



# Vuthela SPARK

**IGNITING INCLUSIVE ECONOMIC DEVELOPMENT IN ILEMBE**



**Paving a path to work**  
Young iLembe graduates now have certified skills as a spring-board for future training and entry into the workplace through a focused training programme.

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## Sundumbili Water Treatment Works energy feasibility study

Study into improving the use of electricity in the iLembe District Municipality identifies several ways to operate the plant more efficiently.

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Providing municipal councillors and senior management with accredited training in Municipal Leadership, Finance and Oversight.

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## Spotlight on Vuthela – survey findings

Survey results assess the perception of the Vuthela iLembe LED Support Programme and the usefulness of Vuthela Spark.

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## Editorial: What needs to be done for sustained inclusive economic growth?

The recent sunny economic news that South Africa had not sunk into a recession in quarter three of 2022 but had grown beyond expectation by 1,6% in eight out of 10 sectors, is offset at the time of writing by gathering clouds of political - policy uncertainty, unprecedented loadshedding, high inflation, and slow progress in structural economic reforms.

The key question is whether as a country we will be able to sustain the economic growth momentum into 2023, or whether the trajectory remains subdued at low levels or peters out altogether in the face of considerable domestic and global headwinds.

It is salutary to consider that real growth of the South African economy has averaged at a mere 1% over the past 10 years, compared to the average rate of population growth of 1,5% over the same period (S Packirisamy, 2022).

Sustainable economic development can only be achieved if we can get growth back into our economy. At a national level the focus must continue to be on improving the

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At the iLembe district level, urgent action is required to restore the flood damaged main arterial road systems along the M4 and N2 as well as on other lesser but important economic transport linkages - actions that require agile responses from the South African National Roads Agency, the Department of Transport and others.

Municipalities in the iLembe district have a critical role in supporting economic growth by getting the basics right: strengthening the financial position of municipalities through better capacity to plan, finance and manage infrastructure investments and the provision of public services; improving municipal infrastructure planning, access, delivery and maintenance; improving the regulatory environment for business; and supporting enterprise and skills development.

In our last *Vuthela Spark* of 2022, we look at actions being taken through the Vuthela Programme to strengthen the

**Municipalities in the iLembe district have a critical role in supporting economic growth by getting the basics right: strengthening the financial position of municipalities through better capacity to plan...**

financial position of municipalities through better asset management practices as well as accredited training to improve the oversight capacity and competency of Councillors and officials serving on Finance Portfolio Committees (FPC) and Municipal Public Accounts Committees (MPAC).

We share the learning from a feasibility study into the use of renewable energy to lower costs and increase reliability of water treatment at Sundumbili Water Treatment Works.

We also look at the results of the piloted Installation, Repair and Maintenance (IRM) programme undertaken at the Mandeni Campus of the Umfolozi TVET College, and the extent to which it has met the technical

skills demand in this sector which accounts for 12% of all employment in South Africa.

Finally, we share the results of a survey to assess readers' perception of the Vuthela Programme, as well as how to improve the relevance and usefulness of the *Vuthela Spark*.

**May everyone have a peaceful and restorative holiday period and let us return refreshed to take on the challenges of securing a growing and inclusive economy in the iLembe district.**







## Paving a path to work

Young people graduating from the Installation, Repairs and Maintenance programme in the iLembe district now have certified skills as a springboard for future training and entry into the workplace, writes Shannon Moffett, key expert for Vuthela's Private Sector Development (PSD) and Building Inclusive Growth (BIG) Components.



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**O**n 30 November 2022 was a major milestone for the Installation, Repair and Maintenance (IRM) hub on the Mandeni Campus of the Umfolozi TVET college with the graduation of the first cohort of youth and artisans to go through the programme.

Graduating were 43 youth from the Assistant Handyperson programme who completed their theory and practical courses in electrical, carpentry, plumbing, painting, and carpet Installation. Also graduating on the day were seven candidates from the Artisan Recognition Prior Learning Programme (ARPL) who qualified as electricians and three who qualified as fitters. The ARPL is a process whereby people's prior learning can be formally recognised in terms of registered qualifications and unit standards, regardless of where and how the learning was attained.

The programme is being implemented by National Business Initiative (NBI) and the Umfolozi TVET College, funded by the Swiss State Secretariat for Economic Affairs, which sponsors the Vuthela Programme, GIZ and Sappi, and supported by the Vuthela iLembe LED Support Programme. The IRM hub seeks to expand opportunities for job retention and job growth in various business activities, including manufacturing, plumbing, electrical, general maintenance, domestic appliance repairs, autobody repairs and cell phone repairs.

