



DRAFT ANNUAL PERFORMANCE REPORT

2022/2023



UTHUKELA DISTRICT MUNICIPALITY: 2022/2023 DRAFT ANNUAL PERFORMANCE REPORT

1. EXECUTIVE MAYOR'S FOREWORD

The uThukela District Municipality is pleased to present its 2022/2023 Annual Performance Report. The development of the Annual Report is aimed at appraising the community of uThukela about our strides and challenges that the municipality experienced during the previous financial year.

The strides achieved by the municipality may be perceived insignificant, at a cursory look but if a detailed and critical approach is employed a view to the contrary will surface. It is not a moot issue that the municipality has been engulfed with a myriad of challenges ranging from budgetary constraints, its inability to generate adequate revenue, creditors amounting to almost R700m litigations and community protests which are prompted by aged infrastructure and sabotage of the very aged infrastructure and unfunded budget. In the light of these challenges, it is appropriate to argue that milestones achieved by the municipality are significant.

Whereas there are service delivery challenges, arguably achievements through major adversities that must be continually praised and as such the Basic Service Delivery and Infrastructure KPA which is a key priority is celebrated by the municipality. The intervention by the Minister of Water and Sanitation at our behest to epitomise our commitment to providing sustainable service delivery also present a glimmer of hope and a silver line at the end of the tunnel which calls for our citizenry to keep our heads up in hoping for a better tomorrow.

Such intervention has not come miraculously but a remnant of the gallant efforts of the Mayoral Office that I am honoured to lead. Our unrelenting drive to mobilise resources even where the efforts are pondered to be a hopeless attempt are now beginning to bear fruits and the provision productive boreholes starting at Ward 29 under Alfred Duma LM is a living testimony to this assertion.

The SDBIP of the municipality remains customer centric in its approach and prioritise projects which are focusing on our mandate namely, provision of water and sanitation facilities that do not undermine the constitutional rights of our citizenry. Furthermore, the social, economic and infrastructure needs of our community are well articulated in the IDP.

It is also UTDM intent to progressively solidify its position as a region rich in investment potential. This noble vision is delivered through catalytic projects which epitomise uThukela District Development Agency. Catalytic projects include to mention just a few:

- ❖ The Agency is working on a project to build a cultural village at Mhlumayo, under iNkosi Sithole. The project will attract tourists to this rural community and thereby, spur the development of rural tourism in the district. Feasibility study and site establishment have been completed. The first phase of the project is funded with an amount of R3 Million rands.
- ❖ At Driefontein area the Agency is working on a project to explore coal and gas. The project is funded to the tune of R2 Million. Further funding will flow into the project if it can be established with certainty that there is enough coal and/or gas in the area.

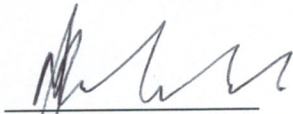
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We inherited what was once a successful municipality which had sunk to its lowest ebb. It will be remiss of me if I would not mention that through synergistic relations with Amakhosi, Community, Council, EXCO and Portfolio Committees contributed vastly to ensuring that the municipality does not collapse.

Imperative to convey before the residents is an unpalatable financial standing that as uThukela District has inherited since coming to office in December 2021. We are expected to operate amid the unfunded budget with the deficit of around R700 million. The figures to that effect are further compromised by the ever mushrooming of historical creditors that emerge through court judgements manifesting through issuing of attachments of property in the form of municipal vehicles. You then continually left to wonder when exactly can we hope to turn things around and steer this uThukela District Municipality sheep to the clear water? Answer to it lies in the power of unity and leadership which strives from the foundation of honesty, integrity and respect.

These leadership qualities that I ascribed to have been entrenched over to our generation by the only credible leader that South Africa has left in the form of IFP founder and President Emeritus Prince Mangosuthu Buthelezi. The challenging task of leading uThukela cannot be overcome without the gallant leadership legacy that we derive from the prince, and we are forever grateful.

I implore our community to trust us in our quest to rescue uThukela District Municipality



INKOSI NB SHABALALA
HON. MAYOR: UTHUKELA DISTRICT MUNICIPALITY

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1. MUNICIPAL MANAGER'S OVERVIEW

As an Accounting Officer, I hereby submit the 2022/2023 Annual Performance Report for uThukela District Municipality. The submission in question is as per dictates of Section 121 of the Municipal Finance Management Act No 56 of 2003 read in tandem with Section 56 of the Municipal Systems Act No 32 of 2000. The two afore-stated pieces of Legislation direct that the Accounting Officer should prepare both Annual Report and Annual Performance Report for the Municipality.

The report will therefore provide insight on the achieved milestones on the parameters set for the institution. By the same token the report will articulate challenges and bottlenecks which may have barred the municipality to perform optimally.

It is common knowledge that uThukela District Municipality has been under section 193 (1) (b) since 2017, however there has not been any significant improvement. It is my submission that the current Ministerial Representative is not an esoteric ivory tower hence there is a glimpse of hope regarding the financial and governance improvement. Arguably, though the latter cannot be achieved overnight in lieu of the fact that the situation has prevailed over years.

Despite a plethora of challenges that the municipality is faced with, it is my submission that the achievement attained in relation to governance and sound financial management are monumental under difficult circumstances. These achievements are grounded to our commitment to steadily deepen accountability and management at all levels. Interim Finance commitment has been used as a commodity to inculcate a philosophy of aggregate fiscal discipline which has been a taboo in the institution. The municipality has managed to develop a credible financial recovery plan under the stewardship of the Ministerial Representative. The focal point of the plan was implemented in terms of heavy restrictions that were placed on all expenditure and procurement of services, the non-filling of less critical positions and identification of overtime and standby as one of the cost drivers. It is worth mentioning that the latter was met with resistance, however the municipality imposed its authority without fear or favour. Cancellation of dubious contracts and forensic investigations epitomised our commitment to sound financial management and accountability.

The elimination of the dichotomy between the development and implementation of Revenue Enhancement Strategy led a slight improvement on the revenue collection. Arguably revenue collection would have improved significantly if the municipality has not appointed the service provider whose contract was dubious since the municipality was not benefitting.

One area of grave concern is the number of years the municipality has been receiving Qualified Audit Outcome. In the light of the latter the focus for the previous financial year was to usher the paradigm shift whereas our focus would transcend priority of service delivery but also putting improved audit outcome at the centre stage of our plans. In our quest to improve audit outcome we have put systems and controls in place.

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Provision of water and living to the adage that water is life and sanitation is dignity has been a challenge emanating from the aged infrastructure and the fact that our plants don't have capacity to meet the demand aggravated our predicament as the municipality. It is hoped that the intervention by the Minister Department of Water and Sanitation will bring immediate relief to the plight of our communities.

Despite all the challenges the municipality remains resolute in ensuring that service delivery and improving the basic infrastructure within the district take the centre stage.

It will be injudicious of me if I would fail to thank the community of uThukela (section 79 & 80 committees for the support that have been provided).

It is my prayer that we continue to remain committed to the cause of our duty and it my wish that we strive to work harmoniously and focus on taking our municipality to height beyond imagination.



MB MNGUNI
MUNICIPAL MANAGER: UTHUKELA DISTRICT MUNICIPALITY

The uThukela District municipality long-term Vision reads:

“By 2030 uThukela will be a stable, sustainable and prosperous district with committed servants who serve with excellence in governance, service delivery and economic development”.

