KING CETSHWAYO

DISTRICT MUNICIPALITY

2023-2024
ANNUAL REPORT

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Chapter 1 | MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

HIS WORSHIP THE MAYOR:
Cllr SZ Dlamini

1.1 FOREWORD BY HIS WORSHIP THE DISTRICT MAYOR, CLLR SZ DLAMINI

It is with great pleasure that I present the Annual Report for the 2023/2024 financial year. I am equally thrilled to announce our third consecutive clean audit outcome since our term of office began.

During the reporting period I was serving as the Deputy Mayor of the District, and from 12 November 2024 I was elected to lead this magnificent district for the remainder of the term of Council.

I have been acting in the position of the District Mayor since the start of this 2024/2025 financial year, and they have been very big shoes that I have had to fill.

Our former Mayor, the current Premier of the Province of the KwaZulu-Natal, Hon Thami Ntuli, laid a firm foundation in the years that he led us.

I have no doubt that if we continue along that same trajectory, we will retain the momentum for success.

The journey that this Council has taken since we came to office in 2021 has been exciting and we have made firm strides in making service delivery a reality for the communities living in the deep rural areas of the district.

In the 2023/2024 year our focus was service-delivery centred, and I am pleased that we have once again attained a clean audit opinion.

Our R1,46 budget was crafted to be significant and live-changing, and to focus on issues of economic growth, social development, delivery of services and safer communities.

We have been busy with IDP Roadshows, and it is heartening to see the manner in which our communities bring forth their needs to us through these public participation engagements.

The commitment to ensuring that service delivery is efficient, cost-effective and of high quality is still intact.

I am also committed to maintaining a strong and close relationship with Amakhosi in the district. We are greatly anticipating the completion of the Amakhosi headquarters in Eshowe, which will be a landmark building that reflects the dignity and reverence of the traditional authority.

In terms of economic development, we are moving full speed ahead with the applications for funding women and youth in business, as well as various other agriculture, tourism and LED activities.

Construction of budgeted water and sanitation projects are moving at high speed, with R703m (64% of total operational budget for 2024/2025) set aside for Infrastructure Services, highlighting the emphasis that has been put in prioritizing funding for basic service delivery.

Since the start of the 2024/2025 financial year we have kick-started several major infrastructure projects, which are anticipated to bring us closer to reducing our backlogs.

I will do my best to uphold the promises that we have made to our citizens, and I commit myself to doing all within my power to contribute towards good governance and more clean audits going forward.

As I conclude, I wish to quote the wise words of the late, great former Prime Minister of the Zulu Nation, Prince Mangosuthu Buthelezi:

"I remain your servant and I will do as you ask of me."

Thank you

CLLR SZ DLAMINI
MAYOR: KING CETSHWAYO DISTRICT MUNICIPALITY

MUNICIPAL MANAGER: Mr PP Sibiya

1.2 MUNICIPAL MANAGER'S EXECUTIVE SUMMARY

VISION

Forging ahead being inspired by integrity with a will to provide sustainable and quality service delivery.

MISSION

- Provision of sustainable; quality water and sanitation services.
- Developing the economy through economic transformation and job creation.
- Promoting good governance through transparency, integrity and professionalism.
- Developing local economy through tourism, film and agriculture.
- Empower SMMEs through equitable distribution of resources opportunities.

1.2.1. EXECUTIVE SUMMARY

King Cetshwayo is a district that is led by the core values of transparency, integrity, commitment and cooperation. We maintain strict quality control and prudent financial management, with the aim of achieving our developmental goals within the framework of applicable legislation.

In the past financial year we have endeavoured to ensure the alignment of Council priorities with available budget, especially in the face of a drastically reduced revenue stream and high cost of delivering services.

In terms of service delivery, these were the projects implemented under the Municipal Infrastructure Grant for 2023/2024:

NO.	LM	WARD NO.	PROJECT NAME
1	Mfolozi	3 & partial 4	Mbonambi CWSS Phase 2
2	Mfolozi	8	Mhlana Somopho 3C (Upper Nseleni Bulk and Reticulation) Portion 3A-1
3	uMhlathuze	9	KCDM Construction of Cell 3 at Empangeni Regional Solid Waste
4	Mthonjaneni	2	Melmoth Sewer Upgrage
5	Mthonjaneni	12 & 13	Greater Mthonjaneni SSA 4
6	Nkandla	12	Nkandla (KZ286) VIP Sanitation
7	Nkandla	13	Nkandla Vutshini Regional Water Supply (SSA5)
8	Nkandla & uMlalazi	Nkandla: 7 & 14 uMlalazi: 1 & 2	Middle drift bulk water supply ph. 2
9	Umlalazi	2, 3, 4	Middle drift SSA5 Bulk Water and Reticulation
10	Umlalazi	22, 23	Umlalazi Rural Sanitation
11	Umlalazi	27	Mpungose 1D Water Supply
12	Umlalazi	11 & 12	Upgrading of Sewage Infrastructure for Eshowe (Upgrade of Water Service of Eshowe)
13	Umlalazi	27	Eshowe SSA 1: Bulk Water Supply
14	Umlalazi	23	KwaHlokohloko SSA 5 Bulk Water Supply Plant Upgrade
15	N/A	N/A	PMU Management Support
16	uMlalazi & Mthonjaneni	Mthonjaneni: 3, 5, 6, 7, 8, 9, 10	KwaHlokohloko SSA 1 Water
17	uMlalazi	23	Goedetrouw Regional Water Scheme Kwahlokohloko SSA5 (Reticulation)
18	Mthonjaneni		Melmoth Sewer Upgrade
19	uMlalazi	12A	Eshowe Sewer Upgrade
20	uMlalazi	23	Kwahlokohloko S/A SSA5 - Plant Upgrade
21	uMlalazi	23	Nkandla Vitshini S/A SSA5 - Plant Upgrade

SUSTAINABILITY

The district had a Non-Revenue Water Reduction Strategy, which covered the period up to and including the 2019/20 financial year. We initiated an update of the strategic Non-Revenue Water Reduction Master Plan, which takes into consideration institutional, financial or consumer considerations, that covers a further 5-year outlook in terms of minimizing water losses through the Municipality's area of supply.

The objectives of this Master Plan are as follows:

1. Determine the baseline situation in terms of water balances for each supply system in accordance with international and national best practice;
2. Identify areas of possible NRW reduction, by water balance component and per supply system, prioritise these in order of impact and prepare a consolidated NRW Reduction Intervention programme;
3. Establish targets in terms of NRW by volume, supported by Key Performance Indicators and budget/funding requirements;
4. Address the internal requirements necessary for the successful implementation of a NRW reduction programme in terms of resources, systems and critical success factors; and
5. Identify short-term problems that are being experienced with the Municipality's billing database and determine any necessary corrective actions.

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Organisational Structure was reviewed and adopted by Council 20 June 2022 under Item KCDMC:411/2022. A revised recruitment and selection policy that seeks to address the imbalances in the employment profile of the Municipality, has been adopted by Council on 24 April 2024. There are 548 employees in the Municipality. Council approved six departments in the Municipality; the departments are as follows:

- Office of the Municipal Manager
- Corporate Services
- Technical Services
- Financial Services
- Community Services
- Planning and Economic Development Services

As of 30 June 2024, the Municipality had a complement of 548 staff members, including six Section 57 staff members and thirteen financial intern staff members included in these statistics.

GOVERNANCE AND OVERSIGHT

Governance can be defined as: "The system by which entities are directed and controlled. It is concerned with structure and processes for decision making, accountability, control and behaviour at the top of an entity. Governance influences how an organisation's objectives are set and achieved, how risk is monitored and addressed and how performance is optimized," (Governance Today, 2022).

Governance is a system and process, not a single activity and therefore successful implementation of a good governance strategy requires a systematic approach that incorporates strategic planning, risk management and performance management. Like culture, it is a core component of the unique characteristics of a successful organisation.

This annual report comprises reports from the Internal Audit and Risk Units respectively, under the Corporate Governance Report (Component D), which details the roles and responsibilities of the Internal Audit unit and the Audit Committee.

The Municipality has a Risk Management Policy as approved by Council on 25 May 2017, which was reviewed in the 2023/2024 financial year. The Risk Management Implementation Plan is reviewed annually by the Risk Management Committee and submitted to the Municipal Manager for approval.

As part of the risk assessment, management identified current controls which mitigates the inherent risks identified. After considering controls, the identified risks will receive a residual risk. Management determines which of the residual risks require further actions to mitigate the risks identified. The top strategic risks are listed in the Risk Report under Component D.

The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive (Mayor and Executive Committee) and Administration. Good governance, effective accountability, and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councilors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the Executive (Mayor/Executive Committee). In other words, in exchange for the powers in which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality.

The Municipal Finance Management Act (MFMA) assigns specific oversight responsibilities to Council with regards to the Annual Report and the preparation of an Oversight Report. Section 129(1) of the Municipal Finance Management Act, Act 56 of 2003 requires the Council of a municipality to consider the Annual Report by not later than two months after the annual report was tabled in Council.

OVERSIGHT REPORT 2022/2023

The King Cetshwayo District Municipality MPAC issued the following Oversight Report following the 2022/2023 financial year's Annual Report:

That Council having fully considered the Annual Report of the King Cetshwayo District Municipality for the 2022/2023 Financial Year, adopts the Oversight Report for the 2022/2023 Financial Year.

- The Unqualified Audit Report (Clean Audit) for King Cetshwayo District Municipality for the 2022/2023 financial year, be noted with appreciation.
- An audit action plan be developed by the King Cetshwayo District Municipality to address any other matters as reported in the Management Letter and audit report. The audit action plan be monitored on a regular basis to ensure adherence to timeframes.
- The King Cetshwayo District Municipality Annual Report for the 2022/2023 financial year be noted.
- The Oversight Report 2022/2023 be submitted to Council for adoption.

AUDITOR-GENERAL REPORT 2023/2024

The Annual Financial Statements for 2023/2024 were submitted to the Auditor General on 31 August 2024 for auditing in compliance with Section 126 (1) (a) of the MFMA and served at the Audit Committee and Council on 26 August 2024 (KCDMAC: 39/2024) and 28 August 2024 (KCDMC: 2455/2024) respectively.

The draft management report and draft audit report for the financial year ending 30 June 2024 was tabled and discussed at a meeting between the Office of Auditor-General, Accounting Officer, Chairs of the Audit Committee and PAC/Risk as well as members from management on 15 November 2024. The final management report and audit report was thereafter tabled at a meeting between the Office of the Auditor-General, Accounting Officer, the Honorable Mayor His Worship Cllr. S.Z. Dlamini and members from management on 21 November 2024.

The office of the Auditor – General has expressed the following opinion on the annual financial statements:

- *I have audited the financial statements of the King Cetshwayo District Municipality set out on pages 8 to 104, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.*
- *In my opinion, the financial statements present fairly, in all material respects, the financial position of the King Cetshwayo District Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act of 2003 (MFMA) and the Division of Revenue Act (Dora).*

The municipality has received an unqualified without findings audit opinion, resulting in a clean audit.

STATUTORY ANNUAL REPORT PROCESS

The Annual Report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of Councils, this must be interpreted as an outer deadline; hence municipalities must submit the Annual Reports as soon as possible after year end, namely, August.

The activities and timeframes are briefly summarised below:

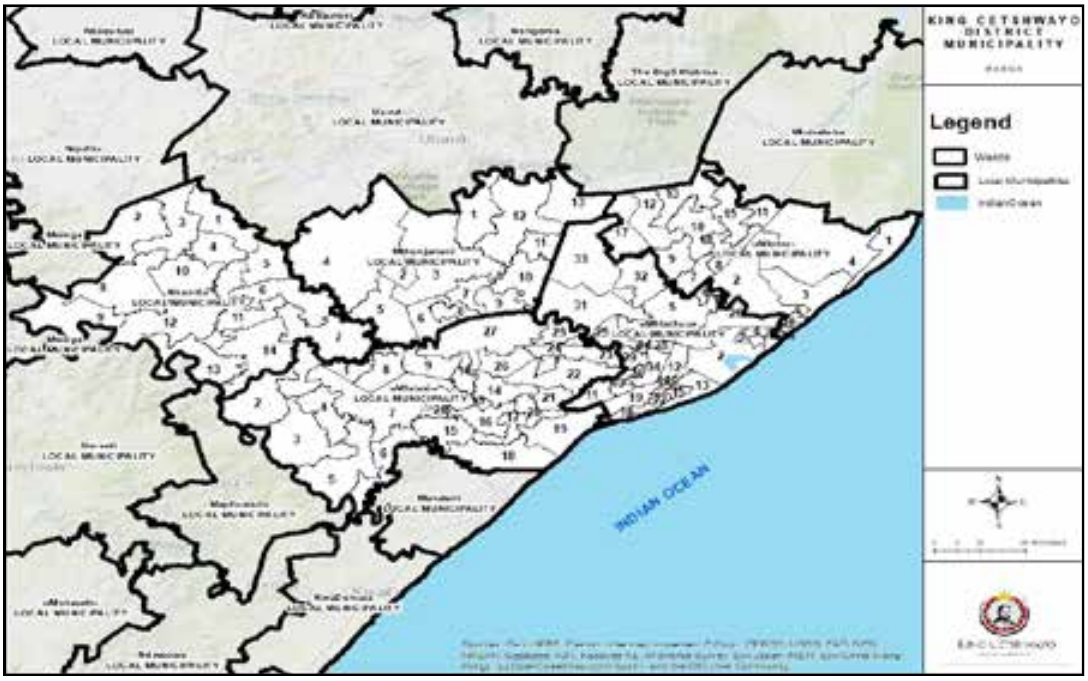
ACTION	TIMEFRAME
Consolidation of reports from municipal business units	July- August annually
Submit First draft of Non-Financial reports to Council	End of August annually
Submission of First Draft Annual Report 2023/2024 to Auditor-General	End of August annually
Final Draft Annual Report incl. AFS, OPMS and Audit Report to be approved by Council	January
Advertise Annual Report for public comment	Immediately following Council approval ito Section 127(5)(a)of the Municipal Finance Management Act (MFMA), 56 of 2003
MPAC to consider public comments on Annual Report and to issue an Oversight Report	MPAC meeting immediately following public comment period
Council to approve Oversight Report	Within 2 months of approval of Final Draft Annual Report
Make Oversight Report public	Immediately upon approval by Council
Annual Report submitted to Auditor- General for approval to print	Following Council approval of Final Draft

1.2.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

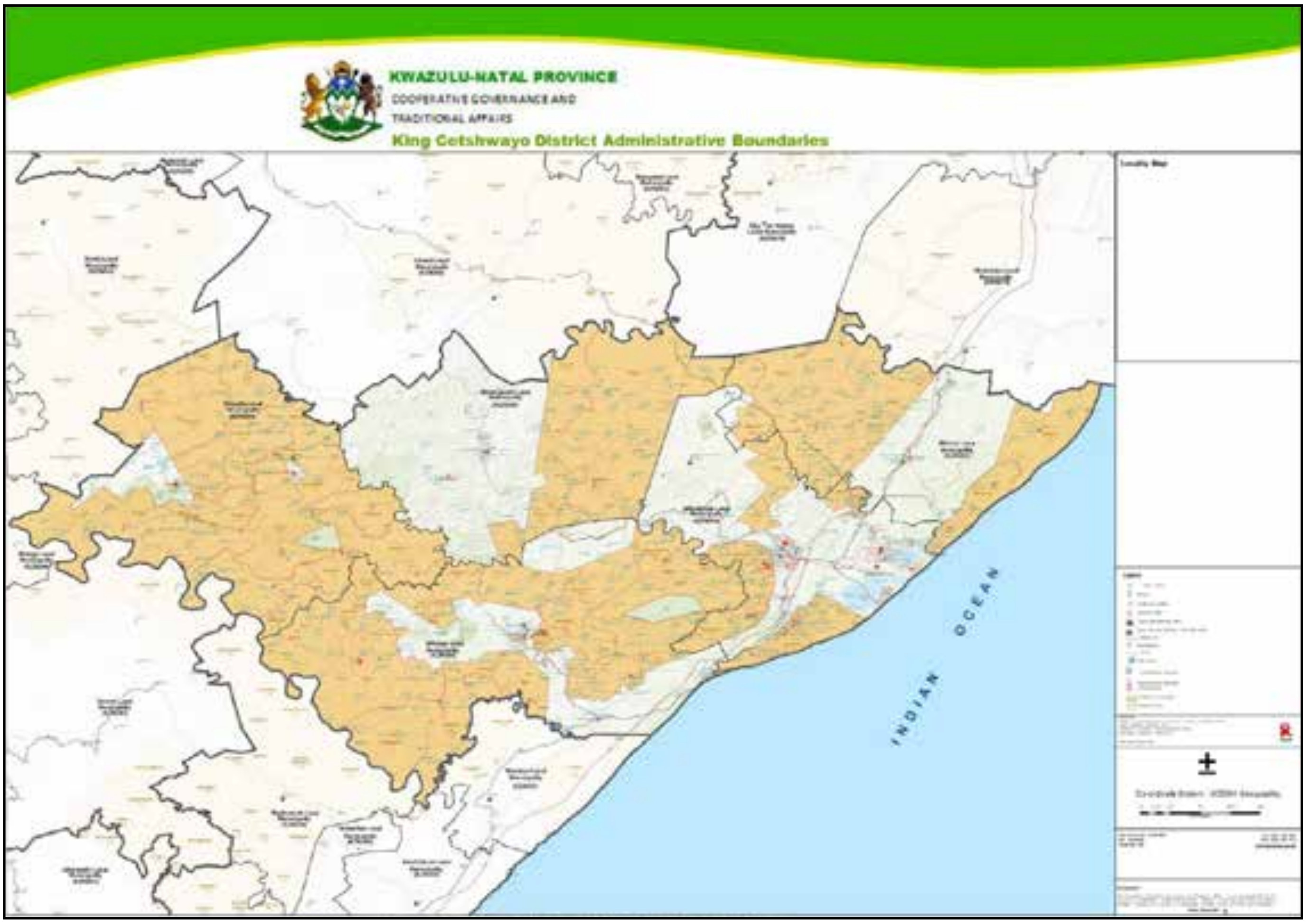
King Cetshwayo District Municipality is a category C municipality and is located in the north-eastern region of the KwaZulu-Natal Province on the eastern seaboard of South Africa. It covers an area of approximately 8213 square kilometres, from the agricultural town of Gingindlovu in the south, to the uMfolozi River in the north and inland to the mountainous beauty of rural Nkandla. It has the third highest population in the province, with an estimated total of 1 021 344 people (Census 2022) after the eThekwini Metro (Durban) and the uMgungundlovu district (Pietermaritzburg and surrounds).

The District comprises five (5) Local Municipalities:

- uMfolozi,
- uMhlathuze,
- uMlalazi,
- Mthonjaneni,
- Nkandla



Map: King Cetshwayo District wards



GIS Map: King Cetshwayo District

Map: King Cetshwayo District Local Municipalities

The King Cetshwayo District is surrounded by uMkhanyakude District to the north, Zululand District to the north-west, uMzinyathi District to the north-east and iLembe District to the south and is approximately 150 km north of the eThekwini metro.

The headquarters of the district is in Richards Bay and the district is made up of five local municipalities, namely: Mthonjaneni, uMlalazi, Mfolozi, uMhlathuze and Nkandla. The N2 from Durban to Mpumalanga passes through the District.

In 2022, the District accounted for a total population of 1 021 344. Females constituted 52.7% of the population.

The total number of households increased somewhat from 202 971 in 2011 to 205 739 in 2022.

Handover of Mbonambi Water project

The population per local municipality is indicated as follows:

MUNICIPALITY	CENSUS 2022	
	2022	2011
uMfolozi	159 668	125 669
UMhlathuze	412 075	370 256
uMlalazi	241 416	213 601
Mthonjaneni	99 289	83 577
Nkandla	108 896	114 416
KING CETSHWAYO	**1 021 344**	**907 519**

LOCALITY PROFILE

The King Cetshwayo District comprises some of the strongest economic sectors in this country. It is home to several of the largest industrial and mining giants in the world; the retail sector in our urban areas is burgeoning with economic activity, the agricultural and tourism potential is boundless and many opportunities exist for local economic development.

COMPETITIVE ADVANTAGES

King Cetshwayo District Municipal area is well-endowed with natural resources with its competitive advantages being:

- A good climate that opens up avenues for productive agricultural and tourism development;
- Agriculture with irrigation infrastructure in place; and
- A scenic environment and coastal terrain which create opportunities for tourism development.

King Cetshwayo District's unique qualities set it apart from many other regions in South Africa. It boasts the largest deep-water port in Southern Africa, which imports and exports the most bulk cargo of all African ports. It has double the capacity of the Port of Durban to the south and handles in excess of 75 million tons of cargo annually. The development of the harbour facilities at Richards Bay has enhanced the development of the manufacturing sector, such that the manufacturing sector is one of the largest economic contributors to the gross geographic product in King Cetshwayo.

1.3 MUNICIPALITY DEMOGRAPHICS

KCDM-PROVINCIAL POPULATION PROFILE CONTEXT

RANK	NAME	POPULATION SIZE
1	eThekwini	4 239 901
2	Umgungundlovu	1 235 715
3	King Cetshwayo	1 021 344
4	Zululand	942 794

RANK	NAME	POPULATION SIZE
5	Uthukela	789 092
6	iLembe	782 661
7	Ugu	773 402
8	Umkhanyakude	738 437

RANK	NAME	POPULATION SIZE
9	Amajuba	687 408
10	Umzinyathi	649 261
11	Harry Gwala	563 893

KCDM TRADITIONAL AUTHORITY AREAS

Information in the following table contains demographics per local municipality for Spatial Size, Population, Wards and Traditional Authorities:

MUNICIPALITY	CURRENT SPATIAL SIZE	DEMOGRAPHIC SIZE	NUMBER OF WARDS	NUMBER OF T/A	NAMES OF TRADITIONAL AUTHORITIES
uMfolozi	1 208 km²	159 668	18	4	Mthethwa, Mbonambi, Mambuka, Sokhulu
uMhlathuze	795 km²	412 075	34	7	Dube, Mambuka, Zungu, Somopho, Mkwanazi, Khoza, Obizo
uMlalazi	2 214 km²	241 416	27	15	MB Biyela, ZM Biyela, Khoza, A Zulu, S R Biyela, TWI Zulu, ST Zulu, Ntshangase, Dube, Ntuli, Nzuza, Mpungose, PS Zulu, Mzimela, Shange
Mthonjaneni	1 086 km²	99 289	13	3	Ntembeni, Obuka, Yanguye
Nkandla	1 827 km²	108 896	14	17	BP Biyela, Dlomo, Khanyile, Magwaza, Mbhele, Mchunu, MP Ntuli, PM Ntuli, Isigqoza, Sub-Cluster, Shezi, Sibisi, Xulu, Zondi, Zuma, Z Biyela, Mpungose, Izindlozi
KING CETSHWAYO	**8 213 km²**	**1 021 344**	**1 021 344**	**1 021 344**	

CHALLENGES

Some 80% of the population is rural and 53% is aged between 0 and 19 years. Women make up 52,7% of the population due to migration patterns associated with the province in general and there are large disparities in settlement concentrations. The challenge is to provide basic services such as water and sanitation to these people while stimulating local economic development, job creation and the growth of the small and medium business sector. The need to address poverty is one of the most critical issues.

King Cetshwayo District Municipality allocates almost half of its annual budget to capital infrastructure projects in the local municipalities, where it supplies basic services. The vast majority of residents live in rural homesteads and unemployment is at about 50%. A lack of scarce skills has negatively affected the employment conditions, as industries have been forced to source labour outside of the region, to the detriment of local workers.

ECONOMIC ACTIVITIES

King Cetshwayo offers highly favourable agricultural conditions as it has extremely fertile soils, good rainfall and enjoys an excellent, frost-free climate all year round. A wide variety of bio-climatic conditions are on offer across the district, from the mountainous area of Nkandla down to the coastline. The agricultural sector is a dual economy, consisting of commercial agriculture on one hand and traditional agriculture on the other. The commercial agricultural economy is largely sugar cane and forestry industries. Traditional agriculture is practiced on most of the traditional authority land spaces in the district and has enormous potential for growth with agriculture as a niche area.

At King Cetshwayo District Municipality giant steps have been taken in initiating skills transfer schemes and on-the-job training for members of our communities in the implementation of the majority of our capital infrastructure projects. The Local Economic Development initiatives have also led to job creation and entrepreneurship opportunities for our people.

The District is among the key economic role players in KZN in terms of GDP contribution. It contributed 6.5% of the total estimated provincial GDP generated in 2016.

It is within this context that KCDM is among the largest contributing districts towards the provincial GDP such as eThekwini and uMgungundlovu at 59.5%, and 11.3% respectively.

Similar to all other district municipalities, the GDP at King Cetshwayo is generated by local municipalities. The largest contributing local municipalities to the GDP of the district are the City of uMhlathuze at 44.0 per cent, followed by uMfolozi at 25.7 per cent and uMlalazi at 21.3 per cent. The City of uMhlathuze constitutes approximately half of the district's GDP, which is mainly driven by various economic activities taking place at Richards Bay. The least contributing local municipalities to the district's GDP are Nkandla and Mthonjaneni at 2.5 per cent and 6.6 per cent.

POWERS AND FUNCTIONS

In terms of Circular 8/2008: 2008/09 Capacity Assessments and Recommendations: Adjustment of Powers and Functions between District and Local Municipalities in terms of Section 85 of the Local Government: Municipal Structures Act 1998, King Cetshwayo District Municipality has the following powers and functions to fulfil:

			KCDM	uMfolozi	uMhlathuze	Ntambanana	uMlalazi	Mthonjaneni	Nkandla
1	S84(1)(a)	Integrated Development Planning for District as a whole	✓	✓	✓	✓	✓	✓	✓
2	S84(1)(a)	Potable Water Supply Systems	✓	✓	✗	✓	✓	✓	✓
3	S84(1)(c)	Bulk supply of electricity		✗	✗	✗	✗	✗	✗
4	S84(1)(d)	Domestic waste-water and sewage disposal system	✓	✓	✗	✓	✓	✓	✓
5	S84(1)(e)	Solid waste disposal sites serving the area of the District Municipality as a whole	✓	✓	✓	✓	✓	✓	✓
6	S84(1)(f)	Municipal roads which form an integrated part of a road transport system for the area of the district municipality as a whole	✓	✓	✓	✓	✓	✓	✓
7	S84(1)(g)	Regulation of passenger transport services	✓	✓	✓	✓	✓	✓	✓
8	S84(1)(h)	Municipal airport serving the area of the district municipality as a whole	✓	✓	✗	✓	✓	✓	✓
9	S84(1)(i)	Municipal health serving the area of the district municipality as a whole	✓	✓	✓	✓	✓	✓	✓
10	S84(1)(j)	Fire Fighting services for district municipality as a whole	✓	✓	✗	✓	✗	✓	✓
11	S84(1)(k)	Fresh produce markets and (Abattoirs) serving the area of the district municipality as a whole	✓	✓	✗	✓	✓	✓	✓
12	S84(1)(l)	Cemeteries and Crematoria	✓	✓	✓	✓	✓	✓	✓
13	S84(1)(m)	Promotion of local tourism for the District Municipality	✓	✓	✓	✓	✓	✓	✓
14	S84(1)(n)	Municipal public works relating to any of the above function or and other functions assigned to the district municipality	✓	✓	✗	✓	✗	✓	✓
15	S84(1)(o)	the receipt, allocation and if applicable distribution of grants made to the district municipality	✓	✓	✓	✓	✓	✓	✓
16	S84(1)(p)	The implementation and collection of taxes, levies and duties as related to the above functions or may be assigned to the District Municipality in terms of National	✓	✓	✓	✓	✓	✓	✓
18	Sched 4 B	Building Regulations	✓	✓	✗	✓	✗	✗	✓
22	Sched 4 B	Local Tourism	✓	✓	✗	✓	✗	✓	✓
	Sched 4 B	Air Pollution	✓	✓	✗	✓	✓	✓	✓
40	Sched 5 B	Licencing and control of undertakings that sell food to the public	✓	✓	✓	✓	✓	✓	✓
50	Sched 5 B	Refuse removal, refuse dumps, solid waste disposal and cleaning services	✓	✗	✗	✓	✗	✗	✗

KEY: ✗ Function performed by the Municipality ✓ Allocated Functions of the Municipality

Note: Functions performed by Ntambanana will continue to be provided by the relevant LM after demarcation.

DEMOGRAPHIC DETAILS

	2022	2011
Total population	1 021 344	907 519
Young children (0-14 years)	29,9%	34,8%
Working age population (15-64 years)	64,6%	60,7%
Elderly (65+ years)	5,5%	4,5%
Dependency ratio	54,9	64,7
Sex ratio	89,8	89,0
No schooling (20+ years)	12,7%	16,0%
Higher education (20+ years)	9,5%	8,2%
Number of households	205 739	202 971
Average household size	5,0	4,5
Formal dwellings	87,4%	70,0%
Flush toilets connected to sewerage	45,0%	31,7%
Weekly refuse disposal service	39,9%	29,6%
Access to piped water in the dwelling	42,3%	30,5%
Electricity for lighting	97,8%	75,8%

Source: CENSUS 2022

POPULATION BREAKDOWN

AGE	Male	Male (%)	Female	Female (%)
85+	987	0,1%	3 837	0,4%
80-84	1 449	0,1%	4 058	0,4%
75-79	2 660	0,3%	5 236	0,5%
70-74	5 287	0,5%	9 564	0,9%
65-69	9 701	0,9%	13 480	1,3%
60-64	12 441	1,2%	18 419	1,8%
55-59	15 309	1,5%	21 794	2,1%
50-54	17 085	1,7%	21 668	2,1%
45-49	22 910	2,2%	25 986	2,5%
40-44	29 905	2,9%	32 155	3,1%
35-39	39 526	3,9%	43 831	4,3%
30-34	42 201	4,1%	46 929	4,6%
25-29	43 946	4,3%	49 951	4,9%
20-24	40 258	3,9%	43 147	4,2%
15-19	46 205	4,5%	45 761	4,5%
10-14	50 925	5,0%	51 133	5,0%
5-9	48 990	4,8%	48 847	4,8%
0-4	53 510	5,2%	52 234	5,1%

Source: CENSUS 2022

INDICATOR	KING CETSHWAYO MUNICIPALITY
Area	8 213 km²
Population	1 021 344
Households	205 739
Number of settlements	1 318 (WSDP 2007)
Urban areas	2 major 3 minor 4 rural centres
% rural population	80% (162 381 households)
% urban population	20% (40 595 households)
Gender breakdown	Males - 483 310 Females - 538 034
Life Expectancy	2006 - 43.1 years (IDP 2012) 2011 - 57.1 years

Source: CENSUS 2022

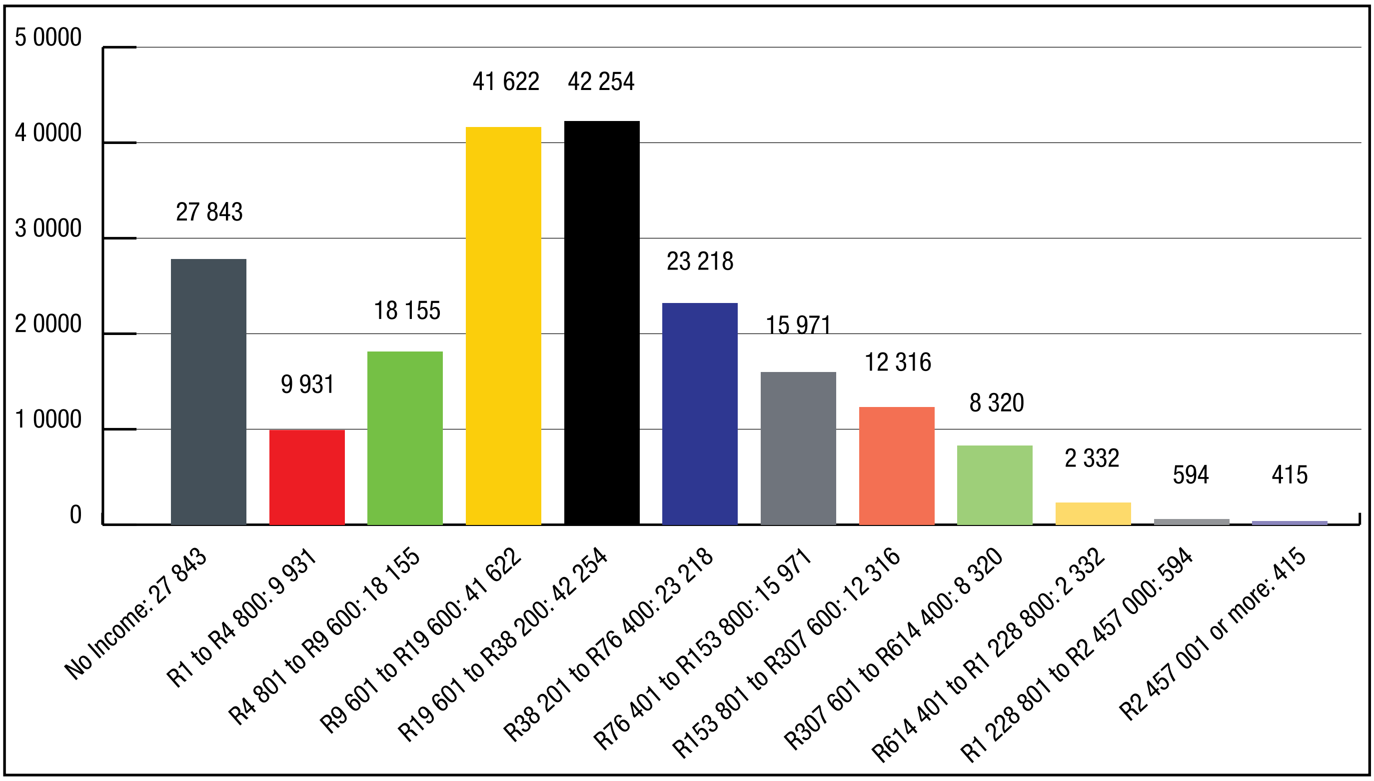
ANNUAL HOUSEHOLD INCOME

INCOME	POPULATION	%
No income	27 843	14%
R 1 - R 4800	9 931	4.9 %
R 4801 - R 9600	18 155	9%
R 9601 - R 19 600	41 622	20.5%
R 19 601 - R 38 200	42 254	20.8%
R 38 201 - R 76 400	23 218	11.4%
R 76 401 - R 153 800	15 971	7.8
R 153 801 - R 307 600	12 316	6%
R 307 601 - R 614 400	8 320	4%
R 614 001 - R 1 228 800	2 332	1.1%
R 1 228 801 - R 2 457 600	594	0.3%
R 2 457 601 or more	415	0.2%
TOTAL	**202 972**	**100%**

Source: CENSUS 2011

Handover of Bhadaza Spring Development in Ward 3 of Mthonjaneni LM

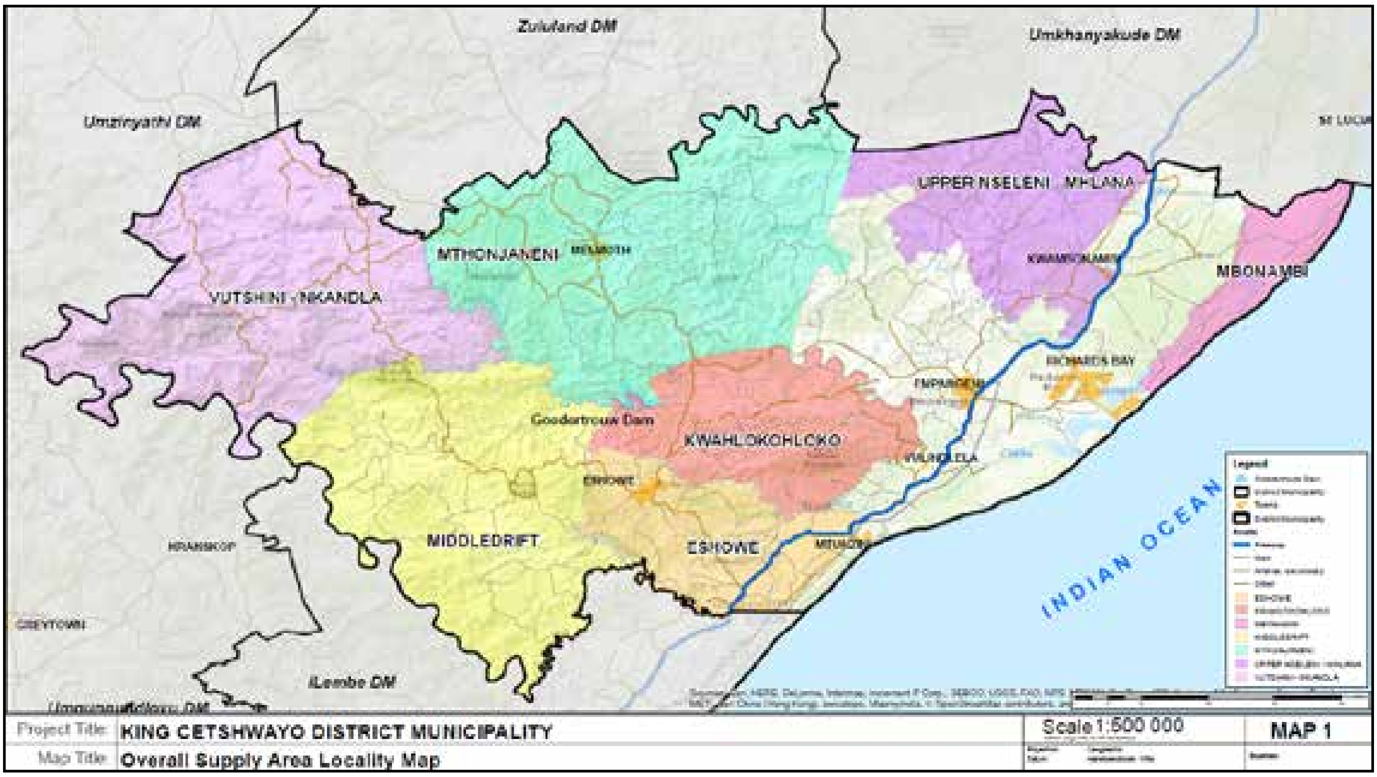
HOUSEHOLDS EARNING LESS THAN R1600 PER MONTH



Source: Census 2011

1.4 SERVICE DELIVERY OVERVIEW

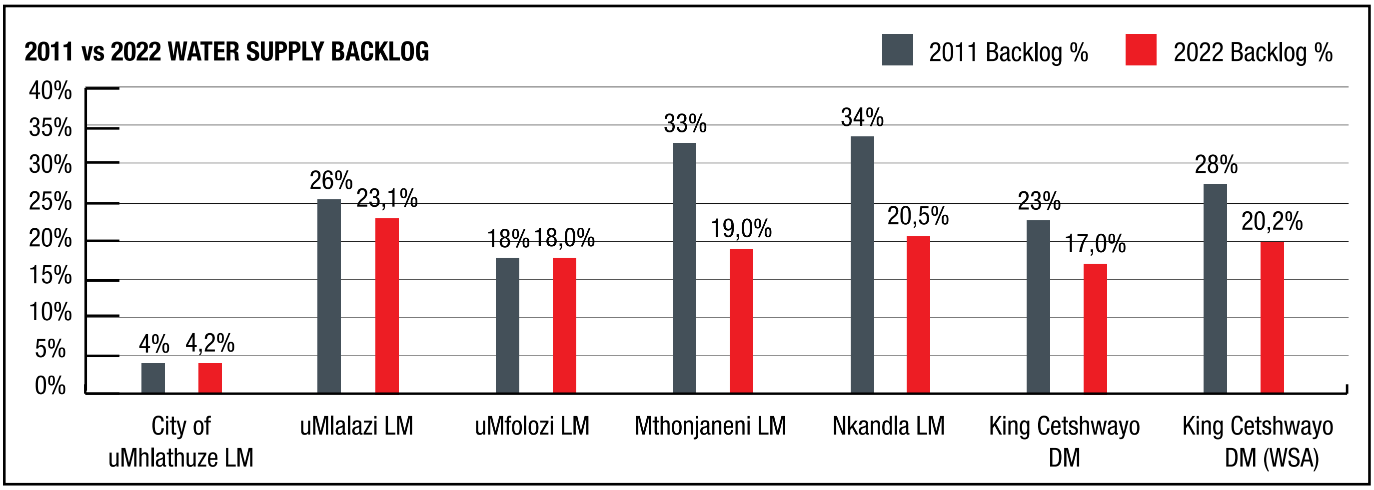
SERVICE DELIVERY AND INFRASTRUCTURE



The council's highest priorities are aimed at eradicating rural backlogs for water supply and sanitation services, as measured against RDP standards. The following has been achieved in King Cetshwayo District with regard to water and sanitation backlogs:

WATER SUPPLY BACKLOG IN KING CETSHWAYO DISTRICT

At the commencement of the financial year a total of 77,41% households had access to the basic RDP level of water supply service as at 30 June 2023. The basic level for the provision of water is communal supply less than 200 metres from a household. The approved target for households to be upgraded to yard-taps for the 2023/2024 financial year was set at 524. *(Source: Source: STATSSA)*

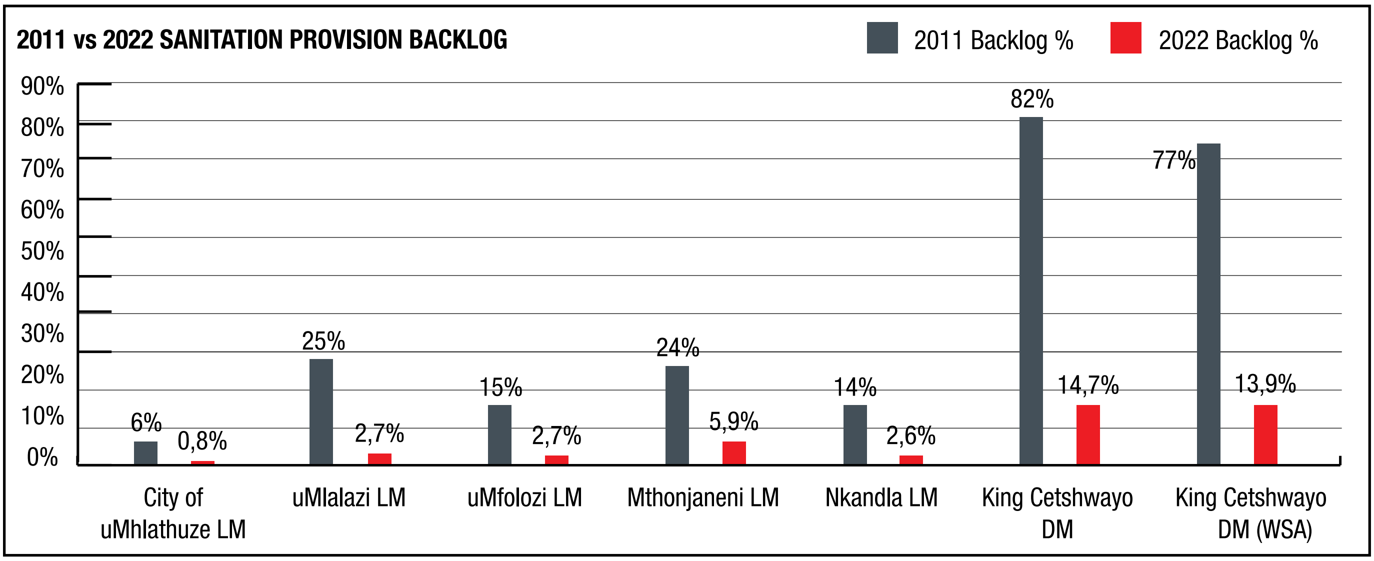


Source: Census 2022

	UMFOLOZI	UMHLATHUZE	UMLALAZI	MTHONJANENI	NKANDLA	KCDM
2011	10,5%	50,3%	19,6%	24,4%	16,7%	30,5%
2022	23,3%	58%	31,3%	32,7%	17,8%	42,3%

Source: Census 2022

SANITATION BACKLOGS IN KING CETSHWAYO DISTRICT



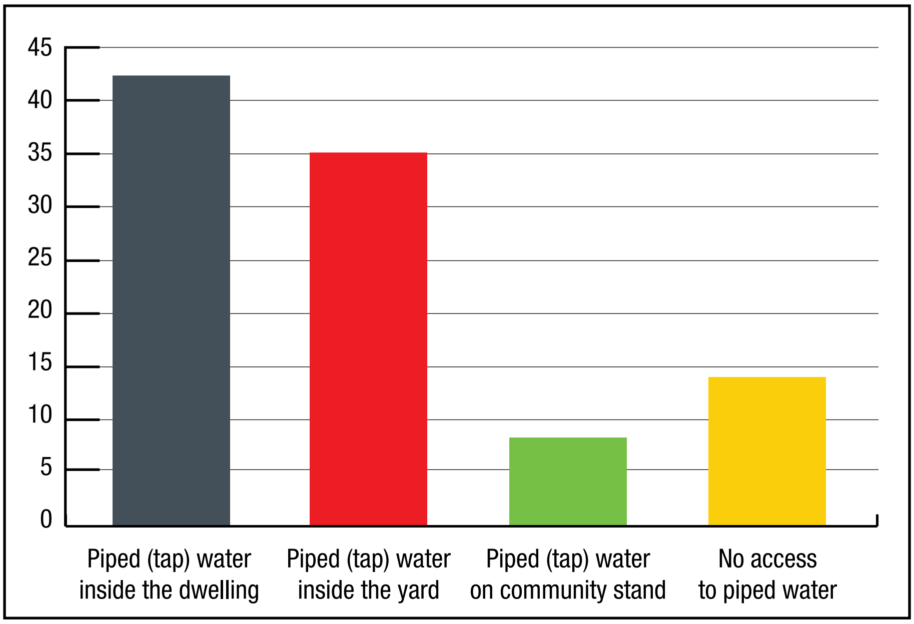
Source: Census 2022

PERCENTAGE OF PIPED WATER IN DWELLING

Piped water Inside Dwelling /Yard %			Piped water on communal stand %			No Access %		
2001	2011	2022	2001	2011	2022	2001	2011	2022
38.1	65	77,6	17	18.8	8,5	44.9	16.2	14

Source: Census 2022

ACCESS TO WATER



Source: Census 2022

South 32-sponsored water infrastructure project launched in Ward 4 of uMfolozi LM

1.5 FINANCIAL HEALTH OVERVIEW

Within the Financial Services Directorate, there is a Budget and Reporting Section. The Budget and Reporting Section is headed by a Senior Manager. The following are the Key Responsibility Areas for the Budget Section:

- Compilation of the Municipality's Annual and Adjustments Budget
- Compilation of the In-Year Budget Reports (Section 71 Report)
- Compilation of the Mid-Year Review Report (Section 72 Report)
- Compilation of Financial Implications for items serving at Bid Committees to ensure availability of funds before bids are finalized and awarded.
- Overall administration of the Municipality's Budget, including Virement of Funds in line with the Council approved Virement Policy, as well as providing early warning where there are impending shortfalls in the Budget.

MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)

In 2014 the National Treasury issued the regulations on Municipal Standard Chart of Accounts. The regulations on Municipal Standard Chart of Accounts required the Municipality to implement the standard chart of accounts by 1 July 2017.

The main objectives of the mSCOA regulations was to standardise the Minimum Business processes for municipalities and municipal entities, as well as the implementation of the processes within the integrated transaction process environment. For King Cetshwayo District Municipality to achieve this, the municipal Council resolved that then legacy Financial Management System, Venus must be upgraded to the SOLAR system in terms of Council resolution KCDMC:1685/2018.

Over the years, King Cetshwayo District Municipality has made a notable progress in the implementation of the MSCOA. Operational efficiencies have been achieved and turnaround times have improved with the implementation of MSCOA. MSCOA is an ongoing project and systems are evaluated on a periodic basis together with the output to ensure compliance with the mSCOA Regulations and the relevant circulars.

FINANCE INTERNS

In 2004 the National Treasury introduced the Municipal Financial Internship Programme. The aim of the programme was to train young graduates in the field of Municipal Finance in order to build capacity in the municipalities.

King Cetshwayo District Municipality has been recruiting Finance Interns since the introduction of the programme. The National Treasury has been funding this programme through the Local Government Financial Management Grant since its inception. These funds are used mainly to pay the salaries of the interns as well as for the accredited training for interns and other municipal finance officials. The Municipality recruits five interns every twenty four months. In some instances the contracts are extended for a further twelve months in accordance with the FMG guidelines. Over 25 young graduates have been successfully mentored through this programme.

MUNICIPAL BUDGET

The original 2023/24 Multi Year Budget was approved by Council on 30th May 2023, per resolution number KCDMC:1058/2023, in accordance with section 24 of the Municipal Finance Management Act (MFMA). This budget was subsequently forwarded to the Provincial and National Treasuries for their assessment and input. The Provincial Treasury, after having assessed the budget, confirmed that it was funded in accordance with section 18 of the MFMA.

The salient features of the 2023/24 original budget are detailed one the following page.

REVENUE

The Equitable Share and Levy Replacement Grant combined allocation was reduced marginally by R1m when compared to the 2022/23 projections as Gazetted in the 2022 Division of Revenue Bill.

The Water Services Infrastructure Grant was decreased by R10m when compared to the 2022/23 projections as Gazetted in the 2022 Division of Revenue Bill.

The Municipal Infrastructure Grant (MIG) was decreased by R27,000 when compared to the 2022/23 projections as Gazetted in the 2022 Division of Revenue Bill.

The Regional Bulk Infrastructure Grant (RBIG) was decreased by R100m from R340m to R240m for the ensuing financial year.

The Expanded Public Works Incentive grant allocation for the 2023/24 financial year is R5.9m

Trading Services charges were budgeted for at R126.5m, this is an increase of R12.6m from the R113,9m that had been estimated in the 2022/23 MTREF.

There was no change expected on the revenue derived from the interest on investments compared to the amount indicated in the previous year's MTREF. To note that this source of income is dependent on the availability of funds to be invested which is influenced by the pace at which infrastructure grants are being spent.

Overall, the total revenue anticipated for the municipality in the 2023/24 financial year is R1.40 billion rand, the majority of which is grant revenue at R1.2 billion.

EXPENDITURE

As envisaged in section 17(2) of the MFMA, the budget of the municipality was divided into a capital and operational budget. The total budget for these two segments was as follows:

- Operational Budget
  (Inclusive of Typical Workstreams) .... R 1 090 903 240
- Capital Budget... R 558 802 209

During the course of the 2023/24 financial year, there were adjustment budgets that were processed and approved by Council as prescribed in section 28 of the MFMA. The first adjustment budget was approved on the 23 August 2023, which was a rollover adjustment budget where funds that were left unspent in the previous financial year were rolled over for ongoing projects. The total amount rolled over was R4.8m, mainly for internal funded projects which were in progress at the end of the financial year.

The second adjustment budget was approved by Council on the 28th February 2024, where some adjustments were made after a consideration of the mid-year budget assessment, where it was felt that certain estimates would need to be adjusted in accordance with the performance of the first six months of the financial year, as well as the forecasts for the remainder of the financial year. Below is a summary of the adjustment budget as approved by Council in February 2024:

- An Adjustment Budget in terms of Section 28 of the MFMA was compiled for consideration by Council to address the matters as contained in the mid-year review, such as, amongst others:
  - Inventory (Fuel & Oil)
  - Inventory (Water)
  - Water Tankers
  - Repairs & Maintenance

ADDITIONAL REVENUE ADJUSTMENT BUDGET

King Cetshwayo District Municipality made an application of an amount of R2.049m to the National Treasury after the Province was hit by the floods that damaged the Cell 2 of the Landfill Site. The approval to rollover these funds was obtained from the NT which necessitated that an adjustment budget be prepared for the approval of Council. Another adjustment budget was also triggered by an additional allocation of R430,000 for the Rural Roads Asset Management Grant which was allocated to the municipality per Gazette number 50318, dated 20 March 2024.

1.6 ANALYSIS OF DEBT

To deliver the services effectively, municipalities rely on their own revenue and grants. However, to this end, the issue of non-payment of municipal consumer debts by all recipients of services, including government departments poses a serious threat to the financial health of municipalities in South Africa. This state of affairs cripples the cash position and the ability to fulfil constitutional mandate responsibilities of municipalities and put further reliance and pressure on government for grants.