### Unlocking opportunities

Broad objectives include to unlock opportunities in IRM enterprises across the formal and informal economy - including township economies - through appropriate training and employment and enabling the recognition of IRM skills for current workers and new entrants in the IRM sector.

The IRM Initiative aims to open opportunities for new job seekers entering the labour market and to formalise the skills of young people who are already working in these enterprises. Industry frameworks will be developed for recognising the role that IRM Assistants can play in the economy.

Large enterprises and small businesses who provide IRM services require skilled workers to become more productive and grow their share of market. Upskilling the current IRM workforce and training new entrants through incentives will enable IRM entrepreneurs to expand their operations on a large scale, thus improving the prospects for national economic growth.



IRM roles account for about two million jobs (12% of all employment) in the South African economy, and around 736 000 are occupied by young people, according to the NBI. Two-thirds of these jobs are in Small and Medium-Sized Enterprises and the majority are in the informal sector.

The high number of informal jobs in these industries restricts growth, productivity and market access for enterprises, and opportunities for young people to receive proper IRM training are scarce.

The supply of skills under the IRM initiative will be matched to labour market opportunities to improve the prospects of successful trainees finding work.

Training is centred around a demand-driven curriculum, allowing the participating public TVET and Community Colleges to respond directly to IRM opportunities in the marketplace.

### Novel approach

The IRM Assistants training takes a novel approach by equipping young people with functional skills that enable them to undertake a variety of tasks across several disciplines. This has the potential to empower many thousands of South Africa's youth to enter the job market, making a significant impact on youth unemployment.

Attending the graduation, Mr Dumisani Mbongwa, Director of Economic Development Planning and Human Settlements at Mandeni Local Municipality and a member of the Vuthela Project Management Team, said it was a day for all the graduates to celebrate.

"You are an innovator in a skills development programme which is a step in your career journey. The certificate is your insurance policy; it is your passport to your artisan training. Take all the experiences from the programme to your next journey and I wish you well wherever you go," he said.

Ayanda Nzuzi, one of the graduates said she applied to join the programme as she plans to be a businesswoman in the electrical industry.

"I am the first person to graduate in my family so my parents are extremely proud of me. I plan to further my skills and learn new ones from various people in the electrical field," she said.

Also indicating a desire to start his own business, Velenkosini Ngobe said, "This programme has benefited me as I have registered my own business providing painting and electrical installation services in residential homes. However, I require work from people."

To assist the youth on their artisan journey, they were each presented with a toolbox and a tablet in addition to their certificates at the graduation.





**Nishay Sewchuran** said he has been unemployed for a while and saw the programme as an opportunity to upgrade the skills he already has as well as learn new skills.

**Survey**

To understand what the newly graduated youth were planning to do in the future, a digital survey was designed on the Survey Monkey platform and distributed to the youth. The survey was also designed to understand the challenges of the programme so that its future design can take this into account. The survey received a very good response, with 80% completing it in just two days of the survey being open.

Some of the findings of the survey are presented below:

- Before they started the course, the trades that the youth had the most knowledge and skills in were in painting and glazing, followed by electrical. They knew the least about carpet installation and repairs, and carpentry.
- By the end of the course, the youth reported that they had the most knowledge and skills in plumbing and electrical, and the least knowledge in carpet installation, and painting and glazing.
- In terms of enjoyment of the course, the youth indicated that plumbing and electrical were the most enjoyable subjects, with carpet installation being the least enjoyable.
- Overwhelmingly, the majority of youth plan to continue studying or training towards an IRM trade (86%) now that they have graduated.
- When asked what trade they would prefer to do their future studies in, two-thirds indicated electrical (62%), which was followed by plumbing (32%).

A key component of the IRM model is to absorb general repairers who are wanting to start their own businesses into the entrepreneur support programme of the hub. Other exciting plans for 2023 include an intervention to support 15 newly recruited SMEs which will bring the number of SMEs supported by the hub to 32. These SMEs will receive technical assistance from the hub's senior business advisor, Mr Siphon Nkosi, and are expected to grow and be job creators in the short to medium term. Furthermore, a new cohort of 60 youth will be trained in the new year. The hub will also be looking at the IRM ecosystem in the district, with a view to coordinating demand for services being supported through the hub.



**Nothando Nyawo** always dreamt of becoming a qualified artisan in the electrical field. Now that dream has become a reality through the ARPL programme.