MISSION STATEMENT

We promote a people-centered environment with emphasis on communication, integrity, economy, effectiveness and efficiency.

uThukela district municipality (DC23) is one of ten district municipalities in the Province of KwaZulu-Natal. uThukela district municipality derives its name from one of the major rivers in the Province of KwaZulu-Natal, the uThukela River that rises from the Drakensberg Mountains and supplies water to a large portion of KZN and as well as Gauteng. uThukela district municipality has three district municipalities bordering onto it within the Province of KwaZulu -Natal, namely Amajuba, uMzinyathi and uMgungundlovu.

uThukela district municipality consists of three local municipalities namely:

- ⇒ Alfred Duma (KZN238)
- ⇒ Inkosi Langalibalele (KZN237)
- ⇒ Okhahlamba (KZN235)

The size of uThukela district municipality is approximately 11500 km². Alfred Duma is occupying 3 957.63 km², Inkosi Langalibalele 2 958.59 km², Okhahlamba which is occupying 3540.63km². uThukela district municipality is 75 % rural and most of the areas comprising of traditional areas.

According to the Community survey 2016, the total population in the UTDM is estimated at 706,589 people spread unevenly among the seventy-four (74) wards. The 2% growth in population is noticeable from 2001 to 2011 as per the 2011 Statistics SA. Within the district Females are more than male and are occupying 55% in this category whereas male are on 45%. The dependency ratio in uThukela declined from 76.4 to 70.9 between 2001 and 2011. Dependency ratio is highest in the

3. EXECUTIVE SUMMARY

Performance Management System. A Performance Management System is a tool which tracks the performance of employees in a manner that is consistent and measurable. The system refers to a combination of technologies and methodologies to ensure the people across the organization.

Performance Achievements on key performance areas – The organization's formal performance is evaluated by means of a management municipal scorecard (75p layer SDBIP) at an organizational level and at departmental level. The SDBIP is a plan that finds its expression in the IDP and Budget. It also stipulates strategies, structures, and normal business processes of the municipality. It further allocates responsibility to deliver the services in terms of the IDP.

The MFMA Circular No. 13 prescribes that:

- The IDP and budget must be aligned.
- The budget must address the strategy priorities.
- The SD BIP should indicate what the municipality is going to do during the 12 months (Financial year).

PURPOSE OF THE REPORT:

The Annual Performance Report (APR) is a legislature requirement which prescribes that the report must be submitted to the Auditor General by the 31st of August annually.

The Annual Performance reflects a comparison of performance that the target sets for the year under review and performance in the previous financial year. As per Section 121 (2) (C) of the Local Government Municipal Finance Management Act the APR forms part of the Municipality's Annual Report.

In terms of Section 46 of the Municipal Systems Act (Act 32 of 2000) inter alia stipulates the following:

A Municipality must prepare for each financial year an annual report consisting of:

- I. The Municipality's and any revenue provision performance during the financial year
- II. The development and service delivery
- III. Measures that were or to be taken to improve performance.

METHODOLOGY

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The provision of the Municipal Systems Act (No. 32 of 2000) stipulates that municipalities need to monitor and measure the progress of their performance by preparing quarterly and mid-year reports, as required in terms of chapter 9 of the Municipal Systems Act on performance management system. These quarterly and mid-year reports constitute the municipality's annual performance reports as required in terms of section 46 of the Municipal Systems Act. These reports are submitted to the Auditor General of South Africa, in conjunction with the Annual Financial Statements for auditing. After the council of the municipality has adopted the audited performance report as part of the Annual Report it must then be submitted to the Department of Co-operative Governance and Traditional Affairs, National and Provincial Treasury, Auditor General and other relevant stakeholders.

6. LEGISLATIVE MANDATE

6.1 The Constitution of the Republic of South Africa, Act 108 of 1996:

Section 152(1) of the Constitution prescribes that the objects of local government are:

- a) To provide democratic and accountable government for local communities.
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment; and
- e) To encourage the involvement of communities and community organizations in the matters of local government.

Section (152) (2) further states that:

"A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)"

6.2 Municipal Systems Act (Act No 32 of 2000)

Chapter 6 of the Municipal Systems Act, and specifically Sections 38 to 49, deal with organizational performance management. These legislative mandates require of all municipalities to:

- Development of a performance management system;
- Monitoring and review of performance management system;
- Setting of key performance indicators and performance targets,
- Publish an annual report on performance for the benefit of the communities served by the Municipality;
- Incorporate and report on a set of general key performance indicators prescribed nationally by the Minister responsible for local government;
- Auditing of performance measurement both internally and externally;
- Annual reporting on performance.

Chapter 7 of the Municipal Systems Act deals with local public administration and human resources. In particular, section 57 of this Chapter requires that the Municipal Manager and those officials reporting directly to the Municipal Manager (i.e., Section 57 employees) sign annual performance agreements. An individual performance plan must be attached to the performance agreement, and it must include a set of performance measures that will enable actual performance of individuals to be assessed against planned performance.

6.3 Local Government: Municipal Planning and Performance Management Regulations, 2001

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The Minister responsible for local government in terms of Section 49 of the Municipal Systems Act passed these Regulations. These Regulations spell out the performance management responsibilities of municipalities in more detail. They deal with:

- The nature of the PMS;
- The adoption of the PMS;
- The setting of key performance indicators;
- The general key performance indicators published by the Minister, which reflect the object of developmental local government;
- The review of key performance indicators;
- Setting of performance targets;
- Monitoring, measurement and review of performance;
- Internal auditing of performance measurements; and
- Community participation.

The regulations further instruct a municipality to ensure that its performance management system:

- Complies with the requirements of the Act;
- Demonstrates how the system will operate and be managed from the planning stage up to the stages of performance and reporting;
- Clarifies the roles and responsibilities of each role player, including the local community, in the functioning of the system;
- Determines the frequency of reporting and the lines of accountability for performance;
- Relates to the municipality's employee performance management processes;
- Provides for the procedure by which the system is linked to the municipality's Integrated Development Planning processes; and
- A performance management system must be adopted before or at the same time as the commencement by the municipality of the process of setting key performance indicators and targets in accordance with its integrated development plan.

The implementation of the performance management framework should allow the municipality to collect, process, organize, analyse, audit, reflect and report on performance information. It should also allow the municipality to take practical steps to improve its performance.

6.4 Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006:

These regulations prescribe how the performance of municipal managers and managers' directly accountable to municipal managers must be directed, monitored and improved.

The regulations include the following:

- i. Chapter 2: requirements and provisions of employment contracts;
- ii. Chapter 3: performance agreements, including prescribed key performance areas (KPA's) and core competency requirements (CCR's); and
- iii. Chapter 4: the content of a job description for municipal managers.

6.5 Municipal Finance Management Act

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In terms of Section 53 (1) of the Municipal Finance Management Act of 2003 (MFMA), the mayor of a municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget.

Annual performance agreements as required in terms of section 57(1)(6) of the Municipal Systems Act for the Municipal Manager and all Senior Managers must also be concluded and they must be linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan.

The Service Delivery Budget Implementation Plan (SDBIP) and these performance agreements therefore give effect to the Integrated Development Plan (IDP) and budget of the municipality in ensuring that the execution of the budget, performance of senior management and achievement of the strategic objectives set by the Council are monitored.

The MFMA stipulates general responsibilities of Mayors. Section 52 (d) of the Act requires that a Mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state affairs of the municipality.

7. PERFORMANCE MANAGEMENT PROCESS OVERVIEW



8. PERFORMANCE AND SUPPORTING INFORMATION

This section of the report highlights the overall performance of uThukela District Municipality for the financial year 2022/2023, ending on 30 June 2023, referring to the supporting portfolio of evidence, which is captured on the uThukela District Municipality scorecard.

