUs.<br>• Service stands 500 | 2 | Community Residential units and social housing |
| Skobhareni Rural Housing Project | 1800 units | 1 | IDRP (URBAN) |
| Inkosi Gule Rural Housing Projects | 25000 Units | 4&6 | 2500 IDRP |
| Kwamdakane Rural Housing Project | 1800 units | 7 | 1800 IDRP |
| Mbabane rural Housing project | 2500 units | 5&12 | 2500 IDRP |
| Nelie Vally rural housing project | 1800 units | 11 | 1800 IDRP |

| | | | |
|---|---|---|---|
| Verdriet rural housing project | 2500 | 3 | 2500 IDRP |
| Springbok | 1800 units | 8 | 1800 IDRP |
| Integrated Residential Units | 1000 units | All wards | 1000 IRU |

## Level of Services and Backlogs for The Housing Projects

The current provision of basic services to existing households is a challenge as the financial resources the municipality has is not adequate. With the development of more housing projects more there will be a greater demand for the municipality to deliver more basic services. This situation is further aggravated by the dispersed settlement patterns that the municipality has. The maintenance of physical and social infrastructure such as roads, community halls, taxi rank, and informal trading stalls is a major challenge currently. This will impact negatively on current housing projects and the provision of such services. More funding is required to address the delivery of such services to new projects. The inclusion of Sector Departments and National Treasury is key to addressing some of these pitfalls.

## Mechanisms for Coordinating Housing Projects

The municipality has integrated with the following institutions to enhance housing development and provision of adequate basic services, these are.

- Department of Human Settlements.
- Amajuba District Municipality.
- Eskom.
- Tribal Authorities; Department of Transport; and
- COGTA

## Bulk Infrastructure for New Housing Projects/Developments

- The municipality seeks to ensure that all housing developments have supporting bulk infrastructure that enhances sustainability. Engagement with various sector departments is crucial to the whole process, in some instances; the sector departments fund the projects while in other instances the municipality must fund the developments. Housing projects are usually delayed if no supporting bulk infrastructure is funded.

- The new housing developments require water and liquid sanitation bulk reticulation infrastructure; this is facilitated by the Water Services Authority (Amajuba) in conjunction with Dannhauser and Department of Human Settlements.
- To further support the developments of housing, there is a need for either tarred or gravel roads based on the location of the houses, in certain instances its Dannhauser's responsibility or Department of Transport and or Amajuba District. This is based on the linkages of the road networks.
- Electricity connections together with economic and social infrastructure are a necessity; this is in line with the sustainable Human Settlements programmes.

## Constraints Impacting on Dannhauser Municipality on Integrated Housing Delivery.

The constraints faced by the municipality are almost like those in other rural municipalities within KwaZulu-Natal and those mentioned within the Human Settlements Master Spatial Plan for KZN, however the municipality is developing mechanisms to address such matters. The constraints that have caused a delay in housing delivery are as follows.

- **The unavailability and supply of well-located land**

It has been well documented that South Africa's settlement problems are mainly a legacy of the apartheid planning system, where housing was provided and used as an instrument of social segregation. The unequal distribution of wealth coupled with the class division, both very ubiquitous in South Africa great key barriers to the availability of well-located land. As both formalized and informal low-income housing developments are often poorly located (on the periphery of cities); the availability of well-located becomes a priority issue; as this has various implications regarding time spent away from home, time traveling to and from opportunities, and the related cost implications thereof. Even in post-apartheid, South Africa's residential areas continue to be segregated based on race social status or class. This further encourages low-income housing on the periphery of the city. The institutional framework has also predominantly favored the delivery of free-standing units. Coupled with the tremendous pressure to deliver at scale, this has led to low-income housing developments on available, large land tracks which have tended to be located on the periphery.

The lack of local land assembly strategies at local level also contributes to the unavailability and supply of well-located land. Land is a finite resource and therefore disposal should be a matter of last resort. There is a lack of a clear policy framework at national and local government to direct the land assembly process. Most municipalities do not have policies or strategies in place that deal with land assembly. Therefore, municipalities often sell well located vacant and under-used land which could have been

banked and assembled later for development to generate additional revenue. The problem is further compounded by the fact that they municipalities are sometimes forced to acquire previously owned but disposed land from new landowners at exorbitant prices.

- **The continued sprawling of settlements and informal settlements** Poor planning has resulted in the proliferation of marginalized and disconnected settlements. The continued presence, and growth of informal settlements, which has resulted in little or no access to services or infrastructure in some of these areas is another big challenge facing access to land and the delivery of integrated human settlements. The current settlement patterns reflect spatially a legacy of separation and targeted injustice and inequality, and the persistence of these spatial patterns contradicts the sustainability of cities, towns, and settlements.

Most cities in developing countries suffer from land market distortions caused by poor land development and management policies including poor planning, slow provision of infrastructure and services, poor land information systems, cumbersome and slow land transaction procedures, as well as under-regulation of private land development, leading to unplanned development of land, especially on the urban periphery. Urban sprawl and low densities contribute to unproductive and inefficient cities as poor households continue to be marginalized by distance and transportation costs, and the lack of agglomeration in many urban centers undermine economic development and efficiency.

- **Land and development costs.**

The cost of land and its development is highly dependent on location, and there are other factors like suitability for purpose intended and physical aspects (topographical, biophysical, geotechnical) that also influence cost. For infrastructure costs as well, overall costs are driven by local market conditions that integrate costs for labour, material, and transportation. Yet currently, the policy does not consider the parameters for costs and subsidies and does not consider the variation of land markets and infrastructure costs between localities and regions. The willing buyer willing seller (WBWS) policy contributes to the high costs of acquiring land. It is currently very expensive for the ordinary applicant as well as for government to acquire land since the grant structure usually provides a small portion of subsidy for land purchasing. The existing grant approach subsequently limits any proactive strategy in which the state purchase land for beneficiaries.

- **Slow processes in the acquisition and release of land for human settlements**

Statistics indicate that land is required to house at least 2.5 million households, who are the poorest living in dire conditions. The apartheid spatial planning, rapid urbanization, the high cost of providing those services and infrastructure to both in rural and urban areas, the capacity of the state to support integration of planning, human settlements

development and public transport to ensure greater urban efficiency together with the complex, inefficient and fragmented institutional frameworks, all these have contributed to the lack of available land as well as the process of acquiring such land for the development of human settlements.

In dealing with this matter the Department of Human Settlements established the Housing Development Agency in 2008 to assist in unlocking and supporting the process of acquiring land for human settlement development. Its main objectives are to identify, acquire, hold, develop and release well–located land and buildings as well as provide project management support and housing development services. The Agency has now been in existence for at least five years and has adopted various methods to acquiring and releasing land and properties for the development of integrated human settlements. Despite its successes, it has had its share of challenges including:

- **Lack of capital funding to acquire land.**

This has resulted in the municipality's inability of not always acquiring the best suitable parcels of land, due to costs and/ or location of the land. Since its inception, the municipality is not adequately capitalized to be able to acquire land on an open market.

- **High land costs – Land**, particularly well-located land is very expensive. Once land (whether private or public) falls into the public domain, the costs generally rise dramatically. The state-owned entities are major owners of non-core land suitable for human settlements. One of the challenges with the state-owned entities' land or buildings is that it must be acquired in a market-related transaction, as these must justify their balance sheets and therefore, the stateowned entities are not able to merely release land at nominal cost and as a result, funding is required. Also, the cost of land and its development is highly dependent on location, as well as the other factors like suitability for purpose intended and physical aspects (topographical, biophysical, geotechnical) that also influence cost. Overall cost (including infrastructure) is driven by local market conditions that integrate costs for labour, material, and transportation.
- **Lengthy process of state land acquisitions**

The HDA is challenged with the lengthy processes of state land acquisitions for land from the private and public sectors whereby different legal processes are involved. For public acquisitions, nationally, the three major custodians of public land are the departments of Public Works (DPW), Rural Development and Land Reform (DRDLR) and state-owned entities. At a provincial level, the land is held by the Housing Boards and various provincial state-owned entities and at the municipal level, there is municipal–owned land, commonage, and assets of municipal entities where once again there is a requirement for market-related funding.

- **Communal land**

With regards to the release of communal land for human settlements, compensation is often a major issue. Despite land being owned by the state (i.e., DRDLR), Traditional Authorities often insist on monetary compensation, before transfer could occur. Again, the process of releasing communal land to HDA is fraught with delays due to:

- Legislative requirements that significant discussions are needed, to get community resolutions with the traditional authorities in control of the land as well as the communities that have access to that land.
- Various community dynamics involved in the form of informal land rights such as grazing and agriculture and the fact that the community must agree to the envisaged development; and
- The issues associated with security of tenure including the trade ability of the community's rights, their individual or community's ability to obtained for tradeability, in security for obtain finances or mortgages.

- **Slow delivery of the land reform process**

The slow delivery of the land reform process is a major constraint to development and spatial transformation. The restitution process has had very little impact on the overall transfer of land, particularly in urban areas, as beneficiaries have in a high percentage of cases opted to receive monetary compensation. This has placed greater pressure on the redistribution program to be the key program for land transfer, despite its track record as accomplishment of equity has been slow. The current system is racially discriminatory and fragmented and is built into the spatial landscape of the country. While some level of success in the form of providing and upgrading title to freehold in urban areas has been recorded, in rural areas on the other hand tenure reform has been painfully slow. Many residents have insecure or illegal forms of tenure, which is both a potential source of conflict and an impediment to investment and development.

Tenure reform is directed towards addressing the state of land administration in communal areas of the former homelands and coloured reserves. These areas make up most of the land in the former homelands; are home to nearly one third of all South Africans and are sites of the deepest concentrations of poverty in the country. Formalization of tenure in informal areas has also been slow and as a result, many people living in urban areas continue to experience tenure insecurity despite some legal protection through anti eviction legislation.

Difficulties in aligning land use planning and management systems (District; Local Municipalities & Other Governing Authorities)
Traditionally land use management, its systems, devices, and regulations were used in the service of racial and spatial segregation in South Africa (Bollens, 2005). The aims of

the apartheid system were for the most part carried out through the dire efficiencies of the planning legislation and its implementation, which maintained spatial segregation and entrenched a racial hierarchy through reserving the provision of rights and services for the white minority.

**(a) Firstly,** while policies on land, housing and social justice have proliferated at national, there has been little advancement and innovation in thinking and practice around land management at local level and micro level, and South Africa's towns and cities continue to develop without an adequate framework for managing land development in a way that supports the goals of democracy, equity, efficiencies and sustainability" (Ovens, et al, 2007).

**(b) Secondly**, the lack of direction in the implementation of land management policies and inadequate instruments at local level has weakened the ability of cities to capture land-value improvements that result from public investments in transport infrastructure, or to increase other revenue as a way of increasing public transport funding, particularly for long-term operations, resulting in a relatively weak influence on actual investment decisions of (especially) the private sector.

**(c) Thirdly,** evidence shows that land-use planning and management processes are often slow, despite legislated timeframes. This is due to the unequal capacity that exists within the different municipalities to cope with land management requirements. According to Berrisford (2006), this occurs due to the shortage of people with appropriate qualifications in land management to deal with the current demand and those who are professionally qualified are often shuffled to other positions, leaving the least qualified to deal with complex policy and technical requirements for which they have neither the training nor the skill. The inability of those in the planning departments to have the time to access the newer legislation and to be trained in its application and implementation affects the levels of available capacity. Such training or support is frequently either unavailable or literally inaccessible to planners and land management professionals in smaller municipalities.

**(d)Fourth**, the national land management policy frameworks do not address the challenges and the complexities of the parallel and the co-existence of the land administration systems of first and third world planning regimes, their different levels of need, cost and sustainability of both formal and informal land use systems. There is a contradiction between pending laws on land use management and communal land rights administration and management and these contradictions have contributed to the lack of adequate land for human settlement, weak land markets, land grabs, and conflicts over ownership.

**(e) Fifth**, the unavailability, uncoordinated and inaccessibility of land information is a prevalent constraint to developing an efficient a land management framework. To achieve betterment in managing land, there is a need for accurate, reliable, and up to date information about land. Challenge of providing a uniform land management system: 'While there is recognition among officials that a rigid "one size-fits-all" system will not be appropriate in diverse environments and applying the same standards across all areas would not be feasible. The municipality has identified the above constraints to be what delay the implementation of the housing units within the jurisdiction.

## Current Urbanization & Emerging Trends Impacting on Housing Delivery in Dannhauser

Urbanization refers to general increase in population and the amount of industrialization of a settlement. It includes increase in the number and extent of cities. It symbolizes the movement of people from rural to urban areas. Urbanization happens because of the increase in the extent and density of urban areas. The density of population in urban areas increases because of the migration of people from less industrialized regions to more industrialized areas.

### Urban Sprawl

The concept "Urban Sprawl" means increase in spatial scale or increase in the peripheral area of cities. "Urban Sprawl" has its own drawbacks, some as follows:

- The city and its infrastructure may not be adequately planned.
- Traffic is high with increased time needed for commuting.
- Essential services are not reachable within time.
- Municipal CBD administration becomes extremely difficult.

Urbanization usually occurs when people move from villages to cities or rural urban CBDs to settle, in hope of a higher standard of living. This usually takes place in developing countries. In rural areas, people become victims of unpredictable weather conditions such as drought and floods, which can adversely affect their livelihood. Consequently, many farmers move to cities in search of a better life. Most industries and educational institutions are in cities and rural CBD's whereas there are limited and or no opportunities within deep rural areas. Some of the following factors impact on the current rate of urbanization and emerging trends within Dannhauser local municipality.

➢ The NDP 2030 – Inclusive Rural Economy, this requires rural municipalities to urbanize to attract investments.

➢ The PGDP KZN – 2035 – All Inclusive Rural Economy, this is the support being offered by the provincial government to ensure that rural municipalities are urbanized.

- The High rate of poverty within rural Dannhauser, however rapid urbanization is occurring due to a greater investment in development of the local economy within the urban node; mining activities centered close and around the CDB, stable politically, sector government departments investing in Dannhauser, an Industrial Area being developed, tourism development and an agri-village.
- The drive by most developing countries including South Africa that incorporate rural-urban transition.
- The greater movement of population from surrounding municipal jurisdiction such as Newcastle, Emadlangeni, Dundee, Ladysmith, into Dannhauser; and
- That the rural-urban transition is accompanied by falling rural poverty but little causal evidence.

**Dannhauser has realized that the two types of effects of urbanization on rural poverty are as follows**:

**'location' effects**: allocating the same people in different categories as people change location (i.e., rural vs. urban); and

'**Economic linkage' effects**: urban-rural linkages affecting the welfare of rural nonmigrants.

### Backward linkages

- increased demand due to higher incomes in urban vs. rural areas (income effect);
- larger share of higher value-added products (substitution effect) ➢ Rural

non-farm employment:

- Larger peri-urban workforce that can commute to the city to work.
- more specialization, relying on market for consumption (Fafchamps & Shilpi, 2005; Deichmann et al., 2008; Lanjouw & Shariff, 2002)

### Remittances:

80%-90% of rural-urban migrants send remittances home (Ellis, 1998); and reducing resource constraints and insuring against adverse shocks for rural Household (Stark and Lucas, 1988)

## TELECOMMUNICATIONS

Dannhauser has the necessary telecommunications infrastructure, such as coverage by cell phone service providers and Telkom. As such, the residents within the municipality can

make use of with communications technologies. The groups of people affected negatively are those who are in deep rural areas who have little or no knowledge of the use of technologies.

## ACCESS TO COMMUNITY FACILITIES

### CEMETERIES

The Dannhauser Local Municipality has several cemeteries, with varying operational statuses. Here is an Overview:

- Dannhauser Town Cemetery: This is the municipality's cemetery, which has recently been closed due to no space
- Private Muslim Cemetries: Not registered with the municipality, these cemeteries may have specific management and maintenance requirements.
- Durnacol Cemetery: Currently functioning and accepting burials.
- Hattingspruit Cemetery: An older cemetery not registered with the municipality, which may require attention for maintenance and management.

The municipality performs regular maintenance and services to communal cemeteries, ensuring that they are kept in a decent state.

The municipality has developed a Cemetery Plan to ensure efficient operation and maintenance of cemetery lands. This plan aims to:

- Provide standard safe working practices for cemetery operations
- Maintain cemetery lands at an acceptable level
- Ensure cemetery lands are used for their dedicated purpose • Comply with legislative obligations

### ANIMAL POUND

The municipality has an animal pound facility located at or near the Twiddel Dam along the R621 in Dannhauser. The function of the pound facility and collecting of animals is currently sourced out to Durban Snax with whom the municipality has a 36-month contract with in performing operations of the pound. The gazetted Animal Pound By- Laws are in place.

## DRIVING LICENSE TESTING CENTRES

The Dannhauser is currently an agent of the KwaZulu Natal Department of Transport in performing the functions of the Driving Licence Test Centre at Number 8 Church Street. The Centre is a grade D Driving Licence Test Centre which tests for any code of learners driving licence, and only tests for code B practical driving test. Th DLTC has 112 applicants for learners' licence, and 21 applications for practical driving tests given by the monthly statistics of the Dannhauser DLTC. However, the municipality is in the

process of upgrading the center to a grade B test center in the new building, whereby heavy motor vehicles will be tested given the fact that the area is surrounded by coal mines and the communities in the Dannhauser LM seek for employment in driving heavy motor vehicles. Therefore, this initiative will bring basic delivery to the communities and furthermore it will enhance the revenue of the municipality.

**Integrated Transport Plan.**

The Integrated Transport Plan (ITP) is still being developed by the municipality in a draft stage where it needs to be submitted to the Councill for approval to make it an official document in the 25/26 financial year.

STOP
STOP

## THUSONG CENTRE

- kwaMdakane Thusong centre is under Amajuba District although it is situated within the Dannhauser Local Municipality's jurisdiction.

## LIBRARIES

The Dannhauser Public Library serves as an essential community resource, offering a range of services to meet the educational and recreational needs of the local population. Dannhauser Municipality delivers library services in collaboration with the Department of Sports Arts and Culture, with one community library built inside the town of Dannhauser at 8 Church Street. Another significant development is underway with the construction of a state-of-the-art library in KwaMdakane, the Mdakane Library funded by the KZN Department of Sports Arts and Culture at a cost of over R31 million. This facility is expected to include a study area for 200 people, a mini library for the blind, a computer room with free Wi-Fi, and various other services.

**Library policies**

The following are library policies formulated by KZN DSAC Library Services

- Collection development policy
- Lost & paid, defaulters' procedure

- Which services do the libraries provide for the Dannhauser Local Municipality's Community

**Services Offered**

The library provides a comprehensive range of services to cater to the diverse needs of the community:

- **Information Resources**: Access to books, reference materials, popular magazines, and audio-visual materials.
- **Internet Access**: Free internet usage and Wi-Fi connectivity for the community.
- **Computer Facilities**: Computers available for typing projects, CVs, letters, and for learning to use the internet and MS Office applications.
- **Three- months Basic Computer Training**: Computer classes to equip the community with necessary computer skills.
- **Recreational Resources**: Magazines, fiction books, CDs, DVDs, and holiday programs.
- **Educational Support**: Photocopying facilities, study areas, library orientation programs for schools, a tertiary collection for students, reference sections, tertiary, bursary and NSFAS applications.
- **Group Activity Room**: Facilities for gaming purposes, including TVs and games available to the community.
- **Extension Services**: Outreach programs to ECD's and library orientation for preschools, primary, and secondary schools.
- **Holiday Programs**: Activities during school holidays, such as painting, drawing, games, and reading activities for children.
- **Internet @ Your Library Project**: Free internet usage and computer access for community members, with assistance and guidance provided by library staff.

**Service Objectives**

The primary objectives of the library services are:

- **Promote Literacy**: Encourage reading and learning among community members, especially children.
- **Provide Access to Information**: Ensure that the community has access to a wide range of information resources.
- **Support Education**: Assist students and learners in their academic goal through various educational programs and resources.
- **SPORTS AND RECREATION**
- The project is 87% complete. The contractor has abandoned site

| PROJECT NAME | WARD | DURATION OF THE PROJECT | PICTURE |
|---|---|---|---|
| Upgrading of Durnacol sport centre in ward 2 | Ward 2 | 8 months | |

**EARLY CHILDHOOD DEVELOPMENT CENTRES**

| PROJECT NAME | WARD | DURATION OF THE PROJECT | PICTURE |
|---|---|---|---|
| Construction of childcare facility in ward 1 | Ward 1 | 6 months | |

## MUNICIPAL INFRASTRUCTURE OPERATIONS & MAINTENANCE

The municipality developed an “Operations and Maintenance Plan” in the financial year 2023/2024 and it has been approved by its MANCO and Technical Portfolio Committee.

### The Key strategic Objectives of the plan are as follows:

- Ensure that all infrastructure whether for economic or public use is well maintained to enhance greater investment within the local economy.
- Ensure that tarred roads, gravel roads and storm water systems are continuously maintained.
- Upgrade sidewalks and pavements highly used by the public.
- Ensure that structures such as mast lights, bus stops, taxi ranks, informal traders' structures are well maintained.
- Ensure buildings and structures are maintained at a safe and functional standard as set out in this infrastructure and asset management plan.
- Continue to maintain operational buildings, e.g., municipal offices, etc., to a standard that facilitates effective service delivery to our community.
- Continue to maintain public conveniences in good order and to a high state of cleanliness.
- Continue to support the community committees that effectively manage and maintain our community halls.
- Continue to support the community organizations that effectively manage and maintain our recreation and sporting facilities; and
- Enhance safety to the public and animals through a high maintenance implementation process for all infrastructures.

### The Key Functional & Operational Objectives are as follows.

- **Levels of Service:** Review current levels of service and assess development requirements.
- **Demand forecast:** Examine factors and trends influencing demand for an asset and the impact on its management and utilization.
- **Lifecycle management plan:** Enabling the management of the asset from planning/creation to disposal including maintenance and renewal requirements.
- **Financial summary:** Outlining the financial commitments to facilitate lifecycle management to the existing levels of service.
- **Asset Management Practices:** Development of information systems and processes utilized in the decision on management of assets.
- **Plan improvement and monitoring:** Undertaking continuous performance measures for the plan; the improvement program; and monitoring and review procedures.

### Areas of Operations & Maintenance

The municipality allocates funds to undertake maintenance on its infrastructure, only municipal owned infrastructure is catered for:

- Municipal & Social buildings.
- Roads (Tarred & Gravel) and Storm Water

Drainage. ▪ Sidewalks & Pavements.

- Bus & Taxi Ranks; and
- Electricity Supply (street lighting and housing In-fills).

### Dannhauser Key Elements of Infrastructure Maintenance

The following are the key elements adopted by the municipality are:

- Taking a life cycle approach.
- Developing cost-effective management strategies for the long term.
- Providing a defined level of service and monitoring performance.
- Understanding and meeting the demands of growth through demand management and infrastructure investment.
- Managing risks associated with asset failures,
- Sustainable use of physical resources; and
- Continuous improvement in asset management practices.

## DANNHAUSER INFRASTRUCTURE POLICY FRAMEWORK (OPERATIONS & MAINTENANCE)

The municipality aligns its new infrastructure developments and existing maintenance operational framework to the following.

**Infrastructure Plan**
Based on the infrastructure plan, the Institutional Management will recommend a list of new developments/redevelopment projects, macro-maintenance and deferred maintenance projects to the Technical Committee and Finance Committee for evaluation as part of the annual budget process.

- All projects relating to new infrastructure, additions and alterations and demolition of existing infrastructure must be approved by the municipal Council prior to commencing with final technical designs, procurement of tenders and construction work.

**The following exceptions apply**:

- Designated management committees have the authority to approve minor building alterations in accordance with the schedule of authorities and the approved budget allocations for minor building works.
- Urgent requests for unscheduled infrastructure projects may be approved in accordance with the latest Schedule of Authorities issued in terms of the municipal Executive Committees and then Council, subject to the condition that the projects must be approved as a matter of urgency to mitigate specific operational risks, and subject to the condition that such ad hoc projects will be financed by external funding or capital funding already approved by the municipal Council as part of infrastructure provisions.
- In the event where the project scope changes significantly in relation to the approved scope during the planning and design phases of a project and the change in scope affects the approved budget of the project, the project must be referred for reapproval; and
- Budgets for macro-maintenance projects and deferred maintenance projects must be approved by the municipal Council as part of the budget process prior to the procurement of tenders and commencement of maintenance work.

**Infrastructure Design and Construction**

The Institutional Management of the municipality will formally designate the technical department within the department to manage all infrastructure projects. This department will be responsible for the design and the completion of works, ensuring that projects are completed within the project budget and timeframes, and in compliance with safety, technical and legislative requirements. Final infrastructure designs and construction work must comply with all legislation, inter alia the following:

- Compliance with South African National Standards - SANS (latest amendments).

- Compliance with Dannhauser Preambles for Construction Work (2011, including latest revisions).
- Compliance with the Occupational Health and Safety Act of 1993, as well as supportive Regulations, issued in terms of the Act.
- Compliance with applicable Local Governmental ordinances.
- New buildings must provide people with disabilities reasonable access to facilities in accordance with SANS 10400, Parts
- New facilities must complement the aesthetics of adjacent structures and be designed in a functional manner, allowing for ease of maintenance, considering environmental stewardship and sustainability.

## DANNHAUSER MAINTENANCE OF PHYSICAL INFRASTRUCTURE

### Integration of Maintenance Processes

Infrastructural improvements to all properties owned by the municipality must be effectively and efficiently maintained to support operational efficiency, as well as to ensure sustained use, occupational health, safety, and financial viability. An integrated maintenance approach must be followed, incorporating breakdown maintenance, preventative maintenance, condition-based maintenance, and macro-maintenance processes, into a single maintenance plan, ensuring that facilities and services infrastructure are maintained to an optimum level, preventing asset deterioration.

### Breakdown Maintenance

Reactive breakdown maintenance must be carried out on an "as and when required" basis, ensuring that occurring defects are rectified as a matter of urgency to prevent possible interruption in the use of a facility, to prevent resultant further damage to infrastructure, as well as to address health, safety or security risks caused by a defect. Services must be provided on a 24-hour basis to attend to after-hours emergencies.

### Deferred Maintenance Projects

Where necessary, special deferred maintenance projects must be initiated to address the backlog in maintenance work, as well as to rectify maintenance work that has not been carried out according to required standards. Independent control measures must be maintained to monitor and report on the levels of deferred maintenance on all infrastructure owned by the municipality.

### Maintenance Budgets

Operational maintenance budgets must be prepared as part of the annual budget cycle, including forecasts for breakdown maintenance and estimates for preventative maintenance. Macro-maintenance budgets, linked to macro-maintenance programmes, as well as cost estimates relating to deferred maintenance work, must be included in the Infrastructure Plan.

**Legislative Safety of Machinery and Electrical Installations**
To ensure that the provisions of applicable safety acts and supporting regulations issued in terms of such acts are complied with, a competent person must be designated in a full-time capacity as the "Responsible Person" for the safety of machinery and electrical installations within the municipal jurisdiction. The technical director must comply with statutory requirements and such person must be registered with the Department of Labour.

**Delegation of responsibilities**
Responsibilities may only be delegated to qualified persons, who are actively involved in the tasks being performed, have the appropriate knowledge (including but not limited to relevant regulations and policies), technical skills and authority to carry out responsibilities.

**Responsibility for Implementation, Management and Monitoring**
The necessary organizational structures in place will allow for the delegation of responsibilities for the effective implementation, management, compliance, and monitoring infrastructure projects.

## FUTURE DEMAND MAINTENANCE

**DEMAND FORECAST**
The municipality takes into consideration factors that impact on the need for maintenance and or the development of infrastructure that will still require maintenance in the long run. These are as follows.

1. Growth or decline in population.
2. Demographics per ward.
3. Weather characteristics and effects of erosion (heavy rainfall, long-periods of heat, etc.).
4. Geological structure of the soil the infrastructure is built on.
5. The traffic volumes and how often the roads are used by vehicles.
6. The physical structures of mast lights; and
7. Whether the buildings or infrastructures are prone to high rates of vandalism, etc.

**DEMAND MANAGEMENT**
The demand for new services is impacted on by a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand.

**LIFECYCLE MANAGEMENT PLAN**

The municipality has a lifecycle management system that is managed through its asset management process and applicable depreciation method. The initial cost of capital is significant and the recurring expenditure including depreciation. The way the acquisition of the asset or the development of the infrastructure, has a great barring on its future operation, maintenance and even disposal.

**Asset Capacity & Performance**
The safety and compliance with technical standards of a building and other infrastructure impact on its capacity and performance.

**Asset Condition**
Asset evaluations are undertaken in line with the MFMA, a rating system will be used by the municipality to briefly categorize the asset based on condition; the following table is applicable; Condition is measure using a rating system of (1 – 5).

**Table 91: Infrastructure & Operating Assets Rating System/Condition & Action Required**

| Rating | Condition | Action Required |
|---|---|---|
| 1 | Excellent | Only planned maintenance required |
| 2 | Very Good | Minor maintenance required plus planned maintenance |
| 3 | Good | Significant maintenance required |
| 4 | Average | Significant renewal / upgrade required |
| 5 | Poor | Unserviceable |

**Asset & Infrastructure Valuations** The following matters are considered.

⇨ Initial Cost of Asset.

⇨ Current Replacement Costs.

⇨ Depreciated Replacement Cost. ⇨

Annual Depreciation Expense. ⇨

Asset Consumption.

⇨ Asset Renewal; and

⇨ Annual Upgrade/Expansion.

**Risk Management Plan**

The municipality will undertake a regular assessment of risk associated with buildings and other infrastructure. The risk management plan identifies the credible risks, the likelihood of a risk event occurring, how the risks identified will be minimized and how to prevent other risks. The table below is an extract of the risk assessment.

**Table 92: Operations & Maintenance Risk & Treatment Plans**

| ASSESS RISK | WHAT CAN HAPPEN | RISK RATING | RISK TREATMENT PLAN |
|---|---|---|---|
| **All municipal buildings** | Destruction by fire | Medium | Check adequacy of insurance, install fire alarms and develop continuity plan (where appropriate) |
| **Aged buildings** | Structural damage | High | Inspect, monitor and report |
| **Aged buildings** | Obsolescence | Medium | Planned maintenance program |
| **Bus & Taxi Rank** | Structural damage | Medium | Planned maintenance program |
| **Aged, tarred roads** | Structural damage | High | Inspect, report, and maintain |
| **Aged gravel roads** | Structural damage | High | Inspect, report, and maintain |
| **Aged Mast Lights** | Structural damage and no longer functional | High | Inspect, report, and maintain. |

## SERVICE DELIVERY & INFRASTRUTURE: SWOT ANALYSIS

**Table 93: SWOT ANALYSIS: KPA – BASIC SERVICE DELIVERY & INFRASTRUCTURE INVESTMENT**

**STRENGTHS**

- Good stakeholder relations: Community, Government agencies and farms
- Functional, Modular Building: Infrastructure like Hall and Library building are designed with a flexible and functional
- Increase in number of households.
- Increased number of informal dwellings
- 80.7% of the population within the municipal area use electricity for lighting.
- Improved inter-governmental relations with Sector Departments for Infrastructure development; and
- Improved basic service delivery.

**WEAKNESSES**

- Lack of understanding of communication
- Disconnected department

**OPPORTUNITIES**

- Funding for infrastructure project
- Technological advancements in water treatment
- Public-private partnership for infrastructure
- Increased opportunities for Community Development Workers in Wards 1, 3, 8, 9, 11 and 13.
- Opportunities for township developments.

**THREATS**

- Climate change
- Population growth
- Economic downturns
- Changing demographics

**SERVICE DELIVERY AND INFRASTRUCTURE CHALLENGES AND RECOMMENDATIONS**

| CHALLENGES | RECOMMENDATIONS |
|---|---|
| Shortage of yellow plant | Municipality must put more budget on buying plant |
| Shortage of General labour | More stuff must be employed |
| Sufficient Budget | Increase budget on service delivery |

| | |
|---|---|
| • Deteriorating roads, poorly maintained constructed buildings, water and sanitation systems and electricity grids. Lack of capital expenditure for maintenance<br>leads to frequent breakdowns and increased costs for urgent repairs. | • Increase capital expenditure on infrastructure by allocating sufficient funds for the development of new and upgrading existing infrastructure<br><br>• Prioritize maintenance by implementing regular and proactive maintenance programs to prevent breakdowns and extend the lifespan of infrastructure |
| • Water shortages, many areas experienced water shortages due to inadequate water infrastructure provided by Amajuba District | • Supplying water to communities with water tanker. Installation of Boreholes on newly constructed facilities<br>• Public participation by involving communities in decision-making processes through public consultations, surveys, and ward committees to services meet their needs. Establish effective platforms for residents to report issues and track progress on service request |
| • Electricity backlogs | • Dannhauser Municipality has embarked funding electrification projects |

## KPA 3: LOCAL ECONOMIC DEVELOPMENT

## LOCAL ECONOMIC AND SOCIAL DEVELOPMENT ANALYSIS

Local Economic Development (LED) is perceived as a continuous process that enables the utilization of localized resources by various investors, key stakeholders, and the community to create sustainable formal and informal trading businesses that enable wealth generation together with the creation of jobs. It is further viewed as a mechanism that reduces poverty within an area while reducing or removing economic & social imperatives that hinder both economic and social development and growth. LED further enhances the Gross Domestic Product contribution to the District, Province, and National Economies.

The council of Dannhauser, together with its Executive Management, conducted its strategic session which, amongst other key service delivery aspects, undertook to assess the performance of its Local Economic Development KPA with the intention of developing a strategic direction upon which clear objectives and key deliverables would be formulated to improve its performance in this aspect. The strategic session was undertaken in the 2019/20 financial year, and implementation of the agreed outcomes of the session commenced.
In 2019/20 the session resolved that LED would be one of the main key drivers of the council's service delivery mandate. Based on this resolution, the main objectives of LED were identified as follows:

1. The council has resolved to make LED a priority for this term.
2. Increased capacity within the LED department.
3. Council to allocate more resources to fulfill the desired objectives of LED.
4. To enhance investment attraction and retention of businesses.
5. To focus and support on agricultural programmes.
6. To persuade a viable Industrial Area with necessary resources.
7. To promote the Informal Economy.
8. To promote partnership with the private sector in ensuring job creation; and

9. To ensure that Municipal Safety is prioritized.

During 2020/21 financial year, the municipality reviewed its Local Economic Development Strategy in compliance and response to the MEC's comment and in full recognition of the current turbulent economic environment. The strategy undertook a holistic and more practical approach in setting the new tone and new developmental economic agenda for the town and its rural surroundings. It further integrated some of the initiatives and strategic thrusts from the district plans that are relevant to Dannhauser to ensure vertical and horizontal alignment. The review report was submitted to the Land and Resource Portfolio Committee as part of the stakeholder consultation process. Further stakeholder consultation has commenced through the advertisement of the draft review report for public inputs and comments in the local newspaper as well as the municipal website.

**The unit's functionality and capacity**

- Director planning and local development
- LED facilitator
- Acting LED officer
- Acting tourism officer

**Any sector or specific forums**

The municipality is in the process of developing LED forum purposed at maintaining effective communication between municipality and all economic sectors. To connect local businesses with stakeholders to ensure increased support. Furthermore, identify gaps for recommendations and ensure partnership opportunities.

The municipality established sub committees for each sector that will form part of LED forum. Currently there is tourism, agriculture and informal committee that separately sit for meetings quarterly. Each committee have chairperson, deputy chairperson and secretary who will represent the committee in the Led forum. To ensure the effective development of LED forum, terms of reference for development of LED forum have been drafted and presented to portfolio committee for consideration. An item is due for presentation and adoption by council.