# Sundumbili Water Treatment Works energy feasibility study

A recent feasibility study at Sundumbili Water Treatment Works provides an economic and institutional analysis of energy management aimed at improving efficiencies, and the feasibility of renewable energy and the conceptual design of required renewable energy infrastructure.



Site overview

A study into improving the use of electricity at the Sundumbili Water Treatment Works (WTW) in the iLembe District Municipality has identified several ways to operate the plant more efficiently.

The study included two main components: firstly, an economic and institutional analysis of energy management at the Sundumbili WTW aimed at improving efficiencies and, secondly, the feasibility of renewable energy and the conceptual design of the required renewable energy infrastructure.

## Using power better

The Sundumbili WTW is a significant energy consumer and is rated at 1 400 kVA. It ensures that safe drinking water is pumped to reservoirs that service about 100 000 residents in 16 wards in the iLembe District Municipality.

The design capacity of the WTW is 40 MI/d, but it is currently operating at 18-23 MI/d.

The study found that the plant was operating well, despite its ageing infrastructure. Plans to increase the number of areas it supplies makes it essential that maintenance and refurbishment is undertaken to ensure the plant functions optimally and continues to service the surrounding areas in the future.

### Improving energy management and efficiency

The plant can improve its energy management and efficiency by pursuing several initiatives, including:

- Upgrading the raw water and internal water works electrical equipment, such as the motors and control equipment.
- Installing digital meters to monitor the plant's electricity consumption and the efficiency of the motors.

- Installing check metering at the points of supply to monitor and verify Eskom's billing data.
- Consolidating the two electricity tariffs that the plant is billed on to reduce costs: changing the tariff of the raw water pump from Nightsave Urban Small to Miniflex tariff could save up to R200 000 a year.
- Monitoring the pump motors closely to ensure that there is enough time to procure new equipment before any major breakdowns.
- Replacing damaged motors with induction motors which are more efficient and have a higher operating power.
- Repairing or replacing the Power Factor Correction (PFC) at the pumps. If the PFC was operational, this would eliminate or reduce the reactive power drawn from the grid by the motors by raising the power factor closer to unity at the point of connection. This will bring the kVA demand closer to the kW demand, resulting in a lower kVA demand charge.
- Developing an electrical layout diagram for the plant to identify where future equipment can be connected, like electricity meters and solar system connection points.

Once implemented, these measures will reduce operating costs, lower the plant's carbon footprint, increase energy security and improve the delivery of potable water.



# Asset management forum proposed for iLembe district

The scale and value of municipal assets is continually increasing given the accelerated demand for municipal services and infrastructure development. The Vuthela iLembe LED Support Programme recently appointed a consultancy to assess asset management in the iLembe district and local municipalities and make recommendations to improve asset management, writes Zama Soji, key expert of the Vuthela Public Finance Management Component.



Zama Soji, key expert of the Vuthela Public Finance Management Component.

**A**sset management is the backbone of service delivery by municipalities. If not well managed, a municipality will not be able to deliver on its legal obligations. Asset management helps municipalities to manage their infrastructure assets and make better investment decisions.

Municipalities can improve their asset management to achieve required basic services in a most cost-effective manner by closely managing non-current assets which include infrastructure for current and future customers. This will also help to reduce risks like community protests due to inability to render services and allows municipalities to provide reliable and affordable services and a better quality of life for residents.

It is, therefore, imperative for municipalities to keep a comprehensive and credible database of all assets, be they movable or immovable. Municipalities must also have a full understanding of the fixed asset life cycle, which will ensure that assets are closely managed throughout their life cycle from planning up to the disposal phase.



Non-current assets (movable and immovable) account for more than 80% of the balance sheet of municipalities generally, and it is important to assign qualified and knowledgeable personnel to manage these from a financial aspect and to also report on it at the end of each financial year.

Critical role players in asset management are technical officials who look after the assets from planning up to the stage where they can be used and ensure that they maintained and managed throughout their useful life. Asset management will be effective if both finance and technical units pull together in ensuring that the municipality derives economic benefits from assets, and the end users who are consumers are provided with the best service.

The sustainability of a municipality depends on the revenues collected from trading services. Therefore, well-managed assets will be able to deliver without

any inconvenience to the public. To attract investment, municipalities must be able to provide reliable basic infrastructure services such as water, electricity and roads for an enabling business environment.