The King Cetshwayo District Municipality is also affected by this persistent increase of consumer debt. Nevertheless, the Municipality is working tirelessly to put in place creative measures towards recovery of some of its debts and to curb the increase thereof. In the year under review each debtor account was profiled against private sector credit and consumer data so as to segment each consumer into categories such as legal recovery mechanisms. In cases where consumers were classified as financially vulnerable or elderly with no significant financial assets, such debts were written off. The amount written off by Council on the 24th of April 2024 was R4 127 469 and R57 219 per council resolution KCDMC 2196/2024.

With regard to the government debts, specifically the Department of Education, the municipality has sought assistance from Provincial Treasury, Cogta and KZN provincial Department of Education. These spheres of government have allocated specific individuals to assist the municipality and such has resulted in some notable improvements.

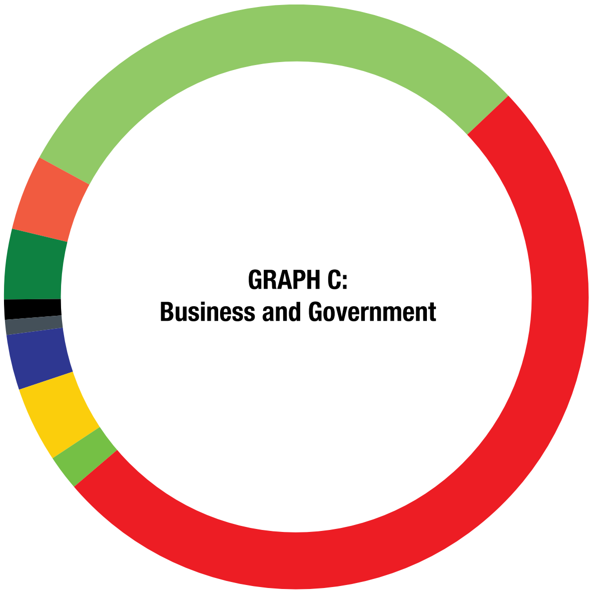
The graph opposite depicts outstanding debts per debtor, and highlights the predominant challenge by the domestic sector, which is the sector of our population that is plagued with poverty and unemployment.

The debts as further analysed into services, depicts that the bulk of the arrears arose from water services.

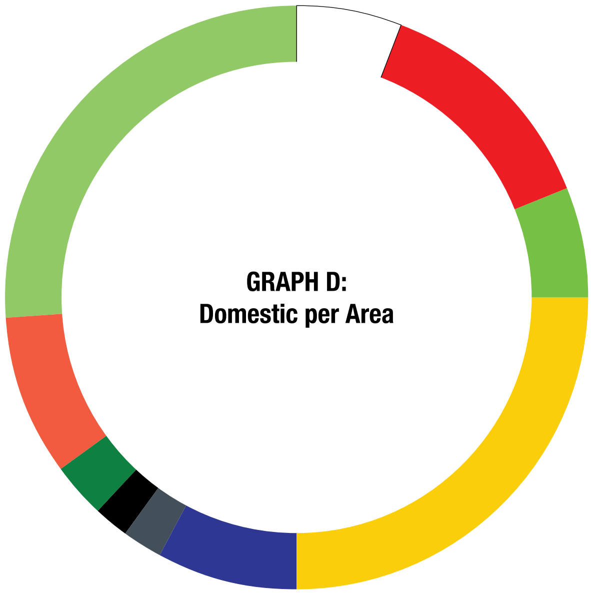
Table A: Outstanding Debt

	2024	2023	2022	2021	2020
Water	95 915 996	88 747 474	76 435 189	70 916 607	70 688 868
Sanitation	23 925 964	20 404 078	15 660 131	13 015 045	12 049 848
Solid Waste	6 310 630	21 138 011	5 626 638	5 418 091	6 364 794
Impairment	55 664 808	50 048 707	44 268 487	40 982 806	41 346 130
Percentage of Impairment of total Debt	44%	38%	45%	46%	46%
Growth from preceding year	12%	33%	9%	0%	12%

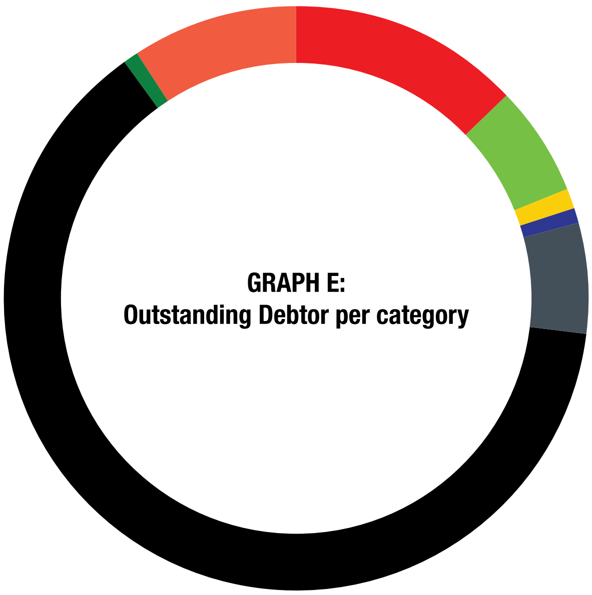
- Provincial Government Transport: 0%
- Provincial Government Schools: 30%
- Provincial Government - PW: 4%
- Provincial Government - Health : 4%
- Provincial Government - Agriculture: 1%
- Provincial Government - Social Development: 3%
- National Government - Water Affairs: 1%
- National Government - PW: 4%
- Government - Other Mun: 2%
- Business: 51%



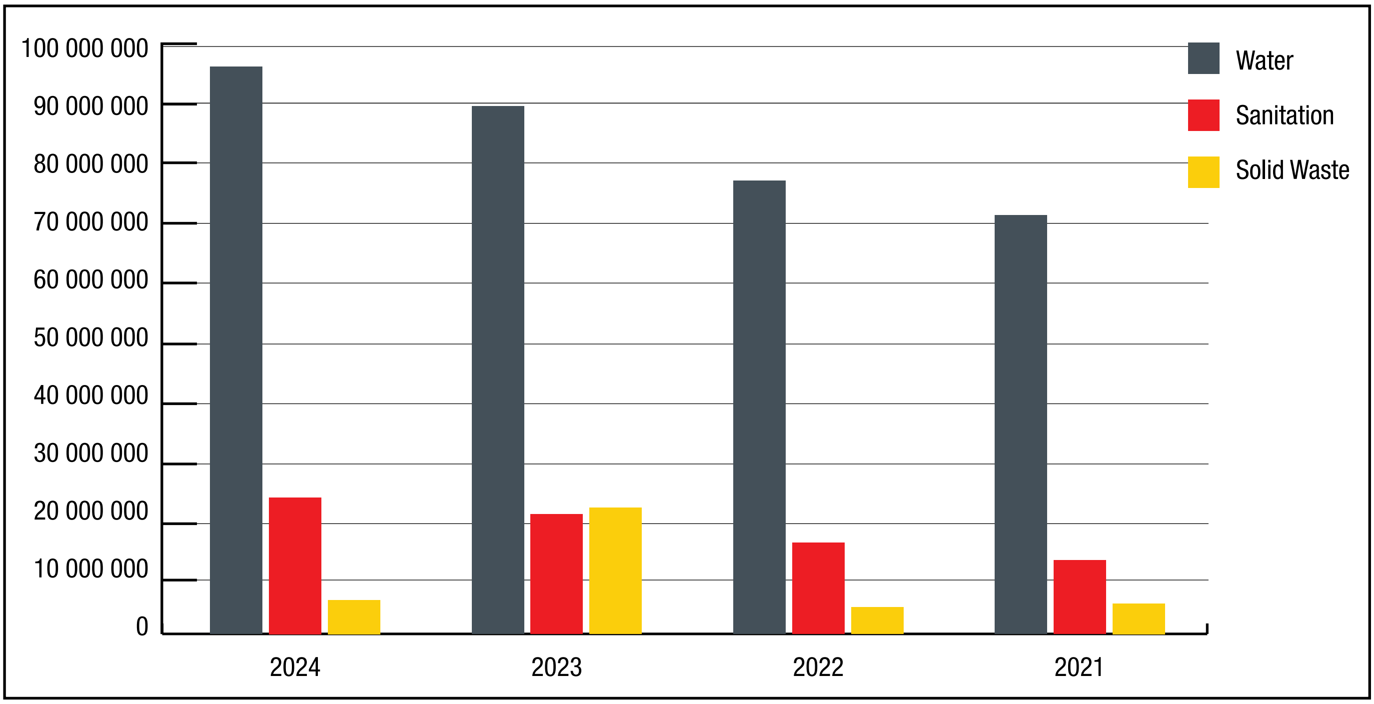
- DOW / Hospitals / Clinics / Shools: 6%
- Eshowe: 13%
- Gingindlovu: 6%
- King Dinuzulu: 25%
- Mtunzini: 8%
- Kwamagwaza Farm: 2%
- Kwa-Mbonambi: 2%
- Middledrift Water Scheme: 3%
- Mthonjaneni: 9%
- Nkandla: 26%



- Municipal: 0%
- Government: 13%
- Staff: 0%
- Business: 6%
- Business Undeveloped: 1%
- Industrial: 1%
- Solid Waste: 6%
- Domestic: 63%
- NPO: 1%
- Dom Undevelop: 9%
- Indigent: 0%



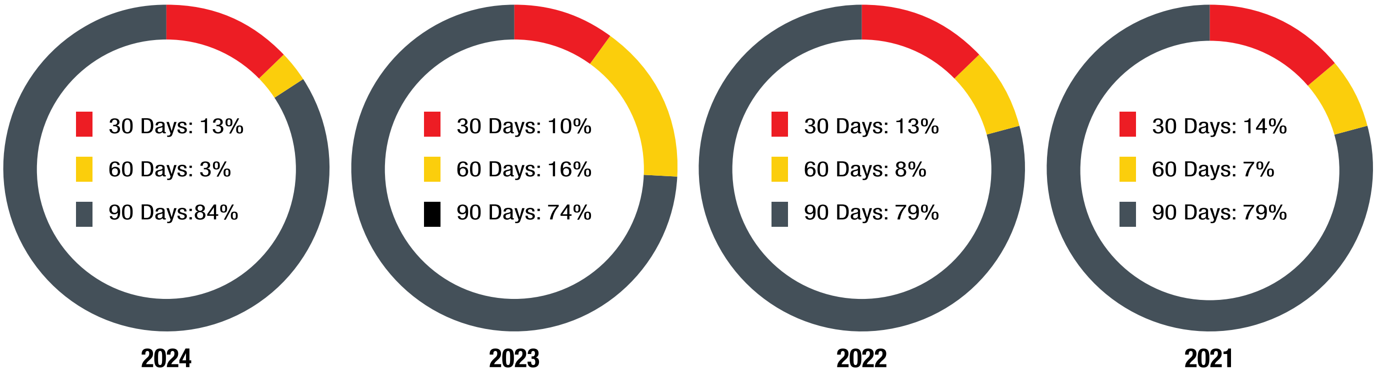
Graph E: Outstanding Debts per Service



The Municipality does reflect a growing debtors age, and such does receive criticism from stakeholders, however albeit with the many interventions in place, a portion of the raised debts pose challenges, where even the restriction of services does not result in effective recovery. The option of write-offs is applied with extreme prudency as we do not want to promote such practices which inevitably encourage poor payment and discourage consumers who are regular payers.

The graphs below depict the age trend in the past 4 years, indicating that the more problematic debts are in the greater than 90 days, however it is further noted that such debts are being managed as it is contained to a maximum of 84% of the total debtors' book.

Graph F: Debts per Age Category



Mthonjaneni Service Delivery Project

KCJ Horseracing

KC JULY MUSIC FESTIVAL

Princess Magogo Festival Street Parade

2.1 KING CETSHWAYO INTEGRATED DEVELOPMENT PLAN (IDP)

INTRODUCTION AND BACKGROUND

The Municipal Systems Act of 2000, Section 35 states that an integrated development plan (IDP) adopted by the Council of a municipality is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality. Thus, the IDP is the most critical plan, in terms of the legislation, that is available to municipalities for them to strive to progressively achieve the objects of local government mentioned above.

The IDP process also provides an opportunity for the municipality to debate and agree on a long term vision for the development of the municipality and promotes intergovernmental co-ordination by facilitating a system of communication and co-ordination between local, provincial and national spheres of government. Among the core components of an IDP, the following matters must also be outlined in the IDP:

- the municipal Council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- the Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- the Council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- the Council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of the Performance Management System.

REVIEW OF THE IDP

The Municipal Systems Act requires a municipal Council to develop and adopt an IDP which is a five-year plan aligned to the five-year term of the Council. In other words, a five year IDP must be adopted by each Council after each local government elections. The Municipal Systems Act of 2000, Section 34, further requires that the municipal IDP be reviewed annually. Hence, the current KCDM IDP was reviewed and adopted in May 2023 and will continue until after the 2026/27 local government elections. This IDP is the fifth generation of IDPs.

STEPS FOLLOWED IN DEVELOPING MUNICIPAL IDP

Before starting the planning process, a District's Framework and Local Municipalities' Process Plans respectively must be drawn up and adopted by the respective Councils. These plans are meant to ensure the proper management of the planning process. Subsequent to adoption of the District Framework Plan, local municipalities must develop and approve their respective process plans to inform the IDP review process within their respective jurisdictional areas.

The first phase entails collection of information on the existing conditions of socio-economic development within the municipality. When assessing the existing level of development in the municipality, the level of access to basic services and those communities that do not have access to these services must be identified. Focus must be on the types of developmental issues confronting the community in the area and their causal factors. The identified developmental issues are accordingly assessed and prioritised in terms of what is urgent and what needs to be done first. Information on availability of resources is also collected during this phase. Road show meetings, stakeholder meetings, surveys, opinion polls and researched information form the basis of this phase.

During the second phase, municipalities must formulate best possible strategies to tackle the identified challenges. Critical in this process in order to ensure a focused analysis, the municipal vision must be confirmed and development objectives containing clear statements of what the municipality would like to achieve in the medium term, to deal with the problems outlined in the first phase must also be confirmed. Internal transformation needs and Council's development priorities must be taken into account when formulating Council objectives. This process should involve strategy workshops, targeted stakeholder engagements, public hearings, sector Provincial and National Departments engagements, social partners, interest-based groups and organized civil society.

Once the municipality has worked out where it wants to go and what it needs to do to get there, it needs to work out how to get there. Development strategies must then be developed focusing on finding the best way for the municipality to meet a development objective. Once the municipality has identified the best methods and strategies to achieving its development objectives, identification of specific projects must commence.

On the third phase the municipality works on the design and content/specifications of projects identified during the prior phases. Clear details for each project have to be worked out. Clear targets must be set and Performance indicators worked out to measure performance as well as the impact of individual programmes and projects. The identified projects must have a direct link to the priority issues and objectives identified in the previous phase. Municipalities must ensure engagement of internal technical committees, possibly with selected key stakeholders. The needs and views of the affected communities must be taken as a priority. The project technical committees and their subcommittees must be able to distinguish between the strategic municipal wide development programmes and the localized community-level projects.

During the fourth phase where projects have been identified, the municipality must then confirm that the identified projects will achieve the desired impact in terms of addressing the identified challenges and are aligned with the objectives and strategies and comply with legislation. The identified programmes/projects will set the pace and direct the trajectory emanating from the overall picture of the development plans of all the stakeholders, including sector departments and social partners.

The adoption phase, which is the fifth, entails the final process of the IDP review process. The IDP document must be presented to the Council for consideration and adoption.

DRAFTING AND ADOPTION OF MUNICIPAL BUDGET

The drafting of the Municipal budget is regulated in terms of the Municipal Finance Management Act of 2003 (MFMA). S21(1) of the MFMA states that the mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies to ensure that the tabled budget and any revisions of the IDP and budget-related policies are mutually consistent and credible. In order for the municipal Council to adopt the budget of the municipality, the mayor of the municipality must table the annual budget at a Council meeting at least 90 days before the start of the budget year in terms of S16 (2) of the MFMA, which annual budget must be approved by the Council, in terms of S16 (1) of the same Act, before the start of that financial year.

In order to ensure implementation of the IDP and the budget, S53 of the MFMA requires that the Mayor approves the municipality's service delivery and budget implementation plan (SDBIP) after the approval of the budget. The implementation of the SDBIP must be linked to the performance agreement that must be concluded in terms of the Municipal Manager and managers reporting to him, in terms of Section 57 of the Municipal Systems Act. This measure ensures implementation monitoring and evaluation of performance.

DISTRICT IDP ROADSHOW MEETINGS

The IDP/Budget Road show programme is key to the functioning of Local Government. Hence one of the Constitutional objects of Local Government is "To encourage the involvement of communities and community organizations in Local Government". Importantly the Constitution promotes community participation to enable the realisation of the following benefits:

- It provides vitality to the functioning of representative democracy;
- It encourages citizens to actively be involved in public affairs;
- It encourages citizens to identify themselves with the institutions of Government; and
- It encourages citizens to become familiar with laws as they are made.

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) is the primary statute to give Constitutional impetus to the community participation in Local Government; fundamentally, it defines the Municipality as a constituent of:

- Its Political Structure;
- Its Administration;
- The community of the Municipality.

Accordingly, the Municipal Council must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers. Not all types and forms of decision-making require the same degree of community participation. In order to avoid any uncertainty about whether or not community participation is critical with regard to certain important Municipal decisions and processes, the Municipal Systems Act provides a non-exhaustive list of important Municipal events in which community participation is particularly important, including:

- The preparation, implementation and review of Municipal IDP;
- The establishment, implementation and review of an Organizational Performance Management System;
- The monitoring and review of a Municipality's Performance, including the outcomes and impacts of such a performance;
- The preparation of the Budget; and
- Strategic decision relating to service delivery

Port Durnford King Cetshwayo Heritage Site

Spirit of King Cetshwayo heritage site

The financial year of South African Municipalities runs from 1 July of each year to 30 June the following year. The law requires the Municipality to consult the community when setting its priorities, developing its plans and allocating resources to priorities through the budget. In August and September in the year before a budget is implemented, the Municipality must get input from communities on what they think of the services they are receiving and of any changes in needs and expectations (Chapter 4 of the Municipal Systems Act).

The Municipality then amends its IDP and develops a draft budget. Once this has been done, the Municipality must once again consult the community to ensure that needs and reasonable demands are being met (S. 21 of the MFMA; Chapter 4 of the Municipal Systems Act). If these needs are not met, the IDP and budget may be revised. This should be done between March and April before the financial year starts in June.

Pursuant to the above, King Cetshwayo District Municipality resolved to embark on the Annual Roadshow Programme, where communities including Traditional Leaders (Amakhosi) in the five (5) Local Municipalities are engaged by the municipal leadership and accompanying Councillors on their developmental needs and budget-related issues. This programme takes place twice a year (April/May and October/November) across the District, and the issues emanating from these are pivotal in the review of the District IDP and Budget and those of the constituent Local Municipalities.

The IDP/Budget Road show programme of the District aims at improving communication and interaction between the District and the Local Municipalities and the community at large on issues of service delivery, budget related issues and development. In a nutshell, the purpose of the meetings is therefore:

- To afford the community of the Local Municipalities an opportunity to guide the planning and budgeting process of King Cetshwayo District Municipality through highlighting needs important for the development of their respective wards and Municipality at large, which was to be the focus of the 2023/24 Financial Year and beyond.
- To assess the extent to which the current programmes/projects' initiatives implemented by respective constituent Local Municipalities, King Cetshwayo District Municipality and Provincial Sector Departments address local developmental needs and concerns.
- To ensure that communities are the key drivers of their own development.
- To provide a platform for the community to participate and inform the IDP of the District, and the development plans of Sector Departments respectively.

During the October/November 2023 and April/May 2024 IDP outreach programmes, communities raised a plethora of developmental issues within their respective localities, and also acknowledged the current interventions by their respective Local Municipalities, District, and other National and/or Provincial Departments. The issues raised were all considered and incorporated in the current adopted final IDP.

2.2. ANALYSIS OF PUBLIC SATISFACTION

The KZN CSS (Citizen Satisfaction Survey) 2018 provides a general assessment of public satisfaction with government services.

The CSS 2018 assessed the citizen's rating of: (1) satisfaction with the overall performance of the provincial government; (2) satisfaction with the governance of the provincial government; (3) importance and ranking of provincial priorities and municipal services; (4) provincial government's implementation of Batho Pele Principles; (5) awareness of provincial government's programmes and consultative processes; (6) satisfaction with the performance of local municipalities; and (7) satisfaction with level and quality of select municipal services

This statistical report was used as a means of assessing public satisfaction with services, as the district did not have the required budget to conduct its own survey.

Low working-age populations with high proportions of children and elderly indicate large dependency ratios. Figure 3.3 describes the dependency ratios per municipality.

It indicates that:

- The local municipalities ranking top in terms of dependency ratios were Nkandla and Mthonjaneni. The two municipalities showed higher populations of children and elderly than the working-age population, resulting in dependency ratios above 100 (104 for Mthonjaneni and 105,8 for Nkandla).

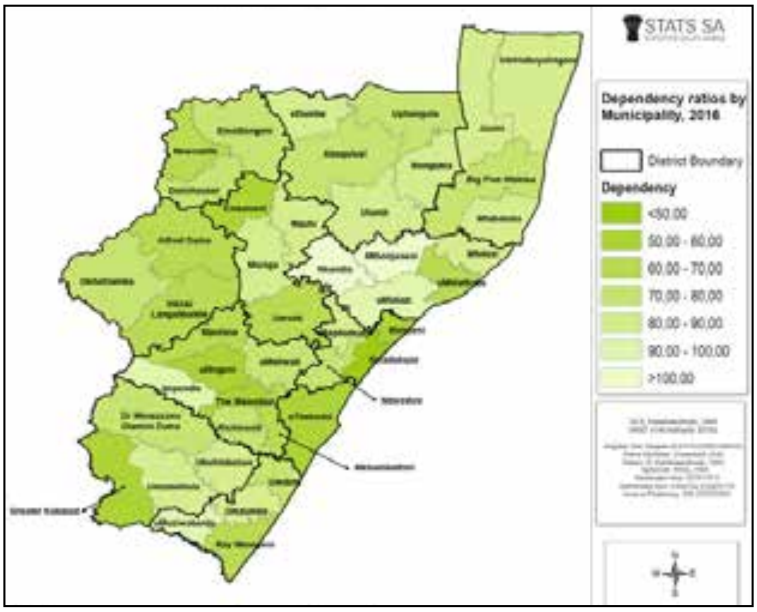
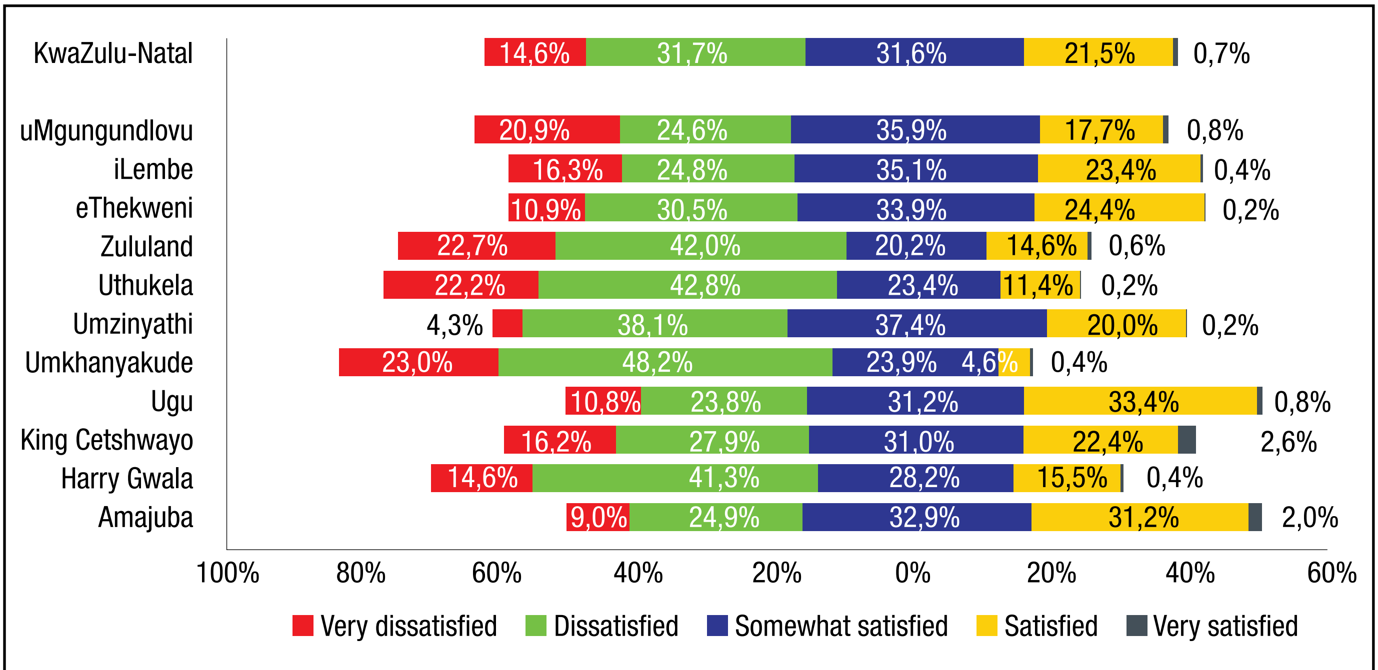


Figure 3.3 Dependency ratios per municipality, 2016.
Source: Statistics South Africa, Community Survey 2016

Figure 5.2: Percentage distribution of persons aged 15 years and older by district and level of satisfaction with general performance of local municipality



N = 7 614 749 excluding observations with missing values.

Source: KZN CSS (Citizen Satisfaction Survey) 2018

2.3. PLANNING AND LOCAL ECONOMIC DEVELOPMENT

SPATIAL PLANNING & LAND USE MANAGEMENT

In terms of SPLUMA regulations, Municipalities are expected to form MPTs (Municipal Planning Tribunals) that will consider land development applications and in this regard King Cetshwayo, having considered a number of factors including costs, logistical arrangements and efficient utilization of resources opted to adopt the Joint Municipal Planning Tribunal option comprising:

- North: Incorporating uMhlathuze and uMfolozi with its seat at uMhlathuze Local Municipality
- South: Incorporating Nkandla, uMlalazi and Mthonjaneni with its seat at uMlalazi Local Municipality.

The rights and obligations of the participating Municipalities are governed by the Memorandum of Agreements (MOAs) concluded between the municipalities. Both tribunals are fully functional and do meet from time to time to consider applications as and when they are received.

Monthly reports are filed with Council structures to appraise them on all applications and decisions taken by the Tribunals. It is pointed out that all costs associated with the running of the Tribunals in terms of remuneration of external members, are born by the District, which has also delegated personnel serving as members of the Tribunals, in line with the signed MOA with participating municipalities. The two (2) Joint Municipal Planning Tribunals are functional.

Critical Sector plans were developed and reviewed accordingly, including the Spatial Development Framework which was adopted in May 2022. The Environmental Management Framework (EMF) was approved and adopted by Council during February 2020. A Comprehensive Integrated Transport Plan (CITP) was approved and adopted by Council on 27 August 2021. As part of implementation of the CITP, KCDM is assisting all Local Municipalities that don't have Local Integrated Transport Plans (LITP) to develop them starting with uMflolozi Local Municipality. A Nodal Plan (uMhlathuze/ uMfolozi RBIDZ) was successfully developed and adopted by Council in May 2022.

The District is also taking a leading role in the coordination and development and implementation of the District Development Model (DDM) with all family of municipalities and SOEs including other spheres of government. The "One Plan" was successfully reviewed and adopted by Council during May 2023 having been consulted with all stakeholders in terms of all the relevant Clusters, Technical and Political Hubs. It was thereafter submitted to all relevant stakeholders and Government Spheres and Entities for implementation. The improvements on the Plan are continuously being made as circumstances change as part of ongoing review going forward.

DDM ONE PLAN ECONOMIC SECTOR CATALYTIC PROJECTS

In the past financial year the following Catalytic projects were identified by the DDM:

- KCDM GOAT PRODUCTION PROGRAMME: Provision of 10 Goats to 10 Cooperatives per local municipality in last financial year. The same number was provided in the 4th quarter of current financial year.
- RELOCATION OF RICHARDS BAY AIRPORT: The proposal is to relocate the Airport from Birdswood to N2 between Empangeni & Nseleni Off Ramp.
- TRANSNET- RICHARDS BAY PORT EXPANSION: The proposal is to comprehensively expand the Port of Richards Bay, which is currently the deepest Port in Africa. It also involves the relocation of the Naval Base from Durban to Naval & Pelican Islands in the Port of Richards Bay.
- GREATER MTHONJANENI REGIONAL BULK: KWAHLOKOHLOKO SSA 1: The project is to provide water in various wards of uMlalazi and Mthonjaneni local municipalities. Once completed the project will greatly assist in eradicating water challenges in KCDM's uMlalazi and Mthonjaneni municipal areas, which are experiencing severe water challenges
- RICHARDS BAY WATERFRONT DEVELOPMENT: A property development project that will promote economic & tourism development in KCDM. The project is intended to ensure the development of the Waterfront area to deliver a place for maritime industries, education and businesses; local and international port activities; as well as recreation

The report on the DDM is available under the section titled: Intergovernmental Relations.

All IGR engagements including Planners/IDP Managers, Municipal Coastal Committee are regularly convened to ensure coordinated Planning across the District.

ALIGNMENT WITH NATIONAL KEY PERFORMANCE AREAS

NATIONAL DEVELOPMENT PLAN (NDP)

The National Planning Commission adopted the National Development Plan where priorities are summarised in the table below:

GOAL NO	NATIONAL PRIORITY	KING CETSHWAYO GOAL
1	Create jobs	Local & Rural Economic Development
2	Expand infrastructure	Strategic Infrastructure & basic service delivery
3	Use resources properly	Strategic Infrastructure & basic services delivery
4	Inclusive planning	Promote Good Governance and enhance Public Participation
5	Quality education	Organisational & Human Resource Development
6	Quality healthcare	Create & promote a safe, healthy and secure environment
7	Build a capable state	Organisational and Human Resource Development
8	Fight corruption	Promote Good Governance and enhance Public Participation
9	Unite the nation	Promote Good Governance and enhance Public Participation

NATIONAL NDP

The 14 National Outcomes that all provincial governments must align to are:

GOAL NO	NATIONAL OUTCOME	KING CETSHWAYO GOAL
1	Quality basic education	Organisational & Human Resource Development
2	A long and healthy life for all South Africans	Create & Promote a safe, healthy and secure environment
3	Safety, and sense of safety, for all people in South Africa	Create & Promote a safe, healthy and secure environment
4	Decent employment through inclusive economic growth	Local & Rural Economic development
5	A skilled and capable workforce to support an inclusive growth path.	Organisational and Human Resource Development
6	An efficient, competitive and responsive infrastructure network	Strategic Infrastructure & Basic Service Delivery
7	Vibrant, equitable, sustainable rural communities contributing towards food security for all	Local & Rural Economic development
8	A comprehensive, responsive and sustainable social protection system	Create & Promote a safe, healthy and secure environment
9	Sustainable human settlements and improved quality of household life	Coordinated Planning, Spatial Equity, Coastal and Environmental Management
10	Responsive, accountable, effective and efficient local government system	Promote Good Governance and enhance Public Participation
11	Protect and enhance our environmental assets and natural resources	Coordinated Planning, Spatial Equity, Coastal and Environmental Management
12	An efficient, effective and development-oriented public service	Promote Good Governance and enhance Public Participation
13	A diverse, socially cohesive society with a common national identity	Promote Good Governance and enhance Public Participation
14	Create a better South Africa, a better Africa, and a better world	Create & Promote a safe, healthy and secure environment

The Five National and Six Provincial Priorities include the following:

NATIONAL AND PROVINCIAL PRIORITIES		KING CETSHWAYO GOAL
1	Job creation (Decent work and Economic growth)	Local and Rural Economic Development
2	Education	Organisational & Human Resource Development - (Liaison with the Dept. of Education)
3	Health	Create & Promote a safe, healthy and secure environment (Liaison with the Dept. of Health)
4	Rural development, food security and land reform	Local and Rural Economic Development
5	Fighting crime and corruption	Promote Good Governance and enhance Public Participation
6	Nation-building and good governance (State of KZN Province Address	Promote Good Governance and enhance Public Participation

KZN PGDS ALIGNMENT WITH KCDM GOALS

NO	PGDS GOAL	KING CETSHWAYO GOAL
1	Inclusive Economic Growth	Local & rural economic development
2	Human Resource Development	Organisational & human resource development
3	Human & Community Development	Organisational & human resource development
4	Strategic Infrastructure	Basic Service Delivery & Strategic Infrastructure
5	Environmental Sustainability	Create & promote a safe, healthy and secure environment
6	Governance and Policy	Promote good Governance and enhance Public Participation.
7	Spatial Equity	Co-ordinated Planning, Spatial Equity, Coastal and Environmental Management

COGTA MEC ANALYSIS OF 2023/2024 INTEGRATED DEVELOPMENT PLAN

IDP Assessments are done in terms of Section 32 of the Municipal Systems Act (Act 32 of 2000) where a copy of the municipality's IDP must be submitted to the MEC for Local Government for assessment, which will ensure the credibility of IDPs.

The written comments received from the MEC for Local Government assists municipalities a great deal to ensure strategic alignment with the objectives and planning processes of the provincial and national government.

The MEC's comments also form the basis of the review process of the 5-year strategic plan of King Cetshwayo District Municipality and the comments received last year have been duly incorporated into 2024/2025 IDP review.

The following table illustrates comments received from the MEC KZN CoGTA on 2023/2024 Integrated Development Plan:

KPA	MEC COMMENT	MUNICIPAL INTERVENTION
Municipal Transformation and Institutional Development	No comments received on this KPA however, a follow up has been made with the Department of Cooperative Governance and Traditional Affairs	An email was sent to KZN CoGTA (IDP) Support enquiring about comment and to date, no response was provided.
Basic Service Delivery	The Municipality is required to list water and sanitation projects over the five year planning horizon using Infrastructure Delivery Management System	Comment will be addressed in the next IDP Review
Financial Viability	The municipality is commended for the well-structured response to the requirements of the IDP Framework Guide in this particular KPA	Municipality will maintain/ improve the structure of the KPA to meet IDP Framework Guide requirements
Local Economic Development	The municipality is encouraged to ensure establishment and functionality of the District Development Agency. Indication of financial capacity in terms of LED, constraints that may hinder implementation of the LED Strategy in order to monitor its implementation.	Comments will be addressed in the next IDP Review.

KPA	MEC COMMENT	MUNICIPAL INTERVENTION
Cross Cutting Issues	The municipality is required to develop a Spatial Development Plan that will guide the spatial form of the Municipality. The municipality is encouraged to ensure that the municipal Vision and Mission integrate the need for environmental protection and environmental sustainability as key priorities to developmental planning undertaking. The municipality is encouraged to review its Climate Change Response Plan to accommodate climate change effect that are taking place within municipal space now. The Municipality is required to speed up the process of adoption and implementation of Air Quality Management Plan (AQMP) and Air Quality Bylaws. The Municipality should submit an updated Disaster Management Plan. The Municipality's Disaster Management Plan should refer to Fire Brigade Services Act No. 99 of 1987 (Including all relevant disaster management and fire policy imperatives). Municipality is advised to action suggested recommendations to improve compliance and alignment and improvement on IDP score.	Comments will be addressed in the next IDP Review.
Other Key Observations to take into Consideration Strategic Thrust of 6 KPAs and The Service Delivery and Budget Implementation Plan (SDBIP)	The municipality is encouraged to clearly indicate areas of underperformance from the previous performance cycles and corrective measures aligned to the IDP strategies. Prepare an implementation Plan Progress report for 3-year review. Municipality to ensure alignment between IDP and SDBIP. The Municipality to indicate its commitment and alignment with the B2B programme and the alignment with municipal objectives and strategies.	Comments will be addressed in the next IDP Review.

SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)

The SDBIP links the Performance Management System (as required under the Municipal Systems Act) with the budget and the IDP. Thus the strategic direction mapped out in the IDP is matched with financial resources and delivery of services as specified in the PMS. The requirement for an SDBIP is stated in the MFMA, Section 69.3(a) and is the responsibility of the Accounting Officer or the Municipal Manager. It can off course be delegated under Section 79. Put simply, the SDBIP allows the budget to be implemented fully as it identifies:

- The Strategic Imperative – Through links with the IDP.
- The Financial Imperative – Through links with the budget.
- The Performance Imperative – Through links to the PMS.

KCDM STRATEGIC GOALS

The table below indicates King Cetshwayo District Municipality Strategic Goals.

GOAL NO	GOAL
1	Organisational & Human Resource Development
2	Strategic Infrastructure & Basic Service Delivery
3	Sound Financial Management & Viability
4	Promote Good Governance and enhance Pubic Participation
5	Promote healthy communities through sports, arts and culture development
6	Create & Promote a safe, healthy and secure environment
7	Local & Rural Economic Development
8	Co-ordinated Planning, Spatial equity, coastal and environmental Management

All the 8 KCDM Strategic Goals are carefully aligned to both Provincial and National policies to allow for synergy in the successful implementation of programmes across all 3 spheres of government in line with the District Development Model (DDM).

COMPONENT A:
POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

POLITICAL STRUCTURE: 2023/2024

**HIS WORSHIP THE MAYOR,
CLLR AT NTULI**

Chairperson of Executive Committee;
Chairperson of Finance
Portfolio Committee

**HON DEPUTY MAYOR
CLLR SZ DLAMINI**

Chairperson of Technical Services
Portfolio Committee

**HON SPEAKER
CLLR SH MKHWANAZI**

Chairperson of Council,
Chairperson of Rules Committee

**HON CHIEF WHIP
CLLR AM MTSHALI**

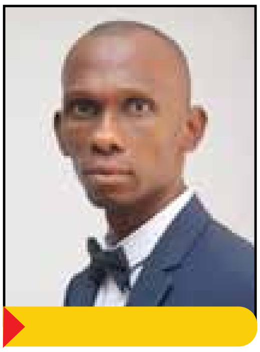
2.4. POLITICAL GOVERNANCE

EXCECUTIVE COMMITTEE

Cllr AT Ntuli
Mayor

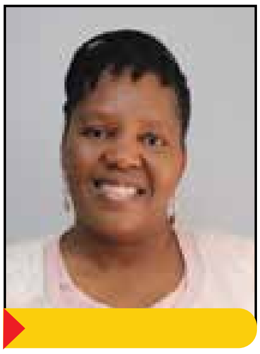
Cllr SZ Dlamini
Deputy Mayor

Cllr PP Xulu
Exco Member



Cllr IN Zwane
Exco Member

Cllr SW Mgenge
Exco Member



Cllr PC Cele
Exco Member

Cllr NM Madida
Exco Member

Cllr SL Magubane
Exco Member

HON SPEAKER
Cllr SH Mkhwanazi

OFFICE OF THE SPEAKER

The Office of the Speaker is amongst other things, charged with the responsibility of contributing towards ensuring that community members are able to enjoy their rights as espoused in the Constitution through affording them the opportunity to fully participate in the delivery of services.

The Office of the Speaker manages this process through the councillors who have all been empowered, through training and experience, to execute their responsibilities maximally.

Each councillor is an effective agent of change that rallies the community around the projects being undertaken.

EXECUTIVE COMMITTEE MEMBERS

1. Cllr AT Ntuli
2. Cllr SZ Dlamini
3. Cllr PP Xulu
4. Cllr IN Zwane
5. Cllr SW Mgenge
6. Cllr PC Cele
7. Cllr NM Madida
8. Cllr SL Magubane

PORTFOLIO COMMITTEE CHAIRPERSONS

Corporate Services Portfolio: Cllr PP Xulu
Community Services Portfolio: Cllr IN Zwane
Technical Services Portfolio: Cllr SZ Dlamini
Planning & Economic Development Portfolio: Cllr NM Madida
Financial Services Portfolio: Cllr AT Ntuli
MPAC - Municipal Public Accounts Committee: Cllr M Mtshali
Rules Committee: Cllr SH Mkhwanazi

COUNCILLORS MEMBERS

1. Cllr AT Ntuli
2. Cllr SH Mkhwanazi
3. Cllr SZ Dlamini
4. Cllr AM Mtshali
5. Cllr QT Xulu
6. Cllr BC Magwaza
7. Cllr JL Nzuza
8. Cllr FPB Mpungose
9. Cllr CN Mpanza
10. Cllr F Mndaba
11. Cllr IN Zwane
12. Cllr SH Mkhwanazi
13. Cllr SF Mdletshe
14. Cllr PP Xulu
15. Cllr A Lange
16. Cllr MN Biyela
17. Cllr MM Ngema
18. Cllr ME Mthethwa
19. Cllr MM Mthiyane
20. Cllr NP Mahaye
21. Cllr SE Mhlongo
22. Cllr XM Bhengu
23. Cllr ES Mbatha
24. Cllr MM Msimango
25. Cllr SL Magubane
26. Cllr SN Ntshangase
27. Cllr M Mtshali
28. Cllr PSM Mchunu
29. Cllr NT Mthiyane
30. Cllr SW Mgenge
31. Cllr SP Mpanza
32. Cllr FN Mabuyakhulu
33. Cllr ME Dlamini
34. Cllr WL Ngema
35. Cllr NN Lembede
36. BB Ndima
37. SS Nkabinde
38. PC Cele
39. ZL Mfusi
40. SD Khubisa
41. MN Madida
42. SB Mthiyane
43. NN Ngubane

OVERSIGHT COMMITTEES

MUNICIPAL PUBLIC ACCOUNTS PORTFOLIO COMMITTEE

1. Cllr M Mtshali
2. Cllr XM Bhengu
3. Cllr QT Xulu
4. Cllr MN Biyela
5. Cllr NT Mthiyane
6. Cllr PSM Mchunu
7. Cllr SD Khubisa

AUDIT COMMITTEE

1. Mr. D Naicker
2. Mr HGS Mpungose
3. Mr. AD Gonzalves
4. Ms. CN Mhlongo-Khanyile
5. Dr MJ Ndlovu

PERFORMANCE AUDIT COMMITTEE

1. Mr AD Gonzalves
2. Ms SX Khanyile
3. Dr MJ Ndlovu
4. Cllr AM Mtshali

RULES & ETHICS COMMITTEE

1. Cllr SH Mkhwanazi
2. Cllr AM Mtshali (Council Whip)
3. Cllr ME Mthethwa (IFP Whip)
4. Cllr M Mtshali (DA Whip)
5. Cllr NT Mthiyane (ANC Whip)
6. Cllr SD Khubisa (EFF Whip)

2023/2024 FINANCIAL YEAR COUNCIL MEETINGS AND COUNCIL COMMITTEES

QUARTER 1: JULY - SEPTEMBER 2024

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL/RESHEDULED DATE OF MEETING
CORPORATE SERVICE	JULY	10H00	18.07.2023	18.07.2023
	AUGUST	13H00	16.08.2023	16.08.2023
	SEPTEMBER	13H00	19.09.2023	19.09.2023
COMMUNITY SERVICES	JULY	13H00	18.07.2023	18.07.2023
	AUGUST	10H00	16.08.2023	16.08.2023
	SEPTEMBER	10H00	20.09.2023	20.09.2023
TECHNICAL SERVICES	JULY	13H00	19.07.2023	19.07.2023
	AUGUST	13H00	15.08.2023	15.08.2023
	SEPTEMBER	10H00	19.09.2023	19.09.2023
PLANNING & ECONOMIC DEVELOPMENT	JULY	13H00	19.07.2023	25.07.2023
	AUGUST	10H00	15.08.2023	15.08.2023
	SEPTEMBER	13H00	200.9.2023	20.09.2023
FINANCIAL SERVICES	JULY	10H00	25.07.2023	25.07.2023
	AUGUST	10H00	22.08.2023	22.08.2023
	AUGUST	10H00	29.08.2023	29.08.2023
	SEPTEMBER	08H00	26.09.2023	26.09.2023
MPAC	AUGUST	13H00	22.08.2023	22.08.2023
AUDIT	AUGUST	10H00	21.08.2023	21.08.2023
	AUGUST	10H00	Special Meeting	25.08.2023
RULES	AUGUST	13H00	29.09.2023	29.09.2023
EXECUTIVE COMMITTEE	JULY	10H00	26.07.2023	26.07.2023
	AUGUST	09H00	23.08.2023	23.08.2023
	AUGUST	09H00	30.08.2023	30.08.2023
	SEPTEMBER	10H00	27.09.2023	26.09.2023
COUNCIL	JULY	14H00	26.07.2023	26.07.2023
	AUGUST	14H00	23.08.2023	23.08.2023
	AUGUST	14H00	30.08.2023	30.08.2023

QUARTER 2: OCTOBER - DECEMBER 2023

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL/RESHEDULED DATE OF MEETING
CORPORATE SERVICE	OCTOBER	10H00	18.10.2023	18.10.2023
	NOVEMBER	10H00	15.10.2023	15.10.2023
COMMUNITY SERVICES	OCTOBER	10H00	17.10.2023	17.10.2023
	NOVEMBER	10H00	15.11.2023	15.11.2023
TECHNICAL SERVICES	OCTOBER	13H00	18.10.2023	18.10.2023
	NOVEMBER	13H00	14.11.2023	14.11.2023
PLANNING & ECONOMIC DEVELOPMENT	OCTOBER	13H00	17.10.2023	17.10.2023
	NOVEMBER	10H00	14.11.2023	No quorum
FINANCIAL SERVICES	OCTOBER	10H00	24.10.2023	24.10.2023
	NOVEMBER	08H00	28.11.2023	28.11.2023
	DECEMBER	10H00	05.12.2023	05.12.2023
MPAC	NOVEMBER	13H00	21.11.2023	21.11.2023
	DECEMBER	10H00	13.12.2023	13.12.2023
RULES	NOVEMBER	10H00	21.11.2023	21.11.2023
EXECUTIVE COMMITTEE	OCTOBER	09H00	25.10.2023	25.10.2023
	NOVEMBER	09H00	29.11.2023	29.11.2023
	DECEMBER	08H00	06.12.2023	06.12.2023
COUNCIL	OCTOBER	14H00	25.10.2023	25.10.2023
	DECEMBER	10H00	06.12.2023	06.12.2023

Seedlings being given out at uMhlathuze IDP Roadshow

QUARTER 3: JANUARY - MARCH 2024

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL/RESHEDULED DATE OF MEETING
CORPORATE SERVICE	FEBRUARY	13H00	20.02.2024	20.02.2024
	MARCH	13H00	19.03.2024	19.03.2024
COMMUNITY SERVICES	FEBRUARY	13H00	21.02.2024	21.02.2024
	MARCH	10H00	19.03.2024	19.03.2024
TECHNICAL SERVICES	FEBRUARY	10H00	21.02.2024	21.02.2024
	MARCH	10H00	20.03.2024	20.03.2024
PLANNING & ECONOMIC DEVELOPMENT	FEBRUARY	10H00	20.02.2024	20.02.2024
	MARCH	13H00	20.03.2024	20.03.2024
FINANCIAL SERVICES	JANUARY	10H00	23.01.2024	23.01.2024
	JANUARY	10H00	30.01.2024	30.01.2024
	FEBRUARY	10H00	27.02.2024	27.02.2024
	MARCH	10H00	26.03.2024	26.03.2024
MPAC	JANUARY	13H00	23.01.2024	23.01.2024
	FEBRUARY	13H00	27.02.2024	27.02.2024
RULES	MARCH	13H00	26.03.2024	26.03.2024
EXECUTIVE COMMITTEE	JANUARY	09H00	24.01.2024	24.01.2024
	FEBRUARY	09H00	28.02.2024	28.02.2024
	MARCH	09H00	27.03.2024	27.03.2024
COUNCIL	JANUARY	14H00	24.01.2024	24.01.2024
	FEBRUARY	14H00	28.02.2024	28.02.2024
	MARCH	14H00	27.03.2024	27.03.2024

Seedlings being given out at uMhlathuze IDP Roadshow

QUARTER 4: APRIL – JUNE 2024

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL/RESHEDULED DATE OF MEETING
CORPORATE SERVICE	APRIL	10h00	17.04.2024	17.04.2024
	MAY	13h00	15.05.2024	21.05.2025
	JUNE	10h00	19.06.2024	No quorum
COMMUNITY SERVICES	APRIL	13h00	17.04.2024	17.04.2024
	MAY	10h00	15.05.2024	22.05.2024
	JUNE	12h00	18.06.2024	25.06.2024
TECHNICAL SERVICES	APRIL	13h00	16.04.2024	16.04.2024
	MAY	10h00	14.05.2024	14.05.2024
	JUNE	13h00	19.06.2024	No quorum
PLANNING & ECONOMIC DEVELOPMENT	APRIL	10h00	16.04.2024	16.04.2024
	MAY	13h00	14.05.2024	No quorum
	JUNE	10h00	18.06.2024	No quorum
	JUNE	08h00	25.06.2024	No quorum
FINANCIAL SERVICES	APRIL	10H00	23.04.2024	23.04.2024
	MAY	08H00	28.05.2024	15.05.2024
	JUNE	10H00	25.06.2024	25.06.2024
MPAC	MAY	10h00	21.05.2024	21.05.2024
RULES	MARCH	13H00	26.03.2024	26.03.2024
EXECUTIVE COMMITTEE	APRIL	09H00	24.04.2024	24.04.2024
	MAY	09H00	29.05.2024	15.05.2024
	JUNE	09H00	26.06.2024	26.06.2024
COUNCIL	APRIL	14H00	24.04.2024	24.04.2024
	MAY	12H00	29.05.2024	15.05.2024
	JUNE	14H00	26.06.2024	26.06.2024

AUDIT COMMITTEE MEETINGS 2023/2024	PERFORMANCE AUDIT COMMITTEE MEETINGS 2023/2024
21 August 2023	21 June 2023
25 August 2023	29 August 2023
27 August 2023	11 December 2023
11 October 2023	26 February 2024
27 November 2023	20 June 2024
19 December 2023	
06 May 2024	
10 June 2024	

Scenes from the Amakhosi IDP Roadshow at uMlalazi Municipality

REPRESENTATION OF TRADITIONAL LEADERSHIP IN COUNCIL

In terms of Section 81 of the Municipal Structures Act, Act 117 of 1988, the participation of traditional leaders in Municipal Councils has been implemented at King Cetshwayo District Council.

In April 2021 the MEC for KZN COGTA issued Circular SP2-04-2021, which lists the names of Traditional Leaders who must participate in King Cetshwayo District Municipality.

Municipalities were apprised through Circular SP1-04-2021 on the reforms concerning the participation of Traditional Leaders in municipal councils, emanating from the amendment by the substitution of Section 81 of the Municipal Structures Act, which came into operation on 1 April 2021.

The King Cetshwayo Local House of Traditional Leaders provided COGTA with the details of Traditional Leaders who must participate in the respective municipalities of the district.

The Traditional Leaders appointed for King Cetshwayo Municipal Council were as shown:

MUNICIPALITY	NAME OF ELECTED OF TRADITIONAL LEADER	TRADITIONAL AUTHORITY
KCDM	Inkosi HC Biyela (Passed away in October 2021)	Ndlangubo
KCDM	Inkosi TN Mzimela	Mzimela
KCDM	Inkosi LTZ Biyela	Yanguye

On 28 May 2021 Council (KCDMC: 2944/2021) resolved that “the details of Traditional Leaders who must participate in Municipal Councils in terms of Schedule 3 (7) of the Traditional and Khoi-San Leadership Act, 2019, be noted.”

2.5. ADMINISTRATIVE GOVERNANCE

TOP ADMINISTRATIVE STRUCTURE

TIER 1 Municipal Manager ....Mr PP Sibiya

TIER 2 Deputy Municipal Manager - Community Services: ....Mr B Masondo
Deputy Municipal Manager - Financial Services: ....Mrs MC Reddy
Deputy Municipal Manager - Corporate Services:.......................................Mr SBS Sibisi
Deputy Municipal Manager - Technical Services:..Mr ZP Ndlovu
Deputy Municipal Manager - Planning And Economic Development:...........Mr RM Mazibuko

2.6. COMPONENT B: INTERGOVERNMENTAL RELATIONS

REPORT ON THE DISTRICT DEVELOPMENT MODEL - 2023/2024

BACKGROUND: DDM OBJECTIVES

Since the adoption of the DDM in 2019, the following achievements were observed in KCDM by the Provincial Government:

- The DDM serves as an instrument for IGR in the District Municipality
- A growth in the Political and Administrative buy-in to the concept
- KCDM DMM Structure is rated among the best Districts in the Province as it meets regularly as per calendar of meetings.