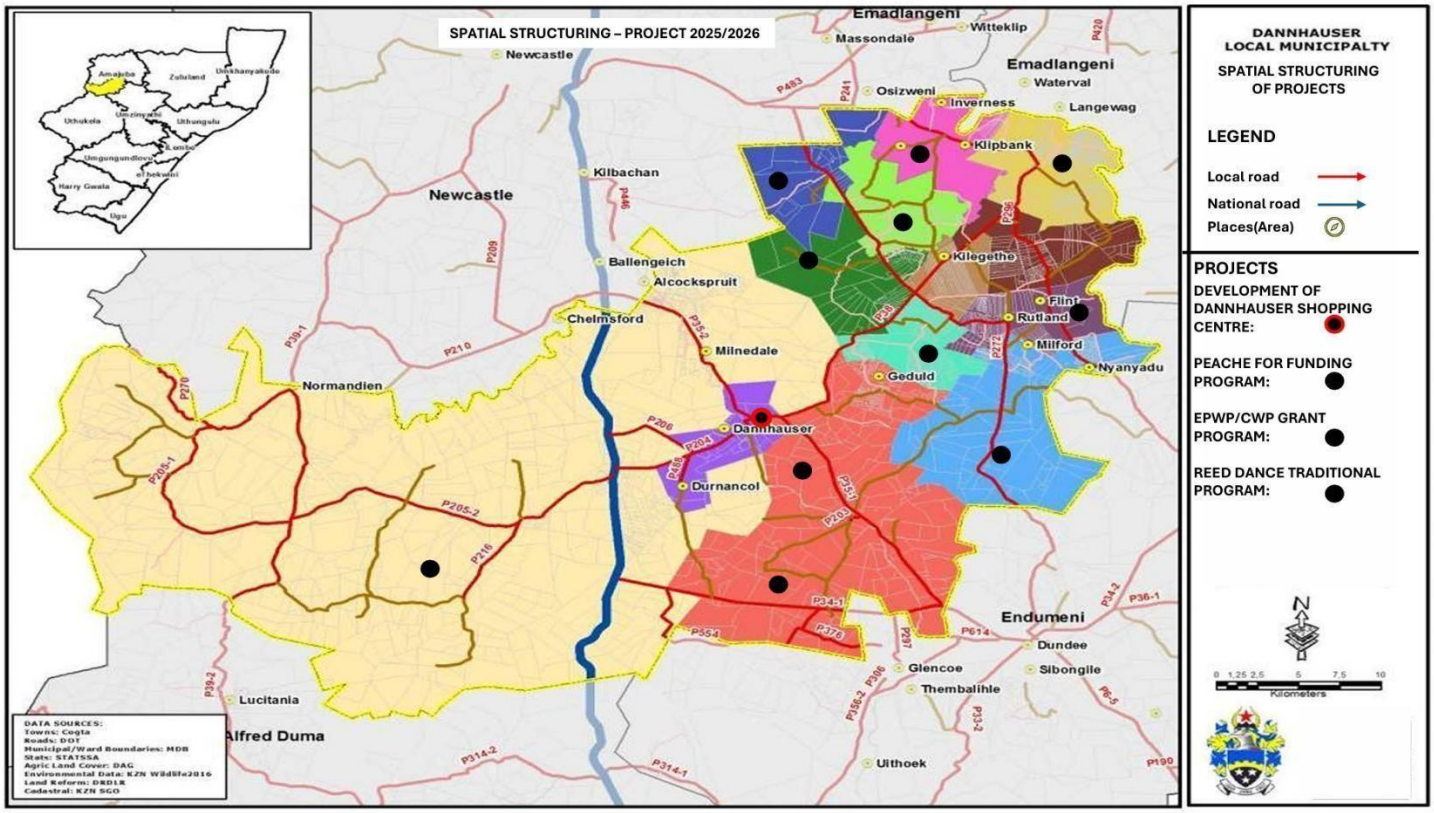
**4 Whether or not we participate in the district forums**

The unit is participating in joint LED and Tourism forums coordinated by the district and supported by EDTEA and COGTA

## SUMMARY OF IMPLEMENTATION PLAN FOR 2025/2026 PROJECT

| PROJECT NAME | IMPLEMEMNTING AGENT | ALLOCATED BUDGET | FUNDING SOURCE |
|---|---|---|---|
| Construction of Dannhauser shopping centre | Private sector | R 100 000 000 | Private Public Partnership (PPP) |
| Funding for small business | Dannhauser Municipality (Operations) | R 3 000 000 | Internal budget |
| CWP & EPWP | Public works | R 1.569 000 | Department of Public Works |
| Incubation centre | Private sector | R 2 000 000 | Private Public Partnership (PPP) |

**MAP: SHOWING THE SPATIAL STRUCTURING OF PROJECTS**

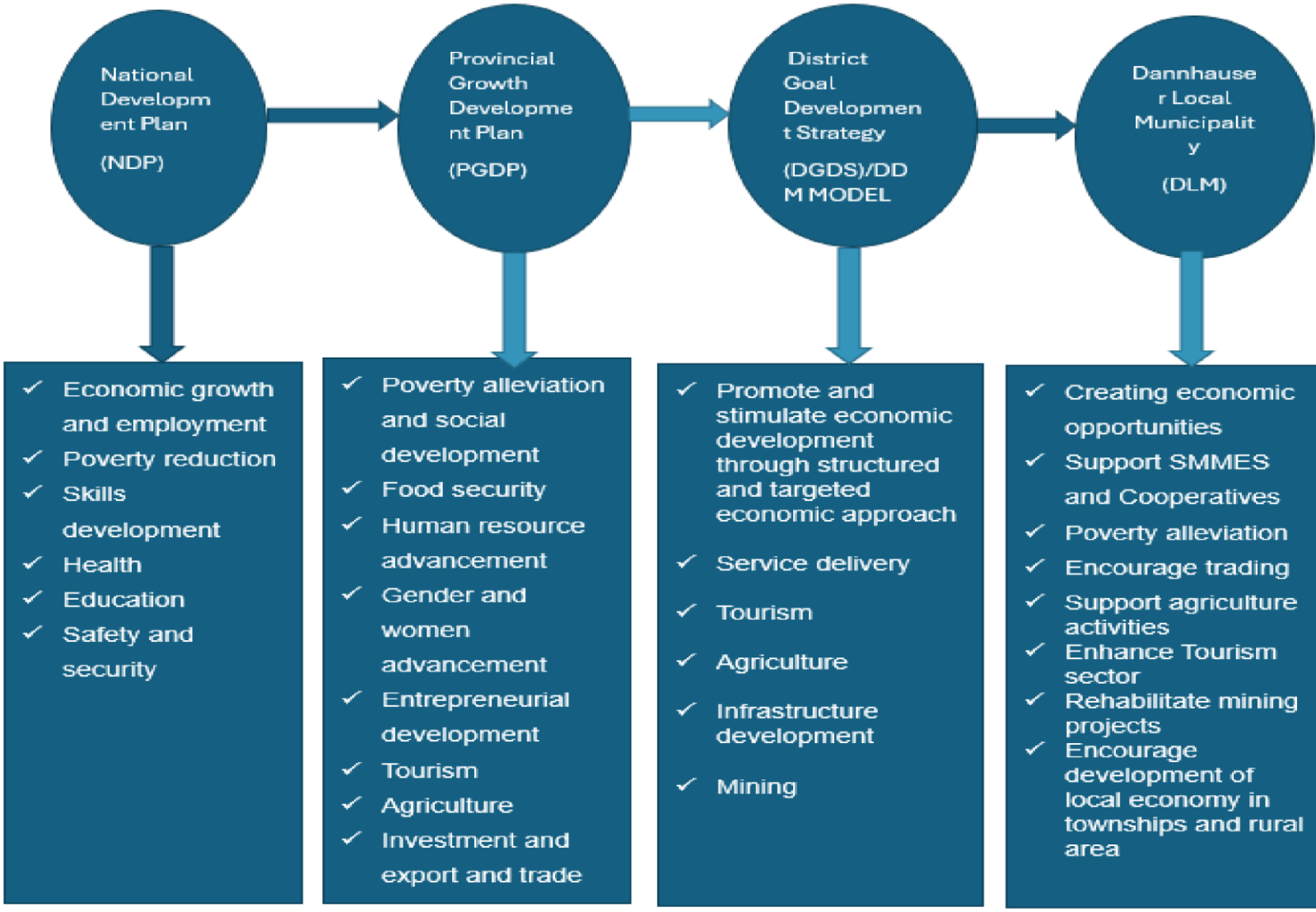



## 1. OTHER RECOMMMENDED PROJECTS/PROGRAMS TO BE IMPLEMENTED

| Recommendation | Implementing agent | 1st year budget cycle | 3-year budget cycle | 5-year budget cycle | 10-year budget cycle | Estimated Budget |
|---|---|---|---|---|---|---|
| Workshop on Tyer Product | Dannhauser Municipality. | | ✓ | | | R 100 000.00 |
| Woodworking workshop | Dannhauser Municipality. | | ✓ | | | R 100 000.00 |
| Prioritization of local job seekers for employment | Dannhauser Municipality. | ✓ | | | | R 50 000.00 |
| Promotion of Corporate Social Responsibility initiatives in mining sector | Dannhauser LM and Department of Mineral Resources and Energy | ✓ | | | | R 100 000.00 |
| Entrepreneurial and Business Skills Development | LED forum, TIKZN and SEDA. | | ✓ | | | R 50 000.00 |
| Intervention 8: Clothing and textile | Dannhauser local Municipality and EDTEA | | ✓ | | | TBD |
| Intervention 11: Sustain business retention and expansion programme | TIKZN and Dannhauser LM | ✓ | | | | R 100 000.00 |
| Proposal 1: Organic Food Production | KZN Department of Agriculture and Dannhauser Local Municipality | | ✓ | | | R 40 680.00 [Per HA] |
| Proposal 2: Macadamia Nuts | KZN Department of Agriculture, Dannhauser Local Municipality and Amajuba District Municipality | | ✓ | | | R 100 000.00[Per HA] |
| Proposal 3: Cannabis Production | KZN EDTEA, Dannhauser Local Municipality | | ✓ | | | TBC |

| Recommendation | Implementing agent | 1st year budget cycle | 3-year budget cycle | 5-year budget cycle | 10-year budget cycle | Estimated Budget |
|---|---|---|---|---|---|---|
| Development of Dannhauser mall | Dannhauser municipality | ✓ | | | | 80 000 000 |
| Establishment of early childhood development centre | Ikwezi Mining | | | ✓ | | R 50 000.000 |
| SLP Project: Establishment of The LED Committee and Supporting Structure | Dannhauser Municipality and existing Business Forums. | ✓ | | | | R 100 000.000 |
| Municipality to improve communications and services to customers | Dannhauser Municipality | ✓ | | | | R 100 000.00 |
| Proposal 16: Develop a comprehensive tourism strategy | Tourism work group | ✓ | | | | R 300 000.00 |
| Develop local marketing investment strategy | Dannhauser Municipality | ✓ | | | | R 500 000.00 |
| Red Tape Reduction | Dannhauser Local Municipality and LED forum | ✓ | | | | R 100 000.00 |
| Public Sector Procurement | Dannhauser Municipality, LED Forum and COGTA | ✓ | | | | R 10 000.00 |
| Development of Investment and Retention Policy | LED Forum | ✓ | | | | R 200 000.00 |
| Economic Infrastructure Upgrade | DOT, Amajuba District Municipality, Dannhauser Municipality. | | | | ✓ | R 150 000 000.00 |
| Career guidance and promotion of fourth industrial revolution | LED forum | ✓ | | | | R 10 000.00 |

| Recommendation | Implementing agent | 1st year budget cycle | 3-year budget cycle | 5-year budget cycle | 10-year budget cycle | Estimated Budget |
|---|---|---|---|---|---|---|
| Proposal 18: Chelmsford Dam Tourism Ancillary Products | EDTEA, Amajuba District Municipality, Dannhauser Local Municipality and SEDA | | | ✓ | | R1 000 000.00 |
| Proposal 19: Events Based Tourism Products | Dannhauser Municipality | | | ✓ | | R3 000 000.00 |
| Proposal 22: Leisure Centre | Dannhauser Municipality | | | ✓ | | R 3 000 000.00 |
| Proposal 23: Outdoor sports and event-based tourism | EDTEA and Dannhauser Municipality | | | ✓ | | TBD |
| SMME and Second Economy Support | Dannhauser Municipality and Amajuba District Municipality and LED Forum | | | ✓ | | R 50 000.00 |
| Proposal 13: Charcoal production | Dannhauser Municipality and EDTEA | | | ✓ | | R 400 000.00 |
| Dannhauser Town New Mall | Amajuba District and Dannhauser Municipality | | | ✓ | | R 100 000 000.00 |
| Dannhauser industrial park | Department of Trade and Industry, Amajuba District and Dannhauser Municipality | | | ✓ | | R 100 000 000.00 |
| Development of Hattingspruit Dams for Tourism Attraction | Amajuba District Municipality, Dannhauser and Department of Water and Sanitation | | | ✓ | | R 300 000.00 |
| Establishment of a Tannery Incubator | Dannhauser, EDTEA and Department of Trade and Industry (DTI) | | | ✓ | | TBD |




## 5 Allignment of LED PGDS and DGDP PROVINCIAL POLICY FRAMEWORK (KZN)

### Provincial Growth Development Strategy

Provincial Growth Development Strategy (PGDS) aim at closing the gap created during apartheid by promoting sustainable development, ensure poverty eradication, equality and employment creation. (PGDS) is aligned with national and global policy frameworks including New Growth Path, National Development Plan and Millennium Development Goal etc. It facilitates proper coordination between different spheres of governance and

aim at preventing provincial departments from acting out of concert with local municipalities. Provincial Growth and Development Strategy (PGDS) provides Dannhauser LM a translation of the National Development Vision 2030 at provincial level. Furthermore, it extends a spatial articulation of the vision within the Kwa-Zulu Natal Province, identifying some areas of the municipality as key priority areas for intervention.

The PGDS outlines the key Provincial Priorities, which respond from the key developmental challenges related to economic and social needs of the province. The provincial priorities are identified as follows:

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

PGDP identifies seven strategic goals with direct bearing to on economic development:

Goal 1: Job creation
Goal 2: Human resource development

Goal 3: Human and community development Goal 4: Strategic infrastructure

Goal 5: Environmental sustainability

Goal 6: Governance and policy

Goal 7: Spatial Equity

The following diagram gives a detailed information on (PGDS)

**Radical Agrarian Socio Economic Transformation**

Radical Agrarian Socio-Economic Transformation (RASET) is a government programme which aims to increase economic opportunities for previously disadvantaged individuals through value chains and market access, primarily market driven by government demand. Its primary aim is to consolidate programs in various departments to achieve high developmental impact, promote collaboration at various levels, promote access to markets, increase the efficient use of government resources and increase the participation of rural communities and historically disadvantaged farmers to gain access and participate fully in food value chains. RASET promote inclusive growth, poverty alleviation, equality, cooperation between public and private institutions, maximise of economic

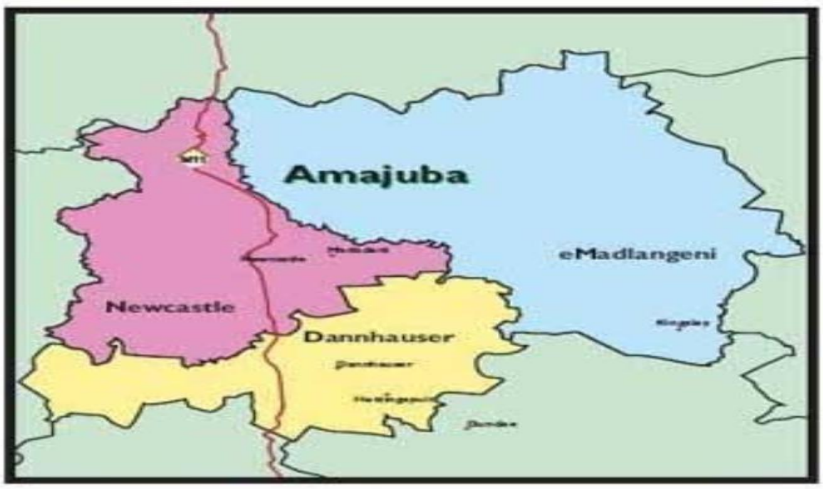
**KZN Small Enterprise Development Strategy**

The main purpose of Small Enterprise Development Strategy is to formulate a provincial activities for PDI and job creation.

framework that will assist in coordinating, orientating and guiding all small business development programmes and relate activities in a province of Kwazulu-Natal. Through this strategy, all stakeholders will be able to align their programmes and actions and therefore support and add value to the development of emerging small enterprises.

Key objectives of the strategy is the implementation of a comprehensive and integrated programme for the development and growth of small enterprises in the province. This will be attained by:

- Developing entrepreneurship skills
- Facilitating easy access to local and international market
- Facilitating access to finance
- Providing relevant and effective training to small enterprises operators
- Facilitate a mentoring and incubation programme for all small enterprises in KZN **DISTRICT POLICY FRAMEWORK**



## Amajuba District Integrated Development Plan (IDP)

Integrated Development Planning is a process through which a Municipality, its constituencies, various service providers, interested and affected parties come together to identify development needs, outline clear objectives and strategies which serve to guide the allocation and management of resources within the Municipal's jurisdictional area. The vision of Amajuba District Municipality is "By 2030 Amajuba District Municipality will be a leading and pioneering District characterized by sustainable development and quality services". The plan is prepared in fulfilment of the Municipality's legal obligation in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 (MSA Act 32 of 2000). From this planning process emanates the Municipal Integrated Development

Plan (IDP), with the main objective being improved coordination and integration of planning, budgeting and development within a Municipal area. As a five (5) Year budgeting, decision-making, strategic planning and development tool, the IDP is used by the Municipality to fulfil its role of 'developmental local governance.' Central to this are the overarching objectives and strategies encapsulated in the plan, which guides the Municipality in the realm of the following:

1 Municipal Budgeting

2 Institutional restricting in order to realize the strategic intent of the plan;

3 Integrating various development sectors such as Infrastructure, Land Use, Agriculture with Socio-economic and Ecological dimensions

4 Performance Management System.

2.3.2 Amajuba Spatial Development Framework

The Spatial Development Framework is a process through which a municipality prepares a strategic spatial development plan for a medium to long term period to facilitate effective implementation of the IDP. The district's SDF purposes is to spatially guide the form and location of future developments within the district to help manage and efficiently use the districts scarce land resources, speed up service delivery and attract funding amongst other things. The district SDF thus provides a tool to guide spatial planning and development that promotes coordination and alignment amongst the local municipalities of the district.

### 5.2.3 Amajuba District Growth Development Plan

The District Growth and Development Plan is a relatively new approach to address economic development at a local level. The plan takes its lead from the Provincial Planning Commission in stating that employment equity and other measures of redress should continue and be made more effective by focusing on the environments in which capabilities are developed. The objectives of the Amajuba DGDP are:

To establish and outline long term vision and direction for development in the district (vision 2030);

- To provide an overarching and coordinating framework for planning and development initiatives within each of the local municipalities and across municipal boundaries.
- To provide a spatial context and justification for priority interventions.
- To guide resource allocation of various spheres of government, service delivery agencies and private sector working within the district.
- To develop institutional arrangement for an effective implementation of the Amajuba DGDP and the PGDS

## Pillars of National Framework on LED National Framework for Local Economic Development (2018)

National Framework for Local Economic Development (NLED) purpose is to address local issues related to local economic growth. This framework emphasize the significance of LED as a strategy for the eradication of poverty, decline of inequality, creation of employment opportunities, expanding future infrastructure, building an inclusive and integrated economy, improve education, innovation and training. Current statistics show that South Africa is sitting at 35.6% of unemployment rate and 61.60 % of poverty meaning 13.8 million people are living below poverty line of R663 a month. In this regard, NLED framework is crucial in Dannhauser to ensure development economic growth.

### Strategic objectives of National Framework for Local Economic Development

Firstly, the NLED aim to launch a radical fight against poverty, inequality, unemployment and enhancing quality of life for all through the development of innovative and inclusive and competitive local economy. Secondly, it supports the potential of local economies to grow and develop the national economy. It also raise greater awareness of significance of regions, metropolitan municipalities and localities to generate national prosperity. Furthermore, it strengthen intergovernmental coordination for planning of inclusive economic development between government and nongovernmental sectors.

### Pillars of the National Framework on LED

The framework have six Core Policy Pillars that influence design, development and implementation of LED:

- Building diverse and innovation-driven local economies
- Developing inclusive economy
- Developing learning and skillful economies
- Enterprise development and support
- Economic governance and infrastructure
- Strengthening local systems innovation

To ensure success implementation of Core Policy Pillars, five enabling pillars were identified. It is added that without these pillars, goals and objectives of NFLED cannot be attained:

- Research, planning and strategy
- Funding and finance
- Human resources and capacity development
- Monitoring, evaluation and knowledge management
- Organizational and institutional arrangement

## INFORMAL ECONOMY POLICY/ INFORMAL TRADING POLICY

The municipality has draft informal economic polity is the process of adopting the policy.

The informal Economy Policy covers the informal trading activities occurring within the DANNHAUSER Municipality. **The reasons of having an Informal Trading Policy can be summarised as follows:**

- Increase the efficiency of informal businesses and improve the compensation of informal trading while extending social and legal protections from the state to this type of trading.
- Clarifies the Council's policy to all relevant stakeholders about the roles of local government and other groups should be.
- Forms the basis for the policy that will regulate Informal Trading in the municipality.
- It provides the basis for making decisions about allocating resources for management and support.

- Establishment of the basis for a monitoring and evaluation process, with clearly defined key objective.

## EPWP POLICY

- As stated in our engagements EPWP by defaults fails under the LED unit as its formation has to do with the economy, do we have the policy as yet how is it implemented? Details regarding EPWP are required and thus should form part of the IDP under the LED unit.

**Purpose**

- Expanded Public Works Programme (EPWP) is one of government's mediumtolong term programme, aimed at reducing unemployment thus alleviating poverty. EPWP programme aims achieve to these through provision of employment opportunities coupled with project-based training. It is a national programme covering all spheres of government and state-owned enterprises (SOE's). The programme spans across four sectors comprising Infrastructure, Social, NonState and Environment and Culture

- We do not have a Policy yet; it is still a draft Policy which must be adopted by the council

- Dannhauser local municipality in collaboration with National Department of Public Works and Infrastructure have a set target of 587 work opportunities and 268 full time equivalent while CWP working with COGTA have their set target of 750 this is the national program implemented as social relief as it has to do with poverty alleviation through stipend not salaries
- Dannhauser Local municipality has tapped into two National Programs which benefit over 1200 participants across Dannhauser Local Municipality. This permits members of the community to become contracted to the municipality and undertake general manual labour in areas that are required. The individuals from the community recruited through these two programs aid in infrastructure development, town beautification, safeguarding of municipal properties, maintenance of public infrastructure such as taxi ranks, tarred & rural access roads, storm water systems and public spaces (cutting grass; maintenance of cemeteries, maintenance of community halls, sports fields, parks) owned by the municipality. This enhances work opportunities while alleviating poverty with the aim of skills development within Dannhauser LM jurisdiction as they aid to develop

and maintain infrastructure that has both a direct and an indirect impact on investors.

- Dannhauser Local Municipality EPWP recruitment structure

| DANNHAUSER LM EPWP | | |
|---|---|---|
| YOUTH | WOMEN | NON-YOUTH |
| 110 | 270 | |

CWP Recruitment structure

| CWP | | |
|---|---|---|
| YOUTH | WOMEN | NON-YOUTH |
| 131 | 870 | 921 |

## BUSINESS RETENTION STRATEGY

The municipality does not have a business retention strategy.

## SECTOR ANALYSIS

Any agricultural sector incorporates established with the Dannhauser jurisdiction? Dannhauser is one of the rural areas that is more of subsistence farming and there are large tracts of land that are currently unused because most of the fertile land being owned by private individuals and trusts. Households involve in subsistent farming are producing a range of crops for home consumption such as maize, cabbage and spinach etc. Livestock production such as chicken, cattle an goats form integral part of community activities for food security and source of income. Agriculture is one of the sectors that create more jobs and the potential to stimulate economic growth through Agri-hubs, crop rotation and Agri-processing within the Municipality

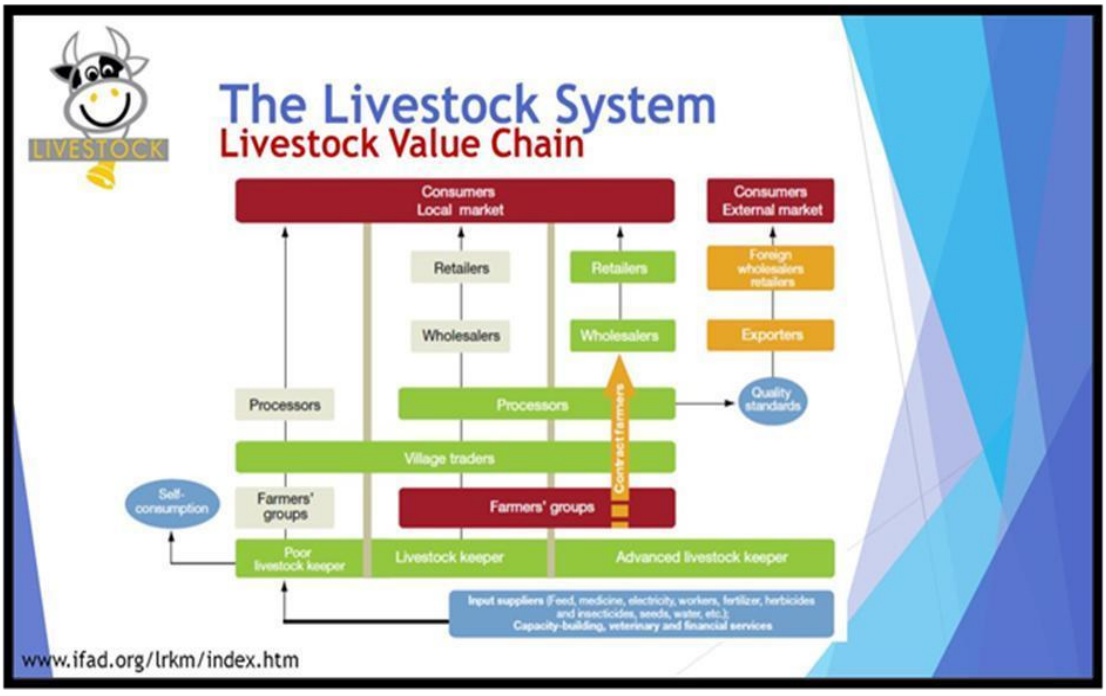
The main agricultural activities in Dannhauser municipal area include

- crop farming,
- dairy production,
- poultry and livestock.

1 Show in tabular and pictures of households involved in agricultural activities

2 Show in tabular and pictures of households involved in livestock farming

3 Show in tabular and pictures of agriculture value chain opportunities




The four opportunities that exist within livestock value chain include animal feed production, livestock production, slaughtering and processing and the production of hides. This process is interrelated with the abattoir requiring a sustainable supply of livestock that could be provided by the feedlots whilst the meat processing would require the slaughter of livestock with the by-products of slaughtering livestock as hides which can be used to produce leather. The encouragement of both vertical and horizontal integration of the meat value chain is required as integration in the country is primarily driven by the feedlot industry where most of the large feedlots own their own abattoirs or at least have some business interest in certain abattoirs.

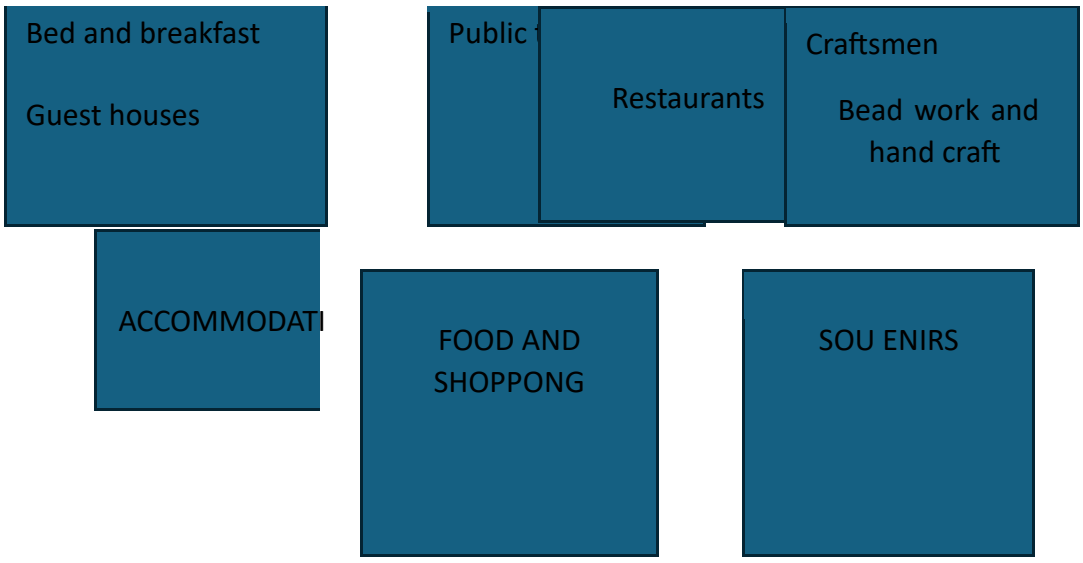
Additionally, some feedlots have been found to have integrated further down the value chain and sell directly to consumers through their own retail outlets whilst some abattoirs have also began integrating vertically towards the wholesale level (DAFF, 2017). Thus, understanding the dynamic forces within the industry will allow stakeholders to be able to position themselves to increase their performance at each segment of the industry to the benefit of the entire industry by the tanneries. It is broadly acknowledged that livestock farms managed by small-scale and emerging farmers in the country are significantly under-utilised in terms of income generation and poverty reduction.

The development of livestock value chain particularly in cattle is ideal for Dannhauser Municipality because the municipal SDF identifies Dannhauser as a nodal agro-industrial producer with a malt processing factory, an abattoir, grain silos and mill and has potential to increase participation of tribal communities within the industry.

**Explain Tourism and align it with the Municipality and show in tabular and pictures tourism value chain.**

Tourism refers to the act and process of spending time away from home in pursuit of recreation, relaxation, and pleasure, while making use of the commercial provision of services. Tourism is identified as a potential economic sector with positive impact to poverty reduction and equality. Among others, tourism sector strengthens local economy and ensure creation of jobs. Furthermore, it contributes to local infrastructure development and helps to conserve the natural environment, cultural assets and traditions.

Tourism Value Chain


Bed and breakfast
Guest houses
Public
Restaurants
Craftsmen
Bead work and hand craft
ACCOMMODATI
FOOD AND SHOPPONG
SOU ENIRS

products

4 Show in tabular and pictures of SMME and informal sector 5

6 In a tabular summarize the comparative and competitive advantages of Dannhauser Local Municipality

| SECTOR | STRENGTH | WEAKNESS | COMPARATIVE ADVANTAGE TO BOOST THE MUNICIPAL ECONOMY |
|---|---|---|---|
| **1. Mining** | • Economic contribution<br>• Creation of job opportunities<br>• Poverty reduction | • Environmental degradation<br>• Aging infrastructure<br>• Community displacement | |

| | | | |
|---|---|---|---|
| | | | |
| **2.Agriculture** | | | |

| | | | |
|---|---|---|---|
| **3.Tourism** | • Chelmsford nature reserve as a tourism<br>• attraction Cultural heritage<br>• Historical significance<br>• Tom Washington dam | • Poor private investment<br>• Limited municipal budget to fund tourism activities and events<br>• No CTO<br>• Dannhauser is not well marketed<br>• Poor signage | • Offers lower costs for hospitality services compared to other<br>• towns less costly<br>• accommodations Potential to<br>• develop local crafts |

| | | | |
|---|---|---|---|
| | | • Poor infrastructure | |

| | | | |
|---|---|---|---|
| **4. SMME and Informal economy** | • Job creation<br>• Poverty alleviation<br>• Skills development through municipal capacity building workshops<br>• Access to funding and grant opportunities | • Lack of opportunities for bulk purchase of inputs and lack of working capital<br>• Limited access to technology<br>• Lack of access to finance and banking.<br>• Lack of organized management and support of SMMEs and Informal Traders | • Informal economy provides alternative means of income to<br>• unemployed individuals.<br>Informal traders and SMMES get first hand consideration and the the opportunity to |

| | | | |
|---|---|---|---|
| | | | access funds the and grant from government agencies |

| | | | |
|---|---|---|---|
| | | | municipality when its available. |

7 Does the unit have any strategic programmes responses? If they do kindly elaborate in a tabular form

## ROLE OF MUNICIPALITY IN POLICY / REGULATORY ENVIRONMENT

The municipality is empowered by the Constitution of South Africa, 108 of 1998, and Municipal Systems Act, 32 of 2000 and other related local government legislations to promote the development of the local economy of its jurisdiction. The municipality will thus play the following roles to ensure economic development:

- Development of policies.
- Ensure the abidance of investors with industry policies.
- Creation of a database that lists all participants within the local economy.
- Advance areas in training and development.
- Link local business to sector industry departments.  Investor & business retention.
- Drawing in of investors; and
- Create an investment profile.

The municipality is further undertaking the following roles to enhance economic development:

- The upgrading of road infrastructure.
- Storm water management.
- Street lighting.
- Parking facilities and public transport facilities.
- Ensuring that there is adequate and appropriately zoned and Serviced land available for investment.
- Developing appropriate and sustainable incentive packages to Attract business interest in the PSEDS economic sectors.
- Developing a real estate, or land development framework for alignment to the SDF and LUMS.
- Town beautification and greening.
- Maintaining a clean town – waste management and recycling initiatives.
- Provision of social and economic infrastructure.
- Improving the physical environment in towns.
- Supporting the informal sector.
- Upgrading and improving the quality of open space.
- Enhancing place competitiveness.
- Improvement in quality of transport infrastructure and
- Creation of a safe environment.

**Table 116: Summary of The Strategic Thrusts and Programmes**

| STRATEGIC THRUST | | PROGRAMME | |
|---|---|---|---|
| 1 | Achieving Institutional coherence | 1.1 | Resuscitation of DLM LED Forum |
| | | 1.2 | Establish fully fledged LED Unit |
| | | 1.3 | Establishment of key sector Committees |
| 2 | Agricultural Development and Diversification | 2.1 | Agricultural Support and Skills Development |
| | | 2.2 | Commodity Development |
| | | 2.3 | Land Reform |

| | | | |
|---|---|---|---|
| | | 2.4 | Institutional Structuring |
| 3 | Expansion of Infrastructural Capacity | 3.1 | Corridor and Nodal Development |
| | | 3.2 | Water Resource Development |
| | | 3.3 | Infrastructure for trade and industry |
| | | 3.4 | Human Settlements |
| 4 | Rejuvenation of Mining Activity | 4.1 | Rehabilitation of abandoned mines |
| | | 4.2 | New mining opportunities |
| | | 4.3 | Facilitate Social Labour Plans |
| 5 | Enhanced strategic support for SMME and Cooperative Development | 5.1 | Coordinated Support and Assistance |
| | | 5.2 | Skills and capacity development and training |

## REDTAPE REDUCTION

- Issuing business licenses and trading permits through automated system
- Conducting educational business trainings and workshop programmes for business complience
- Assist business owners with external funding applications
- Outsourcing funding from external stakeholders for business support through proposals.

## Sectors That Will Create Jobs

The following is a summary of sectors that are deemed to have job creation opportunities, directly and indirectly based on the municipality's economic sectors:

- Mining
- Agriculture
- Industrialization
- Manufacturing; and

- Tourism
- EPWP

The development of the abovementioned economic sectors will contribute to approximately a minimum of 3 500 jobs from 2021 to 2022 from an estimated 45 000 individuals unemployed currently.

## Green Economy Jobs

The Integrated Environmental and Waste Management Plan which will be developed will give a clear indication to the areas that will enable job creation in Dannhauser's green economy.

## LOCAL ECONOMIC DEVELOPMENT SWOT ANALYSIS

| STRENGTHS | WEAKNESSES |
|---|---|
| • Wastewater treatment works.<br>• Strategic Location in terms of road network, railway line, proximity to N11, Durban & Johannesburg;<br>• Refuse collection is well undertaken with the urban areas<br>• Improved inter-governmental relations with Sector Departments for Infrastructure development<br>• Improved basic service delivery;<br>• Refuse collection is well undertaken within the urban areas; | • Large portions of land owned by private individuals and trusts<br>• Steep terrain<br>• Obstacles that limit agricultural activities<br>• Poor road infrastructure<br>• Lack of funding to empower subsistence farmers<br>• Lack of bulk infrastructure; supporting housing development<br>• Many females headed households |

| | |
|---|---|
| • Adequately provided with primary schools;<br>• High primary school enrolment;<br>• high potential agricultural land<br>• Ntshingwayo Dam<br>• Increase in number of households; 80.7% of the population within the municipal area use electricity for lighting | • Some of the local access roads require improvement<br>• Public transport infrastructure requires attention<br>• |
| • Existing coal deposits<br>• Fertile tracts of land for agricultural development<br>• Natural resources and wildlife<br>• Vast state land that could be used for agricultural and industrial<br>• activities Industrial Park<br>• Agri-hub<br>• Promotion of SMME's within this<br>• sector through linkages with large players<br>Diversification from reliance on<br>• agriculture<br>Informal trade support<br>• | **THREATS**<br>• Low level of skills within the labour force and lack of labour-force retention;<br>• Migration of labour force to larger industrial centres;<br>• Declining agricultural production<br>• Failure to attract sufficient new investment into the region and therefore reliance on existing industries<br>• Lack of diversity within the active economic sector<br>• Endangered species are prone to land transformation<br>• Increase in under development of land due to private and trust ownerships |

## SOCIAL DEVELOPMENT ANALYSIS AND WARD BASE PLANS SUMMARIES

## WARD BASE PLAN

Ward Base Planning is the system which promotes a community planning participatory system with the clear outcomes and expectations. It empowers, strengthen and support communities in respect to prioritization in terms of developmental issues. Ward Base Planning process encourages stakeholders' involvement in terms of input process. In terms of the Constitution Local Government functions is structure and manage its administration, budgeting and planning processes to prioritize the basic needs and socio-economic need of communities.
Ward based plan was last adopted 2023/2024.

Dannhauser Municipality draft ward-based plan for 2025/2026 all 13 wards for this financial year are in place. Draft will be taken to councillor for adoption and approval. After Cotga will verify and make it legitimate.

## YOUTH DEVELOPMENT

The municipality has formed a Youth Council to play an active role in terms of advocating for the consideration of youth issues by the local government sphere. Moreover, the council has provided a budget of **R 1 265 209 per annum** for youth development.

**Table 122: Youth Development Programmes 2024**

| FOCAL GROUP | BUDGET | STATUS QUO | FUNCTIONALITY |
|---|---|---|---|
| **FIRST 11 TERTIARY** | R 0 | 8 Students enrolled in different tertiary institutions | Functional, and the programmes has been implemented since 2013 |
| **PLACEMENT PROGRAMME** | R 132 016 | 11 Graduates placed in different Companies for experience as from May 2020 to May 2021 | The program was delayed for implementation due to an agreement not being reached the with private sector. |

| | | | |
|---|---|---|---|
| **ZIBAMBELE** | R 1 770 000 | 204 Participants are currently employed as per EPWP initiatives | The program is implemented as per the EPWP arrangement. |
| **YOUTH COUNCIL (JUNE 16)** | R 0 | Established and Launched | Functional, the challenge is obtaining resources for implementing programmes |
| **SPORTS COUNCIL** | R 0 | Established and Launched | Functional, the challenge is lack of management skills, and inadequate facilities |
| **LOCAL AIDS COUNCIL** | R 52 528,00 | Established and Launched | Functionally, but needs more support; particularly from strategic stakeholders |
| **TOTAL** | **R 2 065 209** | | |

## EVELOPMENT OF PEOPLE WITH DISABILITIES

Dannhauser has established a disability forum. It is funded with R 209 796, and it plays an instrumental role in terms of raising issues that affect disabled citizens. The forum is currently encountering challenges with regards to obtaining support from other stakeholders and drawing up a clear program for the forum in general.

## DEVELOPMENT OF THE ELDERLY

The municipality has established the senior citizens forum. It is funded to the tune of R 110 568, and it plays a pivotal role in terms of addressing issues that affect the elderly.

## WOMEN DEVELOPMENT

The municipality has established a woman's forum. The forum is funded with R 250 000 per annum**.** It plays a very important role in terms of raising the issues and needs of women in development.

## VULNERABLE GROUPS

The municipality has institutionalized the programmes for Vulnerable Groups, and the Organogram makes provision for this sector. The following committees have been established: Disability Forum, Local AIDS Council, Women's Forum, Men's Forum, and Youth Forum. All these committees are functional and are responsible for ensuring that planned programmes are implemented with the support of sector departments. The municipality also established Ward Based Committees for the Vulnerable Groups, but it is currently facing challenges in terms of the capacity and functioning of these committees.

The municipality has also made a provision for the Vulnerable Groups in its budget and created programmes that are aligned with National and Provincial Programmes and with the country's Calendar. The budget for Vulnerable Groups totals an amount of R 2 103 260, this vote or budget is managed by the Office of the Mayor and the Municipal Manager's department.

**Table 123: Dannhauser Social Cohesion Committees**

| FOCAL GROUP | BUDGET | STATUS QUO | TARGET GROUP OR BENEFICIARIES |
|---|---|---|---|
| Disability Forum | R 209 796 | Functional | Disable People and NGO's |
| Gender and Culture | R 524 296 | Functional | Functional and challenges are manageable |
| Youth Council & Empowerment | R 524 496 | Functional | Youth Council, Ward Youth Committees, NGO's, Matric Empowerment & Tertiary Aid |
| Sports Council | R 262 248 | Functional | Sports Council, Ward Sports Committees and Sports Federations |
| Senior Citizens | R 110 568 | Functional | Elderly People and Senior Citizens Committee & Burial of destitute & condolatory |
| Burial of Destitute | R 472 056 | Functional | WAC's, LAC, and NGO's |
| **Total** | **R 2 103 260** | | |

## POVERTY ALLEVIATION PROGRAMME

The municipality currently has no Poverty Alleviation Strategy in place. The municipality commenced with the Municipal Zibambele Program in partnership with EPWP. As part of the program, the municipality enrolled 121 people for a period of 2 years. The program is not necessarily a form of employment creation, but rather an initiative to ameliorate the people's financial status. The target groups for the programmes are nonyouth individuals, primarily falling under the indigent bracket. All Wards will benefit from the program, and participants are identified by Ward Councilors. Thereafter, a panel comprising of officials conducts an assessment on individual households. Moreover, the municipality has also initiated another program which intends to alleviate poverty viz the LED Farm program. The program intends to use agriculture to ensure food security and engages key sector departments such as Department of Rural Development and Land

Reform, Department of Agriculture and Rural Development, and other strategic stakeholders.