## Objectives of asset management assessment

The Vuthela Programme appointed Platinum Financial Consulting during the 2020/2021 financial year to conduct an Asset Management Gap Assessment to evaluate the asset management capability maturity of the iLembe District Municipality and local municipalities towards achieving a clean audit opinion.

The scope of the assessment was to evaluate the municipalities' current asset management status, capabilities and practices with a view to making recommendations for implementing best practice asset management systems in compliance with the asset management regulatory framework and the Municipal Finance Management Act (MFMA).

The primary goal of the asset management assessment was to help improve asset management capabilities which has the potential of providing strategic benefits to the municipality by ensuring that it is optimising its capital and operating expenditure. This would include managing risks within set tolerance levels, and delivering long-term value to residents and businesses by reliably and consistently providing services in a cost-effective and sustainable manner.

The project comprised a review of the municipalities' current asset management practices and procedures benchmarked against public sector best practices as well as the legislative framework.

Arising from this review and analysis, a detailed and prioritised listing of the gaps between municipalities' current asset management practices and public sector best practices was developed with recommendations and steps to address the identified gaps and deficiencies.

The service provider collected and reviewed asset management-related policies,

processes and practice documentation as well as conducted on-site interviews and visits to assess the asset management value chain, including asset management planning, acquisitions, monitoring and maintenance of assets, asset conditions and risk levels.

## Findings and recommendations

The review highlighted the need to enhance existing asset management processes and procedures and to establish a more structured asset management approach.

It is proposed that an asset management change strategy be initiated which transforms asset management

practice in the context of the challenges identified in the current asset management assessment project.

Key municipal-wide and inter-divisional initiatives are proposed to support asset management best practice in line with the theory of change which advocates the economic, efficient, ethical, and effective use of resources to enhance accountability, cost excellence and improved service delivery initiatives.

The review found that governance and oversight of asset management has been negatively impacted by the absence of an updated municipality directive delineating the cross-divisional and cross-functional roles and responsibilities of various role players in the organisation. There is a requirement for guidelines and standard operating procedures detailing various activities throughout the asset life cycle. There is no dedicated asset management unit in the municipalities that was assessed.

It was recommended that an asset management model be developed with defined roles and responsibilities in accordance with established policies and procedures. Mechanisms must be implemented to provide high-level oversight by the Executive Management Team for the development and implementation of the Asset Management Strategy and Asset Management Plans in alignment with Asset Management Framework/ Policies/ Procedures/ MFMA.

Roles and responsibilities must be clearly defined in a matrix or policy, identifying positions responsible for determining levels of service and positions responsible for managing the assets to meet service delivery needs. Awareness must also be created of the importance of asset management.

## Asset Management Change Strategy

Given the assessment conducted by Platinum Financial Solutions and its knowledge and experience in the iLembe district, the consultancy has proposed an Asset Management Change Strategy to support municipalities to enhance municipal-wide skills, capabilities, expertise, and capacity in asset management; integrate the knowledge/ expertise of various departments; improve asset control and reporting; and increase asset management efficiency in line with the reforms proposed by the National Development Plan and associated national/ provincial initiatives.

The following, in summary, are measures to institute a municipal-wide asset management improvement strategy in iLembe:

- Leadership – Addresses the elements of strategic direction, oversight, and control which are critical for the development and operation of an Asset Management System at municipalities.
- Risk – Addresses the responsibilities of the Asset Owner to establish risk tolerance and standards for risk assessment for the municipality, as well as to review and direct the application of risk management by the Asset Manager.

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*Managers and officials from the iLembe family of municipalities*

## District leaders trained on finance management and oversight

Municipal councillors and senior management have recently been equipped with accredited training to play a stronger oversight role in the iLembe family of municipalities.

**G**etting municipal finances right is at the heart of a functioning local economy and the quality of life of its residents.

A critical aspect of promoting inclusive local economic growth and an enabling business environment in the iLembe district is strengthening the financial position of the iLembe family of municipalities through better capacity to plan, finance and manage infrastructure investments and provide quality public services resulting in a conducive business climate.

The Vuthela iLembe LED Support Programme has recently provided both municipal councillors and senior management with an accredited training programme in Municipal Leadership, Finance and Oversight.

The training for municipal officials included councillors serving on oversight committees in the five municipalities of iLembe, KwaDukuza, Mandeni, Ndwedwe and Maphumulo.

Zama Soji, the key expert for the Vuthela Public Finance Management Component, said, “The training is intended to strengthen and improve councillors’ engagement with financial and non-financial information on which they must play an oversight role.