KCDM has been commended for assigning dedicated Staff to the DDM functionality, including having the cooperation of all Local Municipalities within the District.

	DATE	CHAIRPERSON/S	DESCRIPTION
QUARTER ONE	15 August 2023	His Worship the Mayor: Cllr X.M Bhengu Convener: Mfolozi MM Mr L Jili Co-Convener: KCDM-DMM: Community Services Mrs T Mnguni	Social Cluster
	17 August 2023	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr NG Zulu Co-Conveners: KCDM-DMM Planning Ms R Mazibuko and DMM Technical Services: Mr N Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	18 August 2023	His Worship the Mayor: Cllr MN Biyela and His Worship the Mayor: Cllr MB Biyela Conveners: Mthonjaneni MM: Mr ZS Mthethwa and Nkandla MM: Ms NP Dlamini Co-Convener: KCDM - COO: Mr CK M'maretel	Justice, Crime Prevention and Security Cluster (JCPS)
	08 September 2023	Her Worship the Mayor: Cllr QT Xulu Convener: Mlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi and KCDM-CFO: Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	22 September 2023	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Dr S Shabalala	Technical Hub
	28 September 2023	His Worship the Mayor: Cllr AT Ntuli Co-Chairs: Hon. Minister Sihle Zikalala and Hon. MEC Bongiwe Sithole-Moloi	Political Hub
QUARTER TWO	02 November 2023	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr NG Zulu Co-Conveners: KCDM-DMM Planning Mr R Mazibuko and DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	03 November 2023	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi and KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	07 November 2023	His Worship the Mayor: Cllr X.M Bhengu Convener: Mfolozi MM Mr L Jili Co-Conveners: KCDM-Acting DMM: Community Services Mr B Masondo	Social Cluster
	01 & 07 November 2023	His Worship the Mayor: Cllr MN Biyela and His Worship the Mayor: Cllr MB Biyela Conveners: Mthonjaneni MM: Mr ZS Mthethwa and Nkandla MM: Ms NP Dlamini Co-Convener: KCDM COO: Mr CK M'maretel	Justice, Crime Prevention and Security Cluster (JCPS)
	09 November 2023	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Dr S Tshabalala	Technical Hub
	23 November 2023	His Worship the Mayor: Cllr AT Ntuli Co-Chairs: Hon. Minister Sihle Zikalala and Hon. MEC Bongiwe Sithole-Moloi	Political Hub

	DATE	CHAIRPERSON/S	DESCRIPTION
QUARTER THREE	13 February 2024	His Worship the Mayor: Cllr X.M Bhengu Convener: Mfolozi Acting MM Mr KE Gamede Co-Conveners: KCDM-Acting DMM: Community Services Mr B Masondo	Social Cluster
	15 February 2024	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr NG Zulu Co-Conveners: KCDM-DMM Planning Mr R Mazibuko and DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	15 February 2024	His Worship the Mayor: Cllr MN Biyela and His Worship the Mayor: Cllr MB Biyela Conveners: Mthonjaneni MM: Mr ZS Mthethwa and Nkandla MM: Ms NP Dlamini Co-Convener: KCDM Acting COO: Mr SB Ntuli	Justice, Crime Prevention and Security Cluster (JCPS)
	01 March 2024	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi and KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	07 March 2024	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Dr S Tshabalala	Technical Hub
	28 March 2024	His Worship the Mayor: Cllr AT Ntuli Co-Chairs: Hon. Minister Sihle Zikalala and Hon. MEC Bongiwe Sithole-Moloi	Political Hub
QUARTER FOUR	02 May 2024	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr NG Zulu Co-Conveners: KCDM-DMM Planning Mr R Mazibuko and DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	07 May 2024	His Worship the Mayor: Cllr X.M Bhengu Convener: Mfolozi MM Mr KE Gamede Co-Conveners: KCDM-DMM: Community Services Mr B Masondo	Social Cluster
	14 May 2024	His Worship the Mayor: Cllr MN Biyela and His Worship the Mayor: Cllr MB Biyela Conveners: Mthonjaneni MM: Mr ZS Mthethwa and Nkandla MM: Ms NP Dlamini Co-Convener: KCDM Acting COO: Mr SB Ntuli	Justice, Crime Prevention and Security Cluster (JCPS)
	04 June 2024	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi and KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	06 June 2024	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Dr S Tshabalala	Technical Hub
	27 June 2024 - Postponed to 18 July 2024 due to a change in Political Leadership – Vacancy in the Office of the Mayor	His Worship the Acting Mayor: Cllr SZ Dlamini Co-Chairs: Hon. S Zikalala Minister Champion and Hon. B Sithole-Moloi MEC Champion	Political Hub

2.7. COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

PUBLIC PARTICIPATION

The District Speaker is responsible for public participation, whereby the Council works to empower local communities to have control over their own lives and livelihoods. Public participation is designed to promote the values of good governance and human rights. Public participation acknowledges a fundamental right of all people to participate in the governance system.

The Municipal Systems Act 2000 defines "the legal nature of a municipality as including the local community within the municipal area, working in partnerships with the municipality's political and administrative structures to provide for community participation".

Section 16(1) requires the municipality to develop 'a culture of municipal governance that complements formal representative government with a system of participatory governance'.

According to the Systems Act: Section 4 (c) (e), the council has the duty to:
(c) encourage the involvement of the local community
(e) consult the community about the level of quality, range and impact of municipal services provided by the municipality, either directly or through another service provider
5 (a) Members of the community have the right:
(b) to contribute to the decision-making processes of the municipality and submit written or oral recommendations, representations and complaints to the municipal council
(c) To be informed of decisions of the municipal council.
(d) To regular disclosure of the affairs of the municipality, including its finances

Water tankers donated by DBSA

Mthonjaneni Roadshow and LED Handover

Section16 (1):
(a) Encourage and create conditions for the community to participate in the affairs of the municipality, including in the IDP, performance management system, monitoring and review of performance, preparation of the budget, strategic decisions re: municipal services
(b) Contribute to building the capacity of the local community to participate in the affairs of the municipality and councillors and staff to foster community participation.

Section 42:
A municipality, through appropriate mechanisms, processes and procedures must involve the local community in the development, implementation and review of the municipality's performance management system, and in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets of the municipality.

Among the functions that the district fulfils are:
- District-wide integrated development planning;
- Infrastructural development and bulk service delivery;
- Capacity-building of local municipalities;
- Administrative assistance to local municipalities, where capacity is not yet established.

2.8. STAKEHOLDER RELATIONS AND COMMUNICATIONS

The Stakeholder Relations Section is responsible for the following:

- To promote community participation in local government;
- To promote synergies with the private and public sector to market the district;
- To improve the municipality's public image by communicating in a transparent, effective and proactive manner;
- Implementation of Batho Pele
- Public Relations
- Communications
- Intergovernmental Relations

The section is broadly responsible for the facilitation of public events and community events for the municipality, as well as maintaining open communication with both internal and external stakeholders. The Section also facilitated the hosting of various events to commemorate landmark projects.

PUBLIC INFORMATION PROGRAMMES

A number of different communication tools were used to promote the King Cetshwayo District Municipality in the public arena as part of the communications strategy. These include the municipal website and the following social media pages: Facebook, Twitter, Tiktok, YouTube and Instagram.

A wide range of advertising tools are used, including television, radio and print media. The municipality made regular use of the local and national radio stations to communicate key messages, which targeted our rural, isiZulu-speaking audiences who make up the majority of our clients.

The unit also facilitated the hosting of public meetings whereby His Worship the Mayor was able to communicate service delivery matters to the media, the community and councillors. These included sod turnings and project handovers at the start and completion of service delivery projects.

ROADSHOWS

Six (6) IDP/Budget roadshows were held between October to November 2023, and a further six (6) in April and May 2024, involving a multi-functional team of our political leadership and officials from the various departments dealing with service delivery.

The target audiences included specific wards within the five local municipalities, the District House of Traditional Leaders, the corporate and business sector, and the various district branches of the provincial government. The purpose of the roadshows was to communicate King Cetshwayo's multi-year budget and Integrated Development Plan to the communities it serves, with the objective of achieving community participation in the budget and IDP. The roadshows also served to create an awareness of the functions and powers of the district municipality and helped engender a culture of payment for services. A cross-section of role-players, including ward committee members, councillors, community liaison officers and municipal officials attended each roadshow, with pre-publicity being done by means of broadcast messages via radio adverts, social media, newspaper adverts and mobilisation by the district's Public Participation staff and ward Councillors.

The roadshows received a tremendously positive response from communities throughout the district.

The first round of roadshows took place as follows:

DATE	VENUE	VENUE
07/11/2023	uMfolozi Local Municipality	Ward 17, Ntuzuma Hall
09/11/2023	uMhlathuze Local Municipality	Ward 07, Mzuvukile Sportsfield, Nseleni
10/11/2023	Nkandla Local Municipality	Ward 07, Esibhudeni Hall
14/11/2023	UMlalazi Local Municipality	Ward 18, Gingindlovu Hall
15/11/2023	Mthonjaneni Local Municipality	Ward 01, KwaSanguye Traditional Court
16/11/2023	Ondabezitha, Amakhosi Asendlunkulu, and Corporate & Government Sector	Ward 28, Eshowe Town Hall

The second round of the Draft Budget/ IDP roadshows were held as follows:

DATE	VENUE	VENUE
16/04/2024	uMfolozi Local Municipality	Sokhulu Sportsfield, Ward 1
23/04/2024	uMhlathuze Local Municipality	Esikhaleni TVET College Sportsfield
30/04/2024	Mthonjaneni Local Municipality	Melmoth Rugby Sportsfield
08/05/2024	UMlalazi Local Municipality	Eshowe Rugby Sportsfield
07/05/2024	Nkandla Local Municipality	Nkandla Municipal Sportsfield
08/05/2024	Ondabezitha, Amakhosi Asendlunkulu, and Corporate & Govt Sector	Aloe Lifestyle Hotel, Eshowe

BATHO PELE

The district conforms to the principles of Batho Pele and the Public Relations Officer serves as the Batho Pele Coordinator for the District, attending the quarterly meetings of the Provincial Batho Pele Forum.

POLICIES AND STRATEGIES

The following policies and strategies have been approved by Council in support of the functions and responsibilities of the section:
- Batho Pele & Complaints Management Policy
- Stakeholder Management Policy and Strategy

RAPID RESPONSE

On the 27 May 2022 the King Cetshwayo District Council approved the resolution establishing the KCDM Municipal Rapid Response Team. The Department of Cooperative Governance and Traditional Affairs (COGTA) requires that Rapid Response Teams be established in all municipalities.

With the new term of Council, it was necessary that the District establish a new Rapid Response Team (RRT). The District Speaker is responsible for convening the Rapid Response Teams.

The King Cetshwayo District Municipality Rapid Response Team meets quarterly to monitor the efficiency and effectiveness of its response to public protests, as well as engage on reports of protests that took place within the municipal boundaries.

A Standard Operating Procedure (SOP) was adopted for the MRRT to function effectively and efficiently. The SOP is based on the following Pillars:
- A community which is well informed of government planning in respect of basic services will be less inclined to stage protests.
- Communities should be fully briefed on time-lines to the provision of the required basic services.
- Early alert systems aimed at detecting community discontent and responding prior to the escalation of such discontent to actual protest.
- Pre-emptive measures to alleviate the need for protest by communities.
- Early alert systems will also enable a swift and responsive government approach should a service delivery protest occur.
- An immediate responsive approach where the district responds to service delivery protests and facilitates solutions to the demands and challenges raised by protesting communities through Municipal Rapid Response teams.

The District Municipal Rapid Response Team is comprised of:
- District Speaker as convener;
- His Worship the District Mayor
- Councillors appointed to serve in the team, eg.:
  - Chairperson of Community Services Portfolio Committee,
  - Chairperson of Technical Services Portfolio Committee;
- Municipal Manager;
- Chief Operations Officer
- All Deputy Municipal Managers;
- Manager in the Office of the Speaker;
- Manager in the Office of the Mayor
- Senior Manager: Stakeholder Relations
- Senior Manager: Governance and Executive Support
- Manager Communications

The District Municipal Rapid Response Team will fulfil the following functions:
- Support MRRT in responding to community concerns and protests.
- Ensure rapid response to areas that are pressure points and threatened by service delivery protests.
- The Rapid Response Team should put processes in place to address concerns raised by communities to proactively avert service delivery protests.
- Put in place early warning systems that inter alia, gather intelligence information on service delivery protests and preempt them.
- Facilitate local engagement prior and after the service delivery protests.
- When a service delivery protest has taken place, the Rapid Response Team has the responsibility to inform Council, EXCO and the provincial rapid response unit.
- The Rapid Response team must maintain records and monitor progress on interventions.

A community member asks questions during the public participation process for the IDP

Public participation programme to community regarding municipal IDP

2.9. COMPONENT D: CORPORATE GOVERNANCE

RISK MANAGEMENT

The Municipality has a Risk Management Policy as approved by Council on 28 February 2024. The Risk Management Implementation Plan is reviewed annually by the Risk Management Committee and submitted to the Municipal Manager for approval. The risk management function is facilitated internally to ensure the following functions are performed:

- Assisting management to develop the Risk Management Policy, Strategy and Implementation Plan
- Coordinating risk management activities
- Facilitating the identification and assessment of risks
- Recommendation of risk responses to management
- Developing and disseminating risk reports

RISK ASSESSMENT PROCESS

Risk assessments are performed regularly where risks are reviewed, identified and categorized into the following groups:

- Strategic risks
- Fraud risks

Risk ratings identified are classified into high, medium and low.

The risk ratings are determined by a risk matrix scale. The following tables illustrate the municipality's appetite for risk through the determination of their impact and likelihood.

RATING	PROBABILITY	OCCURRENCE
5	Almost certain	The risk is already occurring, or is likely to occur more than once within the next 12 months
4	Likely	The risk could easily occur, and is likely to occur at least once within the next 12 months
3	Possible	There is an above average chance that the risk will occur at least once in the next three years
2	Unlikely	The risk occurs infrequently and is unlikely to occur within the next three years
1	Remote	The risk is conceivable but is only likely to occur in extreme circumstances

Table XX: Risk Likelihood

TOP STRATEGIC RISKS OF THE MUNICIPALITY

As part of the risk assessment, management identified current controls which mitigate the inherent risks identified. After considering controls, the identified risks will receive a residual risk. After the residual risks have been determined it will be categorized again according to high, medium and low risks. Management determines which of the residual risks require further actions to mitigate the risks identified.

The following were identified as Top Strategic Risks that may impede the municipality's ability to achieve its objectives and programme goals. They are in no particular order:

No	RISK DESCRIPTION
1	Insufficient funding
2	Weakness in attracting and retaining human capital
3	Poor maintenance
4	Loadshedding
5	Climate change
6	Water resources
7	Inability to impose cost effective tariffs
8	Theft, vandalism and sabotage
9	Poor planning
10	Financial sustainability
11	Poor loyalty to organisation
12	Poor project management
13	High unemployment
14	Project not completed on budget or time

RISK MANAGEMENT COMMITTEE

The Risk Management Committee is guided by a charter which is in compliance with the Local Government: MFMA, 2003 (Act No. 56 of 2003) and has the following duties:

- Identification and assessment of departmental risks
- Receive feedback on progress with the risk registers at a strategic and operational level
- Provide feedback on establishing a common understanding of risk management
- Monitor progress with the updating of risk registers
- Review and monitor enterprise risk management processes and outputs regularly
- Review the Risk Management Policy, strategy and implementation plan
- Guide the development and implementation of enterprise risk management
- Bring critical risks to the attention of all who contribute to more informed decision-making

Our Risk Management Committee consists of the following members:

COMMITTEE MEMBERS	CAPACITY OF MEMBERS
Mr K Harvey - Independent	Chairperson
Municipal Manager	Co-chairperson
All Deputy Municipal Managers	Members
Chief Operating Officer	Member
All Senior Managers	Member
All Operational Managers	Co-opted

Table XX: Risk Management Committee

The committee meets quarterly as per its approved charter and its reports are tabled in the quarterly audit committee meetings.

ANTI-CORRUPTION AND FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, Section 112(1) (m) (i), to identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

a) Updated Policies

The table below indicates the Policies updated to ensure that good governance and compliance is adhered to within the Municipality:

NAME OF POLICY	DEVELOPED Y/N	DATE ADOPTED
Anti-Fraud and Corruption Policy And Response Plan	Yes	28 February 2024
Enterprise Risk Management Framework	Yes	28 February 2024
Enterprise Risk Management Policy And Strategy	Yes	28 February 2024
Business Continuity Management Policy	Yes	28 February 2024
Loss Control Policy	Yes	28 February 2024
Whistle Blowing Policy	Yes	28 February 2024
Risk Management Annual Implementation Plan	Yes	28 February 2024
Risk Management Charter	Yes	28 February 2024

INTERNAL AUDITING, AUDIT AND PERFORMANCE AUDIT COMMITTEES

INTERNAL AUDITING

According to Section 165 (1) of the Municipal Finance Management Act (MFMA), Every Municipality must establish an Internal Audit Unit. This unit must:

a) prepare a risk-based audit plan and an internal audit programme for each

b) advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to;
   - I. Internal Audit;
   - II. Internal controls;
   - III. Accounting procedures and practices;
   - IV. Risk and risk management;
   - V. Performance management;
   - VI. Loss control; and
   - VII. Compliance with MFMA, DORA and any other legislation.

Section 45 (a) of the Municipal Systems Act requires that performance measurements in terms of section 41 (1) (c) of the MSA be audited as part of the municipality's internal audit processes.

King Cetshwayo District Municipality has established an Internal Audit Unit as per the requirements of MFMA s165(1). This unit developed a three year rolling plan that was approved by the Audit Committee of KCDM. The three year rolling plan was risk based and also included the mandatory areas as guided by MFMA s165 (2) as well as MSA s45(a).

The plan in relation to the 2023/24 financial year was carried out in compliance with the internal auditing standards as directed by the institute of internal audit. The KCDM IA unit reported progress against the approved IA plan for 2023/24 quarterly to the Audit and Performance Audit Committees as per the approved Internal Audit Charter.

AUDIT COMMITTEE

Functions of the Audit Committee (AC)

The AC have the following main functions as prescribed in section 166(2) of the MFMA, and the Local Government Municipal and Performance Management Regulation:

- To advise Council on all matters related to compliance and effective governance
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, Division of Revenue Act (DoRA) and other applicable legislation
- Respond to Council on any issues raised by the Auditor-General in the audit report
- Carry out investigations into the financial affairs of the municipality as Council may request
- Review the quarterly reports submitted by internal audit
- Evaluate audit reports pertaining to financial, administrative and technical systems
- Evaluate the compliance to existing policies and relevant legislation
- To review the annual report of the municipality
- Review audit results and action plans implemented by management
- Provide support to internal audit
- Ensure that no restrictions or limitations are placed on internal audit

Members of the Audit Committee

NAME	POSITION	PERIOD
Mr D Naicker	Chairperson	July 2022 to June 2025; Chair appointed January 2023
Mr HGS Mpungose	Member	
Ms CN Mhlongo	Member	
MR A Gonzalves	Member	
Dr MJ Ndlovu	Member	

PERFORMANCE AUDIT COMMITTEE

Functions of the Performance Audit Committee (PAC)

The Performance Audit Committee has the following functions as sets out in the Performance Management Regulation:

- Review the performance management system and make recommendations in this regard to Council
- Assess whether the performance indicators are sufficient
- Determine possible reasons for discrepancies between performance and targets
- Identify major risks to which Council is exposed and determine the extent to which risks have been minimized
- To review the annual report of the municipality
- Investigating cases of fraud, misbehaviour and conflict of interest involving employees
- Review the plans of internal audit and, in doing so, ensure that the plan addresses the high-risk areas and ensure that adequate resources are available
- Review audit results and action plans implemented by management
- Provide support to internal audit
- Ensure that no restrictions or limitations are placed on internal audit

Members of the Audit Committee

NAME	POSITION	PERIOD
Mr A Gonzalves	Chairperson	July 2022 to June 2025
Dr MJ Ndlovu	Member	
Ms S Khanyile	Member	
Cllr M Mtshali	Member	

2.10. SUPPLY CHAIN MANAGEMENT: 2023/2024

INTRODUCTION

The Supply Chain Management Section is divided into two main subsections that is: Compliance, Policy & Tenders and Logistics, Acquisition & Demand management. The section comprises of 19 permanent employees and 3 rotating interns, which are students from tertiary institutes with an aim of training them in the practical application of municipal finances and processing of payments.

The procurement in the municipality is according to the Supply Chain Management Policy and Supply Chain Management Regulations which are informed by the Municipal Finance Management Act 56 of 2003. The municipal procurement is carried out in terms of section 217 of the Constitution, which is fair, transparent, cost effective, competitive, equitable and considers the organization's financial and social responsibilities. The journey to achieving the goals of National Treasury and compliance with National and Provincial Government legislation could be considered to be highly regulated, however we have been successful in the formation of a supply chain management policy and the implementation thereof.

Key Performance Areas of the section include:

- Compliance with legislation
- Management of risk
- Inventory Management
- Develop and implement sound internal controls
- Review, amend and implement the District's Supply Chain Management policy
- Annually review and effect changes if applicable to the SCM Policy.
- Prepare and submit monthly report on Supply Chain Management

The tables below depicts the volume of supply chain management transactions processed during the financial year. The graphs show the trends during the Financial Year.

PROCUREMENT

Analysis of Quantity of orders

Figure 1 - Trend in quantity of Total orders and commitments

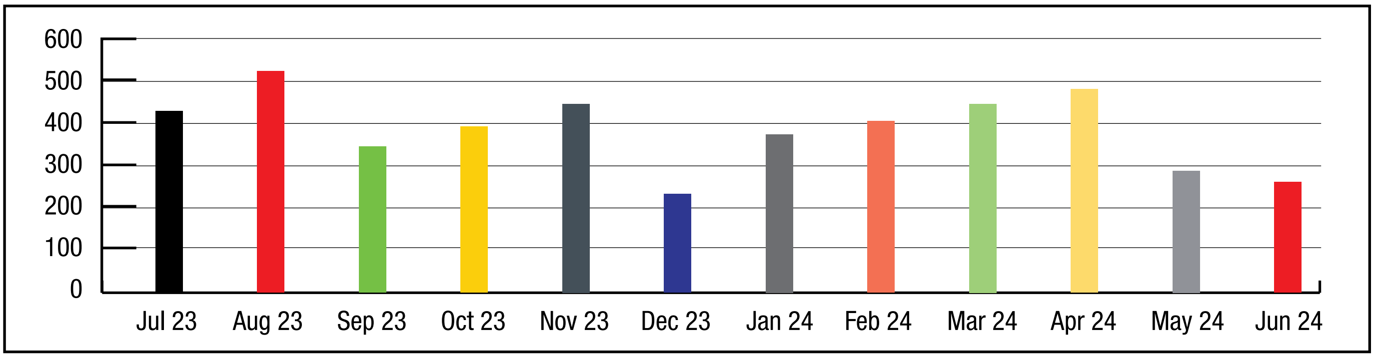


Table 1 illustrates the Quantity of Orders for a period ending June 2024.

The SCM unit processed 4794 orders in the financial year 2023/2024.

Table 2 - Overview Of Value Of Orders Processed

DATE	VALUE OR ORDERS
TOTAL	223 591 864

Table 2 illustrates the Value of Orders for the period ending June 2024.

ANALYSIS OF DEVIATIONS

Table 3 - Number And Value Of Deviations

	CURRENT FINANCIAL YEAR 2023/24	
	NUMBER OF DEVIATIONS	VALUE OF DEVIATIONS
TOTAL	884	R143 711 587

Figure 3 illustrates the Value of Deviations

The Deviations of the Municipality emanated from one or more of the reasons below: (Paragraph 33 of the King Cetshwayo SCM Policy):

(i) in an emergency;

(ii) if such goods or services are produced or available from a single provider only;

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

ACCREDITED LIST OF SUPPLIERS (DATABASE)

In compliance with Section 14 of the SCM Policy, an accredited list of Service Providers was developed and enhanced to a stage where the selection of service providers to request quotes from is done through the DIMS system. This is with the exception where service providers from the local municipal areas are requested to quote in addition to the DIMS selection, to promote local economic development and to encourage them to register on the database. The municipality had 4827 active service providers in the database at the start of the financial year on 1 July 2023 and 307 new service providers joined the database, totalling 5134 active service providers as at 30 June 2024.

Table 5 below depicts the number of Tenders awarded (rates based and value tenders):

Table 5 - Number and value of Tender Awards

PERIOD	NO. OF RATES BASED TENDER AWARDS	NO. OF RAND VALUE TENDER AWARDS	TOTAL NO. OF TENDER AWARDS	VALUE OF TOTAL TENDER AWARDS
TOTAL	6	6	12	R215 832 914,97

A total of 12 tenders were awarded in 2023/2024 financial year.

2.11. BY-LAWS & POLICIES

The municipal ByLaws and Policies are available on the municipal website: www.kingcetshwayo.gov.za on the Home Page.

Key Performance Areas of the section include:

- **BYLAWS**
  - King Cetshwayo District Cemetery & Crematoria Bylaws
  - Air Quality (AQM) Bylaws
  - Fire and Rescue Services Bylaws
  - Integrated Waste Management Plan
  - Water Supply Bylaws
  - Bylaws relating to Childcare Services
  - Environmental Health Services Bylaws
  - Credit Control Bylaws

- **POLICIES**
  - Protection of Personal Information Policy
  - Anti-fraud & Corruption Policy (Incl Response Plan)
  - Business Continuity Management Policy
  - Enterprise Risk Management Policy
  - Loss Control Policy
  - Whistleblowing Policy
  - Virement Policy
  - Long Term Financial Policy
  - Budget Policy
  - Funding & Reserves Policy
  - Cost Containment Policy
  - Incentive Policy
  - Tariff Policy
  - Credit Control Policy
  - Indigent Policy
  - Retention Policy
  - Creditors Councillors Staff Payments Policy
  - Borrowing Policy
  - Cash Banking and Investment Policy
  - PPE Policy
  - Stakeholder Relations Policy
  - Batho Pele and Complaints Management Policy

WEBSITE

The King Cetshwayo website kingcetshwayo.gov.za is updated regularly in line with Section 75 of the MFMA (2003) which requires financial and performance reporting information to be available to the public. Tender and quotation advertisements and awards and vacancies are also published on the website. In addition to this, the activities of Council are publicised in terms of the district's communication strategy.

Cultural celebration with Sivananda World Peace Foundation

Matric Excellence Awards 2024

ITY

COMPONENT A: WATER AND SANITATION PROJECTS

The implementation of infrastructure projects falls within the Municipal Infrastructure Implementation (MII) Section. MII Section is under the Programme Management Division in the Technical Services Department.

On completion of the planning and procurement stage, Water Services Authority (WSA) Section hands over the projects to MII Section for the implementation, monitoring and commissioning. MII Section thereafter hands over the completed and signed-off projects to Municipal Infrastructure Operations and Maintenance (MIOM) Section for operations and maintenance.

3.1. WATER SERVICES CAPITAL EXPENDITURE (CAPEX)

For the previous financial year 2022/2023 capital projects were funded from the government subsidy grants, as tabled below:

Table No.1: Grants allocation prior year

GRANT	ALLOCATIONS FOR 2022/23
Municipal Infrastructure Grant (MIG)	R 196 344 000
Water Services Infrastructure Grant (WSIG)	R 70 000 000
Regional Infrastructure Grant (RBIG)	R 213 563 000
TOTAL	**R 474 907 000**

The grant-funded projects in the form of MIG are reported to the Department of Co-operative Governance and Traditional Affairs (COGTA), while RBIG and WSIG are reported to the Department of Water and Sanitation and performance is measured against the approved implementation plan.

3.1.1 WATER AND SANITATION PROJECTS

Table 2: Grants Expenditure for the 2023/2024 financial year as at 30 June 2024

SOURCE OF FUNDING	ALLOCATION	EXPENDITURE	% SPENT	BALANCE
MIG	R 191 737 000	R 191 737 000	100%	R 0.00
WSIG	R 60 000 000	R 60 000 000	100%	R 0.00
RBIG	R 222 547 000	R 222 547 000	100%	R 0.00
TOTALS	**R 474 284 000**	**R 474 284 000**	**100%**	**R 0.00**

Sod Turning for Khenana Water Scheme Network Extension

Handover of seedings at uMfolozi Roadshow

Table 3: Individual Projects implemented per Funder

No	LM	Ward No.	Project Name	FY2023/2024 Allocation	Funder
1	Mfolozi	3 & partial 4	Mbonambi CWSS Phase 2	R 1 606 425.00	MIG
2	Mfolozi	8	Mhlana Somopho 3C (Upper Nseleni Bulk and Reticulation) Portion 3A-1	R 1 168 610.00	MIG
3	uMhlathuze	9	KCDM Construction of Cell 3 at Empan-geni Regional Solid Waste	R 19 431 929.00	MIG
4	Mthonjaneni	2	Melmoth Sewer Upgrage	R 2 325 775.00	MIG
5	Mthonjaneni	12 & 13	Greater Mthonjaneni SSA 4	R 6 962 767.00	MIG
6	Nkandla	12	Nkandla (KZ286) VIP Sanitation	R 5 610 000 .00	MIG
7	Nkandla	13	Nkandla Vutshini Regional Water Supply (SSA5)	R 27 413 704.00	MIG
8	Nkandla & uMlalazi	Nkandla - 7 & 14 uMlalazi - 1 & 2	Middle drift bulk water supply ph. 2	R 518 296.00	MIG
9	Umlalazi	2, 3, 4	Middle drift SSA5 Bulk Water and Reticulation	R 27 393 823.00	MIG
10	Umlalazi	22, 23	Umlalazi Rural Sanitation	R 11 397 726.00	MIG
11	Umlalazi	27	Mpungose 1D Water Supply	R 0.00	MIG
12	Umlalazi	11 & 12	Upgrading of Sewage Infrastructure for Eshowe (Upgrade of Water Service of Eshowe)	R 10 427 743.00	MIG
13	Umlalazi	27	Eshowe SSA 1: Bulk Water Supply	R 22 685 563.00	MIG
14	Umlalazi	23	KwaHlokohloko SSA 5 Bulk Water Supply Plant Upgrade	R 6 785 244.00	MIG
15	N/A	N/A	PMU Management Support	R 10 082 203.00	MIG
16	uMlalazi LM & Mthonjaneni LM	Mthonjaneni: Ward 3,5,6,7,8,9,10	KwaHlokohloko SSA 1 Water	R 17 466 649.00	MIG
17	uMlalazi LM	Ward 23	Goedetrouw Regional Water Scheme - Kwahlokohloko SSA5 (Reticulation)	R 808 394.00	MIG
18	Mthonjaneni LM		Melmoth Sewer Upgrade	R 2 325 775.00	MIG
19	uMlalazi LM	Ward 12	Eshowe Sewer Upgrade	R 10 427 742.00	MIG
20	uMlalazi LM	Ward 23	Kwahlokohloko S/A Ssa5 - Plant Upgrade	R 6 785 244.00	MIG
21	uMlalazi LM	Ward 23	Nkandla Vitshini S/A SSA5 - Plant Upgrade	R 27 377 992.93	MIG
TOTAL				**R 191 737 000**	

No	LM	Ward No.	Project Name	FY2023/2024 Allocation	Funder
1	uMfolozi	18	Construction of Dengeni Water Scheme Extension	R 722 699.24	WSIG
2	uMfolozi	9	Construction of Dondotha Water Scheme	R 2 489 437.51	WSIG
3	uMfolozi	7	Construction of Khenana Water Scheme Network Extension	R 2 939 487.00	WSIG
4	uMfolozi	11	Construction of Mdungandlovu Water Scheme Extension	R 1 690 251.26	WSIG
5	Mthonjaneni	4	Construction of Khathazo Water Scheme including 6 Standpipes and 10 kl Water Storage Tank.	R 1 897 776.24	WSIG
6	Mthonjaneni	13	Construction of oDebe Water Scheme including 100kl Water Storage Tank.	R 4 993 925.00	WSIG
7	Mthonjaneni	10	Construction of Qomintaba Water Scheme Extension including 9 Standpipes.	R 3 108 298.76	WSIG
8	uMlalazi	10	Construction of Mtilombo Water Scheme (Civil Works)	R 2 327 732.02	WSIG
9	uMlalazi	10	Construction of Mtilombo Water Scheme: Installation of Submersible Pump, Generator and Package Plant (Elec-tro-Mech.)	R 4 827 240.00	WSIG
10	Nkandla	2	Construction of Bhacane Water Scheme with Water Storage Tanks (Civil Works)	R 3 394 126.37	WSIG
11	Nkandla	2	Equiping of Bhacane Borehole and Supply, Delivery and Installation of 100kl package Plant (Eletro-Mechanical)	R 4 516 050.00	WSIG
12	Nkandla	6	Construction of Matholampunga Water Scheme including 15 Stand Pipes, 100kl Water Storage Tank and Fencing (Civil Works)	R 2 676 092.31	WSIG
13	Nkandla	6	Construction of Matholampunga Water Scheme: Equiping of Borehole with Associated Connections (Electro-mechanical)	R 1 827 553.79	WSIG
14	uMfolozi	various	(Revenue Enhancement) WC/WDM Strategy Implementation: Phase 4	R 4 275 154.00	WSIG
15	Nkandla	5	Refurbishment of Nkandla Weir	R17 942 424.00	WSIG
			TOTAL	**R60 000 000.00**	

No	LM	Ward No.	Project Name	FY2023/2024 ALLOCATION	Funder
1	Nkandla & uMlalazi	Nkandla - 14 uMlalazi - 2	Augmentation of Middle drift Bulk Water Supply (SSA2) - Planning for raw water and plant	R 21 059 523.00	DWS - RBIG
2	Nkandla	Partial 13 & 14	Bulk pipeline and reservoir at Middle drift SSA3: Phase 1a & 1b		
3	uMlalazi	28 (other 9, 10, 11, 12, 13, 14, 20, 21, 22, 27)	Upgrading of Kwahlokohloko SSA1 Bulk Water Supply: Mechanical and Electrical	R 147 396 476.00	DWS - RBIG
4	Mthonjaneni	3, 6, 7, 8, 9, 10, 11, 12 and 13	Greater Mthonjaneni SSA2	R 27 810 026.00	DWS - RBIG
			TOTAL	**R 27 810 026.00**	

3.1.2 NEW WATER CONNECTIONS PROVIDED

As a Water Services Authority (WSA), King Cetshwayo District Municipality (KCDM) is responsible for providing access to basic water and sanitation within its area of supply, i.e. uMfolozi, uMlalazi, Mthonjaneni and Nkandla Local Municipalities; except within the City of uMhlathuze. The City of uMhlathuze has a WSA status and is thus responsible for the provision of water and sanitation within its area of jurisdiction.

The annual target for the installation of new water connections was 587 units for the 2023/24 financial year. The annual target was set to be achieved at the end of the fourth quarter.

New water reticulation projects with yard connections were under construction within the reporting period at Nkandla Local Municipality and uMlalazi Local Municipality. The projects were the Middledrift SSA2 Rising Main and Middledrift SSA5 Phase 3.

The above-mentioned water reticulation projects cover the following wards:

a) Middledrift SSA 2 Rising Main - Ward 1 & 2 of uMlalazi and Ward 7 & 14 of Nkandla Local Municipalities
b) Mbonambi Water Phase 2 - Ward 3 of uMfolozi Local Municipality
c) Middledrift SSA 5: Phase 3 - Ward 2, 3 & 4 of uMlalazi Local Municipality
d) KwaHlokohloko SSA5 Reticulation- uMlalazi Local Municipality

Table 4: Number of New water connections completed in 2023/2024 FY

New Project	Project Name	Q1	Q2	Q3	Q4	Expected Connection	Name of Service Provider	Comments
New	Middledrift SSA5 Phase 3	0	0	0	0	0	GWSB Contractors	There were 778 connections planned for Financial Year 2023/24. However, the scarcity of bulk water supply in the area has led to reviewing these connections to be achieved in FY 2024/25.
New	Middledrift SSA 2 Rising	0	0	0	0	587	Leomat Construction	Pumps commissioning in progress and beneficiaries in Area 3 and 4 are already receiving water. The Contractor has completed works in Ewangu area and achieved the practical completion. 587 new water connections achieved and verified by Engineer.
New	Mbonambi Water Reticulation	0	0	0	0	0	N/A	Project in planning and design stage. However, the implementation of 321 yard connections was delayed due to insufficient bulk water supply in the area.
New	KwaHlokohloko SSA5 Reticulation	0	0	0	0	0	N/A	Project in planning and design stage. However, the implementation was delayed due to insufficient bulk water supply in the area. 230 house connections will be realized in 2024/25FY.
	TOTAL	0	0	0	0	587		

3.1.3 NEW SANITATION UNITS PROVIDED

In rural areas, KCDM provides the double pit Ventilated Improved Pit (VIP) sanitation system through the Municipal Infrastructure Grant (MIG) and Water Services Infrastructural Grant (WSIG).

For the sustainability of these projects, movable precast top structures are being used to enable the household to move the unit to another position once the pit is full.

The targets for the 2023/2024 financial year were 994 VIP units and have been allocated per Local Municipality as below:

Table 5: Number of New Ventilated Improved Pit (VIP) units completed in 2023/2024 FY

Project Name	Q1	Q2	Q3	Q4	Total	Name of Contractor	Progress
uMlalazi LM (Ward 25 & 27)	0	526	0	0	526	GWSB Contractors	Project completed
Nkandla LM (Ward 8 & 13)	0	157	0	0	157	Somhlaba Holdings	Project completed
uMlalazi LM - Phase 1 (Ward 23 & 25)	155	0	0	0	155	GWSB Contractors	Project completed
Nkandla LM (Wards 8 & 13)	156	0	0	0	156	Manong Construction & Projects	Project completed
Total Units	**311**	**683**	**0**	**0**	**994**		

Response to water cuts in Eshowe following dam sabotage

3.2. PROJECTS PICTORIAL REPORT

3.2.1 Middledrift SSA 2: Rising Main

Photo 1: House connection

Photo 2: Air valve ring manhole

Photo 3: Steel reservoir

Photo 4: Pipe markers and Chambers

3.2.2 Middledrift Phase 2 Rising Main

Photo 2: Air valve ring manhole

Photo 3: Steel reservoir

3.2.3 Sanitation Projects

Photo 1: Completed VIP Toilet

Photo 2: Completed VIP Toilet

World AIDS Day Commemoration at Nkandla LM

COMPONENT B: WATER USE EFFICIENCY

Water Use Efficiency

The Water Use Efficiency Unit is responsible for the Water Conversation and Water Demand Management (WC/WDM). King Cetshwayo District Municipality is a water scarce region and therefore Water Conservation and Water Demand Management (WC/WDM) is necessary to avert any further water crisis. WUE is reviewing and implementing a five (5) year Non Revenue Water Reduction Strategy which was approved by Council in February 2022. The review will indicate all the work packages and activities that have been completed to date. The outstanding Scope will be completed in the 2024/25 Financial Year.

Key Performance Indicators

Non-Revenue Water (NRW) Determination

The past three years' performance on non-revenue water reduction is tabled here below on Table No.1. It should be noted that there has been some improvement in terms of water losses from the two previous Financial Years. This can be attributed to the interventions carried out over the years as well as gathering accurate information. The comparison and improvement for each KPI is shown below.

Key Performance Indicator	FY 2021/2022	FY 2022/2023	FY 2023/2024
Revenue Water [%]	50.4	48.4	50.4
Non-revenue water [%]	49.6	51.6	50.4
Water Losses [%]	36.5	35.3	28.3

The water losses and high non-revenue water figures are due to the following:

a) Certain systems/schemes have a low percentage of registered consumer meters and some have no registered consumers at all. The overall percentage of registered and read meters to a number of connections is extremely low.
b) Standpipes Metering: Volumes going through free standpipes must be accurately established. Ideally, every standpipe must have an individual meter but if this is not a viable option, a bulk meter should be installed on the distribution main feeding those standpipes. This will however be time extensive as the district is vast and relatively rural.
c) Illegal connections, which are unknown and evidently not metered.
d) A high number of prepaid meters are not functional and have been either bypassed or vandalized, resulting in reduced revenue.
e) Notwithstanding the new prepaid meter installations, unmetered consumers are still relatively high, and not accounting for these consumers results in a higher non-revenue water percentage.

Non-Revenue Water (NRW) Reduction Strategy

KCDM had previously completed a NRW Reduction Strategy, which covered the period up to and including the 2019/20 financial year. An update of the strategic Non-Revenue Water Reduction Master Plan, which takes into consideration institutional, financial, or consumer considerations, that covers a further 5-year outlook in terms of minimizing water losses within the Municipality's area of supply was prepared and is currently being reviewed. The objectives of this Master Plan are as follows:

1. Determine the baseline situation in terms of water balances for each supply system in accordance with international and national best practices;
2. Identify areas of possible NRW reduction, by water balance component and per supply system, prioritize these in order of impact, and prepare a consolidated NRW Reduction Intervention programme;
3. Establish targets in terms of NRW by volume, supported by Key Performance Indicators and budget/funding requirements;
4. Address the internal requirements necessary for the successful implementation of a NRW reduction programme in terms of resources, systems, and critical success factors; and
5. Identify short-term problems that are being experienced with the Municipality's billing database and determine any necessary corrective actions.

Progress on Work Done to Date

The following activities were carried out during Phase 1, 2 and 3 of the NRW reduction programme:

i. Preparation of a 5-year NRW reduction Master Plan
ii. Production of monthly water balances
iii. Pressure management
iv. Reservoir inlet control inspections
v. Planned mains replacement programme implementation
vi. Mains and reticulation leak detection and repairs
vii. Domestic leak repairs and retrofitting programme
viii. Pre-paid consumer meters installations
ix. Bulk custody transfer meters installations
x. Preparation of a 10 Year High Level Revenue Enhancement

COMPONENT C: OPERATIONS AND MAINTENANCE

3.3. OPERATIONS AND MAINTENANCE

Mandate and Structure

The Directorate of Operations and Maintenance has 174 internal staff members, 100 water tanker drivers employed as contract workers and 520 Network Operators also employed as contract workers.

The work of this directorate is split into a few sections reflected in the directorate's organizational structure as follows:
1. Operation and maintenance of the water plants, wastewater treatment plants and solid waste management site within the King Cetshwayo District Municipality; and operations and maintenance of bulk and reticulation networks.
2. Water quality testing and compliance with legislative requirements of the Blue and Green Drop Systems is with the Process Management Section.
3. The operation and maintenance of all rural schemes including the water and sewage plants for the clinics and hospitals within King Cetshwayo District.
4. Repairs and maintenance of boreholes, hand pumps and spring protection.
5. Management of the Service Support Agent (Umngeni – uThukela Water Board and Panel of Contractors).
6. Support Water Services Authority Section (WSA) with water quality testing and compliance with legislative requirements.

The main functions of this directorate can be summarized as follows:
- Operation and maintenance of all water services infrastructure which includes the following:
  - Ensuring that all rural water schemes are operational
  - Water production is done in terms of the applicable specifications and national guidelines
  - Ensuring that all water networks are functional and without leaks and the turnaround time for repairs is kept to a minimum of four (4) hours
  - Ensuring that the sewage systems and plants are operational and maintained in accordance with the DWS guidelines and prevailing legislation
  - Ensuring that water quality tests are done and checked against the SANS 241 specifications
  - Support WSA with effective implementation of the water loss management system.
  - Effective implementation and management of the Emergency and Drought Relief Programmes of the municipality which includes the following:
    - o Drilling, testing and equipping of new boreholes
    - o Repairs and maintenance of hand pumps
    - o Spring development and protection to provide safe and clean water (with support from WSA)
    - o Provision of water through tankers to grey areas and where supply is inadequate.
  - Ensuring that the sewage systems and plants are operational and maintained in accordance with the DWS guidelines and prevailing legislation
  - Ensuring that water quality tests are done and checked against the SANS 241 specifications
  - Effective implementation of the water loss management system
  - Effective implementation and management of the Emergency and Drought Relief Programmes of the municipality which includes the following:
    - o Drilling, testing and equipping of new boreholes
    - o Repairs and maintenance of hand pumps
    - o Spring development and protection to provide safe and clean water
    - o Provision of water through tankers to grey areas and where supply is inadequate.

WATER SERVICES PERFORMANCE

WATER SUPPLY NETWORK SERVICES

King Cetshwayo District Municipality water supply schemes, both towns and rural/rudimentary schemes, are managed, operated and maintained by KCDM staff and the panel of KCDM contractors. The estimate of water supply to its communities (the report for quarter 4) is presented on Table 1.8.1 which indicates the summary of water production per Local Municipality per month and the number of schemes where bulk metering is taking place, as well as the served number of households.

Table 1.8.1: Water production per LM for quarter 4 of 2023/24

Local Municipality	No. of schemes measured	Monthly production (Mℓ)			Total (mℓ)
		Apr'23	May`23	Jun`23	
uMfolozi	68	228,772	262,615	334,572	879,959
uMlalazi	113	728,521	750,286	659,587	2,138,394
Mthonjaneni	99	318,395	365,887	349,574	1,033,856
Nkandla	103	299,272	557,411	379,535	1,236,217
TOTAL	**383**	**1574,96**	**1936,199**	**1723,268**	**884,367,467**

Three main problems related to the above are:
a) A high number of schemes without bulk meters
b) A high number of inefficient small schemes
c) Lack of control of non-revenue water

KCDM has about 383 schemes but as can be seen from Table 1.8.1, only 172 schemes are metered. Therefore, over or about 211 schemes are not metered and hence a high production cost. Consequently, there is an urgent need to install bulk meters in all the schemes. Besides that, KCDM needs to accelerate bulk infrastructure to account for all water produced and do away with the inefficient small schemes to reduce production costs. Non-revenue water needs to be monitored and controlled in order to bring down the cost of water production.

As we strive to install more bulk meters, more schemes will be added to the list of metered projects. This will certainly bring down the cost per kiloliter of producing water in KCDM. If we have more details on the scheme design productions, one could be making comparisons but as detailed above this is not possible.

Water tanker service

Despite efforts to reduce the carting of water with tankers, KCDM has several water tanker requests from different councilors/ communities, and these requests are increasing by day due to prevailing drought conditions. Table 1.8.2 shows the various indicators for the water tanker service.

Table 1.8.2: Number of Water tanker deliveries by KCDM Trucks vs Cost of 2023/24

Month	April	May	June	Total
Number of Loads	4612	4701	3874	13187
Distance travelled by tankers (km)	269 317	271 957	259 141	800415
Volume of water delivered (ML)	73.8	75.1	62.1	211

Due to the high water demand in the District and some of the schemes not producing required volumes of water to accommodate the residents within the District, more water tankers are used as both short-term interventions in case the scheme fails, and as a relief in areas where there is no infrastructure. Due to the water shortage and the water tanker request, the district has decided not to use external service providers, to minimize the cost of water tanker operations.

The following table indicates the number of boreholes per Local Municipality and their operational status:

King Cetshwayo District Municipality Borehole Local Municipality

Local Municipality	Operational Boreholes	Non-operational boreholes
Mthonjaneni	30	9
Nkandla	29	5
Mfolozi	51	4
Mlalazi	47	17

WATER SHORTAGE INTERVENTION

Table 1.8.3 shows the summary of the current allocation and supply points of tanks and tanker distribution within the District, as an intervention to areas where there are water supply challenges and also where there is no water infrastructure.

The water supply to these storages is attained through a schedule formulated for every water tanker that operates within this fleet.

Over the years the Technical Department has been compelled to continuously review and reduce the frequency of the supply because of the increase in demand for water tankers and the decrease in the availability of funds to finance this operation. In some instances, we are compelled to add tanks because of the dire need of potable water in that area. Water tanker operation is an expensive mode of water supply to the communities and had an average expenditure of R 7,5 million a month for the 4th quarter. The section strives to bring down the water tanker operational cost, but this looks unachievable due to the increase in water tanker demand due to water shortages within the district.

Table 1.8.3: Storage facilities serviced by tankers in the District

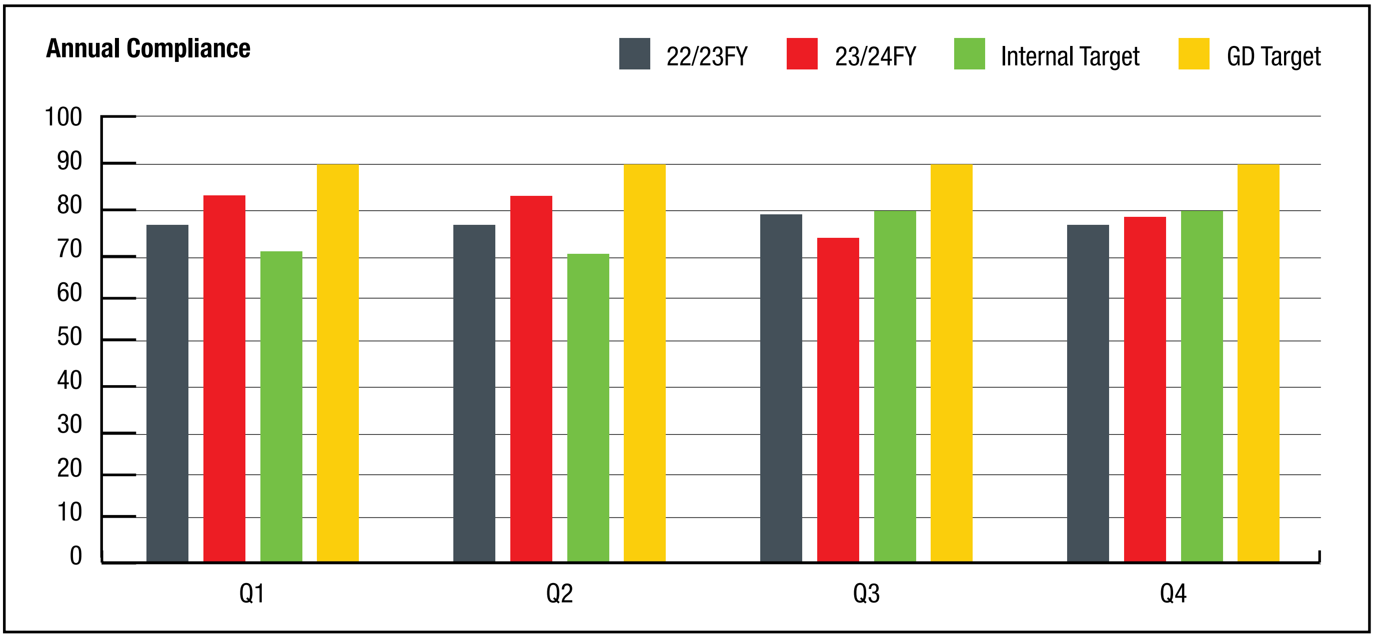
Local Municipality (KZ)	No. of Jojo Tanks
uMfolozi	286
uMlalazi	410
Mthonjaneni	231
Nkandla	355
TOTAL	**934**

EFFLUENT QUALITY COMPLIANCE

Wastewater treated effluent is sampled and analysed for monitoring the quality of the discharged effluent and thus ascertaining any potential risks to the receiving environment and assessing the effectiveness of wastewater treatment processes/technology and compliance to regulation - General Authorization Standards. The said Effluent Quality compliance aims to highlight the overall performance of wastewater treatment plants within KCDM.

The below Table 1.8.4 bar graph depicts a significant improvement on each quarter in comparison to the previous budget year.

Table 1.8.4: Effluent Quality Compliance

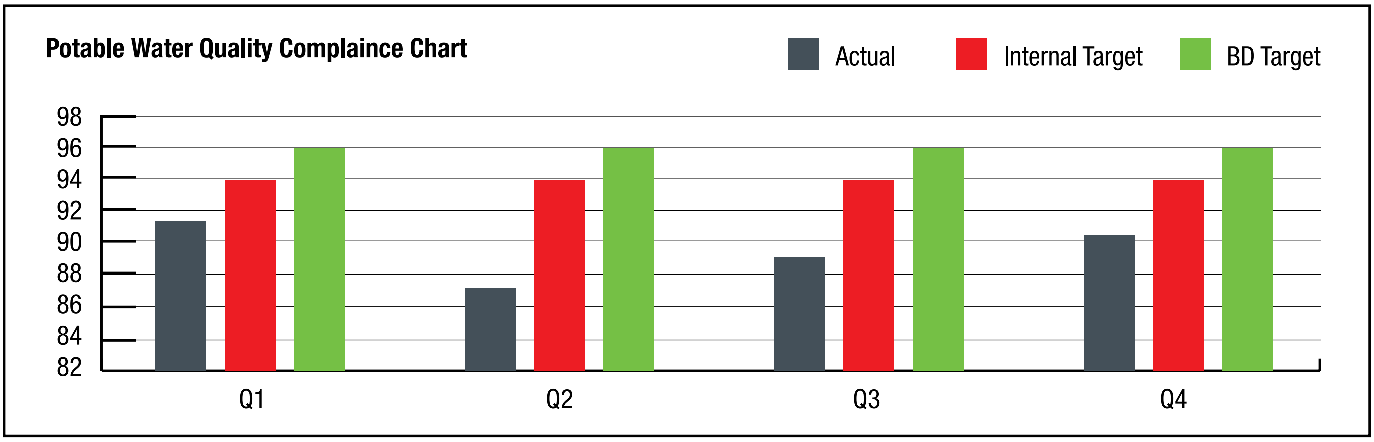


POTABLE WATER QUALITY COMPLIANCE

Water quality compliance with SANS 241 is crucial to ensure that drinking water is safe, clean, and free from harmful contaminants. The standard sets clear, science-based limits on physical, chemical, and microbiological parameters to protect public health. Regular testing, maintenance, and treatment processes are essential for meeting these standards and ensuring the provision of safe drinking water to the population.