The municipality is further benefiting in the Community Works Program (CWP) as initiated by COGTA National, the program was implemented in 2012, and to date it is still running. The program is an additional initiative for alleviating poverty, and the target for participants is 1000, but to date the program had enrolled 1014, all wards are benefiting in the program, and further provides potable skills to participants in partnership with Amajuba TVET. The program is monitored by Local Reference Committee which comprised of different stakeholders within the municipal area.

## NATION BUILDING AND SOCIAL COHESION

The Amajuba District Municipality's Sport Sector Plan identifies several sports facilities existing within Dannhauser Municipality and captures these in its Facilities Audit. These facilities include: KwaMdakane Indoor Sports Centre, Emafusini Park, Durnacol Sports Stadium and South Park, which is identified as being in a poor condition. The KwaMdakane Indoor Sports Centre is identified as the only sports facility that is in a relatively good condition. There is a need to develop further public facilities to serve the northern settlements. The municipality is currently in the process of constructing the Combined Sports Complex, in Durnacol Ward1. The project is funded through the MIG Programmes, and the municipality is planning to engage the Department of Sports and Recreation to ensure that resources are combined and further ensuring that the department participates in the process. The project is currently on phase 3 and nearing completion.

## EARLY CHILDHOOD

The state of unrest and violence experienced during the last few years has had an enormous impact on the general welfare of the populations in some sections of the municipal area. It led to fragmentation of families and an increase in the number of children without parents or secure accommodation. In rural areas, the evidence of these social problems is less obvious due to the rural character of these areas. Supportive services such as counselling, which are provided by the Department of Social Development, are almost non-existent in the rural areas. The Municipality, together with the Department of Social Development, has several programmes for early childhood development.

These include crèches and youth care centers, which are in various areas throughout the municipality. However, with an increase in the number of cases and changes in the structure of rural households, the current system has become unsustainable for most communities. In some areas, support is now provided by non-governmental organizations. In urban areas, most of the existing facilities are orientated towards higher income groups and very few are state funded. During the previous financial year, the

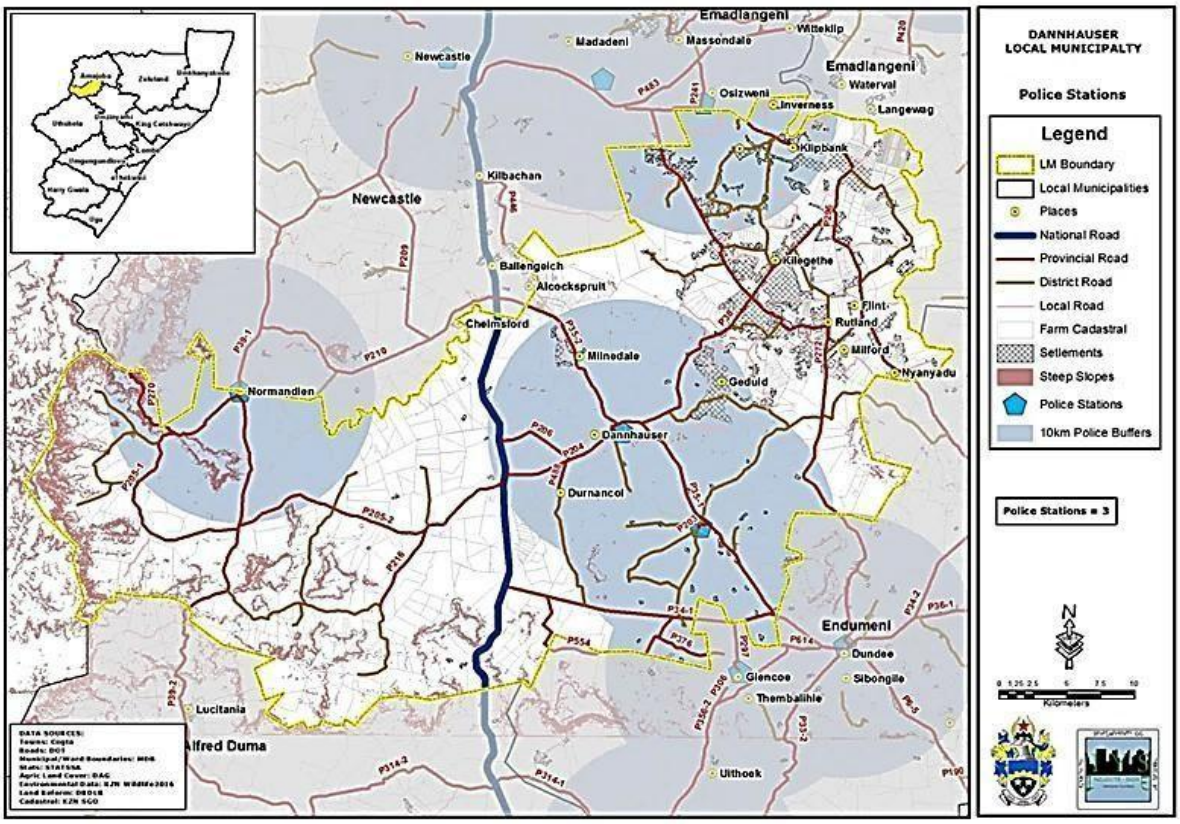
municipality developed 1 Childcare Facilities, and in the 2024/25 financial year, the municipality will provide a further 2 Childcare Facilities.

## SAFETY AND SECURITY

There are several criminal offences that were recorded within the Dannhauser municipal area in 2013. The dominant crimes are assault, burglar in residential premises, theft (including stock theft) and malicious damage to property. Approximately 1338 people were affected by crime in 2013 however the level of crime is decreasing due to the increased presence of the police as it is now a concerted joint effort of the municipality, police and the community working together. The municipality benefited through the programmes initiated by Department of Community Safety and Liaison which introduced a volunteer program viz. Volunteer Safety and Community Program (VSCP), and the Community Policing Forum. These are all present within the municipality, although they are not well-supported with the necessary resources. Some of the challenges being experienced are:

1. There are only a few police patrolling the inner CBD and rural settlements within proximity to the CBD.
2. The police vehicles constantly breakdown and require regular repairs and maintenance.
3. Some areas where crimes are committed in deep rural setting are not easily accessible due to a lack of roads and or bad terrain.
4. There are some dark spots at night in the CBD and other urban and rural residential areas thus causing criminals not to be apprehended after committing a crime, this is due to a lack of streetlights.
5. Some of the equipment used by the police is old and requires replacement; and
6. Sometimes the response time to get to a place where a crime has been committed is too long.

### Map 57: Police Stations (SDF.2023/24)


DANNHAUSER
LOCAL MUNICIPALTY
Police Stations
Legend
LM Boundary
Local Municipalities
Places
National Road
Provincial Road
District Road
Local Road
Farm Cadastral
Setlements
Steep Slopes
Police Stations
10km Police Buffers
Police Stations = 3
Emadlangeni
Newcastle
Madadeni
Massondale
Witteklip
Osizweni
Inverness
Langewag
Waterval
Kilbachan
Ballengeich
Alcockspruit
Chelmsford
Milnedale
Normandien
Dannhauser
Durnancol
Geduld
Flint-Rutland
Milford
Nyanyadu
Kilegethe
Endumeni
Dundee
Glencoe
Sibongile
Thembalihle
Ulthoek
Lucitania
Alfred Duma
Kilometers

## PEOPLE AFFECTED WITH HIV / AIDS AND DRUGS

It is estimated that the number of people in Dannhauser infected with HIV has increased was approximately 14,500 in 2004. The HIV infection amongst the male population in Dannhauser increased from less than 4% in 1995 to about 13% in 2004. The percentage of the female population estimated to be HIV infected increased from less than 5% in 1995 to about 15% in 2004. The annual growth rate of new infections has dropped from 34% between 1995 and 1998, to just 2.6% between 2002 and 2004. Approximately 57 people were recorded to be affected by drugs. Dannhauser had an HIV prevalence rate of 16.1 % in 2011 (Quantic Data), according to the Amajuba District Growth & Development Plan 2030, although lower within the district, it was approximately close to that of the province which was 16.8 %. The municipality is promoting various programmes to reduce HIV / AIDS and use of drugs, and the strategic goals envisaged to be achieved are:

- To reduce the numbers of population who can be at risk of contracting HIV & AIDS, TB, STI's, and HS2V.
- To reduce teenage pregnancy and the mother to child transmission.
- To develop and implement awareness to the communities whether in town and rural areas.
- To reach out to communities to get medical testing for HIV & AIDS, STI's, TB and HS2V.
- To allow communities to receive medication if found to be infected by HIV & AIDS, STI's, TB and HS2V.
- To integrate the community with public hospitals and clinics within the municipality in aiding to reduce infections.
- To successfully work with other government departments and private stakeholders who will aid in the implementation of the community programmes.
- Reduction of levels of prostitution; and
- To address social and structural drivers of HIV & AIDS, STIs and TB

## SOCIAL DEVELOPMENT SWOT ANALYSIS

## KPA 5: CROSS CUTTING

### *ENVIRONMENTAL*

- Biodiversity including maps
- Geophysical science/ water cycle “make mention of natural water resources, any rivers within the municipal jurisdiction” and Air quality
    - The municipality is made up of 13 wards with combined total of 58 settlement areas. Dannhauser town is the main node within the LM and is currently surrounded by the largest coal producing mines in KZN. The study area is located in a midway point along a main railway line that provides linkage between Durban and Johannesburg. It is located approximately 8 km off the N11. The landscape of the Dannhauser LM is characterized by numerous rivers that flows throughout the LM. The Ngagane and uMzinyathi Rivers are amongst the largest rivers found within the Dannhauser LM.
    - By 2016, 70 818 people had access to piped water inside their yards followed by those people (11 7131) who had piped water inside their dwellings. A significant number of people (6 425) relies on water from community stands while 3 307 people used water from communal tap. Only 1 753 people relied on water from flowing rivers or streams. Water from rivers and streams are susceptible to contamination and that could lead to waterborne diseases.

| | |
|---|---|
| Piped (tap) water inside the dwelling/house | 11713 |
| Piped (tap) water inside yard | 70818 |
| Piped (tap) on community stand | 6425 |
| Borehole in the yard | 445 |
| Rainwater tank in yard | 378 |
| Neighbors tap | 1584 |

| | |
|---|---|
| Public/communal tap | 3307 |
| Water-carrier/tanker | 5740 |
| Borehole inside the yard | 2605 |
| Flowing water/stream/river | 1753 |
| Well | 64 |
| Spring | 86 |
| Other | 424 |
| Grand Total | 105341 |

## Waste Management Analysis

An analysis of the composition and quantities of the municipal waste stream, and an accurate picture of the state, scope and institutional arrangements for existing waste services and facilities. A key challenge facing the local municipality is the lack of effective information systems for waste management activities. This has acted as a constraint in developing the situational analysis of the current status quo of waste management within the municipality, and will be addressed in greater detail during the gap analysis and needs assessment.

Dannhauser Local Municipality has a promising recycling initiative through a group called Izitha, consisting of six members who work at the municipality's landfill site. This group is responsible for collecting and sorting recyclable materials at the landfill site, promoting recycling and reducing waste. While the municipality does not provide direct financial support, Izitha receives backing from sponsors like PECTO and APOLYCO. Any income generated from recycling activities goes directly to Izitha group, empowering them to sustain their efforts. By recycling, Izitha helps reduce the amount of waste sent to the landfills, contributing to the cleaner environment.

## Integrated Waste Management Plan (IWMP)

Municipal staff at all levels (street sweepers to managerial positions) require capacity building in several areas such as environmental management, sustainable development, gender awareness, managerial skills, computer skills and project management. Improved training should reduce down time due to incidents and accidents. Staff should be continually trained to ensure that informed decisions are made, that the knowledge base is strong that health and safety procedures are followed, and legal requirements are implemented. Private contractors should be compelled to train their staff in order to improve levels of production and safety. Succession planning and restructuring should be done to accommodate those who can no longer do the work that they were employed to do. More streamlined processes for filling vacancies must be adopted. Services (existing and/or new) that the municipality cannot render should be contracted out. During peak seasons waste management resources should be able to handle double the capacity of waste that is generated throughout the rest of the year. Staff planning must take into consideration improved efficiency as well as a planned extended service delivery. In terms of the Waste Act, every municipality must have a designated Waste Management Officer (WMO). The Dannhauser municipality does not have a designed WMO.

- The Intergrated Waste Management Plan (IWMP) fo Dannhauser Local Municipality is a comprehensive frame work that outlines the municipality's approach to managing waste in a sustainable and environmentally responsible manner. Key Components of the IWMP

- Waste Reduction and Minimization: Strategies to reduce waste generation and promote sustainable practices.
- Waste Collection and Transportation: Efficient collection and transportation systems to ensure waste is disposed of properly.
- Waste Disposal: Safe and environmentally sound disposal practices, including landfill management.
- Recycling and Recovery: Initiatives to promote recycling and recovery of waste materials **Goals and Objectives**

- Improve Waste Management Services: Enhance the efficiency and effectiveness of waste management services.
- Reduce Waste Generation: Implement strategies to reduce waste generation and promote sustainable practices.
- Promote Recycling and Recovery: Increase recycling and recovery rates and promote the use of recyclable materials.
- Protect the Environment: Ensure waste management practices protect the environment and public health.

- A table illustrating waste management challenges -

| - **Problem** | - **Intervention** | - **Directorate** |
|---|---|---|
| - Lack of knowledge of recyclable items | - Education and awareness on recycling | - Waste Managemewnt and Environmental |
| - Vacant sites become illegal dumps | - Draft policy requiring site owners to maintain their properties | - Waste Managemewnt and Environmental |
| - Inadequate waste collection infrastructure | - Upgrade waste collection infrastructure | - Waste Managemewnt and Environmental |
| - Lack of enforcement of waste management regulations | - Strengthening enforcement and compliance | - Waste Managemewnt and Environmental |

Mines in Dannhauser Local Municipality

The Dannhauser Local Municipality has several coal mines operating within its jurisdiction, which has led to environmental and health concerns to nearby resident. Some of the issues include:

Durnacol Mine: This mine has been closed for a long time, but the community still suffers from the discarded heap of mine waste that blows across people's neighborhoods and pollutes the area. The mine's abandoned state has led to environmental injustice cases that have haunted the community for years. Impact on Residents

- Lack of Rehabilitation: The mines have not been properly rehabilitated, leading to ongoing environmental and health problems.
- Environmental Pollution: The mining activities have contaminated the soil, water, and air posing serious health risks to nearby residents

### Environmental Act

The Environmental Act emphasizes the importance of environmental sustainability and the need for mining companies to adhere to strict environmental regulations. Some keys include:

- Environmental Impact Assessment: Mining companies are required to conduct environmental impact assessments to identify potential environmental risks and develop strategies to mitigate them
- Rehabilitation Requirements: Mining companies are responsible for rehabilitating mined land to its original state or to a state that is safe for the environment and local communities
- Community Engagement: Mining companies are required to engage with local communities and involve them in decision making processes related to mining activities

## DISASTER MANAGEMENT

### Status of Municipal Institutional Capacity

**Municipal Disaster Management Centre**

Currently the municipality does not have a Disaster Management Centre. A fully established, resourced, and functioning Municipal Disaster Management Centre is required to enable the municipality to perform its constitutional mandate. Hence the business plan for the Centre has been submitted to COGTA with the aim of sourcing funding. The Department of Community Services within the Dannhauser Local Municipality is assigned with the Disaster Management function. The Department of Community Services is also responsible to ensure the regular review and updating of the disaster management sector plan.

According to the Disaster Management Act (Act 57 of 2002) as amended, section 43 (3) states that ‘‘A local municipality must establish capacity for the development and coordination of a disaster management plan and the implementation of a disaster management function for the municipality which forms part of the disaster management plan as approved by the relevant municipal disaster management centre. Currently the municipality does not have dedicated personnel to perform the function of disaster management. The disaster management and fire services function are performed by two Disaster Officers who are on contract, two unqualified firefighters. Ther Community Services who supports the function of disaster management, fire, and rescue services. However, the municipality is in the process of creating a post for the Disaster Officer that will be responsible for performing the disaster management function. The disaster management and fire services are also responsible for the following duties:

- Prevent and reduce risk of disasters.
- Prepare for emergency.
- Conduct education, training, and awareness campaigns.
- Rapid and effective respond on the reported disaster related incidents and the provision of relief to victims of disaster.
- Post disaster recovery and rehabilitation

**Disaster Management Vehicles** ○ 1 x Isuzu single cab, which is not reliable

**Fire services**

- Prevent the outbreak of fire.
- Protect life, property and economic loss against fire and any threatening danger.
- Prepare for emergency.
- Rapid and effective respond to fire cases.
- Conduct fire awareness campaigns.

**Fire fighting vehicles** ○ 1 X Fire engine ○ 1 X Bakkie and ○ 2 X fire engine trailers as equipment for fire services.

**Disaster Management & Fire Services Swot Analysis**

| STRENGHTS | WEAKNESSES |
|---|---|
| • Support from the district<br>• Support from local NGOs | • Lack of dedicated and skilled personnel to perform the function of disaster management, fire and rescue services.<br>• Lack of equipment for firefighting services<br>• Lack of disaster response vehicles<br>• Insufficient budget |

| OPPORTUNITIES | THREATS |
|---|---|
| • The municipality has potential to establish a co-ordinated disaster management fire and rescue services unit.<br>• The municipality has a potential to establish and improve working relationships with other relevant disaster management stakeholders. | • Inadequate resources for both functions<br>• Consistent occurrences of naturally induced disasters<br>• Human settlements not built in accordance with national building standards and regulations (rural and informal settlements) |
| • Involvement of councillors and traditional leaders on issues of disaster management and sitting in the forum.<br>• Increase community awareness programmes. | • Human settlements located near disaster prone areas. |

## Challenges of Disaster Management and Fire Services as per Swot Analysis

- Non-existence of the Unit to perform both functions.
- Lack of Personal Protective Equipment (including uniform)
- Limited budget for both functions including operating budget.
- Response to emergency calls due to vast areas
- Lack of training and workshop
- High Vacancy rate of key posts: Chief Fire Officer, Disaster Officer and Firefighters.

## Disaster Risk Assessment

Disaster Risk Assessments are still ongoing. Dannhauser LM is susceptible to various hazards such as veld fires, structural fires, strong winds, lightning, hailstorm of which

meteorological hazards (floods and heavy rainfall) have become the most frequent and devastating hazards.

**Recent disasters and their impacts:**

**2022 to date**

Eleven (11) fatalities have been reported due to the following hazards:

- Structural fires
- Floods
- Lightning and
- Drowning

The risk prioritization for the Dannhauser Municipality is shown below:

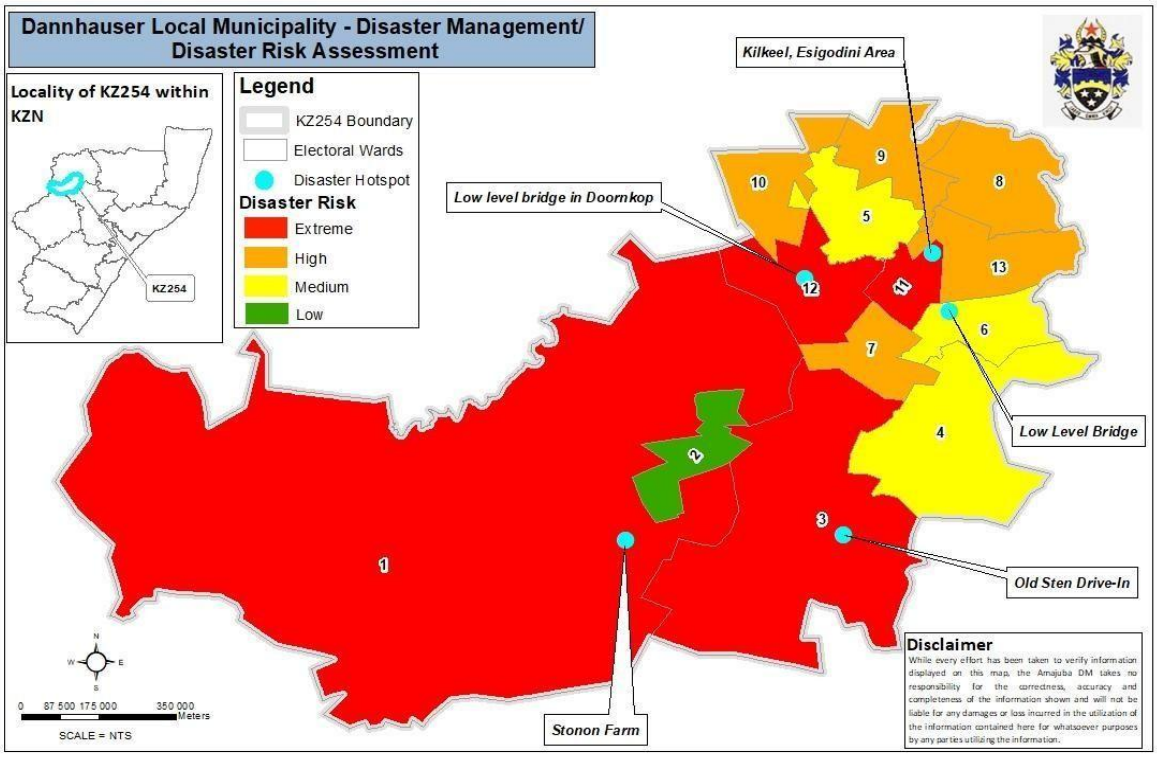
| Legend: | |
|---|---|
| Red | Extreme high |
| Orange | High |
| Yellow | Medium |
| Green | Low |

| Hazard Map | Ward 1 | Ward 2 | Ward 3 | Ward 4 | Ward 5 | Ward 6 | Ward 7 | Ward 8 | Ward 9 | Ward 10 | Ward 11 | Ward 12 | Ward 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Structural fires | | | | | | | | | | | | | |
| Veld fires | | | | | | | | | | | | | |
| Strong winds | | | | | | | | | | | | | |
| Lightning | | | | | | | | | | | | | |
| Hailstorm | | | | | | | | | | | | | |
| Heavy rainfall | | | | | | | | | | | | | |
| Floods | | | | | | | | | | | | | |
| Drought | | | | | | | | | | | | | |
| Drowning | | | | | | | | | | | | | |
| Hazardous material- Hazmat: Spill/Release | | | | | | | | | | | | | |

| Hazard/ Risk | Mitigation Strategy |
|---|---|
| Veld fires & Structural fires | • Increase fire awareness campaigns<br>• Encourage and assist communities to do firebreaks |
| Strong winds | • Plant trees as windbreaker |
| Drought | • Encourage water harvesting |

| | |
|---|---|
| Heavy rain, hailstorm, and floods | • Continue with disaster risk assessment<br>• Mapping of disaster-prone areas<br>• Increase disaster risk awareness (that will encourage communities to avoid building on floodplains) |
| Lightning | • Increase awareness • Install lightning conductors |

**Disaster Risk Map**




Most communities in Dannhauser Municipality are under the leadership of traditional authorities which make it difficult to control the allocation of households in those areas. Landowners allocate people in low-lying areas which are frequently flooded, and this exacerbate vulnerabilities and increase more risk during disasters. Some communities are force to stay in those areas due to lack of alternative areas. Assessments that are conducted after disasters reveal that our people are allocated in flood prone areas. This

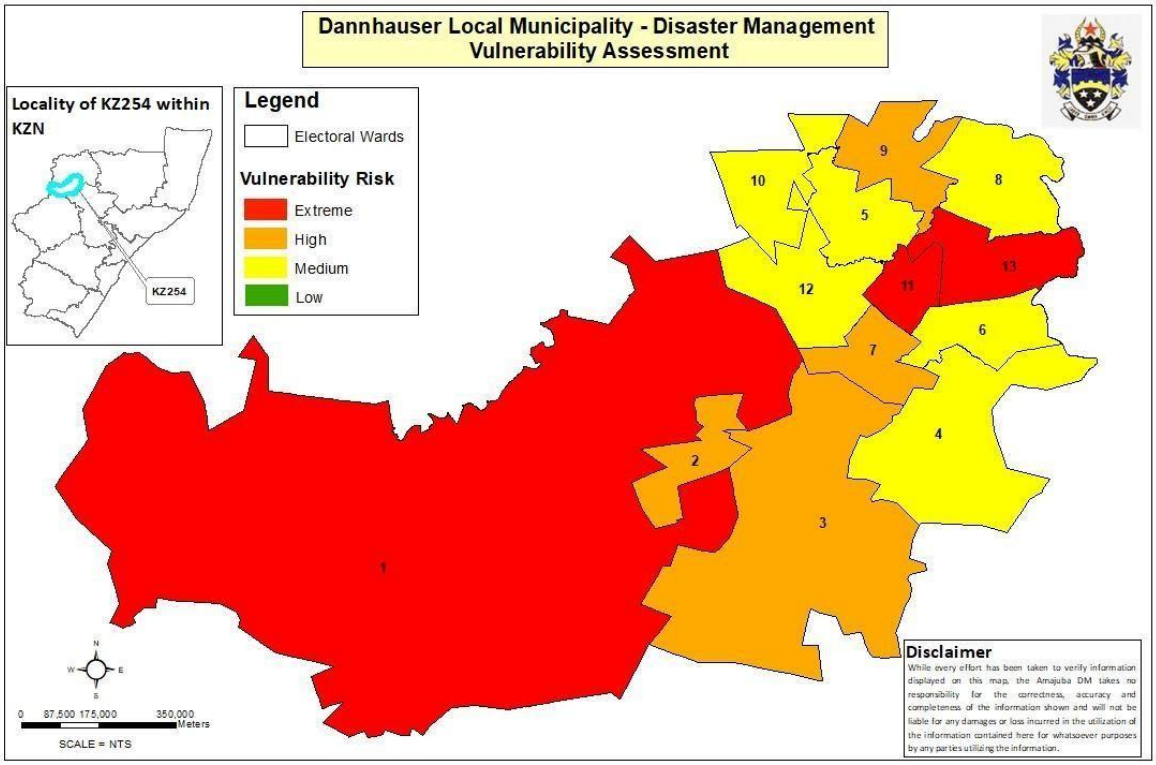
causes a concern that most population in rural areas will create a major catastrophe should large disasters occurs. An increase of disasters has impact on public expenditure. Disasters disrupt many things as they also destroy infrastructure, and it takes money to restore those facilities. Dannhauser local municipality is committed in saving lives, protecting infrastructure, preserving environment and building resilience. Reduction of global disaster mortality is one of the seven targets or goals to achieved by 2030 and beyond. Therefore, the municipality will also develop other risk reduction strategies and policies in line with the Sendai framework for disaster risk reduction which is a global policy of disaster risk reduction. The Sendai framework work hand in hand with other 2030 Agenda agreements, including the Paris Agreement on Climate Change and sustainable development goals. It recognizes that the state has the primary role to reduce disaster risk, and that responsibility must be shared with stakeholders including local government as well private sector. Other areas with low level bridges have been identified as one of the disaster-prone areas. A student from Amajuba College died in 2022 while trying to cross the low-level bridge in Doornkop under ward 12.

low-level bridge in Doornkop

learners cross the bridge, which floods during heavy rains.

Ubuhlebomzinyathi pedestrians bridge, A river in fairbreeze under ward 13, which floods which is no longer safe especially for during heavy rains. Learners are unable to cross. learners.

## Vulnerability Map



## Vulnerability and Capacity assessment

Disaster is the function of hazard, risk, and vulnerability. Conducting vulnerability and capacity assessment is important. This assist in finding out the susceptibility and resilience of the community to different hazards, and to know the ability of people to, available skills and resources to manage or deal with adverse conditions, risk, or disasters, and to cope with and recover from disasters. The previous disasters have highlighted the vulnerabilities and the need for improved disaster preventions, preparations, risk mitigations, response, and recovery measures. Identification of vulnerability is another strategy in Disaster Risk Reduction as it identifies disaster prone areas, risk of the disaster and support community. After identification of vulnerabilities, education on disaster risk reduction becomes important for the community to know how to save lives and resources from the risk of disasters. It also brings attitude and behavioural changes among the people with vulnerability in disaster areas.

## Education, Training, and Public Awareness

Disaster Management Act has given municipalities powers to coordinate, plan and implement disaster management programmes which include but not limited to the following: capacity building, disaster risk reduction, intergovernmental structures, awareness and education, disaster response and recovery and funding arrangements. Disaster Management and Fire Services conduct awareness campaigns in schools, warrooms, communities, and churches. The awareness campaigns will also include traditional authorities, and landowners.

The disaster management capacity building workshop was conducted on 13 March 2025 at KwaMdakane Hall. The aim of the workshop was to empower ward committees with disaster management knowledge, and to help in building a disaster resilient community.

Trinity Ministers Fraternal, which is one of local disaster advisory forum stakeholders, organized weather, and climate change prayer. The purpose of the prayer was to discuss more about climate change, and disaster management issues, increase capacity to respond, cope from disasters, and pray for those vulnerable to disasters. The municipality used this prayer to build and strengthen the relationship with the local churches so that

they will assist with immediate relief support, offer spiritual comfort to disaster victims, and recovery initiatives.

## Disaster Management Programs/Interventions from Stakeholders

| Name of the project/intervention | Responsibility | Targeted areas | Date | Budget |
|---|---|---|---|---|
| Construction of 27 Temporary Housing Units | Department of Human Settlement | Ward 1,4,5,6,7,8,11 &12 | To be completed by June 2025 | |
| Creation of fire breaks Awareness campaigns Basic fire education | Municipal Disaster Management | All wards Including Schools CBO's NGO's | March-June | |
| | and Fire Services | | | |
| Installation of lightning conductors | Amajuba District | Ward 1,2,3,4,6,7.8.9,11, and 12 | June-July | |
| Capacity building programs, and awareness campaigns | Municipal Disaster Management and Fire Services | Schools communities | June-September | |

## FUNDING ARRANGEMENTS FOR DISASTER RISK MANAGEMENT

**Breakdown of available budget for disaster management and fire services**

| Project Name | Responsibility | Target Areas | Budget | Date |
|---|---|---|---|---|
| Disaster Risk Management Relief:<br><br>Procurement of relief material for immediate response such as - blankets, sponges, plastic sheetings, tents etc. | Municipal Disaster Management and Fire Services | All wards | R 1000 000 | 2025/26 |
| Capacity Building and Training | Municipal Disaster Management and Fire Services | Targets wards, Including; Schools CBO's NGO's And Businesses | R 50 000 | 2025/26 |

## KPA 6: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

### MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The Integrated Development planning (IDP) guidelines and Municipal Systems Act, Act No 32 of 2000 provide the framework within which each municipality should prepare its financial plan, as a component of the IDP. This allows the municipality to plan its finances and manage them efficiently. It is also in the interest of the plan to find alternative ways of mobilizing financial resources required to implement key strategic programmes and projects, as prioritized in the IDP.

In the light of such requirements, Dannhauser Local Municipality has committed itself to ensuring a seamless financial administration, thereby improving its financial viability. It saves to highlight that the background of limited revenue base within the municipal area tends to hinder any municipal attempts to expedite the implementation of developmental programmes. However, the Local municipality remains committed to deliver on its mandate, from the financial management perspective.

Section 26 of the Municipal Systems Act, Act No 32 of 2000 prescribes the key components of an IDP and the financial plan falls within the Implementation framework of the IDP, which informs the implementation of financial strategies. The financial plan must be aligned to the overarching development vision. Accordingly, plan should demonstrate linkages between IDP and Budget, most importantly it must comply with the relevant legislation and policy directives.

To this end it becomes imperative to note that efficient service delivery in any municipality will revolve around availability of financial resources and the management of those resources. The financial viability of any municipality always depends on its capacity to mobilize resources and create sound economic base that will support revenue generation strategies.

**CAPITAL FUNDING AND EXPENDITURE TO ADDRESS SERVICE DELIVERY**

| SOURCE OF FUNDING | FUNDS RECEIVED | EXPENDITURE | FUNDS SPENT |
|---|---|---|---|
| **CAPITAL GRANTS** | | | |
| MIG | 34 794 000 | 28 610 592 | 28 794 000 |
| | | | |
| **OPERATING GRANTS** | | | |
| MIG | | | |
| LIBRARY | 1 460 625 | 678 000 | 678 000 |
| FMG | 1 850 000 | 1 850 000 | 1 850 000 |

**CAPITAL INFRASTRUCTURE PROGRAMMES FROM 2021 TO 2025**

| PROJECT | WARD | STATUS | 2022/23 | 2023/24 | 2024/25 |
|---|---|---|---|---|---|
| Construction of Municipal Offices | 2 | Inprogress | 97% | 99% | 100% |
| Incubator infrastructure | | | | | |
| Disaster Relief Shelters | 1,3,4,5,6&8 | | 5x | 5x | 5x |

| | | | | | |
|---|---|---|---|---|---|
| Facilitate & Monitor Implementation of 6x human settlement projects | 2,3,5,9,10&13 | Completed | 4x | 4x | 4x |
| Construction of a testing centre | 2 | Incomplete | | | |
| Child care facility | 1 | Completed | 100% | N/A | N/A |
| Community Hall | 13 | Completed | 100% | | |
| Community Hall | 9 | Inprogress | 70% | 85% | 100% |
| Community Hall | 10 | Completed | 100% | N/A | N/A |
| Community Hall | 4 | Completed | N/A | N/A | 100% |
| Community Hall | 11 | Inprogress | N/A | N/A | 30% |
| Mpungwini Hall | 1 | inprogress | N/A | N/A | 20% |
| Sports combo | 3 | Not completed | N/A | N/A | N/A |
| Sports combo | 10 | Not completed | N/A | N/A | N/A |
| Sports combo | 12 | completed | 100% | N/A | N/A |
| Durnacol Sports Centre | 2 | completed | 100% | N/A | N/A |
| Water Harvesting | | | | | |
| Water harvesting | | | | | |
| Water Harvesting | | | | | |
| Rural Road Rehabilitation | | | | | |
| Rural gravel Road | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| Construction of urban road | 2 | | | | |
| Emphongolweni gravel road | 12 | | | | |
| Ramaphosa Access Road | 3 | | | | |
| Mooi Gravel Access road | 6 | | | | |
| Koppie Allen Gravel road | 1 | | | | |
| Nkosibovu Gravel road | | N/A | N/A | N/A | 100% |
| Rehabilitation of urban road | 2 | N/A | N/A | N/A | 100% |
| Emafusini urban road | 2 | N/A | N/A | N/A | 100% |
| Electricity infills | 1,3 and 9 | Completed | 43 | | |
| Electricity infrastructure | 4 | Completed | | | |
| Planning and detailed designs for construction of electricity | 5 and 10 | New | | | |
| | | | | | |

**DANNHAUSER LOCAL MUNICIPALITY INVESTMENT REGISTER AS AT 31 APRIL 2025**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| CALL ACCOUNT (SHORT TERM NOTICE)(dbsa) | R 4,620,342.04 | | R - | R - | 5.90% | R 22,405.49 | **R 4,642,747.53** |
| CALL ACCOUNT (SHORT TERM NOTICE)(HOUSING) | R 1,983,763.45 | | R - | R - | 7.600% | R 12,391.73 | **R 1,996,155.18** |
| FIXED DEPOSIT INVESTMENT ACCOUNT (disaster) | R 11,250,408.40 | | | R - | 6.15% | **R 54,981.83** | **R 11,305,390.23** |
| **TOTAL STANDARD BANK** | **R 17,854,513.89** | **R -** | **R -** | **R -** | **R -** | **R 89,779.05** | **R 17,944,292.94** |
| | | | | | | | |
| **FNB** | | | | | | | |
| CALL ACCOUNT(MIG) (SHORT TERM NOTICE)(equitable) | R 45,734.51 | R - | R - | R - | 5.65% | **R 256.623** | **R 45,991.13** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| CALL ACCOUNT( ELECTRIFICATION) (SHORT NOTICE) | R 40.79 | | | R - | 5.65 % | **R 0.22** | **R 41.01** |
| **TOTAL FNB** | **R 45,775.30** | **R -** | **R -** | **R -** | **R -** | **R 256.84** | **R 46,032.14** |
| | | | | | | | |
| **NEDBANK** | | | | | | | |
| NEDBANK FIXED DEPOSIT | R - | R - | R - | R - | 8.87 % | R - | R - |
| **TOTAL FNB** | **R -** | **R -** | **R -** | **R -** | **R -** | **R -** | **R -** |
| | | | | | | | |
| **ABSA** | | | | | | | |
| 32 DAYS NOTICE ( DBSA CEASE) | R 4,705,225.56 | R - | | R - | 7.75 % | R - | **R 4,705,225.56** |
| CALL ACCOUNT (SHORT NOTICE) | R 690,639.72 | | R - | | 4.3% | R 3,695.40 | **R 694,335.12** |
| CALL ACCOUNT INVESTMENT (MIG) | R 2,908,297.03 | R 7,630,000.00 | R 250.00 | R 786,002.90 | 8.9% | R 14,163.83 | **R 9,766,207.96** |
| CALL ACCOUNT INVESTMENT ( tracker account) | R 15,708,049.88 | R 2,500,000.00 | R 350.00 | R 8,000,000.00 | 8.9% | R 21,394.65 | **R 10,229,094.53** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| CALL ACCOUNT INVESTMENT (SALARIES) | R 34,446.61 | R - | R 50.00 | R - | 8.9% | R 235.91 | **R 34,632.52** |
| **TOTAL ABSA** | **R 24,046,658.80** | **R 10,130,000.00** | **R 650.00** | **R 8,786,002.90** | **R -** | **R 39,489.79** | **R 25,429,495.69** |
| | | | | | | | |
| **TOTAL** | **R 41,946,947.99** | **R 10,130,000.00** | **R 650.00** | **R 8,786,002.90** | **R -** | **R 129,525.68** | **R 43,419,820.77** |
| | | | | | | | |

## SOCIAL AND ECONOMIC REDRESS VIA INDEGENT MANAGEMENT INDIGENT MANAGEMENT

As a service delivery orientated organization, and to satisfy the goal of achieving Customer Service excellence, a common set of values that guides the interaction between municipal staff and our customers shall form the basis of the relationship between the Municipality and its Customers. Commitment to the following values will guide our Staff interaction with Customers and form the cornerstone of our customer focused approach. To meet the consumer's needs in a responsible and proactive way.

- **Poverty reduction projects**

  By providing a reliable, responsive, competent, accessible, courteous, multirotational, affordable and to always treating consumers with empathy and under all circumstances. To minimize long outstanding debts from the age analysis of which most of those debtors are indigent.