“Of importance is the oversight role played by Finance Portfolio Committee (FPC) and Municipal Public Accounts Committee (MPAC) members and the successful implementation of a legal framework governing local government,” said Soji.

### **Broad leadership understanding**

“For new councillors, the training is critical as they will have a better understanding of their responsibilities in these financial oversight committees they serve on, as well as a broader understanding of what is expected from them as leaders,” said Soji, adding the training also served as a refresher to the long-serving Councillors.

Councillor Thuli Mkhize of KwaDukuza Local Municipality said the training has proved useful to understand the importance of collaboration by leaders and gave her an understanding of the development of policies and by-laws.

“I have learnt the importance of accountability to all stakeholders of the municipality, including officials and the municipal manager,” he said.

Councillor Sihle Ntuli of Maphumulo Municipality said the focus of the training was municipal finance

management which is very crucial and challenging in most municipalities.

“I have learnt a lot on how to properly manage municipal finances within the law. We are well-equipped now and will apply what we learnt,” he said.

Sandeep Oudhram of iLembe District Municipality said councillors must keep abreast of the latest legislation to be effective leaders and the training helped in this regard.

“I learnt the importance of oversight in governance and financial processes,” he said.



*Municipal councillors*



# Spotlight on Vuthela – survey findings

A survey was recently undertaken amongst the almost 1 000 role players and stakeholders who receive the *Vuthela Spark* newsletter to assess the perception of the Vuthela iLembe LED Support Programme and the usefulness or not of the *Vuthela Spark* newsletter.

**W**ith the Vuthela Project Coordinating Unit (PCU) wrapping up in September 2023 (municipal transferred projects will continue until December 2024), it was decided to assess the perception readers have of the impact, relevance and effectiveness of the Vuthela Programme and the usefulness of the *Vuthela Spark* newsletter.

A digital survey was created and sent to the Vuthela database on 22 November 2022 and closed on the 7 December 2022. While only 30 responses were received, this article presents some of the key findings from the survey.

## Who responded?

So, who were the people who took the survey?

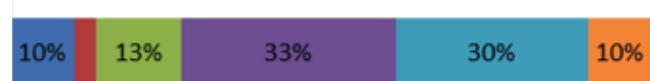
- Most (a third) were from the private sector, followed by provincial government (17%) and local government (13%)
- Most of the respondents (40%) were from KwaZulu-Natal, but outside iLembe. A third were from iLembe, and a quarter were from South Africa, but outside of KwaZulu-Natal.
- The vast majority (83%) of respondents knew about the Vuthela Programme through their work while 7% knew about the programme through the *Vuthela Spark*.

## Views on the Vuthela LED programme

Respondents were asked their views on the impact, relevance, and effectiveness of the Vuthela Programme.



The effectiveness of the Vuthela Programme in achieving its stated objectives?



The relevance of the Vuthela Programme to inclusive economic growth in the iLembe District?



The impact of the Vuthela Programme on Local Economic Development in the iLembe District?



■ None ■ Less than satisfactory ■ Satisfactory  
■ Good ■ Excellent ■ I don't know

## Views on *Vuthela Spark*

We wanted to understand how the *Vuthela Spark* readers used the newsletter and their views, and also their topics of preference. Most of the respondents (86%) had read *Vuthela Spark*, 18% of these respondents read the whole newsletter, while a third read mostly the whole newsletter. Another third read one or two articles.

Asked how useful the information in *Vuthela Spark* is, nearly two-thirds of respondents indicated that they found the information very or extremely useful. One-third