The below Table 1.8.5 bar graph depicts the potable water quality compliance against internal and Blue Drop targets on each quarter of budget year, 2023/2024.

Table 1.8.5: Potable Water Quality Compliance



COMPONENT D: ECONOMIC DEVELOPMENT

3.5. DISTRICT LOCAL ECONOMIC DEVELOPMENT

The Economic Development Unit (EDU) is mandated to promote economic development; job creation, economic transformation and economic intelligence within the District.

It is guided by policies established by National and Provincial Government and articulates the approach to economic development through the Municipality's Integrated Development Plan (IDP) and Local Economic Development Strategy, which all activities are guided by, but not restricted to, as the unit also responds to the broader challenges facing the greater region by endorsing other initiatives such as the National Development Plan (NDP).

LED INITIATIVES 2023/2024

SMME SUPPORT AND DEVELOPMENT

The SMME support component deals with the development of small businesses and capacity building for their participation in the bigger economic mainstream. In this regard the section offers non-financial support/ advisory support services to SMMEs in the district. The section works closely with other government departments to achieve its economic objectives and such departments include, EDTEA, COGTA, SEFA, Department of Small Business Development (DSBD), Richards Bay Industrial Development Zone, Zululand Chamber of Commerce and Industry, SEDA and other industries in the King Cetshwayo region.

This component also identifies economic opportunities on behalf of the youth and women and procures necessary resources for the identified unemployed youth and women, who are assisted to form cooperatives and are encouraged in running successful businesses.

Goats handed over to Cooperatives as part of the LED support project

DISTRICT ECONOMIC DEVELOPMENT (DED) FORUM

The District Economic Development forum is established in terms of the Inter-Governmental Relations Act and holds its forums on a quarterly basis. The purpose of the forum is to discuss LED plans and other relevant initiatives with Local Municipalities and sector departments. The District LED forum is an information sharing platform/ session where all LED activities, initiatives and plans are shared through presentation, deliberations and collaborative discussions. The purpose of the forum is aligning projects and enhancing partnerships. The DED forum engagements were held on a quarterly basis as follows in the 2023/2024 financial year:

- Quarter 1: 19 September 2023
- Quarter 2: 22 November 2023
- Quarter 3: 24 March 2024
- Quarter 4: 20 June 2024

KCDM WOMEN IN BUSINESS INDABA/WORKSHOP

KCDM hosted a Women in Business Indaba/Workshop at Nkandla Multi-purpose centre on 30 August 2023. Various guest speakers were invited to inspire the women and give insight into how they started their businesses. The Honourable Mayor Cllr A.T Ntuli in his keynote address, introduced the Women and Youth in business funding application process.

LED PROJECT HANDOVER -THE CITY OF UMHLATHUZE

The Local Economic Development (LED) Section under PED supported the City of uMhlathuze with various agriculture and SMME materials, which were handed over to SMMEs, farmers, informal traders/vendors and Cooperatives identified by the City as part of the SMME and Farmer Support initiative for 2023/2024 financial year. The King Cetshwayo District Municipality (KCDM) held the LED project handover on 22 September 2023 in the City of uMhlathuze, Ward 13.

The Department of Planning and Economic Development (PED) participated in supporting SMME's, vendors and local farmers by providing various SMME and agricultural materials.

The support that is provided to the farmers, SMMEs and vendors is aimed at developing the local economy through agriculture and to empower SMME's through equitable distribution of resources and opportunities which will ultimately create job opportunities in the communities.

A total number 101 beneficiaries were supported. The following items were procured for the LED project handover in Ward 13 under the City of uMhlathuze:

ITEM	QUANTITY
10L Watering Cans	100
Hand Spades	50
Sprayer CP 15 Classic Plastic T&L 47072, 16 Litre	50
2.32 (22) + ZN 50 kg fertilizer	50
Lan 50 kg fertilizer	50
Round up powermax 540 20L	10
Garden Gloves	100
Jojo Tank Water Vertical 5000 litre	5
Industrial 3 plate gas stove	50
9kg Gas cylinder	50
Electric Sewing Machine	50
Grass Cutter	21
Chips Fryer	20
Hair trimming machine	50
Block Making Machine	10
Hairdryer	2
Hair Straightner	2
Free Standing Hairdryer	2
Water pipe	5
Taps and tape for Jojo	5
Flour 10 kg	3
Potatoes 7kg	3
Cooking Oil	3

LA FUSION CHEFS (SMME SUPPORT AND DEVELOPMENT)

La Fusion Chefs is an SMME company owned by 2 black males residing in the City of uMhlathuze. They participated in the Ultimate Braai Master competition season 8 on ETV and made it in the top 5 of the competition.

This SMME signed a lease agreement with Gold Rush Casino in Richards Bay to operate their kitchen for 1 year. KCDM supported La Fusion Chefs with the installation of an Extractor Fan System in order to operate their business. Supporting this SMME has created 6 job opportunities for the youth in KCDM.

NDUNDULU TRADERS

We supported the Ndundulu Market Traders with 105 Food Packages, Refreshments, Hats and Aprons as a festive season gift from the Honourable Mayor of KCDM, Cllr AT Ntuli.

NKANDLA SEWING HUB PROJECT

The Design and Development of the Nkandla Sewing Hub Project is being facilitated. Nkandla Local Municipality has made land available for the Project.

Handover of groceries to Ndundulu market stall holders

YOUTH AND WOMEN IN BUSINESS PROGRAMME

The King Cetshwayo District Municipality (KCDM) held the Youth and Women in Business materials handover to support the following units under LED:

- SMME and Cooperatives
- Farmers
- Tourism-Crafters
- Film and Photography – Film Makers development equipment

The youth and women in business opportunity was advertised on the KCDM website and local municipalities and closed on 15 September 2023.

The total number of applications received, is tabled below:

CATEGORY	WOMEN	YOUTH	TOTAL
City of uMhlathuze	232	399	631
uMfolozi	102	124	226
uMlalazi	176	139	315
Mthonjaneni	91	90	181
Nkandla	179	174	353
Total	**780**	**926**	**1 706**

Number of Youth & Women in Business Supported per Category:

1. uMfolozi LM

CATEGORY	WOMEN	YOUTH
Catering & Decor	6	9
Poultry farming	3	2
Sewing Fashion design	2	2
Tuck Shop	2	1
Music & Entertainment		1
Gardening services	1	
Farming		1

2. City of uMhlathuze

CATEGORY	WOMEN	YOUTH
Tuck Shop	3	2
Music & Entertainment	1	1
Artisan	1	
Catering	1	1
Event	1	
Laundry	1	
Sewing Fashion design	1	
Baking		2
Gardening services		1

3. uMlalazi

CATEGORY	WOMEN	YOUTH
Creche		1
Gardening services	1	1
Tuck Shop	1	1
Salon	1	
Event	1	
Farming	4	1
Catering	2	2
Poultry	2	1

4. Mthonjaneni

CATEGORY	WOMEN	YOUTH
Crafters	1	1
Farming		2
Gardening services	1	1
Tuck Shop	1	1
Salon	1	
Catering	2	
Sewing	1	
Film & Photography	1	

5. Nkandla

CATEGORY	WOMEN	YOUTH
Salon		3
Internet Café		1
Shoe Manufacturing		1
Catering & Tuck Shop	7	1
Sewing	3	2
Gardening	5	1
Block Making		6
Laundry	1	
Creche		1
Poultry Farming	6	5
Event	1	

A total number of 66 Women and 56 Youth in business have received their items, making a total of 122 beneficiaries district-wide.

AGRICULTURE UNIT

FARMER SUPPORT AND DEVELOPMENT INITIATIVES 2023/2024

Agriculture remains a critical vehicle for economic growth, job creation and food security as envisaged in the National Development Plan and the District Growth and Development Plan. The district has the responsibility to continually promote, coordinate and implement agricultural initiatives in the district for economic growth.

KING CETSHWAYO FRESH PRODUCE MARKET (KCFPM) BUILDING MAINTENANCE AND HOUSEKEEPING

The Local Economic Development (LED) Unit under Planning & Economic Development Department is responsible for doing maintenance and housekeeping of the KCFPM building, i.e. grass cutting, garden maintenance, tree cutting, cleaning of buildings and yard.

AGRICULTURAL PARTNERSHIP WITH DIFFERENT STAKEHOLDERS: 2023/2024

DATE	VENUE	PARTNERSHIP	NAME/NO. OF BENEFICIA-RIES	ACTIVITY
5 July 2023	DARRLD Office-Rbay	District Beneficiary Selection Committee (DBSC)	Sakhisizwe Sasinda (Pty) Ltd	Amendment of entity
19 July 2023 & 14 March 2024	KCDM Office	Forest South Africa (FSA)	Small-scale growers Executive	Quarterly meeting with Small-scale growers executive for KCDM
26 July 2023	City of uMhlathuze - Port Durnford Sports Centre	Department of Fisheries, Forestry & Environment (DFFE) and SEDA	3 Small-scale Coop fisheries (Green crab, Aqua-Nhlanzi & Esikhaleni Co-ops)	Training on Food Safety
19 October 2023	City of uMhlathuze - Madlankala Ward 12	DARD	29 Beneficiaries	Cassava stakeholder engagement workshop
26 April 2024	Empangeni Civic Centre	City of uMhlathuze	70 farmers	Isithangabi Sabalimi
4 & 7 June 2024	DARRLD Office - Rbay	District Beneficiary Selection Committee (DBSC)	8 entities applications	Shortlisting and interviewing of farm entity applicants

FARMERS SUPPORTED: 2023/2024

DATE	VENUE	TOTAL CO-OPERA-TIVES	TOTAL BENEFICIA-RIES	TYPE OF EQUIPMENT
11 July 2023	Mthonjaneni LM Ward 5	9	38	Agricultural material, infrastructure, poultry & feeds and inputs
14 July 2023	Nkandla LM Ward 2	12	62	Agricultural material, infrastructure, fencing materials, poultry and feeds
22 September 2023	City of uMhlathuze Ward 13	9	45	Agricultural implements, equipment, and fertilizer
30 April 2024	uMfolozi City of uMhlathuze uMlalazi Mthonjaneni Nkandla	6 18 12 9 19	64	Fencing materials Poultry with feeds Agriculture infrastructure Irrigation equipment
TOTAL BENEFICIARIES SUPPORTED 2023/2024			**209**	**Irrigation equipment**

FOOD SECURITY PROGRAMME (ONE-HOME ONE-GARDEN)

KCDM distributed about 13 500 seedlings (cabbage, spinach, beetroot & onions) to all five local municipalities during its IDP/Budget Roadshows in October 2023 and in April/May 2024. Over 13 000 community members benefited from this initiative. The initiative was implemented for poverty alleviation and to promote healthy nutrition and a balanced diet in communities within the district.

GOAT FARMING PROGRAMME

On 30 April 2024, KCDM handed over five hundred (500) goats under the Goat Farming Programme wherein fifty (50) Cooperatives (as identified by five Local Municipalities) and totalling over five hundred and forty (540) beneficiaries, benefited in this programme. Prior to the handover the district provided goat farming training (theory and practical) to all 50 Cooperative members, which provided the beneficiaries with skills in basic goat farming and health management.

In the months of September 2023 to January 2024, the district conducted successful goat farm assessment visits to all fifty (50) Cooperative beneficiaries in the five LMs to assess if the beneficiaries had the required goat infrastructure, access to water and grazing land.

The Portfolio Committee Councillors further conducted Monitoring and Evaluation (M&E) to those beneficiaries that are struggling and have experienced a high mortality rate and theft in this goat programme, with an aim of assessing the sustainability of this programme for future implementation. The M&E is a continuous programme that seeks to provide further support that the beneficiaries may need.

NO.	LOCAL MUNICIPALITY AND VENUE	DATE OF TRAINING	NO. OF BENEFICIARIES
1.	Mthonjaneni LM	6-7 September 2023	18
2.	uMfolozi	28-29 November 2023	29
3.	City of uMhlathuze LM	30-31 January 2024	43
4.	uMlalazi LM	13-14 February 2024	50
5.	Nkandla LM	13-14 February 2024	48
6.	Mthonjaneni LM	21-22 February 2024	27
TOTAL GOAT BENEFICIARIES TRAINED			215

The goat farming project is an initiative that uplifts the economic status of the district and further unlocks the goat production potential in the district by supporting small-scale farmers with start-up breeding stock, which includes medication, training, advisory services and the link-up with markets. Each cooperative was provided with 08 does (female) and 02 bucks (male) as a start-up for an indigenous breed. The district and local municipalities are working in collaboration with the Department of Agriculture Animal Production Unit to monitor the beneficiaries and to resolve the challenges faced by the beneficiaries.

Handover of goats at Mthonjaneni LED Handover

TOURISM UNIT

Tourism has the ability to spread benefits to remote and impoverished areas and local government has a critical role to play in the development of tourism and creating a favourable environment for job creation. The tourism mandate has been outlined in the Municipal Structures Act and it is within this regulatory environment that KCDM has undertaken many different projects and actions.

MARKETING:

2024 AFRICA TRAVEL INDABA

The attendance to key domestic and international tourism trade and consumer shows are important platforms from which District Tourism marketing is done. Africa's Travel Indaba is one of the largest tourism marketing events on the African calendar and one of the "must-visit" top three events of its kind on the global calendar to attend.

The Travel Indaba showcases the widest variety of Africa's best tourism products and attracts international buyers and media from across the world. Africa's Travel Indaba is owned by South African Tourism. The Travel Indaba was held at Durban International Convention Centre (DICC) from 14–16 May 2024.

Exhibitor categories include hotels, accommodation, tour operators, transport, game lodges, online travel and industry associations. Outdoor exhibitors include transport, camping and safari companies. Exhibitions are increasingly becoming more business-orientated and provide not only a place for a meet and greet opportunity but also a "sign, seal and deliver" opportunity.

It must be noted that in 2023 the District had catered for 5 (five) exhibitors and in 2024 there was improvement as 10 (ten) exhibitors from different Local Municipalities were catered and allocated exhibition space in the KCDM stand.

King Cetshwayo had 10 exhibitors (SMME's) that were allocated space in the stand, as follows:

- Meet Mekaar Resorts
- Solo Travel Tours
- Under African Skies
- Kallito Tours
- Thonga Travel Tours
- 1KZN TV
- Ngoye Lodge
- Sunbird Guest House
- Ngodini Bunduz
- Mesda Bed & Breakfast

Car Spinning is a major attraction at the KC July event

EVENTS:

DOLOS FESTIVAL

The Dolos Festival is a multi-cultural community-based music and entertainment festival founded in 2008. King Cetshwayo District Municipality (KCDM) is supporting this event for the past 16 years and contributes financially towards it. The event organizers are a non-profit organization. The aim of the event is a stimulating, innovative and unique solutions to social cohesion, economic development and the promotion of tourism.

It must be noted that the festival humbly began with 1000 visitors and has grown to over 14 000 in the previous year with an expected increase for 2024.

An MOU was signed in 2022 with the organizers for 3 years, ending in 2024.

The main objective of the Dolos Festival is to provide entertainment to the community, gather people from all race and age groups during the 3-day event, create economic opportunities and attract tourists to the area from other provinces to increase the numbers. The 3-day period provides a platform and opportunity for local talent and up-coming artists to showcase their talents with the backing of state of the art equipment. It also creates the opportunity for the young upcoming artists to be seen and acknowledged.

The Dolos Festival also provides a platform where vendors are able to introduce their products to a wide and varied market, creating more trade opportunities for the crafters. A Marquee was put up by the organizers free of charge, from where the crafters were able to promote and sell their arts and craft during the 3 days. The Local Municipalities nominate 1 crafter each to participate during the festival. KCDM arranges for accommodation, transport to and from the exhibition at night. Accommodation includes breakfast and dinner and a voucher for meals is distributed on a daily basis. For marketing purposes, the tourism team constructs an exhibition space to exhibit crafts and promote the crafters from our area.

PASSENGER CRUISE LINER VESSELS

The Passenger cruise liner vessels for the 2023/24 season officially began on 16 November 2023 and remained open until May 2024. Twenty-six passenger cruise liner vessels visited the Port of Richards Bay and in total, approximately 24 000 tourists visited the District during the time. The official opening ceremony was held at the on 16 November 2023 as Berth 708 arrived and docked at the Small Craft Harbour, coordinated jointly by King Cetshwayo District and the City of uMhlathuze Municipality with other role-players.

The District assists the tourists with information and attractions around the district as the Tourism unit provides needed information. During the cruise ship season the District supports crafters by involving them to sell their craft work to the tourists that are from different countries and they benefit through sales at the harbour.

Passenger Cruise liner Vessels objectives are as follows:

- Increase passenger liner arrivals;
- Manage, facilitate and coordinate cruise ship arrivals;
- Plan and develop a mixed-use facility at the small craft harbour

TOURISM PROJECTS THROUGH PARTNERSHIPS:

AMATSHENEZIMPISI PROJECT

The Amatshenezimpisi Community Conservation Area (CCA) is located within the Nkandla Local Municipality. The CCA was established by the people of Mahlayizeni. It consists of chalets, a multi-purpose hall and is home to game such as zebra and impala. The small game reserve was previously managed by Ezemvelo KZN Wildlife. This eco-tourism venture includes an indigenous forest and a beautiful waterfall where the Ntumbeni River joins the uMhlathuze River. The accommodation chalets offer incredible views of the uMhlathuze River as it winds its way to the coast and the surrounding mountains.

The Consultants appointed by the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (EDTEA) have concluded the feasibility study and the business plan for the refurbishment and operations of Amatshenezimpisi Multi-Purpose Hall and Chalets within the Community Conservation Reserve. KCDM, Nkandla Municipality and Mahlayizeni Traditional Authority have had consultation meetings which discussed the findings and type of business model to be used for the project, which was Co-management and Co-development.

It is the intention of EDTEA, District, Local Municipality, Traditional Authority and Landowners to revive the site and refurbish the available infrastructure into a popular tourism destination, thus driving local economic development in the area through tourism development.

The primary purpose of this project is to undertake a study to determine the prospects and financial implications of refurbishing the existing structures within the Amatshenezimpisi CCA. These include: a Multi-Purpose Hall, the chalets and other associated facilities, as well as to develop a business plan and operation model for the project.

There are a limited number of accommodation facilities and businesses operating within Nkandla, therefore traditional authorities and municipalities must work together to promote tourism in areas that are considered a non-ideal destination for travelling. The region where the site is located needs sustainable economic growth, and the proposed development has the potential to create employment and improve the standard of living for all those residing in the Mahlayizeni area.

Based on the analysis and key findings in the business plan, the following recommendations are made to ensure the successful development of the Amatshenezimpisi CCA:

- The report recommends the co-management and co-development business model approach as the most feasible approach. The introduction of relevant expertise and resources is considered a feasible approach as it minimizes the risk of failure.
- With the implementation of the recommendations mentioned in this plan, and if the proposed sales targets can be met, the Amatshenezimpisi CCA will be able to establish a feasible and sustainable business venture.

KING CETSHWAYO MEMORIAL GRAVE SITE UPGRADE

King Cetshwayo District Municipality is the only Municipality in KwaZulu-Natal which is named in recognition of the Zulu Kingdom, named after Zulu King Cetshwayo kaMpande who led the Zulu Nation from 1873 to 1884. King Cetshwayo kaMpande was laid to rest in Ward 14 of Nkandla Local Municipality.

King Cetshwayo has budgeted the amount of R2.6m on the capital budget for the 2023/24 financial year for the upgrade of King Cetshwayo memorial grave. Various stakeholders which include Nkandla Municipality, KwaZulu-Natal Amafa and Research Institute (AMAFA) and Department of Arts and Culture, have been engaged on the projects. The exception is the Zulu Royal household, which will be engaged by the municipal Leadership.

The service provider was appointed to prepare drawings for the beautification of the entire site, which will include the following:

- New design for the tombstone (Royal family tombstone),
- Parking,
- Electrification for the site,
- Planting of new trees and grass at the site,
- Paving, and
- Ablution facilities.

The upgrade of the King Cetshwayo memorial grave site will boost the Tourism of the District and protect the history of the Zulu Kingdom.

ZULULAND HERITAGE ROUTE (R66)

The District pays an annual amount of R60 000 toward the Route 66 for its operations and sustainability. It is one of the key tourism attractions in the District as it passes through territory that has given rise to events which captured the world’s imagination. One of the world’s iconic events on the route is the remarkable and unique annual Zulu Royal Reed Dance which draws considerable international attention.

Sites that fall within this ambit of the R66 are as follows: John Dunn Hunters Bush and Beach trail, Signal Hill, KwaMondi Mission, Entumeni Nature Reserve, Dlinza Forest Nature Reserve and Aerial Boardwalk, Ongoye Forest Reserve, Cowards Bush, Eshowe Jail, Eshowe Residency, Fort Eshowe, King Cetshwayo’s Memorial, Martyrs Cross, Fort Nongqayi, Vukani Museum, Bishops Seat, Cetshwayo’s death place, Court house, Gqikazi, KwaBulawayo, Mandawe Cross, and the British Military Cemetery, just to name a few.

Route 66 is in a process of holding an AGM to elect the Executive Committee and of reviving its membership and participation.

AVITOURISM

The Zululand Birding Route also contributes to the development of the “Great Forests of Zululand” concept as well as the R66 Heritage Route.

Birding Routes act broadly as a marketing, mentoring and general support structure for local guides wherein they can receive ongoing support, feel part of a larger structure which facilitates joint marketing and development of the required infrastructure to attract additional avitourists to a region.

The continuation of this project celebrates heritage and culture and preserve heritage sites. The funding also assist the Zululand Birding Route develop marketing material to showcase at Tourism Indaba 2024.

CRAFT DEVELOPMENT AND MARKETING IN THE TOURISM PERSPECTIVE

Crafts is an important contributor to a country's economy, employing artisans that are preserving cultural heritage, while generating an important source of income through the informal sector. The tourism industry provides an important export market for a host of craft products.

Tourists' appetite for local and handmade craft is widely recognized and continues to be prevalent in the various sub-sectors of the industry. A vast and multifaceted tourism industry provides for the cultural enthusiasts, adventure seekers, history buffs and more. The range from entertainment to cultural art forms and expressions to the production of arts and crafts, cuisine and traditional skills such as hair braiding and basket weaving, forms part of a very important asset to draw tourists to an area.

It was identified that the crafters have challenges with increasing revenue for their business as tourists who enter through the port cannot buy their products due to weight restrictions. It is very important for crafters to be assisted with product development that enables them to increase their revenue throughout the entire year.

Crafters are to receive exposure selling their craft during Tourism Month when King Cetshwayo partners with the Boardwalk Inkwazi Mall and 20 crafters will get the opportunity to exhibit in the mall. Training and assistance is given to the crafters during this time, in the form of a daily stipend, accommodation, transport and marketing material.

Other opportunities for the crafters to receive exposure are when the Municipality is holding Municipal programmes like the IDP roadshows, State of the District Address, Career Expo's and other programmes where the Tourism unit coordinates exhibition spaces for crafters to showcase and sell their products.

Heritage Site at Port Durnford in Esikhaleni

COMMUNITY TOURISM ORGANISATIONS (CTO'S)

The District has a role to coordinate Tourism in the five Local Municipalities, with the establishment of CTO's in all LM's. Among the roles of the District is they should integrate CTO's in the District Tourism Forum to ensure representation and participation of the private sector.

The District has been advocating for the establishment of CTO's through the provision of technical support. uMfolozi and Nkandla Municipality are the only Local Municipalities that are without a CTO, however there is progress as the affected Municipalities confirm that by the end of 2024 the Executive Committees will be in place.

TOURISM STUDENTS ENHANCEMENT WORKSHOPS

The District in partnership with the Department of Economic Development, Tourism and Environmental Affairs held a 2-day workshop for Tourism students, held as follows:

- Day 1: 17 April 2024 at uMfolozi TVET College, Richtek Campus
- Day 2: 18 April 2024 at the University of Zululand, Main Campus

The aim of the workshop was to prepare students with much-needed support as they will be starting their preparations to enter into the job market through applying for Work Integrated Learnership (WIL) and internship programmes and with provision of support to those willing to start entrepreneurial journeys.

COMMEMORATION OF KING CETSHWAYO AND THE BATTLE OF ISANDLWANA AND MEMORIAL SITES VISITS HELD ON 18-19 JANUARY 2024

The District hosted a 2-day programme in celebrating the Life of King Cetshwayo, which had the following activities:

- 18 January 2024: King Cetshwayo Memorial sites visits
- 19 January 2024: Commemoration of King Cetshwayo and the Battle of Isandlwana at Nkandla Municipal Sports field.

The Tourism unit coordinated the visits to the identified King Cetshwayo memorial sites, including the site cleaning, grass cutting, removal of alien trees, monuments (re-engraving, recolouration and painting) and the development of the itinerary.

The King Cetshwayo memorial site visits were conducted in the following sites:

- eSikhaleni seNkosi site, Port Durnford under the City of uMhlathuze Municipality,
- eShowe memorial site and Fort Nonqayi Historical Museum, and
- King Cetshwayo grave at Nkandla Local Municipality

The Tourism unit coordinated the crafters who exhibited in an allocated space inside the main marquee during the Commemoration of King Cetshwayo and the Battle of Isandlwana and were able to showcase their products.

FILM & PHOTOGRAPHY UNIT:

The Film & Photography unit is primarily divided into three main components, namely:

- Marketing and Promotion of Zululand Coast (how King Cetshwayo is identified in Tourism & Film terms)
- Film Industry Skills Development
- Film Industry Servicing

The Marketing and Promotion component aims to place Zululand Coast on the map by attracting Film productions to the area through Location Exhibitions at Film Markets, attendance to Film Festivals and Film Industry Networking sessions. This component positions Zululand Coast as "The Ultimate Film Friendly Destination" by creating an awareness of diverse locations that exist, excellent infrastructure and structured systems designed for the servicing of the Film industry

The Film Industry Skills Development component includes training programmes conducted in collaboration and in partnership with film industry stakeholders. These programmes include a Schools Programme, Short Training Programmes, Learnership Programme, SMME Women and Youth Incubation Programme and Film Industry Transformation Initiative Programme. Training enables established and emerging Filmmakers to be developed as businesses and/or self-sustainable entrepreneurs.

The Servicing component strategically acts as a "one-stop-shop" which deals with issuing of Film Permits and assisting Film Production companies to obtain film guidance, advice, assistance and available scouts trained to assist with location scouting. This component manages the filming approval process on behalf of respective authorities and stakeholders; facilitation between film production companies, local government and local communities. This component also entails maintaining effective communication between national and provincial departments, filming agencies, private landowners, business, tourists and residents of affected areas in order to support filming activities and to encourage film production companies to operate in an environmentally sound and sustainable manner.

DURBAN INTERNATIONAL FILM FESTIVAL / DURBAN FILMMART ATTENDANCE

One of the goals for the Film & Photography unit is to upskill District Filmmakers through initiating Training Programmes and exposing the Filmmakers to platforms where they stand to be empowered. The Durban International Film Festival (DIFF) and Durban Film Mart (DFM) are such platforms which present Filmmakers with an opportunity to grow.

Five (5) Filmmakers were nominated by the Local Municipalities to be representatives at DIFF/DFM. The following Filmmakers were nominated:

NAME & SURNAME	LOCAL MUNICIPALITY	WARD
Mr. Thokozani Tembe	City of uMhlathuze	15
Ms. Ntokozo Myeza	uMlalazi Local Municipality	12
Mr. Themba Thango	uMfolozi Local Municipality	1
Mr. Thulani Mdletshe	uMthonjaneni Local Municipality	2
Mr. Kwandokuhle Zungu	Nkandla Local Municipality	1

Media and TV coverage is common at tourism events

KWAZULU-NATAL AFRICAN FILM FESTIVAL (KAFF) WORKSHOP AT UMFOLOZI LOCAL MUNICIPALITY

KCAP is also responsible for the establishment of the KwaZulu-Natal African Film Festival (KAFF) which takes place in December annually. During the festival which takes place in Kwa Mashu every year, KAFF runs a satellite programme in another area across KwaZulu-Natal. KCAP approached KCDM and requested to partner on the satellite programme. KCDM chose to do the programme at uMfolozi Local Municipality. The programme took place on 13 December 2024. KCAP committed to bringing four facilitators to run workshops on Acting for Camera, Scriptwriting and Make-up (Special Effects) for Film and TV. KCAP in return requested KCDM to assist by providing a venue and catering for the filmmakers. UMfolozi Local Municipality provided a venue for the programme.

SCRIPTWRITING WORKSHOP IN COLLABORATION WITH THE KWAZULU-NATAL FILM COMMISSION

King Cetshwayo District Municipality in partnership with KwaZulu-Natal Film Commission and Tshwane University of Technology conducted a Scriptwriting Training Programme for the KZN Filmmakers and two (2) KCDM filmmakers that were selected to participate.

Two (2) KCDM Filmmakers were selected to participate on the programme. The Filmmakers are from below LM's:

- Mr. Zamani Mhlongo - uMfolozi Local Municipality, Ward 1, and
- Mr. Sifiso Mthethwa - uMhlathuze Local Municipality, Ward 8

The Scriptwriting Training Programme was for six (6) months and consisted of five (5) workshops which were scheduled as follows:

- Workshop 1: 26 - 28 May at the KZNFC Offices, Musgrave
- Workshop 2: 23 - 25 June: Online
- Workshop 3: 28 - 30 July Online
- Workshop 4: 25 - 27 August Online
- Workshop 5: 29 September - 1 October at KZNFC Offices, Musgrave

KCDM supported the two (2) Filmmakers during the programme with transport to and from Durban (Shuttle Services), Accommodation, dinner and breakfast, and laptops were purchased for them. Two of the five workshops were physical trainings in Durban. The last workshop ended on 1 October 2023 and the filmmakers have received certificates for Scriptwriting Training Programme certified by the Tshwane University of Technology.

FILMING OF THE DISTRICT MARKETING AND PROMOTIONAL VIDEO

King Cetshwayo District Municipality in collaboration with the Local Municipalities within our district are in the process of filming and compiling a district marketing and promotional Video. The aim of the video is to profile and market district tourist attractions, film locations and heritage sites. The video will be shared on district social media platforms, the website and with LM's.

Scenes from King Cetshwayo Memorial Lecture

PURCHASING OF FILM EQUIPMENT FOR DISTRICT FILMMAKERS

The Film and Photography unit submitted Action Plans for FY2023/2024, which were later approved by Council. The Action Plans proposed the purchasing of film equipment for District Filmmakers. Equipment was purchased to the value of R189 000.

The list of the purchased equipment is as follows:

ITEM NO.	DESCRIPTION	QUANTITY
1	4k Drone	x1
2	4k XD Cam Camcorder	x2
3	LED Light Kit (Colour Change Inclusive)	x6
4	Slate / Clapboard	x6
5	Heavy Duty Tripods or Sands	x2
6	Dual Channel Wireless Mic system (Lapel)	x4
7	Cable for Mic	x1

ITEM NO.	DESCRIPTION	QUANTITY
8	Portable Handy Audio Recorder 6 Track	x1
9	12ft+ Carbon Fibre Boom Mic	x1
10	5.5 Inch Wireless Camera Monitor	x2
11	3 Axis Gimbal Stabilizer	x1
12	4 Feet and fee reflectors	x4
13	Soft Box	x2

COMPONENT E: PUBLIC SAFETY

3.4. COMMUNITY & SOCIAL SERVICES

King Cetshwayo District Municipality (KCDM) is one of ten districts in the KwaZulu-Natal Province. The Disaster Management activities within the District are coordinated in partnership with the five (5) local municipalities, namely: uMhlathuze, uMlalazi, uMfolozi, Mthonjaneni and Nkandla.

This report gives insight into the year's disaster management activities in the areas of disaster response and recovery, institutional capacity, risk assessment and risk reduction. It also gives insight into how the disaster management enablers made the fulfillment of the principles and objectives of disaster management possible.

PURPOSE OF THE CENTRE

The DDMC was established in terms of Section 43 of with the objective derived from the Disaster Management Act 57 of 2002 (DMA) which is to promote an integrated and coordinated system of disaster management, with special emphasis on prevention and mitigation by national, provincial and municipal organs of state, statutory functionaries and other role-players involved in disaster management and communities.

The general powers and duties of the DDMC are stipulated in Section 44 of the DMA which mandates the DDMC to, among others: a) Specialise on issues concerning disasters and disaster management. b) May act as an advisory and consultative body on issues concerning disasters and disaster management. c) Promote the recruitment, training, and participation of volunteers in disaster management; and d) Promote disaster management capacity building, training, and education in communities.

OBJECTIVES FOR THE 2023/2024 FINANCIAL YEAR

During the year under review, the DDMC had the following aims:

- Facilitate awareness campaigns in line with the Disaster Risk Reduction Programme by 30 June 2024.
- Submit Disaster Management Sector Plan to portfolio committee by 31 March 2024.
- Summer Contingency Plan
- Disaster Management Advisory Forums be held on quarterly basis.
- Percentage response to requests received for disasters within the district with disaster relief stock items.
- Percentage response to disasters within the district with disaster relief shelters.
- Submit monthly incident reports on Disasters to PDMC by the 6th of each month.
- Commemoration of the International Day for Disaster Risk Reduction by the 31st December 2023.

LEGISLATIVE REQUIREMENTS

The District Disaster Management Centre (DDMC) draws its legislative mandate from the Disaster Management Act 57 of 2002, as amended.

Below are some of the main legislations applicable to Disaster Management;

Constitution of South Africa 1996

- Chapter 2 - All spheres of government are obligated to ensure the social and economic development of its citizens while preserving the ecosystem for future generations. If these rights are achieved it will increase the livelihood of the most vulnerable, protect the environment from degradation and stimulate economic development that will contribute to the necessary infrastructure that could reduce the risk of disasters or the impact of disasters.
- Chapter 3 - involves the cooperative government function in relation to intergovernmental relations.

Disaster Management Act, 2002 (Act 57 Of 2002)
The Disaster Management Act provides for an integrated and coordinated disaster management policy that focuses on preventing or reducing the risk of disasters, mitigating the severity of disasters, and ensuring emergency preparedness, rapid and effective response to disasters, and post-disaster recovery. Disaster management should also be a continuous multisector and multidisciplinary process.

National Disaster Management Framework, 2005
The National Disaster Management Framework comprises four key performance areas (KPAs) and three supportive enablers to achieve the objectives set out in the KPAs as outlined in Table 1 below:

Table 1: Key Performance Areas and Objectives

KEY PERFORMANCE AREAS	OBJECTIVES
KPA 1: Integrated institutional capacity for disaster risk management	Establish integrated institutional capacity within national sphere to enable the effective implementation of disaster risk management policy and legislation
KPA 2: Disaster risk assessment	Uniform approach to assessing and monitoring disaster risks that inform disaster risk management planning and reduction by organs of state and other role players
KPA 3: Disaster risk reduction	Ensure all disaster risk management stakeholders develop and implement integrated disaster risk management plans and risk reduction programmes in accordance with approved frameworks
KPA 4: Response and recovery	Ensure effective and appropriate response and recovery programmes

ENABLERS

Enabler 1: Information and communication management
Enabler 2: Education, training, public awareness and research
Enabler 3: Funding arrangements

Fire Brigade Service Act (Act 99 Of 1987)
The Act provides for the establishment, maintenance, employment, coordination and standardisation of Fire Brigade Services (FBS) and related matters therewith.

Public Finance Management (Act 1 Of 1999)
- To regulate financial management in the government spheres;
- To ensure that all revenue, expenditure, assets and liabilities of governments is managed efficiently and effectively;

Local Government: Municipal Finance Management (Act 56 Of 2003)
To secure sound and sustainable management of the financial affairs of municipalities and other institutions within the local sphere of government;

Local Government: Municipality Systems (Act 32 Of 2000)
To provide the core principles, mechanisms and processes, necessary to allow for progressive municipal growth towards the social and economic upliftment of local communities, and ensure affordable universal access to essential services to all.

The Intergovernmental Relations Framework (Act 13 of 2005)
To facilitate the coordination between the three spheres of government through the implementation of policy and legislation;

Local Government Municipal Staff Regulation No.45181 (Disaster Management Competency Framework)
The Disaster Competency Framework was drafted to ensure that the staff that is recruited will hold relevant qualifications and must have disaster management experience to execute the requirements of the Act as per the Municipal Staff Regulation No 45181.

ORGANISATIONAL STRUCTURE

Table 2. below displays the organisational structure for the Disaster Management during the financial year 2023/ 2024.

Table 2: Disaster Management Staff

PERSONNEL	NUMBER	VACANCIES
Manager: Disaster	1	
Specialist: Disaster Management		1
Disaster Management Officer	1	
General Assistant Admin	1	
Driver Office Assistant	1	1
Disaster Intern		1
TOTAL	4	3

Table 3: Institutional arrangements for Disaster Management

PERSONNEL	NUMBER
1. Personnel	5 staff complement
	5 LGSETA Interns
	3 Working Integrated Learning
2. Vacant positions	3
3. Equipment	None
4. Vehicles	2 x Response cars

Table 4: KCDM DDMC status quo

MINIMUM PERFORMANCE STANDARD/ REQUIREMENT	KCDM
Head of Centre	Not yet formally appointed
Annual reports	Submitted annually
Active Disaster Management Advisory Forum	Active and meets quarterly
Risk Assessment (RA)	RA was undertaken as part of the 2022 DMP
Disaster Management Framework (DMF)	Framework was approved in 2022
Disaster Management Plan	Adopted in 2022

ACTIVITIES OF THE DDMC

KEY PERFORMANCE AREA (KPA) 1: INSTITUTIONAL ARRANGEMENTS

KCDM Disaster Management Centre (DDMC) was established in 2006, to enable the effective implementation of disaster risk management policy and legislation. The Centre is promoting an integrated and coordinated approach to disaster management, with special emphasis on prevention and mitigation, by the Section and other internal Units within the administration of the District and Local Municipalities (LM).

The KCDM DDMC was officially opened in 2007 as per the Minimum Infrastructure Guidelines but currently the DDMC houses three other sections which is in contravention of the guidelines.

The District is working on the establishment of a new Disaster Management Centre (DDMC) that will be compliant with all the relevant legislative prescripts. The process commenced by identifying the most central local municipality that will also be able to provide the Centre with relevant and key services. UMlalazi LM has identified and proposed the use of 3 sites within their area of jurisdiction. KCDM Technical Services commenced with the process of appointing the service provider within their panel of suitable consultants to commence with the feasibility studies.

DETAILS OF THE DDMC

The Centre is located at No 09 Bronze Street, Empangeni Rail, in the UMhlathuze Municipality.

DISTRICT DISASTER MANAGEMENT ADVISORY FORUM (DMAF)

The District Disaster Management Advisory Forum is functional and was formed in terms of Section 51 of the Disaster Management Act No. 57 of 2002, which requires the municipality to establish a formal structure consisting of representatives from the district municipality, local municipalities within its area of jurisdiction, relevant sector departments, senior representatives of national and provincial departments and all role players i.e. NGO's in the District.

The forum is being utilised as "a body in which a municipality and relevant disaster management role players in the municipality consult one another and coordinate their actions on matters relating to disaster management." The Forum meets at least four times a year and the special meetings are called as and when the need arises.

School handover at Umfolozi LM

New Years Eve visit to hospitals

Site visit to site of NPC fire in Richards Bay

NUMBER OF DMAF MEETINGS CONVENED

Table 5: DMAF meetings in 2023/ 2024 Financial Year

PERIOD	MEETING VENUE	DATE
Q1	DDMC, Empangeni & Virtually	27 September 2023
Q2	DDMC, Empangeni & Virtually	07 December 2023
Q3	DDMC, Empangeni & Virtually	29 February 2024
Q4	DDMC, Empangeni & Virtually	27 June 2024

DISTRICT PRACTITIONERS FORUM MEETINGS

The District together with local municipalities convenes the District Disaster Management Practitioners Meeting (see Table 6.) The aim of these meetings is to deliberate on issues affecting Disaster Management.

NUMBER OF MEETINGS CONVENED:

Table 6: Practitioners meetings

PERIOD	MEETING VENUE	DATE
Q1	DDMC	20 September 2023
Q2	DDMC	12 December 2023
Q3	DDMC	28 February 2024 27 March 2024
Q4	DDMC	23 May 2024

MUNICIPAL DISASTER MANAGEMENT INTER-DEPARTMENTAL COMMITTEES

There is a senior management committee (MANCO) which covers matters pertaining to disaster management. This structure substitutes the Inter Departmental Committee structure as required by the DMF.

The district's nerve centre is another structure which comprises the accounting officer, all deputy municipal managers, relevant senior managers, and managers from emergency and communication units within KCDM who are mandated to deal with major disaster cases.

All the monthly activities including incidents, public awareness, contingency plans and any other disaster related activities are reported to the Community Services Portfolio Committee that sits on a monthly basis.

JOINT OPERATIONS CENTRE (JOC)

In the event of a major incident or disaster, the Joint Operations Centre (JOC) for the KCDM DDMC assumes full responsibility. The objective of the JOC is to provide centralized coordination, direction and control of any or all of disaster related matters.

STATUS OF THE DISASTER MANAGEMENT PLANS

The District Disaster Management successfully reviewed its Sector Plan in-line with the IDP; upon completion it was submitted to the Portfolio Committee as well as IDP for alignment. The district also has an approved Disaster Management Plan.

DISASTER MANAGEMENT PLAN (DMP)

The District Disaster Management successfully reviewed its Sector Plan in-line with the IDP, upon completion it was submitted to the Portfolio Committee as well as IDP for alignment. The District has an approved Disaster Management Plan. The main purpose of the Disaster Management Plan (DMP) to implement appropriate disaster risk reduction measures to reduce the vulnerability of communities and infrastructure at risk. The DMP is in line with national policy (National Disaster Management Framework).

The KCDM DMP was reviewed in late 2021 and was approved by Council in 2022 to ensure it remains current and relevant while ensuring compliance with the legislative requirements of the DMA.

KEY PERFORMANCE AREA 2: RISK ASSESSMENT

The District Municipality in partnership with the family of Local Municipalities (LMs) is always ready to deal with incidents/ disasters. The District has a 24hr emergency Call Centre to deal with the reporting of emergency incidents. The Call Centre also supports the other local municipalities by recording incidents reported, and allowing for the necessary response. The Control Centre operates on a shift system, with two controllers on each shift.

Key performance Area 2 in the Disaster Management policy framework requires the implementation of disaster risk assessment and monitoring for all spheres of government. The outcomes of disaster risk assessments directly inform the development of disaster risk management plans. The disaster risk assessment is the first step in planning an effective disaster risk reduction programme. It also examines the likelihood and outcomes of expected disaster events. This includes investigating related hazards and conditions of vulnerability that increase the chances of loss.

KCDM is primarily responsible for the implementation of the DMA within its area of jurisdiction, with a specific focus on ensuring effective and focused integration and standardised district wide risk reduction planning.

STATUS AND RESULTS OF DISASTER RISK ASSESSMENTS UNDERTAKEN

The typical hazards identified in the KCDM were identified through the monthly reports that are received from the local municipalities and the impact that the incident had on the household. Figure 1. provides identified hazards and Figure 2 Details risk prioritisation.

Figure 1: Summary of identified hazards in the KCDM (DMP)

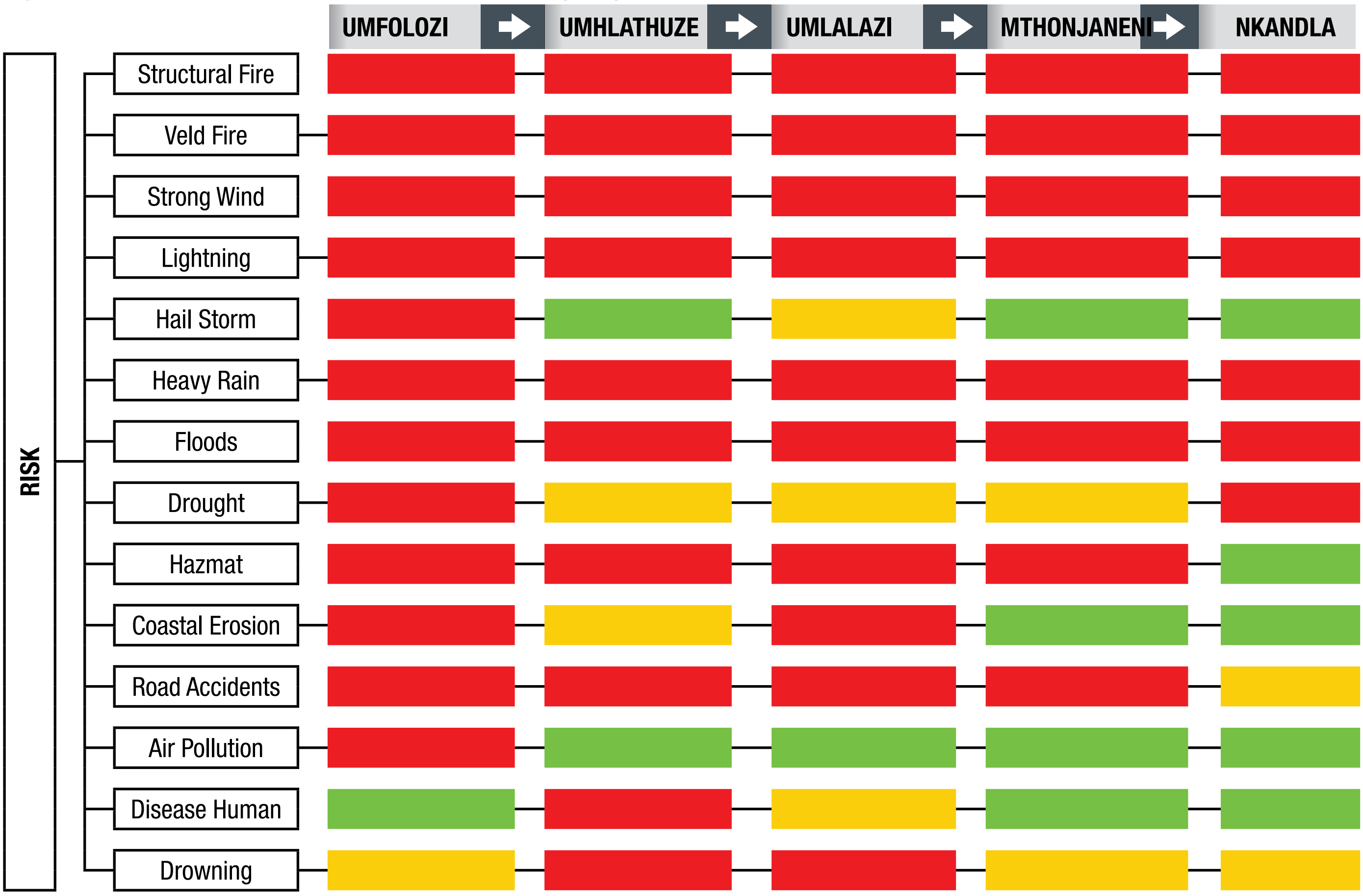


Figure 2: Risk prioritization for KCDM (as per the DMP)

Hazard Score: 1 | 2 | 3 | 4 | 5

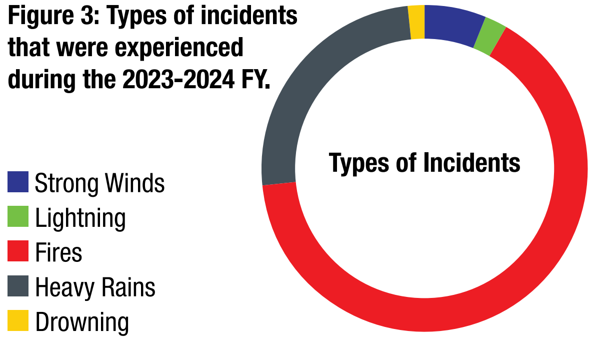
	Hazard Rating	Vulnerability Rating	Manageability Rating	Relative Risk Rating	Relative Risk Priority
Structural fire	19.5	14	23	11.9	Extremely high
Drought	17.5	15	26	10.1	Extremely High
Human Diseases	18.5	16	32	9.3	High
Veld fire	16.5	12	24	8.3	High
Floods	16.0	14	28	7.8	High
Strong wind	16.0	12	24	7.8	High
Lightning	15.0	10	20	7.5	Tolerable
Industrial accident	15.5	12	25	7.4	Tolerable
Pollution: Air	16.5	10	23	7.2	Tolerable
Coastal erosion	13.5	9	17	7.1	Tolerable
Geochemical hazards	16.0	11	25	7.0	Tolerable
Social unrest	16.0	9	21	6.9	Tolerable
Heavy/persistant rain	15.0	11	25	6.6	Tolerable
Erosion	12.0	9	17	6.4	Tolerable
Land degradation	12.0	9	18	6.0	Tolerable
Heat wave	13.5	9	22	5.5	Low
Road accidents	17.5	8	26	5.4	Low
Leak/Spill	13.5	10	26	5.2	Low
Pest infestation	11.0	8	18	4.9	Low
Hail	12.0	8	23	4.2	Low
Mudslide	11.5	7	19	4.2	Low

STATISTICS OF DISASTER INCIDENTS REPORTED

The summary statistics gives an overview of the incidents that were reported to the District Disaster Management Centre during the month of July 2023 - June 2024. The incidents occurred in five local municipalities within the district which are uMhlathuze, uMfolozi, Mthonjaneni, uMlalazi and Nkandla.

The District was mostly affected by fires, heavy rains lightning, drownings and strong winds (see Figure 3). The District continuously provided support to municipalities in terms of physical damage assessments and emergency relief response as municipalities and relevant emergency relief stock was also issued.

Figure 3: Types of incidents that were experienced during the 2023-2024 FY.



JULY 2023

Photo 1: A house that was destroyed by Veld fire at Ward 06 Hlangana, Umlalazi.

Photo 2: Totally destroyed house in Ward 11 Eshowe.

SEPTEMBER 2023

Photo 3 & 4: Houses that were destroyed by Veld fire at Ward 06 Hlangana and Izinsundu Umlalazi Municipality.

JANUARY 2024

Photo 5: House damaged by heavy rainfall in ward 06 Mpendle area.

Photo 6: The house was damaged by heavy rain in ward 27 Mandawe area.

JANUARY 2024

Photo 7: Denge family Roof blown off at ward 14 Khondweni area.

Photo 8: Relief material issued to the Buthelezi Family in ward 6 Mzingazi area with ward councillor Makhunga.

Table 7: The summary statistics gives an overview of the incidents that were reported to the District Disaster Management Centre during the month of July 2023 - June 2024

MUNICIPALITY	TYPE OF INCIDENTS	NUMBER OF INCIDENTS	HOUSEHOLDS AFFECTED	HOUSES AFFECTED		HOMELESS	PEOPLE AFFECTED	FATALATIES	INJURIES
				PARTIALLY DAMAGED	TOTALLY DESTROYED				
uMfolozi	3 Drowning 21 Heavy rains 35 fires 7 strong winds 2 lightning	68	88	84	45	35	606	7	9
uMhlathuze	2 Strong wind 56 Fires 11 Heavy rains	74	288	245	120	68	1450	2	2
uMlalazi	4 Strong winds 4 lightning 89 fires 10 heavy rains 1 drowning	108	852	1619	498	490	6458	10	17
Mthonjaneni	9 Strong winds 3 lightning 31 fires 42 heavy rains 2 drowning	82	480	510	172	62	2836	3	0
Nkandla	2 Strong winds 42 Fires 13 heavy rains	57	115	103	69	24	1062	2	1
TOTAL		**389**	**1 823**	**2 561**	**904**	**679**	**12 412**	**24**	**29**

The summary statistics gives an overview of the incidents that were reported to the District Disaster Management Centre during the month of July 2023 - June 2024. The incidents occurred in five local municipalities within the district which are uMhlathuze, uMfolozi, Mthonjaneni, uMlalazi and Nkandla.