- **Any budget for people living with disability**

  Indigent consumers living in retirement centers or old age homes are eligible to qualify for assistance and support in terms of the municipal policy, subjected to the rules and procedures

  State pensioners and disabled beneficiaries need not to re-apply for the support, however the Municipality needs to ensure verification on the status of the existing pensioners and disabled beneficiaries.

- **And budget for free basic services**

To ensure the financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidization; ensuring that indigent budget allocation is spent on indigent households rests with the Municipality who has the responsibility to identify indigent households, provide and maintain services, and implement indigent exit strategies.

## Indigent Policy/Support (Including Free Basic Services)

The municipality has an indigent policy in place and has developed an indigent register therefore implementing the policy. The policy is reviewed twice per financial year, it further enables the municipality to provide free basic services to the needy. The municipality collected date on Indigent families as per the municipality's Indigent Policy; currently the municipality is in the process of reviewing this data to ensure that the correct information is captured, and the data is updated. The municipality provides free basic services such as electricity, water, refuse and sanitation, however water and sanitation are provided by the Amajuba District Municipality. Electricity is provided by ESKOM, then the municipality pays the due allocation to ESKOM as per registered indigent data that is approved by the Municipality.

The indigent register allows the municipality to determine the financial needs of basic service delivery service resulting in it being able to develop a Financial Plan and Budget. The constant updating of the register will further allow for reliable cost updating for the free basic services delivery. The municipality is in the plan to reduce the indigent list through employment creations and skills provision for future employment opportunities.

## Monitoring Mechanism for Indigent Budget Expenditure

The monitoring and evaluating mechanism used by the municipality is based on the "National Framework for Municipal Indigent Policies – 2005". After that the guidelines for the implementation of the national indigent policy by municipalities were approved by MinMec in 2006. The Indigent Policy Framework provides a basis for the provision of Free Basic Services to the indigent, and as such, enhances current indigent policies applied by municipalities.

The following has been adopted as part of the monitoring mechanism:

**a) Functionality**: The system incorporates each of the three components of the indigent policy:

- Gaining access (coverage with respect to physical provision of the services).
- Maintaining access (the extent to which the service is functional); and
- Targeting the indigent (the extent to which subsidies are targeted at the indigent which implies that those who are not indigent pay for services).

**b) Starting simply**: The system is workable.

**c) Emphasis on the essential services package:** Initially the emphasis must be placed on the essential services package as this is the primary focus on the national indigent policy.

**d) Designed for expansion:** The system needs to provide for future expansion to incorporate additional fields, as may be required in the future.

**e) Based on consumer units:** the interaction with groups of people living on a property or in a dwelling or dwellings in rural or informal areas which can form a consumer unit).
This is essential as current municipal financial databases only record consumer units.

**f) Link to existing municipal systems:** As far as possible the national system must link to existing data management and planning systems applied by the municipality.

**g) Link to a geographic information system (GIS):** The location of consumer units, both served and un-served, needs to be identified on a GIS system under the control of the municipality, which can however link to a national system.

**Information gathering**

The information for monitoring will be gathered through the following arrangements:

(a) **Gaining access:** Information to be collected through physical visits to individual consumer units to assess the extent to which infrastructure is in place.

(b) **Maintaining access:** Information to be collected through a national annual municipal services survey, run by Stats SA, based on interviews of a representative sample of consumer units. This information will also provide valuable input to the municipal performance management system.

(c) **Targeting the indigent:** Information will be based on a financial assessment by an expert to determine the quality of the subsidy framework applied, the extent to which subsidies reach indigent consumer units, the level of coverage with respect to billing of those who are not categorized as indigent (based on the targeting methodology selected) and the level of credit control. Indicators will be developed to use in such assessments.

## REVENUE RAISING STRATEGIES

Municipality raise revenue through Property rates and Service charges. Implementing efficient billing systems, debt collection policies.

- Challenges
- Service delivery
- High unemployment rate in community
- Economic Growth
- Improved service delivery and financial stability and A stable financial environment attracts investment and stimulate economic growth will maximize revenue

KZN254 Dannhauser - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - March

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue** | | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | | |
| Service charges - Electricity | | - | - | - | - | - | - | - | | - |
| Service charges - Water | | - | - | - | - | - | - | - | | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | | - |
| Service charges - Waste management | | 1,349 | 2,063 | 2,063 | 128 | 1,152 | 1,547 | (395) | -26% | 2,063 |
| Sale of Goods and Rendering of Services | | 498 | 1,197 | 415 | 336 | 568 | 585 | (17) | -3% | 415 |
| Agency services | | 1,195 | 150 | 180 | 22 | 259 | 125 | 135 | 108% | 180 |
| Interest | | - | - | - | - | - | - | - | | - |
| Interest earned from Receivables | | - | - | - | - | - | - | - | | - |
| Interest from Current and Non Current Assets | | 2,080 | 1,327 | 3,490 | 107 | 2,060 | 1,860 | 199 | 11% | 3,490 |
| Dividends | | - | - | - | - | - | - | - | | - |
| Rent on Land | | - | - | - | - | - | - | - | | - |
| Rental from Fixed Assets | | 48 | 21 | 22 | 7 | 19 | 16 | 3 | 18% | 22 |
| Licence and permits | | - | - | - | - | - | - | - | | - |
| Operational Revenue | | 1,108 | - | 34 | - | 831 | 14 | 818 | 6030% | 34 |
| **Non-Exchange Revenue** | | | | | | | | - | | |
| Property rates | | 44,591 | 45,039 | 45,039 | 3,584 | 34,579 | 33,779 | 799 | 2% | 45,039 |
| Surcharges and Taxes | | - | 23,655 | 0 | - | - | 8,279 | (8,279) | -100% | 0 |
| Fines, penalties and forfeits | | 889 | 600 | 1,642 | 5 | 30 | 867 | (837) | -97% | 1,642 |
| Licence and permits | | 448 | 2,250 | 1,351 | 74 | 919 | 1,328 | (409) | -31% | 1,351 |
| Transfers and subsidies - Operational | | 119,816 | 126,866 | 129,280 | 30,555 | 124,396 | 96,115 | 28,281 | 29% | 129,280 |
| Interest | | - | - | 1,139 | 166 | 1,469 | 456 | 1,014 | 222% | 1,139 |
| Fuel Levy | | - | - | - | - | - | - | - | | - |
| Operational Revenue | | - | - | - | - | - | - | - | | - |
| Gains on disposal of Assets | | (159) | - | - | 1 | 4 | - | 4 | #DIV/0! | - |
| Other Gains | | 433 | - | - | - | - | - | - | | - |
| Discontinued Operations | | - | - | - | - | - | - | - | | - |
| **Total Revenue (excluding capital transfers and contributions)** | | 172,295 | 203,167 | 184,655 | 34,985 | 166,286 | 144,970 | 21,316 | 15% | 184,655 |

**Reasons for variances**

1. **Property rates –** the actual billing for the month of March 2025 is R 3.5 million and the year-to-date actual billing R 34.5 million. The budget year to date billing is R 34.5 million. The variance culminates from indigent tariffs which were incorrectly included in the residential tariffs.

2. **Service charges –** the actual billing for service charges for a month of March 2025 is R 128 thousands. On the budget of R 2.0 million rands. Whereas the year-to-date budget is R 1.1 million. The budget year to date billing R 1.5 million.

The reason 26% variance, customers prioritise the payments property rates rather than refuse removal payments**.**

3. **Rental of Facilities and equipment –** the monthly billing for March 2025 is R 7 thousand on the budget of R 22 thousand while the year-to-date billing is 16 thousand. The variance of 18% from system errors.

4. **Interest on investments** – the interest that was earned for the month of March 2025 was R 107 thousand. The year-to-date actual amount is R 2.0 million whereas the year-to-date budget is R 1.8 million. The reason for 11% surplus the municipality has increase its investment portfolios in different banks.

5. **Fines Penalties and Forfeits -** The fines, penalties and forfeits amount issued for the months of March 2025 is R 5 thousand and R 30 thousand actual to date. Budget to date estimation was R 867 thousand. Reason for the variance the error reflects amount received rather than fines issued.

6. **Agency fees –** The monthly agency fees for the month of March 2025 is R 22 thousand, the year-to-date actual is R 259 thousand on the budget of R 108 thousand. Reason for variance , the municipality has exceeded the budgeted amount because of increase utilisation of licencing department in the area.

7. **Licences and Permits –** The municipality budgeted R 1.3 million and the monthly actual is R 74 thousand whereas the actual to date R 919 thousand. Reason for variance, the municipality overestimated the budget hence 31% variance.

8. **Other revenue –** the municipality budgeted R 34 thousand and the actual to date R 831 thousand. Reason for a positive variance there has been increase in tender document selling and receipts from LGSETA which was not budgeted.

## E PENDITURE PERFORMANCE IN THE CURRENT YEAR 2024/2 AND PREVIOUS YEAR

| **CASH FLOW STATEMENTS ACTUALS** | Mar-25 |
|---|---|
| | **R** |
| Property Rates And Refuse Removal | 22,074,479.61 |
| Rental of facilities and Equipment | 44,981.02 |
| Interest on investments | 1,892,358.68 |
| Fines | 26,300.00 |
| Licences and permits | 1,226,066.33 |
| Transfer receipts - operational | 126,816,000.00 |
| Other revenue | 3,065,392.24 |
| **Cash Receipts by Source** | **1 14 77.88** |
| **Transfer receipts - Capital** | **18 880 000.00** |
| **Total Cash Receipts by Source** | **174 02 77.88** |
| Employee Ralated Costs | 41,144,382.49 |

**KZN254 Dannhauser - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 - March**

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Expenditure By Type** | | | | | | | | | | |
| Employee related costs | | 40,860 | 31,034 | 32,834 | 5,077 | 41,144 | 23,996 | 17,149 | 71% | 32,834 |
| Remuneration of councillors | | 12,921 | 12,707 | 11,000 | 5,462 | 9,532 | 8,848 | 684 | 8% | 11,000 |
| Bulk purchases - electricity | | – | – | – | – | – | – | – | | – |
| Inventory consumed | | 3,180 | 210 | 374 | 24 | 314 | 223 | 91 | 41% | 374 |
| Debt impairment | | 14,959 | – | 26,776 | – | – | 10,710 | (10,710) | -100% | 26,776 |
| Depreciation and amortisation | | 39,978 | 41,020 | 31,020 | 1,351 | 17,694 | 26,765 | (9,071) | -34% | 31,020 |
| Interest | | 3,231 | 7,386 | 5,964 | 411 | 3,203 | 4,970 | (1,767) | -36% | 5,964 |
| Contracted services | | 45,706 | 34,361 | 56,484 | 3,837 | 37,707 | 34,620 | 3,088 | 9% | 56,484 |
| Transfers and subsidies | | – | – | – | – | – | – | – | | – |
| Irrecoverable debts written off | | – | – | – | – | – | – | – | | – |
| Operational costs | | 30,898 | 45,977 | 40,882 | 4,441 | 22,942 | 32,445 | (9,503) | -29% | 40,882 |
| Losses on Disposal of Assets | | 1,149 | – | – | – | – | – | – | | – |
| Other Losses | | – | – | – | – | – | – | – | | – |
| **Total Expenditure** | | **192,882** | **172,696** | **205,333** | **20,603** | **132,538** | **142,577** | **(10,039)** | **-7%** | **205,333** |

| | |
|---|---|
| Remuneration of Councillors | 9,531,683.80 |
| Contracted services | 37,707,492.44 |
| General expenses | 22,972,422.58 |
| Interest paid | 3,203,477.69 |
| **Cash Payments by Type** | **114 4 .00** |
| Capital assets | 20,770,265.00 |
| Repayments of borrowings | 5,268,812.30 |
| **Total Cash Payments Type** | 33,427,041.58 |
| Net Increase/( Decrease) in Cash held | 33,427,041.58 |
| Cash / cash equivalents at the month/ year begin | 19,594,102.52 |
| **Cash/cash equivalents at the month/ year end** | 53,021,144.10 |
| | |

**Reasons for variances**

- **Employees Related Costs –** the employee cost for March 2025 are R 5.1 million. The year-to-date actual is R 41.1 million and the budget is 32.8 million. The reason for the variance is 71% increase in part time workers for cleaning of town and maintenance of infrastructure.
- **Remuneration of Councillors –** The budgeted amount for Councillors allowance is R 11 million and the actual to date is R 9.5 million.
  The reason for variance the councillors were paid the payback in accordance with the upper limit.

- **Debt impairment** – the budgeted amount for debt impairment is R 26 776 million, the year-to-date budget reflects R 10.7 million. The reason for variance the financial system calculates the debt impairment at the end of financial year.
- **Depreciation-** The budgeted amount for depreciation is R 41 million and actual to date is R 17.6 million while the monthly is R 1.3 million. The reason the variance the necessary adjustment is done when verification is done by the end of financial year.
- **Interest e pense** - The amount budgeted of interest expense is R 5.9 million. The monthly year to date is R 411 thousand whereas the year to date is R 3. 2 million.

  The reason for variance is the remaining portion outstanding is normally settled at the end of which is quarter four.
- **Contracted Services** – the budgeted amount is R 56 million, the actual to date is R 37 million and monthly of March 2025 is R 3. 8 million. The reason for the variance is the reduction in the use of consultants.
- **Operating cost** – the budgeted amount is R 4.8 million, the actual to date R 22.9 million and monthly to date is R 4.4 million. the reason for variance is reduction on expenditure of non-service delivery activities through application of cost containment policy.

**Debtors Age Analysis**

KZN254 Dannhauser - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 - March

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days | Actual Bad Debts Written Off against Debtors |
| **Debtors Age Analysis By Income Source** | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | – | – | – | – | – | – | – | 0 | 0 | 0 | – |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | – | – | – | – | – | – | – | – | – | – | – |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 2,908 | 2,551 | 2,379 | 2,254 | 2,230 | 2,209 | 2,192 | 66,678 | 83,400 | 75,562 | (353) |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | – | – | – | – | – | – | – | 0 | 0 | 0 | – |
| Receivables from Exchange Transactions - Waste Management | 1600 | 153 | 135 | 128 | 124 | 122 | 121 | 121 | 7,430 | 8,334 | 7,917 | 10 |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | – | – | – | – | – | – | – | – | – | – | – |
| Interest on Arrear Debtor Accounts | 1810 | 167 | 162 | 158 | 153 | 148 | 144 | 141 | 3,591 | 4,664 | 4,177 | 0 |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | – | – | – | – | – | – | – | – | – | – | – |
| Other | 1900 | 0 | – | – | – | – | – | – | 293 | 294 | 293 | (1) |
| **Total By Income Source** | **2000** | **3,229** | **2,848** | **2,665** | **2,531** | **2,499** | **2,474** | **2,453** | **77,992** | **96,692** | **87,950** | **(344)** |
| **2023/24 - totals only** | | 2,553 | 2,270 | 2,160 | 1,975 | 1,905 | 1,847 | 1,831 | 58,910 | 73,451 | **66,468** | – |
| **Debtors Age Analysis By Customer Group** | | | | | | | | | | | | |
| Organs of State | 2200 | 1,234 | 1,155 | 1,118 | 1,016 | 1,012 | 996 | 990 | 24,414 | 31,936 | 28,430 | (219) |
| Commercial | 2300 | 972 | 812 | 697 | 682 | 672 | 668 | 660 | 17,600 | 22,763 | 20,281 | (44) |
| Households | 2400 | 1,023 | 881 | 850 | 833 | 815 | 810 | 803 | 35,979 | 41,993 | 39,239 | (80) |
| Other | 2500 | – | – | – | – | – | – | – | – | – | – | – |
| **Total By Customer Group** | **2600** | **3,229** | **2,848** | **2,665** | **2,531** | **2,499** | **2,474** | **2,453** | **77,992** | **96,692** | **87,950** | **(344)** |

The municipality is facing a huge challenge in terms of collection with an amount of R 96.7million. 91% of the debtor's book is over 90 days. The municipality will be embarking on campaign to stimulate the collection by giving incentives discount to the rate payers.

The municipality is proposing the following incentives:

1. A 50% debt reduction is made available to all current debtors, subject to them paying 50% of their current debt up-front and then monitoring their accounts for 6 months to ensure that any billings that arise during that period are settled on time.
2. Deduct a further 10% to 30% of the upfront payment depending on when this upfront payment is received depending on whether that debtor is a residential debtor, business or other form of entity.

The municipality has Amanquhe (debt collector) who is assisting the municipality to collect the long outstanding debtors.

**Dannhauser Local Municipality**
(Registration number KZN 254)
Annual Financial Statements for the year ended June 30, 2024

## Cash Flow Statement

| Figures in Rand | Note(s) | 2024 | 2023 Restated* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Receipts** | | | |
| Receipts from Taxpayers Rendering of services and other | | 37,406,749 | 24,870,894 |
| Grants | | 148,007,000 | 137,091,597 |
| Interest income | | 2,079,830 | 1,149,864 |
| | | 187,493,579 | 163,112,355 |
| **Payments** | | | |
| Employee costs | | (52,627,750) | (49,395,190) |
| Suppliers | | (80,173,066) | (68,978,997) |
| Finance costs | | (2,353,074) | (2,845,674) |
| | | (135,153,890) | (121,219,861) |
| **Net cash flows from operating activities** | 36 | **52,339,689** | **41,892,494** |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | 9 | (35,337,902) | (43,875,742) |
| **Cash flows from financing activities** | | | |
| Repayment of other financial liabilities | | (5,195,527) | (5,195,528) |
| **Net cash flows from financing activities** | | **(5,195,527)** | **(5,195,528)** |

KZN254 Dannhauser - Table C7 Monthly Budget Statement - Cash Flow - M10 - April

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | 24,133 | 45,039 | 46,178 | 4,101 | 19,612 | 38,216 | (18,603) | -49% | 46,178 |
| Service charges | | 366 | 2,063 | 2,063 | 28 | 262 | 1,719 | (1,457) | -85% | 2,063 |
| Other revenue | | 5,243 | 55,617 | 49,917 | (625) | 4,170 | 42,920 | (38,750) | -90% | 49,917 |
| Transfers and Subsidies - Operational | | 4,386 | 120,775 | 131,982 | – | – | 107,370 | (107,370) | -100% | 131,982 |
| Transfers and Subsidies - Capital | | 12 | 24,921 | 36,171 | – | – | 27,518 | (27,518) | -100% | 36,171 |
| Interest | | 1,528 | 1,327 | 3,490 | 130 | 1,959 | 2,403 | (444) | -18% | 3,490 |
| Dividends | | – | – | – | – | – | – | – | | – |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (21,892) | (108,509) | (187,439) | (1,813) | (38,204) | (137,782) | 99,578 | -72% | (187,439) |
| Interest | | (4,706) | – | – | – | (2,744) | – | (2,744) | #DIV/0! | – |
| Transfers and Subsidies | | – | – | – | – | – | – | – | | – |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 9,069 | 141,231 | 82,361 | 1,821 | (14,945) | 82,363 | 97,309 | 118% | 82,361 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | – | – | – | – | – | – | – | | – |
| Decrease (increase) in non-current receivables | | – | – | – | – | – | – | – | | – |
| Decrease (increase) in non-current investments | | – | – | – | – | – | – | – | | – |
| Payments | | | | | | | | | | |
| Capital assets | | 31,384 | (43,381) | (56,434) | (816) | (17,756) | (43,982) | 26,226 | -60% | (56,434) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | 31,384 | (43,381) | (56,434) | (816) | (17,756) | (43,982) | (26,226) | 60% | (56,434) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | – | – | – | – | – | – | – | | – |
| Borrowing long term/refinancing | | – | – | – | – | – | – | – | | – |
| Increase (decrease) in consumer deposits | | – | – | – | – | – | – | – | | – |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (5,196) | – | – | – | (3,897) | – | (3,897) | #DIV/0! | – |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (5,196) | – | – | – | (3,897) | – | 3,897 | #DIV/0! | – |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 35,257 | 97,850 | 25,927 | 1,005 | (36,598) | 38,381 | | | 25,927 |
| Cash/cash equivalents at beginning: | | 7,788 | 7,788 | 19,594 | | 19,594 | 19,594 | | | 19,594 |
| Cash/cash equivalents at month/year end: | | 43,045 | 105,638 | 45,522 | | (17,004) | 57,975 | | | 45,522 |

## DEBT MANAGEMENT

Inability to enhance and maximize revenue activities from landowners. Lack of cooperation from landowners, high unemployment rate, poor debt Collection. Aging debtors pose significant challenges to municipality, including disrupted cash flow, operational difficulties

**Mitigation**

To mitigate this, set clear payment terms, offer early payment discounts, and send reminders before due dates. Regular review accounts receivable aging reports to identify slow paying clients, prioritize collections and Credit control management, Implementation of bylaws and Operation of testing Grounds that will generate more revenue for the municipality. Credit control reduces debtors and increases more collection. and verification of indigent household.

| 2022/2023 SOURCES OF REVENUE | 2022/2023 BILLED REVENUE | 2022/2023 BILLED REVENUE | 2023/2024 BILLED REVENUE |
|---|---|---|---|
| | | 203,374.03 | |
| VAT | 204075.78 | | 188688.67 |
| INTEREST | 596555.25 | 775,965.81 | 1383680.61 |
| REFUSE | 1360015.79 | - | 1397965.15 |
| RATES | 27537289.56 | 1,414,362.03 | 43,190,045.98 |
| INDIGENTS | -57986.53 | 30,701,199.83 | -48803.61 |
| | | -69,074.27 | |
| ENCROACHMENTS | 1241.45 | | 946.4 |
| RENT | 185274.96 | 946.40 | 171656.19 |
| SUNDRY DEBTORS | | 128,769.12 | |
| | 390904 | | -4.79 |
| RATES INDIGENT | 0 | 64,765.37 | 1128.38 |
| | 2578.85 | -6,016.16 | |
| SUNDRY INCOME | | | |
| **TOTAL** | **30,219,949.11** | **33,214,292.16** | **46,285,302.98** |

KZN254 Dannhauser - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 - April

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | – | – | – | – | – | – | – | | – |
| Service charges - Water | | – | – | – | – | – | – | – | | – |
| Service charges - Waste Water Management | | – | – | – | – | – | – | – | | – |
| Service charges - Waste management | | 1,349 | 2,063 | 2,063 | 128 | 1,280 | 1,719 | (439) | -26% | 2,063 |
| Sale of Goods and Rendering of Services | | 498 | 1,197 | 415 | 127 | 696 | 528 | 167 | 32% | 415 |
| Agency services | | 1,195 | 150 | 180 | 114 | 373 | 143 | 230 | 161% | 180 |
| Interest | | – | – | – | – | – | – | – | | – |
| Interest earned from Receivables | | – | – | – | – | – | – | – | | – |
| Interest from Current and Non Current Assets | | 2,080 | 1,327 | 3,490 | 130 | 2,189 | 2,403 | (214) | -9% | 3,490 |
| Dividends | | – | – | – | – | – | – | – | | – |
| Rent on Land | | – | – | – | – | – | – | – | | – |
| Rental from Fixed Assets | | 48 | 21 | 22 | 1 | 20 | 18 | 2 | 10% | 22 |
| Licence and permits | | – | – | – | – | – | – | – | | – |
| Operational Revenue | | 1,108 | – | 34 | – | 831 | 20 | 811 | 3986% | 34 |
| Non-Exchange Revenue | | | | | | | | – | | |
| Property rates | | 44,591 | 45,039 | 45,039 | 3,774 | 38,352 | 37,532 | 820 | 2% | 45,039 |
| Surcharges and Taxes | | – | 23,655 | 0 | – | – | 5,520 | (5,520) | -100% | 0 |
| Fines, penalties and forfeits | | 889 | 600 | 1,642 | 4 | 34 | 1,125 | (1,091) | -97% | 1,642 |
| Licence and permits | | 448 | 2,250 | 1,351 | 45 | 963 | 1,336 | (372) | -28% | 1,351 |
| Transfers and subsidies - Operational | | 119,816 | 126,866 | 129,280 | 423 | 124,819 | 107,170 | 17,649 | 16% | 129,280 |
| Interest | | – | – | 1,139 | 167 | 1,636 | 683 | 953 | 139% | 1,139 |
| Fuel Levy | | – | – | – | – | – | – | – | | – |
| Operational Revenue | | – | – | – | – | – | – | – | | – |
| Gains on disposal of Assets | | (159) | – | – | – | 4 | – | 4 | #DIV/0! | – |
| Other Gains | | 433 | – | – | – | – | – | – | | – |
| Discontinued Operations | | – | – | – | – | – | – | – | | – |
| Total Revenue (excluding capital transfers and contributions) | | 172,295 | 203,167 | 184,655 | 4,912 | 171,198 | 158,199 | 13,000 | 8% | 184,655 |

| STRENGHTS | WEAKNESS |
|---|---|

| | |
|---|---|
| • Availability of Revenue related policies, Revenue enhancement strategy<br>• Completion of Testing Station which will enhance the revenue for the municipality.<br>• Strong Community Participation on the budgeting process<br>• Positive liquidity | • High grant dependency ratio<br>• Cash flow challenges<br>• Nonadherence to procurement plans and budget<br>• Unplanned activities get implemented<br>• Limited revenue sources<br>• Increase in unauthorised expenditure |
| **OPPORTUNITIES** | **THREATS** |
| • Opportunity of skills transfer from Consultants and National Treasury Resources<br>• Revenue sources potential<br>• Improvement of industrial area could attract more investors | • Significant budgets spend on salaries<br>• Unable to debts as they become due • No bulk service in the industrial area<br>• Projects not completed on time. |

| **CHALLEGES** | **RECOMMENDATIONS** |
|---|---|
| Limited revenue sources | Completion of the Testing Station |
| Increased unauthorized expenditure | Bulk Service assistance in the Industrial Area |
| Nonadherence to procurement plan and budget | Expanding revenue sources |

## SUPPLY CHAIN MANAGEMENT

The Dannhauser Local Municipality's council resolved in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the Supply Chain Management Policy of the Municipality.

The municipality adopts its SDBIP on a yearly basis to ensure that the usage of the procurement plan is in line with the IDP, various challenges are encountered in the SCM section and various corrective measures are implemented, such as illustrated in the table below

| CHALLENGE | CORRECTIVE MEASURE |
|---|---|
| Rotation of panels | The plan for rotating panels has been implemented and has been approved by the Council. |
| No proof of requesting quotations from suppliers | 1. The printed emails for requesting quotations are now printed and attached to the requisition.<br><br>The standard form has been implemented to be filled with by the supplier to whom we request the quotations from. |
| Goods Received Vouchers are not signed by the user department. | The GRV report has been designed by our accounting system (Munsoft) to accommodate the user department to sign after receiving goods. |

The policy also does not discriminate in contracting people within the South African boundaries as stated in the policy, page 26 of 50 of the policy.

“Specific goals” means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination based on race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;”

## ASSETS AND INFRASTRUCTURE

The Dannhauser Local Municipality has made provision for repairs and maintenance during the 2024/25 financial year. Tons of initiatives were taken to address the maintenance of assets in the previous years; and will still continue to explore during the 2025/26 financial year these will include implementation of the asset management plan that is in place. The municipality also has dedicated asset management officials whose responsibility is to oversee the entire asset management function and ensure that this function is not left to chance.

**REPAIRS AND MAINTANANCE TABLE**

| PROJECT | 2024/25 | 2023/24 | 2022/23 |
|---|---|---|---|
| **Repairs and maintenance equipment** | **R 20 916 594** | **R 19 545 325** | **R 29 883 760** |
| **Maintenance of unspecified assets** | **R 261 875** | **-** | **-** |
| **Maintenance of buildings and facilities** | **R 3 999 998** | **R 600 007** | **R 357 016** |
| **TOTAL** | **R 25 178 467** | **R 20 145 332** | **R 30 240 776** |

**FINANCIAL RATIOS**

| **Solvency Coverage Ratio** | **2024/25(BUDGETED)** | **2023/24** | **2022/23** |
|---|---|---|---|
| **Total assets:Total Liabilities** | | | |
| Total Assets | **645 363 626** | **571 045 529** | **563 563 822** |
| Total liabilities | **140 502 633** | **81 677 071** | **89 220 200** |
| Ratio | | | |
| | | | |
| **Current Ratio** | | | |
| Current assets: current liabilities | | | |
| Current assets | **49 992 694** | **20 961 454** | **20 961 454** |
| Current liabilities | **104 541 847** | **53 377 137** | **53 377 17** |
| | | | |

| **Capital expenditure: Total Expenditure** | | **2023/24** | **2022/23** |
|---|---|---|---|
| **Capital Expenditure** | **56 433 593** | **43 411 720** | **35 337 908** |
| **Total Expenditure** | | **164 956 684** | **180 462 286** |
| **%** | | | |
| | | | |
| **Revenue** | | | |
| | | | |
| **Collection Rate** | | | |
| Cash Collection | | | |
| Rates | | **20 044 914** | **31 217 016** |
| Refuse | | **17 817 770** | **2 774 845.84** |
| Rental | | **445 442** | **693 711.46** |
| | | | |
| **Billing** | | | |
| Rates | **45 038 700** | **30 701 199.83** | **31 217 016** |
| Refuse | **2 062 872** | **2 774 845** | **1 781 770** |
| Rental | **21 949** | **128 769.12** | **693 711** |
| **Rate %** | | | |
| | | | |
| **Remuneration to Total Expenditure** | | | |
| Employee related costs | **32 834 210** | **40 140 764** | **40 859 531** |
| Remuneration for Cllrs | **11 000 000** | **10 805 555** | **12 921 476** |
| Total Operational Expenditure | **134 723 180** | **180 462 286** | **164 956 684** |
| % | | | |

- **Expenditure Management comments**

  Effective management is crucial for achieving financial stability, reducing waste, and ensuring resources are allocated efficiently.

  It enables organizations to prioritize spending, make informed decisions, and achieve long-term sustainability.

  Managing expenditure can be complex, requiring ongoing monitoring, accurate forecasting and disciplined financial controls.

- Revenue Management Comments

  Effective revenue management is crucial for municipalities to ensure financial sustainability and deliver quality services

## BORROWINGS/ LOANS AND GRANT DEPENDENCY

- Please elaborate on the municipal state on the municipal standing with MFMA and other legislations and whether or not the municipality can afford salaries that are prerequisite of GRAP.
- % dependency on grants

## AUDITOR-GENERAL'S AUDIT OPINION

**EXPENDITURE MANAGEMENT**

**DRAFT 2025/2026 BUDGET WORKINGS**

| | | | | |
|---|---|---|---|---|
| **DANNHAUSER MUNICIPALITY (K 2 4)** | | | | |
| **FINAL BUDGET & MTREF FOR 202 - 2028** | | | | |
| | | | | |
| **CAPITAL BUDGET 2024/202 - 2026/2027** | | | | |
| **DEPARTM** | **DESCRIPTION** | **FINAL** | **PROJECTED** | **PROJECTED** |
| | | **BUDGET** | **BUDGET** | **BUDGET** |
| | | **202 /26** | **2026/27** | **2027/28** |
| | | | | |
| | **CORPORATE SERVICES** | | | |
| | IMPRO EMENTS- REGISTRY | 200,000 | 209,200 | 219,242 |
| | FURNITURE & EQUIPMENT (TOOLS OF TRADE) | 1,000,000 | 1,046,000 | 1,096,208 |
| | MUNICIPAL EHICLES | 1,900,000 | 1,987,400 | 2,082,795 |
| | COMPUTER EQUIPMENT | 60,000 | 62,760 | 65,772 |
| | CAMERAS FOR NEW OFFICES AND TRAFFIC CENTRE | 200,000 | 209,200 | 219,242 |
| | SPECIALIZED CHAIR ( I.T OFFICER) | 70,000 | 73,220 | 76,735 |
| | | | | |
| | **TOTAL** | **3 430 000** | **3 87 780** | **3 7 3** |
| | | | | |
| | **FINANCE DEPT** | | | |
| | COMPUER EQUIPMENT | 1,000,000 | 1,046,000 | 1,092,024 |
| | FURNITURE EQUIPMENT | 5,000 | 5,230 | 5,460 |
| | | | | |
| | **TOTAL** | **1 00 000** | **1 0 1 230** | **1 0 7 484** |
| | | | | |

| | | | | |
|---|---|---|---|---|
| | **TECHNICAL DEPART** | | | |
| | WATER TANKER , TIPPER & PULLING GRADER | 3,500,000 | 3,661,000 | 3,822,084 |
| | ELECTRIFICATION -WARD 1 | 2,100,000 | 2,196,600 | 2,293,250 |
| | ELECTRIFICATION -WARD 6 | 2,100,000 | 2,196,600 | 2,293,250 |
| | ELECTRIFICATION - WARD 7 | 2,100,000 | 2,196,600 | 2,293,250 |
| | ELECTRIFICATION - WARD 9 | 2,100,000 | 2,196,600 | 2,293,250 |
| | ELECTRIFICATION -WARD 11 | 2,100,000 | 2,196,600 | 2,293,250 |
| | ELECTRIFICATION - WARD 13 | 2,100,000 | 2,196,600 | 2,293,250 |
| | COMMUNITY HALL -MIG (WARD 1) | 3,500,000 | 3,654,000 | 3,854,970 |
| | COMMUNITY HALL- MIG (WARD 11) | 3,500,000 | 3,654,000 | 3,854,970 |
| | MAST LIGHTS ( WARD 6,7,8,10 AND 13) | 300,000 | 313,200 | 330,426 |
| | CONSTRUCTION OF FLINT HALL IN WARD 06 (MIG) | 6,500,000 | 6,786,000 | 7,159,230 |
| | LOWBED | 1,000,000 | 1,044,000 | 1,101,420 |
| | DISASTER GRANT GRANT | 11,250,000 | 11,745,000 | 12,390,975 |
| | COMMUNITY HALLS OF HILLTOP WARD 7 | 6,500,000 | 6,786,000 | 7,159,230 |
| | UPGRADING OF DURNACOL URBAN ROADS | 9,500,000 | 9,918,000 | 10,463,490 |
| | STORM WATER-MANAGEMENT PLAN | 300,000 | 313,200 | 330,426 |
| | ELECTRIFICATION PROJECT IN WARD 05 (100 CONNECTIONS) | 2,100,000 | 2,192,400 | 2,312,982 |
| | ELECTRIFICATION PROJECT IN WARD 10 ( 100 CONNECTIONS) | 2,100,000 | 2,192,400 | 2,312,982 |
| | OLD ELECTRIFICATION (3,4,8 & 12) | 7,000,000 | 7,308,000 | 7,709,940 |
| | MAST LIGHT WARD 3 | 1,000,000 | 1,044,000 | 1,101,420 |
| | CHILD CARE FACILITY WARD 5 | 2,000,000 | 2,088,000 | 2,202,840 |
| | CHILD CARE FACILITY -WARD 8 | 2,000,000 | 2,088,000 | 2,202,840 |
| | CHILD CARE FACILITY -WARD 12 | 2,000,000 | 2,088,000 | 2,202,840 |

| | | | | |
|---|---|---|---|---|
| | TESTING GROUNG | 2,000,000 | 2,088,000 | 2,202,840 |
| | **TOTAL** | **78 6 0 000** | **82 142 800** | **86 47 407** |
| | | | | |
| **Commun** | **iWaste Services** | | | |
| | SKIP BINS | 150,000 | 156,600 | 165,213 |
| | SLASHERS | 100,000 | 104,400 | 110,142 |
| | BRUSH CUTTERS | 80,000 | 83,520 | 88,114 |

| | | | | |
|---|---|---|---|---|
| | CEMETERY FENCING & TOILETS (ALL WARDS EXCLUDING WARD) | 750,000 | 783,000 | 826,065 |
| | DURNACOL CEMETERY FENCING | 1,800,000 | 1,879,200 | 1,982,556 |
| | **TOTAL** | **2 880 000** | **3 006 720** | **3 172 0 0** |
| | | | | |
| **Protection Services** | | | | |
| | FURNITURE & EQUIPMENT | 140,000 | 146,160 | 154,199 |
| | COMMUNICATION RADIOS | 500,000 | 522,000 | 550,710 |
| | FIREARMS AND BULLET PROOF ESTS | 100,000 | 104,400 | 110,142 |
| | JOJO TANKS | 5,500 | 5,742 | 6,058 |
| | SOLAR PANEL | 190,000 | 198,360 | 209,270 |
| | **TOTAL** | **3 00.00** | **76 662** | **1 030 378** |
| | | | | |
| **TOTAL CAPITAL BUDGET** | | **86 00 00** | **8 713 62** | **4 437 86** |
| | | | | |
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## MUNICIPAL FINANCIAL VIABILITY SWOT ANAYSIS

| **STRENGHTS** | **WEAKNESS** |
|---|---|
| • Availability of Revenue related policies, Revenue enhancement strategy<br>• Completion of Testing Station which will enhance the revenue for the municipality.<br>• Strong Community Participation on the budgeting process<br>• Positive liquidity | • High grant dependency ratio<br>• Cash flow challenges<br>• Nonadherence to procurement plans and budget<br>• Unplanned activities get implemented<br>• Limited revenue sources<br>• Increase in unauthorised expenditure |
| **OPPORTUNITIES** | **THREATS** |
| • Opportunity of skills transfer from Consultants and National Treasury Resources<br>• Revenue sources potential<br>• Improvement of industrial area could attract more investors | • Significant budgets spend on salaries<br>• Unable to debts as they become due • No bulk service in the industrial area<br>• Projects not completed on time. |

## KEY CHALLENGES

- On the attached Audit Action Plan

## CORRECTIVE MEASURES/ AUDIT ACTION PLAN

- On the attached Audit Action Plan

# SECTION D:

# MUNICIPAL VISION GOALS AND OBJECTIVES

## SECTION D: MUNICIPAL VISION, GOALS AND OBJECTIVES

### VISION

A trusted, and caring local municipality that promotes good governance, inclusive and sustainable development.

### MISSION

We are a united and trusted local municipality that prioritizes service delivery through co-operative governance and public participation.

### CORE VALUES

The municipality is planning on prioritizing the following for the 2025/2026 financial year:

- Establishment of sustainable income generating infrastructure projects.
- Job Creation
- Explore tourism withing the municipal area - Disaster risk assessments.
- Amakhosi to make land available for proposed developments in their areas of jurisdiction.
- Facilitation of a process of attraction of investors for anchor projects.

The Municipal goals are the necessary end result that Dannhauser local municipality achieved through the short-term and long-term period. The alignment of goals as contained in the Spatial Development Framework, District Growth Development Plan, Provincial Growth Development Plan and National Development Plan.