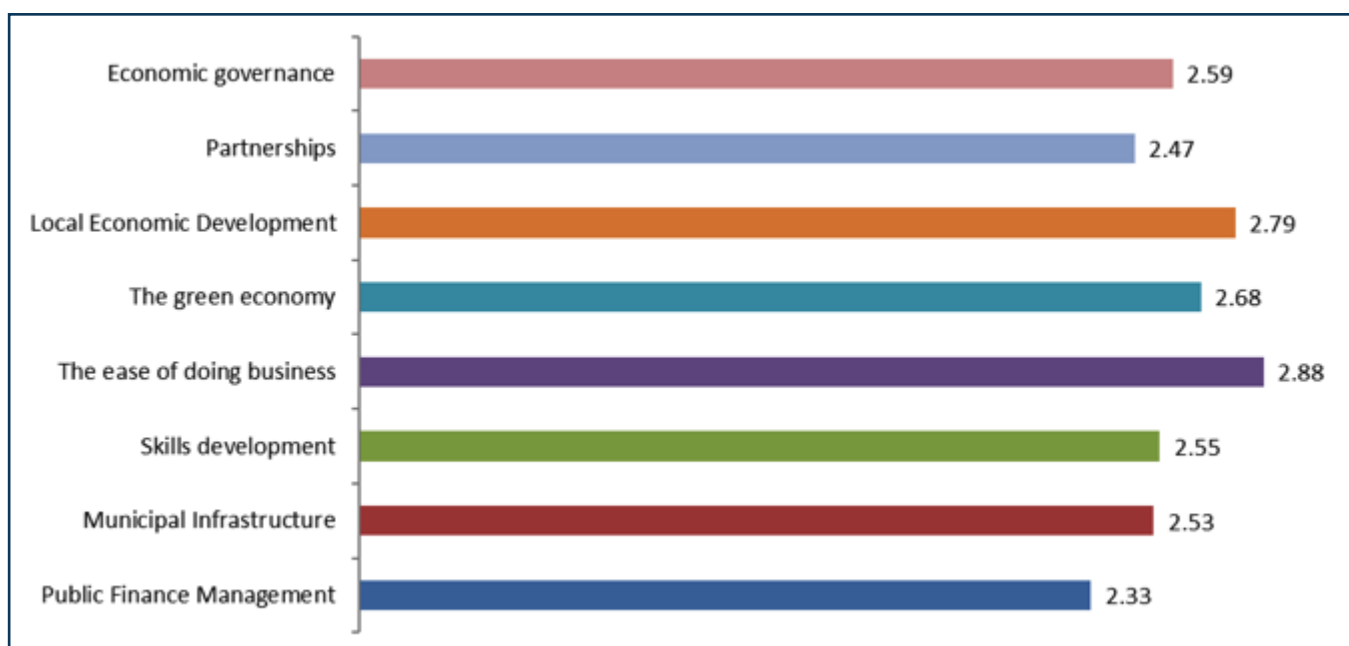
responded that they found the information somewhat or not so useful.

This was elaborated on further with the next question in the survey where respondents were asked to evaluate the extent to which they agreed or disagreed that the *Vuthela Spark* has contributed to their understanding of the range of issues that impact on the performance of a local economy. The response was overwhelmingly positive with 95% agreeing or strongly agreeing with the statement.



So which articles are of interest to our readers? Respondents were asked to indicate little, some, or great

interest in our broad topics. A weighted average was applied to show the following;



We wanted to find out what articles people had found particularly interesting.

- 🔥 The importance of effective municipal budget management - *Vuthela Spark 2*
- 🔥 The local economy is key to business success - *Vuthela Spark 2*
- 🔥 Municipalities must improve implementation of SCM policies
- 🔥 Mandeni TVET SMME programmes
- 🔥 Bulk infrastructure apportionment
- 🔥 Developing business continuity
- 🔥 Skills development for market opportunities
- 🔥 Tariffs
- 🔥 Asset management to be strengthened at municipalities
- 🔥 KwaDukuza Municipality to digitalise systems and processes

As part of the knowledge management and sharing of lessons, we plan to share several more issues of *Vuthela Spark* with you in 2023. We asked our readers if they could make suggestions on subjects for future articles. These are their responses:

- 🔥 New infrastructure programmes
- 🔥 The impact of rural LED interventions in de-congesting urban centres
- 🔥 Maybe featuring one or two youth or SMEs (interview-like) doing some notable work (related to the programme) or beneficiaries
- 🔥 Green economy support and circular economy with links to just transition
- 🔥 Project risk management
- 🔥 Asset maintenance plans for all local municipalities and the district. Demand management to the service delivery to communities.
- 🔥 Climate change
- 🔥 Development and access of sports and sporting facilities

Finally, we thank all those who responded as this gives us a better idea of how the Vuthela Programme is perceived and helps us make *Vuthela Spark* more relevant and useful. We wish you a peaceful festive season and a happy New Year.





Rooftop solar installation

▶ continued from page 05

## Solar shows the way

**A** municipal water treatment plant in KwaZulu-Natal could soon lead the way to a brighter future – by using solar power to augment the electricity supply.

A feasibility study into improving electricity efficiency and installing renewable energy at the Sundumbili WTW in the iLembe District Municipality has identified a solar energy option to operate the plant more efficiently.

The solar system will abstract, clean and treat raw water from the lower Tugela River to potable standards and pump it to consumers.