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The report of Performance Management System of uThukela District Municipality has incorporated five (5) National Key Performance Areas and it is in line with the requirements of the Municipal Systems Act of 2000, Section 46 and will therefore:

- highlight and reflect on the overall strategic performance of the municipality for the financial year under review;
- provide factual comparison to the performance of previous financial year;
- provide credible reasons for variances from set targets of all Key Performance Indicators not achieved; and
- most importantly list the corrective actions to be taken to improve performance in the uThukela District Municipality are covered in this report.

9. BACKGROUND TO THE MUNICIPAL SCORECARD

The Organizational Scorecard reflects the five (5) national KPA's and local priorities and enables a wider analysis of the municipality's performance. The performance report is based on measures included within the Organizational Scorecard. The scorecard highlights 63 indicators that are linked with uThukela District Municipality IDP strategic objectives.

During the Adjustment Budget period of 2022/2023, the Council amended the previously set targets to align with the budget and to ensure "SMART" principle to targets which were previously not measured to comply with Chapter 3 of Municipal Planning Performance Management Regulations, 2001 Section 12. The Council has also refined indicators to ensure they are measurable, relevant, objective, and precise to meet the requirements of Chapter 3, Section 9 (a) and (b). Council adopted these targets on 29 March 2023.

10. ANNUAL ORGANISATIONAL PERFORMANCE INFORMATION

To continuously ensure effective financial management and value for money in the execution of the municipal Integrated Development Plan, regular assessments by Performance Management in reviewing the set targets on quarterly basis. These assessments are conducted to identify and implement appropriate remedial action promptly to improve the probability of achieving the targets and subsequently sound service delivery to the community of uThukela District Municipality.

Performance targets for the financial year of 2022/2023 were developed and outlined in the organizational scorecard that was adopted together with the Adjustment Budget. After the Council approved the resolution of the adjustment, it was uploaded on the municipal website for public viewing, comment, and information.

This Annual Performance Report demonstrates the performance of uThukela District Municipality against its predetermined objectives and targets on the organizational scorecard. Both the Annual Performance Report and the Annual Financial Statements are subject to be submitted to the Office of the Auditor General on 31 August 2023.

11. MUNICIPAL FUNCTIONS PER DEPARTMENT AND OPPORTUNITIES

11.1. Technical Services

The municipality is committed to improving the provision of water and sanitation. There is a huge backlog in terms of the latter services however, the municipality is advancing in the completion of Ntabamhlophe Emergency Repairs, KwaNobamba/Ezitendeni Water Supply, Okhahlamba LM (Ward 2,3 & 14) East Reticulation 01,

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Okhahlamba LM (Ward 2,3 & 14) West Reticulation 02, and Pumps completed at Okhahlamba LM(Ward,2,3 &14) Groundwater Programme, Colenso Water Treatment Works, Wembezi WCDM, Ennersdale/ Ephangwini ward 4, Ezakheni WCDM, springs protected, VIP toilets, Fitty Park Sunday River Mhlumayo extension phase 1, Fitty Park Umhlumayo Bulk water supply infrastructure upgrade Tugela Estate, Bergville Bulk water supply Phase 1, Kwa Mkhize Bulk water Supply and Reticulation Network.

11.2. Water

uThukela District Municipality is both the Water Services Authority and Water Service Provider and therefore obliged to fulfil its mandate that of providing access to safe and reliable portable water to its consumers.

Both the Water Services Authority (WSA) and Water Service Provider (WSP) are tasked with the preparation of a formal water services development plan (WSDP) that contains information on the physical attributes of the area, the socio-economic attributes, existing infrastructure, and water use, and provides a long-term water services plan with a five-year implementation plan.

11.3. Sanitation

As far as sanitation is concerned, an estimated 84% of households have access to sanitation facilities above RDP standard (VIP toilet and higher). The backlogs in this regard are most prominent in the rural areas, Inkosi Langalibalele and Okhahlamba.

11.4. Finance

The municipality has developed, reviewed, and adopted policies as well as relevant procedures; and are currently being implemented. It has also embraced and adopted the new performance reforms at all levels, as articulated in the MFMA Circular No 88 and the budgeting and reporting systems are MSCOA compliant.

Overview of strategic interventions relating to revenue collection and expenditure are being implemented and the municipality is ensuring that a prudent financial management and fiscal discipline through developing and reviewing internal controls is established with various oversight committees and improving capacity within financial management. Credit control measures will be ratchet up to improve financial liquidity position of the municipality.

12. SUMMARY OF PERFORMANCE FOR THE 2022/2023 FINANCIAL YEAR

The Municipality had five (5) departments, including the office of the Municipal Manager, during the period under review. Those Departments were (1) Budget and Treasury; (2) Corporate Services; (3) Community services, (4) Water, Sanitation & Technical Services; and (5) Office of the Municipal Manager. All the five departments cumulatively contributed to the annual performance report of the Municipality for the period under review.

The SDBIP and Annual Performance Report 2022/2023 is arranged in terms of the six Key Performance Areas of Local Government, viz, (1) Municipal Transformation and Institutional Development; (2) Basic Service Delivery; (3) Local Economic Development; (4) Good Governance and Public Participation; (5) Municipal Financial Viability & Management; and (6) Cross Cutting Issues. Further to this, the municipality is still under section 139 of intervene. The municipality had a total of 63 targets and managed to achieve 34, while 29 targets were recorded as unachieved due to various reasons highlighted on a detailed report attached. The Council at a meeting held on 29 March 2023, approved the adjustments to the 2022/2023 SDBIP to integrate KPIs relating to water and sanitation projects.

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12.1. The summary of performance results of the organization is outlined below.

- Overall performance of the Municipality for 2022/2023 compared to 2021/2022 financial year.

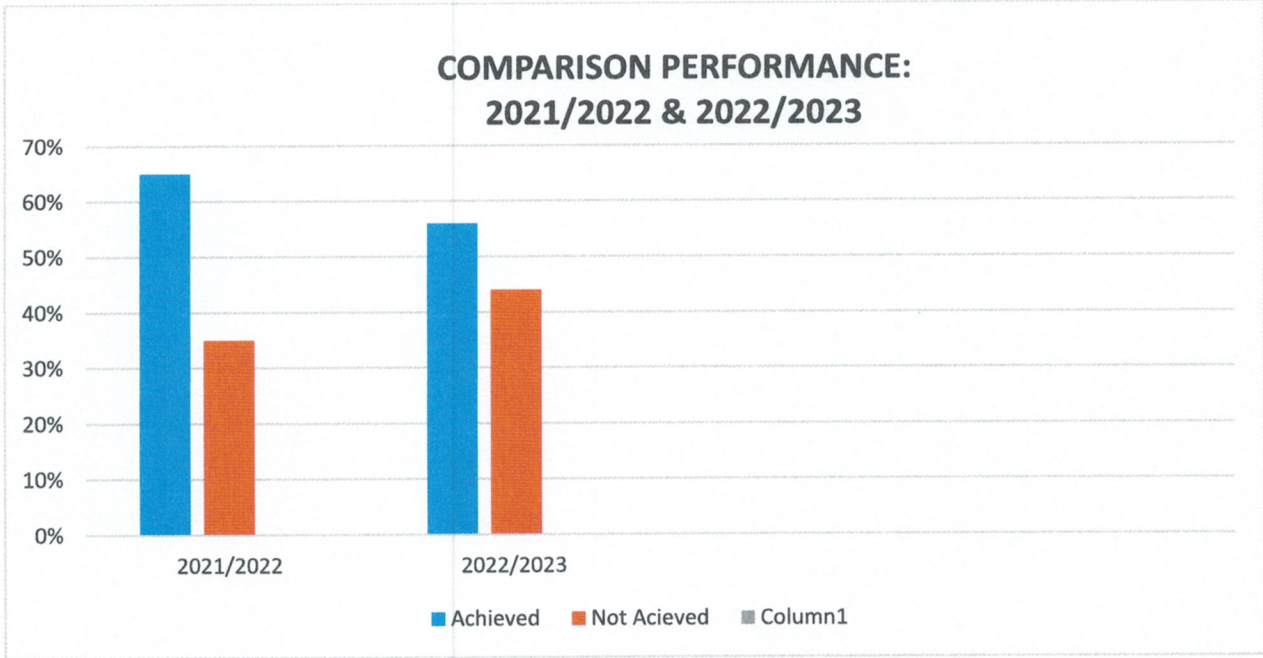
The table and the graph below illustrate the summary of overall performance of the Municipality for the financial year ending on 30 June 2023. This means that it is a tabulation of the total percentage of targets set by all departments combined, which then gives a picture of how the Municipality has performed.