The following are the short-term goals (2025/2026 Financial Year) that the municipality will strive to achieve:

- Assist and support Small Medium Enterprises
- Job creation
- Poverty alleviation
- Sports tournaments
- Storm and disaster controls
- Improvement of socio-economic structure

## KPA 1: MUNICIPAL TRANSFORMATION AD ORGANISATIONAL DEVELOPMENT

| GOALS | DEVELOPMENT OBJECTIVES | STRATEGIES |
|---|---|---|

| | | |
|---|---|---|
| **Delivery of quality basic services** | ➢ To ensure provision of all basic services to the entire community of Dannhauser.<br>➢ To meet the national norms and standards on accessibility of basic municipal services.<br>➢ To ensure that Dannhauser appreciates economic growth.<br>➢ To ensure that Dannhauser attracts investors for industrialization. | ➢ Full MIG utilization; and Identification of roads to be done by the District Municipality.<br>➢ Universal access to electricity has been achieved,<br>Municipality aims to engage with DME and ESKOM on infill and extension of electricity services to all households as and when required.<br>➢ Filing an application for funding with DOE. |

| | | |
|---|---|---|
| | ➢ To ensure provision of public facilities and amenities in all wards that enable economic engagements.<br>➢ To provide the Dannhauser communists with space for public engagements between themselves and with all spheres of government; and<br>➢ To ensure full compliance with pieces of legislation relevant to local government. | ➢ Engage Amajuba District Municipality in connection with water supply & liquid sanitation programmes.<br>➢ Rehabilitate and construct the key urban roads up to an acceptable standard.<br>➢ To draw investors into the Industrial Area; and<br>➢ To expand economic infrastructure in the CBD.<br>➢ Lobbying for additional funding with Provincial government or other agencies.<br>➢ Build town halls in ward 2.<br>➢ Provision of childcare facilities in all 13 wards.<br>➢ Building a taxi rank with hawkers' shelters.<br>➢ Provision of recreation facility (park) in ward 2. |

| | | |
|---|---|---|
| | | ➢ Facilitate the development of the mall in Dannhauser Town.<br>➢ Facilitate the building of primary and high schools in ward 1, 2 and ward 5.<br>➢ Development of the market facility in ward 2.<br>➢ Provision of nursery in ward 2.<br>➢ Provision of sport fields in all 13 wards.<br>➢ Construction of Durnacol Sports Complex. |
| **GOALS** | **DEVELOPMENT OBJECTIVES** | **STRATEGIES** |
| **Local economic growth and development** | ➢ To ensure provision of public facilities and amenities in all wards enabling economic engagements.<br>➢ To provide the community with space for public | ➢ To render landscaping services within Dannhauser Town.<br>➢ To provide the necessary landscaping within community halls. |

| | | |
|---|---|---|
| | engagements between themselves and with all spheres of government.<br>➢ To ensure full compliance with pieces of legislation relevant to local government.<br>➢ To ensure that investors occupy the newly established Industrial Area.<br>➢ To ensure economic infrastructure development that will impact on formal and informal business.<br>➢ To drive housing development.<br>➢ To empower women & youth through business initiatives and training & development; and<br>➢ To ensure the development of tourism and agriculture. | ➢ To maintain the sports field in a good condition.<br>➢ To enforce bylaws pertaining to environmental health in partnership with other organizations.<br>➢ To render refuse removal services.<br>➢ To undertake advocacy on recycling.<br>➢ To develop an Investment Framework that will attract and retain investors.<br>➢ To develop investment friendly policies.<br>➢ To ensure business licensing is implemented.<br>➢ To manage the landfill site; and<br>➢ To implement tourism and agricultural activities. |

| | | |
|---|---|---|
| | ➢ To promote the generation of revenues through advancing business investments. | |
| **GOALS** | **DEVELOPMENT OBJECTIVES** | **STRATEGIES** |
| Municipal selffinancial sustainability and best management | ➢ To build a municipality with adequate revenue for selfsustainability.<br>➢ To eradicate dependency on grants by the municipality.<br>➢ To enhance the achievement of a clean audit report by 2017/18 onwards.<br>➢ To create a culture of good financial management with special emphasis on revenue; expenditure; controls and systems improvement. | ➢ Ensuring that outstanding fees from accounts owed to the municipality are collected. This includes rates, taxes, traffic fines and other services that are collected.<br>➢ Filling of all vacant positions with qualified personnel.<br>➢ Early requisition of posts advertised by the department.<br>➢ Commissioning of a cleansing project.<br>➢ Allocation of cleansing under MSIG. |

| | | |
|---|---|---|
| | ➢ To establish political structures and ensure election of respective office - bearers within the ambit of law; | ➢ Public participation and good governance.<br>➢ Timely reporting to Treasury; Provincial and National departments.<br>➢ Reporting to EXCO and Council Reporting on compliance levels covering all compliance matters.<br>➢ Monthly submission of section 71 and 72 reports to EXCO or Council.<br>➢ Ensure regular sitting of audit committee.<br>➢ Monitor shared service issues.<br>➢ Ensure that audit committee matters are presented before council by the committee chairperson.<br>➢ Utilization of external service providers to enhance |

| | | |
|---|---|---|
| | | effectiveness and efficiency.<br>➢ Continuous commitment by internal audit committee.<br>➢ Early replacement or filling of vacancies.<br>➢ Regular sittings as per the schedule of meetings.<br>➢ Budget allocation for sittings.<br>➢ Provision of adequate technical support to the office of the Speaker.<br>➢ Quarterly report on the sitting of Portfolio committees.<br>➢ Nomination of resource officials for committees.<br>➢ Regular monitoring of compliance.<br>➢ Reporting on key items like absenteeism.<br>➢ Standing item on ward committees in EXCO agenda. |

| | | |
|---|---|---|
| | | ➢ Submission of a detailed report for discussion.<br>➢ Preparation of monthly financial statements.<br>➢ Submission of monthly statements to EXCO.<br>➢ Finalization of AFS on second week of August.<br>➢ Preparation of draft performance report at the end of June.<br>➢ Preparation of the relevant schedule.<br>➢ Provision of technical support to the Mayor and Speaker.<br>➢ Allocation of public participation resources.<br>➢ Preparation of monthly financial statements.<br>➢ Submission of monthly statements to EXCO.<br>➢ Finalization of AFS week of August. |

| | | |
|---|---|---|
| | | ➢ Preparation and submission of quarterly reports to council.<br>➢ Preparation of draft performance report at the end of June. |
| **GOALS** | **DEVELOPMENT OBJECTIVES** | **STRATEGIES** |
| Promoting a culture of public participation and good governance | ➢ To enhance communication between the municipality and the community.<br>➢ To allow the needs of the community to be addressed first (B2B).<br>➢ To establish political structures and ensure election of respective office - bearers within the ambit of law. ➢ To enable staff members to work in line of local government legislations. | ➢ Ensure that policies of public participation that are developed and adopted are in line with legislations. |
| **KPA 6: ENVIRONMENTAL AND SPATIAL MANAGEMENT** | | |

| GOALS | DEVELOPMENT OBJECTIVES | STRATEGIES |
|---|---|---|
| Efficient Use of Space and promotion of Harmonious Development | ▪ To ensure the efficient use of land-based land capability and suitability characteristics. | ▪ To ensure that proper land zoning for various activities is undertaken. |

## COMPARISONS OF PERFORMANCE FOR PREVIOUS YEARS

| Strategic Objective | Strategies | key perfromance Indicators | Annual Target | 2023/2024 Projection | Actual | Reason for varience | Corrective measur | Achieved/ Not Achieved | Source | Budget | Portfolio of Evidence | Status In Financial Year 2024/2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **KPA 1: Municipal Transformation and Institutional Development** | | | | | | | | | | | | |
| **Building institutional resilience and administrative capability** | | | | | | | | | | | | |
| To transform | Outsourced serv | 4x quarterly Perf | Conduct 4x Performance Assessment | 4 | 3 | Unavailability of | Do follo wups | Not Achiev ed | NA | NA | 4x Quarterly | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| the Dannhauser into a performanc e driven Municipality | ices effectively managed | orm anc e assessment conducted on all service providers with signed SLAs on a quarterly basis in the Year ending 30 June 2024 | on all service providers with signed SLAs on a quarterly basis in the Year ending 30 June 2024 | | | Service Providers | and communication with users | | | | performance reports on external service providers and Appointment letters | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To provide skills development programmes for Staff, Councillors | Recruitment for critical posts completed | 100% identified posts filled | 100% filling of identified critical posts in the year ending 30 June 2024 | 20 | 18 | change in administration delayed appointment of vacant posts | The appointment is on progress in this quarter | Not Achieved | NA | NA | Appointment Letters/ Contracts of Appointments | |
| Development and adoption of Batho Pele Principle | Effective management of Municipal Workforce | Develop and adoption Batho Pele Principle by 30 June 2024 | Adoption of Batho Pele Principle by 30 June 2024 | Adoption of Batho Pele Principle in the year ending 30 July 2024 | Batho Pele Principle not adopted | change in political leadership delayed the approval of policies | policy and strategy will be approved in Q2 | Not Achieved | NA | NA | Council resolution and Batho Pele Principal policy | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To ensure proper implementation of Municipal policies | Review and adoption of municipal policies by Council | Review and Adoption of Municipal policies by Council in the year ending 30 June 2024 | Review and Adoption of all municipal policies ( HR, ICT Finance and General Frameworks ) by Council in the year ending 30 June 2024 | 1x report on review and adoption of Municipal Policies by Council | municipal strategies and policies were not approved | change in political leadership delayed the approval of policies | policy and strategy will be approved in Q2 | Not Achieved | NA | NA | Council Resolution and approved Records Management Policy | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | ng 30 June 2024 | | in the year ending 30 June 2024 | | | | | | | | |

**KPA 2: Basic Service Delivery**

**Putting people and their concerns first**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To provide Public Amenities | Complete Construction of Ward 9 Community Hall | Complet e construction of the Ward 9 Community Hall by 30 June 2024 | Completed construction the ward 09 community hall by 30 June 2024 | Completion of the construction of the hall as per approved scope of work | 69 % completion of ward 9 community hall | Poor Performance of service provider | Notices of slow progress were issued to service to acerate plan submitted and project is accelerating. | Not Achieved | MIG | 2200000 | 4x Progress Report | |
| To ensure safe | Construction of | Completion of | completion construction of 0,4 km Nkosibovu | Progress rep | 69% completion | Reduction in | Prioritise the | Not Achieved | | | 4x Progress Rep | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| road infrastructure networks | Nkosibovu gravel 0,4km and causeway Road 0.05 in ward 06 | construction of 0,4 km Nkosibovu gravel and 0,05 Causeway road by 30 June 2024 | gravel and 0,05 Causeway road by 30 June 2024 | ort on construction of Nkosibovu Causeway and Gravel Access Road | Nkosibovu Causeway and Gravel road | MIG allocatio n | project in the new FY | | | | orts on KM completion of the construction of the Nkosibovu Gravel and Causeway | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To ensure a safe environment through electrification infills | Electricity Infrastructre | Provision of the electricity infrastructure to 360 (Ward 3,4, 8 & 12) households by 30 Jun | 360 houses to be provided with electricity infrastructure by 30 June 2024 | 1 x Progress Report on Households electrification- Infill in Ward 4,7, 8 & 12 | Construction in progress as per the attached report. | Target not met due to limited funding on the project | Rebudget for the project in the next financial year | Not Achieved | Internal / External | 2000000 | 4x Progress Report on Households electrification- Infill in Ward 4,7, 8 & 12 | |
| | | e 2024 | | | | | | | | | | |
| **KPA 3: Local Economic Development** | | | | | | | | | | | | |
| **Supporting the delivery of municipal services to the right quality and standard** | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To develop a comprehensive strategy to empower SMMEs & Coops | Empowerment of SMMEs and Co Ops and Development of key sectors of the Economy, Job Creation and Economic Investment | Date of Adoption of the Comprehensive LED Strategies by the end of June 2024 | Adoption of the Comprehensive LED Strategy in the year ending 30 June 2024 | Appointment of the Service provider and Inception Report | Planning and Economic Development has issued an Appointment letter and the inception report is in place | None | None | Not Achieved | NA | NA | Council Resolution for Comprehensive LED Strategy, implementation reports and letter of appointment | |
| | | Monitor Compliance with the Formal Busi | Formal Business issued with businesses and monitored in the year ending 30 June 2024 | 1 x quarterly Report on Formal Bus | No business license has been issu | no business license applications wer | municipality to conduct inspection to | Not Achieved | NA | NA | Attendance registers and list of trad | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | nesses | | inesses applied for business licenses | ed in this quarter | e received in this quarter | check business compliance and motivate business owners to apply for business licenses | | | | ers issued with permits | |
| | | Support Informal Traders and Monitor Informal Businesses | List of Informal Businesses issued with permits and monitored in the year ending 30 June 2024 | List of Informal Businesses issued with permits and monitored | no business permit has been issued in this quarter | no business permit application was received in this quarter | N/A | Not Achieved | NA | NA | Attendance register s and program | |
| **KPA 4: Good Governance and Public Participation** | | | | | | | | | | | | |

| Promoting good governance, transparency and accountability | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To ens | Revi ew | Num ber | 4 x quarterly Performanc | 4x Perf | 0 | Partl y | Fina lizati | Not Ach | N A | N A | 4 x Appr | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ure progressive compliance with institutional and governance requirements | and implementation of 2023/2024 PMS Policy Framework | of performance assessments conducted in the year ending 30 JUNE 2024 | e assessments to be conducted (2 x Informal/verbal & 2 x Formal) in the year ending 30 JUNE 2024 | ormance Assessment to be conducted | | finalization of the MM and Directors appointment did not permit the execution of the Performance Assessment for Section54/56 Managers as per PMS Policy and Planning | on outstanding appointment process for Section 56Managers | ieved | | | aisal Reports/ Score sheets & Panel attendance registers | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | and Performance Regulations of 2001 | | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adoption and Implementation of the Risk Management Policies | Date of Adoption of the Reviewed 2023/24 Risk Management Policies and Strategies by Council in the year ending 30 JUNE 2024 | Review and adopt the 2023/24RM policies and strategies by Council in the Year ended 30 JUNE 2024 | 2023/2024 RM policies and strategies reviewed and adopted by RMC and Council by 31 July 2023 | 2023/2024 RM Policies and Strategies were not adopted | Due to Management appointment not finalised, the RM C was also not established, and the Risk Management Policies and Strategy were not compiled or review | Fast track establishment of the RMC, and prioritise review of the RM Policy and Strategy | Not Achieved | NA | NA | Risk Man Policy and Strategy; Minutes of RMC; Council Resolution | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adoption of the Annual Report | Date of Adoption of the 2022/2023 Draft Annual Report by Council on or before the 25 January 2024 | Date of Adoption of the 2022/2023 Draft Annual Report by Council on or before the 25 January 2024 | Adoption of the 2022/2023 Draft Annual Report by Council | 2022/2023 Draft Annual Report not adopted by Council | No Council meeting convened | Management and Council prioritise statutory date s as per different legislation governing local government | Not Achieved | NA | NA | Council Resolution and the Draft Annual Report 2022/2023 | |
| | | Date of Adoption of Oversight Report | Adoption of OR on Final AR 2022/23 by Council before 31 March 2024 | Adoption of the 2022/2023 Final Ove | 30April 2024 Adoption of the Final | Due to instability for convening the Cou | Management and Council prioritise stat | Not Achieved | NA | NA | Council Resolution and Oversight Rep | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | (OR) on final AR by the Council by the 31 March 2024 | | rsight Report by Council | Oversight Report by Council | ncil the Final Oversight Report was adopted outside prescribed time | utory dates as per different legislation governing local government | | | | ort on Annual Report 2022/23 | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Adoption of IDP | Date of adoption of the 2024/2025 Draft IDP by Council by the 31 March 2024 | Adoption of 2024/25 Draft IDP by Council before 31 March 2023 in the year ending 30 JUNE 2024 | Adoption of the 2024/2025 Draft IDP by Council | 2024/2025 Draft IDP was not adopted by Council | 2024/2025 Draft IDP was submitted to Council but was not adopted | Management and Council prioritise statutory dates as per different legislation governing local govern | Not Achieved | NA | NA | Council Resolution and Draft IDP 2024/25 | |
| | | | | | | | ment | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To ensure achievement of Unqualified Audit Opinion for 2023/2023 with no matters | Achieving Unqualified Audit Opinion | % of Findings Addressed from 2022/2023 AG Action Plan in the year ending 30 JUNE 2024 | Address 100% of Findings from 2022/23 AG Action Plan in the year ending 30 JUNE 2024 | % of findings addressed from 2022/2023 AG Action Plan | Address 78% of Findings resolved from 2022/2023 AG Action Plan | Department attachment does not show the percentage | Department must provide enough information on the percentage addressed | Not Achieved | NA | NA | 2 x Progress Reports on Addressing Findings from 2022/23 AG Action Plan | |
| To implement and maintain effective enterprise wide risk management | Risk Management | % of implementation of the risk management action plan for the year endi | 100% implementation of the Risk Management Plan in the year ending 30 June 2024 | Implement % of the Risk Management Plan | 50% of the Risk Management Plan Implementation | Changes in Management lead to delays in finalizing Risk Management Impl | Fast track the review of the Risk Management Action Plan | Not Achieved | NA | NA | 4 x Risk Management Progress reports | |

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| syst em | | ng 30 Jun e 202 4 | | | | eme ntati on Plan | | | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To Ensure Functional Audit Committee | Functional Audit Committee | Number of Quarterly Audit Committee meetings coordinated in the year ending 30 June 2024 | Co-ordinate 4xAC Quarterly AC meeting in the year ending 30 June 2024 | Coordinate 1x AC Quarterly AC meeting in the year ending 30 June 2024 | 3x AC Meeting conducted | The change in management was still in process in terms strategizing the delegation and support to coordinate AC Meetings (consultation) | Realign AC Schedule in terms of the remaining period of the financial year, and engage AC Chairperson and IA for fast tracking the process | Not Achieved | NA | NA | 4x Agenda, Attendance Register, Minutes | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To direct law enforcement to improve safety and security | Municipal Roadblock conducted | Planning and Implementation of the road safety programs as regulated by the relevant legislation for the financial year ending 30 June 2024 | Conduct 15 Roadblocks in the year ending 30 June 2024 | Conduct 15x Road Blocks by 30 June 2024 | 10 | None | None | Not Achieved | NA | NA | 4 x Law enforcement Reports | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To ensure compliance with the | Disaster Management | Review and Adoption of the 2023/20 | Review and Adoption of the 2023/2024 disaster management plan by council in the year | Review and Adoption of the 2023/2 | NA | None | None | Not Achieved | NA | NA | Council Resolution and Disaster | |
| develop | | 24 | | 024 | | | | | | | Manage | |
| ment and implementation of disaster management plan | | disaster management plan by council in the year ending 30 June 2024 | ending 30 June 2024 | disaster management plan | | | | | | | ment Plan Review | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To ensure progressive compliance with institutional and governance requirements | Performance Management | Number of monthly EXCO Meetings Coordinated in the year ending 30 June 2024 | Conduct 12 EXCO meetings in the year ending 30 June 2024 | Conduct 12 EXCO meetings | 5x EXCO meetings | there are various interruptions in the program council during the period in question occasio | Councillors are being workshopped to better handle multiple demands of their time and energy | Not Achieved | NA | NA | Minutes of the meetings, agenda and Attendance Registers. | |
| | | | | | | ned by heavily contested by election | | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Number of Monthly Portfolio (Technical/ Community/ LED /Corporate) Committee Meetings Coordinated in the year ending 30 June 2024 | Conduct 18 Portfolio (Technical/Community/Corporate/Finance and Planning) Committee Meetings in the year ending 30 June 2024 | Conduct 18 Portfolio | 10 | There are various interruptions in the program council during the period in question occasioned by contested by election | Councillors are being workshopped to better handle multiple demands of their time and energy | Not Achieved | NA | NA | Minutes of the meetings, agenda and Attendance Registers. | |
| | | | | | | | | | | | | |

**KPA 5: Cross Cutting**

**Supporting the delivery of municipal services to the right quality and standard**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To provide services to the community in developing a Cemetery plan and maintaining cemeteries in the Urban and Rural Areas | Provision of Greening & Gardening in municipal and public areas | Monitoring maintenance of municipal Public amneties, public open space and parks and cemeteries for the year ending 30 June 2024 | 4x Quarterly Progress Report for Municipal Public Amneties, Public Space, Parks and cemeteries for the year ending 30 June 2024 | 4x Quarterly Progress Report | 3 | the municipality did not have any casual workers since we are short staff | plan the number of casual employees we will need for the year | Not Achieved | NA | NA | 2x Maintanance reports | |
| **KPA 6: Municipal Financial Viability and Management** | | | | | | | | | | | | |
| **Ensuring sound financial management and accounting** | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| To improve | Departmenta | Monitor dep | Not more than 100% spent of the | Not more | 76,00% | None | None | Not Ach | NA | NA | 4 x Departm | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| expenditure control | l budget actually spent within dept budget | artmental budget actually spent against approve d dept budget in the year ending 30 June 2024 | dept annual budget in the year ending 30 JUNE 2024 | tha n % spent of the dept annual budget | | | | ieved | | | ental financial reports | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Municipality's Budget actually spent on Workplace Skills Plan | % of budget spent on the WSP for the year ending 30 June 2024 | 100% spending of the budgeted amount on WSP in the year ending 30 June 2024 | % spending of the budgeted amount on WSP | 90,00% | None | None | Not Achieved | NA | NA | Budget vs Actual spending report on WSP | |

## KPA KEY PERFORMANCE CHALLENGES

| KEY PERFOMANCE AREA | CHALLENGE |
|---|---|
| Municipal Institutional Development and Transformation | I. Lack of coordination, and processing of data available to the department<br>II. change in administration delayed appointment of vacant posts<br>III. There were no minutes of the meeting for technical services because it was a site visitation<br>IV. There are various interruptions in the program council during the period in question occasioned by heavily contested by election<br>V. LLF was not conducted due to no quorum |
| Basic Service Delivery | I. Contractor vacated site due to non-approval and payment of submitted variation orders |

| | | |
|---|---|---|
| | II. | Poor Performance of service provider |
| | III. | Reduction in MIG allocation |
| Local Economic Development | I. | no business license applications were received in this quarter |
| Good Governance and Public Participation | II. | There are various interruptions in the program council during the period in question occasioned by contested by election |
| | III. | Risk Management committee not appointed |
| | IV. | Due to the Management appointment not being finalised, the RMC was also not established, and the Risk Management Policies and Strategy were not compiled or reviewed |
| | V. | During this period the municipality was under the process of reestablishment of the Council Committees, and appointment of |
| | | the Acting Senior Managers and Acting Municipal Manager) |
| | VI. | The directors have not sat |
| Cross Cutting | I. | the municipality did not have any casual workers since we are short staff |
| Municipal Financial Viability and Management | II. | Actual performance not documented by the department |

## SECTION E : MUNICIPAL IMPLEMENTATION PLAN

# DANNHAUSER MUNICIPALITY IDP IMPLEMENTATION PLAN

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| **BUILT ENVIRONMENT** | | | | | | | |
| | Road Widening | N11 | R100 000 000,00 | R10 000 000,00 | R10 000 000,00 | R10 000 000,00 | |
| | Tarring of Gravel Roads (5km) | Main Road at Skobhareen Gravel Road from P39 to N11 | R17 500 000,00 | R3 500 000,00 | R3 500 000,00 | R3 500 000,00 | |
| | Tarring of D Road (5km) | Normandien | R17 500 000,00 | R3 500 000,00 | R3 500 000,00 | R3 500 000,00 | |
| | Access Roads | Zondo Farm, Lower Upper Crunvail, Sunset, Skobareen, Moosdale & Stooni | R10 000 000,00 | R2 000 000,00 | R2 000 000,00 | R2 000 000,00 | |
| | Access Roads | Ward 9 | R10 000 000,00 | R2 000 000,00 | R2 000 000,00 | R2 000 000,00 | |
| | Bridges | Lower & Upper Crunvail, Enkunzi, Manzimnyama & | R16 000 000,00 | R3 000 000,00 | R3 000 000,00 | R3 000 000,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | Mathimbane | | | | | |
| | Bridges | Ndomba | R4 000 000,00 | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Revamp Community Facilities (Halls & Facilities) | All Areas of Ward 2 | R5 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Completion of P296 Road Project | Wilts, Dorsert & Tayside | TBD | R0,00 | R0,00 | R0,00 | |
| | Tarring of Road from Banana to Grootgeluk (5km) | Mbabana to Grootgeluk | R17 500 000,00 | R3 500 000,00 | R3 500 000,00 | R3 500 000,00 | |
| | Upgrade of Access Road (5km) | Rutland to Kwa Ntuli | R17 500 000,00 | R3 500 000,00 | R3 500 000,00 | R3 500 000,00 | |
| | Tarring of Gravel from Koparasi to Kilkeel & Marta (5km) | Koparasi to Kilkeel and Marta | R17 500 000,00 | R3 500 000,00 | R3 500 000,00 | R3 500 000,00 | |
| | Rehabilitation & Upgrade of Storm Drainage Systems in Urban Nodes | Dannhauser Town, Hattingspruit & Durnacol | TBD | R0,00 | R0,00 | R0,00 | |
| | Mbabane River Pedestrian Bridge (Sandmines) | | R14 425 000,00 | R5 000 000,00 | R9 425 000,00 | R0,00 | |
| | Buffels River Bridge (Jiyane) | | R550 000,00 | R0,00 | R0,00 | R0,00 | |
| | Road Ugrading | D280 | R7 500 000,00 | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Road Ugrading | L1364 | R5 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Road Ugrading | P296 | R15 500 000,00 | R3 000 | R3 000 | R3 000 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | 000,00 | 000,00 | 000,00 | |
| | Tarring of Road | Eastbourne Farm | TBD | R0,00 | R0,00 | R0,00 | |
| | Rural Roads | Ward 7 | R36 000 000,00 | R5 000 000,00 | R5 000 000,00 | R6 000 000,00 | |
| | Urban Roads | | R9 400 000,00 | R1 400 000,00 | R2 000 000,00 | R2 000 000,00 | |
| | Tarred Roads | Industrial Park | TBD | R0,00 | R0,00 | R0,00 | |
| | Tarred Road | Industrial Park to R621 | TBD | R0,00 | R0,00 | R0,00 | |
| | Environmental Education Centre | Dannhauser | R15 000 000,00 | R3 000 000,00 | R3 000 000,00 | R3 000 000,00 | |
| | Preservation and Mainteinance of Indliza Graveyard | Indliza Graveyard | R1 700 000,00 | R340 000,00 | R340 000,00 | R340 000,00 | |
| | Mainteinance of Historical Buildings | Dannhauser LM | R1 700 000,00 | R340 000,00 | R340 000,00 | R340 000,00 | |
| | Streetlights | Industrial Park | TBD | R0,00 | R0,00 | R0,00 | |
| | Sidewalks / Pavements | Dannhauser Town | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Street Lights | Ward 2 | R500 000,00 | R0,00 | R0,00 | R0,00 | |
| | Dannhauser Community Parks (6 Parks) | Dannhauser, Durnacoal, | R27 600 000,00 | R5 000 | R5 000 | R5 000 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | Hattingspuit and KwaMdakane | | 000,00 | 000,00 | 000,00 | |
| | Upgrade Existing Park Facilities & Provision of Parks in Different Areas | Wards | TBD | R0,00 | R0,00 | R0,00 | |
| | Parks Upgrade & Development | Hattingspruit | TBD | R0,00 | R0,00 | R0,00 | |
| | Sports Combo Facilities | Ward 5 | TBD | R0,00 | R0,00 | R0,00 | |
| | Sports and Recreational Combo Facilities | Ward 8 | TBD | R0,00 | R0,00 | R0,00 | |
| | Sports Combo Facility | Mafahlawane | TBD | R0,00 | R0,00 | R0,00 | |
| | Parks and Recreational Facilities | Ward 9 | TBD | R0,00 | R0,00 | R0,00 | |
| | Stenedrive Inn Housing Project | Stendrive Inn | TBD | R0,00 | R0,00 | R0,00 | |
| | Flint Peach Hill Housing Project | Flint Peach Hill | TBD | R0,00 | R0,00 | R0,00 | |
| | Mourn Hill Top Housing Project | Mourn Hill | TBD | R0,00 | R0,00 | R0,00 | |
| | Middle income housing development [Mining Township] | Dannhauser | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Disaster Houses (ward 3, 6, 8, 11 and 13) | | R2 000 000,00 | R0,00 | R0,00 | R2 000 000,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Rural Housing Project Phase II (1800 Units) | Ubuhlebomzinyathi | R198 000 000,00 | R4 000 000,00 | R40 000 000,00 | R44 000 000,00 | |
| | Rural Housing Project Phase III (1800 Units) | Ubuhlebomzinyathi | R198 000 000,00 | R4 000 000,00 | R40 000 000,00 | R44 000 000,00 | |
| | Rural Housing Project Phase (500 Units) | Gardens | R55 000 000,00 | R2 000 000,00 | R10 000 000,00 | R10 000 000,00 | |
| | Rural Housing Project Phase (500 Units) | Mourne | R55 000 000,00 | R2 000 000,00 | R10 000 000,00 | R10 000 000,00 | |
| | Rural Housing Project Phase (500 Units) | Rooipoort | R55 000 000,00 | R2 000 000,00 | R10 000 000,00 | R10 000 000,00 | |
| | Rural Housing Project Phase (250 Units) | Emfundweni | R27 500 000,00 | R1 500 000,00 | R6 000 000,00 | R6 000 000,00 | |
| | Rural Housing Project Phase | Eastbourne Farm | TBD | R0,00 | R0,00 | R0,00 | |
| | Water Provision, Reticulation & Jojo Tanks | Cranvalley, Skobhareen, Gardens, Nomarndien & Nkunzi | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Electrification | Crunvail, Gardenns, Nkunzi, Stotoni, Normandien & Sunset | TBD | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Mast Lights Phase 2 | All Areas of Ward 2 | TBD | R0,00 | R0,00 | R0,00 | |
| | Water Reticulation | Ramaphosa & Striljbank | TBD | R0,00 | R0,00 | R0,00 | |
| | Facilitation on the Provision of Bulk Services Infrastructure to Planned Housing Projects | All Planned Housing Projects | TBD | R0,00 | R0,00 | R0,00 | |
| | Upgrade Ngagane WTW | Dannhauser Town | R20 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Pump Station | Dannhauser Town | R4 500 000,00 | R0,00 | R0,00 | R0,00 | |
| | Rising Main to Dannhauser | Dannhauser Town | R59 400 000,00 | R5 000 000,00 | R5 000 000,00 | R20 000 000,00 | |
| | Reservoir | | R22 500 000,00 | R0,00 | R5 000 000,00 | R5 000 000,00 | |
| | Gravity main to Dannhauser & Durnacoal | Dannhauser Town | R4 800 000,00 | R4 800 000,00 | R0,00 | R0,00 | |
| | Gravity main to Annieville Reservoir | | R19 600 000,00 | R3 000 000,00 | R3 000 000,00 | R6 000 000,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Gravity main to Hattingspruit | Hattingspruit | R14 400 000,00 | R3 000 000,00 | R3 000 000,00 | R3 000 000,00 | |
| | Mast Lights (ward 5, 10, 12 and 13) | | R1 200 000,00 | R1 200 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | 000,00 | | | |
| | Improvements of Community Halls (ward 3, 6, 8 and 12) | | R1 000 000,00 | R1 000 000,00 | R0,00 | R0,00 | |
| | Provision of Infrastructure in Cemeteries (ward 11) | | R1 000 000,00 | R1 000 000,00 | R0,00 | R0,00 | |
| | Electrification (ward 1, 2 and 10) | | R3 800 000,00 | R3 800 000,00 | R0,00 | R0,00 | |
| | Sewage waterborne system – replacing septic tank & providing service where there is none | Dannhauser Town | TBD | R0,00 | R0,00 | R0,00 | |
| | Bulk water reticulation system | Dannhauser Town | TBD | R0,00 | R0,00 | R0,00 | |
| | Shepston Lake PS (New School) | Dannhauser | TBD | R0,00 | R0,00 | R0,00 | |
| | Hattingspruit Community Hall | Hattingspruit | TBD | R0,00 | R0,00 | R0,00 | |
| | Child Care Facilities | All Areas in Ward 1 | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Community Hall | Endalini | TBD | R0,00 | R0,00 | R0,00 | |
| | Clinics or Health Facilities | All Areas in the Ward | TBD | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | High School | Normandien & Skobhareen | TBD | R0,00 | R0,00 | R0,00 | |
| | Post Office Facility | Skobhareen Next to Mathenjwa Stores | TBD | R0,00 | R0,00 | R0,00 | |
| | Community Hall | Mbabane | TBD | R0,00 | R0,00 | R0,00 | |
| | Child Care Facilities | Ward 5 | TBD | R0,00 | R0,00 | R0,00 | |
| | Community Hall | Naas Farm | TBD | R0,00 | R0,00 | R0,00 | |
| | Community Hall Upgrade | Springbok | TBD | R0,00 | R0,00 | R0,00 | |
| | Upgrade and Full Utilization of the Ubuhlebomzinya thi Skills Centre for Skills Development | Ubuhlebomzinya thi | TBD | R0,00 | R0,00 | R0,00 | |
| | Sports Combo Facility | Mafahlawane | TBD | R0,00 | R0,00 | R0,00 | |
| | Parks and Recreational Facilities | Ward 9 | TBD | R0,00 | R0,00 | R0,00 | |
| | Satelite Police Station for Crime Prevention | Ward 9 | TBD | R0,00 | R0,00 | R0,00 | |
| | Community Hall | Ntendeka | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Clinic | Ntendeka | TBD | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Mini Sports Complex (Old Nelly Valley) | Nelly Valley | TBD | R0,00 | R0,00 | R0,00 | |
| | Building Old Emfundweni Sports Field | Emfundweni | TBD | R0,00 | R0,00 | R0,00 | |
| | Resucitation of Emfundweni Sports Ground | Emfundweni | TBD | R0,00 | R0,00 | R0,00 | |
| | Animal Pound Infrastructure Phase 2 | Dannhauser | TBD | R0,00 | R0,00 | R0,00 | |
| | Phase 2 of the Traffic Center | Dannhauser | TBD | R0,00 | R0,00 | R0,00 | |
| | Facilitation on the Provision of the Hattingspruit Industrial Area with Road Networks/ Storm Drainage/ Services | Hattingspruit Industrial Area | TBD | R0,00 | R0,00 | R0,00 | |
| | New Taxi Rank | Dannhauser | R13 000 000,00 | R0,00 | R0,00 | R3 000 000,00 | |
| | New Vehicle Testing Ground | Dannhauser | R8 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Community Gym Park | Dannhauser | R6 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Sport Combo | Ward 5 & 11 | R7 000 000,00 | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Mobile Creche | Ward 5, 6 & 9 | R1 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Jojo Tanks | Ward 4 & 6 | R250 000,00 | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Testing Grounds | Dannhauser Town | R4 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Taxi Rank | Ward 2 | R8 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Fencing of Sport Field | Ward 9 | R300 000,00 | R0,00 | R0,00 | R0,00 | |
| | Sports Combo Facilities Provision and Maintenance | | TBD | R0,00 | R0,00 | R0,00 | |
| | Phase 4 Extension of the Town | Dannhauser | TBD | R0,00 | R0,00 | R0,00 | |
| | Hilltop Reservoir Settlements Water Supply Scheme | Dannhauser LM | R87 707 050,00 | | | R87 707 050,00 | |
| | Dedicated Braakfontein Reservoir for the Buffalo Flats Area | Dannhauser LM | R71 659 695,00 | | | R71 659 695,00 | |
| | Emergency Water Supply to Ramaphosa Settlement, Skombaren & 2Ml Reservoir at | Dannhauser LM | R179 849 330,00 | | | | R |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Hilltop | | | | | | |
| | Amajuba DM COVID-19 Intervention | Dannhauser LM | R36 705 465,00 | | | R36 705 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Project (Dannhauser LM) | | | | | 465,00 | |
| | Reduction of Non-Revenue Water via Reduction of Real Losses | Dannhauser LM | R39 797 223,00 | | | R39 797 223,00 | |
| | Amajuba DM Maintenance Business Plan (O&M Project) | Dannhauser LM | R9 927 500,00 | | | R9 927 500,00 | |
| | Rehab & Reconstruction of Dannhauser Water and Sanitation Contract 3 (NDMC) | Dannhauser LM | | | | | |
| | Hilltop Settlement Reservoir Water Reticulation | Dannhauser LM | R70 315 065,00 | | | | |
| | Buffalo Flats Phase 4, Pipeline Extension (Skobharen and Eastbourne) | Dannhauser LM | R7 540 000,00 | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Refurbishment of Water and Wastewater Treatment Plant (Dannhauser) | Dannhauser LM | R240 000 000,00 | | | | R |
| | Construction of Braakfontein Reservoir | Dannhauser LM | R69 000 000,00 | | | | |
| | WC/WDM Programme (Dannhauser All Wards) | Dannhauser LM | R100 000 000,00 | | | | R |
| | Zaaihoek Bulk Water Infrastructure (Planning Phase) | Dannhauser LM | R7 061 604,00 | | | | |
| | Replacement of AC Sewer Pipelines in Dannhauser & Durnacol | Dannhauser LM | R48 834 679,00 | | | | |

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|---|---|---|---|---|---|---|---|
| | Dannhauser Sanitation Infills – Wards 1 to 13 Rural Areas (Phase 1) | Dannhauser LM | R49 636 670,00 | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | Emergency Bulk Water to Ramaphosa, Hilltop & Skobhareni – Completion of Phase 1-1 & 1-2 | Dannhauser LM | R92 186 680,00 | | | | |
| | Upgrade of Raw Water Supply Pipeline to Durnacol Water Treatment Plant | Dannhauser LM | R50 000 000,00 | | | | |
| | Mafahlawane Bulk Water Supply | Dannhauser LM | R444 527 197,00 | | | | |
| | Cogta Support: Upgrade of Existing Water Supply System (Dannhauser & Utrecht) | Dannhauser LM | R132 000 000,00 | | | | R |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Cogta Support: Upgrade of Existing Sanitation System (Dannhauser & Utrecht) | Dannhauser LM | R457 494 500,00 | | | | R |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | Dannhauser Regional Water Supply Scheme Phase 2 – New Durnacol Bulk Raw Water Pipeline & Pumping Station | Dannhauser LM | R300 000 000,00 | | | | |
| | Dannhauser Regional Water Supply Scheme Phase 3 – Upgrade of Durnacol Water Treatment Works | Dannhauser LM | R600 000 000,00 | | | | |
| | Zaaihoek Bulk Water Infrastructure (Construction) | Dannhauser LM | R200 000 000,00 | | | | |
| | Groenvlei Agri Village Water Bulk Supply | Dannhauser LM | R150 000 000,00 | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Dannhauser Urban Housing Project | Dannhauser LM | | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | Skobharien Housing Project | Dannhauser LM | | | | | |
| | Inkosi Gule Rural Housing Project | Dannhauser LM | | | | | |
| | KwaMdakane Rural Housing Project | Dannhauser LM | | | | | |
| | Mbabane Rural Housing Project | Dannhauser LM | | | | | |
| | Nellievalley Rural Housing Project | Dannhauser LM | | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Verdriet Rural Housing Project | Dannhauser LM | | | | | |
| | Stenn Drive Inn Informal Settlement Upgrade (Dannhauser) | Dannhauser LM | R659 600,00 | | | | |
| | Dannhauser Bulk Services (Housing Bulk Infrastructure) | Dannhauser LM | R1 370 722,00 | | | | |
| | Dannhauser Phase 1 Top Structure Construction | Dannhauser LM | R23 235 000,00 | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Buhlebomzinyathi HP Rural (Dannhauser) | Dannhauser LM | R18 270 000,00 | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Provincial Road – Hattingspruit (KZN254) | Dannhauser LM | R18 602 891,00 | | | | |
| | Provincial Road – Milford (KZN254) | Dannhauser LM | R500 000,00 | | | | |
| | Provincial Road – Nguqunguqu (KZN254) | Dannhauser LM | R500 000,00 | | | | |
| | Provincial Road – Nyanyadu to Tayside (KZN254) | Dannhauser LM | R500 000,00 | | | | |
| | Provincial Road – Blackbank (KZN254) | Dannhauser LM | R1 000 000,00 | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Annandale Primary School – Water & Sanitation (Ward 12) | Dannhauser LM | R347 433,00 | | | | |