This initiative is particularly significant as loadshedding continues to hamper the delivery of essential municipal services that depend on electricity throughout South Africa.

### Planning around loadshedding

At this stage, the feasibility study focused on the available land area, which limits the potential solar power that can be generated and does not enable the plant to be resilient against load shedding. Additional land will enable a larger solar plant, which in turn could allow for battery storage and prevent the plant from being affected by Eskom's load shedding.

Securing an exemption from loadshedding is not possible. This means that the plant's operators need to plan their work around the loadshedding schedules to minimise the interruption of water supplies for the surrounding communities.

A longer-term solution lies in installing a sufficiently sized renewable energy system to minimise the impact of loadshedding by using back-up power during outages.

Solar power is now a mature and well-understood technology that is readily available in South Africa. The technology is relatively simple to instal and minimal maintenance is required.

It is easy to integrate solar systems with the plant's existing electrical system. Once installed, minimal interruptions of the daily operations can be expected, as solar systems require very little maintenance.

Solar power systems are modular and scalable, providing an opportunity to install a smaller system if funding is constrained and to gradually scale the system up as funding becomes available. The solar modules can operate for up to 25 years.

The feasibility study found that the plant has sufficient space to instal both rooftop and ground-mounted systems to deliver up to nine percent of the power required.

Four options were considered, each with various configurations of rooftop and ground-mounted panels, tracking systems that follow the sun and battery storage systems.

Each of the four configurations were analysed for their energy output, capital costs, operating costs, the number of years of payback and the equivalent reduction in the emission of carbon dioxide.

### Feasible scenario

One scenario was chosen from the four as the most feasible solution to achieve a high energy yield at the lowest cost.

This scenario consists of grid energy supplemented by a ground-mounted tracking photo-voltaic (PV) system with bifacial modules and a roof-mounted PV system.

The system will cost about R5 million to install and about R60 000 a year to operate. It will lead to total savings of about R4.8 million in the first nine years, and over R12 million over 25 years.

The feasibility study focused on the existing available surface area at the plant – ground and rooftop – which could be considered as a phase one renewable energy solution. Should there be the opportunity to extend the surface area, such as to adjacent land, the renewable energy project could be extended and could be implemented as a phase two option.

The first phase involves acquiring funding, performing detailed site evaluations and starting the tender process. This will be followed by appointing contractors, construction and commissioning of the system. It has the potential to be implemented as a turnkey project and will need to include establishing the options and agreement for operation and maintenance of the solar infrastructure.

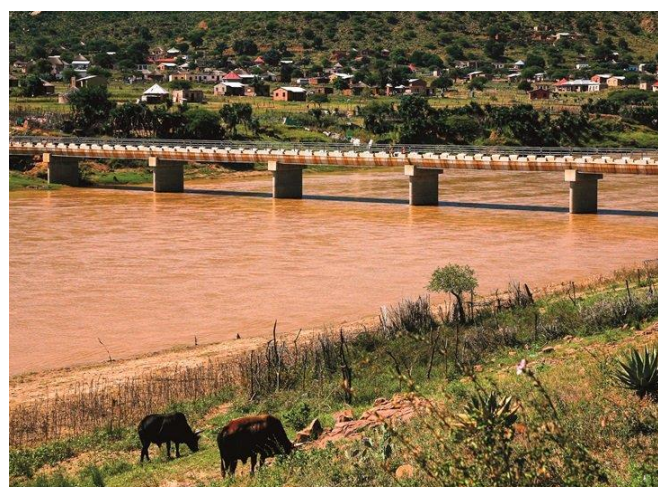
The second phase may include acquiring more land and funding before the procurement and commissioning of the additional renewable energy infrastructure. There may also be the opportunity for multiple beneficiation in the form of an agri-PV system which combines agricultural activities with solar power generation infrastructure.

The solar power option also offered an opportunity for the iLembe District Municipality to introduce and understand solar systems and if implemented, to train local technicians to operate and maintain solar systems.

### Creating economic opportunities

This has the potential to create economic opportunities for many technicians in local communities, as solar systems are expected to play an increasing role in providing electricity as loadshedding continues. This applies not only to institutions, but also to private and domestic consumers that are transitioning to solar power.

The Vuthela Programme's feasibility study indicates that there is immense value in municipalities investigating the benefits of installing renewable energy systems: including cost savings, greater efficiency, better delivery of services, and a lower carbon footprint.