uThukela District Municipality, despite the odds, has reduced its performance from the 2021/2022 and 2022/2023 financial year by 9%. The municipality's performance in the previous financial cycle was 62% and, in the year, ending, 30 June 2023, was 56%.

Through the perseverance of it's the political leadership, senior management and all employees, the residents within the uThukela District have benefitted from various major projects implemented and completed within the financial year. To improve this trend on service delivery, the Municipality will continuously monitor its performance, very closely and accordingly the monitoring controls will receive particular attention in all departments of the municipality.

2021/22		2022/2023	
Achieved	Not Achieved	Achieved	Not Achieved
65%	35%	56%	44%

The overall performance improvement between the two financial years is depicted in the graph below:



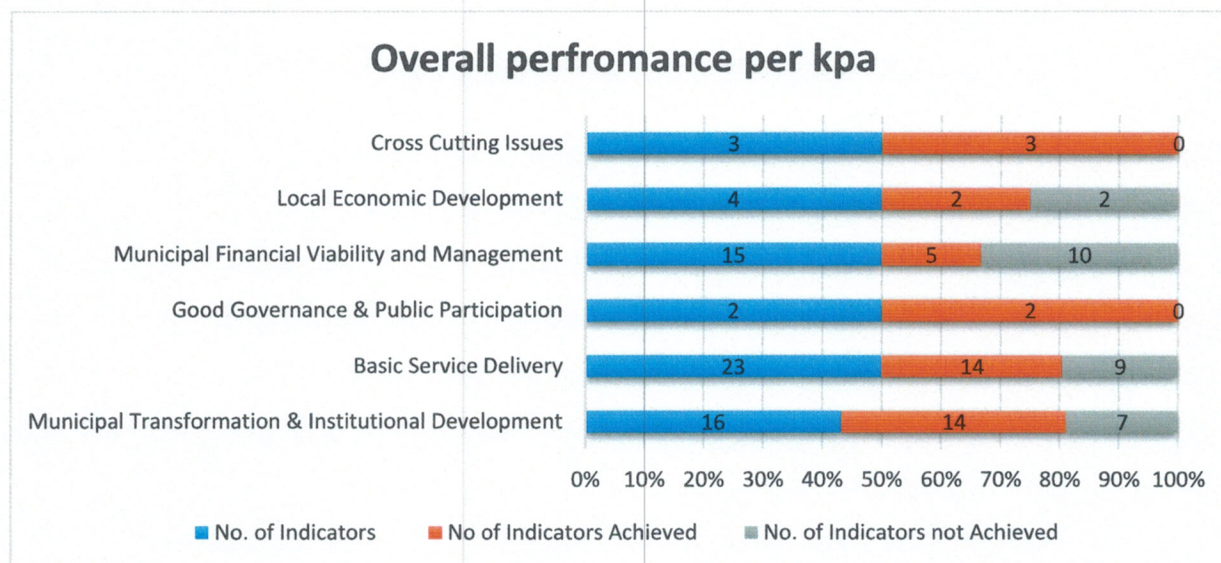
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- Overall performance of the Municipality for 2022/2023 financial year per National KPA

The table below illustrates the summary of overall performance of the Municipality for the financial year ending June 2023. This means that it is a tabulation of the total number of targets set for all departments combined, which then gives a picture of how the Municipality has performed. This simple summarised that out of the total of 63 Key Performance indicators set for the municipality, the uThukela District Municipality managed to achieve 34 key performance indicators and only 29 KPIs were not achieved. The report has indicated reasons for variance for each Key Performance Indicator and the corrective actions to be implemented to improve performance have been outlined in this report per each Key Performance Indicator. A detailed clarification on the reasons for variance and corrective actions per KPI can be accessed on the attached annexure A which is the organisational scorecard which then will give a detailed report per each KPI that the Municipality could not achieve.

Key Performance Area	No. of Indicators	No of Indicators Achieved	% of indicators achieved	No. of Indicators not Achieved	% of indicators not achieved
Municipal Transformation & Institutional Development	16	09	56%	07	44%
Basic Service Delivery	23	14	61%	09	39%
Good Governance & Public Participation	02	01	50%	01	50%
Municipal Financial Viability and Management	15	05	33%	10	67%
Local Economic Development	04	02	50%	02	50%
Cross Cutting Issues	03	03	100%	00	00
TOTAL	63	34	54%	29	46%

Graph presentation of the overall number of targets achieved / not achieved per National KPA



The overall achievement of 54% achieved and 46% not achieved per Key Performance Area for the financial year under review.

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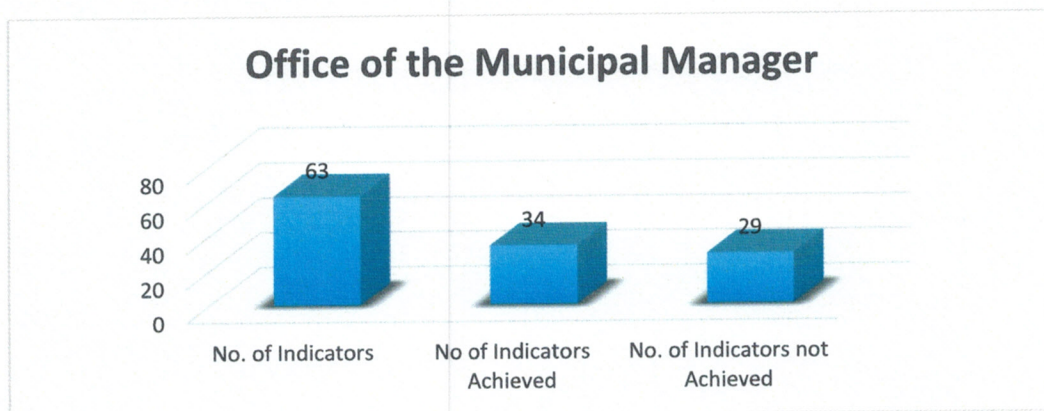
- Overall Performance per Municipal Department

Department	No. of Indicators	No of Indicators Achieved	% of indicators achieved	No. of Indicators Achieved	% of indicators not achieved
HIGH LEVEL SDBIP					
Office of the Municipal Manager	63	34	54%	29	46%
LOWER LEVEL					
Corporate Services	15	08	53%	07	47%
Budget & Treasury Office	17	07	41%	10	59%
Community Services	20	16	80%	04	20%
Water, Sanitation & Technical Services	28	17	61%	11	39%
Applicable to All Departments	04	02	50%	02	50%
TOTAL	63	34	54%	29	46%