R

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Anneville Primary School – Upgrades & Additions (Ward 7) | Dannhauser LM | R400 794,00 | | | | |
| | Anniville Primary School – Storm Damage Programme (Ward 7) | Dannhauser LM | R658 484,00 | | | | |
| | Dannhauser Combined School – Upgrades & Additions (Ward 2) | Dannhauser LM | R403 784,00 | | | | |
| | DNC Combined School – Storm Damage Programme (Ward 2) | Dannhauser LM | R500 000,00 | | | | |
| | Hilltop Combined School – Storm Damage Programme (Ward 7) | Dannhauser LM | R93 180,00 | | | | |
| | Hlokomani Primary School – ECD Grade R Development (Ward 4) | Dannhauser LM | R485 316,00 | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Kilkeel Primary School – Water & Sanitation (Ward 11) | Dannhauser LM | R427 503,00 | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | Lethukhutula Primary School – ECD Grade R Development (Ward 3) | Dannhauser LM | R417 133,00 | | | | |
| | Mehlwana Primary School – Upgrades & Additions (Ward 6) | Dannhauser LM | R400 401,00 | | | | |
| | Muzokhanyanyo High School – Water & Sanitation (Ward 9) | Dannhauser LM | R451 644,00 | | | | |
| | Dannhauser Community Health Centre – Structural Repairs | Dannhauser LM | R32 241 307,00 | | | | |
| | EPWP: Refurbishment & Upgrade of Durnacol Water Treatment Works in Dannhauser | Dannhauser LM | | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | EPWP:<br>Sanitation<br>Project (RHIP)<br>NDH | Dannhauser LM | | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | EPWP: Dannhauser Housing Development Bulk Water and Sanitation | Dannhauser LM | | | | | |
| | EPWP: eMafahlawane Water Reticulation | Dannhauser LM | | | | | |
| | EPWP: Asbestos Pipe Replacement – Utrecht, Dannhauser & Durnacol | Dannhauser LM | | | | | |
| | Road Rehabilitation and Asset Management System (RRAMS) | Dannhauser LM | R2 295 000,00 | | | | |
| **BIOPHYSICAL/ENVIRONMENTAL** | | | | | | | |
| | Waste Recycling Site | Dannhauser Town | R2 000 000,00 | R400 000,00 | R400 000,00 | R400 000,00 | |
| | Waste Dumping Site | Durnacol | R2 000 000,00 | R400 000,00 | R400 000,00 | R400 000,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Waste Dumping Site | KwaMdakane | R2 000 000,00 | R400 000,00 | R400 000,00 | R400 000,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Waste Dumping Site | Skombarane | R2 000 000,00 | R400 000,00 | R400 000,00 | R400 000,00 | |
| | Waste Dumping Site | Hattingspruit | R2 000 000,00 | R400 000,00 | R400 000,00 | R400 000,00 | |
| | Preservation of Public Open Spaces | Skombarane | R2 000 000,00 | R400 000,00 | R400 000,00 | R400 000,00 | |
| | Heritage Resource Management | | | | | | |
| | Integrated Waste Management Plan (IWMP) Development | Dannhauser LM | R 700 000,00 | | | | R |
| | Ambient Air Quality Monitoring Programme | Dannhauser LM | R 550 000,00 | | | | R |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Climate Smart Agriculture Programme (Digital, Solar, Biogas) | Dannhauser LM | R 1 000 000,00 | | | | R |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | Sustainable Land Management (Rotational Grazing & Rehabilitation) | Dannhauser LM | R 400 000,00 | | | | R |
| | Removal of Alien & Invasive Species Programme | Dannhauser LM | R 500 000,00 | | | | R |
| | Climate Change Adaptation Programme at Dannhauser Local Municipality | Dannhauser LM | R 10,00 | | | | R |
| **ECONOMIC DEVELOPMENT** | | | | | | | |
| | Cheese processing plant | | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Develop two dairy farms | Normandien | TBD | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Poultry incubation Programme | | TBD | R0,00 | R0,00 | R0,00 | |
| | Dannhauser Food security program | Municipal Wide | R1 000 000,00 | R1 000 000,00 | R0,00 | R0,00 | |
| | Sawmill project | | TBD | R0,00 | R0,00 | R0,00 | |
| | Broiler projects | | TBD | R0,00 | R0,00 | R0,00 | |
| | Laying hens projects | | TBD | R0,00 | R0,00 | R0,00 | |
| | Establishment of a Tannery Incubator | Dannhauser | TBD | R0,00 | R0,00 | R0,00 | |
| | Establish an Agro-Processing Unit | | TBD | R0,00 | R0,00 | R0,00 | |
| | Roll-out of Irrigation Scheme for agriculture | | TBD | R0,00 | R0,00 | R0,00 | |
| | The roll out of ICT Broadband | | TBD | R0,00 | R0,00 | R0,00 | |
| | New Mall in Dannhauser | Dannhauser Town | TBD | R0,00 | R0,00 | R0,00 | |
| | Establishment of a Small Business Support Centre | | TBD | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Establishment of Dannhauser Museum | Dannhauser Town | TBD | R0,00 | R0,00 | R0,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Development of Hattingspruit Dams for Tourism Attraction | Hattingspruit | TBD | R0,00 | R0,00 | R0,00 | |
| | Renovation of Gule Bakery Facility | Dorsert | TBD | R0,00 | R0,00 | R0,00 | |
| | Resucitation of Chicken Houses | Ward 9 | TBD | R0,00 | R0,00 | R0,00 | |
| | Fishing Project near Umzinyathi River | Clere | TBD | R0,00 | R0,00 | R0,00 | |
| | Shopping Complex Store | Mafahlawane | TBD | R0,00 | R0,00 | R0,00 | |
| | Dannhauser Industrial Park | Dannhauser | R60 000 000,00 | R0,00 | R0,00 | R0,00 | |
| | Feziphupho Coop (Maize and Veg Production) | Ward 2 | R450 000,00 | R0,00 | R0,00 | R450 000,00 | |
| | Sobathola Agric. Coop (Maize & Beans) | Ward 1 | R600 000,00 | R0,00 | R0,00 | R600 000,00 | |
| | Amajuba Rural Livelihood Project( 1 h/h 1ha (Vegetables and crop production) | Renier Farm | TBD | 0 | 0 | 0 | |
| | Textile Incubator Infrastructure | | R2 000 000,00 | R0,00 | R0,00 | R0,00 | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Agri-Hub | Dannhauser | R35 000 000,00 | R7 000 000,00 | R7 000 000,00 | R7 000 000,00 | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | Skin/ Hide Leather Processing Plant (Tannery) | Ubuhlebomzinyathi and KwaMdakane | R15 000 000,00 | R0,00 | R0,00 | R7 500 000,00 | |
| | Development of Mdakane as key secondary economic node | Kwamdakane | R600 000,00 | R600 000,00 | R0,00 | R0,00 | |
| | Amajuba Livestock Production Programme | Dannhauser LM | R10 000 000,00 | | | | |
| | Vegetables Production Programme | Dannhauser LM | R5 000 000,00 | | | | |
| | Amajuba Green Economy Projects | Dannhauser LM | R100 000 000,00 | | | | R |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Hemp / Cannabis Production | Dannhauser LM | R100 000 000,00 | | | | R |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | SMME Development Plan | Dannhauser LM | R700 000,00 | | | | |
| | Agric Development Plan | Dannhauser LM | R700 000,00 | | | | |
| | Informal Economy Policy | Dannhauser LM | R300 000,00 | | | | |
| | Skills Development Plan | Dannhauser LM | R500 000,00 | | | | |
| | District Development Agency | Dannhauser LM | R30 000 000,00 | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Red Tape Reduction Plan | Dannhauser LM | R600 000,00 | | | | |

| | PROJECT | LOCATION | TOTAL COST ESTIMATED (R) | 2022/23 | 2023/24 | 2024/25 | 2025 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | EPWP Programme (Job Creation) | Dannhauser LM | R1 693 000,00 | | | | |
| | Review of Spatial Development Framework (SDF) 2019/20 | Dannhauser LM | R600 000,00 | | | | |

## SECTION F: FINANCIAL PLAN

## FINANCIAL PLAN FOR DANNHAUSER LOCAL MUNCIPALITY

### The purpose of the Financial Plan

- The financial plan is the projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of Dannhauser Local Municipality over the medium term.

### Background

- A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges**.**

### How do we link the IDP and BUDGET

- An IDP encompasses all a municipality's goals and objectives for economic and social development in the short, medium and long- term.
- The IDP will inform the Council's annual budget. The municipal budget is the tool used to put the IDP into action, allocating financial resources to the projects and programs that support the IDP's objectives.

### A 3-year municipal budget table (PER DEPARTMENT)

| ROW LABELS | SUM OF 2024/2025 BUDGET | 2025/2026 | 2026/27 |
|---|---|---|---|
| OFFICE OF THE MUNICIPAL MANAGER | R 7 567 217 | R 5 523 088 | R 5 809 025 |
| TECHNICAL SERVICES | R 96 274 383 | R 107 380 778 | R 112 320 294 |

| | | | |
|---|---|---|---|
| COMMUNITY SERVICES | R 23 550 305 | R 23 478 019 | R 24 558 008 |
| BUDGET AND TREASURY OFFICE | R 76 696 325 | R 55 549 028 | R 57 441 146 |
| CORPORATE SERVICES | R 52 302 686 | R 44 411 332 | R 41 440 103 |
| PLANNING AND ECONOMIC DEVELOPMENT | R 6 607 604 | R 12 243 044 | R 12 806 224 |

## MAINTANANCE AND OPERATIONAL COSTS OF MUNICIPAL FIXED ASSEST

8% budgeted for the repairs and maintenance for the municipal assets.

A table to illustrate planned maintenance and repairs for the municipality

| ITEM/PROJECT NAME | 2025/26 | 2026/27 | 2026/28 |
|---|---|---|---|
| Maintenance of Buildings and Facilities | R 150 000 | R 150690 | R 151353 |
| Maintenance of Infrastructure | R 19 325 004 | R 20 045 256 | R 20 765 129 |
| Maintenance of Other Assets | R 680 000 | R 703 828 | R 727 632 |

## REVENUE ENHANCEMENT STRATEGIES AND EXPENDITURE MANAGEMENT PLAN

- Plan to enhance revenue and expenditure management plan seek to build and improve current payment levels and recover errors debts.

- The municipality requires that these funds be collected to fund strategic and operational objectives as detailed in the municipality's IDP. As such, in order to

stimulate this collection and increase the revenue reserves, we are proposing the following incentives:

1. A 50% debt reduction is made available to all current debtors, subject to them paying 50% of their current debt up-front and then monitoring their accounts for 6 months to ensure that any billings that arise during that period are settled on time.
2. Deduct a further 10% to 30% of the upfront payment depending on when this upfront payment is received depending on whether that debtor is a residential debtor, business or other form of entity.

| CATERGORIES | REBATE | JUNE | JULY | AUG | SEPT | OCT | NOV | DEC |
|---|---|---|---|---|---|---|---|---|
| Residents | 50% | 30% of 50% | 27% of 50% | 25% of 50% | 20% of 50% | 15% of 50% | 10% of 50% | 5% of 50% |
| Business | 50% | 25% of 50% | 20% of 50% | 17% of 50% | 15% of 50% | 13% of 50% | 10% of 50% | 5% of 50% |
| Farms | 50% | 20% of 50% | 15% of 50% | 13% of 50% | 10% of 50% | 7% of 50 % | 5% of 50% | 2% of 50% |

**PRIOR 3-YEAR OPEX**

| ROW LABELS | 2022/23 | 2023/24 | 2024/25 |
|---|---|---|---|
| Operating expenditure (cash items) | R 139 042 916 | R 136 795 418 | R 153 776 441 |
| Operating expenditure (noncash items) | R 95 036 293 | R 55 811 718 | R 57 876 083 |

**MTREF ALLOCATIONS**

The municipality expenditure framework is informed by the following:

- Medium term revenue and expenditure framework (MTREF): This framework provides an overview of expected revenue and expenditure trends in local government over the next three years.
- MFMA (Municipal Finance Management Act)- primary legislation governing expenditure.
- Expenditure is also guided by inflations, DORA as well IDP.

The municipality's annual budget and medium-term revenue and expenditure framework (MTREF) are informed by:

- National budget and policy directives- align with national priorities and budget guidelines.
- Local Government financial Management Act (MFMA) -Ensures compliance with financial management regulations.
- Revenue projections – estimates of revenue from various sources, such as property rates, tariffs and grants
- Expenditure priorities – identifies key areas for spending, such as infrastructure.
- Upper limits gazettes for Councilors Allowance and employees related cost.
- Infrastructure development plans – guides investment in infrastructure such as roads.

## 3-YEAR MUNICIPAL BUDGET

- ATTACHED AS AN ANNEXXUTURE

# SECTION G: ANNUAL OPERATION PLAN SDBIP

ATTACHED AS ANNEXETURE

# SECTION H :ORGANISATIONAL AND INDIVIDUAL PERFORMANCE

# MANAGEMENT UNIT

## DANNHAUSER LOCAL MUNICIPALITY PMS UNIT

PMS Unit is under the Municipal Manager office; it mainly focuses on the Organizational performance. It consists of three staff members, IDP/PMS Manager Mr PJ Ndlovu, who reports straight to the Municipal Manager. PMS Officer Mr MN Vilakazi and IDP Officer Mr AC Sithole whom they report to the IDP/PMS Manager.

A Performance Management System (PMS) framework provides a structured approach for organizations to monitor, evaluate, and improve employee performance. It's a continuous process that involves setting expectations, tracking progress, providing feedback, and fostering development. The goal is to align individual performance with organizational goals and ensure accountability.

## ORGANASATIONAL & INDIVIDUAL PERFOMANCE MANAGEMENT SYSTEM

According to the Municipal Systems Act, 32 of 2000, Section 26 (i) “the key performance indicators and performance targets determined in terms of section 41” MSA, 32 of 2000, the PMS must be a component of the IDP. The PMS is integrated with the “Service Delivery Budget Implementation Plan” which is also aligned to both the IDP and Budget. The PMS has its departmental targets drawn from the IDP developed.

The Municipal Systems Act, 32 of 2000, Section 38; reads.

A municipality must -

a) establish a performance management system that is - (a)
commensurate with its resources.
(b) best suited to its circumstances; and

(c) in line with the priorities, objectives, indicators and targets contained in its integrated development plan.

b) promote a culture of performance management among its political structures, political office bearers and councilors and in its administration; and
c) administer its affairs in an economical, effective, efficient, and accountable manner.

## PERFORMANCE MANAGEMENT POLICY STATEMENT

The Performance Management System Policy outlined the objectives and principles of Dannhauser Local Municipality PMS. The PMS Policy was adopted by Council to ensure that the policy fully incorporates the assessment of performance for section 54 and 56 managers as mandatory by Section 27 of Local Government: Municipal Performance Regulations of 2006.

**The Performance Management System for the Dannhauser Local Municipality is guided by the following principle:**

**Table 145: Summary Principles for Dannhauser PMS**

| | |
|---|---|
| **SIMPLICITY** | **THE SYSTEM MUST BE SIMPLE, USER FRIENDLY AND EASY TO OPERATE.** |
| **POLITICALLY DRIVEN** | As the IDP is a political document, so must the PMS be politically driven. |
| **TRANSPARENCY AND ACCOUNTABILITY** | The process must remain open and transparent |
| **INTERGRATION** | The system is intertwined with all areas of the institution and must therefore be integrated into other processes in the municipality |
| **OBJECTIVITY** | Performance management must be founded on objectivity and credibility. |

## ORGANISATIONAL PERFORMANCE AND MANAGEMENT SYSTEM

Performance Management includes the setting of targets, and measuring the anticipated results and activities undertaken to accomplish the targets of an organization. It also includes measuring the performance of the individuals who contribute towards the accomplishment of the strategic vision of the organization. For a Performance Management System to be successful it is authoritative that, senior management and the Council oversee the development and application of the OPMS. All stakeholders comprehend and are involved in performance management processes. All officials are trained and take responsibility for performance management. The IDP is linked to the PMS and as well as the five national KPAs being:

- Municipal transformation and institutional development
- Basic service delivery
- Local economic development
- Good governance and public participation
- Cross Cutting
- Municipal financial viability and management

Each KPA is cascaded down to a level at which it could be assigned to the department and this the Section 57 Manager who require to fulfill those functions. For each KPA, a KPI is derived in respect of each of the development priorities and objectives contained in the IDP and a performance target with a timeline for that function is allocated.

## MEASUREMENT AND ANALYSIS

Measurement and analysis will be the duty of line managers. Firm baseline information is not available on a yearly basis, and investigations will then need to be conducted.

## PERFORMANCE REPORTING AND REVIEW

- The council will need to set up reporting and review processes, which will involve the following.
- Exco Review (quarterly).
- Council Reviews (bi-annually).
- Community (Biannually)
- Public Review should be provided through an annual public report.

## ORGANISATIONAL PERFORMANCE REPORTS

The municipality prepares an organizational performance report on a quarterly basis. This report closely aligns the PMS to the IDP and Budget to ascertain those developments are in consonance with the strategies and objectives of the IDP and are within the allocated budget. This report is informed by SDBIP. The report covers the following areas:

- Key performances areas – each project has been linked to the district municipality's KPA from which the departmental KPA is established and in turn KPI's are formed.
- Budget, time frame/frequency – linked to each project is a budget, frequency, or timeline. 6
- Actual expenditure – which indicates the total amount spent thus far for the project.
- Actual progress – which indicates the actual implementation of the project independent of the actual expenditure on each project.

During the quarterly performance assessment of Section 57 Managers [as described in the next chapter], each Section 57 Manager is expected to provide further explanations on every project being conducted by the department. Matters pertaining to underperformance and/or bottlenecks are addressed during these assessments. In cases where for instance, a project cannot meet its date due to lack of resources; the Municipal Manager, Portfolio Councilors and/or Executive Committee may intervene.

There are also site visits that are conducted on a regular basis to evaluate the successful implementation of the project. This is a responsibility of an official facilitating the project, the Municipal Manager, Portfolio Councilors and/or Executive Committee. The quarterly reports build up to a consolidated financial year end organization performance report. The financial year end organizational report is part of that financial year annual performance report.

## ORGANISATION KEY PERFORMANCE INDICATORS LINKED TO DEPARTMENTAL INDICATORS

Improvement will be measured through organizational key performance indicators linked to departmental indicators. In the SDBIP organizational key performance indicators are presented yearly and quarterly. Departmental indicators are fragmented down into monthly indicators, which are monitored and reported monthly at the meetings of the operational management committee.

## DEPARTMENTAL INDICATORS LINKED TO OUTPUTS IN THE PERFORMANCE AGREEMENTS

Individual performance agreements are linked to the approved SDBIP and departmental indicators through the development of individual work plans. The indicators contained within the work plan are agreed upon and signed off by both the supervisor and the incumbent.

## BACK TO BASIC

The OPMS (Organizational Scorecard/ SDBIPs) are aligned to the B2B pillars. The Organizational Scorecard/ SDBIPs are annexed for reference purposes. The B2B program has been prioritized by the Municipality and the IDP has clearly presented how the B2B Program is being applied.

## STRATEGIC MAPPING

### Desired Spatial Outcomes

Dannhauser Local Municipality's development vision was formulated as part of the Integrated Development Planning process, in line with the requirements of the Municipal Systems Act, Act No. 32 of 2000. The vision commits the municipality to economic vibrancy, employment generation, affordable inhabitation, environmental endowment, trade, and investment. This is in line with the agenda 21 understanding of sustainability – commitment to future generations.

The attainment of this vision requires the municipality to facilitate the development of a spatial system that:

- Is sustainable from a social, economic, financial, physical, and institutional perspective.
- Provides for an efficient movement system, use of scarce Resources and decision-making processes.
- Promotes integrated development; and
- Equitable access to development opportunities.

Such a spatial system will create an environment conducive to economic development and growth. It will promote social and economic development as well as contribute to the achievement of the development objectives as outlined in the IDP. More specifically, the Dannhauser LM Spatial Development Framework (SDF) seeks to influence the substantive outcomes of planning decisions, whether they relate to the refinement of the SDF through framework and precinct plans or decisions on land use change or development applications.

This aims to achieve planning outcomes that:

- Facilitate restructuring of spatially inefficient settlements;
- Promote the sustainable use of the land;
- Channel resources to areas with a great needs and areas with high development potential;
- Redress the inequitable historical treatment of marginalized areas;
- Consider the fiscal, institutional and administrative capacity of role players, community needs and the natural environment.
- Stimulate economic development opportunities in rural and urban areas; and  Support an equitable protection of land rights.
- In addition, the Dannhauser Local Municipality SDF (2015) promotes:
- Accountable spatial planning, land use management and land development decision making by organs of government;
- Cooperative governance and wider information sharing in plan-making and implementation; and  Transparency in decision-making.

## Desired Spatial Form and Land Use

Delineation of the Dannhauser municipal boundaries has been influenced by various factors including population movement patterns, lines of investment and sphere of influence of the existing regional and sub-regional centers. The emphasis of the SDF is not so much placed on defining and interpreting the operations of the entire Dannhauser spatial system, but to re-enforce linkages and interdependence between the constituent parts, clearly articulating the role of each part and providing for feedback loops. An efficiently functioning spatial system would perform in line with the spatial development norms and standards and would generate predictable outcomes. Subsequently, the Dannhauser spatial system comprises of the following main components:

- Service Centre/commercial hubs with varying levels of impact and spheres of influence. Some already exist, require consolidation, while others are incipient, and require enabling support.
- Link roads, that also serves as development corridors whose role is mainly defined in terms of the associated economic development sectors, land use pattern and role in the sub regional economy.
- Settlements located in different environments including urban, peri-urban and rural areas.

- Agricultural land, which needs to be preserved while also unlocking opportunities for tourism and other economic development initiatives.
- Environmental management areas given the location of the area in relation to the Ntshingwayo Dam.
- Each of the above-mentioned play an important role in the functioning of the spatial system.

## Spatial Reconstruction and Strategic Intervention Areas

The key elements of a spatial restructuring program for Dannhauser LM are structured as follows:

- Hierarchy of corridors.
- Hierarchy of nodes.
- Settlement clusters; and
- Other land use categories

## Hierarchy of Development Corridors

Development corridors in Dannhauser Local Municipality (LM) occur at different scales depending on function and categorization of the transportation route that forms the basis of the corridor. They carry the flows of people and trade between two points (origin and destination) and encourages nodal development at strategic points. Corridor development as a spatial structuring element and a tool for economic growth, seeks to create functional linkages between areas of higher thresholds (levels of support) and economic potential, with those that have insufficient thresholds. This will allow poorly serviced areas to be linked to areas of opportunities, benefits, and higher thresholds.

Corridors constitute an effective form of decentralization. Furthermore, they enable a relationship to form between larger and smaller activities. They are an effective means to address fragmentation and to promote integration and spatial transformation. The system of development corridors in Dannhauser provides for a hierarchy of mobility and access routes, their intensity of use and role in the regional spatial economy.

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

## Primary Development Corridor

The N11 national road linking Newcastle (the Amajuba's regional center) to the north of the municipal area and Ladysmith (the uThukela District's regional center) to the south of the municipal area. This corridor serves both as a transport and tourism corridor. This road also provides an alternative route to the Gauteng Province, which helps attract both domestic and international tourists thereby presenting opportunities for LED type projects in certain locations.

## Secondary Development Corridors

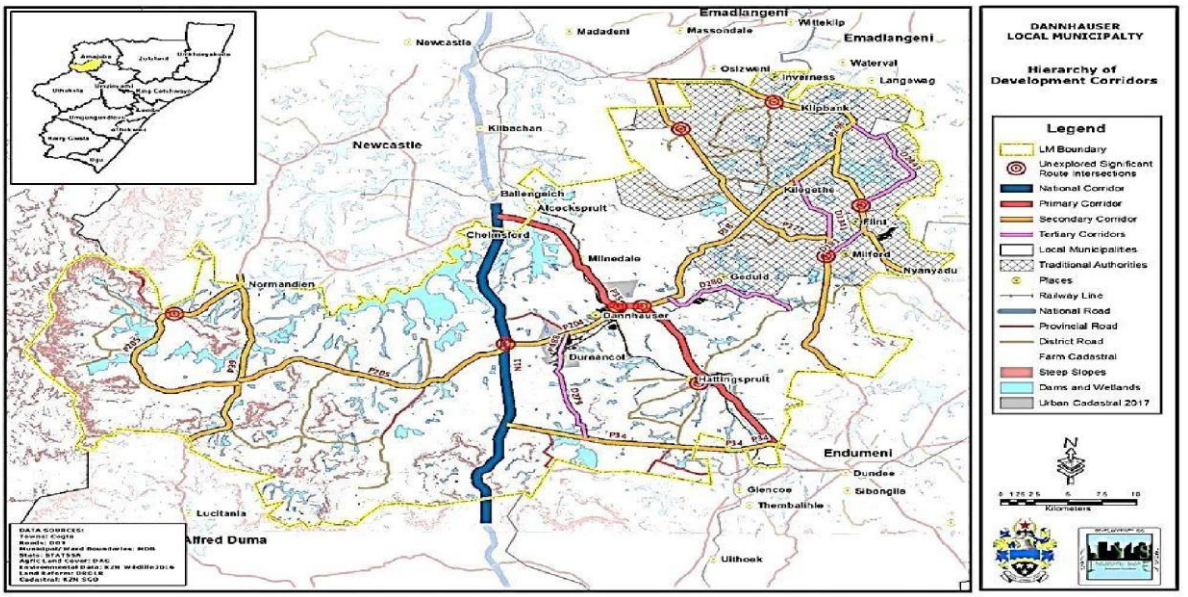
**Secondary corridors provide vital linkages to service satellites in the Amajuba district and ensure connectivity** with service delivery in the communities. The secondary corridor is the R621 main road. It links the town of Dannhauser and the Hattingspruit satellite to the N11 (and onto Newcastle) to the north and to Dundee and Glencoe (and on to the R33 main road) to the south.

## Tertiary Corridors

Tertiary corridors link service satellites in the sub-district and provide access to public and commercial facilities at a community level. There are three tertiary corridors, which are as follows:

- P272, which runs south from the P483 (which links Madadeni and Osizweni in the adjacent Newcastle municipal area. Down to Road P38 and on to Dannhauser to the southwest or alternatively on to Dundee (in the adjacent Endumeni Municipality) to the southeast.
- P296, which runs south-east from Osizweni and on to P38 to Dannhauser (linking the satellites of Naasfarm, Thirst and Kilkeel to Dannhauser) or alternatively on to Flint, P240 and then P272 to Dundee to the south; and
- P205-2, which runs from the N11 in a westerly direction and links through to P39 to the north of the municipal area.

**Map 38: (Hierarchy of Development Corridors) SDF 2021/22**




## Development Nodes

One of the key issues facing Dannhauser LM is a fragmented settlement pattern, density is higher in Dannhauser Town, which functions as a regional service center, as well as the general rural character of the area. The net effect of this is the inability to decentralize and coordinate service delivery at a localized level. To address this, the municipality will facilitate the evolution of a system of nodes incorporating primary, secondary, and tertiary nodes. An activity node offers the opportunity to locate a range of activities, from small to large enterprises, often associated with mixed-use development. They are generally located along or at the cross-section of development corridors.

In a spatial system, access to a range of opportunities is greatest within and around activity nodes. This results from networks of associations, which create spatial diversity and are where people are able to

satisfy a broad range of their day-to-day needs. Activity nodes are points of maximum economic, social and infrastructure investment. They underline established patterns of settlement and accessibility. In essence, these nodes must be regarded as primary devices anchor the structure of the sub-regional spatial system.

## Primary Node

Dannhauser Town is an important economic node and service center providing key functions to the surrounding rural areas. It also serves as the key administrative node that provides commercial, agricultural, industrial, as well as social and community services to the surrounding rural areas. The town accommodates the municipal offices, a police station as well as a variety of commercial and retail outlets.

## Secondary Node

Secondary nodes provide educational, economic and community services to the surrounding rural communities. Most of the rural nodes within Dannhauser LM are classified as secondary service nodes where a range of services and economic activities can be concentrated in a spatially efficient manner. A secondary node is usually located at an accessible location within an acceptable walking distance to a particular community. The following secondary nodes are proposed for Dannhauser LM:

- Hattingspruit is identified as a town in the Dannhauser SDF.
- KwaMdakane is identified in the Dannhauser SDF as a service hub as it provides a higher order and more permanent range of services.

## Tertiary Centers

In addition to the secondary nodes, provision needs to be made for the development of community centers within a cluster of settlements. These small centers will serve as location points for community facilities serving the local community, they include:

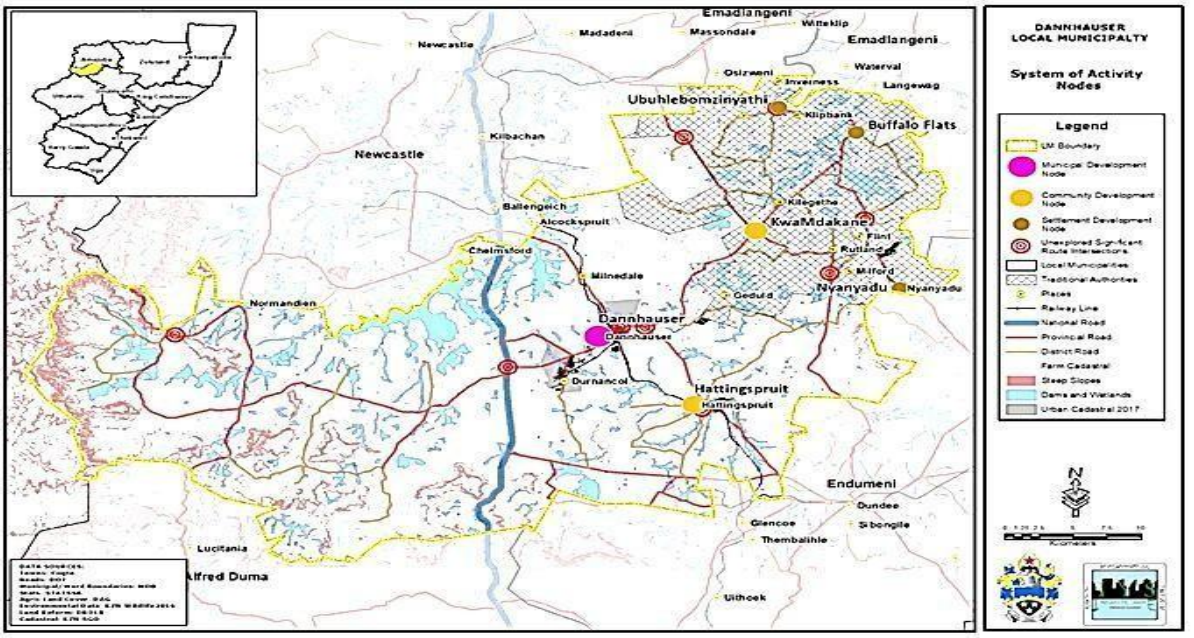
- Primary and secondary schools.
- Clinics including mobile clinics.
- Pension pay points.

- Community halls and other community facilities.

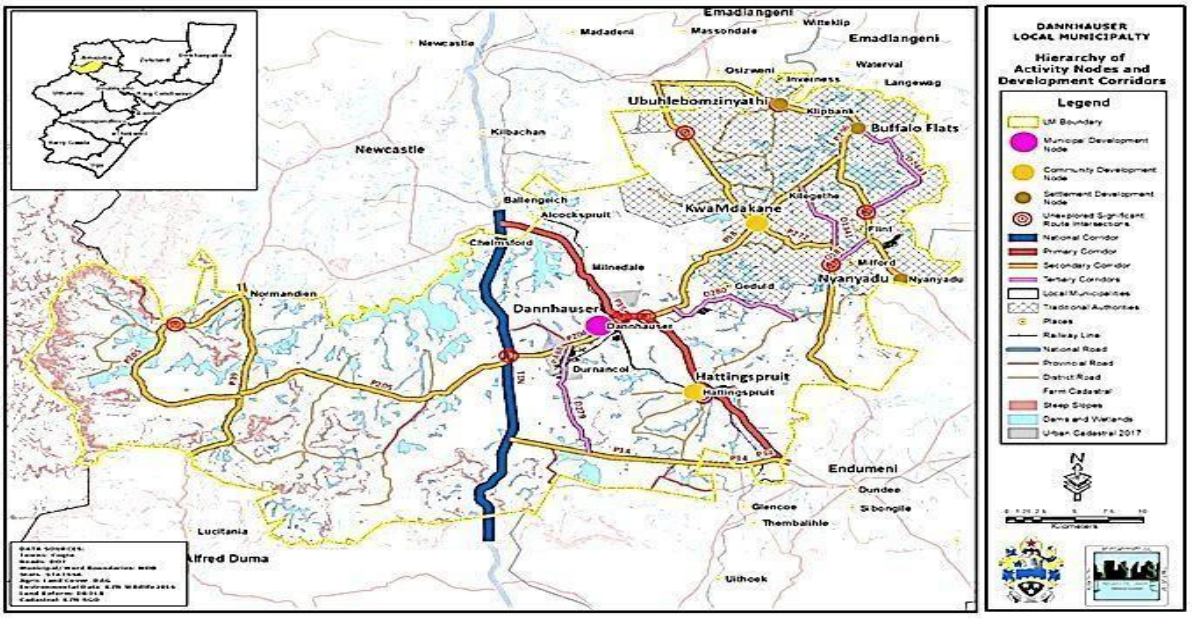
The following have been identified as tertiary centers/nodes:

- Nyanyadu
- Buffalo flats area  Settlements within the Ubuhlebmzinyathi Tradition Council area of jurisdiction.

**Map 3 : Dannhauser Developmental Nodes SDF 2021/22**




**Map 40: Dannhauser Activity Nodes & Corridors SDF 2021/22**



# DANNHAUSER MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK AND CAPITAL INVESTMENT FRAMEWORK PROJECTS 2021/2022

## Spatial Development Framework (SDF)

### INTRODUCTION

Dannhauser local municipality has a spatial development framework which outlines the developmental framework model intended. There are major imbalances of the past within the municipal jurisdiction, with most of the people residing within the rural areas and a few residing within the urban node. As a result, the municipality has an urban and rural land use management system. It further identifies capital projects that must be undertaken within each land use management zoning.

The capital projects within the SDF will aid in the process of urban/rural transformation, wherein one has to move from a low density, private transport dominated and dispersed urban structure that has been developed over many years to a public transport oriented higher density compact urban structure where high levels of safety and freedom of choice exist as related to transport modes, housing typologies and proximity to job and recreation opportunities. This Municipality's Spatial Development Framework (MSDF) must be viewed as first step towards guiding future spatial development in Dannhauser to achieve a more sustainable urban/rural structure, which can lead economic and social development in KwaZulu-Natal.

### Background

Dannhauser Municipality's Spatial Development Framework (DMSDF) was done against the legislative backdrop of the local government Municipal Systems Act (MSA), 32 of 2000 and the Spatial Planning and Land Use Management Act (SPLUMA) 16 of 2013. Policies that guided this planning process indicate inter alia the National Development Plan (NDP), the KZN Employment, Growth and Development Strategy, the Ten Pillar Programme, the KZN Spatial Development Strategy and the Amajuba District Growth and Development Strategy.

The normative principles as described in the NDP encompass the spirit within which this plan was prepared and, in this vein, can be described as the guiding principles for the compilation of the DMSDF.

These principles are:

- Spatial Justice.
- Spatial Sustainability.
- Spatial Resilience.
- Spatial Quality.
- Spatial Efficiency.

## Influencing Factors on the SDF 2021/2022

**Table 123: 2021/2022 SDF Dannhauser Influencing Factors**

| GROWTH AND DEVELOPMENT STRATEGY | PLANNING PROCESS |
|---|---|
| ○ Re-urbanize. ○ Industrialize ○ Re-generate.<br>○ Re-mobilize.<br>○ Govern | ○ Fragmented urban structure.<br>○ Municipal identity<br>○ Peripheral urban development<br>○ (Rural & Urban) Nodal transition<br>○ Large open spaces and agriculture<br>○ Regional opportunities<br>○ National focus – road freight<br>○ Strategic land parcels |
| **HUMAN SETTLEMENTS** | **LOCAL ECONOMIC DEVELOPMENT** |
| ○ New housing projects<br>○ Informal settlements ○ Backyard shacks ○ Mud huts.<br>○ Housing backlog | ○ Economic Contributory Sectors - Areas of influence<br>○ Research and manufacturing.<br>○ Creative cluster<br>○ Agri-business<br>○ Logistics<br>○ Mixed use infill |

## Municipal Spatial Development Framework Guiding Factors

The following are guiding factors that influence the SDF of the municipality.