The Tugela River – the solar system will treat raw water from the river and pump it to consumers

In addition, solar options provide the potential to open up and sustain a new sector within the economy of the iLembe District Municipality, while keeping pace with the global trend towards replacing fossil fuels with renewable energy.

Once the solar option is installed, the Sundumbili WTW will assist to create opportunities not only for the iLembe District Municipality and its family of local municipalities, but for many other municipalities, by showing the potential to reduce operating costs, improve services and stimulate economic growth, while also contributing to the transition to clean and renewable energy.

As well as ensuring efficient and effective service delivery within the municipal area, the study aimed to instil eco-friendly 'green' values and identify wider economic beneficiation opportunities in the district.

Improved and extended water services are regarded as great enablers for municipalities. Several spin-offs can be created through innovative solutions like water reclamation and energy generation.



▶ continued from page 04

## Asset management forum

- Roles and responsibilities – Addresses the accountability model for the key roles in the Asset Management System: Asset Owner, Asset Manager, and accounting treatment of assets.
- Consolidation of functions – Addresses the need for organisation of asset management along process rather than functional lines, as well as the need for bringing together all pieces of the asset management function to ensure a life cycle focus on the assets.
- Life cycle optimisation – Addresses the elements required to ensure that asset decisions are made based on total life cycle costs. These elements include processes, data, and tools.
- Performance management – Addresses the components of performance management needed to support asset management. These components include metrics on asset, asset management, asset management system performance, as well as feedback loops to drive continuous improvement.
- Data and technology – Addresses the systems and data requirements needed to support the Asset Management System (FAR), in addition to data governance and analytical capabilities.

### iLembe District Asset Management Forum

Platinum Financial Solutions has proposed the formation of an iLembe District Asset Management Forum to facilitate the exchange and alignment of asset management knowledge and practices with the strategic vision of providing leadership in best practice asset management in district and local municipalities.

The Asset Management Forum must bring together, promote and strengthen a district-wide asset management community; uplift the professional status of the asset management practitioner by raising the professional standards of asset management and maintenance in municipalities in the district; establish, maintain and improve common specifications for asset management practice in the district; encourage, promote, facilitate, support and effect voluntary interchange among members of the Asset Management Forum of data, information, experience, ideas and knowledge on methods, processes, techniques and technology relating to asset management and maintenance; and act as a centralised knowledge repository, to stimulate and promote education and training in asset management.

The Forum must also encourage municipalities to establish their own training programmes guided by the Asset Management Forum's knowledge.







## WHAT IT IS ABOUT

The Vuthela iLembe LED Programme responds directly to the urgent need to address unemployment, poverty and inequality by accelerating inclusive local economic development and growth in line with the National Development Plan, the KZN Provincial Growth and Development Plan, iLembe District Municipality Growth and Development Plan as well as the Integrated Development Plans of the family of local municipalities in the district.

## OBJECTIVES

The overarching objective and expected impact of the programme is to contribute to the improvement of the economic future of the iLembe District and the quality of life of its inhabitants, through sustainable growth of the local economy, and the creation of higher, better and more inclusive employment and income generating opportunities.

## STATUS OF PROJECTS

Of the 43 contracts, 21 have been completed, 11 are in implementation, three are in final contracting, one is awaiting award approval, two are subject to municipal transfer, one has still to commence and four have been withdrawn.



## WHO ARE THE PARTNERS?

The Vuthela iLembe LED Programme, is a joint initiative of the State Secretariat of Economic Affairs of the Swiss Confederation, the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs, the iLembe District Municipality, and the KwaDukuza and Mandeni Local Municipalities. The programme includes participation of the Ndwedwe and Maphumulo Local Municipalities.

## THE FIVE INTER-RELATED COMPONENTS OF THE PROGRAMME

- ▶ **Public Finance Management** - strengthening the financial position of municipalities through better capacity to plan, finance and manage infrastructure investments and the provision of public services.
- ▶ **Municipal Infrastructure** - improved planning and access to infrastructure services for development investment, effective and efficient service delivery, and sustainable growth.
- ▶ **Private Sector Development Component** - Address obstacles to doing business in the district by improving the regulatory environment and supporting skills development; greater investment in and growth of Small and Medium Enterprises, leading to increased employment.
- ▶ **Building Inclusive Growth Component** - inclusive and sustainable growth and employment interventions to support SMEs in growth sectors.
- ▶ **Programme Management, Partnership and Co-ordination Component** - sustained partnerships and capacity for local economic development in the iLembe District, and the replication of the approach in policy elsewhere in South Africa.



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