13. DEPARTMENTAL PERFORMANCE ANALYSIS (HIGH LEVEL SDBIP)

All the six departments cumulatively contributed to the annual performance report of the Municipality for the period under review as follows:

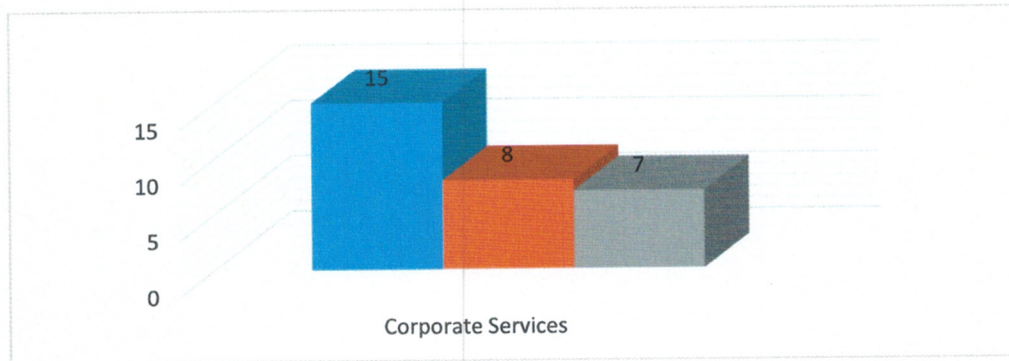
13.1 Office of the Municipal Manager



The Municipal Manager reports on the entire Indicators as reflected in the SDBIP. Out of sixty-three (63) Indicators, thirty-four (34) was achieved and twenty-nine (29) was not achieved.

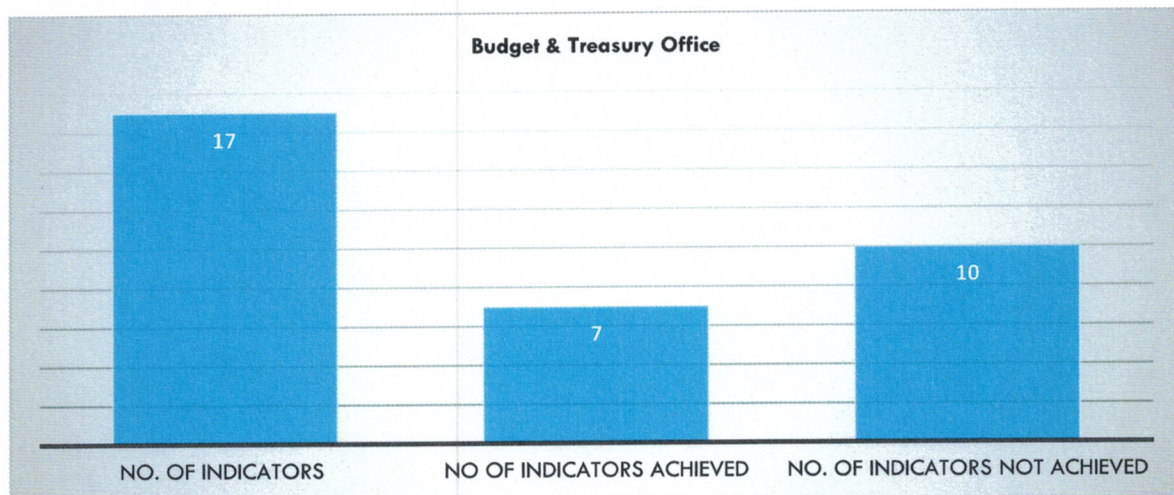
13.2 Corporate Services

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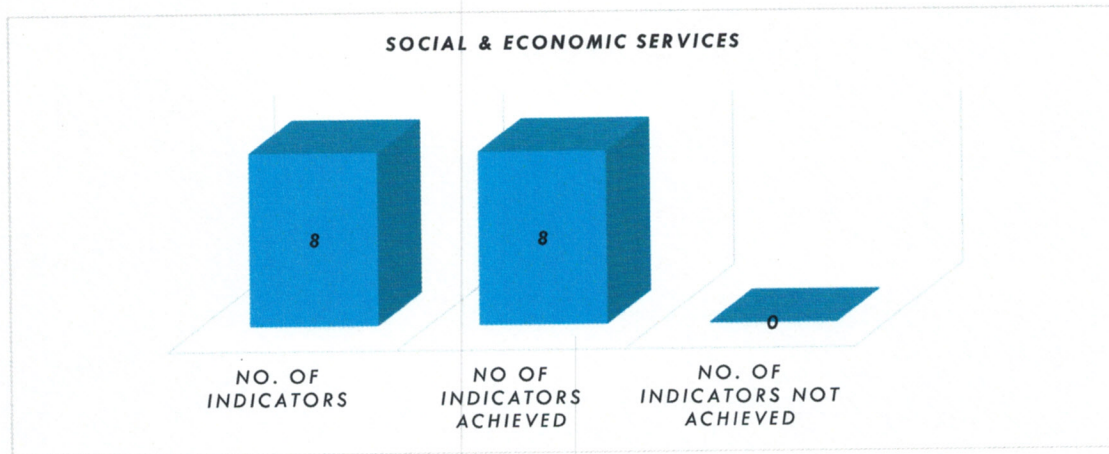
Eight (8) targets out of (Fifteen)15 targets set for the Department of Corporate Services under the financial were achieved.

13.3 Budget and Treasury Office



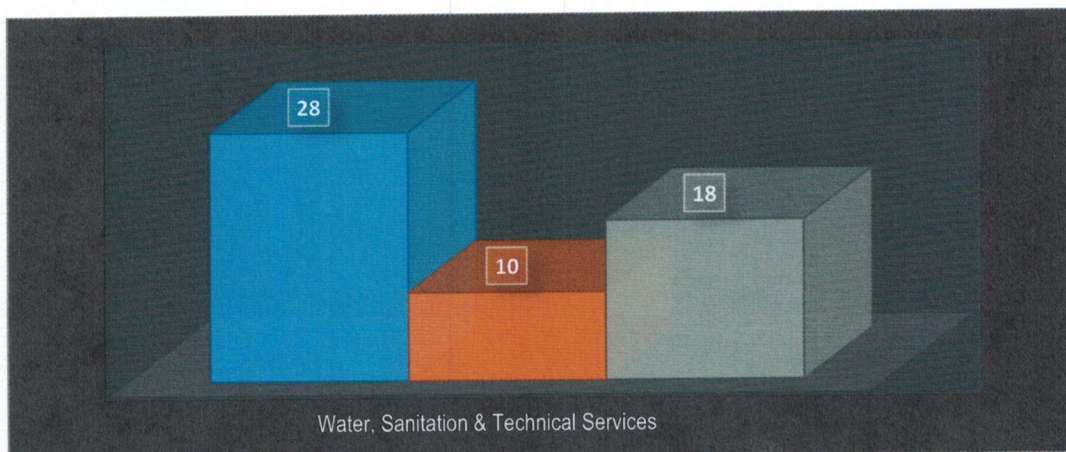
Seven (7) out of seventeen (17) targets set for the Budget and Treasury Office were achieved for the financial year under review were achieved and ten (10) targets were not achieved.

13.4 Community Services



Sixteen (16) targets achieved for the Department of Community Services were achieved for the financial year under review.