Dannhauser Municipal area does not have a discernible structure or pattern, however there are spatial key features that have been identified within the DLM. These are:

**Commercial Farmlands:** These dominate the municipal landscape and accounts for most of the municipal area.

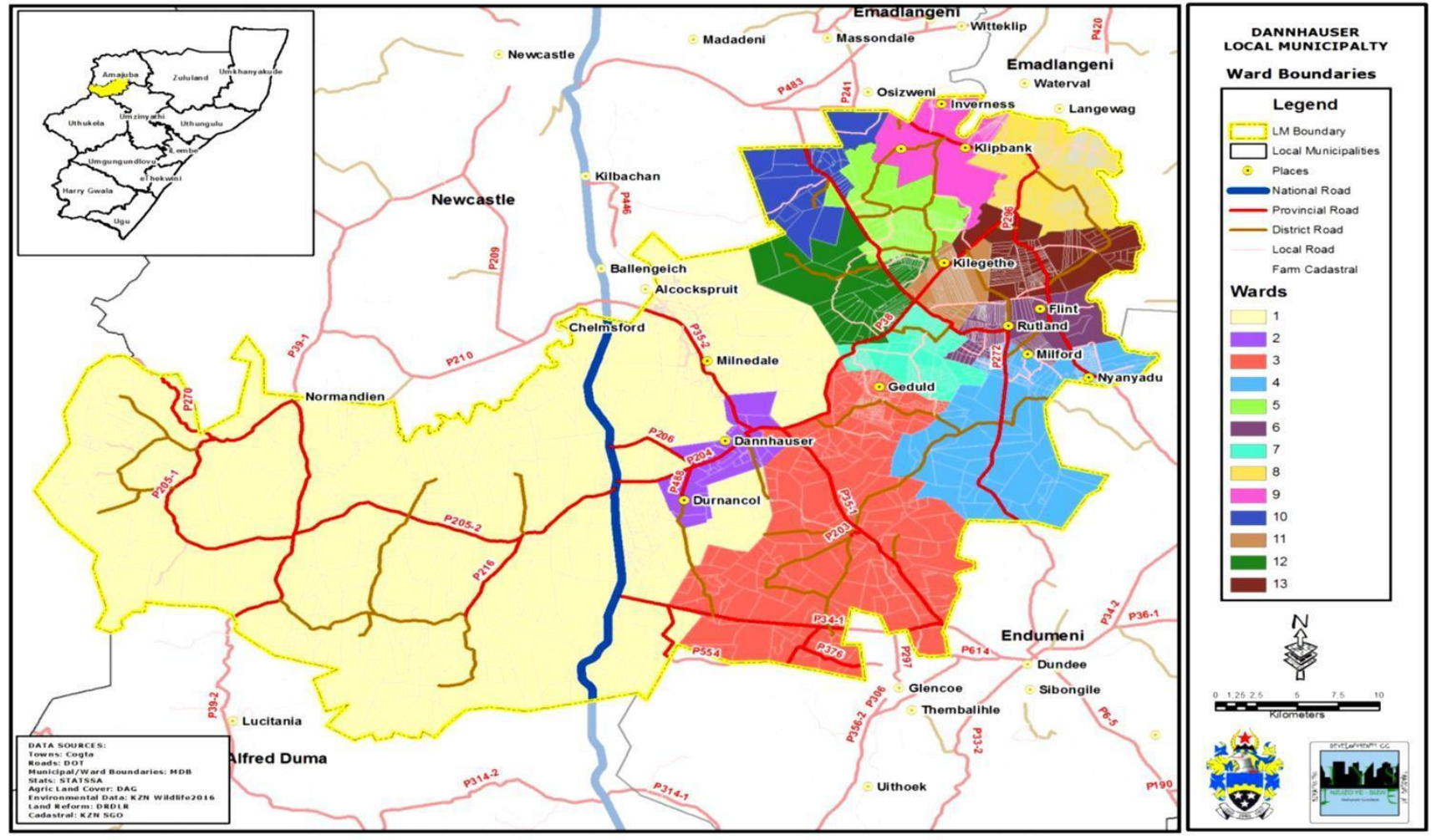
**Urban Settlements:** Located mainly around Dannhauser Town. These include Durnacol, Hattingspruit, etc.

**Peri-urban settlements:** These stretch from east of Osizweni (Newcastle LM) to the northern part of Dannhauser. These include Mahlwane, Imfundwane, Mbabane, Hadebe, Zondo etc. Some of these are on privately owned land and some on Ingonyama Trust Land; and

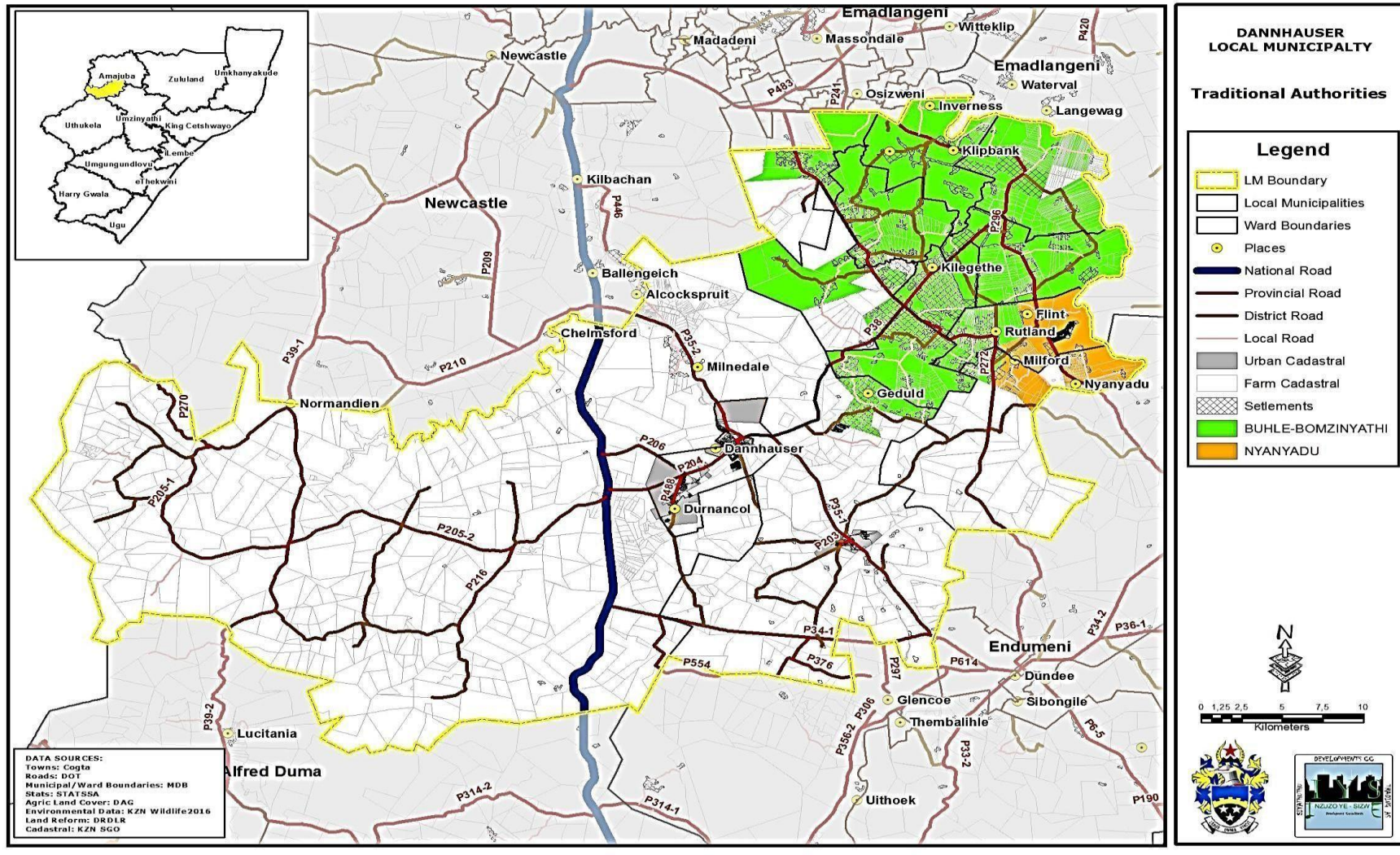
**Settlements established through land reform programs:** These include Alcockspruit, Mossdale, Elandsklip and Long Lands.

Critical to note, is the impact of the Municipal boundary relative to surrounding municipalities and Traditional Authority Boundaries within the municipal jurisdiction. These impact on the positioning of capital investment projects.

**Map 41: Current Dannhauser Ward Boundaries SDF 2021/22**



**Map 42: Traditional Authority Boundaries Dannhauser SDF 2021/22**


DANNHAUSER
LOCAL MUNICIPALTY
Traditional Authorities
Legend
LM Boundary
Local Municipalities
Ward Boundaries
Places
National Road
Provincial Road
District Road
Local Road
Urban Cadastral
Farm Cadastral
Setlements
BUHLE-BOMZINYATHI
NYANYADU
Amajuba
Zululand
Umkhanyakude
Uthukela
Umzinyathi
King Cetshwayo
iLembe
Umgungundlovu
eThekwini
Harry Gwala
Ugu
Emadlangeni
Witteklip
Madadeni
Massondale
Newcastle
Waterval
Osizweni
Inverness
Langewag
Klipbank
Kilbachan
Kilegethe
Ballengeich
Alcockspruit
Flint
Rutland
Chelmsford
Milnedale
Milford
Nyanyadu
Geduld
Normandien
Dannhauser
Durnancol
Endumeni
Dundee
Glencoe
Sibongile
Thembalihle
Lucitania
Alfred Duma
Uithoek
P420
P483
P241
P446
P209
P296
P39-1
P210
P355-2
P270
P206
P204
P488
P205-1
P205-2
P216
P355-1
P203
P34-1
P554
P376
P297
P614
P34-2
P36-1
P356-2
P306
P33-2
P6-5
P39-2
P314-2
P314-1
P190
N
0 1,25 2,5 5 7,5 10
Kilometers
DATA SOURCES:
Towns: Cogta
Roads: DOT
Municipal/Ward Boundaries: MDB
Stats: STATSSA
Agric Land Cover: DAG
Environmental Data: KZN Wildlife2016
Land Reform: DRDLR
Cadastral: KZN SGO

## Municipal SDF Strategic Proposals Impacting on Capital Investments

The following strategic proposals are encompassed in the MSDF:

- Establish a permanent urban boundary as per the SDF.
- Develop Dannhauser Town as the core node as a rural/urban node.
- Existing nodes need to be retrofitted to serve the current needs of the communities and need to be developed to improve connectivity and serviceability in the municipality.
- Corridors need to be developed applying the “beads on a string” principle.
- Agriculture (primary, secondary & tertiary) should be developed (in conjunction with Department of Rural Development & Land Reform) to become a meaningful contributor to the KZN economy.
- Densification needs to support public transport and needs to be supported by sufficient municipal services.
- Transit-orientated development needs to be promoted throughout the municipal area.
- Improved regional connectivity needs to be achieved via the N.11 & N.3 routes to various seaports, economic zones and provincial economic hubs.
- Improved road-based public transport services and to develop the inland freight services; and
- Improved and developed industrialization within the municipal jurisdiction.

## Built Environment Performance Plan and Capital Investment Framework

### Introduction

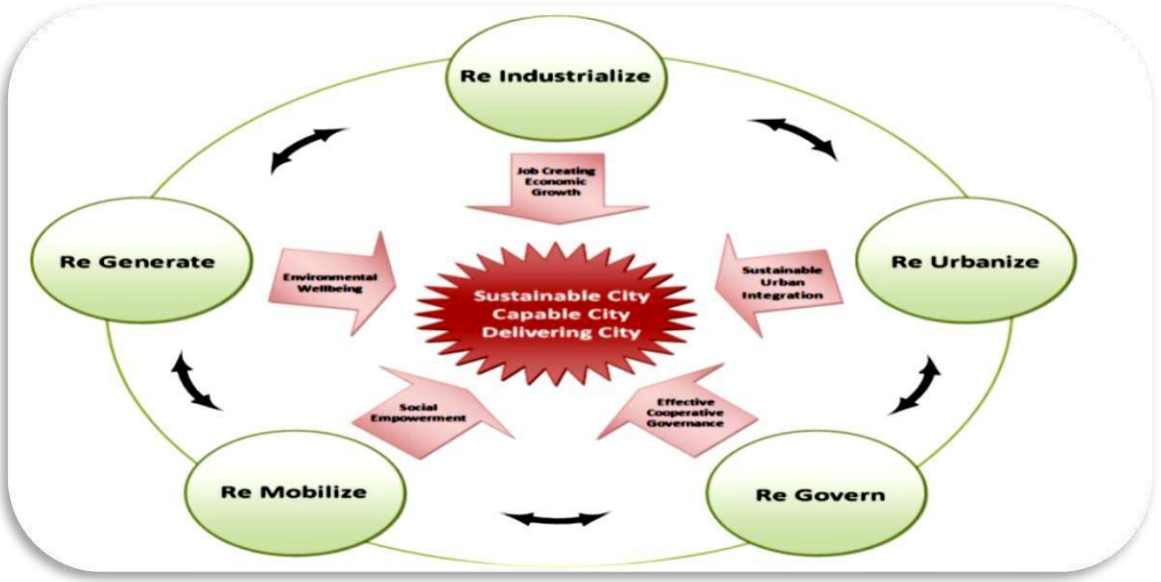
The Built Environment Performance Plan (BEPP) coordinates implementation of objectives of the existing statutory plans such as Integrated Development Plan and Municipal Spatial Development Framework (MSDF). Hence, BEPP principle of ensuring alignment between BEPP, IDP, MSDF and other national plans and frameworks such as the National Integrated Sustainable Rural Development Programme (NISRDP), the Comprehensive Rural Development Strategy (CRDS) Spatial Land Use Management Act (SPLUMA) and National Development Plan (NDP).

In essence, BEPP integrates planning strategic documents with funding instruments ensuring coordinated effort to achieve built environment outcomes. Dannhauser’s BEPP constitutes projects which are collaboratively funded by the municipality, the provincial, national government and private sector driven projects based on the recognition that Dannhauser’s developmental agenda requires collaborative effort across various stakeholders. The budget allocation of the projects is highly influenced by Capital Investment Framework (CIF) through Capital Prioritisation Model (CPM). CIF is a

component of the Built Environment Performance Plan which jointly with the budget is approved by Council.

## Dannhauser BEPP Strategic Investment Framework

**Figure 2 : BEPP Strategic Investment Framework Dannhauser**




The aim of BEPP is to support the metropolitan municipalities to achieve the impact of rural-urban economic growth and reduction of inequality and poverty. Therefore, the primary focus is to ensure that the identified projects and programmes within the IDP and the spatial rationale of the municipality are planned, budgeted and implemented in an integrated and coordinated manner including fiscal instruments in the form of grants supporting the municipal strategies. It is a requirement of the annual Division of Revenue Act (Dora) and an instrument for compliance.

## Capital Investment Framework (CIF) – 2021/2022

The Capital Investment Framework (CIF) is a key component of the Spatial Development Framework (SDF) as required in terms of Section 21(n) of the Spatial Planning and Land Use Management Act, 2013, and Section 4(e) of the Municipal Planning and Performance Management Regulations, 2001 as promulgated in terms of the Municipal Systems Act. The CIF also strives to meet Section 153(a) of the Constitution, in which the developmental duties of a municipality is outlined to “structure and manage

its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community".

The CIF in its function takes cognizance of overarching national policies such as the National Development Plan 2030 and the National Spatial Development Perspective, 2006, that have outlined the need for metros to target investment into strategically identified spatial areas with the spin off effect of transforming past spatial, social and economic inequalities.

The principles set out in the NDP and the NSDP therefore need to be taken into consideration when developing and implementing the CIF as part of strengthening the MSDF. The principles in summary speak to achieving rapid economic growth, the provision of basic services to the community, focusing fixed investment into economic growth points, and promoting infrastructure investment into these economic nodes and potential economic growth points. Imperative to the CIF is ensuring that planning for programmes and investment is not dispersed but focused. The NSDP therefore argues that dispersed programmes and funding has not managed to achieve successful holistic and comprehensive spatial transformation and economic growth, but rather enabled spatial inequalities and a lagging economy.

The CIF in its implementation aims to bridge the gap between the Integrated Development Plan (IDP), Budget, GDS and the MSDF to achieve and align Dannhauser's overarching objectives, promote economic growth, and meet basic infrastructure needs as linked to achieving a desired strategic spatial directive for the Municipality, which must take cognizance of the previously disadvantaged areas. In summary, the function of the CIF is to spatially and strategically influence, guide and prioritize the allocation of the municipal budget in a coordinated manner across all sectors in order to achieve targeted spatial transformation of the rural-urban environment and realize the overarching strategic objectives of Dannhauser.

**The functions of the CIF are defined as follows:**

To influence and guide municipal capital prioritization and allocation spatially and strategically.

To Spatially and strategically coordinate and integrate capital expenditure across all sectors.

To show where the municipality must and will be spending its capital budget; and

To reflect where the municipality will be investing. This is achieved by means of mapping capital projects reflected on the multi-year capital budget.

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To reflect where the municipality will be investing. This is achieved by means of mapping capital projects reflected on the multi-year capital budget.

## The Municipal Infrastructure Investment Framework

The municipality has embarked on the development of a Municipal Infrastructure Investment Framework. The municipality is committed to ensuring that all backlogs in the provision of

infrastructure are removed. However, this must be done in such a way to ensure that the municipality, which is at the forefront of infrastructure delivery, remains financially viable and have the capacity to operate and maintain this infrastructure.

The Municipal Infrastructure Investment Framework (MIIF) thus aims to establish:

- The extent of infrastructure to be provided.
- The capital expenditure required to provide this infrastructure.
- The extent to which financing is available for this capital expenditure.
- The operating expenditure required to ensure that the infrastructure provided is properly operated and maintained.
- The extent to which revenue can be raised to cover this operating expenditure, within the provisions of the Municipal Fiscal Framework.

The framework also considers the monitoring systems required to assess progress with respect to infrastructure delivery as well as processes to ensure that systems and management capacity are in place in municipalities to manage the infrastructure, with the emphasis on a municipal infrastructure asset management strategy. The Capital Investment Framework (CIF) outlines the capital projects and priorities which the Municipality will undertake within the next five years. The capital projects and priorities are because of strategies and goals set by the Municipality in order to achieve the desired outcomes and vision.

The Capital budget is directly informed by the needs submitted by the community through the IDP process. The capital budget continues to reflect consistent efforts to address backlogs in basic services and the renewal of the infrastructure of existing network services.

## Dannhauser Capital Sources

In order to contribute funds for future capital expenditure and to reduce dependence on borrowed funds, the municipality prioritizes projects based on a matrix model and is funded from the following sources: -

- Municipal Infrastructure Grant.
- Partial revenue collected from municipal services.
- Partial redistribution of Equitable Share Allocation.
- Sourcing of grant funding from external stakeholders on infrastructure projects which are unfunded by the municipal budget (direct & indirect funding); and

Mining stakeholders contributing to infrastructure projects impacting on the community through their Social Labour Plans.

To maximize additional revenue sources, the following are pursued: -

Maximize investment rates, especially on call account.

Development charge; and

Grant income to be maximized.

**Capital E penditure**

Investment in rural-urban infrastructure is important for the development of the local economy, combating poverty and the provision of universal access to municipal services. Rapid inward population migration, increased household sizes and greater economic activity places pressure on existing municipal infrastructure and require larger investments in the periods ahead. In addition to the rollout of service delivery infrastructure, the municipality's capital expenditure is also directed towards economic stimulus and job creation.

The capital budget is directly informed by the needs submitted by the community through the IDP process. In view of borrowings being maximized and the present economic climate, the high levels of capital expenditure cannot be sustained. Dannhauser being reliant on grant funding due to its low revenue generation as a result of its rural setting, the municipality is being innovative in sourcing funds to deliver the required infrastructure and to support economic growth in a bid to increase its revenue generating capacity. The CIF geographic priority areas are comprised out of the following structuring elements from the MSDF and strategic programmes of Dannhauser:

**STRATEGIC CIP PROGRAMMES**

Integrated Public Transport Network

Primary, Secondary and Tertiary Nodes

Housing Projects

Township Regeneration Areas

Industrial Areas

Strategic Urban Developments

Beautification of Community Parks projects

Poverty Eradication Areas

Expansion and densification areas

Tourism

Agro-processing

The municipality has identified the following priority areas to be addressed during the 2020/21 financial year.

Water challenges.

Human settlements.

Economic development.

Financial sustainability.

Climate change mitigation.

Service delivery backlogs.

Access to public transport.

Human capital development.

Energy challenges.

Health of society.

Safer municipality.

Food security.

Sustainable spatial form.

Rural development.

Infrastructure degradation.

Undermining natural capital; and

Safer city

Dannhauser's capital plan provides a link between the municipality's strategic vision, its urban & rural land use plan, and its annual budget. One recognized best practice in municipal fiscal management is for Dannhauser to annually exercise the preparing of a multiyear capital improvement plan. The plan identifies anticipated public infrastructure and investment projects, as well as a financing approach. The capital investment plan (CIP) describes the municipality's policies and financial abilities to manage the investment needs associated with its spatial development and built environment. Key financial policies include goals or guidelines for critical fiscal management metrics, such as the percentage of the annual budget to be committed to capital improvements, metrics to limit the size of annual debt service, and limits on total outstanding debt.

The capital plan identifies specific public projects as well as a general schedule. The first year of a capital plan reflects the municipality's budget for that fiscal year, and remaining years of the capital plan represent an estimate of future capital needs to be funded through projected revenue, grants and other sources of funds. The timeframe of the municipality's capital plan is a local decision.

Dannhauser's Comprehensive, multiyear capital provides many benefits, some are as follows;

(a) promotes the effective management of public capital assets.

(b) encourages the municipality to consider funding requirements and the likely timing of major required investments, as well as future costs and timing of major upgrades; and

(c) also bundles anticipated projects together, enabling the municipality to pursue outside funding sources to make up for any possible shortfalls. This can involve borrowing from the capital markets or applying for transfers or external funding sources.

The municipality's CIP has been impacted on greatly by the technical recession the country experienced in 2019, however, from a positive outlook, national government through its "Medium Term Budget Policy Statement -2019" announced an increase in public expenditure although national tax revenue remained a concern. The President's five (5) point economic recovery plan of September 2019 sheds light to Dannhauser's CIP. The following were indicated as the five (5) point recovery stimulus package;

- Implementing growth-enhancing economic reforms.
- Reprioritizing public spending to support economic growth and job creation; Establishing an infrastructure fund.
- Addressing urgent matters in education and health; and
- Investing in municipal social infrastructure improvement.

Further guidance to Dannhauser is given through the MTBPS – 2019, wherein it states, ***"Increased investment in social and economic infrastructure will be a focus of economic recovery over the medium term. This requires an increased role for the private sector and better implementation of government's existing plans. Over the next three years, public infrastructure expenditure is estimated to be R855.2 billion, of which state-owned companies account for R370.2 billion. General government accounts for the remaining R485 billion, mainly in the form of conditional infrastructure grants."***

In addressing the capital needs of the municipality, the following "Capital Planning Guidelines" published by "National Treasury" have been complied to;

1. CAPITAL PROJECTS E ALUATION PROCESS

2. APPRAISAL PROCESS UNDERTAKEN BY DEPARTMENTS
    2.1 Extension of Existing Infrastructure Projects
    2.2 New Capital Projects
    2.3 Maintenance costs for on-going projects

3. PREPARATORY WORK
    3.1 Needs Analysis
    3.2 Options Analysis
        - Demand Analysis
        - Technical Engineering Analysis
        - Environmental Analysis
        - Socio-economic Analysis
        - Legal and Regulatory Due Diligence

4. IABILITY E ALUATION
    4.1 Financial Analysis
    4.2 Economic Analysis
    4.3 Risk assessment and sensitivity analysis

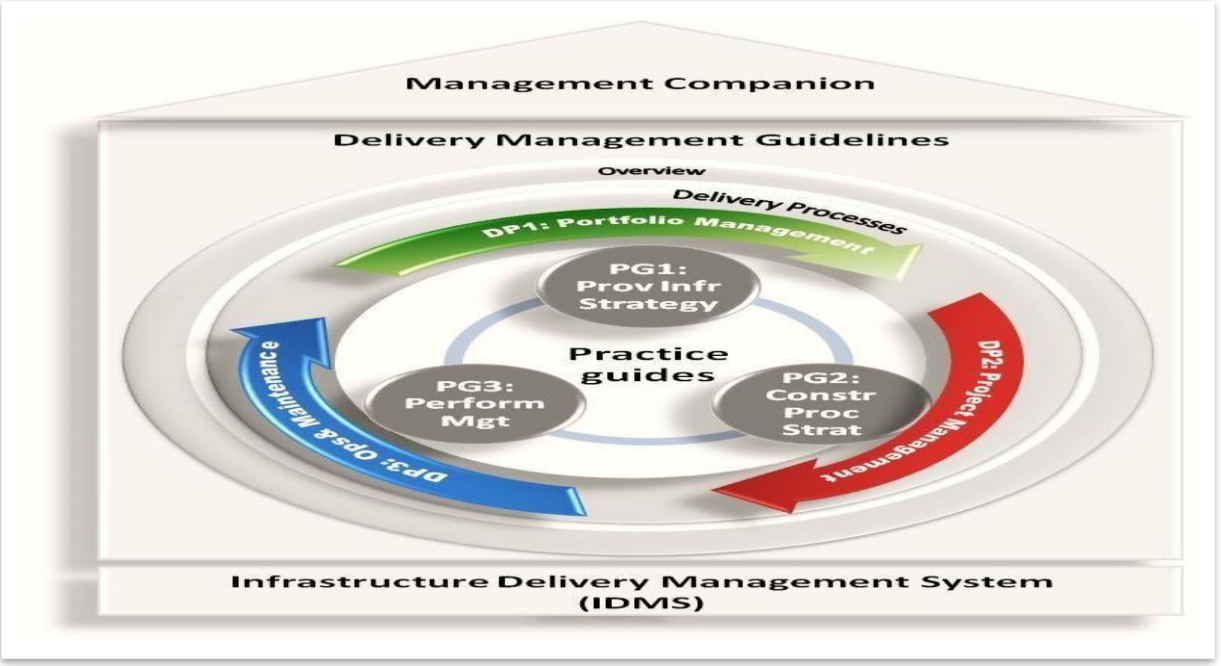
5. THE PREFERRED OPTION

6. IMPLEMENTATION READINESS
    6.1 Institutional Capacity
    6.2 Procurement Plan

7. PROJECT CONCEPT NOTE

The municipality further complies to the “National Treasury’s”, “Infrastructure Delivery Management System” (IDMS), which is aligned to the Capital Planning Model of National Treasury. The following are important steps adhered to through IDMS.

**Dannhauser CIP Compliance to Infrastructure Delivery Management System**




Ensures the best practices in the delivery management of infrastructure;

Focused on the delivery and life cycle management of South African public-sector infrastructure;

Target users include both technical and non-technical managers;

Provides "how to" guidelines for infrastructure delivery and procurement management necessary to deliver, operate and maintain infrastructure;

Aids in capacitating managers;

Facilitates a uniform approach to infrastructure delivery management;

The IDMS, when adhered to, assists the municipality in complying with applicable legislative requirements;

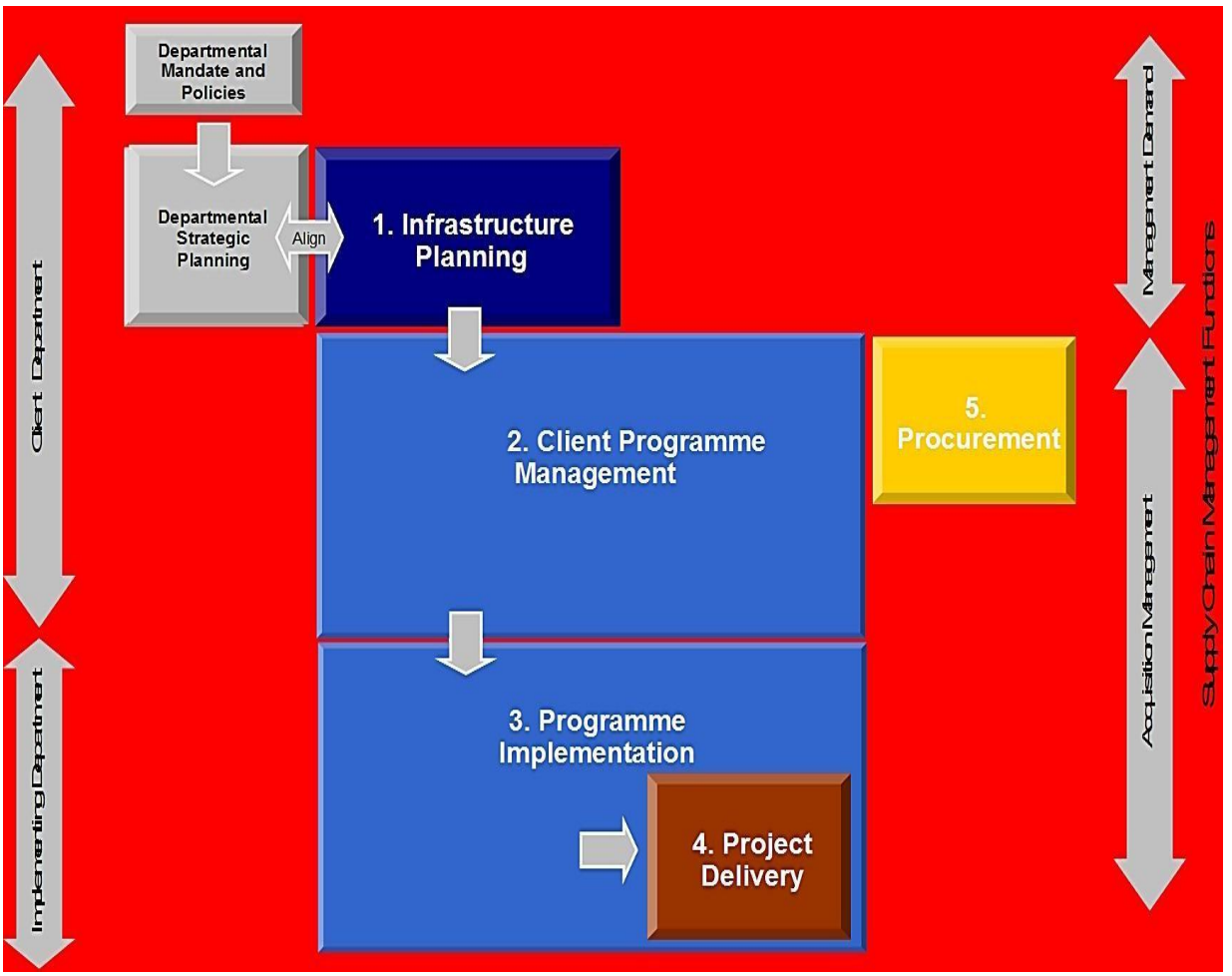
Enhances modernised approach to procurement

- Strategic procurement
- Gateway system
- Institutionalise alternative delivery models
- Introduces the concept of Infrastructure Packages
- Alignment to "legislations; Policies and Policies"
- Readiness for Local Government ❍ Emphasis on "Portfolio Management" New

modules:

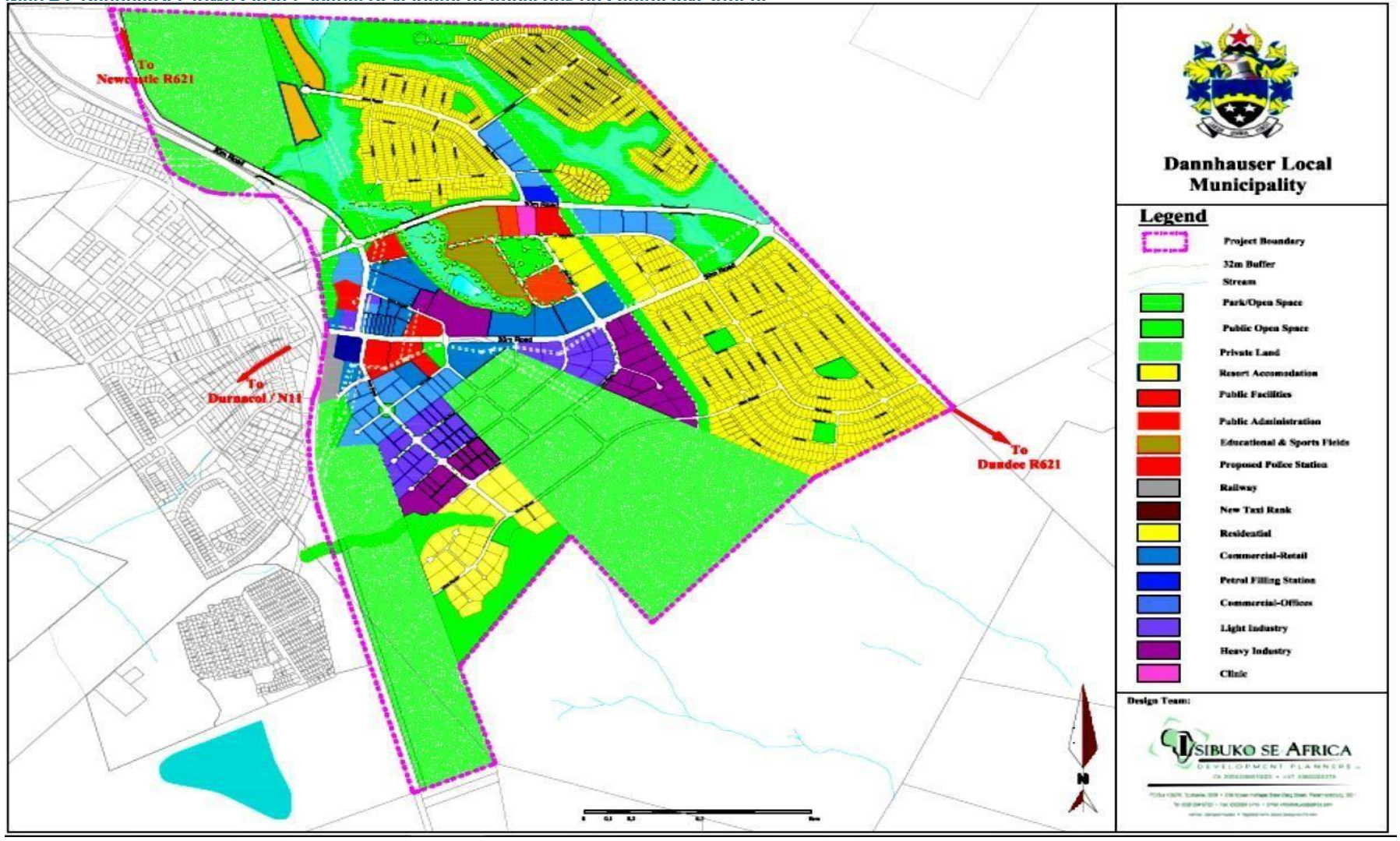
- Provincial Infrastructure Strategy
- Construction Procurement Strategy
- Operations and Maintenance
- Performance Management

**DANNHAUSER INFRASTRUCTURE - SCM: IDMS**



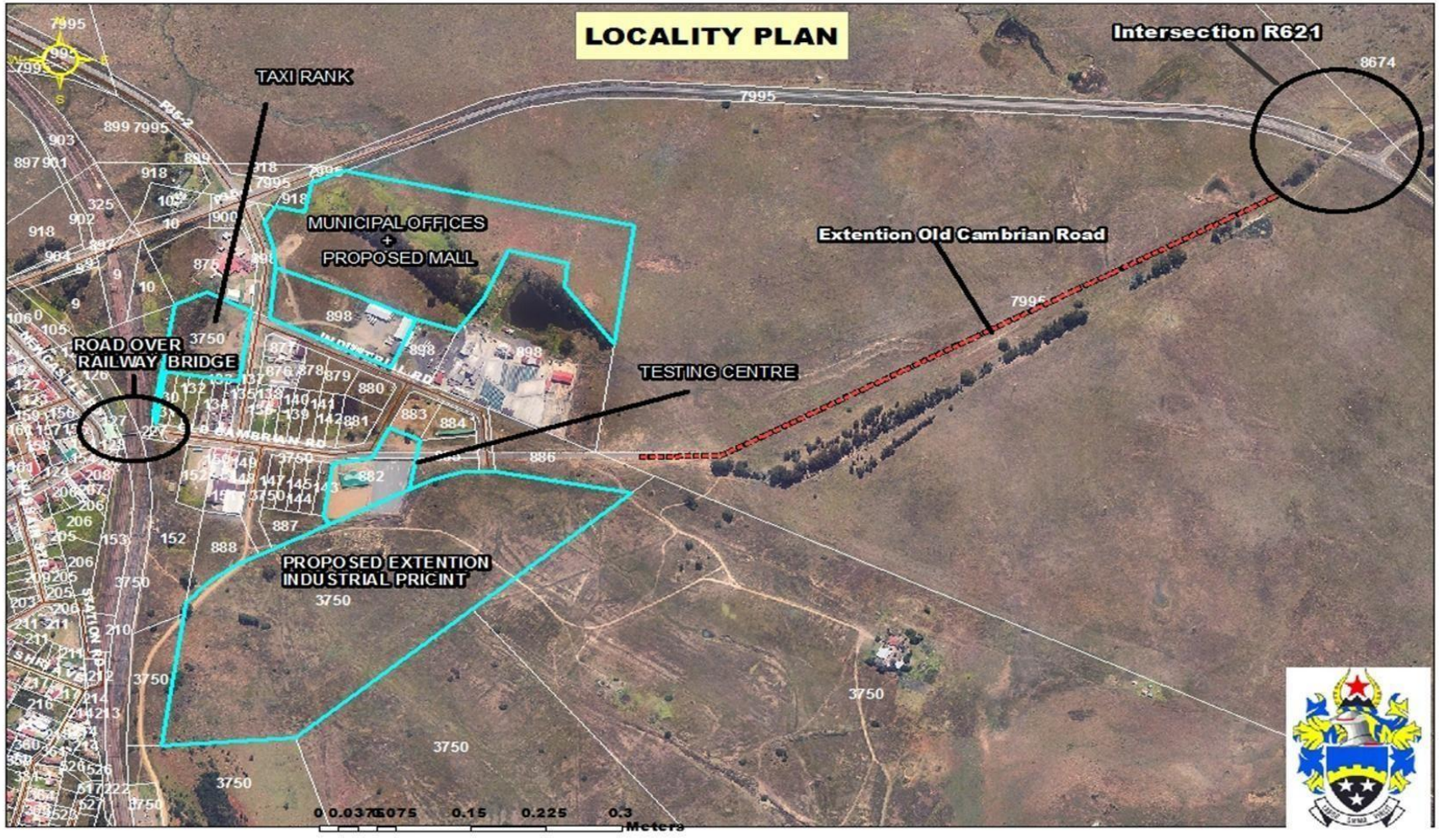

Although the municipality complies with the above in relation to all its capital projects, its major constraint is funding. It is often that most projects that are required critically are left unaddressed due to funding shortfalls.