Figure 4: Number of incidents that were reported and responded to during the 2023-2024 FY

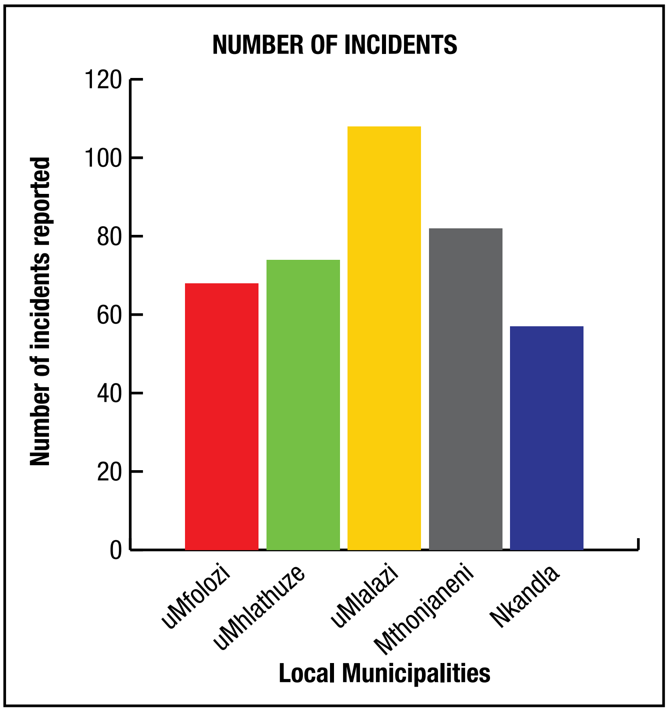


Figure 5: The number of wards that were affected by the incidents during the 2023-2024 FY

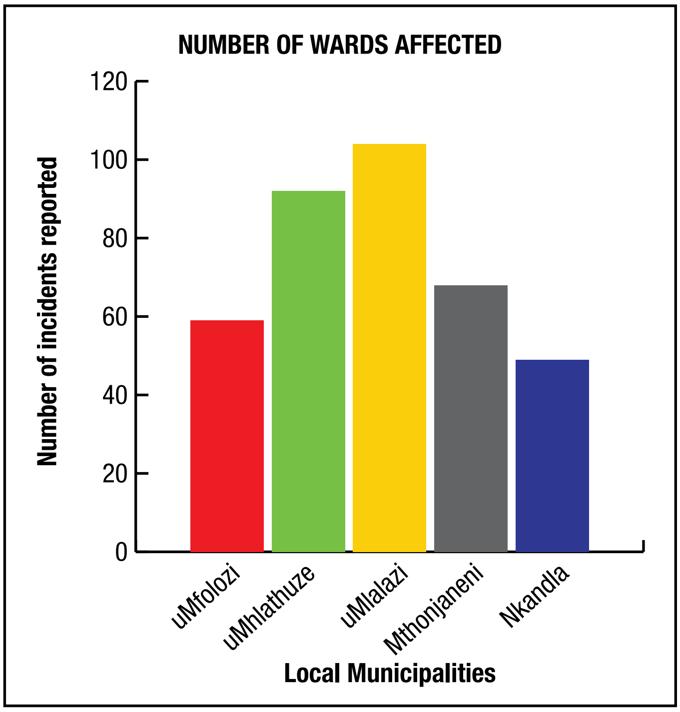
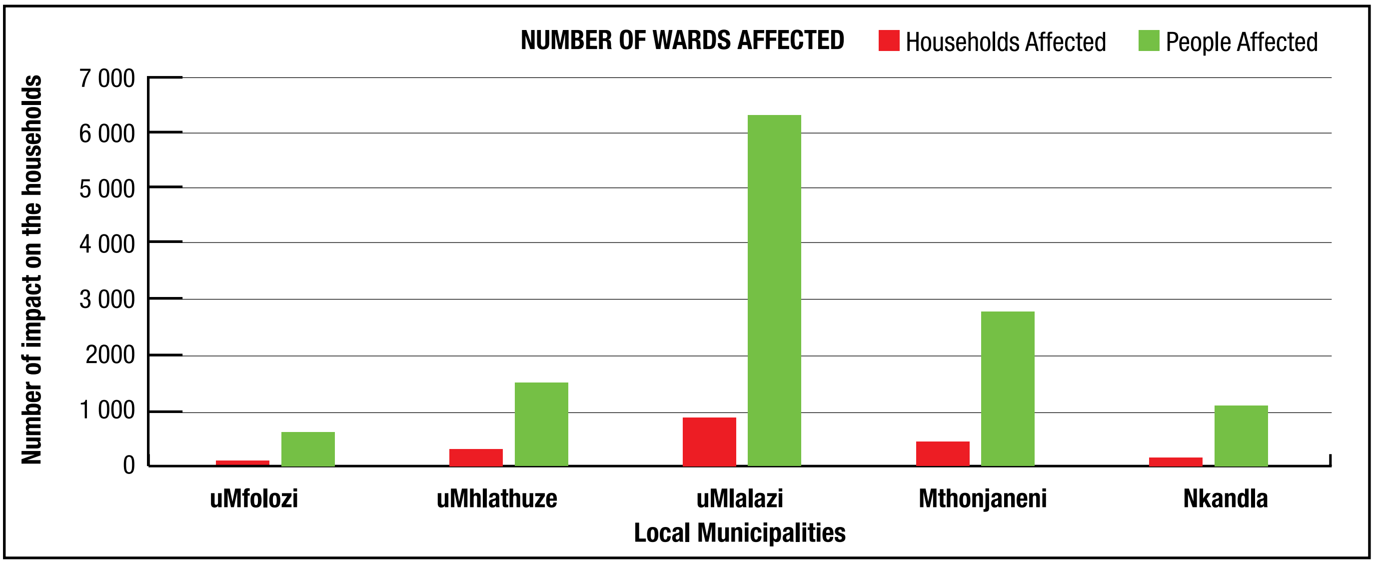


Figure 6: The impact of the incident had on the household



KEY PERFORMANCE AREA 3: RISK REDUCTION

The function of Disaster Management is a coordination function that focuses on prevention, mitigation, response and rehabilitation. A number of School and Community-Based Awareness programmes were conducted in different parts of the District covering all 5 Local Municipalities. The main objective of these campaigns was to reduce disaster risks while building resilient communities.

As part of community-based risk reduction measures the District embarked on the following capacity building programmes:

Table 8: School and Community Based Awarenesses were conducted during the 2023-2024 FY

NO.	DATE	AREA/VENUE	MUNICIPALITY	WARD
1	20 July 2023	Mbiya High School	uMfolozi	Ward 10
2	25 July 2023	eNhlanzini Hall and Nhlanzini Primary School		Ward 5
3	26 July 2023	Njeke Primary School Hall		Ward 4
4	23 August 2023	Macekane Primary School	uMhlathuze	Ward 31
5		Qhamuka High School		
6	05 September 2023	Thubalethu Primary School	Mthonjaneni	Ward 2
7	11 September 2023	Empangeni Preparatory School	uMhlathuze	Ward 24
8	23 September 2023	Alkastrand Beach		Ward 10
9	20 October 2023	Enqoleni Area at the Taxi Rank under	uMlalazi	Ward 24
10	20 October 2023	KwaDlangezwa, Dlangezwa High School	uMhlathuze	Ward 10
11	08 November 2023	Esikhawini at Ilembe Primary School	uMhlathuze	Ward 17
12	17 November 2023	KwaQwabe	Umlalazi	Ward 27
13	16 Feb 2024	KwaDlangezwa Clean-up campaign	uMhlathuze	Ward 10
14	16 Feb 2024	Kwagcongco Primary School	Mthonjaneni	Ward 07
15	20 Feb 2024	Dlinza Forest Reserve clean-up campaign	uMlalazi	Ward 11
16	07 March 2024	Oyemeni Primary school		Ward 23
17	10 April 2024	Mashoba Primary School	Mthonjaneni	Ward 11
18	13 April 2024	King Dinuzulu Sports Field	uMlalazi	Ward 12
19	22 April 2024	KwaMbonambi Primary School	uMfolozi	Ward 02
20		KwaMbonambi Taxi Rank		Ward 02
21	21 April 2024	Khoza Traditional Authority	Umhlathuze	Ward 05
22	09 May 2024	Esiqhomaneni School	Mthonjaneni	Ward 11
23	10 May 2024	Isithinta Primary School		Ward 10
24	21 June 2024	KCDM/EDTEA Workshop	Umhlathuze	Ward 3

Photo 1: Nhlanzini Hall uMfolozi.

Photo 2: Njeke Primary School uMfolozi.

Photo 3 & 4: Alkantstrand Beach uMhlathuze.

Photo 5: Clean-up campaign at KwaDlangezwa under uMhlathuze.

Photo 6: Clean-up campaign at KwaDlangezwa under uMhlathuze.

Photo 7: KCDM/EDTEA Workshop.

Photo 8: KCDM/EDTEA Workshop.

KEY PERFORMANCE AREA 4: RESPONSE & RECOVERY

In terms of financial capabilities, see below (Table 9) the District budget for Disaster Management operations, as well as response and recovery. Each LM has been encouraged to put aside a budget for disaster management.

Table 9: Operational Projects Expenditure 2023/ 2024

OPERATIONAL PROJECTS	BUDGET
Disaster Relief Shelters	R 1 000 000
Disaster Stock Items	R 200 000
Disaster Management Plan	R 150 000
Disaster Risk Reduction Programme	R 108 000
TOTAL	**R 1 458 000**

STATUS AND RESULTS OF DISASTER RISK ASSESSMENTS UNDERTAKEN

There were no risk assessments that were undertaken during the 2023 - 2024 FY. However, the annual incident breakdown below highlights incidents that were experienced during 2023-2024 FY.

Table 10: The annual incident breakdown experienced during 2023-2024 FY

TYPE OF INCIDENTS							
MUNICIPALITY	STRONG WINDS	LIGHTING	FIRES	HEAVY RAINS	DROWNING	STRUCTURAL COLLAPSE	AFFECTED WARDS
uMfolozi	7	2	35	21	3	2	59
uMhlathuze	2	0	56	11	0	34	92
uMlalazi	4	4	89	10	1	85	104
Mthonjaneni	9	3	31	42	2	80	68
Nkandla	2	0	42	13	0	1	49
TOTAL	**24**	**9**	**253**	**97**	**6**	**202**	**372**

DISASTER RECOVERY AND RESPONSE

Relief distributed by KCDM

Table 11: Indicates the relief items that the District distributed to the LMs during the 2023-2024 FY

MUNICIPALITY	BLANKETS	FOOD PARCELS	EMERGENCY SHELTER	MATRESSES/ SPONGES	BOX B	PLASTIC SHEETING
uMfolozi	63	0	0	17	43	20
uMhlathuze	136	0	0	87	48	145
uMlalazi	249	24	0	91	20	150
Mthonjaneni	80	0	0	33	2	19
Nkandla	111	0	0	48	13	5
TOTAL	**639**	**24**	**0**	**276**	**126**	**339**

Table 12: Indicates the relief items that the Local Municipalities distributed to the LM's during the 2023-2024 FY

MUNICIPALITY	BLANKETS	FOOD PARCELS	EMERGENCY SHELTER	MATRESSES/ SPONGES	BOX B	PLASTIC SHEETING	TENTS
uMfolozi	126	45	3	94	21	26	0
uMhlathuze	176	94	32	185	14	121	2
uMlalazi	354	131	29	64	49	307	0
Mthonjaneni	77	0	0	46	12	23	0
Nkandla	25	15	0	15	3	2	0
TOTAL	**758**	**285**	**64**	**404**	**99**	**479**	**2**

Available relief stock items

Below is the stock that was available at the DDMC as at end of June 2024.

Table 13: Available relief at KCDM DDMC as at June 2024

ITEMS	BALANCE
Blankets	1130
Mattresses	170
Box B	87
Plastic sheeting	50
Tarpaulins	123

3.5. DISASTER MANAGEMENT

Below is the stock that was available at the DDMC as at end of June 2024.

Table 14: Disaster Management Highlights for 2023/2024 financial year

HIGHLIGHTS	DESCRIPTION
Disaster Management Plan	Disaster Management Plan adopted by Council 2022.
Summer and winter season contingency plans	The summer and winter season contingency plans were drafted to ensure the District's preparedness and response.
Disaster Management Incident Management Standard Operating Procedure	Council approved the SOP for dealing with disasters.
Practitioner's Forum Workshop	The District in collaboration with PDMC conducted a district practitioner's forum workshop aimed at capacitating municipalities with all necessary skills for incident management and reporting.
Increased awareness	There has been an increased in the number of awareness programmes that the Section has conducted on Disaster Management

3.6. DISASTER MANAGEMENT RECONSTRUCTION AND REHABILITATION GRANT FUNDING

Disaster recovery (including rehabilitation and reconstruction) focuses on the decisions and actions taken after a disaster to restore lives and livelihoods, services, infrastructure and the natural environment. In addition, by developing and applying disaster risk reduction measures at the same time, the likelihood of a repeated disaster event is reduced. Disaster recovery includes: • rehabilitation of the affected areas, communities and households • reconstruction of damaged and destroyed infrastructure • recovery of losses sustained during the disaster event, combined with the development of increased resistance to future similar occurrences.

MUNICIPALITIES	PROJECT	GRANT ALLOCATION
APRIL/MAY 2022 DISASTERS		
KCDM	Landfill Site	R4,5m
uMhlathuze	Roads, bridges etc.	R34 966 000
JANUARY 2024 INCIDENTS		
uMlalazi	Facilities	R8,5m

Post Disaster Grants KCDM-Landfill Site

Photo 10: Road access before

Photo 11: Road access after

Post Disaster Grants-uMhlathuze

Photo 12: Road repairs before

Photo 13: Road repairs after

KEY PERFORMANCE AREA 4: RESPONSE AND THE CHALLENGES - DISASTER MANAGEMENT

Table 15: Disaster Management Challenges for the 2023/2024 financial year:

CHALLENGE(S)	ACTION TO ADDRESS
Slow response to incidents due to limited resources in some municipalities.	Appointment of additional staff.
Incidents are reported to the DDMC with insufficient information and details not specified	Incidents to be reported using the correct administration tool i.e. assessment form Municipalities with limited budget for disaster relief stock Municipalities to budget for Disaster Management programmes.
Poor stakeholder participation at Advisory Forum meeting	The district and locals to identify relevant stakeholders and review terms of reference for advisory forum
Location of the DM Function Section 1.2.1 "If municipal disaster management centres are to fulfil their responsibilities, they need to be located closest to the highest level of decision making and should be able to cut across departments involved with disaster risk management." This section eliminates the following; Efficient response to incidents in terms of support and response with relevant relief materials.	The function remains at Community Services but has a definitive system of decision-making which will be an efficient response to incidents in terms of support and response with relevant relief materials. DTT to become a tool for advisory, monitoring and evaluation of disaster management issues. DDM in an absence of DTT can become an advisor, monitoring and evaluation tool for disaster management issues in the district. Reporting lines should be clear and decisions will be taken in the case of emergency response situations.
No early warning systems	Sufficient dissemination of early warning to staff, JOC Members and other key stakeholders but information should be cascaded to the public and stakeholders. Information management system be installed to assist with early warnings, incident recording, mapping and reporting.
Funding for the establishment of the new Disaster Management Centre remains a concern.	Engagements are underway with relevant stakeholders to assist with funding.
Lack of capacity such human resources for Disaster Management	Lack of human capacity to service the whole District.

ENVIRONMENTAL HEALTH/ MUNICIPAL HEALTH SERVICES

REGULATORY MANDATE

The constitution of the Republic of South Africa allocates the Municipal Health Services as a Local Government function under Part B of Schedule 4, Section 156(1)(a), and according to section 32 of the National Health Act, 2003 (Act No 61 of 2003), every metropolitan and district municipality must ensure that appropriate municipal health services are effectively and equitably provided in their respective areas. The Municipal Structures Act, 1998 (Act No. 117 of 1998), Section 84(1) (i), states that Municipal Health Services (MHS) is the responsibility of Category C Municipalities, which are District and Metropolitan Municipalities.

ENVIRONMENTAL HEALTH DEFINITION

Environmental Health is defined as those aspects of human health, including quality of life, that is determined by physical, chemical, biological, and psychosocial factors in the environment. It also refers to the theory and practice of assessment, monitoring, correction, control, and prevention of environmental factors that can adversely affect human health.

This annual report comprises of activities undertaken in all five (5) sub-districts i.e. uMhlathuze, uMfolozi, uMlalazi, Nkandla and Mthonjaneni.

The Environmental Health Services activities undertaken are described as follows:

Sampling programme of food, water and swabs: plays a critical role in ensuring that public drinking water complies with National Standards for drinking water (SANS 241). Sampling of food and swabs assists in the prevention of foodborne illnesses by determining the compliance of ready to eat food and food preparation surfaces with food safety standards. The district has recorded **ZERO NOTIFIED** death cases that are related to waterborne and foodborne diseases.

2023/24 BUDGET ALLOCATION FOR SAMPLING PROGRAMME OF FOOD, WATER AND SWABS: R419 000

ANNUAL SUMMARY OF SAMPLES TAKEN 2023/2024					
	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	TOTAL
Drinking water	85	78	135	289	587
Recreational water	0	0	0	200	200
Bottled water	0	0	0	114	114
Swabs	104	84	160	160	508
Food	106	85	167	164	522

Compliance reports were issued and health education was conducted to non-compliant premises.

Food Control: Food control is described by the World Health Organisation (WHO) as a mandatory regulatory activity of enforcement by National and Local authorities to provide consumer protection and ensure that all food during production, handling, storage, processing and distribution are safe, wholesome and fit for human consumption; conform to quality and safety requirements and are honestly and accurately labelled as prescribed by law. All food premises were inspected to ascetain compliance with Regulations Governing General Hygiene Requirements for Food Premises, Transport of Food and Related Matters (R638).

Photo 1: Food Safety Operations

ANNUAL PERFORMANCE	ANNUAL ACHIEVEMENTS
Number of food premises inspected	2061
Number of food audits conducted	44
Number of Certificate of Acceptability issued	205
Condemnation of unsafe foodstuffs	83 341 kg
Tarpaulins	123

Photo 2: Food Safety Operations

Health Surveillance of Premises: This relates to identification, monitoring and evaluation of health risks, health nuisances and hazards and instituting remedial and preventative measures, in accordance with KCDM Environmental Health Bylaws MN 10 of 2013, Childcare Services Bylaws MN 27 of 2017, National Health 2003 (Act No 61 of 2003, National Environmental Health Norms and Standards and National Building Regulations and Building Standards Act, 1977 (Act No 103 of 1977) and other relevant legislations.

ANNUAL PERFORMANCE	ANNUAL ACHIEVEMENTS
Number of health surveillance of accommodation establishments conducted	68
Number of inspections conducted in Early childhood Centres and Schools	291
Building plans scrutinised	97
Planning applications and consent use applications	83
Business licence applications received and commented on	176

Surveillance and Prevention of Communicable Diseases, excluding immunisation: The identification, monitoring and prevention of any disease which can be contracted directly or indirectly from humans, animals and environment through any agent to any person or from any person suffering thereof or who is a carrier to any other person. A total of one hundred and seventy-five (175) notifiable suspected medical cases were received, investigated and health education was conducted. The cases investigated included dog bites, Mpox, pink eye, cholera, plague, food poisoning and bilharzia.

Vector Control: Monitoring, Identification, Evaluation and Prevention of vectors. A total of two thousand five hundred and thirty-six (2536) premises were inspected comprising of food premises, bed & breakfasts, accomodation establishments, schools, childcare facilities, clinics, mortuaries and hospitals during the financial year under review. This was to ensure that precuations, preventative and control measures were being implemented by the premises to prevent and control insect and rodent infestations.

Environmental Pollution Control: The identification,evaluation,monitoring and prevention of land, soil, noise, water and air pollution. A total of two thousand five hundred and thirty-six (2536) tobacco legislation inspections were undertaken in the year under review to reduce exposure to cigarette smoke by patrons in various establishments.

Waste Management: This relates to inspections, investigation of waste management related complaints and monitoring the handling, storage, and proper refuse disposal in businesses, education institutions, healthcare insitutions and residential areas. This is done in line with local municipalities By-laws and Intergrated Waste Management Plans (IWMP). KCDM inpartnership with the family of five (5) local municipalites actively particiated and supported waste minimisation initiatives that were carried out throughtout the district.

ANNUAL PERFORMANCE	ANNUAL ACHIEVEMENTS
Number of health surveillances conducted on health care facilities	47

Photo 3: Ward 27 Umlalazi LM

Photo 4: Ward 27 Umlalazi LM

Disposal of the Dead: Compliance monitoring of funeral undertakers, mortuaries, embalmers, crematoria, graves and cemetories to manage, control and monitor exhumations and reburials or disposal of human remains. The inspections and monitoring of exhumation was done in accordance with the Regulations Relating to the Management of Human Remains 363 of 2013 in the year under review.

ANNUAL PERFORMANCE	ANNUAL ACHIEVEMENTS
Number of health surveillances conducted on mortuaries and cemeteries	57
Number of exhumations monitored	03

Photo 5: Exhumation Monitoring

Photo 6: Exhumation Monitoring

Chemical Safety: Monitoring, identification, evaluation, and prevention of the risks of chemicals that are harmful to human health. The focus of the monitoring of the chemical storage facilities was on labelling, storage and handling of chemicals.

Environmental Health education and awareness programmes: Associated with positive social, and behavioral outcomes, such as prevention and health promotion programmes that encompass Environmental Health matters with the aim to reduce the spread of diseases and maintain a safe and clean environment. Environmental health education is a critical component that addresses and intervenes in any negative effects. The health education programmes are conducted in line with National Department of Health Awareness Annual Calendar, which includes the commemoration of World Food Day, World No Tobacco Day, World Environment Day, Hand Wash Day, World Rabies

Day and World Environmental Health Day to name a few. A total of three hundred and forty-two (342) of health awareness/education sessions were undertaken during the year under review. Topics covered ranged from Food & Hygiene, Rabies, Bilharzia, Personal Hygiene, Waste Management, No tobacco awareness, Chemical Safety, Mpox, Pink eye, Cholera etc.

ENVIRONMENTAL HEALTH TECHNICAL INFORMATION SESSION (EHTS): is an annual event that started in October 2021. It seeks to encourage the Environmental Health team to continuously enhance their knowledge, increase practical understanding, and to be updated on the emerging Environmental Health related issues.

This ensures the improvement in the quality of service rendered within KCDM communities. These sessions are also used as an assessment tool in monitoring and evaluating the quality of service rendered by the section in comparison with other district municipalities nationwide. Promotion of research, development and innovations within the section.

The 2024 EHTIS was held on 19-21 June 2024, and the focus was on KCDM Law Enforcement implementation strategy which still remains a gap in the rendering of Environmental Health service in the district. The same gap was also identified during the recent National Environmental Health Norms and Standards Audit, that was conducted on February 2024. The programme comprised of three days, of which 1st two days were for information sharing and the last day was for staff recognition awards and it was a formal programme. The awards were aimed at recognizing the good practices and promotion of work ethics in rendering Environmental Health service delivery. It was attended by over six hundred (600) external attendees/professionals across the country that attended virtually and physical attendance was estimated to seventy (70) attendees for all three days and was accredited for Continuous Development Points by the Health Professions Council of South Africa.

Photo 7: Funeral directors and managers training

The programme was comprehensive, and it was attended by the Deputy Mayor, Community Services Portfolio Councillors, Municipal Manager, Deputy Municipal Managers, Corporate Services Department, Community Services management and some staff members, representatives from the National and Provincial Department of Health, South Africa Local Government Association (SALGA), Academics (Durban University of Technology, Mangosuthu University of Technology, Tshwane University of Technology, University of Johannesburg), Environmental Health team and Environmental Health officials from City of Tshwane, eHlanzeni District Municipality, eKurhuleni Metropolitan, Harry Gwala DM, and Law expert from Siyabulela Pendani Law Firm.

This year's programme also served as a benchmarking exercise in that Senior Management from eHlanzeni District Municipality which included Environmental Health and Geographic Information Systems shared best practices on how they incorporated the GIS system into Environmental Health operations. The system was found to be efficient in the generation of day to day Environmental Health reports, thus improving the quality of the Health service delivery.

Photo 8: Attendees

Photo 9: DMMs - Community & Corporate Services

Photo 10: Municipal Manager

Photo 11: Attendees

Photo 12: Manager - Environmental Health

Photo 13: Attendees

Photo 14: Ehlanzeni Dm Presentation

Photo 15: Ekurhuleni Metro Presentation

Photo 16: DR. POSWA

Photo 17: TUT-PhD Candidate

ENVIRONMENTAL HEALTH STAFF RECOGNITION AWARDS

The Environmental Health staff recognition and awards aimed to appreciate Excellent Service Delivery, boosting staff morale, teamwork, ethics, and professionalism as they provide a service to KCDM communities.

ENVIRONMENTAL HEALTH STAFF RECOGNITION AWARDS CATEGORIES AND RECIPIENTS		
1. Environmental Health Consistently Consistent Employee 2024	**SIYABONGA NGWENYA**	HI 0091669
2. Environmental Health External Stakeholder's Recognition 2024	**SIPHOSETHU MATHENJWA**	UMlalazi LM
3. Best Environmental Health Services Related Programme Co-Ordinator 2024	**JABU MNENO**	HI 0082635
4. Best Environmental Health Assistant 2024	**BHEKINKOSI XABA**	HIA 0081205
5. Environmental Health Senior Manager's Award 2024	**THABO MAGWAZA**	HI 0098035
6. Best Environmental Health Employee 2024	**LINDANI MASHABANE**	HI 0074144
7. Best Environmental Health Sub-District 2024	**UMHLATHUZE SUB-DISTRICT**	

Photo 18: Awards recipients

Photo 19: Deputy Mayor, Cllr SZ Dlamini

Photo 20: KCDM Leadership and management

Photo 21: KCDM Leadership and management

Photo 22: Daily News Publication

Photo 23: Best Environmental Health Employee 2024 recipient

1. 2023/24 National Environmental Health Annual Assessment: The municipality was assessed on the 15th of February 2024 to monitor and evaluate the systems in place for the rendering of Municipal Heath Services within King Cetshwayo District Municipality. The municipality achieved a score of 95% which is a great achievement compared to the previous score of 79% in 2022/23 financial year.

2. Signing of the Memorandum of Understanding: The municipality signed a Memorandum of Understanding with Tshwane University of Technology on the 20th of September 2023. This MoU formalized the partnership between these two parties for the benefit of Environmental Health officials, who will take advantage of, among other things, continuous professional development programmes, professional support, and acceptance of Environmental Health trainees for work experience who are studying Environmental Health degree and hail from KCDM communities.

3. Work Integrated Learning programme: The municipality accepted twenty-five (25) Environmental Health trainees in different groups during university holidays (June/July and December/January) who are bon fide residence of King Cetshwayo District Municipality and studying from various universities of technology; such as Mangosuthu University of Technology, Durban University of Technology, Tshwane University of Technology, University of Johannesburg who sought Work Integrated Learning (WIL) placement. This was done through the approval of the Municipal Manager. The WIL is a mandatory prerequisite for all registered Environmental Health students and corresponds to the Health Professions Council of South Africa (HPCSA) to complete prescribed WIL days.

   This programme seeks to create balance between theory and practical experience thus enabling the trainees to be better equipped for work challenges and meeting minimum job requirements after qualifying.

4. CHALLENGES: Inadequate staffing and limited resources poses limitations with regards to rendering quality, equitable and efficient Environmental Health services within KCDM communities.

All sections worked as one to support the State of the District Address

AIR QUALITY MANAGEMENT

INTRODUCTION

Air pollution is associated with a number of adverse health impacts. It is recognised as a contributing factor in the onset of heart disease and cancer. Additionally, air pollution particularly affects the most vulnerable in society: children and older people, and those with heart and lung conditions.

The Constitution of the Republic of South Africa, 1996 (Act no. 108 of 1996) (the constitution), gives local government the executive authority over the functions of cleaning, refuse removal, refuse dumps and solid waste disposal. even though waste disposal activities are mainly undertaken by municipalities, other public sector entities may also be involved in these activities from time to time.

The following regulations are applicable to Air Quality Management:

- National Environmental Management Act (NEMA), no. 107 of 1998.
- National Environmental Management Air Quality Act, 2004 (Act 39 of 2004) ("AQA")

LEGISLATION - REGULATIONS AND STANDARDS

KCDM Air Quality Bylaw

Section 156(2) of the Constitution of the Republic of South Africa, 1996, states that a municipality may make and administer by-laws for the effective administration of matters that it has the right to administer. Air pollution is listed as a matter in which local government has authority and national or provincial government may not compromise or impede a municipality's right to exercise its powers or perform its functions.

To ensure management of air quality and the control of air pollution within the area of its jurisdiction and to ensure that air pollution is avoided or, where it cannot be altogether avoided, is minimised and remedied. The King Cetshwayo District Municipality has developed the Air Quality Management By-law, 2023; which was gazetted on 07 March 2024 (Municipal Notice 391 of 2004).

Air Quality Management Planning

In accordance with the provisions of Section 15(2) of AQA, King Cetshwayo District Municipality (KCDM) is required to develop and adopt in its Integrated Development Plan an Air Quality Management Plan (AQMP). The unit has started the implementation of the approved and adopted Air Quality Management Plan during the 2023/2024 financial year. The table 1 below provides the status of implementation of some of the goals of the AQMP.

Table 1: Air Quality Management Plan implementation status for 2023/2024

Goal 1: AQM is undertaken within the context of cooperative governance		
Objective	**Activity**	**Status**
Strengthen intergovernmental relations for effective AQM within the District	Collaborate with provincial department and local municipalities to address AQM related issues	Ongoing on a quarterly basis
Effective collaboration for approval of new sources with the District	Collaborate with relevant provincial departments and local Municipalities in environmental authorization process	Ongoing upon receipt of application
Active participation in AQM structures across all spheres of government	Attend AQM forums (e.g. AQOs Forum), conferences and workshops organized by other spheres of government	Ongoing on a quarterly basis
Goal 2: KCDM has the necessary systems and tools to implement AQMP		
Accurate ambient air quality data to inform decision making in air quality management	Conduct air dispersion modelling study	**In progress**
Goal 3: KCDM has requisite skills and capacity to implement AQMP		
Continuous upskilling and capacitation of AQM personnel	Identify staff training needs Develop skills development and training Programme for identified training needs	Air Quality personnel are trained as Environmental Management Inspectors
Goal 5: Improve air quality management awareness in the entire District		
All stakeholders are educated on the impact of air quality in the region, including rural areas	Plan and host AQM education and awareness campaigns in all the local municipalities under the District	Ongoing being reported to council on a monthly basis

AUTHORISATIONS

King Cetshwayo District Municipality is the licensing authority for implementing the Atmospheric Emissions Licences as contemplated in chapter 5 of the Air Quality Act.

Atmospheric Emission Licence

KCDM issued a total of 6 licenses during the 2023/2024 financial year as indicated in Table 2 and Table 3 provides five licence applications that are still being processed to be issued during 2024/2025 financial year.

Table 2: Atmospheric Emission Licence issued in 2023/2024 financial year

<table>
<tr><th>Facility Name</th><th>Type of AEL</th><th>Issue Date</th><th>Expiry Date</th></tr>
<tr><td>Transnet Port Terminal</td><td rowspan="4">Renewal</td><td>06.05.2024</td><td>05.05.2029</td></tr>
<tr><td>Zululand Bay Galvanizer</td><td>05.05.2029</td><td>19.12.2028</td></tr>
<tr><td>Richards Bay Minerals</td><td>13.12.2023</td><td>12.12.2028</td></tr>
<tr><td>Much Asphalt</td><td>30.05.2024</td><td>29.05.2029</td></tr>
<tr><td>Tronox KZN sands</td><td>Variation</td><td>05.04.2024</td><td>04.04.2028</td></tr>
<tr><td>Grindrod Terminal (Kusasa)</td><td>Section 22 A</td><td>31.01.2024</td><td>30.01.2024</td></tr>
</table>

Table 3: Atmospheric Emission Licence Applications Received in 2023/2024

Facility Name	Type of AEL	Status
Grindrod Terminal (Sea Munye)	S22A	The facility is a 24 G application, EA has not been granted.
Collateral Trading 27 (Pty) Ltd	Renewal	The Application for this facility has been processed and is on Draft status
South 32	Renewal	The facility and the LA to make final decision on whether the Casthouse is a listed activity or not
Hulamin	Renewal	Application is being processed
BTT	Variation	Application is in the Draft stage

AIR QUALITY REVENUE

This section provides air quality revenue for 2023/2024 financial year. There are two regulations for the licensing authorities to acquire revenue for air quality licensing; outlined in the AQA which are:

- Regulations prescribing the atmospheric emission licence processing fee, 2016
- Regulations for the procedure and criteria to be followed in the determination of an administrative fine in terms of section 22A of AQA.

The district received a total of eight hundred and fifty five thousand Rands (R855 000) for air quality licensing as outlined in Table 4:

Table 4: Air Quality revenue for 2023/2024 financial year

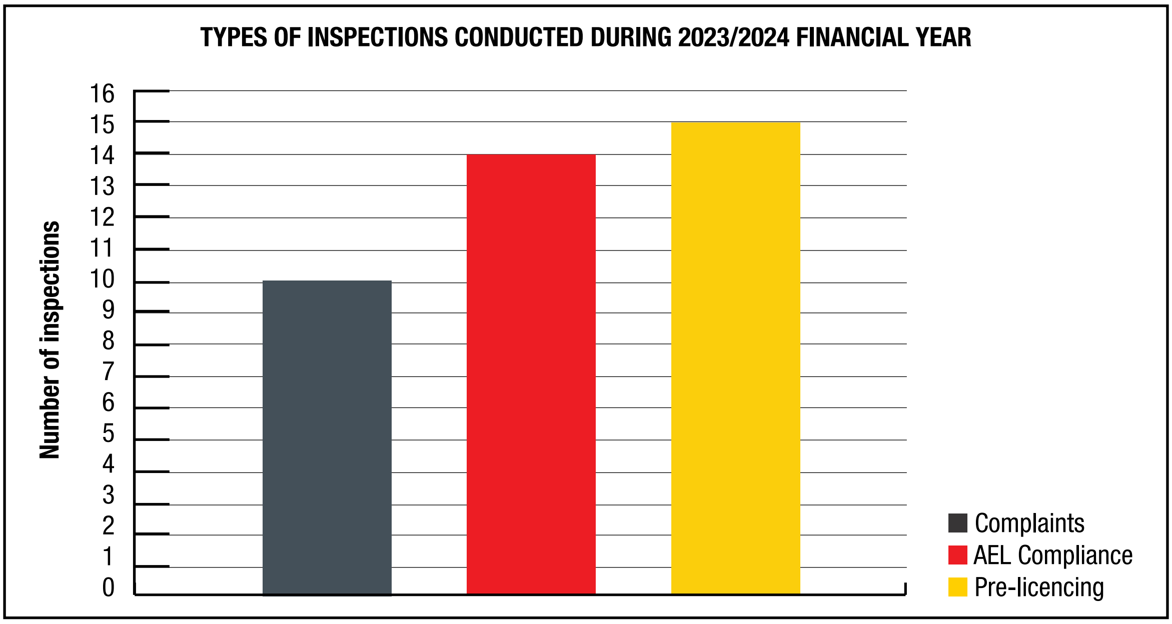
<table>
<tr><th>Industry Name</th><th>Application Type</th><th>Revenue</th><th>Status/Comments</th></tr>
<tr><td colspan="4">AEL Processing Fees</td></tr>
<tr><td>Richards Bay Minerals</td><td>Renewal</td><td>R25 000.00</td><td>Issued</td></tr>
<tr><td>Tronox KZN Sands</td><td>Renewal</td><td>R15 000.00</td><td>Issued</td></tr>
<tr><td>Much Asphalt</td><td>Renewal</td><td>R5 000.00</td><td>Issued</td></tr>
<tr><td>South 32</td><td>Renewal</td><td>R5 000.00</td><td rowspan="2">Being processed to issue in Q1 of 2024/2025</td></tr>
<tr><td>Hulamin Richards Bay</td><td>Renewal</td><td>R5 000.00</td></tr>
</table>

COMPLIANCE MONITORING

Inspections

KCDM conducted a total of 39 inspections during the 2023/2024 financial year as categorised as indicated in figure1 below:

Figure 1: Number and type of inspections conducted in 2023/2024



Environmental forums

To ensure that the AQM is undertaken within the context of cooperative governance with the District the Air Quality Management Units attends three types of forums yearly (industrial forums, Air Quality Officers Forum and Disaster Advisory forums).

Industrial forums are designed as a platform for industries to report on their compliance performance as required by the National Environmental Management Act (Act 107 of 1998), Specific Environmental Management Acts, all relevant air quality/ environmental legislations, authorisations, and licenses issued.

Air Quality Officers Forums are a provincial government support to the Licensing Authorities in the Kwa-Zulu Natal Province. These forums are attended by all AQO within the province to provide statuses for Atmospheric Emission Licences, facility compliance with permits focusing on the AEL, ambient monitoring in each district and challenges within the Air Quality Management Sphere.

Disaster Management Forums are a mandate of the Disaster Management Section, however air quality management is featured to present its challenges within the district and alert the Disaster management offices within the province of potential risks and this forum is a platform for air quality issues to be integrated with Disaster response plans or possible threats from air quality management.

Each of the three categories of forums are attended by various stakeholders, authorities responsible for the enforcement of environmental legislations within National, District and Province, including King Cetshwayo District Municipality, City of uMhlathuze, Economic Development, Tourism and Environmental Affairs (EDTEA), Department of Water and Sanitation (DWS), Ezemvelo KZN Wildlife, the facility concerned/ industry who is then responsible for reporting the quarterly compliance status and Richards Bay Clean Air Association (Non-Governmental Organisation).

INFORMATION MANAGEMENT

Emission Reporting

There have been changes in the contractual agreement between the Department of Forestry Fisheries and Environmental (DFFE) and the South African Atmospheric Emission Licence Inventory Portal (SAAELIP) service provider. All SAAELIP hosting and related services have ceased to operate from 05 February 2024. This necessitated changes to AEL and National Atmospheric Emission Inventory System (NAEIS) implementation.

The Department of Forestry Fisheries and the Environment has on 08 March 2024 in terms of AQA published a Notice regarding manual registration of data providers, reporting of atmospheric emissions, and the management of atmospheric emission licenses, through a manual process while transitional arrangements are underway to establish new systems, for the calendar years 2024 to 2026.

The data providers must submit the required information by email to the relevant authorities and to NAEISAdmin@dffe.oov.za from 01 January to 30 June of each calendar year. Where 30 June falls on a Saturday, Sunday or public holiday, that period must be extended to the end of the following day which is not a Saturday, Sunday or a public holiday. The number of data providers registered in the KCDM 2023 Emission Inventory (EI) Master list are required to submit the emission inventory reports, to update the state of air quality in South Africa.

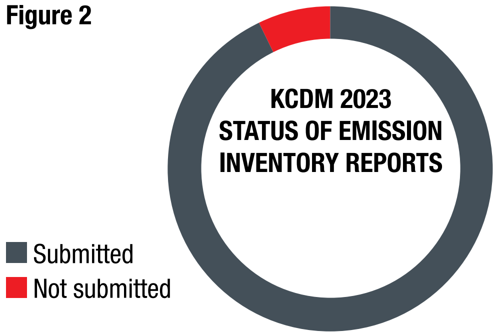
The King Cetshwayo District Emission Inventory Master List has a total of 27 facilities that are expected to report annual emissions by 30 June 2024. These facilities are located in three local municipalities, namely uMfolozi, uMlalazi and the City of uMhlathuze, which has the most facilities to report emissions as outlined in Table 5 below left.

Table 5 Number of emission reports received per local Municipality

Local Municipality (Lm) Name	No of Reports Expected	No Of Reports Received	Status
City of uMhlathuze	21	19	2 not submitted
uMlalazi	3	3	Complete
uMfolozi	3	3	Complete
Total	**27**	**25**	

Figure 2 shown at right provides the percentage number of reports submitted.

Figure 2



AMBIENT MONITORING

All ambient monitoring stations available in South Africa should upload data on the South African Air Quality Information System (SAAQIS) website which is maintained by the Department of Forestry Fisheries and the Environment in collaboration with South African Weather Services.

The City of uMhlathuze Local Municipality (CoU) did not report ambient monitoring data on the South African Air Quality Information System during 2023/2024 financial year due to challenges with data loggers. The results for Richards Bay Clean Air Association (RBCAA) monitoring stations will be presented in the report for 2023/2024.

The location and names of the stations that operated during 2023/2024 FY is provided in figure 3 below:

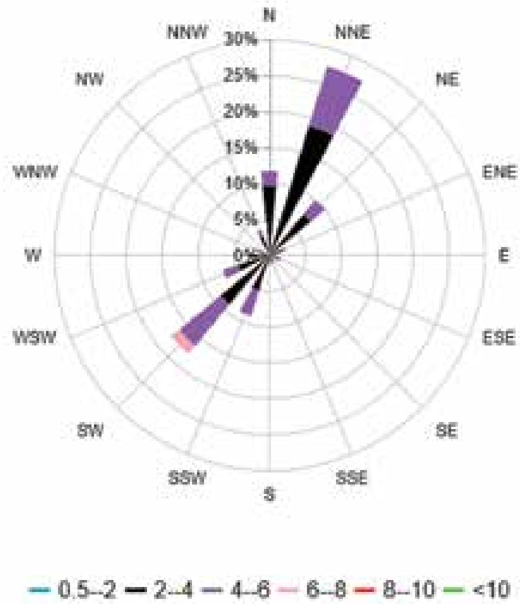
Figure 3: Location of ambient monitoring stations within KCDM (CoU and RBCAA stations)

WIND ROSES

Annual wind roses for 2023/2024 financial year at Arboretum are presented in Figure 4. They indicate that the wind blew predominantly along the NE and SW axis. NE wind is generally associated with fair weather, while SW wind is usually associated with the passage of coastal lows, cold fronts, and inclement weather.

Figure 4: Annual wind roses for 2023/2024 financial year at Arboretum

Frequency WD Deg at Arboretum Using Wind Direction at Arboretum 07/01/2023 to 06/30/2024



Period	2023/2024	
Wind Speed	3 m/s	
Dominant Sector 1	N-NE	49%
Dominant Sector 2	SSW-WSW	35%
Calms	2%	

AMBIENT AIR QUALITY STANDARDS

Government Gazette 32816 (December 24 2009) in terms of the National Environmental Management: Air Quality Act 2004 (Act 39 of 2004) provides the National Ambient Air Quality Standards (NAAQS) for Particulate Matter and Sulphur Dioxide (SO_2) as provided in table 6. There are no NAAQS for Total Reduced Sulphur.

Table 6: National Ambient Air Quality Standards (NAAQS) for six criteria pollutants

Criteria Pollutants		Averaging Period	South African standards	WHO guidelines	Frequency of exceedances [1]
Particulate matter	$PM_{2.5}$	24 hours	40 µg/m³	5 µg/m³	4
		1 year	20 µg/m³	15 µg/m³	0
	PM_{10}	24 hours	75 µg/m³	45 µg/m³	4
		1 year	40 µg/m³	15µg/m³	0

[1] "Frequency of exceedance "means a frequency (number/time) related to limit value representing the tolerated exceedance of that limit value at a specific monitoring location, i.e., if exceedances of limit values are within the tolerances, then there is still compliance with the standard. This exceedance is applicable to a calendar year.

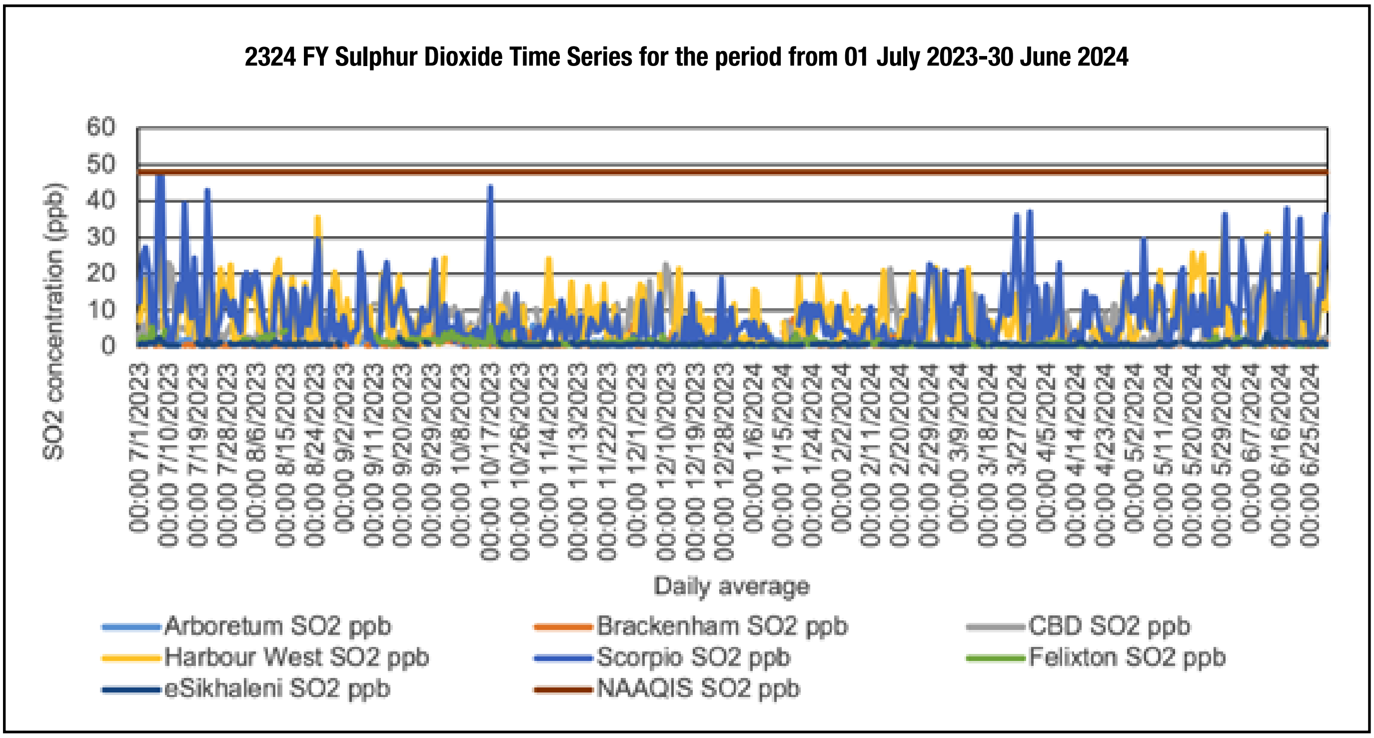
Sulphur Dioxide (SO_2)	10 minutes	500 µg/m³ (191ppb)	-	526
	1 hour	350 µg/m³ (134ppb)	-	88
	24 hours	125 µg/m³ (48 ppb)	45 µg/m³	4
	1 year	50 µg/m³ (19 ppb)	-	0

The acceptable data availability (capture) for ambient monitoring stations is 80%.

Sulphur Dioxide daily average concentrations

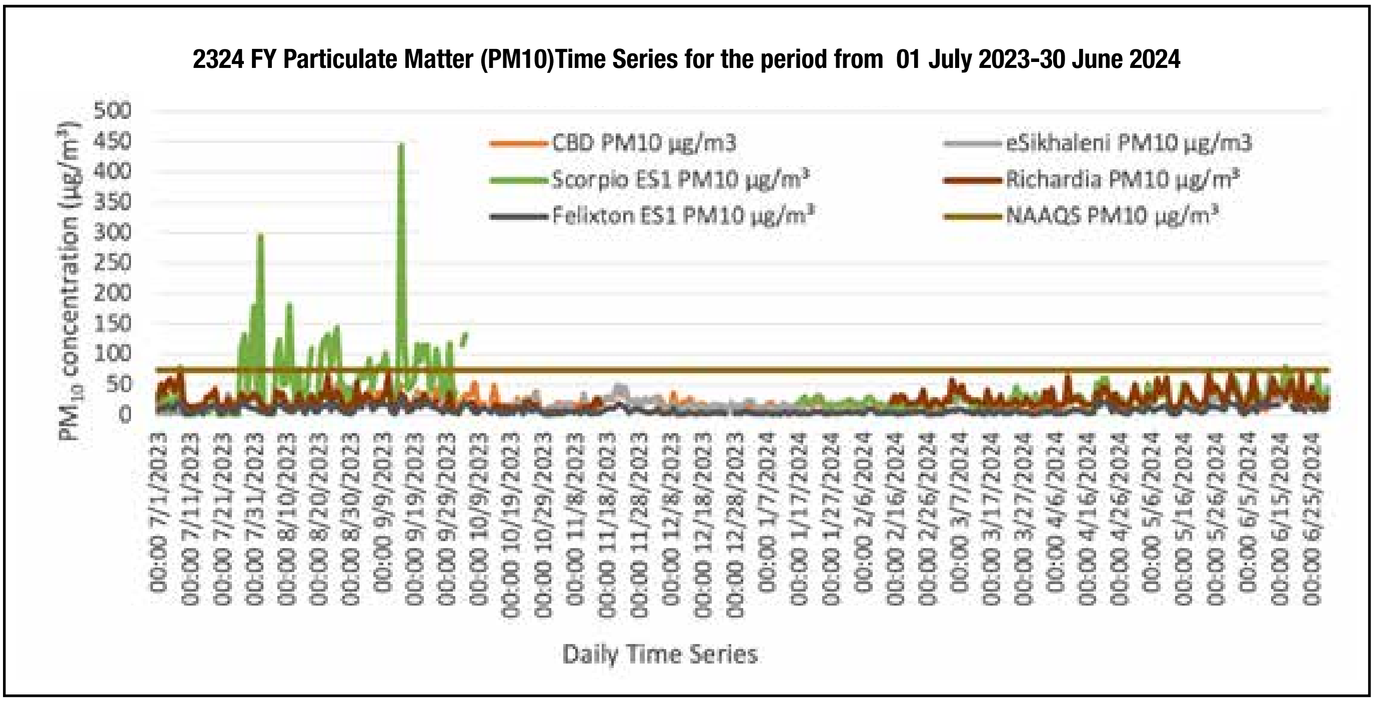
There were no daily exceedances recorded during 2023/2024 at all station annual averages were below the limit. There are three stations that recorded data availability below 80%.

Figure 5: RBCAA stations daily SO2 concentration from July 2023 to June 2024



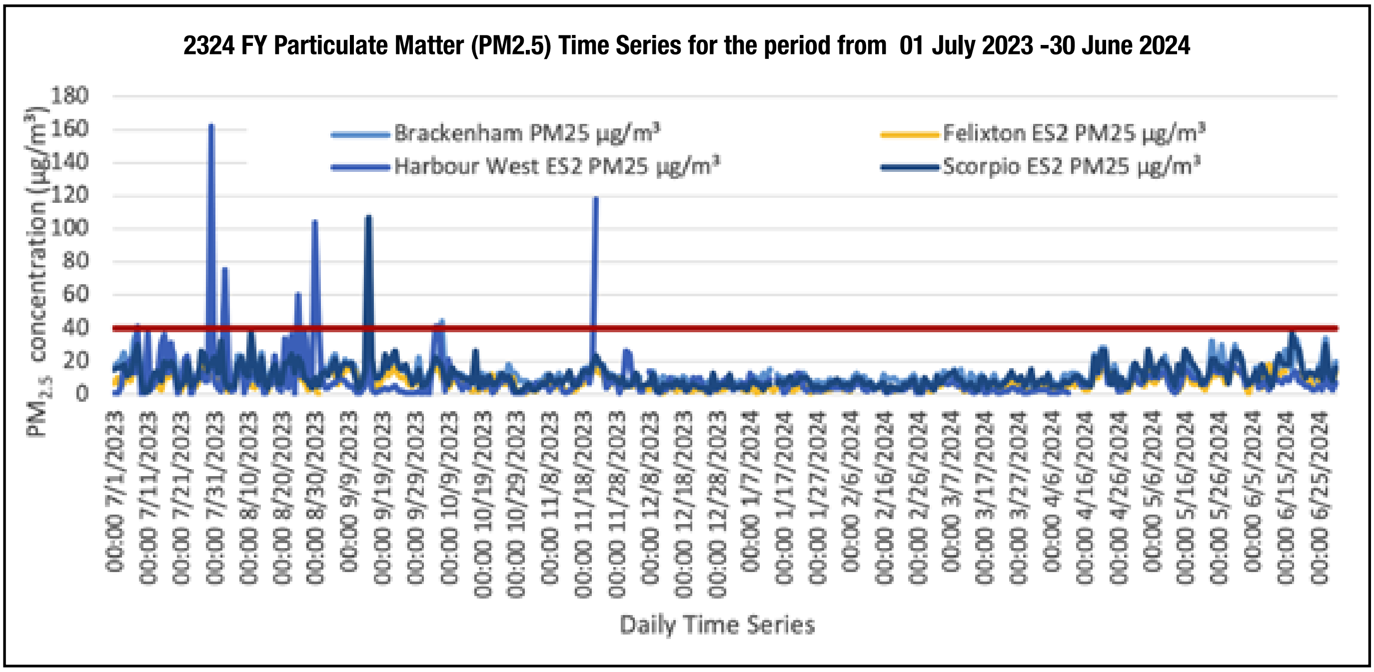
A total of 34 daily PM10 exceedances were recorded during the 2023/2024 financial year. One exceedance was recorded at Richardia and 33 exceedances recorded at Scorpio.