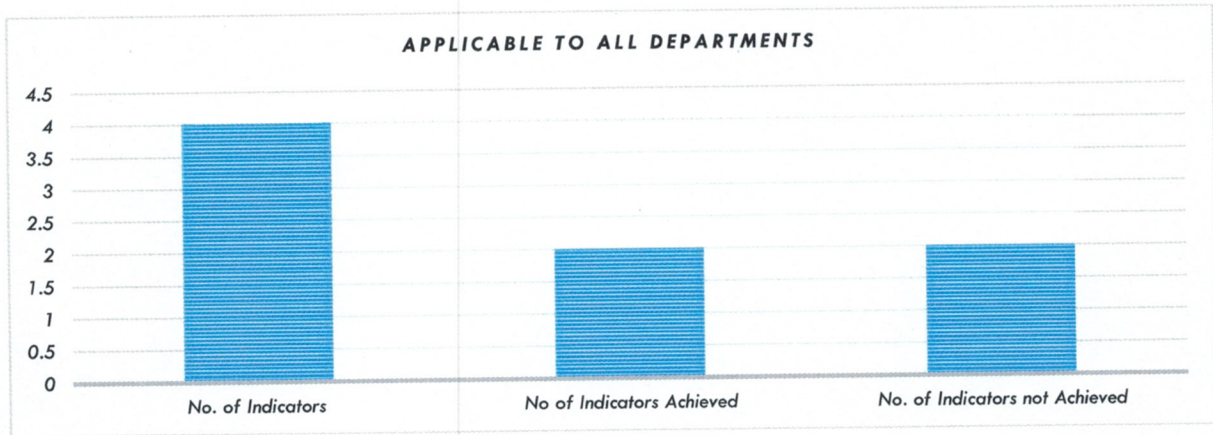
13.5 Water, Sanitation & Technical Services



Out of twenty-eight (28) targets set for the Department of Water, Sanitation & Technical Services for the financial year under review, seventeen (17) targets were achieved and eleven (11) not achieved.

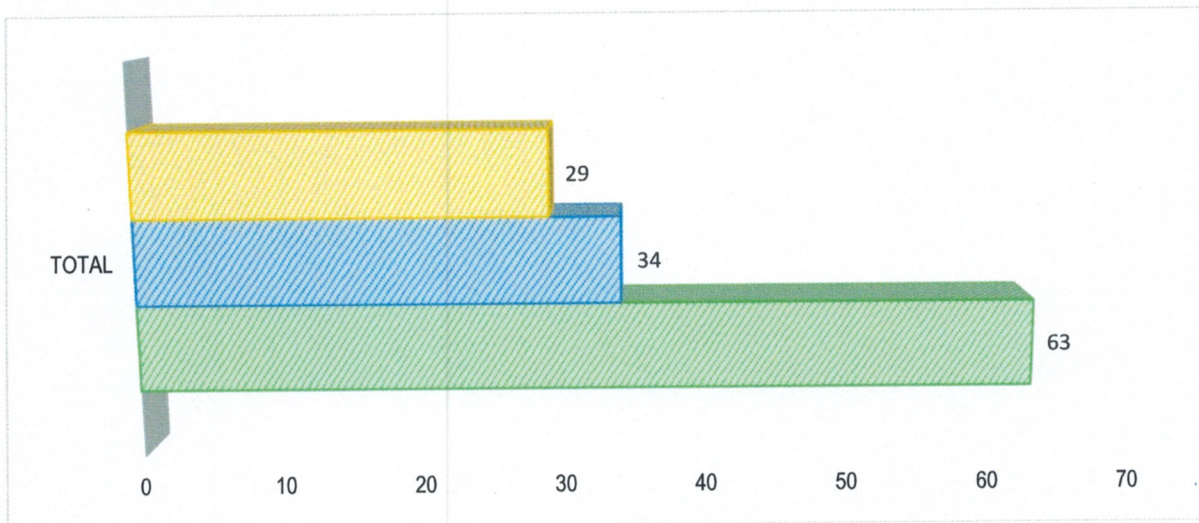
13.6 Performance of Indicators Applicable to All Departments

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Two (2) out of four (4) targets applicable to all municipal departments for the financial year under review were achieved and two (2) were not achieved.

13.7 Overall Performance



An overall performance of 54% of targets achieved and 46% of targets not achieved during the financial year under review.

14. KEY PERFORMANCE AREAS TO NOTE

This section contains the key areas that must be noted by uThukela District Municipality.

15. Improved Performance

Emanating from the pandemic and a shortage of budget, uThukela District Municipality's overall achievement has regressed over the financial year ending 30 June 2023, in comparison with the previous financial year. There has been commitment of improvement.

16. MUNICIPALITY'S ACTUAL PERFORMANCE AGAINST THE PLANNED TARGETS 2022/2023

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. The report also included the also corrective measures that will be implemented accordingly to address the targets not achieved.

Due to the fact that the Municipality has developed six KPA's, the uThukela District Municipality will report as such. The Municipality's actual performance linked to the National KPA's are included and depicted as part of the attached report (**ANNEXURE A**)

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17. INDICATORS ADJUSTED ASAT MID YEAR:2022/2023

IDP / SDBIP NO.	Indicator Before Amendment/Adjustment	Indicator After Amendment/Adjustment	Annual Target Before Amendment/Adjustment	Annual Target After Amendment/Adjustment	Reason for Amendment/Adjustment
BSD 01	Kilometres of pipelines constructed in Ntabamhlophe Emergency Repairs by 30/06/2023	N/A	13.3 kilometres of pipelines constructed in Ntabamhlophe emergency repairs by 30/06/2023	0,1 kilometres of pipelines constructed in Ntabamhlophe emergency repairs by 30/06/2023.	Amendment of target for this KPI: This project part of the Multi phase project, 13,1 Kilometre was the original scope of project. The Project funding for the 0,1 km's was approved as the beginning of 2022/2023 financial year, the tender was readvertised due to budget constraints on the revised scope of work. The SCM processes were underway in Quarter & 2 for the 0,1 km's to be achieved.
BSD 02	Date of completion of Designs for Thembalihle package plant of KwaNobamba/Ezitendeni Water Supply by 30/09/2022	N/A	Date of completion of Designs for Thembalihle package plant of KwaNobamba/Ezitendeni Water Supply by 30/09/2022	N/A: Removal of this KPI	Removal of this KPI: The Designs for this project were completed in the 2021/2022 Financial Year and such was reported in the 2021/2022 APR.
BSD 03	Kilometers of bulk pipelines completed at Bhekuzulu/Ephangwini CWS by 30/06/2023	N/A	19 Kilometres of bulk pipelines completed at Bhekuzulu/Ephangwini CWS by 30/09/2023	N/A: Removal of this KPI	Removal of this KPI: The Completion of Bulk Pipeline at Bhekuzulu/Ephangwini CWS was completed in the 2021/2022 Financial Year and such was reported in the 2021/2022 APR.
BSD 04	Kilometres of bulk pipelines upgraded in Langkloof WTW by 30/06/2023	N/A	9.7 Kilometres of bulk pipelines upgraded in Langkloof WTW by 30/06/2023	N/A: Removal of this KPI	Removal of KPI- Project contract was terminated
BSD 05	Kilometers of regional bulk lines completed at	N/A	23 kilometres of regional bulk lines completed at	N/A	Incorrect Classification of Project. As per the scope of work for this project; the Projects are broken down to:

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	Okhahlamba ward 2,3 & 14 by 30/06/2023		Okhahlamba ward 2,3 & 14 by 30/06/2023		Okhahlamba LM (Ward 2,3 & 14) East Reticulation 01 where the scope details construction of Bulk & Reticulation Okhahlamba LM (Ward 2,3 & 14) West Reticulation 02 where the scope details construction of Bulk & Reticulation Okhahlamba LM (Ward,2,3 &14) Groundwater Programme where the scope details Additional KPIs will be included below to correctly report on this project.
BSD 06	Date of completion of Colenso Water Treatment Works by 30/06/2023	N/A	Completion of Colenso Water Treatment Works by 30/06/2023	N/A	Amendments of quarterly targets for this KPI: Due to poor planning, the quarterly target was not included in the initial adopted SDBIP for the Quarterly Projections.
BSD07	Kilometers of bulk pipelines upgraded at Wembezi WCDM by 30/06/2023	N/A	2.1 kilometres bulk pipelines upgraded at Wembezi WCDM by 30/06/2023	1,95 kilometres bulk pipelines upgraded at Wembezi WCDM by 30/06/2023	Amendments of quarterly targets for this KPI: Due to poor planning, the quarterly target was not included in the initial adopted SDBIP.
BSD08	Number of Kilometers of reticulation pipelines constructed at Ennersdale/ Ephantwini ward 4 by 30/06/2023	N/A	21,4 Kilometers of reticulation pipelines constructed at Ennersdale/Ephantwini ward 4 by 30/06/2023	21,9 Kilometers of reticulation pipelines constructed at Ennersdale/Ephantwini ward 4 by 30/06/2023	Amendments: Original Scope that was captured for 2021/2022 Financial Year 21,4 Kilometers of Reticulation Lines Constructed Amended Projection for 2022/2023 is 21,9 Kilometers of Reticulation Lines
BSD09	Number of Kilometers of bulk lines completed at Ezakheni WCDM by 30/06/2023	N/A	17 Kilometers of bulk lines completed at Ezakheni WCDM by 30/06/2023	N/A: Removal of this KPI	Amend: The Project is on hold there are depleted funds. However, 17 chambers were completed. Scope of works captured incorrect
BSD10	Number district wide springs protected by 30/06/2023	N/A	68 spring protected district wide by 30/06/2023	Sixteen (16) spring protected district wide by 30/06/2023	Amendment of target for this KPI: The project 68 was total for the multi-phase project. The target will be amended to reflect the correct target for spring protected for the 2022/2023 financial year.

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BSD11	Number of Wastewater treatment Plant constructed at Weenen/Ezitendeni by 30/06/2023	N/A	One (1) new wastewater treatment plant completed by 30/06/2023	N/A: Removal of this KPI	Removal of this KPI : This Project was reported on 2021/2022 Financial Year
BSD12	Number of Wastewater Treatment Works refurbished by 30/06/2023	N/A	8 Wastewater Treatment Works refurbished by 30/06/2023	N/A: Removal of this KPI	Removal of this KPI: The completion of the 8 Wastewater Treatment Works refurbishment was completed in the 2021/2022 Financial Year and such was reported in the 2021/2022 APR; adequate and complete POE is available to substantiate the achievement of this target.
BSD13	Number of VIP toilets constructed by 30/06/2023	N/A	1030 VIP toilets constructed by 30/06/2023	3000 VIP toilets constructed by 30/06/2023	Amendment of targets for this KPI: The Annual Target was amended and budget. Originally it was 1030, the Annual target is adjusted to 3000

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18 SERVICE PROVIDERS PERFORMANCE

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. The end user department is providing monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

Assessment Key	
Good (G)	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
Satisfactory (S)	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
Poor (P)	<i>The service has been provided below acceptable standards</i>

NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	CURRENT FINANCIAL YEAR 2022/2023		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE		
					Target	Actual	G	S	
016-CON	R&B Pipelines Contractor	2017/05/29	NO	33 139 610,01		30%			P
018-FIL	First National Bank	2018/11/22	YES	% Based		100%		S	
018-CON	SBT Civils & Myaluza Civils JV	2019/03/18	NO	77 800 000,00		-			P
ION 32 APPOINTMENT	Afrivent Fleet Management Services	2019/03/13	NO	8 796 019.95		40%			P

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0019-CON	Maxode Trading & Projects	2020/01/29	YES	39 545 911,90	100%		S
0019 - EQM	Zanamanzi Services	2020/04/20	YES	7 746 823,34	100%	G	
0019 - EQM	Godide Engineering	2020/04/20	YES	39 081 438,96	100%	G	
0021-OPL	RASHED SULIMAN TRUST MOON MAGIC	2021/03/01	YES	7 125,00	100%	G	
0019-OPL	ANITA GOOD	2019/09/01	YES	2 923,08	100%	G	
0019-OPL	LAYTAM INVESTMENTS	2019/03/01	YES	44 000,00	100%	G	
0017-MEU	Klomag Engineering	2017/10/13	NO	15 644 072,15	80%		S
2015 - CON	Kusasa Commodities T/A GR Solutions	2015/10/13	NO	5 002 587,00	80%		S
0019-CON	SBT Civils	18/03/2019	NO	26 797 278,30			S
0018-CON	Egxeeni Engineering	2019/03/25		53 500 000,00			
0019-SEC	Wise Training	26/02/2021	YES	R 481 512,00	100%	G	
0019-SEC	Vela Tech	26/02/2021	YES	R 437 000,00	100%	G	
0019-SEC	Sizowakha Security	26/02/2021	YES	R 214 728,00	100%	G	
0019-SEC	Izididi Security	26/02/2021	YES	R 269 847,79	100%	G	
0020-PRS	Lwazi Community	27-05-2021	YES	% Based	100%	G	
0020-PRS	ZG Trading and Development	27-05-2021	YES	% Based	100%	G	
0020-PRS	Changing Tides 1360	27-05-2021	YES	% Based	100%	G	
0020-PRS	Xtec PMB	20-05-2021	YES	R 34 249,30 rates	100%		
0020-CMS	Zamangwane Consultants	2-04-2021	YES	Rate Based	100%		S
0020-CMS	Universal Solutions	2-04-2021	YES	Rate Based	100%		S
0020-CON	Sanoqwabe Consultants cc	0-04-2021	YES	R35531140,47	100%	G	
0020-LES	Lalparsad Inc.	27-05-2021	YES	% Based	100%	G	
0020-LES	Shepstone and Wine Attorneys	27-05-2021	YES	% Based	100%	G	
0020-LES	Jafta Inc	27-05-2021	YES	% Based	100%	G	
0020-LES	Maldle Inc	27-05-2021	YES	% Based	100%	G	
0020-LES	Venns Attorneys	27-05-2021	YES	% Based	100%	G	
0020-TRA	Williams Hunt	22-04-2021	YES	R607498,51	100%	G	