Map 43: Dannhauser Town Cluster Spatial Development Impacting on Capital Investment



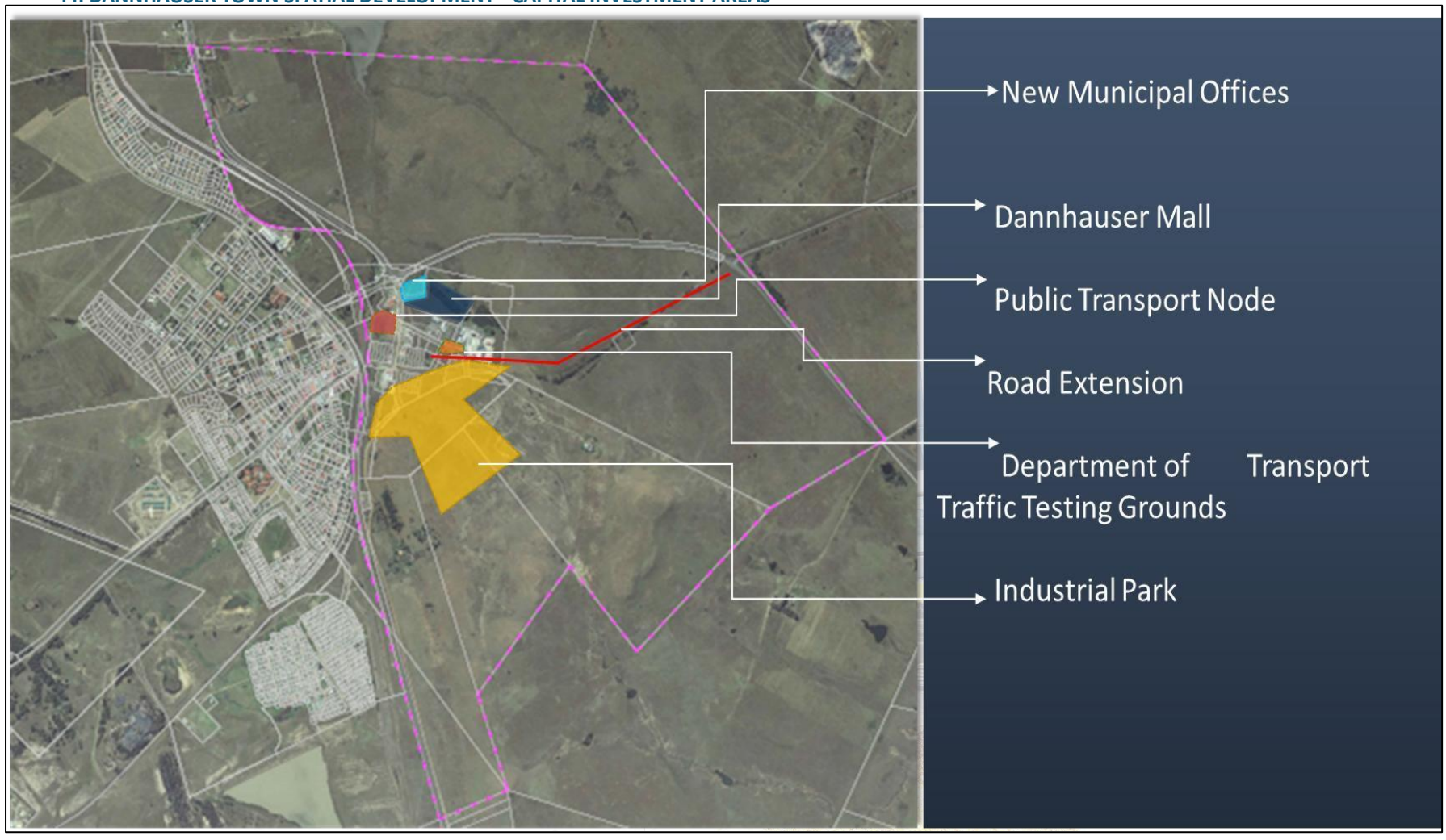
## Map

**Map 63: Dannhauser Town Spatial Development - Capital Investment Area – New Development**

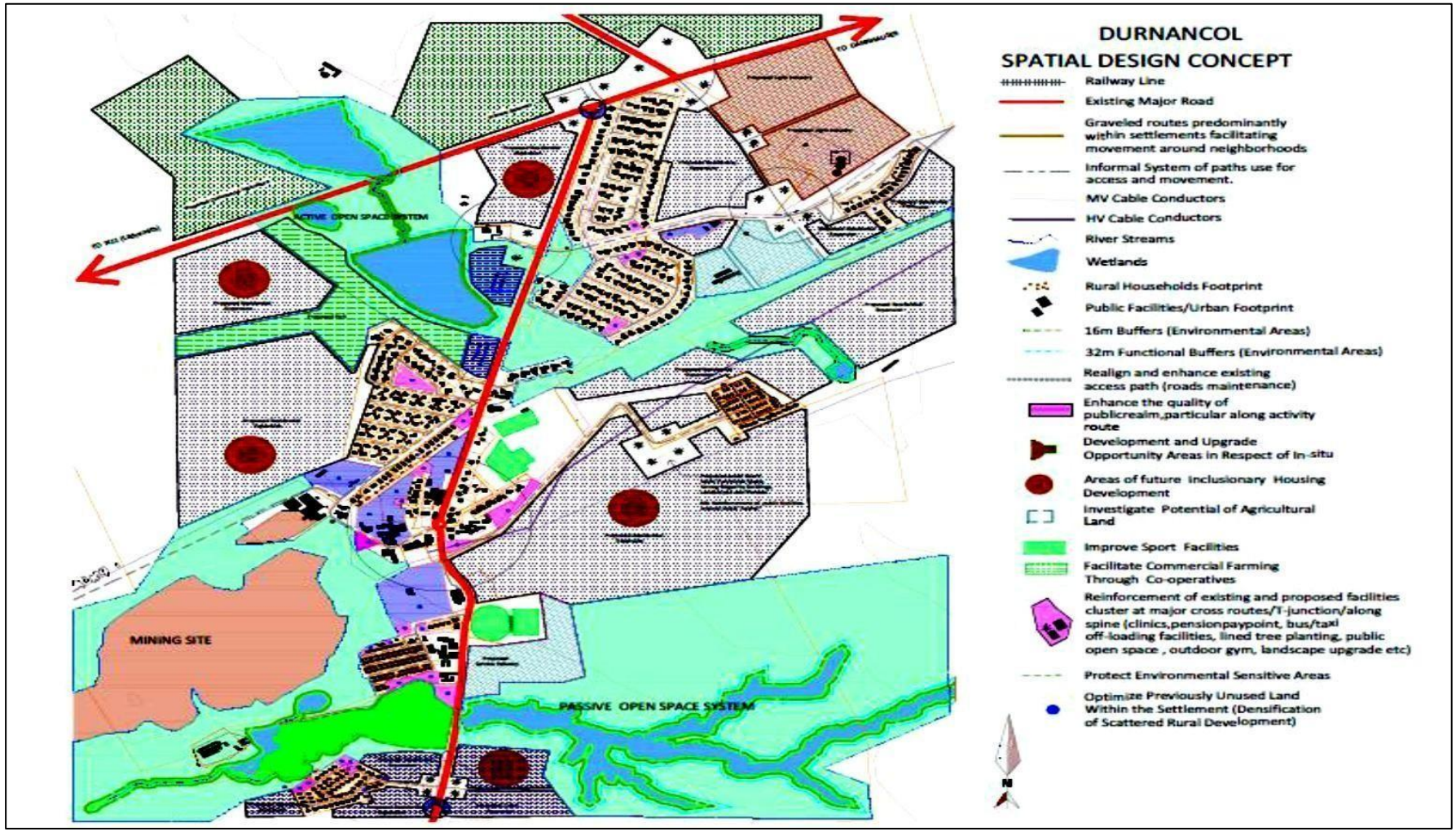

LOCALITY PLAN
Intersection R621
8674
TAXI RANK
7995
MUNICIPAL OFFICES
+
PROPOSED MALL
Extention Old Cambrian Road
ROAD OVER
RAILWAY BRIDGE
TESTING CENTRE
PROPOSED EXTENTION
INDUSTRIAL PRICINT
3750
0 0.0375 0.075 0.15 0.225 0.3
Meters

**Map**

**44: DANNHAUSER TOWN SPATIAL DEVELOPMENT - CAPITAL INVESTMENT AREAS**

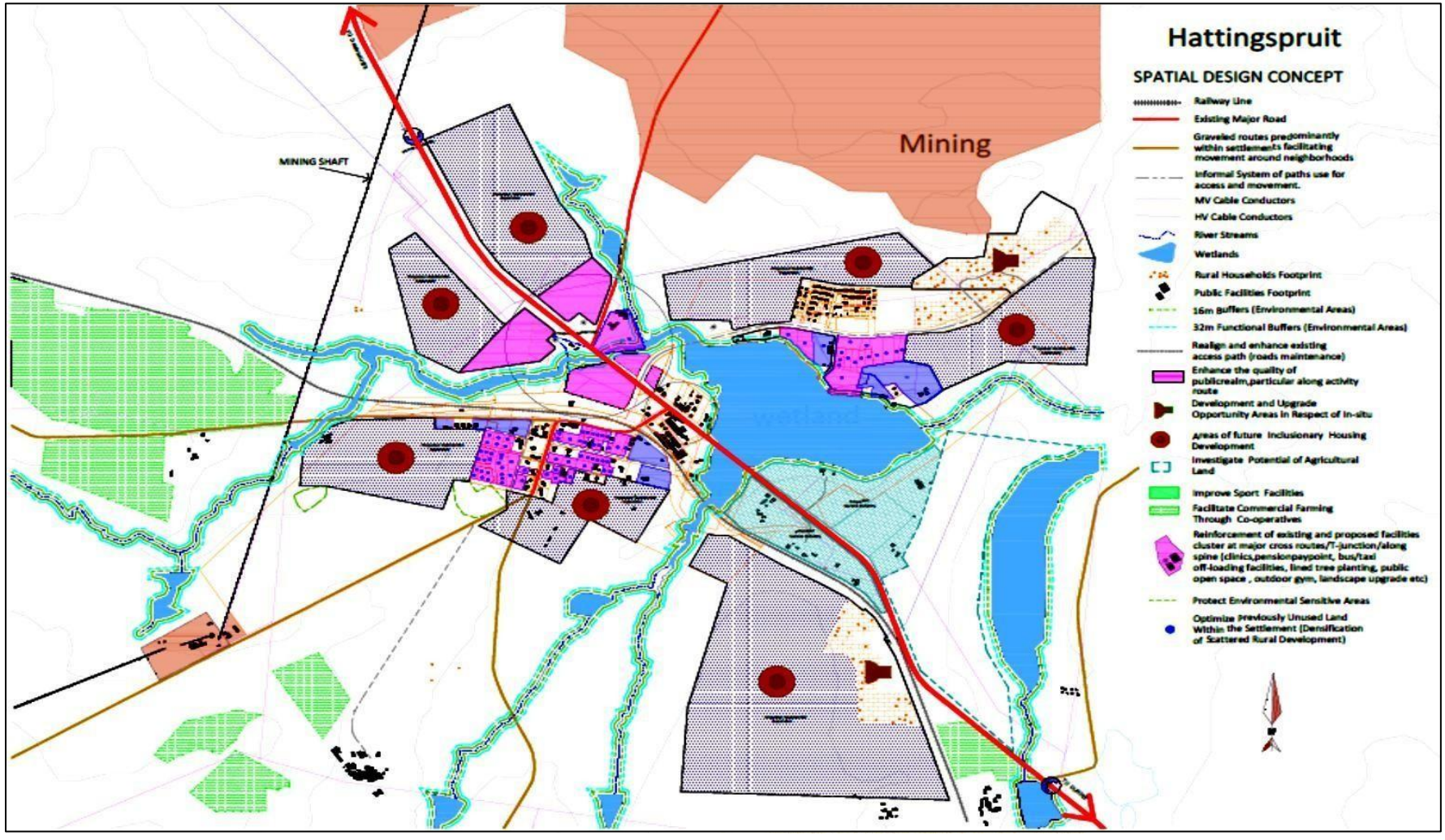


**Map 4 : Durnacoal Residential Town Spatial Development Design Impacting on Capital Investment**



**Map 4**

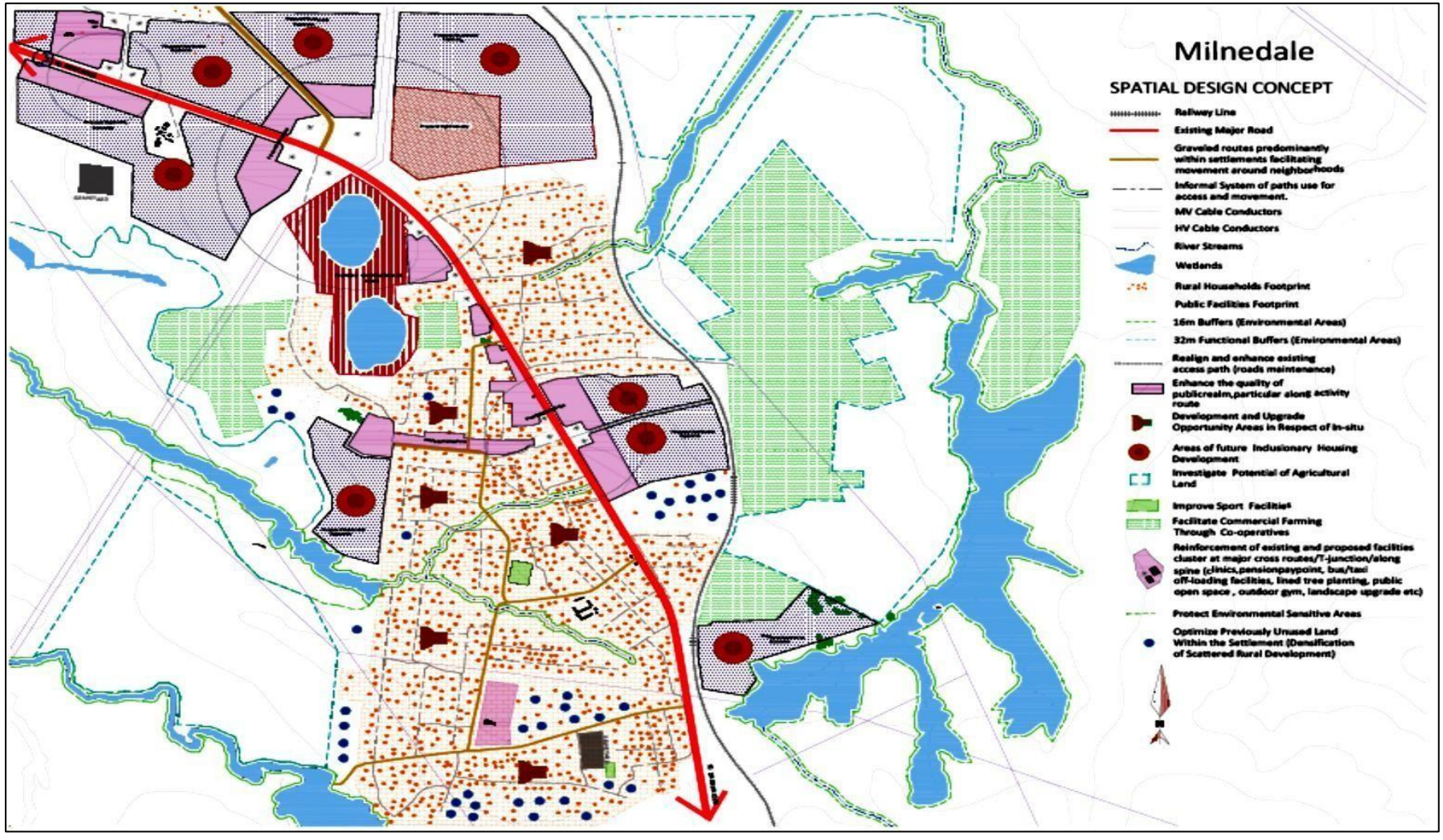
**6: Hattingspruit Residential Town Spatial Development Design Impacting on Capital Investment**



## Map 4

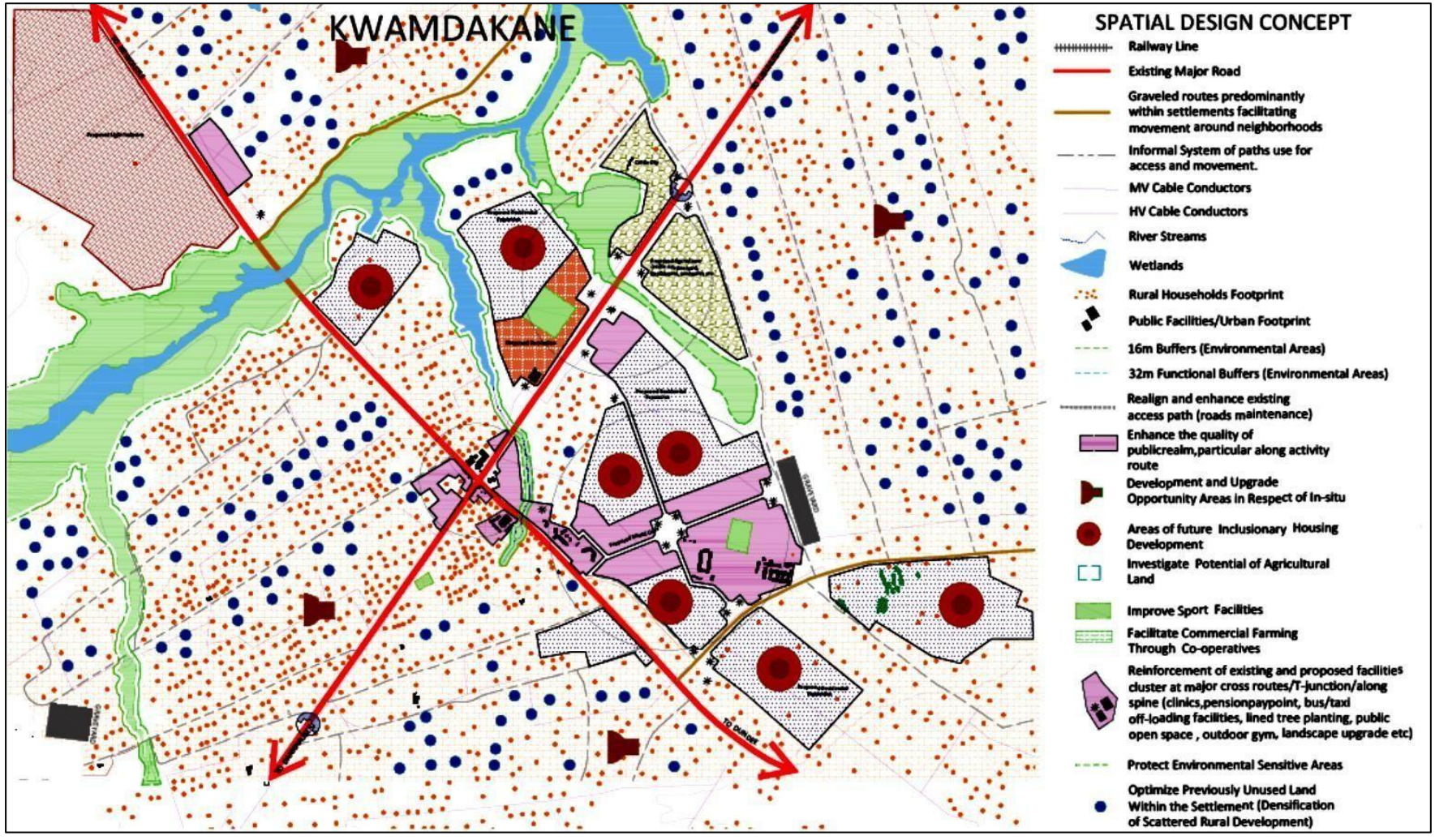
### 7: Milnedale/ Skombaren Residential Town Spatial Development Design Impacting on Capital Investment

**Map 4**



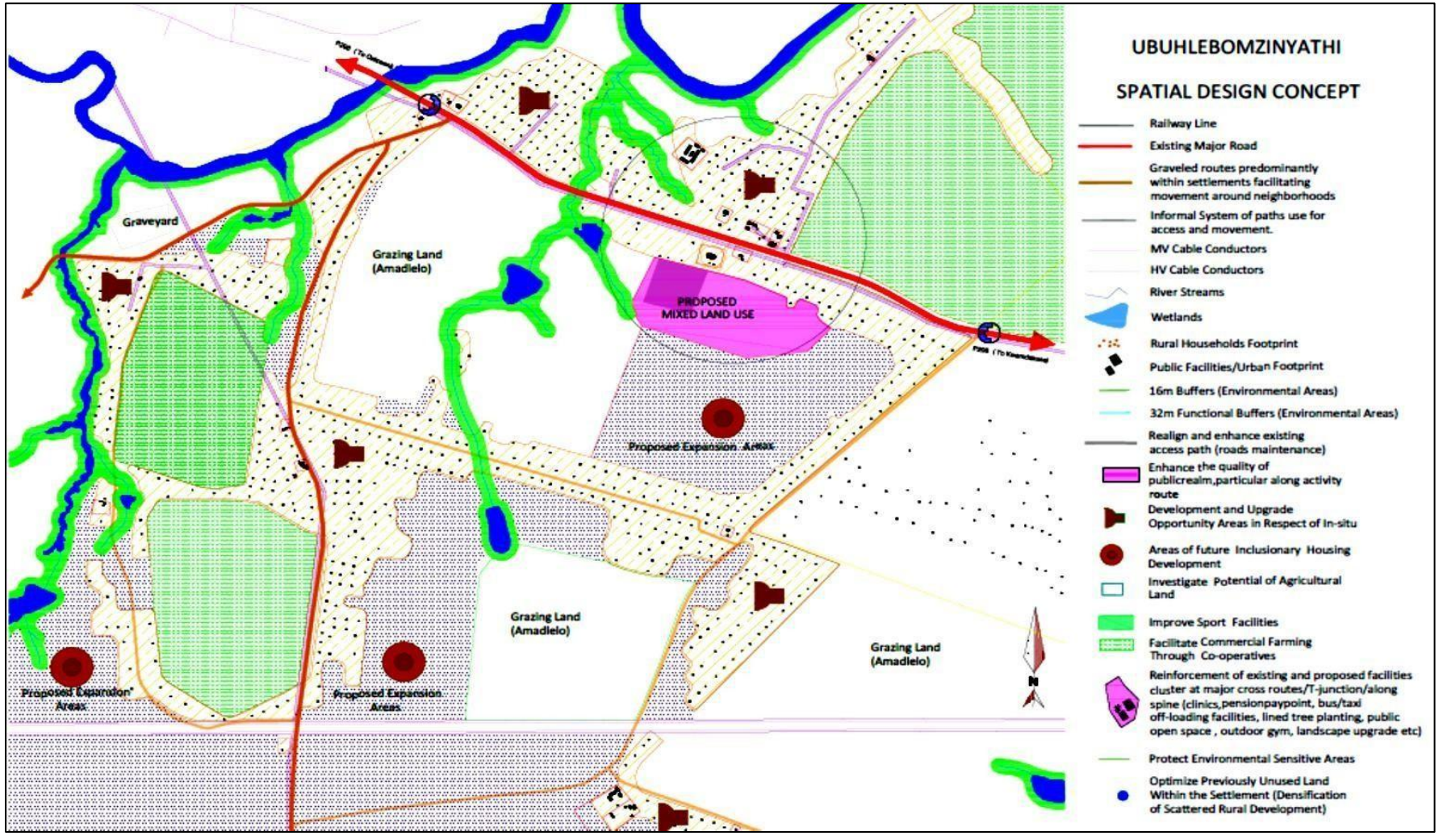

**8: KwaMdakane Residential Town Spatial Development Design Impacting on Capital Investment**

**Map 4**




**: Ubuhlebmzinyathi Residential Town Spatial Development Design Impacting on Capital Investment**

**Map 4**


UBUHLEBOMZINYATHI
SPATIAL DESIGN CONCEPT
Railway Line
Existing Major Road
Graveled routes predominantly within settlements facilitating movement around neighborhoods
Informal System of paths use for access and movement.
MV Cable Conductors
HV Cable Conductors
River Streams
Wetlands
Rural Households Footprint
Public Facilities/Urban Footprint
16m Buffers (Environmental Areas)
32m Functional Buffers (Environmental Areas)
Realign and enhance existing access path (roads maintenance)
Enhance the quality of publicrealm,particular along activity route
Development and Upgrade Opportunity Areas in Respect of In-situ
Areas of future Inclusionary Housing Development
Investigate Potential of Agricultural Land
Improve Sport Facilities
Facilitate Commercial Farming Through Co-operatives
Reinforcement of existing and proposed facilities cluster at major cross routes/T-junction/along spine (clinics,pensionpaypoint, bus/taxi off-loading facilities, lined tree planting, public open space , outdoor gym, landscape upgrade etc)
Protect Environmental Sensitive Areas
Optimize Previously Unused Land Within the Settlement (Densification of Scattered Rural Development)
Graveyard
Grazing Land (Amadlelo)
PROPOSED MIXED LAND USE
Proposed Expansion Areas
Grazing Land (Amadlelo)
Grazing Land (Amadlelo)
Proposed Expansion Areas
Proposed Expansion Areas
N

## Capital Prioritization Model

The capital prioritization model is an instrument utilized in the implementation of the CIF in alignment with the annual budget and IDP process set out by the Dannhauser Finance Department and Strategy and Corporate Planning Department to strategically prioritize the multi-year capital budget. The CPM as illustrated in the figure below strives to align and incorporate the Capital, project management, IDP ward needs, Mayoral priorities, spatial priorities and the SDBIP into the capital budget project prioritization process. The CPM as part of the prioritization process incorporates the geographic priority areas that inform the BEPP integration zones in providing for a spatial rationalization of the budget. The CPM therefore, establishes a set process for implementation as aligned to the budget and IDP process, and provides guidance to departments on the capital project prioritization process and requirements. The key outcome of the CPM is to prioritize Dannhauser's capital infrastructure projects in alignment with the municipal spatial and strategic objectives and priorities. The CPM process has been revised to include the IDP ward priority process and incorporate new functionality to the prioritization of the capital budget as provided through an automated system more cohesively. The CPM strives to align and co-ordinate the following into the capital budget project prioritization process:

Project Management (project readiness),

Analysis of community IDP development priorities.

Spatial Strategy; and

IDP and SDBIP

The CPM fulfils the following important functions as part of the Capital Programme Management process:

Facilitates and guides the prioritizations of the multi-year capital budget.

Establishes a uniform process to be followed during the budget process in the allocation and prioritizations of the budget both strategically and spatially.

Guides the budget allocation split between the project categories (fair allocation of urban restructuring, upgrading and renewal and economic development projects); Promote, guide and coordinate spatially targeted investment.

Requires collective action and collaboration between essential departments with an identified strategic involvement in the budget process (i.e., Finance, Strategy and Corporate Planning (IDP), EPMO, Human Settlements, Economic Development, Environment, Real Estate and Municipal Planning);

Promotes alignment of departmental functions, strategic policies and sector plans;

Outlines actions to be pursued during the budget prioritization process; Provides a quick and easy, yet consistent, method for evaluating options; Facilitates reaching agreement on priorities and key issues.

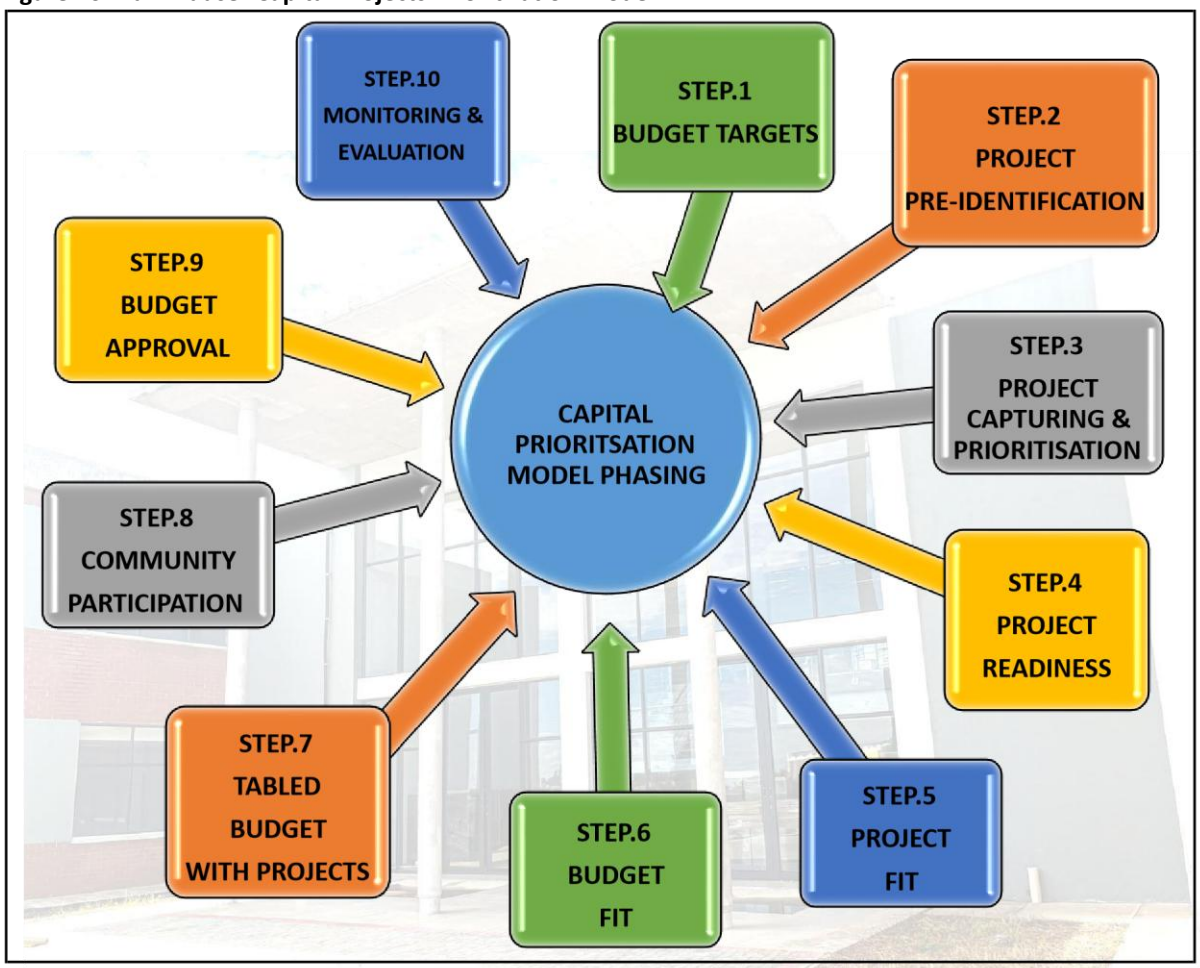
Guide, co-ordinate and align the municipal budget;

Provides for a transparent and rationalized budget process; Quantifies the decision with numeric rankings; and

Makes provision for monitoring and evaluation to assess the impact of the CIF on the multi-year capital budget after allocation of the budget.

## Capital Prioritization Model Phasing

**Figure 26: Dannhauser Capital Projects Prioritization Model**




**The following budgeting PRINCIPLES were applied in formulating the budget:**

- Sustainable, affordable, realistic, and balanced budget

- Realistic and achievable collection rates
- Major tariffs to be cost reflective, realistic, and affordable
- Budget to contribute to achieving strategic objectives of the IDP
- Loans to be sustainable and affordable and utilized for capital projects only
- Balancing capital expenditure for social, economic, rehabilitation and support
- Need to ensure rates-based growth to ensure sustainability of free basic services
- Income/ Revenue driven budget: affordability i.e., if funds do not materialize review expenditure
- Holistic: account for basket of goods & services provided, they are needs driven into the IDP
- Income/ Revenue driven budget: affordability i.e., if funds do not materialize review expenditure

**The capital prioritization model 10 step phasing (as above) is more e plicitly detailed as follows:**

**Step 1: Set Targets for the Budget (September)**

Project Category percentage split.

Rural & Urban Restructuring (60%)-Social and physical infrastructure geared towards eradicating historical backlogs.

Upgrading and Renewal (25%) - Upgrading refers to the extension of existing gravel & urban roads, bulk infrastructure, whilst renewal refers to the maintaining of existing bulk infrastructure.

Economic Development (15%) - projects that are focused towards extending bulk infrastructure for the purpose of stimulating growth and are therefore purely income generating projects.

Percentage of budget for targeting into the priority areas.

The percentage of total capital budget within the priorities areas is targeted at 80%.

MTREF Rand value cap for year 1, 2 and estimate for year 3 (the MTREF rand value cap is required during the budget fit exercise for prioritization as part of step 6); Identify municipal wide strategic objectives and programmes.

This includes the Ward and Mayoral Priorities.

**Step 2: Project Pre-identification (September)**

Prioritization team registers potential capital projects identified in step 1.

Identified projects to be sent to implementing departments.

Departments to register projects from departmental strategies, Ward, and Mayoral priorities.

**Step 3: Project Capturing and Prioritization (October)**

Budget guidelines sent to departments by the Municipal Finance Department.

Budget capturing by departments (includes mapping projects locality, mSCOA segments, key performance areas and CPM weighting variables):

**Step 4: Project Readiness**

Determine project readiness as per Stage Gate and Municipal Infrastructure Delivery and Management System (MIDMS); The Project Phasing information is as follows:

Planning

Design

Works

Close out Project

Completion

**Stage Gate Phases:**

Feasibility

Procurement

Implementation

Construction

Completed

Determine project readiness to EIAs, property identification, property preparation, legal processes, etc. (phase in for 2020/21 – 2021/22)

Determine/ verify estimated total project cost (part of the budget evaluation departmental one on one engagements with the CIF Operational Task Team);

Phase project budget over MTREF based on project readiness, affordability, spending ability and based on CP3 priority (phase in for 2020/21 – 2021/22);

Determine/ verify estimated project cost per phase (phase in for 2020/21 – 2021/22);

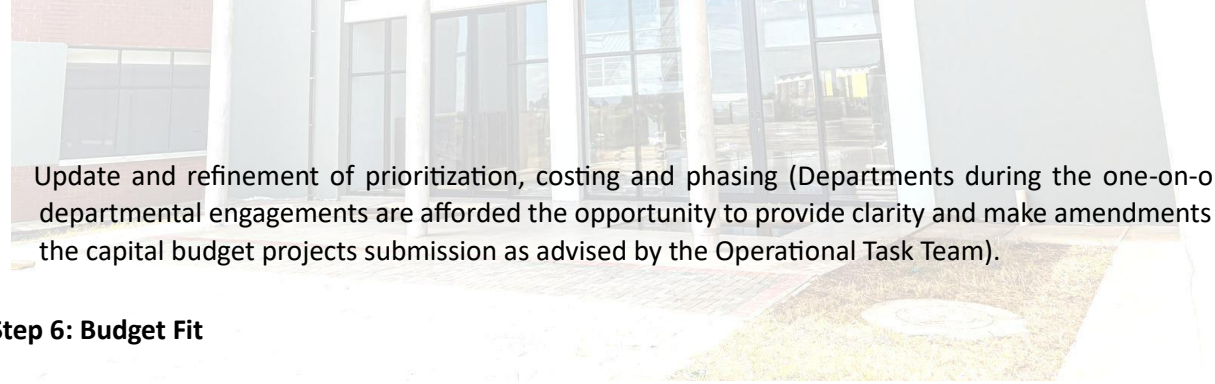
Expedite project readiness for high priority projects (phase in for 2020/21 – 2021/22).

**Step : Project Fit**

Joint CIF Team evaluation of outcome of Step 1, 2, 3 and 4: Municipal Operational Task team prebudget evaluation took place November 2019;

Preliminary 'Budget Fit' to identify qualifying and non-qualifying projects (phase in for 2020/21 – 2021/22);

One-on-One engagement with Departments based on outcome of Step 1, 2 and 3: The departmental one on one engagements took place from November 2019;



Update and refinement of prioritization, costing and phasing (Departments during the one-on-one departmental engagements are afforded the opportunity to provide clarity and make amendments to the capital budget projects submission as advised by the Operational Task Team).

**Step 6: Budget Fit**

Allocate correct funding source per project; Finalize project fit per financial year.

Committed projects 2020/21;

Based on the CPM scoring as fit per project category percentage of total budget;

IDP and Mayoral Priorities are considered as part of the budget fit functionality of force in and out is applied to achieve a minimum of 3 priorities per ward. It must be noted that the successful application of the force in and force out functionality is subject to the accuracy of information populated by the departments on projects to be addressed of a mayoral and or ward priority; and Based on budget cap per financial year.

**Step 7: Tabled Budget**

Draft Budget Tabled to municipal committees.

Step 8: Community Participation

IDP participation process.

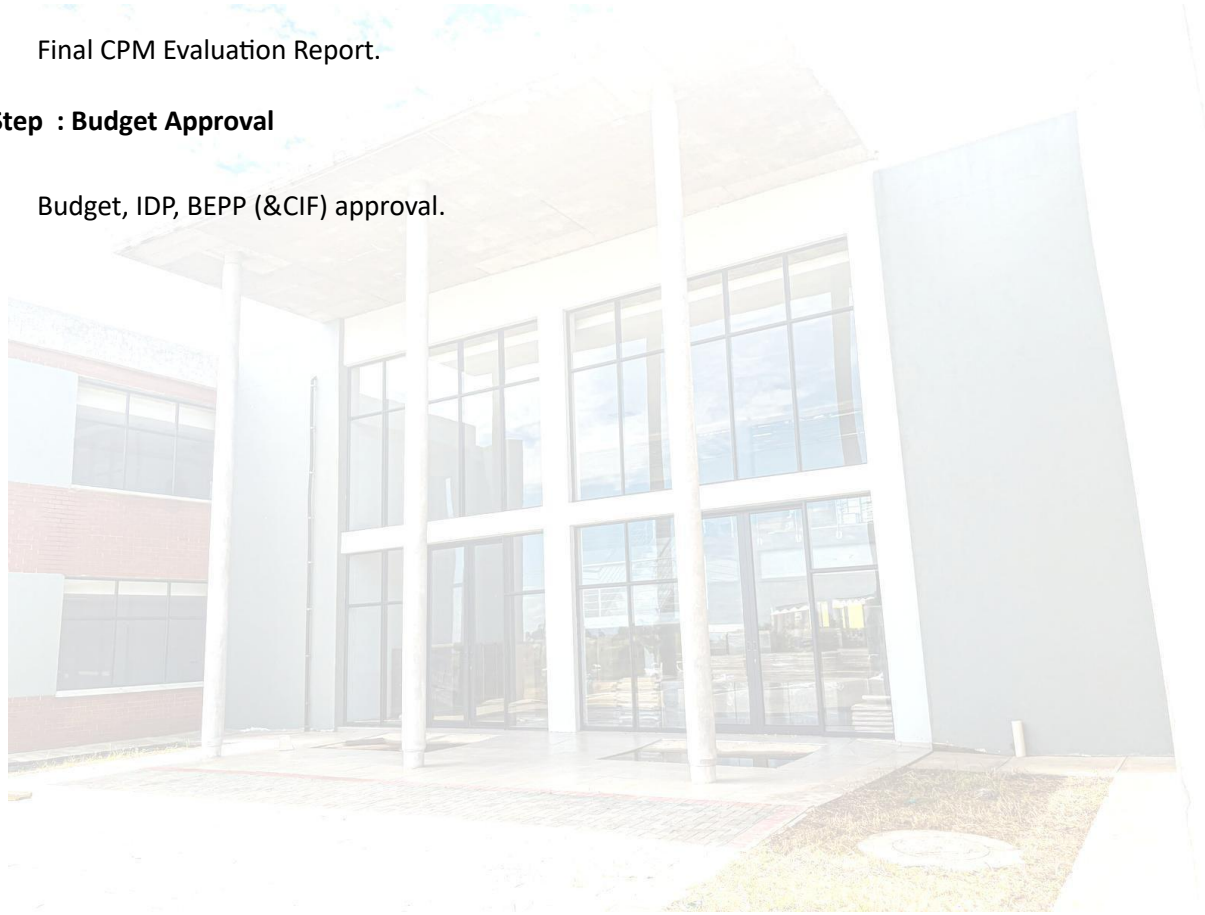
Priorities newly identified project as per steps 3 and 4;

Updated Project Fit and Budget Fit based on outcome of above; and

Final CPM Evaluation Report.

**Step : Budget Approval**

Budget, IDP, BEPP (&CIF) approval.



# SECTION I: STATUS OF

# SECTOR PLANS AND ANNEXUTURES