Figure 6: RBCAA stations daily PM10 concentration from July 2023 to June 2024



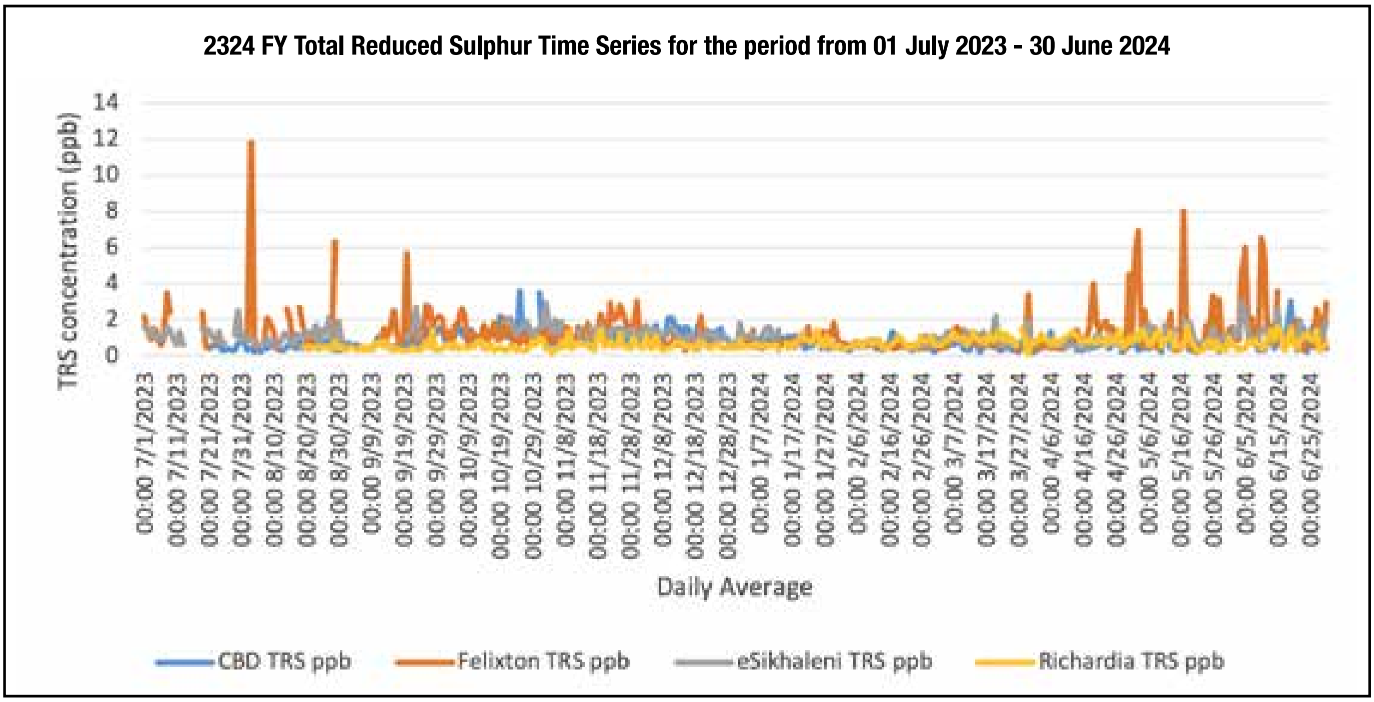
There were eleven (11) PM2.5 daily exceedances recorded during the 2023/2024 financial year. Brackenham recorded one (1) exceedance, Scorpio recorded one (1) exceedance and Harbour West recorded nine (9) exceedances.

Figure 7: RBCAA stations daily PM2.5 concentrations from July 2023 to June 2024



There is no South African ambient standard for Total Reduced Sulphur (TRS).

Figure 8: RBCAA stations daily TRS concentration from July 2023 to June 2024



OUTREACH AND AWARENESS

To improve air quality management awareness in the entire district and to ensure all stakeholders are educated on the impact of air quality in the region, including rural areas, awareness and education programmes were conducted in four of the local municipalities within the district. The main target audience of the awareness and education sessions were schools within the district. The main theme of the school sessions was the impact of air pollution from various sources, on human health and wellbeing. The Air Quality Management Unit conducted beach clean-up campaigns in collaboration with other departments. This was aimed at capacitating and educating the learners and communities on the dangers of water, land and air pollution on the aquatic ecosystem.

The District conducted a total of nineteen (19) awareness and education sessions across the district. The photos and table 7 opposite are an indication of the sessions conducted by the AQMU personnel in the 2023/2024 financial year.

Table 7: Areas for 2023/2024 awareness and education programmes

School Awareness and Education 2023/2024	Clean up Campaigns 2023/2024
Mondini High School	Dlinza Forest Clean-up Campaign
KaMagwaza Primary School	Mzingazi Clean-up Campaign
eMacekane Primary School	Ngwelezane Clean-Up Campaign
Qhamuka High School	
MaQwabe Primary School	
Thubalethu Primary School	
Thanduyise High School	
UMbiya High School	
Dlangezwa High School	
ILembe Primary School	
Mbonambi Primary School	
Ntongande High School	
Welabasha High School	
MaShoba Primary School	
ISithinta Primary School	
eSiqhomaneni Primary School	

uMlalazi Local Municipality

Photo 1: Dlinza Forest Clean up Camapign

uMfolozi Local Municipality

Photo 2: Welabasha High School

Mthonjaneni Local Municipality

Photo 3: eSiqhomaneni Primary School

Mthonjaneni Local Municipality

Photo 4: iSithinta Primary School

uMfolozi Local Municipality

Photo 5: Qhamuka High School

Mthonjaneni Local Municipality

Photo 6: Dlangezwa High School

STRUCTURE AND BUDGET

The Air Quality Management structure for the district has not changed in the past five years. The air quality activities in the district is managed by a total of three personnel as provided in figure 9 (organogram).

Figure 9: District Air Quality Management Unit Organogram

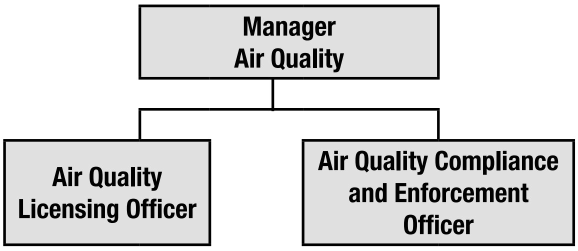


Table 7: Operational Projects Expenditure 2023/ 2024

OPERATIONAL PROJECTS	BUDGET	ACTUAL XPENDITURE	COMMENTS
Dispersion Modelling	R 500 000.00	R126 474.13	• The project started late due to delays in tender processes. • The National Emission Inventory System shutdown which resulted in the loss of historic data.

Figure 9 and Table 7 indicates the biggest challenge for the Air Quality Management Unit, of having limited human and financial resources to efficiently and effectively implement the air quality duties. This results in the unit being more reactive than pro-active.

The table below specifies the highlights for the 2023/24 financial year:

Table 8: highlights for the 2023/ 2024 financial year:

HIGHLIGHT(S)	DESCRIPTION
AQMP	Reviewed AQMP was approved by council and adopted into the municipal IDP
Bylaw	Air Quality Management Bylaw was gazetted on 07 March 2024
Administrative Fine	Collection of R800 000.00 in administrative fine from industries

Table 9: Challenges for the 2023/2024 financial year:

CHALLENGE(S)	ACTION TO ADDRESS
ORGANISATIONAL CAPACITY The current organogram for the air quality management unit is not adequate to fulfil the current and future demands in air quality management for the whole district.	Strengthen municipal structure to capacitate the AQM Unit Council to consider AQMP proposed structure for approval and Integrate the structure into the municipal organogram Sufficient competent air quality management personnel to perform AQM function
RESOURCES The available computer equipment is over five years old and they are not performing effectively. The Personal Protective Equipment is worn out and does not provide safety to the air quality personnel when conducting inspections at various industries.	The municipality to set aside budget for procurement of computer equipment and Personal Protective Equipment for air quality personnel.

Table 10: Service statistics for the Unit

PERFORMANCE INDICATORS	2022/2023	2023/2024
Number of inspections conducted	38	39
Air quality complaints	10	14
Number of environmental forums held	16	
Number of awareness and education conducted	21	
Issuing of Atmospheric Emission Licenses (AEL)	7	

Table 11 Revenue generated over the years

REVENUE GENERATED	2022/2023	2023/2024
Processing Fees	R 45 000.00	R 55 000.00
Administrative Fines	R 400 000.00	R 800 000.00

CEMETERY SERVICES

INTRODUCTION

The Regional Cemetery is responsible for providing cemetery services including the provision of burial spaces, cemetery management and maintenance to the population of the District as a whole, but predominantly it serves as a cushion and a support to those local municipalities within the District who do not have their own cemeteries.

LEGAL ASPECT FOR CEMETERY MANAGEMENT

The establishment, management and the administration of cemeteries are the functions of the municipalities in terms of the Constitution of the Republic of South Africa,1996 - Schedule 5B. Provincial administration has only a monitoring and support role with respect to such functions.

CEMETERY MANAGEMENT - STAFF STRUCTURE

Table 1: Cemetery Staff

PERSONNEL	NUMBER	VACANCIES
Manager: Cemeteries	1	
Cemetery Supervisor	1	
Cemetery Administrator (Data capturer)	1	
General Workers (8 Males and 1 Female)	7	1
General Workers (EPWP)	3	
Total Regional Cemetery Staff	**13**	

EDUCATION AND AWARENESS

a) Importance of training and development in the cemetery sector

Cemetery Management Unit (CMU) took part in the South African Cemeteries Association (SACA) National Conference which was held in partnership with National SALGA, Calgro Memorial Parks and Avbob FS in Cape Town from 13th to 15th September 2023.

The paper presented by the Manager: Cemeteries was framed around the subject: "Importance of Training and Development in the Cemetery Sector". The presentation underscored and amplified the displeasing state of affairs in the sector whereby Cemeteries and Crematoria under municipalities are managed by officials who do not have the right qualifications and expertise required for the job, which had led to maladministration and the collapse of the cemetery and crematoria functions in many municipalities across the country. The presentation also pointed out the opportunities and the role that SACA and SALGA can play in closing the skills capacity gap by utilizing the existing capacity in the development and upskilling of other struggling municipalities, and to partner with the relevant SETA`s and Institutions of High Learning in the development of programmes that will respond to the challenge at hand as a long term plan.

The presentation ignited an interesting dialogue that dissected and interrogated further the insufficiency of the cemetery budget allocation, human capital and the challenges in the management of rural-based cemeteries under the custodianship of Amakhosi against the current legislative requirements of managing cemeteries.

b) Digitization of cemetery dialogue - SALGA National office benchmarking visit to the District (KCDM)

Cemetery Management Unit received a request from SALGA National office of a benchmarking visit to the District on the 23rd February 2024 as part of its initiative/study of the digitization of cemeteries in South Africa. King Cetshwayo District was identified as a suitable repository of information due to the role the municipality continues to play at all tiers of government in the cemeteries and crematoria sector and the advancement of some of the Local Municipalities within the District on cemetery matters.

City of uMhlathuze (LM), provided the meeting venue at its Occupational Clinic Boardroom where an in-depth discourse on the subject of digitization was undertaken. The discourse created a platform for the exchange of different presentations on the subject of the day and the Cemetery Management Unit prepared and presented a paper on the "Benefits of digitization - the response to the 4th industrial revolution." The presentation covered the following subjects:

- Constitutional Mandate
- Benefits of the digitization of cemeteries
- Burial Management Systems
- Challenges and mitigations
- Recommendations

The session culminated with a site visit to the different cemeteries within the District, which included the Richards Bay Cemetery, Esikhaleni Cemetery and the KCDM Regional Cemetery where the delegation from SALGA was introduced to the Regional Cemetery facility, including cemetery offices, columbarium and the operation systems that are employed at King Cetshwayo District Municipality in its management of a Regional cemetery.

The drive within the cemetery precinct presented the delegates with an opportunity to learn and compare the KCDM cemetery with other cemeteries, in its layout of graves, land availability, topography of the site and soil texture, which largely influence the operational prescripts of the cemetery.

THE HIGHLIGHTS: CEMETERIES

Table 2 below specifies the highlights for the 2023/24 financial year:

HIGHLIGHT(S)	DESCRIPTION
Development and approval of two cemetery SOP`s	a) Grass cutting b) Garden Maintenance
Showcase of KCDM during the South African Cemeteries Association (SACA/SALGA) National Conference Cape Town from 13th to 15th September 2023.	The Importance of Training and Development in the Cemetery Sector.
Hosting the delegation from Icebolethu Funeral Service (Group) Head Office Gauteng on the 20th November 2023 at the Disaster Centre Board room, Empangeni.	Public - Private Partnership (PPP), challenges of increasing unclaimed bodies (paupers) at government mortuaries across the country, the ambiguity of the Laws governing the sector, best practices for KCDM cemeteries.
Cemetery Greening Initiative - Planting of indigenous trees	Cemetery Management Unit requested and received a donation of 100 different species of indigenous trees from the City of uMhlathuze and planted them at the Regional Cemetery and in other facilities within KCDM.
Collaboration with Environmental Health Services - Trainees Work	Fundamental principles in the management of Cemeteries and Crematoria.
Collaboration with Environmental Health Services - Trainees Work Integrated Learning 2024 for University students on the 9th January 2024 - Regional Cemetery	Fundamental principles in the management of Cemeteries and Crematoria. The visiting students were from the faculty of Environmental Health from Cape Peninsula University of Technology (CPUT), Mangosuthu University of Technology (MUT) and University of Johannesburg (UJ)
Digitization of cemetery dialogue - SALGA National office benchmarking visit to the District (KCDM) on the 23rd February 2024.	Benefits of digitization - the response to the 4th industrial revolution.
Collaboration with Environmental Health Services - Exhumation process at the City of uMhlathuze on the 6th June 2024	Gauging the state of readiness of the City of uMhlathuze and advising on the exhumation approved for the 07th June 2024.

THE CHALLENGES: CEMETERIES

Table 3 below specifies the challenges for the 2023/24 financial year:

CHALLENGE(S)	ACTION TO ADDRESS
Insufficient budget - EPWP and maintenance	Forward planning and budgeting
Delay in the filling of vacant positions	Lifting of the moratorium on the selection and recruitment processes by Human Capital

Service Statistics: Cemeteries in 2023/2024

The Regional Cemetery has responded to and processed a total number of 374 burial applications including reservations, during the period from July 2023 to June 2024. The number of tombstone permits issued were 156 in the year under review.

New road signage erected to direct the public to municipal sites

BURIAL STATISTICS

Table 4: Annual burials summary conducted during 2023/2024 F/ year

MONTH	NUMBER OF BURIALS	REVENUE
July	34	R 34 394.40
August	30	R 42 307.31
September	34	R 40 990.55
October	33	R 37 577.47
November	37	R 51 364.44
December	35	R 41 045.07
January	27	R 34 236.55
February	23	R 24 411.52
March	29	R 35 568.29
April	34	R 43 205.37
May	31	R 44 008.77
June	27	R 32 384.56
TOTALS	374	R461 494.30

BURIALS PER MONTH FOR 23/24 FINANCIAL YEAR

Figure 1: Fluctuating number of burials during the financial years 2023/ 2024

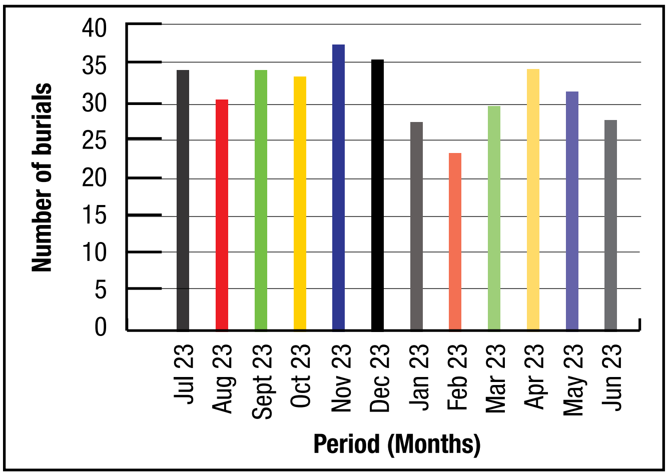


Figure 2: Summary of the number of burials for the four financial years

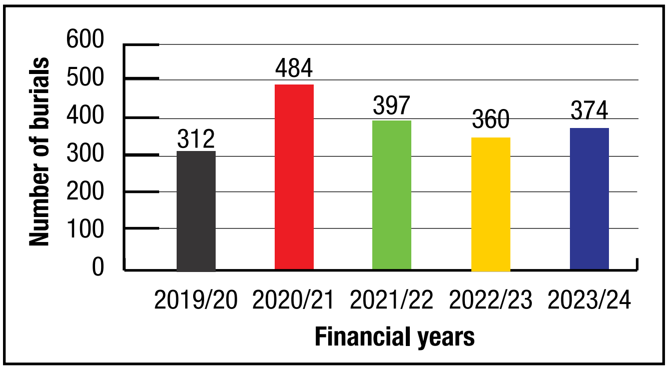


Table 5: Pauper burials

The pauper burials that were done during 2023/2024 financial year were as follows:

PAUPER BURIALS 01/07/2023 - 30/06/2024			
2020/2021	2021/2022	2022/ 2023	2023/ 2024
6	9	0	5

Table 6: Tombstone permits

Annual tombstone permits summary issued during 2023/2024 financial year:

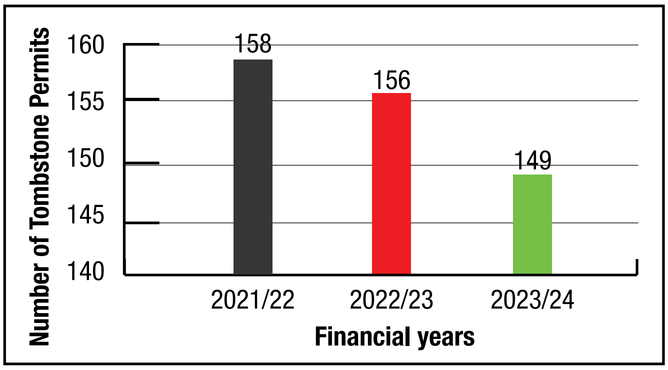
TOMBSTONE PERMITS STATISTICS 01/07/2023 – 30/06/2024	
MONTH	NUMBER OF TOMBSTONE PERMITS
July	10
August	14
September	18
October	10
November	13
December	11
January	08
February	09
March	10
April	11
May	14
June	21
TOTALS	149

Total tombstone permits in FY 2023/2024

Table 7: Total number of Tombstone permits per financial year

FINANCIAL YEAR		
2021/2022	2022/2023	2023/2024
158	156	149

Figure 3: Summary of the number of tombstone permits issued for the three financial years



FINANCIAL ANALYSIS

The projected revenue collection was set at **R405 285.00** for 2023/2024 and **R461 494.30** was the actual amount collected from all revenue related functions at the cemetery including the tombstone permits, grave reservations and burials.

The overall revenue generated by the Regional Cemetery is **R461 494.30** in 2023/2024 which is an increase of (13%) from the revenue of **R408 085.28** which was collected in the 2022/2023 financial year.

Table 8: Summary of the revenue collected since 2020/2021 to 2023/2024 F/Y

PAUPER BURIALS 01/07/2023 - 30/06/2024			
2020/2021	2021/2022	2022/ 2023	2023/ 2024
6	9	0	5

AVAILABLE NUMBER OF GRAVE SITES

Rapidly diminishing cemetery space against the estimated life span of the cemetery requires an aggressive approach in embarking on the necessary studies and funding for the new cemetery development. The available number of grave sites left is 4426, which translates to the remaining life span of the cemetery being 10 -11 years, provided that the burial rate remains unchanged. The municipality has already commenced with the preliminary planning stages of the new cemetery development, which will involve the feasibility studies, land acquisition, budget and authorizations with relevant government departments.

MAINTENANCE OF THE REGIONAL CEMETERY GRASS CUTTING AND PRUNING CYCLES

The yard maintenance was done by employees hired through the Expanded Public Works Programme (EPWP) for the period of 12 months. The maintenance included but was not limited to, planned cycles of cutting and maintaining grass to an acceptable height on a fortnightly basis, pruning of trees and shrubbery as well as the maintenance of flower beds for a healthy and aesthetic environment at the cemetery. The planned grass cutting cycles also incorporated the yard maintenance of the Disaster Management Centre at Empangeni.

Presentation at the National SACA Conference 2023

Presentation on exhumation guidelines during the preparatory meeting at CoU (pictured right)


Cemetery Greening Initiative – Planting of Indigenous trees

Work Integrated Learning session with the University students

National SALGA Office benchmarking visit in the District - Digitization of cemeteries

COMMUNITY DEVELOPMENT UNIT

ANNUAL REPORT: 2023/24 ART, CULTURE & HERITAGE UNIT

OPERATION SIYAYA eMHLANGENI

The District Operation Siyaya eMhlangeni is a ceremony which is held annually in preparation for the annual Reed Dance Ceremony that takes place at eNyokeni Royal Palace. During the District Arts and Culture quarterly meeting it was agreed that the City of uMhlathuze Municipality be the host of Operation Siyaya eMhlangeni 2023. Different cultural activities are conducted during this event, as part of preserving and inculcating culture. Activities involve a street parade, Ingoma, amahubo and messages of support on moral regeneration and self-worth from different guests.

Operation Siyaya eMhlangeni is collaboratively conducted between the local municipalities, King Cetshwayo District and the Department of Arts and Culture. All five municipalities participate by sending maidens and Matrons to the ceremony.

Photo 1: Mayors councillors, aMaKhosi and Matrons leading the maiden parade during Operation Siyaya eMhlangeni-KCDM

REED DANCE CEREMONY

The Reed Dance is the annual cultural event which is aimed at showcasing Zulu culture and heritage through traditional dance, music, art and craft. Reed Dance/uMkhosi woMhlanga has the quest to take the young generation back to their roots and address the social ills facing today's youth in a troubled society. King Cetshwayo District Municipality participated in the Reed Dance Ceremony held from the 8th to the 10th of September 2023 at eNyokeni Royal Palace, KwaNongoma. King Cetshwayo District Municipality played a co-ordination role in ensuring that all municipalities participate in the Reed Dance Ceremony. This project was a collaborative effort between Indlunkulu kaZulu, Department of Sport, Arts and Culture and Municipalities.

Photo 2: Maidens Enyokeni during Reed dance Ceremony.

HLANGANA WETHU HERITAGE PROGRAMME

King Cetshwayo District Municipality cordinated the Hlangana Wethu Heritage programme with the aim of promoting social cohesion among young amabutho whilst preserving and inculcating culture. The programme was supposed to take place mid-September as it also served as a build-up event towards uMkhosi woSelwa.

The passing on of the Traditional Prime Minister of the Zulu King and Nation resulted in this programme being held on the 18 October 2023. In fact, amabutho play a crucial role during uMkhosi woSelwa however, there is currently no programme in place for amabutho to mentor young men continuously in an attempt to preserve culture and strengthen nation-building.

King Cetshwayo District Municipality has therefore initiated the Hlangana Wethu programme in its quest to take young men back to their roots in terms of nation-building, which includes addressing the social ills facing today's youth in a troubled society. This project will assist in protecting and promoting traditional knowledge (IKS) and will be held annually.

Photo 3: Participants at Hlangana Wethu Heritage programme

Photo 4: Amabutho came in their numbers to uMkhosi weLembe kwaDukuza

Photo 5: KwaPhindangene Family hosted by His Worship Cllr AT Ntuli during Princess Magogo Choral Festival at Imbizo Hall

Photo 6 & 7: His Worship the Mayor with Participants at Diwali Festival

Photo 8: Participants at the King Cetshwayo Memorial Lecture at Nkandla

UMKHOSI WeLEMBE

King Cetshwayo District Municipality cordinated the Hlangana Wethu Heritage programme with the aim of promoting social cohesion among young amabutho whilst preserving and inculcating culture. The programme was supposed to take place mid-September as it also served as a build-up event towards uMkhosi woSelwa.

PRINCESS MAGOGO CHORAL MUSIC FESTIVAL

King Cetshwayo District Municipality in collaboration with Northern KZN Legends Ambassadors of Choral and Opera Music, initiated Princess Magogo Choral Music project to honour uMntwana Omkhulu, who composed and sang Zulu classical music and was gifted in playing indigenous instruments: Ugubhu and umakhweyana. Her talent enabled her to contribute to the development of traditional music through the training of many young singers. Her music was widely recorded and played by the South African Broadcasting Corporation (SABC).

The Princess Magogo Choral Music Festival was held on the 18 November 2023 and was graced by the presence of the Family of KwaPhindangene led by iNkosi Zuzifa Buthelezi.

DIWALI

Richards Bay Diwali and Cultural Committee is a Non-Profit organization that hosts the annual Diwali Festival as a means of promoting cultural cohesion amongst the various communities.

This festival is a celebration of the triumph of light over darkness, which is symbolic of the battle between good and evil and for many years King Cetshwayo District Municipality has supported the festival with a sponsorship, as a means of marketing the district in terms of cultural upliftment.

IMPI YASESANDLWANE COMMEMORATION AND KING CETSHWAYO MEMORIAL LECTURE

King Cetshwayo District Municipality hosted its 3rd Annual King Cetshwayo impi yase Sandlwane Commemorations and Memorial Lecture with the aim to promote and preserve heritage of our District. The role of King Cetshwayo District Municipality is to preserve the rich culture and heritage of the District; hence the District was named after Isilo. The programme mentioned above was conducted to educate the community on the history of Isilo uCetshwayo and the Battle of Isandlwana. The importance of coordinating such a programme is to educate the current generation on the culture and heritage that is prevalent within the District and to also archive the history for the benefit of the tourism sector.

Photo 9: Dignitaries at the Annual Prayer held at uMfolozi Municipality

Photo 10 & 11: Amagosa were entertaining the audience. The Mayor welcomed amaKhosi.

ANNUAL PRAYER

King Cetshwayo District Municipality hosted its 3rd Annual District Prayer on the 19th of March 2024 at Ngonondwane MPCC uMfolozi Local Municipality. One of the Arts, Culture and Heritage goals is leading nation-building and societal transformation through effective social cohesion programmes. The prayer is one of the instrumental programmes in nation-building. His Worship the Mayor, Cllr A.T Ntuli identified the need for various church denominations to converge and pray for safety during the Easter Holidays and to also pray for peaceful elections including various social ills affecting the District The prayer was attended by the community at large, various Faith Based Organizations and Councillors. The mobilisation was done through media platforms and through loud hailing in surrounding areas.

KING CETSHWAYO INGOMA FESTIVAL

King Cetshwayo District Municipality hosted the Ingoma Festival on the 30th of March 2024 at Nkandla Municipality Sports field. The purpose of this Competition was to enhance harmony amongst communities and to create a platform for artists to showcase their talent. This platform also sensitized the Youth on the importance of traditional dance as part of nation building. One of the Arts, Culture and Heritage goals is leading nation-building and societal transformation through effective social cohesion programmes and Ingoma is one of the contributory programmes in nation-building. Ingoma is the purest remnant of Zulu tradition and for the people of KwaZulu, it constitutes a complex statement of unity of dance and singing in Zulu performance culture and our district uses Ingoma to inculcate the spirit of unity and self-identity.

Mr and Miss King Cetshwayo winners

SPECIAL PROGRAMMES UNIT

The King Cetshwayo District Municipality Special Programmes Unit is tasked with a responsibility of advancing the programmes that benefit the vulnerable and marginalized groups within the District. The vulnerable groups include Children, Senior Citizens, Women and the Disabled People. HIV/AIDS and Operation Sukuma Sakhe are programmes under Special Programmes as well.

SEPTEMBER 2023

ESTABLISHMENT OF FORUMS

King Cetshwayo District Municipality is responsible for co-ordinating programmes aimed at improving the quality of life for the communities. To ensure cohesive implementation of programmes, King Cetshwayo District Municipality established forums that serve as a link between the district, local municipalities, communities and various sectors on 29 September 2022 at uMlalazi Municipality. The following forums were established: Senior Citizens, Disability, Youth Council, Arts, Culture and Heritage, Men and Women (Gender).

SENIOR CITIZENS

OCTOBER 2023

GOLDEN GAMES

In preparation for the Provincial Golden Games held from 12-14 October 2023, King Cetshwayo District Municipality in collaboration with the Department of Sport, Arts and Culture hosted the District Golden Games on 23 August 2023 at uMhlathuze Sport Complex.

Exercise is key to maintaining good health. It is noted that shortness of breath increases for senior citizens as they are ageing. In addition, gaining weight is common and physical balance gets weaker. Staying inactive poses a risk and their bodies become stiff as they are ageing. It is for these reasons that the elderly were introduced to these games.

These are other benefits of the Golden Games to Senior Citizens:

- Reduce obesity risk and chronic illnesses
- Reduce stress and prevent heart diseases
- Contribute to the decrease of cholesterol
- Improve the immune system
- Maintain muscle mass

DECEMBER 2023

MAYORAL CHRISTMAS VISITS (SENIOR CITIZENS)

His Worship the Mayor Cllr A.T Ntuli visited Kwabadala Old Age Home during the festive period. About 100 Senior Citizens were gifted with goodies as a means of honouring them as they are the treasures of society. Senior Citizens are the pillars of our society and they need to be loved and cared for.

Christmas handovers

HIV/AIDS PROGRAMME

DECEMBER 2023

JOINT WORLD AIDS DAY COMMEMORATION AND 16 DAYS OF ACTIVISM CAMPAIGN HELD ON 05 DECEMBER 2023

King Cetshwayo District Municipality hosted the World AIDS Day Commemoration and 16 Days of Activism Campaign in partnership with Mthonjaneni Local Municipality on 05 December 2023 at Mthonjaneni Sport Centre. The World AIDS Day Commemoration provides the opportunity to remember people who passed on due to AIDS-related illnesses and to raise public awareness about HIV and AIDS, as well as available prevention and treatment options.

The South Africa National theme for World AIDS Day 2023 was "Let communities lead". The purpose of this theme was to reflect on the progress made to date, to raise awareness about the challenges that remain to achieve the goals of ending AIDS by 2030 and to mobilise all stakeholders to jointly redouble efforts to ensure the success of the HIV response.

The objectives for World AIDS day 2023 were as follows:

- To raise awareness about HIV and AIDS as ongoing public health crises
- To promote screening & testing for HIV, TB and STIs
- To promote treatment adherence
- To promote prevention against the spread of HIV, TB and STIs
- To mitigate against stigma & discrimination
- To shine a spotlight on Social & Structural Drivers (e.g. GBVF, Poverty etc)
- To promote social behavior change, especially towards safer sex

The World AIDS Day Commemoration and 16 Days of Activism Campaign 2023 was a very fruitful campaign, supported by various Government departments, Social Partners, Faith Based Organizations, Civil Society Sector and the community members at large. The Social services were rendered onsite by all Stakeholders present to assist the community members to access the government services at their doorstep.

WORLD AIDS DAY COMMEMORATION - SIZANANI CENTRE

On the 30th of November 2023 a visit was made to Sizanani Child Care Centre in Nkandla during the Nkandla World Aids Day. The visit was led by His Worship the Mayor Cllr A.T Ntuli with an intention of handing over toys and food hampers to orphans and vulnerable children.

MAYORAL CHRISTMAS ACTIVITIES - ETHEMBENI HOSPITAL

On the 16th of December 2023, a delegation led by His Worship the Mayor of King Cetshwayo District Municipality, Cllr A.T Ntuli and His Worship the Mayor of uMfolozi Local Municipality, Cllr Bhengu paid a visit to Ethembeni Care Centre, which exists to bring hope and holistic health services to the community living with TB and HIV & AIDS. The Mayors handed over Christmas goodies, including eight industrial fans. Leadership proceeded to Jabulani Centre for the Disabled where thirty (30) food parcels were also donated to the residents.

Handover at eThembeni Care Centre

JOB PREPAREDNESS SESSION AND HIV/AIDS AWARENESS CAMPAIGN

King Cetshwayo District Municipality in partnership with uMfolozi Local Municipality hosted a Job Preparedness for Youth and HIV/AIDS Awareness Campaign on the 1st of March 2024 at Mzingazi Community Hall.

The purpose of the session was to provide information to the unemployed youth with job market skills and it also aimed to improve access to HIV prevention services and methods to help young people overcome obstacles and using prevention tools.

Young people are especially vulnerable to HIV infection. An estimated 69 000 aged 15-24 years became infected in 2019. Young women face the highest risk: 1 in 7 is living with HIV by age 25. Young men have a much lower infection rate but are less likely to receive treatment.

OPERATION SUKUMA SAKHE PROGRAMME

In response to the triple challenges of poverty, inequality and unemployment, Operation Sukuma Sakhe was introduced as an approach aimed at integrating, co-ordinating and facilitating the delivery of transversal services to communities.

SEPTEMBER 2023

OSS INTERVENTION AT BUCHANANA AREA UNDER THE CITY OF UMHLATHUZE LOCAL MUNICIPALITY

The Department of Health, Department of Social Development, Department of Human Settlements and City of uMhlathuze attended the war room at Buchanana area in ward 33.

The ward 33 community stated a number of challenges that they are faced with, which includes shortage of water, poor road infrastructure, unavailability of clinics, children with no birth certificates and identity documents, and houses not yet delivered.

An urgent intervention was requested for a family of seven who are homeless since the floods that took place in 2021.

King Cetshwayo District Municipality and City of uMhlathuze managed to provide seven blankets, seven sponges, groceries as well as a tarpaulin to cover the house.

IDP ROAD SHOWS – OSS INTERVENTIONS

DATE	TIME	GROUP/MUNICIPALITY
09 November 2023	10h00	City of uMhlathuze-Mzuvukile Sport Field - Nseleni Ward 7
10 November 2023	10h00	Nkandla Local Municipality Esibhudeni Ward 7
14 November 2023	10h00	Umlalazi Local Municipality Gingindlovu Ward 18
15 November 2023	10h00	Mthonjaneni Local Municipality KwaSanguye Ward 01
16 November 2023	10h00	Eshowe Town Hall

IZINGELOSI SOUP KITCHEN DONATION

King Cetshwayo District Municipality through the Office of His Worship the Mayor Cllr A.T Ntuli received a request from Izingelosi Soup Kitchen under the City of uMhlathuze (Veldenvlei Area), requesting groceries for 100 people of all races, who don't have homes and those who are living on the streets.

Groceries were handed over by the Chairperson of Community Services Portfolio, Cllr Zwane at Veldenvlei on the 29th of December 2023, as follows:

50kg maize meal, 50kg Rice, 50kg Flour, 50kg sugar, 5kg soup, 25 kg beans, that was, 50 kg onions, 50kg potatoes, 25kg braai pack, 20 litre of cooking oil, 5kg powdered milk, 2kg curry powder, 20litre oros, 24 cans of fish, 24 cans of baked beans and 60 cubes of Knorrox.

OSS INTERVENTION TOWARDS WARD 13 WAR ROOM UNDER THE CITY OF UMHLATHUZE MUNICIPALITY (MJABULISENI HIGH SCHOOL)

King Cetshwayo District Municipality through the Office of His Worship the Mayor Cllr A.T Ntuli received a request from Mkhobosa War room under the City of uMhlathuze Ward 13 war room, requesting groceries for Mjabuliseni High School weekend classes. These classes will assist in improving grade 12 results. Groceries were handed over by the Chairperson of Community Services Portfolio, Cllr Zwane at Esikhaleni on the 8th of March 2024.

APRIL 2024

OSS INTERVENTION AT ESIKHALENI AREA

King Cetshwayo District Municipality intervened in ward 18, Esikhaleni under the City of uMhlathuze. The Office of the Honourable Speaker Cllr H. Mkhwanazi requested that support be provided to the family of twenty-four people (nine children and 15 Adults; this includes two people with disabilities (one child and one adult) who share one RDP house. The intervention was done jointly between the Special Programmes Office and Disaster Management section whereby an assessment was completed on 19 April 2024. King Cetshwayo District Municipality provided the family with 10 Blankets, 6 Foam Mattresses, 2 Box Bs (Kitchen essentials) and food parcel on 22 April 2024.

OSS Intervention

CHILDREN'S RIGHTS

King Cetshwayo District Municipality Special Programmes Unit is tasked with the responsibility of advancing the programmes that benefit the vulnerable and marginalized groups within the District. The vulnerable groups include but are not limited to the following people: Children, Senior Citizens, Women, and people with disabilities.

MAYORAL CHRISTMAS ACTIVITIES

Christmas is most truly Christmas when we celebrate it by giving the light of love to those who need it most, hence a King Cetshwayo District Municipality delegation led by His Worship the Mayor, Cllr A.T Ntuli visited various institutions in order to cheer up those spending time without their families.

On the 16th of December 2023, King Cetshwayo District Municipal Leadership visited KwaMagwaza Hospital to hand over toys to children, as well as distribute newborn packed bags in the maternity ward. The leadership of Mthonjaneni Local Municipality was also part of the delegation.

On the 18th of December 2023, His Worship the Mayor Cllr A.T Ntuli visited Khombe Hospital and Nkandla Hospital Paediatric Wards to hand over toys and hospital bags in the maternity ward.

On the 19th of December 2023, the District paid visits to Eshowe Hospital, Catherine Booth Hospital and Mbongolwane Hospital, also targeting children in the Paediatric and maternity wards. The Leadership of Umlalazi Local Municipality was part of the delegation.

HANDING OVER OF ECD MATERIAL

The Special Programmes Unit under its Children's Rights Programme procured materials for Early Childhood Development Centres (ECD's), which were handed over to five creches on 30 April 2024 during the Mthonjaneni IDP Roadshow.

The list of ECD Centres that benefitted from this project where as follows:

ECD CENTRE	LOCAL MUNICIPALITY	WARD
Mfolozane Crèche	UMfolozi	12
Mkhamango ECD Centre	UMhlathuze	06
Othandweni Crèche	UMlalazi	24
Siyakhula Crèche	Mthonjaneni	10
Phakathwayo Crèche	Nkandla	04

Each crèche received the following items:

- 24 Jolly chairs
- 6 Jolly tables
- 24 Bowls
- 24 plastic cups
- 24 tumblers
- 6 mattresses
- 6 mink blankets
- Baby toys

DISABILITY PROGRAMME

The Disability Forum was established in response to the Launch of the Integrated National Disability Strategy in 1997. This is aimed at promoting the rights of people with disabilities in order for them to play a full, participatory role in society and to further promote effective implementation; monitoring and evaluation of the Integrated National Disability Strategy (INDS) and the UN Convention on the Rights of Persons with Disabilities through collaboration, with the aim of equalizing opportunities and participation of persons with disabilities in society.

DISTRICT DISABILITY GAMES - 27 SEPTEMBER 2023

In preparation for the Provincial Disability Games scheduled from 09 -12 November 2023 at eThekwini Metro, local municipalities were requested to participate in the District selection games on 27 September 2023 at uMhlathuze Sport Complex. All five municipalities within King Cetshwayo District Municipality participated.

The Disability Games competitions have different and progressive stages. Selections commenced at Ward to Local level followed by District games whereby a team is selected to compete against other Districts at a provincial competition..

PROVINCIAL DISABILITY GAMES

King Cetshwayo District Municipality participated in the Provincial Disability games that was held in Durban from the 10th to 12th of November 2023. This followed the District Elimination Games where selected participants proceeded to the Provincial Tournament.

The provincial disability games are one of the major events on the provincial sporting calendar. The games are organised in partnership with sport federations and structures dealing with disability sport at both district and provincial level.

King Cetshwayo District Municipality participated in all 8 codes (Athletics, Chess, Netball, Wheelchair Basketball, Football, Umlabalaba, Goalball and Table Tennis).

The Overall Results:

- EThekwini Metro .... 1st position
- Amajuba District.. 2nd position
- King Cetshwayo .... 3rd position

King Cetshwayo District Municipality provided the participants with transport, meals and attire.

INTERNATIONAL DAY FOR PERSONS WITH DISABILITIES AND THE DISABILITY PARLIAMENT

King Cetshwayo District Municipality participated in the International Day of Persons with Disabilities held on the 03 December 2023 and Disability Parliament held at Newcastle Local Municipality from 04-05 December 2023.

The International Day of Persons with Disabilities was celebrated on the 3rd of December 2023. The Programme Director was Hon. PH Mbatha-Cele, MPL; Quality of Life Standing Committee Chairperson. The keynote address was rendered by the Acting Premier, Hon. N Simelane, MEC for Health.

The actual sitting of the Disability Parliament took place at Richview Civic Hall, Newcastle Municipality. The KwaZulu-Natal Disability Parliament is held annually with the aim to afford people with Disabilities an opportunity to engage with the members of the Provincial Legislature. The parliamentary sitting is part of the Legislature's public participation programme where various sectors of society engage with Provincial policy makers.

The sitting of the Parliament for People with Disabilities takes place during the month of December and the 2023 theme was ***"Transformative solutions for inclusive development: the role of innovation in fuelling an accessible and equitable world"***. King Cetshwayo District Municipality was represented by 07 Delegates and all five municipalities were represented.

Hon. NN Boyce, The Speaker of KZN Legislature emphasized the purpose of the day and further outlined the programme. Feedback on the implementation of 2023 Disabled People Parliament Resolutions were tabled by the Acting Premier of KwaZulu-Natal, Hon. N Simelane.

Visit at Jabulani Centre for the Disabled

His Worship the Mayor Cllr A.T Ntuli led a delegation that included the Leadership from City of uMhlathuze on the 16th December 2023, that visited People with Disabilities at Jabulani Centre,. A total of 30 food parcels were handed over to People with Disabilities.

YOUTH DEVELOPMENT

King Cetshwayo District Municipality is responsible for implementing Youth Development Programmes in the District. The Youth Development Unit is expected to work in collaboration with all local municipalities and other relevant stakeholders to ensure successful implementation of youth programmes.

YOUTH INFORMATION SHARING SESSION HELD AT MAGQAMA HIGH SCHOOL - 15 AUGUST 2023

King Cetshwayo District Municipality Youth Development Unit was requested by Nkandla Municipality to be part of the Information Sharing Session which was held to assist youth with CAO Applications and to share information on King Cetshwayo registration grants. It is the responsibility of the Youth Development Unit to ensure that programmes aimed at promoting access to career information, advice, and career development services are conducted in the District. This is a critical intervention required by disadvantaged learners who are not privileged to access information. Sharing information on career choices, subject choices, available post-school learning options and study opportunities, funding, learnerships and internships, all equip learners to make correct career choices. Government Communication & Information System (GCIS) was also part of the session and they provided assistive devices and also shared information on various career paths available. King Cetshwayo District Municipality Youth Unit assisted learners with CAO applications on the system. Central Applications Office is responsible for processing applications for admission to higher education institutions in Kwa-Zulu Natal.

Common challenges faced by learners during the CAO process are the lack of information on the requirements and processes involved, late applications, academic exclusions and lack of access to financial aid. These challenges were addressed by providing updated and simplified information on the CAO application process and financial assistance available in the municipalities.

This included guidelines on the submission of supporting documents and application deadlines. Online registration is becoming more convenient, However, online registration can be challenging, especially for students who are computer illiterate and lack access to stable internet connections, thus the importance of conducting more such sessions. Through this programme, resources such as laptops and free Wi-Fi access were provided.

One of the key challenges identified at Magqama High School is poor academic performance. It be noted that through such programmes, King Cetshwayo District Municipality Youth Unit in partnership with local municipalities and other relevant stakeholders will continue to conduct such initiatives to address the challenges faced by students in the admission process and work towards solutions to ensure that all students have equal opportunities to access education.

YOUTH INFORMATION SHARING SESSION - 6 SEPTEMBER 2023

King Cetshwayo District Municipality Youth Unit was requested by Nkandla Municipality to provide support during the youth information sharing session held on the 6th of September 2023 at Ophindweni Hall.

The purpose of the session was to provide information to out-of-school youth on relevant opportunities available for youth for them to unlock their future. A total of 25 youth were assisted. Furthermore, this session served as a platform to support the rural youth to overcome the challenge of poor access to information. Nkandla Municipality shared a presentation on programmes available for the youth.

King Cetshwayo District Youth Unit did a presentation with the focus on Mayoral Registration Grants, Job preparedness, Women and Youth in Business funding, and Mr and Miss King Cetshwayo competition. Cllr T. Ntombela, the ward 11 Councillor, in his closing remarks appreciated all stakeholders for honouring the invitation and providing the information relevant to upskilling the youth.

GUMBA FEST - 31 DECEMBER 2023

In order for the District Youth Unit to be fully functional it needs to identify issues faced by youth and implement programmes in response to these issues. King Cetshwayo District held a music festival on 31 December 2023, at uMhlathuze Sports Complex. The youth festival fosters community cohesion and places the youth at the center of the cultural and social milieu. The festival provides a vibrant platform for exchanging ideas and championing responsible fun. Gumba Fest falls under the "umbrella" of events that assists in boosting the local economy and contributes significantly to the socio-economic growth of the district. Both local and national artists were given a chance to showcase their talent. Local vendors were also given an opportunity to sell their produce and products. His Worship the Mayor Cllr A.T Ntuli, addressed the crowd and thanked them for coming despite the challenging weather conditions. It be noted that through such programmes, King Cetshwayo District Municipality Youth Unit in partnership with Local Municipalities and other relevant stakeholders, will continue to conduct such initiatives to champion responsible fun and promote social cohesion.

Photo 1: Khuzani Mpungose performing at uMhlathuze Sports Complex.

Photo 2: Crowds at Mhlathuze Sports complex enjoying the Gumba Fest

TERTIARY REGISTRATION GRANTS 2024

Every year King Cetshwayo District Municipality, under its Tertiary Registration Assistance Programme, sets aside funds to assist needy students from within King Cetshwayo District to register at tertiary institutions. King Cetshwayo District Municipality awarded the top 10 learners and top 10 schools in the District for 2023, with certificates, trophies, tablets and also prize money to the top 3 learners. Special awards were given to educators and schools which excelled in sports.

No.	Centre Name	Total Entered	Total Wrote	Total Achieved	% Pass 2023	Pass % 2022	Achieved Bachelor	% Bachelor	Achieved Diploma	% Diploma	Achieved H-Cert	% H-Cert	Achieved NSC	% NSC
1	Mevamhlophe H	150	145	145	100,0	100,0	139	95,9	4	2,8	2	1,4	0	0,0
2	Eshowe H	122	121	121	100,0	98,3	99	81,8	20	16,5	2	1,7	0	0,0
3	Ithala H	69	62	62	100,0	96,2	45	72,6	15	24,2	2	3,2	0	0,0
4	Amangwe H	52	50	50	100,0	95,2	43	86,0	5	10,0	2	4,0	0	0,0
5	Iniwe S	44	43	43	100,0	94,6	22	51,2	17	39,5	4	9,3	0	0,0
6	Gratton College	39	38	38	100,0	100,0	32	84,2	6	15,8	0	0,0	0	0,0
7	Amaphuthu H	33	32	32	100,0	100,0	18	56,3	6	18,8	8	25,0	0	0,0
8	Gala H	30	29	29	100,0	100,0	23	79,3	5	17,2	1	3,4	0	0,0
9	Uyaya S	28	27	27	100,0	83,3	18	66,7	8	29,6	1	3,7	0	0,0
10	King Cetshwayo S	22	22	22	100,0	93,1	9	40,9	10	45,5	3	13,6	0	0,0

MAYORAL EXCELLENCE AWARDS 2024

The Mayoral Excellence Awards and Handover of Tertiary Registration Bursaries to the Matric class of 2023 was held at Esikhaleni TVET College on the 9th February 2024.

The top 10 students within King Cetshwayo District were awarded as follows:

POSITION	SCHOOL NAME	STUDENT NAME & SURNAME
01	Dlangwezwa High School	Nomonde Phumla Nxumalo
02	Bizimali High School	Aphile Mdluli
03	Ngono Secondary School	Luleka Calvin Ngubane
04	Golozela High School	Sabelo Lungelo Makhathini
05	Bizimali High School	Siphesihle Angel Langa
06	Bizimali High School	Thandolwethu Thandile Xulu
07	St Catherines High School	Sonia Mulchandani
08	Velangaye High School	Innocent Ntokozo Xulu
09	Richards Bay High School	Luka Jane Redinger
10	Ngono Secondary School	Mlando Praise Maphumulo

The top 10 schools in King Cetshwayo District are as follows:

POSITION	MUNICIPALITY	SCHOOL NAME
01	City of uMhlathuze Municipality	Mevamhlophe High School
02	uMfolozi Municipality	Dlemudlemu High School
03	City of uMhlathuze	Qhamuka Secondary School
04	Nkandla Municipality	Amazondi Secondary School
05	Nkandla Municipality	Mvutshini High School
06	uMlalazi Municipality	Emoyeni High School
07	Nkandla Municipality	Amaphuthu High School
08	uMlalazi Municipality	Gratton College
09	uMlalazi Municipality	Gala High School
10	City of uMhlathuze Municipality	St Catherines High School

The top 10 schools in King Cetshwayo District are as follows:

CENTRE NAME	SURNAME	NAMES	GENDER	POSITION	PRIZE
Khombindlela H	Mntambo	Ziphozenkosi Sibongakonke	Female	01	Mevamhlophe High School
Tholokuhle S	Ndabandaba	Lulama Armstrong	Male	02	Dlemudlemu High School
Empangeni H	Gwala	Nondumiso Nokubonga	Female	03	Qhamuka Secondary School
Empangeni H	Zikhali	Sambulo Senzelwe	Male	04	Amazondi Secondary School
Empangeni H	Combrinck	Marnus Wikus	Male	05	Mvutshini High School
Mgitshwa H	Nkwanyana	Sbongakonke Alfred	Male	06	Emoyeni High School
Khombindlela H	Nxumalo	Ntobeko	Male	07	Amaphuthu High School
Mthonjaneni H	Biyela	Philasande Samkelo	Male	08	Gratton College
Matheku S	Zulu	Ntokozo Nonhlahla	Female	09	Gala High School
Khula H	Dlamini	Senamile	Female	10	St Catherines High School

JULY 2023

King Cetshwayo District Municipality participated in the Youth in Energy Seminar held on 27 July 2023 at uMlalazi Municipality, which was organised by the Department of Mineral Resources and Energy. The Seminar was held to commemorate Youth Month at King Cetshwayo District Municipality and the focus of the seminar was to provide information on training, enterprise development and funding opportunities for SMMEs in the district. Presentations were also received from SEDA, National Empowerment Funds, the Department of Economic Development, and the Department of Employment & Labour

JOB PREPAREDNESS 2024

King Cetshwayo District Municipality in partnership with uMfolozi Local Municipality hosted a Job Preparedness Session on the 1st of March 2024 at Mzingazi Community Hall. The purpose of the session was to provide information to the unemployed youth about job market skills and to bridge the gap between unemployed youth and employers. The programme had 100 attendees, which included the unemployed youth. Furthermore, this session served as a platform to support the youth to overcome the challenge of poor access to information. Various presentations were done by regional and state agencies which focused on opportunities available across the public and private sector.