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21/2020-CON	Sinethemba	06-05-2021	YES	R18650000.0	100%	G		
22/2020-PRS	Bidvest Data	14-04-2021	YES	0.90 cents unit costs	100%	G		
06/2021-PRL	ROSCO FAMILY TRUST	2021/08/17	YES	R 6,003,000.00	100%	G		
04/2021-PRS	DZABULA BUSINESS ENTERPRISE	2021/08/17	NO	Rate based	100%	G		
04/2021-PRS	XOLANI NTSHANGASE	2021/08/17	NO	Rate based	100%	G		
04/2021-PRS	DR LE MABASO	2021/08/24	NO	Rate based	100%	G		
05/2021-PPE	ZEZASBONGA TRADING & PROJECTS	2021/08/24	NO	Rate based	100%	G		
05/2021-PPE	SAKHUMUZI MCHUNU PROJECTS & SUPPLIERS	2021/08/24	NO	Rate based	100%	G		
06/2021-PPE	BRIGHT IDEA PROJECTS	2021/12/02	NO	Rate based	100%		S	
17/2020-PMS	ONGIDI TRADING ENTERPRISE PTY LTD	2021/05/21	NO	Rate based	100%	G		
17/2020-PMS	MGAZI ENGINEERING	2021/05/21	NO	Rate based	100%	G		
17/2020-PMS	GOING PLACES CONSTRUCTION & PROJECTS 109 CC	2021/05/21	NO	Rate based	100%	G		
08/2021-FIL	KUNENE MAKOPO RISK SOLUTION (PTY)LTD	2021/11/29	YES	R 14,373,815.73	100%	G		
14/2021-PRS	CCG SYSTEMS (PTY)LTD	2022/01/11	YES	R 4,418,737.60	100%	G		
16/2021-RAM	BLACK DINESTY	2022/01/11	YES	R 7,188,038.44	100%	G		
10/2021-PEH	LUNASIS IDEAS CC	2022/01/11	NO	Rate based	100%	G		
02/2021-PEH	SVK MBANGO INVESTMENTS (PTY)LTD	2021/11/24	NO	Rate based	100%	G		
02/2021-PEH	UVALO LOGISTICS AND TRADING	2021/11/24	NO	Rate based	100%	G		

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02/2021-PEH	YENGWENI ENTERPRISE	2021/11/24	NO	Rate based	100%	G		
N/A	MUNSOFT	2022/07/01	YES	Rate based	100%	G		
N/A	MICROSOFT	2014/06/27	YES	Rate based	100%	G		
N/A	SAGE VIP/KEVRO TRADING PTY LTD0	2016/10/19	YES	Rate based	100%	G		
NA	K2 COMMODITIES (PTY)Ltd	2017/06/01	YES	Rate based	100%	G		
05/2021-PPE	BARGAIN UNIFORMS	2021/08/24	NO	Rate based	100%	G		
12/2021-STA	COMPU SUPPLIES	2022/01/11	NO	Rate based	100%	G		
03/2021-CON	SEBENZANI TRADING	2021/10/25	NO	Rate based	100%	G		
07/2020-PRS	BOMBETHU SWS	2021/05/27	NO	Rate based	100%	G		
12/2019-CON	SINETHEMBA CONSTRUCTION	2020/04/18	NO	R 29,580,000.00	100%	G		
24/2019-OPL	ANITA GOOD	2021/09/01	YES	R 38,584.80	100%	G		
SECTION 36 APPOINTMENT	BONAKUDE CONSULTING LTD	2022/08/02	NO	R 1,247,908.58	100%	G		
SECTION 37 APPOINTMENT	RASP CONSULTANT t/a VIVAH TECHNOLOGIES	2021/05/14	YES	Rate based	100%	G		
02/2021-PEH	MADUDLA CONTRACTORS CC	2021/11/24	NO	Rate based	100%	G		
10/2021-PEH	MAXODE TRADING & PROJECTS	2022/01/11	NO	Rate based	100%	G		
02/2021-PEH	PHEKAPHANSI TRADING ENTERPRISE	2021/11/24	NO	Rate based	100%	G		
	ZENZELEWENA TRADING		NO	Rate based	100%	G		
02/2021-PEH	CHINSO BUSINESS ENTERPRISE	2021/11/24	NO	Rate based	100%	G		
10/2021-PEH	GOVERSPRIDE (PTY) Ltd	2022/01/11	NO	Rate based	100%	G		
02/2021-PEH	MAGEJA CONSTRUCTION AND PROJECTS	2021/11/24	NO	Rate based	100%	G		

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2021-PEH	MBE CONSTRUCTION AND PROJECTS	2021/11/24	NO	Rate based	100%	G
2021-PEH	NOZAPHI TRADING & PROJECTS (PTY)LTD	2021/11/24	NO	Rate based	100%	G
2021-PEH	ONGIDI TRADING ENTERPRISE PTY LTD	2022/01/11	NO	Rate based	100%	G
2021-PEH	SERVILEX 151 CC	2022/01/11	NO	Rate based	100%	G
2021-PEH	SIMPRADOOR TRADING AND PROJECTS CC	2021/11/24	NO	Rate based	100%	G
2021-PEH	ZEZELE TRADING (PTY)LTD	2021/11/24	NO	Rate based	100%	G
2021-PEH	MJ CONSTRUCTION	2021/11/24	NO	Rate based	100%	G
2021-PEH	MULTI SOLUTIONS	2021/11/24	NO	Rate based	100%	G
2022-CON	SINETHEMBA CONSTRUCTION	2023/01/16	NO	R 12,601,426.18	100%	G
2022 B-CON	R AND D CONTRACTORS	2023/01/16	NO	R 21,188,002.25	100%	G
2022 A CON	YIMPIE PROJECTS	2023/01/16	NO	R 35,870,858.65	100%	G
2022 C CON	R AND D CONTRACTORS	2023/01/16	NO	R 21,564,061.29	100%	G
2022 CON	ICON CONSTRUCTION	2023/03/27	NO	R 52,737,103.70	100%	G
2015 CON	R AND D JV MRAZANE	2016/10/18	NO	R 34,249,768.57	100%	G
2022-CES	MGUMULE CONSULTING ENGINEERS	2022/11/30	NO	Rate based	100%	G
2022-CES	TLS ENGINEERS AND PROJECTS MANAGEMENT	2022/11/30	NO	Rate based	100%	G
2022-CES	IMPANDE CONSULTING	2022/11/30	NO	Rate based	100%	G
2022-CES	SYDWALT	2022/12/05	NO	Rate based	100%	G
2022-CES	JOAT CONSULTING	2022/11/30	NO	Rate based	100%	G
2022-CES	BLACK DINESTY	2022/11/30	NO	Rate based	100%	G

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2022-CES	DLV PROJECTS MANAGERS AND ENGINEERS	2022/11/30	NO	Rate based	100%	G	
2022-CES	JG AFRICA	2022/11/30	NO	Rate based	100%	G	
2022-CES	ECA CONSULTING	2022/11/30	NO	Rate based	100%	G	
2022-CES	WMN CONSULTING	2022/11/30	NO	Rate based	100%	G	
2022-CES	ROYAL HASKONING DHV	2022/11/30	NO	Rate based	100%	G	
2022-CMS	WESTSPEC CC	2022/11/30	NO	Rate based	100%	G	
2021-FIL	MAXIMUM PROFIT RECOVERY	2022/07/21	NO	% Based	100%	G	

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17. CONCLUSION

This Annual Performance Report is a clear depiction of the uThukela District Municipality's uncompromised commitment to continuously challenge its inner ability to test the barriers of service delivery.

While challenges still confront our Municipality, we have made huge progress in delivering on the objectives of the Municipal 'blueprints'. Some of these challenges include an increasing demand for service delivery in the face of an ever-growing.

This Annual Performance Report bears testament to what is possible in local government through hard work, focus and determination in the face of various forms of adversity.

The office of the Municipal Manager maintains a Portfolio of Evidence to support the achievements recorded in this Annual Performance Report, and Internal Audit has performed a verification of credibility of evidence for validity of the reported achievements.

Furthermore, in areas where performance was not achieved, we have provided reasons and remedial actions to ensure that performance is improved in the 2022/23 financial year.

Last but not least, the municipality strives to prioritize Performance Management. The PMS unit is functional and is entrusted with coordination of all performance management activities.

I thank you.



MB MNGUNI
MUNICIPAL MANAGER
UTHUKELA DISTRICT MUNICIPALITY