CAREER EXPO 2024

King Cetshwayo District Municipality successfully held the 3rd annual Career Expo in collaboration with all five municipalities within the district. The aim was to equip learners on the correct career choices and for institutions to share necessary information aimed at shaping a bright future for learners. Learners from various schools within King Cetshwayo District Municipality came in numbers to listen to different tertiary institutions and stakeholders that were invited. Tertiary institutions and stakeholders such as the Department of Education and industries were given an opportunity to present on stage. There were 13 institutions: 2 Government Departments, 6 Youth Development Centres and 4 KCDM Departments, namely: Tshwane University of Technology, CAO, Mangosuthu University of Technology, Rosebank College, UNISA, Durban University of Technology, University of KwaZulu Natal, Berea Technical College, Mancosa, Owen Sithole College of Agriculture, Maritime Academy, North West University and Must Graduate Academy, Department of Public Works, South African Police Services, NYDA, Higher Health Edi, Isibani, Nhlasiyethemba, Lungelo Youth Development and the Department of Higher Education & Training that presented and exhibited at the Sports Ground.

YOUTH DEVELOPMENT AND HIV/ AIDS AWARENESS PROGRAMME

The youth programme targeted Grade 12 learners, whereby a total of 150 learners held engagements with Lungelo Youth Development on the importance of education and life after matric. Lungelo Youth Development is an organization which focuses on programmes that are aimed at producing young people who are empowered, able to realize their full potential and understand their roles and responsibilities in making meaningful contribution to the development of their immediate community and the country. Prince Mkhombisi High School learners benefited from this programme, which was aimed at transforming their mindsets, and creating more informed and morally empowered young people.

SPORTS DEVELOPMENT

SALGA GAMES

King Cetshwayo District Municipality hosted and participated in the 2023 SALGA Games held from 8 to 10 December 2023, as per Council resolution KCDM 1376/2023.

SALGA KZN DSAC Games are an annual sport tournament whereby 10 Districts and one Metro participate. However, uThukela District Municipality, Amajuba District Municipality and Harry Gwala Municipality did not participate in the 2023 games.

The sport tournament promotes interaction between the various District Municipalities within Kwa-Zulu Natal. It also promotes Local Economic Development, Healthy Lifestyles and social cohesion in the community.

The 2023 SALGA KZN DSAC Games were hosted by King Cetshwayo District Municipality, within the City of uMhlathuze.

To prepare and condition the KCDM team for the 2023 SALGA KZN

DSAC Games, training sessions were held on 25 – 26 November and 02 - 03 December 2023 at uMhlathuze Sports Complex and at Mthonjaneni Sports Complex.

It be noted that in the previous years, trainings were catered for by the Department of Sport, Arts & Culture, however in 2023 the Department withdrew its participation and support. The trainings were therefore held with the assistance of Local Municipalities, who transported athletes to the training venues. King Cetshwayo District Municipality provided meals, water and medical services.

Subsequent to the training sessions, King Cetshwayo District Municipality organized a 4-day camp for athletes from 04 - 07 December 2023. The camp was designed to optimize team management, team harmony, social cohesion and to promote team spirit.

Athletes were accommodated at Kingston (216) and Scarlet (184) residences in Richards Bay for the duration of the Camp and main games. In consultation with federations, accommodation was separated by gender; females were allocated at Scarlet and males were allocated at Kingston residences. During this period athletes were provided with breakfast, lunch and dinner.

The opening function was held on 07 December 2023 at uMhlathuze Sports Complex where SALGA chairperson, His Worship the Mayor, Cllr AT Ntuli, accompanied by the PEC of SALGA and the Sports Confederation Chairperson, encouraged athletes to perform well and to appreciate opportunities afforded to them.

Photo 1: SALGA Chairperson, Cllr A.T Ntuli addressing guests and athletes

Photo 2: Athletes

All athletes and team management who were part of the King Cetshwayo team were transported by a reputable service provider to various sporting venues and insured by Guard Risk Insurance Company for the duration of the Camp and the games.

There were four (04) athletes who required medical attention during the Camp and the SALGA Games respectively. Each athlete received the required medical attention and medical costs were covered by the insurance.

The results of the games were as follows:

CODE	KCDM POSITION
Athletics	Position 03 (Bronze)
Boxing	Position 02 (Silver)
Basketball Males	Position 04
Basketball Females	Position 05
Chess	Position 03 (Bronze)
Dance	Position 05
Football Males	Position 01 (Gold)
Football Females	Position 05
Indigenous Games	Position 01 (Gold)
Karate Full and Semi Contact	Position 04
Netball Males	Position 01 (Gold)
Netball Females	Position 01 (Gold)
Rugby Females	Position 01 (Gold)
Rugby Males	Position 01(Gold)
Table Tennis	Position 03 (Bronze)
Tennis	Position 02 (Silver)
Volleyball Males	Position (Disqualified)
Volleyball Females	Position 04

Overall Winners:

- 1st Position ....eThekwini Metro
- 2nd Position .... uMzinyathi
- 3rd Position ....KCDM

Rugby Team celebrating their win

KCDM Trophies

With an intention to analyse and overcome some of the constraints experienced during the 2023 SALGA KZN DSAC Games, the games post-mortem meeting was held on the 25 January 2024 to get inputs from federations as to how the District Municipality can improve going forward. The main request raised during the meeting was for the procurement of new and additional playing attire and equipment.

15-17 DECEMBER 2023 - ASSISTING SPORTS FEDERATIONS

King Cetshwayo District Municipality is responsible for the coordination and support of Sport Development programmes within the District in collaboration with Local Municipalities, the Sport Confederation and the Department of Sport, Arts and Culture (DSAC).

The basic criterion for qualifying for assistance is that a programme request must be supported by the relevant Federation.

Handing over of soccer kits and equipment to the recipients

King Cetshwayo District Municipality received requests and provided support as follows:
The first request was received from uMhlathuze Local Football Association requesting to be assisted with soccer balls (size 4) and a soccer jersey for under 12's who were travelling to Ugu District to represent King Cetshwayo in the Provincial Build-It Tournament. The tournament was held from 15 to 17 December 2023.

The second assistance was provided to Happy Stars F.C, a football team based in Nseleni. The team was assisted with a soccer jersey and soccer balls as per the request. The hand over was done by Community Portfolio Chairperson Cllr I.N Zwane in December 2023.

SUPPORTING AEROBICS

A request was received from King Cetshwayo Aerobics Federation for King Cetshwayo District Municipality to support one of the aerobics programmes coordinated by Snejobe Wellness Centre.

Snejobe Wellness Centre is a fitness center which operates in eSikhaleni and focuses on exercise and physical training which promote healthy living lifestyles for the community at large.

The event attracted participants from all over KZN, Gauteng and Swaziland. It started at 10h00 on Saturday, 24 February 2024. There were 20 instructors and 5 categories (step, Box step, High Low, Functional and Box) in different age groups. Participants were awarded with medals, trophies and Vouchers.

The Honourable Speaker of King Cetshwayo District Municipality, Cllr S.H. Mkhwanazi thanked the organizers for hosting the programme and the participants for prioritizing a healthy lifestyle.

King Cetshwayo District Municipality supported the initiative with a sound system and caps for the participants.

Athletes on the floor

Special appearance by King of Squats

Honourable KCDM Speaker Cllr S.H. Mkhwanazi

KING CETSHWAYO MARATHON

The King Cetshwayo District Marathon was held on Sunday, 12 May 2024 at uMhlathuze Sports Complex.

King Cetshwayo District Marathon was a double stack challenge that consisted of a 21KM Half Marathon and a 10KM Race. Initially there was a 42.2KM marathon which was part of the race but due to the low number of entries in this category it was later cancelled. After cancellation, athletes who had registered for the 42.KM were downgraded to the 21KM Race and were refunded the difference in entry fees.

The marathon applications were open online through MultiSportEntryMail.co.za (MSEM) from 30 April to 06 May 2024.The walk-in applications were done on Saturday, 11 May 2024 from 13h00 to 19h00.

The number of registrations received were as follows:

RACES	ONLINE	MANUAL
42.2 KM	20	0
21,1 KM	90	30
10 KM	191	35
TOTAL	301	65

Collectively, the number of entries were: 366.

The Honourable Speaker of King Cetshwayo Cllr S. Mkhwanazi opened the race on behalf of His Worship the Mayor Cllr A. T. Ntuli.

The start and the finish point was at the Sport complex, athletics track. The 10KM athletes ran the route once and the 21KM runners ran two laps. This was done to control and make use of minimal manpower and resources.

Mgezeni Athletic club provided the athletes with water sachets, bananas, Amahewu and Coke along the route. After the race, lunch was served to athletes.

The results for the first three 21km race positions were as follows:

Females:

POSITION	NAME & SURNAME	FINISH TIME
1.	Masawenkosi Nsibande	01:19:02
2.	Silindile Biyela	01:21:34
3.	Banele Mbizela	01:21:52

Males:

POSITION	NAME & SURNAME	FINISH TIME
1.	Bonginkosi Mvuso	01:05:56
2.	Mfundo Changwe	01:06:01
3.	Siphesihle Nene	01:08:02

Photo 1: King Cetshwayo Councillors and the winners

The results for the first three 10 km race positions were as follows:

Males:

POSITION	NAME & SURNAME	FINISH TIME
1.	Dlamini Nonhle	00:40:20
2.	Njunguza Nonhle	00:40:42
3.	Mthethwa Nomcebo	00:44:16

Females:

POSITION	NAME & SURNAME	FINISH TIME
1.	Nkosi Siphamandla	00:33:47
2.	Nxumalo Mvelo	00:34:28
3.	Mkhize Sifundo	00:36:29

The event was featured In the local newspaper:

District runs super road racing event in Bay

KCD half-marathon runs like clockwork

Photo 2: KCDM Speaker awarding an athlete with a medal

COMPONENT F: PROPERTY AND LEGAL

3.4 FACILITIES AND SECURITY

Manages and controls the operations of the facilities Management functionality (Building Maintenance & Special Projects) and Security Management Functionality. Controls the professional, technical and operational outcomes associated with special projects/contracts. It is inclusive of monitoring and implementing procedures, and maintaining effectiveness of repairs and maintenance to the Council building. It also ensures the security and safety of personnel as well as buildings of the Municipality.

NO.	CATEGORY	NUMBER OF MAINTENANCE TASK COMPLETED IN Q1	NUMBER OF MAINTENANCE TASK COMPLETED IN Q2	NUMBER OF MAINTENANCE TASK COMPLETED IN Q3	NUMBER OF MAINTENANCE TASK COMPLETED IN Q4
1	General repairs and maintenance	27	25	35	24
2	Electrical repairs and maintenance	14	16	12	12
3	Air-conditioner repairs and maintenance	10	6	12	0
TOTAL		**51**	**47**	**59**	**36**
GRAND TOTAL FOR 2023/2024 FINANCIAL YEAR		**193**			

LEGAL SERVICES ANNUAL REPORT

The role of Legal Services is to ensure that the Municipality conducts its business within the applicable legal framework. In this regard, Legal Services provides an information legal service to the Municipality.

Legal Services plays an active role in the development and review of various policies in the organisation in order to ensure that necessary controls are implemented and maintained to ensure compliance with laws. The supply chain management process to appoint a panel of attorneys for a period of three years to assist the Municipality with litigation matters, has been finalised.

Legal Services played an integral part in the review of various Human Capital Policies which were amended, presented to Councillors and finally approved by Council.

NEW CAPTION

KING CETSHWAYO

DISTRICT MUNICIPALITY

ANNUAL PERFORMANCE REPORT

2023/2024 FINANCIAL YEAR

Chapter 4 | CORPORATE POLICY OFFICES AND OTHER SERVICES

4.1 COMPONENT A: ORGANISATIONAL PERFORMANCE SCORECARD

CONTENTS

ANNEXURES

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

Legislative Requirements

Section 40 of the Municipal Systems Act of 2000 (MSA) outlines that ''A municipality must establish mechanisms to monitor and review its Performance Management System", so as to measure, monitor, review, evaluate and improve performance at organizational, departmental and employee levels. In terms of Section 34 (a)(i) of the MSA, it is expected that a municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of section 41. During the IDP review process the Key Performance Areas, Key Performance Indicators and performance targets are reviewed, this review forms the basis of the review of the Organisational Performance Management Scorecard and performance contracts of Section 54/56 Managers.

The Municipal Planning and Performance Management Regulations (2001) stipulates that a "municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players" (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

Section 46 of the Municipal Systems Act (No.32 of 2000) stipulates the following:
Annual performance reports

46 (1) A municipality must prepare for each financial year a performance report reflecting:

(a) the performance of the municipality and of each external service provider during the financial year;

(b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and

(c) measures taken to improve performance.

(2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Financial Management Act.

Introduction

The 2023/2024 Performance Management Framework and Standard Operating Procedures (KCDMC:1069/ 2023) was approved on 28 June 2023 for the 2023/2024 financial year. The Performance Management Policy was reviewed and approved for the 2023/2024 financial year (KCDMC: 1067/2023) on 28 June 2024.

The approved Performance Management Framework includes a review of the Standard Operating Procedure to clarify the processes to collect, collate and verify performance information.

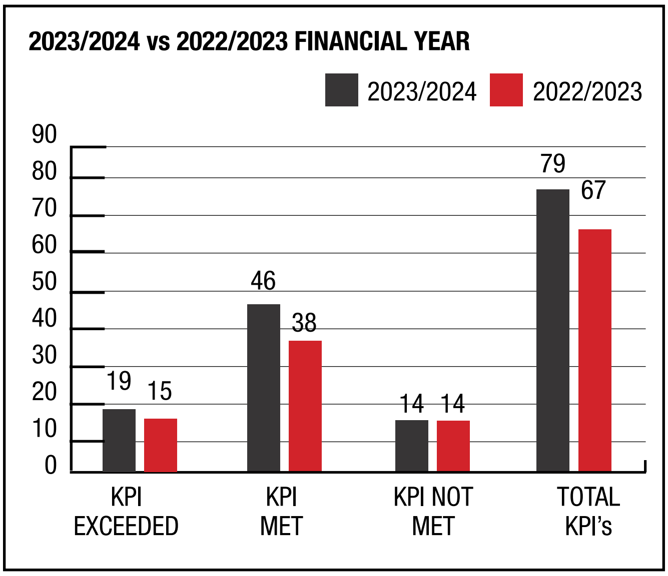
The annual performance report includes highlights from the key performance measures included in the Integrated Development Plan (IDP) for the 2023/2024 financial year. These priority measures constitute the Organisational Performance Management Scorecard (OPMS) / Top Layer Service Delivery & Budget Implementation Plan (TL SDBIP) for the 2023/2024 financial year.

At the end of the financial year (01 July 2023 to 30 June 2024) 82.28% of priority performance measures have met or exceeded the year-end target. Areas for improvement are detailed in the report and are shown in the Organisational Performance Management Scorecard/Top Layer Service Delivery and Budget Implementation Plan for the 2023/2024 financial year. The accountable officials have provided commentary to put performance into context and identified actions that are taken to address under-performance.

Performance and monitoring underpins the municipality's IDP in terms of reviewing progress regularly as well as achieving priorities and delivering value for money to the communities that we serve. Early investigation of variances enables remedial action to be taken where appropriate. The overall performance for the 2023/2024 financial year shows a increase of 3.18% when compared to the 2022/2023 financial year.

The following graph compares the overall performance for the 2023/2024 financial year and the 2022/2023 financial year.

Graph 1: Comparative Annual achievement information



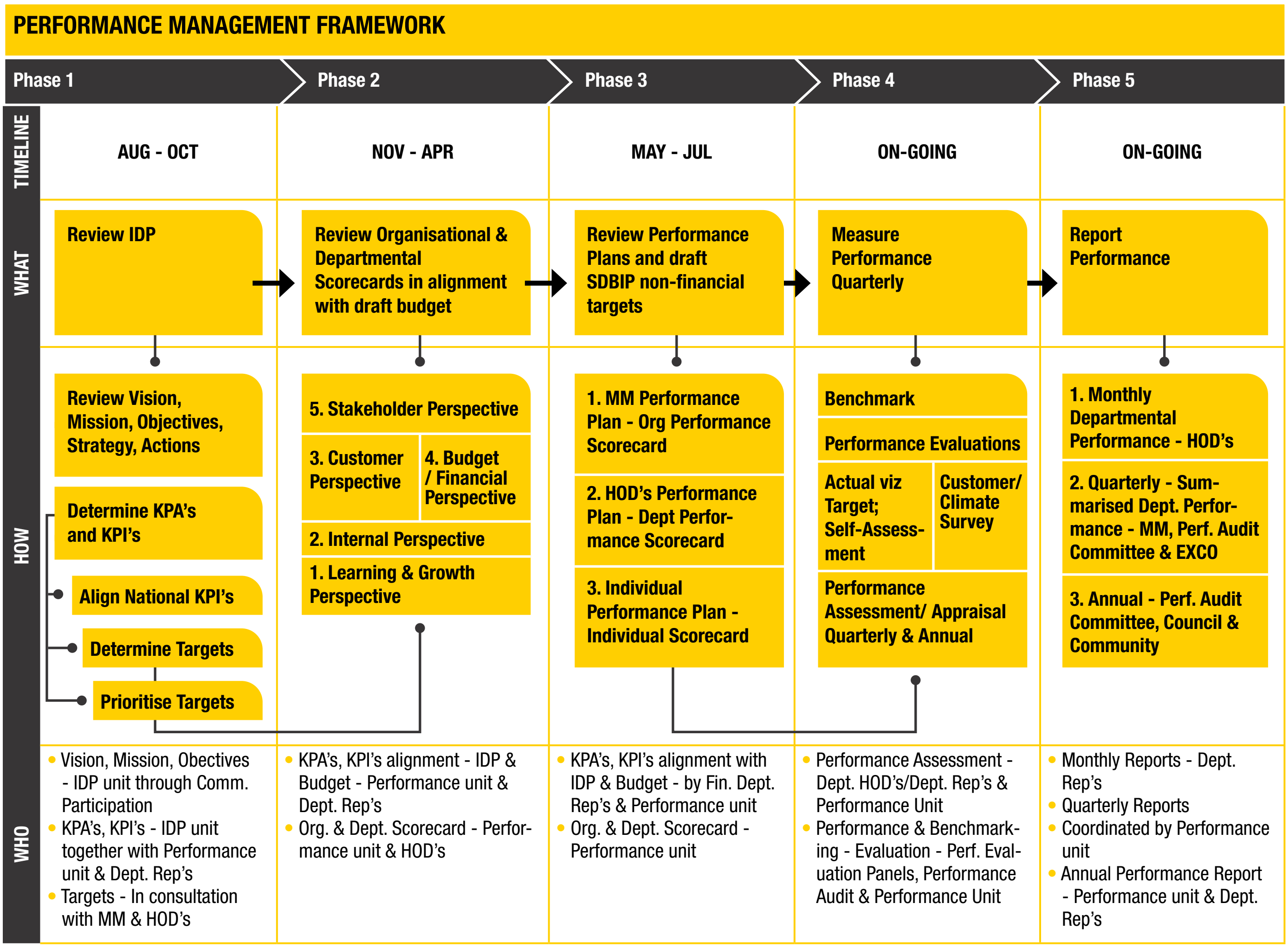
ORGANISATIONAL PERFORMANCE MANAGEMENT PROCESS

Key performance indicators have been reviewed in support of the municipality's development priorities and objectives as set out in the revised IDP framework and will remain for the duration of the IDP period for consistency in measuring and reporting on long term strategies and projects. Measurable performance targets with regard to each of these development priorities and objectives were established. A process to ensure regular monitoring of performance is in place through the submission of audited quarterly performance reports to the Performance Audit Committee and thereafter Council.

Individual agreements and performance plans were prepared in line with provisions prescribed in the Performance Regulations (Notice 805, published on 1 August 2006 in the official gazette) and signed by the Municipal Manager and Senior Managers. These agreements are fully implemented and aligned with the Service Delivery and Budget Implementation Plan as required in terms of the Municipal Finance Management Act.

The Performance Evaluation Committee was established on 29 June 2022 as per Council Resolution KCDMC:397/2022 and KCDMC:398/2022, for the assessment of the performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager. The Performance Evaluation Committee should meet on a bi-annual basis to monitor and evaluate individual performance.

The following diagram illustrates a summary of the performance management framework for King Cetshwayo District Municipality for performance measures and reporting adhering to the guidelines suggested by Kwa-Zulu Natal Province, Department of Cooperative Governance and Traditional Affairs:



PERFORMANCE AUDIT COMMITTEE

The Performance Audit Committee members for the 2023/2024 financial year consists of the following members appointed for a period of three (3) financial years ending June 2025:

- Mr AD Gonzalves- Chairperson
- Dr MJ Ndlovu- Member
- Ms SX Khanyile - Member
- Cllr AM Mtshali – Member

The Performance Audit Committee meets on a quarterly basis of each financial year to ensure compliance with relevant legislation, procedures as well as to consider the quarterly performance achievements reported on the Top Layer Service Delivery & Budget Implementation Plan (TL SDBIP) as well as the performance achievements reported in terms of the departmental Service Delivery & Budget Implementation Plans.

The municipality appointed a panel of Professional Service Providers to conduct Internal Audit Services as per the Internal Audit operational plan for the period 01 July 2022 to 30 June 2025. The list of appointed service providers were:

- Ngubane and Company
- uMnotho Business Consulting
- HTB Consulting CC
- Bonakude Consulting (PTY)Ltd
- Ntshidi & Associates
- Morar Incorporated

The Performance Audit Committee conducted its work throughout the financial year by ensuring that all quarterly meeting took place. The Performance Audit Committee meetings took place as required by legislation on the following dates:

- 29 August 2023
- 11 December 2023
- 26 February 2024
- 20 June 2024

The minutes of the meetings are available in the Portfolio of Evidence of the Municipal Manager.

PERFORMANCE EVALUATION PANELS

The Performance Assessment Panels for the assessment of Section 54/56 employees are established as follows:

A. For purposes of evaluating the annual performance of the Municipal Manager (Section 54), an Evaluation Panel constituting of the following persons should be established
   (i) Executive Mayor or Mayor;
   (ii) Chairperson of the Performance Audit Committee;
   (iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council; . (iv) Mayor and/or Municipal Manager from another Municipality; and
   (v) Member of a Ward Committee as nominated by the Executive Mayor or Mayor.

B. For purposes of evaluating the annual performance of Managers directly accountable to the Municipal Manager, an Evaluation Panel constituted of the following persons should be established:
   (i) Municipal Manager;
   (ii) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee;
   (iii)Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council; and
   (iv) Municipal Manager from another Municipality.

Performance Evaluation sessions should be conducted quarterly. The first and the third quarter assessment are informal assessments. Formal assessments are conducted in the presence of the Evaluation Panel for the mid-year (quarter two) and full year (quarter four) performance achievements. The final (annual) formal performance evaluation sessions of the Municipal Manager and Managers directly accountable to the Municipal Manager for the 2023/2024 financial year are performed once the Auditing of the year-end Annual Financial Statements and the Predetermined Objective has been finalized by the Auditor-General. The one on one meetings between the Acting MM and the Deputy Municipal Managers for the scoring sessions in preparation for the assessments took place in July and August 2024.

AUDITING OF PERFORMANCE INFORMATION

The Municipal Systems Act 2000, Section 45 requires that the results of the performance measurements in terms of section 41 (1) c, must be audited as part of the internal auditing process and annually by the Auditor-General. All auditing must comply with section 14 of the Municipal Planning and Performance Management Regulations, 2001 (Regulation 796).

A panel of Professional Service Providers was appointed by King Cetshwayo District Municipality to perform the Internal Audit function within the municipality taking over from Messrs Ngubane and Co. There was a slight delay with the appointment of a service provider to carry out the audit for the 2023/2024 financial year, the appointed service provider was Bonakude Consulting (PTY) Ltd. As part of their scope of work, the auditing of the Performance Management System and relevant Performance Information was performed and reports were finalized for each quarter in terms of the following:

Quarter 1:
Internal Audit reviews the functionality of the Performance Management System and management's compliance thereto. Review scorecards on a test basis and supporting evidence, record the systems that are used to generate the performance information and perform walkthrough testing to validate (AOPI), and perform detailed testing on selected performance information (AOPI). The audit report was issued on 6 May 2024.

Quarter 2:
Internal Audit reviews the Mid-Year Performance Report and to confirm the validity, accuracy, and completeness of reported performance information. Internal Audit reviews the functionality of the Performance Management System and management's compliance thereto. Review scorecards on a test basis and supporting evidence, record the systems that are used to generate the performance information and perform walkthrough testing to validate (AOPI), and perform detailed testing on selected performance information (AOPI). The audit report was issued on 06 May 2024.

Quarter 3:
Internal Audit reviews the functionality of the Performance Management System and management's compliance thereto. Review scorecards on a test basis and supporting evidence, record the systems that are used to generate the performance information and perform walkthrough testing to validate (AOPI), and perform detailed testing on selected performance information (AOPI). The audit report was issued on 06 August 2024.

QUARTER 4:
INTERNAL AUDIT REVIEWS THE TOP LAYER AND DEPARTMENTAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS (SDBIP). INTERNAL AUDIT ENSURES THE ACCURACY AND VALIDITY OF THE INFORMATION INCLUDED IN THE ANNUAL PERFORMANCE REPORT BASED ON THE EVIDENCE INSPECTED. THE AUDIT REPORT FOR THE ANNUAL PERFORMANCE REPORT WAS ISSUED ON 30 AUGUST 2024. THE QUARTER 4 PERFORMANCE REPORT WAS ON ISSUED ON 30 AUGUST 2024.

PERFORMANCE OF EXTERNAL SERVICE PROVIDERS

The monitoring of the service provider performance is ensured through the signing of Service Level Agreements. It is currently being done on a user department level. The end user department provides reports on performance of service providers by submitting reports to the Performance Management Unit and through Council's committee structures.

The following are the service providers engaged in each department during the 2023/2024 financial year focusing on the critical functional areas of the municipality::

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	SERVICE PROVIDED IN TERMS OF SIGNED SLA	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
Okuhle Akwande (PTY) Ltd KCDM/04/2023	The service provider is appointed to read all conventional water meters in the District	Ending 30 June 2026	The service provider is appointed to read all conventional water meters in the District and provide readings within prescribed timeframes.	The services were rendered for reading of meters and provide readings per specifications. The contactor was appointed on the 07 July 2023. The service level agreement meeting was held on the 21 June 2024. Minor challenges with meter readings were raised and discussed with the service provider, they were requested to ensure that all meters are read monthly as per the books. Contractor's performance is good.	3	N/A
Fidelity Cash Solutions	Provision of the cash in transit facility	Ending 30 June 2025	The tender is for the provision of cash in transit facility, including the following: • Collect cash from each of Councils various cash offices and transport the cash to the banks cash handling facility. • Provide the consumables required for the safe storage of cash. • Provide insurance for cash held during transportation to the bankers.	No issues were noted during the period. Work was carried out in accordance with timeframes and specifications as stipulated in the SLA. On a quarterly basis the on their performance department holds SLA meetings with the service provider. There were no issues. Contractor's performance is good.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	**SERVICE PROVIDED IN TERMS OF SIGNED SLA**	**PERFORMANCE TIMEFRAMES**	**DESCRIPTION OF SERVICES PROVIDED**	**PERFORMANCE REVIEW**	**PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT**	
Cross Check Information Bureau (Pty) Ltd	Online tracing of debtors through credit records	Ending 30 June 2025	The service provider provides a system which assists with online tracing of debtors through credit records as well as provide profiling of consumers to assist in making write off or indigent determinations.	Services were used for new application and indigent vetting. All requests are performed online and reports are provided immediately. No challenges were raised. The contractor's performance is good.	3	3
Solar-Business Connexion Sole Provider	Provision, maintenance, support and ongoing development of the MSCOA compliant Financial system	Contract extended up to 31 March 2026. This is as a result of a moratorium that was put by NT on the acquisition of any Financial Management System, pending their finalization of the transversal tender. NT is currently assessing the compliance of the current systems with the MSCOA Regulations and will compile the new specification based on the outcome.	The contract is for the provision, maintenance, support and ongoing development of the financial system with cognizance to applicable legislation such as MSCOA and accounting standards.	Contractor's performance is good. **Revenue** No issues directly related to the revenue sub system were noted during the period of review. **Expenditure** No issues related to Expenditure were experienced in the quarter. BCX were on hand to support the Year End processes. **Budget** The Budget Tool is operational and was used for the 2023/24 adjustment budget and 2024/25 draft Budget submissions. These are performing well. Monthly meetings are being held with the system vendor on functionality issues and compliance with mSCOA. The most recent meeting was held on the 14th May 2024. The Treasury Reporting Utility is also operational and was used for the compilation of the 2024/25 Draft and Final Budgets and In-Year Monitoring reports. No issues reported on the TRU. **Man Accounts and Assets** The service provider has been engaged to assist with ensuring year end processes are dealt with accordingly. The services rendered by the service provider during the period under review is satisfactory. SCM The Service provider has provided a good service for the period under review. There are no calls logged by SCM for this period.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	SERVICE PROVIDED IN TERMS OF SIGNED SLA	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
First National Bank KCDM/08/2021	Provision of a banking facility	1 July 2021 to 30 June 2026	The service provider performs the function as the District's bankers.	The services rendered by the service provider during the period under review is good. A service level agreement meeting was held 28 June 2024 wherein general matters were discussed including aspects related to Fleet, Expenditure and Revenue Management	3	4
SANKO-FA Pty Ltd KCDM/01/2021	Administration of Council's insurance portfolio	1 July 2021 – 30 June 2024	The Contract entails the administration of Council's insurance portfolio.	Ongoing engagements are held with the service provider as and when matters and claims are reported. Constant communication occurs relating to claims. A service level agreement meeting was held 31 May 2024 wherein general matters were discussed including turnaround times for the resolution of claims. Contractor's performance is good.	3	3
IMQS KCDM/29/2023	The contract entails professional services relating to the Municipal assets register system	June 2024 - period of 36 Months	The contract entails professional services relating to the municipal assets register system	The services rendered by the service provider during the period under review is good. A service level agreement meeting was held on 25 June 2024 wherein general matters relating to the SLA and the work/skills transfer schedules.	3	N/A
Bonakude KCDM/10/2022	The contract entails the provision of internal audit services	01 July 2022 to 30 June 2025 Contract commenced 01 Feb 2024 appointed as part of a panel. Contracted to execute 2023/24 Audit plan.	Provision of Internal Audit Services	The audit plan is almost complete. Performance is good.	3	N/A
Scelo Business Consultancy	The service providers provide the municipal fleet.	23 August 2021 to 30 June 2024	The service providers provide the municipal fleet.	The Services Provider's performance is fair for the delivery of fleet. The process of a new tender is under way An extension of a tender for further 4 months was approved by Council under item no KCDMC: 2316/2024	2	3
GWSB Contractors	Middledrift SSA 5 Water supply	May 2023 – December 2023	Construction of Reticulation within SSA5	Contractors performance is good.	3	3
Abraham Mashego JV Amazwide Builders	Mbonambi Water Phase 2	10 January 2023-18 September 2023	Construction of water reticulation, 730 yard connections to be installed.	Contractors performance is good.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	SERVICE PROVIDED IN TERMS OF SIGNED SLA	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
Inkunzi Waste Management Solutions (PTY) Ltd. KCDM/01/2022	Solid waste management and operation	November 2022 – 30 November 2025	Provision of alternative solid waste management and operation of the King Cetshwayo District Municipality Regional Solid Waste Site for a period of three years.	Service Provider was issued with a poor performance letter after failing to supply the plant (equipment) that meets the stipulated specification. The plant (equipment) was provided and the Service Provider is closely monitored to clear all the issues. Performance is fair.	2	2
Sector 5 Turn Key contractor/ cons ultants	Construction of Empangeni solid Waste–Cell 3	05 October 2022-30 May 2024	Construction of Empangeni solid Waste–Cell 3. Fencing has been completed and installation of cameras is at 80%. Awaiting approval of cell 3 design and work permit by DWS.	Contractors performance is good.	3	3
uMgeni Water	Bulk Water services provider	01 October 2020-01 October 2035	Provision of bulk water. Volume of water produced and maintenance conducted.	Performance is fair, the Water Board has since shown a significant improvement in the operations of the Operations of the water purification plants within the District.	2	1

Princess Magogo Choral Festival

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
BI Infrastructure Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Greater Mthonjaneni SSA 2 Phase 2A.	Contractor's performance is good.	3	3
BI Infrastructure Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of KwaHlokohloko SSA5.	Contractor's performance is good.	3	3
BI Infrastructure Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of KwaHlokohloko SSA1.	Contractor's performance is good.	3	3
BI Infrastructure Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Greater Mthonjaneni SSA3 and Completion of SSA2.	Contractor's performance is good.	3	3
CIVTECH Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Eshowe Sewer Upgrade.	Contractor's performance is good.	3	3
CIVTECH Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Melmoth Sewer Upgrade.	Contractor's performance is good.	3	3
Impumelelo Engineers	July 2022 - 30 June 2025	Implementation Supervision of Melmoth Sewer Plant Upgrade.	Contractor's performance is good.	3	3
ECA Consulting	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Middledrift WTW Plant Upgrade.	Contractor's performance is good.	3	3
Veyane Consulting Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Nkandla Bulk	Contractor's performance is good.	3	3
Izinga Holdings	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Amakhosi Chamber	Contractor's performance is good.	3	3
Izinga Holdings	July 2022 - 30 June 2025	Planning, Design, and Implementation of Mthunzini Sanitation Infrastructure Upgrade	Contractor's performance is good.	3	3
Striving to Satisfy Construction of Dengeni Extension	October 2023 - May 2024	Supply and Installation of 3500m HDPe 50mm class 16 pipe and the installation of 4 communal stand pipes	Good performance and 100% complete	3	N/A
Striving to Satisfy Construction of Mdungandlovu Rising main	October 2023 - May 2024	Supply and Installation of 4500m HDPe 90mm class 16 pipe	Good performance and 100% complete	3	N/A
Ginti Projects Dondotha pipe replacement	October 2023 - May 2024	Supply and installation of 3500m 40mm diameter HDPe class 16 pipeline and connection of the existing reticulation	Good performance and 100% complete	3	N/A
Ginti Projects Dondotha pipe replacement	October 2023 - May 2024	Supply and installation 160mm uPVC class 20 pipeline	Good performance on site and 100% performance	3	N/A
STM Corporate Construction of Amakhosi Chamber	February 2024 – September 2024	Construction of Amakhosi chamber King Cetshwayo District		3	N/A

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
Aquacon Industries Equipping of Mtilombo Borehole & Package Plant	October 2023 - March 2024	Equipping of Mtilombo Borehole & Construction of package plant	Good performance on sites and 100% complete	3	N/A
GWSB Contractors Construction of eDebe Rising Main and Installation of 100kl steel tank	October 2023- March 2024	Contruction of eDebe Rising Main & installation of 100kl steel tank	Good performance and 100% complete	3	N/A
GWSB Contractors Construction of 1100, 270 and 526 VIP Sanitation	October 2022- June 2023, June 2023-July 2024 & October 2023- June2024	Construction of 1100, 270 and 526 VIP Sanitation	Contractor's performance is good.	3	3
Rural Pumps Construction of Qomintaba Extension	October 2023 - June 2024	Installation of 50mm hdpe pipeline, construction of new 25 standpipes, installation of storage tanks and fencing around the existing pump house.	Contractor's performance is good.	3	N/A
Rural Pumps Construction of Khathazo Extension	October 2023 - June 2024	Installation of 50mm pipeline, installation of storage tanks, installation of booster pump with control panel,installation of galvanised cage with concrete slab and construction of new 13 standpipes.	Contractor's performance is good.	3	N/A
GWSB Contractors Development of Bhacane borehole	October 2023 - June 2024	Supply and installation of 75mm pipeline, installation of 80kl steel tank and installation of standpipes	Contractor's performance is good.	3	N/A
GWSB Contractors Development of Matholampunga Borehole	October 2023 - June 2024	Supply and installation of 63mm pipeline, installation of 100kl steel tank and installation of standpipes	Contractor's performance is good.	3	N/A
Aquacon Hydro Development of Bhacane borehole	October 2023 - June 2024	Supply and installation of Package plant, installation of Generator and equiping of borehole	Contractor's performance is good.	3	N/A
Ocean Link Development of Matholampunga	October 2023 - June 2024	Supply and installation of Generator, high lift pump and booster pump, Construction of pump house and equiping of borehole	Contractor's performance is good.	3	N/A
UZamile Trading Middledrift SSA P1B	October 2022 - July 2024	Supply and installation of 8,4km 200mm diameter uPVC pipeline, construction of chambers with all related fittings	Contractor's performance is good.	3	3
Somhlaba Holdings Nkandla sanitation	October 2023 - June 2024	Construction of 157 double pit VIP units	Contractor's performance is good.	3	N/A
GWSB Contractors Middledrift SSA 5 Water supply	May 2023 - December 2023	Construction of Reticulation within SSA5.	Contractor's performance is good.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
DMV Consultants Mbonambi Water Phase 2	10 January 2023 - 18 September 2023	Construction of water reticulation, 730 yard connections to be installed.	Contractor's performance is good.	3	3
Impumelelo Engineers KCDM/RBIG/03/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2A	November 2022 - December 2023	Construction of DN 500 Bulk Pipeline from Thintumkhaba to Emaqeleni	Contractor's performance is good.	3	3
Sure Boss Trading and Projects KCDM/RBIG/03/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2A			Poor performance	1	2
Civtech Engineers KCDM/RBIG/04/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2B DN 500 Bulk Pipeline from Emaqeleni to Mpehlele Hill	November 2022 - December 2023	Construction of DN 500 Bulk Pipeline from Emaqeleni to Mpehlele Hill	Contractor's performance is good.	3	3
WK Construction SA (Pty) Ltd KCDM/RBIG/04/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2B DN 500 Bulk Pipeline from Emaqeleni to Mpehlele Hill			Contractor's performance is good.	3	3
MMK Engineers KCDM/RBIG/05/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2C Construction of 1.5ML Reservoir at Mpehlele Hill with associated Pipework in uMlalazi Local Municipality.	February 2023 - September 2024	Construction of Bulk water Supply: Phase 2C Construction of 1.5ML Reservoir at Mpehlele Hill with associated Pipework	Contractor's performance is good.	3	N/A
Mela Okuhle Trading Enterprise KCDM/RBIG/05/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2C Construction of 1.5ML Reservoir at Mpehlele Hill with associated Pipework			Contractor's performance is good.	3	N/A

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
BI Infrastructure KCDM/RBIG/06/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2D DN 400 Bulk Pipeline from Mpehlele Hill to Habeni	May 2023 – June 2024	Construction of Bulk water Supply: Phase 2D DN 400 Bulk Pipeline from Mpehlele Hill to Habeni	Contractors performance is good.	3	3
Ginti and Mshana JV KCDM/RBIG/06/2022 - KwaHlokohloko SSA 1 Bulk water Supply: Phase 2D DN 400 Bulk Pipeline from Mpehlele Hill to Habeni			Contractor's performance is good	3	3
Izinga Holdings Engineers KCDM/RBIG/07/2022 - KwaHlokohloko SSA 1G Phobane WTW 10ML Reservoir	December 2022 - September 2024	Construction of a 10Ml concrete reservoir, pipework and chambers.	Contractor's performance is good	3	3
Ginti and Mshana JV KCDM/RBIG/07/2022 - KwaHlokohloko SSA 1G Phobane WTW 10ML Reservoir			Contractor's performance is good	3	3
BI Infrastructure KCDM/RBIG/08/2022 - Greater Mthonjaneni SSA2 Phase 2B Bulk Water Supply	14 August 2023 – 25 September 2024	Construction of 2.5ml reservoir, pipeline and pump-station	Contractor's performance is good	3	3
Siyaroro Trading and Mvuyisi Project JV- KCDM/RBIG/08/2022 - Greater Mthonjaneni SSA2 Phase 2B Bulk Water Supply			Contract terminated due to poor performance. New appointment have been finalized in July 2024	1	N/A
Civtech Engineers KCDM/MIG/01/2022: Greater Mthonjaneni SSA 4- Bulk Water Supply Improvement	11 January 2024 – 10 April 2025	Nkandla/Vutshini SSA5: Augmentation – Water Treatment Package Plant, Pumps And Pipelines Consulting Engineers	Contractor's performance is good	3	N/A
Striving To Satisfy Trading and Projects 106 cc KCDM/MIG/02/2022: Greater Mthonjaneni SSA 4- Bulk Water Supply Improvement			Contractor's performance is good	3	N/A

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2023/2024 FY	2022/2023 FY
EXTERNAL SERVICE PROVIDER	PERFORMANCE TIMEFRAMES	DESCRIPTION OF SERVICES PROVIDED	PERFORMANCE REVIEW	PERFORMANCE RATING AND CORRECTIVE MEASURES IN CASE OF UNDERPERFORMANCE 1=POOR; 2=FAIR; 3=GOOD; 4=VERY GOOD; 5=EXCELLENT	
GWSB Contractors	11 January 2024 - 10 April 2025	Nkandla/Vutshini SSA5: Augmentation - Water Treatment Package Plant, Pumps And Pipelines Consulting Engineers	Contractor's performance is good	3	N/A
ECA Consulting Engineers			Contractor's performance is good	3	N/A
Striving to Satisfy	22 May 2023 - 22 January 2024 completion date was revised to 28 June 2024, with snag to be completed	Refurbishment of Nkandla Weir. Consulting Engineers.	Contractors performance is good. Project is 100% complete	3	N/A
Veyane Consulting Engineers			Contractors performance is good.	3	N/A
Somkhanda Plant Hire cc	30 April 2024 - 04 August 2025	Middledrift Bulk Augmentation: Civil & Building Works For 10ml/Day Expansion To The Middledrift Water Treatment Works	Contractor did not start well, performance is fair.	2	N/A
ECA Consulting Engineers		Consulting Engineers.	Contractors performance is good.	3	N/A
Impumelelo Consulting Engineers	04 December 2023 - 28 September 2024	Completion Of The Portion Of Eshowe Ssa1 Bulk Water Supply In Ward 9 Thintumkhaba: Phase 1	Contractors performance is good.	3	N/A
Grand Connections (PTY)LTD	20 September 2023 - 20 October 2024	KwaHLOKOHLOKO Regional Water Supply: Sub Supply Area SSA5: Phase 4: Water Treatment Package Plant, Pumps and Pipelines	Poor performance. Contract was terminated, due to poor performance	1	N/A
Libeko/Mthabeleni Jv			Contractors performance is good.	3	N/A

CORRECTIVE MEASURES FOR CONTRACTORS PERFORMING BELOW THE ACCEPTABLE STANDARD	
NAME OF CONTRACTOR	MANAGEMENT COMMENTS
Scelo Business Consultancy	The service provider's performance was poor, the contract was terminated due to poor performance
Inkunzi Waste Management Solutions (PTY) Ltd. KCDM/01/2022	Service Provider was issued with a poor performance letter after failing to supply the plant (equipment) that meets the stipulated specification. The plant (equipment) was provided and the Service Provider is closely monitored to clear all the issues.
Somkhanda Plant Hite Cc	Contractor did not start well however there was improvement.
Sure Boss Trading and Projects – KwaHlokohloko SSA 1 Bulk Water Supply Phase 2A Construction of DN 500 Bulk Pipeline from Thintumkhaba to Emaqeleni	Contractor failed to perform on site. The contract was terminated
Umgeni Water	Performance is not good but fair, the Water Board has since shown a significant improvement in the operations of the Operations of the water purification plants within the District.
L4Z Solution (Pty) Ltd – Greater Mthonjaneni SSA4 (Bulk Water Supply Improvement Construction of a 2.5 ML Reservoir	Poor performance, contractor has since been terminated
Siyaroro Trading and Mvuyisi Project JV- KCDM/RBIG/08/2022 - Greater Mthonjaneni SSA2 Phase 2B Bulk Water Supply	Contract terminated due to poor performance. New appointment have been finalized in July 2024

ANNUAL ORGANISATIONAL PERFORMANCE INFORMATION

Performance Monitoring underpins the Municipality's Integrated Development Plan in terms of reviewing progress regularly in achieving the priorities and delivering services that are of value to the community we serve. Early investigation into variances enables remedial action to be taken where appropriate.

The Annual Performance Report highlights the key performance measures included in the Integrated Development Plan (IDP) for the 2023/2024 financial year. These priority measures constitute the Organisational Performance Management Scorecard / Top Layer of the Service Delivery and Budget Implementation Plan (OPMS/ TL SDBIP) on basic service delivery targets prioritized for the 2023/2024 financial year.

The Annual Performance Report for the 2023/2024 financial year has been completed and reflected in the Organisational Performance Management Scorecard in a table format (as prescribed by KZN CoGTA). The Organisational Performance Management Scorecard will be presented to the Auditor General for auditing by 31 August 2024.

This Annual Performance Report will form part of the Annual Report, which is inclusive of the Annual Financial Statements (AFS) as well as the Auditor General Report on the Annual Financial Statements and Performance Information for the 2023/2024 financial year, once all reports are finalized.

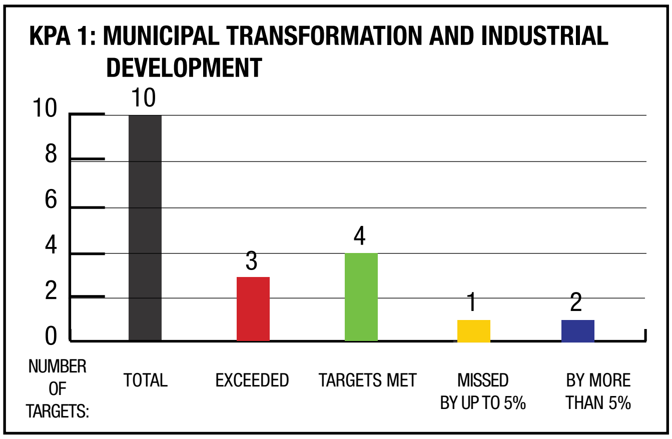
Analysis of reported achievements

In the 2023/2024 financial year there were 79 targets contained in the OPMS / Top Layer SDBIP. Out of the 79 targets, 65 targets were achieved or exceeded and 14 of the set targets were not achieved.

The following is a breakdown of the indicators per National Key Performance Areas:

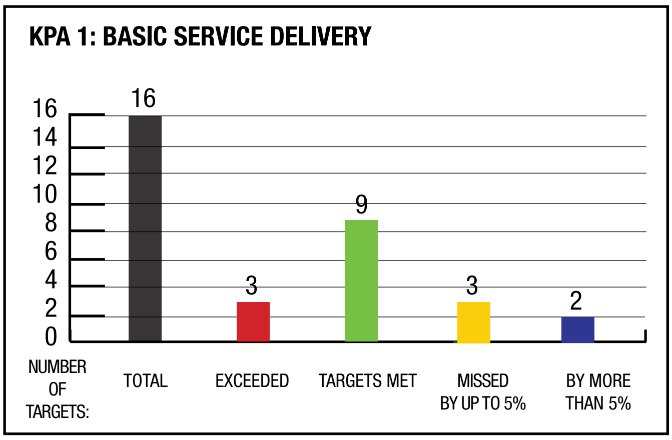
Key Performance Area 1: Municipal Transformation and Institutional Development

TOTAL NUMBER OF TARGETS	NUMBER OF TARGETS EXCEEDED	NUMBER OF TARGETS MET	NUMBER OF TARGETS MISSED BY UP TO 5%	NUMBER OF TARGETS MISSED BY MORE THAN 5%	OVERALL PERCENTAGE
10	3	4	1	2	70%



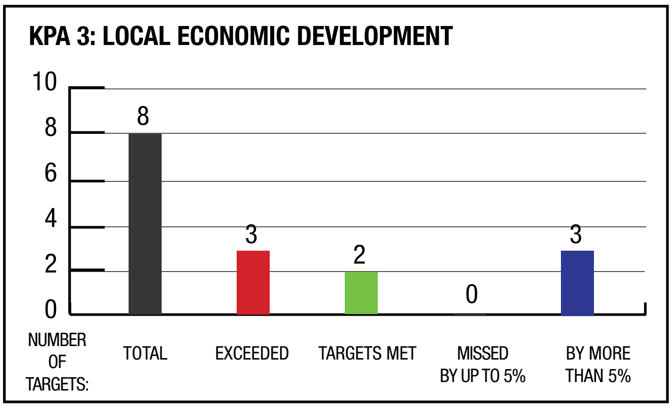
Key Performance Area 2: Basic Service Delivery:

TOTAL NUMBER OF TARGETS	NUMBER OF TARGETS EXCEEDED	NUMBER OF TARGETS MET	NUMBER OF TARGETS MISSED BY UP TO 5%	NUMBER OF TARGETS MISSED BY MORE THAN 5%	OVERALL PERCENTAGE
16	3	9	3	1	75%



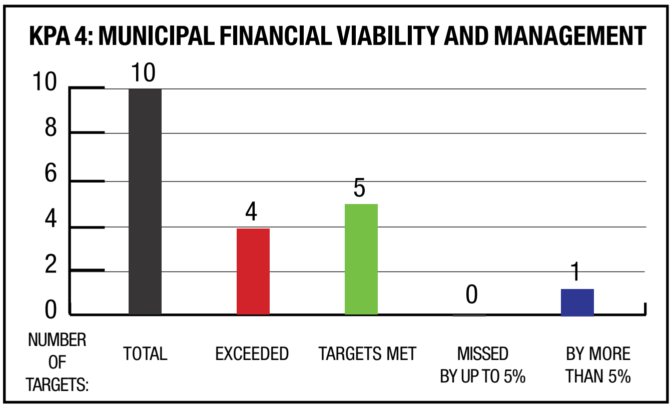
Key Performance Area 3: Local Economic Development:

TOTAL NUMBER OF TARGETS	NUMBER OF TARGETS EXCEEDED	NUMBER OF TARGETS MET	NUMBER OF TARGETS MISSED BY UP TO 5%	NUMBER OF TARGETS MISSED BY MORE THAN 5%	OVERALL PERCENTAGE
8	3	2	0	3	62.50%



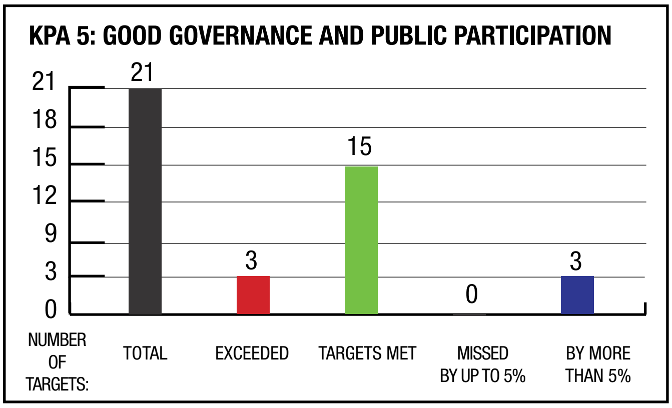
Key Performance Area 4: Municipal Financial Viability and Management:

TOTAL NUMBER OF TARGETS	NUMBER OF TARGETS EXCEEDED	NUMBER OF TARGETS MET	NUMBER OF TARGETS MISSED BY UP TO 5%	NUMBER OF TARGETS MISSED BY MORE THAN 5%	OVERALL PERCENTAGE
10	4	5	0	1	90%



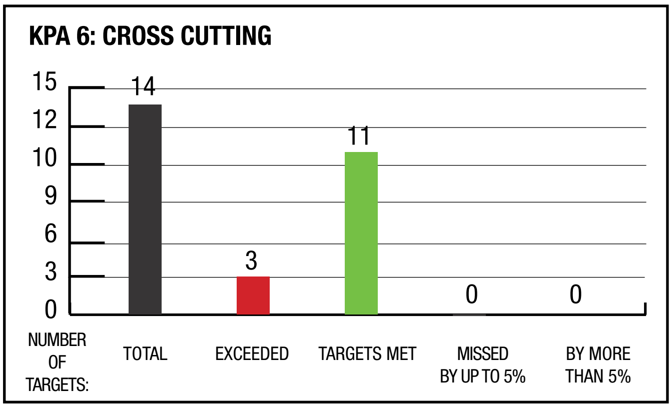
Key Performance Area 5: Good Governance and Public Participation:

TOTAL NUMBER OF TARGETS	NUMBER OF TARGETS EXCEEDED	NUMBER OF TARGETS MET	NUMBER OF TARGETS MISSED BY UP TO 5%	NUMBER OF TARGETS MISSED BY MORE THAN 5%	OVERALL PERCENTAGE
21	3	15	0	3	85.71%



Key Performance Area 6: Cross Cutting

TOTAL NUMBER OF TARGETS	NUMBER OF TARGETS EXCEEDED	NUMBER OF TARGETS MET	NUMBER OF TARGETS MISSED BY UP TO 5%	NUMBER OF TARGETS MISSED BY MORE THAN 5%	OVERALL PERCENTAGE
14	3	11	0	0	100%



In relation to the 2022/2023 financial year-end performance results, the final position shows that:

- 79.10% of measures met or exceeded the year-end target.
- 20.89% of measures were not achieved which is 7.44% improvement on the overall performance compared to the 2021/2022 financial year.
- The percentage calculation is based on the targets achieved against the total number of targets.

The colour coded system used to report performance is as follows:

- **Blue** – Performance above 2% of the target
- **Green** – Performance meets targets
- **Amber** – Performance less than 5% adverse target
- **Red** – Performance more than 5% adverse target.

The performance results for the organizational priorities can be summarized as follows:

COLOUR CODED STATUS	2022/2023 PERFORMANCE	2023/2024 PERFORMANCE
Blue – Exceeded target	22.39%	24.05%
Green – Met target	56.71%	58.23%
Amber – Missed target by up to 5%	4.48%	5.06%
Red – Missed Target by more than 5 %	16.41%	12.66%

Municipal Transformation and Institutional Development

This result of the KPA at the end of the financial year was 70%, which is a decrease of 20% in comparison with the 2022/2023 financial year's achievement of 90%.

The implementation of the Employment Equity Plan was a success in terms of the appointments made for the year. Eleven (11) officials from employment equity groups were employed in the three highest levels of management, the achievement exceeded the set target of 6 appointments targeted for the year. The reported achievement indicates as slight decrease when compared to the 2022/2023 financial years' achievement of 14 officials employed in the three highest level of management. The municipality continues to prioritize training and development initiatives for official and councillors. The Workplace Skills Plan (WSP) was implemented successfully and set targets were exceeded. The set target for the number of staff members to be trained was 50 officials however at the end of the financial year, a total of 121 officials had been trained. Although the 2023/2024 financial year result is decrease from the 175 officials trained in the 2022/2023 financial year, the current year result of 121 officials trained is well above the set target of 50 officials. The target for councillors training was set at ten (10) however by the end of the financial year, thirty-five (35) Councillors had been trained. This is an increase when compared with the previous financial year's achievement of fifteen (15) councillors trained. The municipality implemented the municipal training programme consisting of various structured training interventions which focuses on addressing existing gaps and ensuring that there is consistent action towards addressing the employment equity requirements as indicated in the table below:

NAME OF ACCREDITED PROGRAM	NQF LEVEL	OCCUPATIONAL LEVEL	EMPLOYMENT EQUITY GROUP	NUMBER OF ATTENDEES
STRUCTURED TRAININGS				
Chartered Certified Accountant Candidacy Programme	8	2 x Mid-Management 1 x Skilled and 2 x Semi-Skilled	4 x Females 1 x Male	5
Negotiation Skills	5	1 x Mid-Management 1 x Skilled	1 x Female 1 x Male	2
Conflict Management Skills	5	2 x Skilled	1 x Female 1 x Male	2
Critical Thinking & Decision Making	5	2 x Skilled	2 x Females	2
ArcGIS Pro	5	1 x Senior Management 1 x Skilled	2 x Females	2

BASIC SERVICE DELIVERY

The results of the KPA at the end of the 2023/2024 financial year indicates an achievement of 75%. There is 38.64% improvement on the reported result in comparison to the 2022/2023 financial year's achievement of 36.36%.

The municipality exceeded the set annual targets of 524 new water connections and achieved 587 new water connections during the 2023/2024 financial year. This is a decline when compared to the 2022/2023 financial year's achievement of 711 connections. The decline is attributed to the type of infrastructure constructed in the 2023/2024 which mainly focused on the Bulk components (Reservoirs, bulk mains and associated works).

Reticulation components will follow after the successful completion and commissioning of the bulk infrastructure projects.

The target for the of sanitation connections was set at 994 for the 2023/2024 financial year, the municipality met the target with the achievement of 994 sanitation connections. The reported figure of 994 for the new sanitation connections in the 2023/2024 financial year is however less than the 2022/2023 financial year's reported achievement of 1869. This decline is due to the budget allocated for the 2023/2024 financial year as per the unit cost which is based on the contract.

The target for the number of EPWP jobs created was set at 600 jobs and this target was exceeded with a total of 633 EPWP jobs created in the 2023/2024 financial year. This is a notable increase when compared to the 2022/2023 financial years' achievement of 564 EPWP jobs. The percentage of youth appointments made on EPWP jobs for the 2023/2024 financial year was a noteworthy achievement of 50.39% exceeding the set target of 50%, this is an increase of 23.80% when compared to the 26.59% achievement reported in the 2022/2023 financial year.

During the 2022/2023 financial year the municipality utilized the demographic information contained in the 2011 National Census Report along with the accumulation of new household connections from 2011 onwards in order to report on the percentage of households with access to basic water and sanitation. The 2011 National Census Report identified 116 367 households in the King Cetshwayo District that required access to basic water and sanitation. During the 2023/2024 financial year, the municipality amended its backlog information during the mid-year review based on the recent 2022 National Census report released in October 2023, the Census report identified 105 298 as the number of households within the district. The population data used does not include the number of households for the City of uMhlathuze as the City is a water services authority.

The table below outlines the 2023/2024 achievements in comparison to the 2022/2023 financial year for indicators located in the Basic Services Delivery Key Performance Area:

BASIC SERVICE DELIVERY			
KEY PERFORMANCE INDICATOR	2022/2023 ACHIEVEMENT (WITH 2011 CENSUS INFORMATION)	2022/2023 ACHIEVEMENT (WITH 2022 UPDATED CENSUS INFORMA-TION)	2023/2024 ACHIEVEMENT
Percentage of households with access to basic water services	70.93%	77.41 %	77.96%
Number of households with access to basic Water	82 539	81 508	82 095
Number of new water connections	711	711	587
Percentage of households with access to basic sanitation services	102.10%	98.62%	99.57%
Number of households with access to sanitation services	118 814	103 847	104 841
Number of new sanitation connections	1 869	1 869	994

The following table outlines the 2023/2024 percentage achievement in compliance with the License Conditions at the regional solid waste and transfer station when compared to the 2022/2023 financial year:

Key Performance Indicator	2022/2023	2023/2024
Percentage Compliance with the License Conditions at the regional solid waste and transfer station	54%	55%

The AfriForum organisation conducted an audit in ten landfill sites across Kwa-Zulu Natal for the 2023/2024 financial year. The purpose of the audit is to determine whether landfill sites meet the necessary environmental health and safety requirements for responsible waste management. The King Cetshwayo District Municipality's site stood head and shoulders above the other sites by obtaining 98% of the minimum legal requirements for responsible waste management. The compliance audits were conducted on a quarterly basis and as such four audits were conducted in the 2023/2024 financial year. Two of the reports were conducted internally, one external audit report was conducted and one sector department external audit was done by the Department of Economic Development, Tourism and Environmental Affairs, which is therefore the annual achievement of the municipality. The audit report from EDTEA cited a number of issues which still needs to be addressed. The action plan in response to the findings is currently being drafted by the Site Operator to action the recommendations made by the Department of Environmental Affairs.

The following table outlines the compliance ratings for each quarter as well as the overall compliance level for the 2023/2024 financial year as issued by the Department of Economic Development, Tourism and Environmental Affairs:

AUDIT PERIOD	COMPLIANCE RATING	SOURCE
Quarter 1	65.32%	Internal Report
Quarter 2	65.32%	Internal Report
Quarter 3	51%	External Report
Quarter 4 and Annual Achievement	55%	External Report on the compliance level issued by the Department of Economic Development, Tourism an Environmental Affairs

A commendable improvement was noted in the reported water losses for the municipality. The municipality reported 28.3% for the Total Water Losses (WL/SIV) in the 2023/2024 financial year, the achievement indicates an improvement of 7% when compared to the reported percentage of 35.3% in the 2022/2023 financial year. The municipality will continue to implement continuous interventions required to maintain and further reduce the reported losses.

LOCAL ECONOMIC DEVELOPMENT (LED)

The results for this KPA for the 2023/2024 financial year was met at 62.50% which is a 37.50% decline in comparison with the 2022/2023 achievement of 100%.

The municipality is quite passionate about local economic development and upskilling small businesses within the district. In the 2023/2024 financial year the municipality secured two tourism partnerships, the first partnership was with Department of Economic Development and Tourism and Environmental Affairs (EDTEA) and the second partnership was with Kwa-Zulu Natal AMAFA and Research Institute for the upgrade of the heritage sites. The department supported the district with grant funding for the erection of Tourism signage in identified areas in all Local Municipalities within the District. The goat farming programme continues to be a success, the set target for the cooperatives supported through the goat farming project was met by supporting 50 co-operatives through the goat farming project. The set target for the number of farmers and agricultural co-operatives was exceeded with the achievement of seventy-eight (78) co-operatives supported. The achievement indicates an improvement when compare to the previous financial year's achievement of sixteen (16) farmers and agricultural co-operatives supported.

The support provided to SMME's within the district was quite commendable in the 2023/2024 financial year, the target was set at 50 however an overwhelming 143 SMME's were supported in the 2023/2024 financial year. The SMME were provided with equipment/ materials to start as well as expand their various businesses. The municipality also provided various agricultural inputs to community members during the IDP roadshows.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The result for the KPA was 90% for the 2023/2024 financial year which is a commendable increase of 20% when compared to the 2022/2023 financial year achievement of 70%.

R 111 878 836 was collected from customers during the 2023/2024 financial year. The rand value collected increased by R 14 204 124 in comparison to the 2022/2023 financial year figure of R 97 674 712,31. The debt collection achievement for the financial year was an overwhelming 105% which is commendable achievement, exceeding the set target of 85%. The achievement indicates an increase of 31% when compared to the 2022/2023 financial years' achievement of the of 74%.

The municipality achieved 100% expenditure on grants and subsidies which is an improvement of 0.43% in comparison to the 2022/2023 achievement of 99.57%.

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The KPA result for the 2023/2024 financial year was 85.71%, which is a decline of 9,53% when compared with the 2022/2023 financial year's results of 95.24%.

During the 2023/2024 financial year the municipality finalized the appointment of three (3) Section 56 managers namely the Deputy Municipal Manager: Planning and Economic Development, Deputy Municipal Manager: Technical Services and the Deputy Municipal Manager: Community Services.

The implementation of the District Development Model continues to be a success, the cluster meetings and Technical Hub meetings took place throughout the financial year as scheduled. The Circular 88 Quarterly Back to Basics CMET tool was submitted on a quarterly basis to CoGTA. The Circular 88 monitoring tool incorporates the new reporting reform standard indicators with the focus of reforming and institutionalizing a singular yet differentially applied set of indicators for all of local government.

The target of two (2) HIV/AIDS awareness campaigns was exceeded as the municipality conducted three (3) awareness campaigns in the 2023/2024 financial year, the achievement is a slight decrease when compared to the 2022/2023 financial years' achievement of six (6) awareness campaigns. The municipality is passionate about supporting the youth to further their education and continues to assist members of the community to achieve their educational goals, hence, this year the number of youth assisted with registration grants was 202 students which is remarkable achievement in comparison to the 2022/2023 financial years' achievement of 134 students assisted with registration grants.

The district successfully hosted the King Cetshwayo Career Expo which was held on 13 April 2024 at King Dinuzulu Sports field in order to educate and present career opportunities to matric learners within the district. The event was a success with the attendance of youth from all five (5) municipalities.

CROSS CUTTING

The KPA result for the 2023/2024 financial year was 100% which indicates an increase of 16.67% in comparison to the 83.33% achievement reported in the 2022/2023 financial year.

A huge emphasis was placed on Environmental Health awareness campaigns in the

2023/2024 financial year, the target for the year was 80 campaigns however, an overwhelming 343 awareness campaigns were conducted which is an outstanding achievement in comparison to the 2022/2023 achievement of 305 awareness campaigns.

The municipality hosted an Environmental Health Technical Information Session (EHITS) which was held on 19-21 June 2024. The aim of the annual event is to encourage the Environmental Health team to continuously enhance their knowledge, improve their practical understanding, as well as to be updated on the emerging Environmental Health related issues, which in turn ensures the improvement in the quality of service rendered within communities.

The 2024 EHTIS was held on 19-21 June 2024, the focus was on the KCDM Law Enforcement implementation strategy which remains a gap in the rendering of Environmental Health service in the district. The same gap was also identified during the recent National Environmental Health Norms and Standards Audit conducted in February 2024. The programme comprised of three days, the first two days were for information sharing and the last day was for the staff recognition awards. The Technical information session attracted over six hundred (600) external attendees/professionals across the country that attended virtually and physical attendance was estimated at seventy (70) attendees for all three days.

The municipality conducted twenty-four (24) disaster awareness and educational sessions therefore exceeding the set target of sixteen (16) for the 2023/2024 financial year. The disaster awareness and educational sessions are primarily aimed at educating communities on the actions to take should any disasters strike. The municipality also managed to conduct and be part of seventeen (17) coastal and environmental management awareness campaigns exceeding the set target of three (3) campaigns for the 2023/2024 financial year.

The King Cetshwayo District Municipality hosted its 2nd Annual King Cetshwayo Horse Racing event from 21 to 23 July 2023. The three (3) day series started off with a carnival parade, followed by the King Cetshwayo July Beauty Pageant. The municipality hosted the horseracing event on 22 July 2023 at the Empangeni Airfield and each race had horses graded from 07 to 01 from all Districts within Kwa-Zulu Natal. The last day closed off with a car spinning show held at uMhlathuze Sport Complex on 23 July 2023.The main aim of the King Cetshwayo Horse racing event is to attract tourists within the district and also to boost the economy of the district. The small businesses within the district were given the opportunity to form part of the event by showcasing their services and offerings on the day of the event. The event sponsored small business owners ranging from salon owners to fashion designers.

The King Cetshwayo District Municipality in collaboration with Northern KZN Legends Ambassadors of Choral and Opera Music (NKLACOM) hosted the Princess Magogo Choral Music festival on 18 November 2024. The event was hosted in honour of Princess Magogo who contributed in the development of traditional music through the training of many young singers. Her music was widely recorded and played by the South African Broadcasting Corporation (SABC). The aim of the Princess Magogo Choral Music Festival is to revive and support choral music within the District. Performances were received from different categories ranging from Soloist, Standard sections and large sections. The event was a huge success with choirs giving their all, rendering sterling items, with each paying respect to the Princess through singing a newly composed song in honour of Princess Magogo ka Dinuzulu.

Princess Magogo Choral Festival

ADDRESSING AUDIT FINDINGS RAISED IN THE 2022/2023 FINANCIAL YEAR

During the 2022 2023 financial year, the Auditor General raised a finding on the completeness of indicators related to core functions for basic service delivery and infrastructure key performance area, which fell with the selected audit scope of the AGSA. The municipality made a commitment to review the 2023/2024 Top Layer SDBIP to include the cited indicators and to report on the achievement of the indicators in the 2023/2024 financial year. The proposed amendments were submitted to the PAC on 26 February 2024 for consideration and thereafter to the AG on 27 February 2024 for a pre audit on the completeness, the AG responded on 28 February 2024 approving the updates on the TL SDBIP. The indicators were included during the mid-year adjustment and were approved by Council on 27 March 2024 along with other amendments submitted by the respective departments. The amendments relating to the re-calculation of the reported water and sanitation figures were also submitted as part of the mid-year adjustments.

NON-ACHIEVEMENTS FOR THE 2023/2024 FINANCIAL YEAR

The organization achieved 65 targets out of a total of 79 targets on the Top Layer SDBIP. The table below provides an analysis of the 14 targets that were not achieved inclusive of reasons for the non-achievements and measures for improvement.

National Key Performance Area: Municipal Transformation and Institutional Development

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Municipal Transformation and Institutional Development	To enable a performance driven environment	Review the Human Resource Strategy to ensure Talent Management and Skills enhancement	Number of Refresher trainings conducted by the service provide on the automated Performance System	1	0%	Chief Operations Officer
Reasons for Non Achievement The budget allocated to the refresher training was redirected in May 2024 and therefore the training could not take place.				**Measure for Improvement** There is no budget allocated for the training in the new financial year. The PMS staff continue to conduct APMS User training/induction for new users on Action Assist.		

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Municipal Transformation and Institutional Development	To strengthen Information and Communication Technology (ICT) information and security systems	Deployment of Innovative systems contributing towards the integrity of ICT information	Percentage of IT equipment (computers and network components) upgraded	100%	98.43%%	Corporate Services
Reasons for Non Achievement The invoices received were the only invoices due. The remaining budget is a surplus.				**Measure for Improvement** No outstanding invoices were sourced.		

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Municipal Transformation and Institutional Development	To strengthen Information and Communication Technology (ICT) information and security systems	Deployment of Innovative systems contributing towards the integrity of ICT information	Number of Broadband rollout to satellite offices by 30 June 2024	1	0	Corporate Services
Reasons for Non Achievement The identified sites do not have the correct infrastructure for the connectivity roll-out. Quotation received from Telkom for the sites to be connected through SDWAN				**Measure for Improvement** A cloud base server will be utilised to assist off sites as they are accessible remotely from anywhere. A quotation has been received from Telkom and is yet to be processed.		

National Key Performance Area: Basic Service Delivery

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Basic Service Delivery	Efficient operation and maintenance of Waste Disposal Site	Ensure compliance to the Waste Disposal Licence	Percentage Compliance with the Licence Conditions at the regional solid waste and transfer station	85%	55%	Technical Services

Reasons for Non Achievement	Measure for Improvement
An external Audit was conducted by the Department of Environmental Affairs, reasons for non-compliance/findings are as follows: 1. No proof of zoning, 2. No Water use licence for the leachate dam, 3. No training for personnel handling waste on site, 4. Continuous burning of waste on site causing environmental pollution and health risks, 5. No monitoring of surface, ground water, air space and storm water management drains, 6. No monitoring of leachate dam for possible leakages, 7. No qualified external auditor appointed to conduct audits, 8. Complaints register not updated. 9. Quarterly reports not submitted on SAWIS.	Action plan is currently being drafted by Site Operator to action the recommendations made by the Department of Environmental Affairs which is due for submission to KCDM on 30 August 2024. KCDM will be attending to the listed findings and implementing the recommendations by the department: 1. Capturing of quarterly tonnage records on SAWIS which will be concluded by 30 August 2024. 2. Request made to uMhlathuze Water to collect samples from the six (6) sampling points at the landfill site, results will be received by 30 August 2024. 3. KCDM to engage DWS on the WUL issue for the leachate dam, meeting to take place by 30 August 2024.

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Basic Service Delivery	Long-term: Provision of infrastructure and basic services delivery	Implementation of Infrastructure Programmes	Percentage compliance to SANS 241:2015	94.00%	90%	Technical Services

Reasons for Non Achievement	Measure for Improvement
Potable water compliance was not achieved due to the plants that are operating beyond design capacity and some plants with aged infrastructure.	In order to improve compliance, plants require upgrade and refurbishment.

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Basic Service Delivery	Long-term: Provision of infrastructure and basic services delivery	Implementation of Infrastructure Programmes	Percentage compliance to General Authorization Standards/Work License	80.00%	76.25%	Technical Services

Reasons for Non Achievement	Measure for Improvement
There was equipment failure at the plants which affected plant performance at plants such as Ocean View, Mthunzini and King Dinuzulu (KDS).	Equipment is currently being repaired by the panel of contractors under maintenance.

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Basic Service Delivery	Long-term: Provision of infrastructure and basic services delivery	Implementation of Infrastructure Programmes	Percentage of official water and sanitation complaints responded to within 48 hours	100%	96%	Technical Services

Reasons for Non Achievement	Measure for Improvement
Lack of an automated system for complaints monitoring and shortcomings on the manual reporting system controls.	The Municipality is currently in the process of sourcing an automated reporting system. While the municipality is utilizing manual reporting, the internal controls and multilayer performance review will be enhanced by senior management within the department.

National Key Performance Area: Local Economic Development

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Local Economic Development	To develop, market & promote investment & tourism	Promote, develop & market Tourism products.	Number of Tourism Shows participated in	2	1	Planning and Economic Development
Reasons for Non Achievement Only one show was attended due to budget limitations.				**Measure for Improvement** The target has been amended to reflect the participation in one of the tourism shows in the 2024/2025 financial year.		

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Local Economic Development	To develop, market & promote investment & tourism	Promote, develop & market Tourism products.	Percentage activities toward the upgrade of Ematshenezimpisi Game Reserve (Refurbishment of Community Hall)	100%	80.00%	Planning and Economic Development
Reasons for Non Achievement The 80% achievement comprises of the following activities: Site visits, Stakeholder engagements, Scope of work and drawings and design. The outstanding 20% is the appointments of a service provider whose appointment could not be finalised by the end of June 2024.				**Measure for Improvement** The appointments of a service provider to be finalized in quarter 1.		

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Local Economic Development	To capacitate SMMEs and Cooperatives to enable the creation of jobs	Training, Support and development of entrepreneurs for the creation of sustainable job opportunities	Percentage Construction of a sewing hub factory	50%	33%	Planning and Economic Development
Reasons for Non Achievement There were delays in the appointment of a services provider, however 33% of the activities (conceptual drawings) was achieved.				**Measure for Improvement** The service provider will submit approved drawings once the appointment letter is received.		

National Key Performance Area: Municipal Financial Viability and Management

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Municipal Financial Viability and Management	To ensure financial turnaround (revenue collection)	Robust and aggressive revenue collection strategy	Cost coverage ratio	03:01	1.78:1	Financial Services
Reasons for Non Achievement The Cost coverage ratio is within the norm of 1-3, meaning that the Municipality will be able to meet at least its monthly fixed operational commitments from cash and short term investments without collecting any additional revenue for 1.78 months.				**Measure for Improvement** Not Applicable		

National Key Performance Area: Good Governance and Public Participation

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Good Governance and Public Participation	Coordinate -Corporate Citizenship	Implementation of the District Development Model	Number of District Political Hub meetings held	4	3	Office of the Municipal Manager

Reasons for Non Achievement	Measure for Improvement
Due to the preparations of the elections, the Honourable Leadership was not available in the fourth quarter and the KCDM Mayor was elected as a Premier candidate and subsequently elected as the KZN Premier which left a vacancy in the Office of the Mayor. The municipal Council appointed the Acting Mayor on 28 June 2024.	The Political Hub Meeting took place on 18 July 2024 following the appointment of the acting Honourable Mayor.

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Good Governance and Public Participation	Coordinate -Corporate Citizenship	Improve value and quality of communication through the IGR	Number of Mayor's Forum Meetings held	4	3	Office of the Municipal Manager

Reasons for Non Achievement	Measure for Improvement
The unavailability of leadership due to other work-related commitments as well as the elections and the vacancy of the Honourable Mayor in Quarter 4 who was a Premier Candidate and later appointed as the KZN Premier.	The Municipal Council appointed the Honourable Deputy Mayor as the Acting Mayor, the meeting will take place in quarter 1 of the new financial year.

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Good Governance and Public Participation	Coordinate -Corporate Citizenship	Improve value and quality of communication through the IGR	Number of Speakers Forum Meetings held	4	0	Office of the Municipal Manager

Reasons for Non Achievement	Measure for Improvement
The Speakers forum meeting could not take place due to the non-availability of councillors due to other work related commitments as well as the preparation for the elections in Quarter 4.	The Speaker's Forum meeting is scheduled to take place in quarter 1 of the new financial year.

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR																		
								IDP 2022/2023			IDP 2023/2024							
								2022/2023 FY										
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	OPMS Indicator No.	Performance Indicator	Unit of Measure	Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2	Mid Year Target	Mid Year Actual	Target Quarter 3
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																		
A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING PLANNING AND SUPPORT IS IMPLEMENTED	Municipal Transformation and Institutional Development	Organisational & Human Resource Development	To provide growth and development opportunities to employees	Development and Implementation of Succession and Retention Plan	1.1.1	Number of staff from employment equity groups employed in three highest levels of management	Number	6	N/A	14	6	NA in Q1	8	3	2	3	10	NA in Q3
			To enable a performance driven environment	Review the Human Resource Strategy to ensure Talent Management and Skills enhancement	1.2.1	Number of Workplace Skills Plan submitted	Number	1	N/A	1	1	NA in Q1	NA in Q1	NA in Q1	NA in Q1	NA @ Mid Year	NA @ Mid Year	NA in Q3
					1.2.2	Percentage of salaries budget actually spent on workplace skills plan	Percentage	1%	N/A	1%	1%	0,10%	19,00%	0,20%	62,14%	0.30%	62,14%	0,60%
					1.3.1	Number of staff trained	Number	20	N/A	175	50	10	22	10	40	20	62	15
					1.3.2	Number Councillors trained	Number	100%	N/A	15	10	N/A in Q 1	1	NA in Q2	2	NA @ Mid Year	3	N/A in Q3
					1.4	Number of Refresher trainings conducted by the service provide on the automated Performance System	Number	1	N/A	3	1	NA in Q1	NA in Q1	1	0	1	0	NA in Q3
			To appropriately align Human Resources Skills in organization	Implementation of Employee Assistance Programme	1.5	Number of Employee Wellness Programmes held	Number	1	N/A	1	1	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
		Organisational & Human Resource Development (Municipal Transformation)	To strengthen Information and Communication Technology (ICT) information and security systems	Deployment of Innovative systems contributing towards the integrity of ICT information	1.6	Percentage of IT equipment (computers and network components) upgraded	Percentage	100%	N/A	100%	100%	NA in Q1	NA in Q1	50%	45%	50%	45%	NA in Q3
					1,7	Number of Broadband rollout to satellite Offices by 30 June 2024	Number	NA	1	1	1	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
			To intergrate Municipal ICT systems	Implementation of Enterprise Resource Planning (ERP) system.	1,8	Percentage Implementation of the prioritized objectives of Disaster Recovery Plan (DRP).	Percentage	100%	N/A	0%	100%	NA in Q1	NA in Q1	100%	0%	100%	0%	100%
BASIC SERVICES DELIVERY																		
IMPROVED ACCESS TO BASIC SERVICES	Basic Service Delivery	Strategic Infrastructure and Basic Services Delivery	Efficient operation and maintenance of Waste Disposal Site	Ensure compliance to the Waste Disposal Licence	2.1	Percentage compliance with the Licence conditions at the regional solid waste and transfer station.	Percentage	85%	NA	54%	85%	85%	65.32%	85%	65.32%	85%	65.32%	85%
			Long-term: Provision of infrastructure and basic services delivery	Implementation of Infrastructure Programmes	2.2.1	Percentage of households with access to basic water services	Percentage	72,20%	71,44%	77.41% ~~'70.93%~~	77.90% ~~'72.36%~~	77.41% ~~'70.93%~~	77.41% ~~'70.93%~~	77.41% ~~'70.93%~~	77.41% ~~'70.93%~~	77.41% ~~'70.93%~~	77.41% ~~'70.93%~~	77.41% ~~'71.62%~~
					2.2.2	Number of households with access to basic water	Number	84022	83135	81 508 ~~'82 539~~	82 032 ~~'84 204~~	81 508 ~~'82 539~~	81 508 ~~'82 539~~	81 508 ~~'82 539~~	81 508 ~~'82 539~~	81 508 ~~'82 539~~	81 508 ~~'82 539~~	81 508 ~~83 339~~
					2.2.3	Number of new water connections	Number	2 194	1307	711	524 ~~'1665~~	0	0	0	0	0	0	0 ~~'800~~
				Implementation of Infrastructure Programmes	2.3.1	Percentage of households with access to basic sanitation services	Percentage	102.06%	'101 91%	98.62% ~~'102.10%~~	99.57% ~~'102.97%~~	98 85% '102.32%	102.37%	99.09% '102.53%	102.95%	102.53%	102.95%	99.33% ~~'102.75%~~
					2.3.2	Number of households with access to sanitation services	Number	118 765	118 585	103 847 ~~'118814~~	104 841 ~~'119 819~~	104 097 ~~'119 064~~	104 158 ~~119 125~~	104 347 ~~'119 314~~	104 841 ~~119 808~~	104 347 ~~'119 314~~	104 841 ~~119 808~~	104 597 ~~'119 564~~
					2.3.3	Number of new sanitation connections	Number	1820	1640	1869	994 ~~'1005~~	250	311	250	683	500	994	250
IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME	Local Economic Development	Local and Rural Economic Development	To capacitate SMMEs and Cooperatives to enable the creation of jobs	Implementation of EPWP Programmes	2.4	Number of new EPWP jobs created	Number	600	NA	564	600	100	128	100	105	200	233	250

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR									
IDP 2023/2024						Responsible Department	Financial Implication	KPI's Not Met	
Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result			Reason for Non Achievement	Measure for Improvement
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT									
1	3	0	6	11	Target Exceeded	Corporate Services	Operational	Not Applicable	Not Applicable
NA in Q3	1	1	1	1	Target Met		Operational	Not Applicable	Not Applicable
79.90%	1%	1%	1%	1%	Target Met		Operational	Not Applicable	Not Applicable
22	15	37	50	121	Target Exceeded		R400 000 1201227037499MRCZZ11	Not Applicable	Not Applicable
25	10	7	10	35	Target Exceeded	COO	R100 000 1110227037599MRCZZ11	Not Applicable	Not Applicable
NA in Q3	NA in Q4	0	1	0	Target missed by more than 5 %		R 50 000 Project Number :160	The budget allocated to the refresher training was redirected in May 2024 and therefore the training could not take place.	There is no budget allocated for the training in the new financial year. The PMS staff continue to conduct APMS User training/induction for new users on Action Assist.
NA in Q3	1	1	1	1	Target Met	Corporate Services	R 450 000 Project Number :200	Not Applicable	Not Applicable
NA in Q3	100%	98.43%	100%	98.43%	Target Missed by up to 5% of the Target		R 300 000 Cost Centre Number : 1210	The invoices received were the only invoices due. The remaining budget is a surplus.	No outstanding invoices were sourced
NA in Q3	1	0	1	0	Target missed by more than 5 %		R 400 000 Cost Centre Number : 1210	The identified sites do not have the correct infrastructure for the connectivity roll-out. Quotation received from Telkom for the sites to be connected through SDWAN	A cloud base server will be utilised to assist off sites as they are accessible remotely from anywhere. A quotation has been received from Telkom and is yet to be processed.
100%	100%	100%	100%	100%	Target Met		R 300 000 Cost Centre Number : 1210	Not Applicable	Not Applicable
BASIC SERVICES DELIVERY									
51%	85%	55%	85%	55%	Target missed by more than 5 %	Technical Services	Operational	External Audit conducted by the Department of Environmental Affairs, reasons for non-compliance/findings are as follows: 1. No proof of zoning, 2. No Water use licence for the leachate dam, 3. No training for personnel handling waste on site, 4. Continuous burning of waste on site causing environmental pollution and health risks; 5. No monitoring of surface, ground water, air space and storm water management drains, 6. No monitoring of leachate dam for possible leakages, 7. No qualified external auditor appointed to conduct audits, 8. Complaints register not updated. 9. Quarterly reports not submitted on SAWIS. Due to the considerable gap between the Site Manager and Operators, the sudden resignation of the Site Manager in Q2 of the financial year left a huge gap. The Acting Manager had to first peruse through a considerable amount of data whilst trying to phase in on operations. There is also budget limitation for training of personnel.	Action plan is currently being drafted by the Site Operator to action the recommendations made by the Department of Environmental Affairs which is due for submission to KCDM on 30 August 2024. KCDM will be attending to the following findings and implementing the recommendations by the department: 1. Capturing of quarterly tonnage records on SAWIS which will be concluded by 30 August 2024. 2. Request made to uMhlathuze Water to collect samples from the six (6) sampling points at the landfill site, results will be received by 30 August 2024. 3. KCDM to engage DWS on the WUL issue for the leachate dam, meeting planned by 30 August 2024.
77.41%	77.90% '~~72.36%~~	77,96%	77.90% '~~72.36%~~	77,96%	Target Met		Eshowe Sewer Upgrade R 13 000 000 Melmoth Sewer Upgrade R 14 000 000 Cost Centre Number : 2501 MIG 205 480 000 WSIG 60 000 000 RBIG 240 312 000	Not Applicable	Not Applicable
81508	82 032 '~~84 204~~	82 095	82 032 '~~84 204~~	82 095	Target Met			Not Applicable	Not Applicable
0	524 '~~865~~	587	524 '~~1665~~	587	Target Exceeded			Not Applicable	Not Applicable
99.57%	99.57% '~~102.97%~~	99.57%	99.57% '~~102.97%~~	99.57%	Target Met			Not Applicable	Not Applicable
104 841	104 841 '~~119 819~~	104 841	104 841 '~~119 819~~	104 841	Target Met			Not Applicable	Not Applicable
0	244 '~~255~~	0	994 '~~1005~~	994	Target Met			Not Applicable	Not Applicable
261	150	139	600	633	Target Exceeded		R 5 860 000	Not Applicable	Not Applicable

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR																		
								IDP 2022/2023			IDP 2023/2024							
								2022/2023 FY										
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	OPMS Indicator No.	Performance Indicator	Unit of Measure	Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2	Mid Year Target	Mid Year Actual	Target Quarter 3
IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME	Local Economic Development	Local and Rural Economic Development	To capacitate SMMEs and Cooperatives to enable the creation of jobs	Implementation of EPWP Programmes	2,5	Percentage of EPWP youth appointments made in the 2023 2024 financial year	Percentage	10%	10%	26.59%	50%	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
IMPROVED ACCESS TO BASIC SERVICES	Basic Service Delivery	Strategic Infrastructure and Basic Services Delivery	Long-term: Provision of infrastructure and basic services delivery	Implementation of Infrastructure Programmes	2,6	Percentage reduction of water services backlog	Percentage	NEW	28.56%	0.61%	0.49% ~~'1.43%~~	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
					2,7	Percentage of infrastructure and maintenance budget spent on repairs	Percentage	NEW	100%	90.66%	100%	25%	68.92%	50%	84.84%	50%	84.84%	75%
					2,8	Number of reports on the monitoring of water tankers	Number	NEW	4	4	4	1	0	1	0	2	0	1
					2,9	Percentage Reduction of Water Loss	Percentage	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	30%	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
					2.10	Percentage Compliance to SANS 241:2015	Percentage	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	94%	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	94%
					2.11	Percentage Compliance to General Authorization Standards/ Works License	Percentage	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	80%	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	80%
					2,12	Percentage of official water and sanitation complaints responded to within 48 hours	Percentage	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	New Indicator as recommended by the AG in the 2022/2023 audit	100%	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	100%
LOCAL ECONOMIC DEVELOPMENT																		
IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME	Local Economic Development	Local and Rural Economic Development	To develop, market & promote investment & tourism	Promote, develop & market Tourism products.	3,1	Number of Tourism partnerships secured	Number	2	N/A	3	1 ~~2~~	N/A in Q 1	NA in Q1	1	2	1	2	NA in Q3
					3,2	Number of Tourism Shows participated in	Number	N/A	NA	NA	2	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	0 (NA in Q3) ~~'1~~
			To develop, market & promote investment & tourism	Promote, develop & market Tourism products.	3,3	Percentage activities toward Ematshenezimpisi Game Reserve (Refurbishment of Community Hall) ~~Percentage upgrade to Ematsheni Ezimpisi Game Reserve~~	Percentage	New	New	New	100% (Refurbishment of Community Hall)	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
					3,4	Percentage activities toward King Cetshwayo Memorial Site upgrade (Conceptual Drawings) ~~Percentage of King Cetshwayo Memorial Sites upgraded~~	Percentage	New	New	New	30% Conceptual Drawings) ~~100%~~	10%	10%	30%	30%	30%	30%	10% (Site Visits) ~~60%~~
			To promote agricultural development and food security	Implementation of sustainable agricultural support plans and initiatives	3,5	Number of Farmers / Agricultural Co-operatives supported	Number	NA	NA	New	50	NA in Q1	30	10	0	10	30	NA in Q3

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR

IDP 2023/2024						Responsible Department	Financial Implication	KPI's Not Met	
Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result			Reason for Non Achievement	Measure for Improvement
NA in Q3	50%	50.39%	50%	50.39%	Target Met	Technical Services	Operational	Not Applicable	Not Applicable
NA in Q3	0.49% '~~1.43%~~	0.55%	0.49% '~~1.43%~~	0.55%	Target Exceeded		Operational	Not Applicable	Not Applicable
96.61%	100%	100%	100%	100%	Target Met		R 26 000 000 Project Number	Not Applicable	Not Applicable
3	1	1	4	4	Target Met		Operational	Not Applicable	Not Applicable
NA in Q3	30%	28.3%	30%	28.3%	Target Met		Operational	Not Applicable	Not Applicable
89.42%	94%	90.58%	94%	90%	Target Missed by up to 5% of the Target		Operational	Potable water compliance was not achieved due to the plants that are operating beyond design capacity and some plants with aged infrastructure.	The department will ensure that all operation compliance is achieved and no overloading of critical systems. Development and review of water safety plans to ensure that the overall system shortcomings are elevated and implemented thereafter. The business plan for refurbishment work will be drafted and submitted for approval in Quarter 1 of the 24/25 FY. The refurbishment will be undertaken in a phased approach, commencing in Quarter 2 of the 24/25 FY. In order to improve compliance, the plants require upgrade and refurbishment.
73%	80%	78.60%	80%	76.25%	Target Missed by up to 5% of the Target		Operational	There was equipment failure at the plants which affected plant performance at plants such as Ocean View, Mthunzini and King Dinuzulu (KDS).	Equipment is currently being repaired under the maintenance panel of contractors.
100%	100%	100%	100%	96%	Target Missed by up to 5% of the Target		Operational	Lack of an automated system for complaints monitoring and shortcomings on the manual reporting system controls.	The Municipality is currently in the process of sourcing an automated reporting system. While the municipality is utilizing manual reporting, the internal controls and multilayer performance review will be enhanced by senior management within the department.
LOCAL ECONOMIC DEVELOPMENT									
NA in Q3	0 ~~1~~	0	1 ~~2~~	2	Target Exceeded	PED	Operational	Not Applicable	Not Applicable
NA in Q3	2 ~~1~~	1	2	1	Target missed by more than 5 %		R 1 123 900 Project Number :461	Only one show was attended due to budget constraints.	The target was reviewed in the new year to reflect the participation in one of the tourism shows in the 2024/2025 financial year.
NA in Q3	100% (Refurbishmen t of Community Hall)	80% (Site visits, Stakeholder engagements, Scope of work and drawings and design)	100% (Refurbishmen t of Community Hall)	80% (Site visits, Stakeholder engagements, Scope of work and drawings and design)	Target missed by more than 5 %		R1 000 000 Project	The 80% achievement comprises of the following activities: Site visits, Stakeholder engagements, Scope of work and drawings and design. The outstanding 20% is the appointments of a service provider whose appointment could not be finalised by the end of June 2024.	The appointments of a service provider to be finalized in quarter 1.
0	30% Conceptual Drawings) ~~100%~~	30%	30% Conceptual Drawings) ~~100%~~	30%	Target Met		R 2 600 000	Not Applicable	Not Applicable
NA in Q3	~~2~~ 0 (NA in Q4)	48	50	78	Target Exceeded		R 5 996 410 Project Number :314	Not Applicable	Not Applicable

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR																		
								IDP 2022/2023 2022/2023 FY			IDP 2023/2024							
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	OPMS Indicator No.	Performance Indicator	Unit of Measure	Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2	Mid Year Target	Mid Year Actual	Target Quarter 3
IMPLEMENTATION OF THE COMMUNITY WORK PROGRAMME	Local Economic Development	Local and Rural Economic Development	To promote agricultural development and food security	Implementation of sustainable agricultural support plans and initiatives	3,6	Number of Cooperatives supported through the Goat Farming Project	Number	N/A	N/A	New	50	N/A in Q1	4	N/A in Q2	N/A in Q2	NA @ Mid Year	4	N/A in Q3
			To capacitate SMMEs and Cooperatives to enable the creation of jobs	Training, Support and development of entrepreneurs for the creation of sustainable job opportunities	3,7	Number of SMME / Co-operatives supported	Number	NA	NA	New	50	NA in Q1	3	25	68	25	71	NA in Q3
			To capacitate SMMEs and Cooperatives to enable the creation of jobs	Training, Support and development of entrepreneurs for the creation of sustainable job opportunities	3,8	Percentage Construction of a sewing hub factory ~~Number of School Uniforms Sewing Hub/Factory established~~	Number	NA	NA	New	50% ~~'1~~	NA in Q1	N/A in Q1	NA in Q2	N/A in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																		
A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERTIATED APPROACH TO MUNICIPAL FINANCING PLANNING AND SUPPORT IS IMPLEMENTED	Municipal Financial Viability and Management	Sound Financial Management and Viability	Long term financial plan and maintaining a positive credit rating	Clean Audit 2017- and Beyond	4.1	Number of Unqualified Audit opinion's received	Number	1 Unqualified	N/A	1 (Unqualified)	1	N/A in Q 1	N/A in Q1	1	1	1	1	NA in Q3
			To ensure financial turnaround (revenue collection)	Robust and aggressive revenue collection strategy	4.2.1	Cost coverage ratio	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	3.00	N/A	2,01:1	3.00	3.00	3	3.00	3.91	3.00	3.91	3.00
					4.2.2	Debt coverage ratio	(Total operating revenue received - operating grants) / Debt service payments	17.00	N/A	91,48	17.00	NA in Q1	21.24	17.00	22.20	17.00	22.20	NA in Q3
					4.2.3	Outstanding service debtors to revenue ratio	Outstanding service debtors / revenue actually received for services	0.80	N/A	0.80	0.80	NA in Q1	NA in Q1	NA in Q2	0.94:1	NA @ Mid Year	0.94:1	NA in Q3
			To ensure financial turnaround (revenue collection)	Asset Renewal and Maintenance Plan	4,3	Number of Asset Management Reports	Number	4	N/A	8	4	1	4	1	2	2	6	1
			To ensure financial turnaround (revenue collection)	Robust and aggressive revenue collection strategy	4,4	Percentage debt collected	Percentage	85%	N/A	74%	85%	85%	156%	85%	95%	85%	95%	85%
			To ensure spending of grant funding	Supply chain improvement plan to achieve efficiency, effectiveness and Economies of scale by ensuring strong internal controls	4,5	Percentage of invoices paid within available budget and within 30 days from receipt of invoices, statements , and credible, accurate and reliable payment documentation submitted timeously from user departments	Percentage	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%	100%
			Long term financial plan and maintaining a positive credit rating	· SCM Policy/Procedure Alignment	4,6	Number of SCM policies reviewed	Number	1	N/A	1	1	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	1

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR									
IDP 2023/2024						Responsible Department	Financial Implication	KPI's Not Met	
Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result			Reason for Non Achievement	Measure for Improvement
NA in Q3	50	46	50	50	Target Met	PED	R 2 203 552 Project Number	Not Applicable	Not Applicable
NA in Q3	25	72	50	143	Target Exceeded		R 6 040 000 Project Number 311	Not Applicable	Not Applicable
NA in Q3	50% ~~'1~~	33%	50% ~~'1~~	33%	Target missed by more than 5 %		R 2 000 000 Project Number 1301	There were delays in the appointment of a services provider, however 33% of the activities (conceptual drawings) was achieved.	The service provider will submit approved drawings once the appointment letter is received.
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT									
NA in Q3	NA in Q4	NA in Q4	1	1	Target Met	Office of the Municipal Manager	Operational	Not Applicable	Not Applicable
4.17:1	3.00	1.77:1	3.00	1.77:1	Target missed by more than 5 %	Financial Services	Operational	The Cost coverage ratio is within the norm of 1-3, meaning that the Municipality will be able to meet at least its monthly fixed operational commitments from cash and short term investments without collecting any additional revenue for 1.77 months.	Not Applicable.
34.95:1	17.00	00:01	17.00	00:01	Target Exceeded	Financial Services	Operational	Not Applicable	Not Applicable
0.9:1	0.80	0.36:1	0.80	0.36:1	Target Exceeded		Operational	Not Applicable	Not Applicable
4	1	3	4	13	Target Exceeded		Operational	Not Applicable	Not Applicable
91%	85%	105%	85%	105%	Target Exceeded		Operational	Not Applicable	Not Applicable
100%	100%	100%	100%	100%	Target Met		Operational	Not Applicable	Not Applicable
1	NA in Q4	NA in Q4	1	1	Target Met	Financial Services	Operational	Not Applicable	Not Applicable

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR

Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	OPMS Indicator No.	Performance Indicator	Unit of Measure	IDP 2022/2023 2022/2023 FY			IDP 2023/2024							
								Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2	Mid Year Target	Mid Year Actual	Target Quarter 3
A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERTIATED APPROACH TO MUNICIPAL FINANCING PLANNING AND SUPPORT IS IMPLEMENTED	Municipal Financial Viability and Management	Sound Financial Management and Viability	To ensure spending of grant funding	Supply chain improvement plan to achieve efficiency, effectiveness and Economies of scale by ensuring strong internal controls	4,7	Percentage of grants and subsidies spent	Percentage	100%	N/A	99.57%	100%	25%	56%	67%	60%	67%	60%	80%
					4,8	Percentage of capital budget actually spent on capital projects	Percentage	100%	N/A	100%	100%	100%	100%	100%	100%	100%	100%	100%
GOOD GOVERNANCE AND PUBLIC PARTICPATION																		
IMPROVED CO ORDINATION OF INTERVENTIONS IMPACTING ON LOCAL GOVERNMENT	Good Governance and Public Participation	Promote good Governance and enhance Public Participation	Coordinate - Corporate Citizenship	Implementation of the District Development Model	5.1.1	Number of District Technical Hub meetings held	Number	4	N/A	4	4	1	1	1	1	2	2	1
					5.1.2	Number of District Political Hub meetings held	Number	4	N/A	4	4	1	1	1	1	2	2	1
				Improve value and quality of communication through the IGR	5.1.3	Number of Mayors Forum meeting held	Number	NA	NA	New	4	1	1	1	0	2	1	1
					5.1.4	Number of Speakers Forum meetings held	Number	NA	NA	New	4	1	0	1	0	2	0	1
			Enhance Stakeholder Relations and Public Participation	Improve Value and Quality of communication through the IDP	5,2	Number of IDP Roadshows	Number	14	N/A	14	14	N/A in Q1	N/A in Q1	7	7	7	7	NA in Q3
			Enhance Stakeholder Relations and Public Participation	Implementation of Tertiary Assistance	5.3.1	Number of youths assisted with registration grants	Number	100	N/A	134	100	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	100
				Implementation of Youth Programs	5.3.2	Number of Youth Festivals held	Number	1	N/A	4	1	NA in Q1	NA in Q1	1	1	1	1	N/A in Q3
				Implementation of Career Expos	5.3.3	Number of Career Expos Held per LM	Number	5	N/A	5	1	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	N/A in Q3
				Implementation of Gender Equality Programmes	5.3.4	Percentage implementation of Men's programmes prioritized for the financial year	Percentage	100%	N/A	100%	100%	100%	100%	NA in Q2	NA in Q2	100%	100%	N/A in Q3
				Implementation of Disability Programmes	5.3.5	Percentage implementation of Disability Programmes prioritized for the financial year	Percentage	100%	N/A	100%	100%	NA in Q1	100%	100%	100%	100%	100%	N/A in Q3
				Implementation of Women's Programmes	5.3.6	Percentage implementation of Women's programmes prioritized for the financial year	Percentage	100%	N/A	100%	100%	NA in Q1	NA in Q1	100%	100%	100%	100%	N/A in Q3
				Implementation of Children's programmes	5.3.7	Percentage implementation of Children's programmes prioritized for the financial year	Percentage	NA	NA	New	100%	NA in Q1	NA in Q1	100%	100%	100%	100%	N/A in Q3
				Implementation of the Senior Citizen Programmes	5.3.8	Percentage implementation of Senior Citizen's programmes prioritized for the financial year	Percentage	100%	N/A	100%	100%	NA in Q1	NA in Q1	100%	100%	100%	100%	N/A in Q3
				Implementation of the HIV and AIDS Programme	5.4	Number of HIV/AIDS Awareness campaigns held	Number	4	N/A	6	2	NA in Q1	NA in Q1	1	2	1	2	N/A in Q3
			Inculcate culture of Excellence	Performance Management	5.5.1	Number of SDBIP's approved	Number	1	N/A	1	1	N/A in Q1	NA in Q1	N/A in Q2	N/A in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR									
IDP 2023/2024						Responsible Department	Financial Implication	KPI's Not Met	
Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result			Reason for Non Achievement	Measure for Improvement
79%	100%	100%	100%	100%	Target Met	Office of the Municipal Manager	Operational	Not Applicable	Not Applicable
100%	100%	100%	100%	100%	Target Met	Financial Services	Operational	Not Applicable	Not Applicable
GOOD GOVERNANCE AND PUBLIC PARTICPATION									
1	1	1	4	4	Target Met	COO/MM	Operational	Not Applicable	Not Applicable
1	1	0	4	3	Target missed by more than 5 %		Operational	Due to the preparations of the elections, the Honourable Leadership was not available in the fourth quarter and the KCDM Mayor was elected as a Premier candidate and subsequently elected as the KZN Premier which left a vacancy in the Office of the Mayor. The municipal Council appointed the Acting Mayor on 28 June 2024.	The Political Hub Meeting took place on 18 July 2024 following the appointment of the Acting Honourable Mayor.
2	1	0	4	3	Target missed by more than 5 %		Operational	The unavailability of leadership due to other work-related commitments as well as the elections and the vacancy of the Honourable Mayor who was a Premier Candidate and later appointed as the KZN Premier.	The Municipal Council appointed the Honourable Deputy Mayor as the Acting Mayor, the meeting will take place in quarter 1 of the 2024/2025 financial year.
0	1	0	4	0	Target missed by more than 5 %		Operational	The Speakers forum meeting could not take place due to the non-availability of councillors due to other work related commitments and the preparation of the elections.	The Speaker's Forum meeting is scheduled to take place in quarter 1 of the 2024/2025 financial year.
NA in Q3	7	7	14	14	Target Met	PED	R 5 078 471 Project Number :314	Not Applicable	Not Applicable
202	NA in Q4	NA in Q4	100	202	Target Exceeded	COMMUNITY SERVICES	R 1 085 000 Project Number : 167	Not Applicable	Not Applicable
N/A in Q3	NA in Q4	NA in Q4	1	1	Target Met	COMMUNITY SERVICES	R 1 500 000 Project Number : 340	Not Applicable	Not Applicable
N/A in Q3	1	1	1	1	Target Met	COMMUNITY SERVICES	R 2 000 000 Project Number : 356	Not Applicable	Not Applicable
N/A in Q3	NA in Q4	NA in Q4	100%	100%	Target Met	COMMUNITY SERVICES	R 222 000 Project Number : 262	Not Applicable	Not Applicable
N/A in Q3	100%	100%	100%	100%	Target Met	COMMUNITY SERVICES	R 332 000 Project Number : 286	Not Applicable	Not Applicable
N/A in Q3	NA in Q4	NA in Q4	100%	100%	Target Met	COMMUNITY SERVICES	R 185 800 Project Number : 285	Not Applicable	Not Applicable
N/A in Q3	100%	100%	100%	100%	Target Met	COMMUNITY SERVICES	R 505 000 Project Number : 252	Not Applicable	Not Applicable
N/A in Q3	NA in Q4	NA in Q4	100%	100%	Target Met	COMMUNITY SERVICES	R 388 000 Project Number : 258	Not Applicable	Not Applicable
N/A in Q3	1	1	2	3	Target Exceeded	COMMUNITY SERVICES	R 306 500 Project Number : 223	Not Applicable	Not Applicable
N/A in Q3	1	1	1	1	Target Met	COO /MM	Operational	Not Applicable	Not Applicable

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR																		
								IDP 2022/2023			IDP 2023/2024							
								2022/2023 FY										
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	OPMS Indicator No.	Performance Indicator	Unit of Measure	Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2	Mid Year Target	Mid Year Actual	Target Quarter 3
IMPROVED CO ORDINATION OF INTERVENTIONS IMPACTING ON LOCAL GOVERNMENT	Good Governance and Public Participation	Promote good Governance and enhance Public Participation.	Inculcate culture of Excellence	Performance Management	5.5.2	Number of Section 54/56 performance agreements signed	Number	7	N/A	7	7	7	7	N/A in Q2	2	7	9	NA in Q3
					5.5.3	Number of PMS Policies reviewed.	Number	1	N/A	1	1	N/A in Q1	N/A in Q1	N/A in Q2	N/A in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
					5.5.4	Number of PMS Framework's reviewed	Number	1	N/A	1	1	N/A in Q1	N/A in Q1	N/A in Q2	N/A in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
					5,6	Number of Planning and Reporting template's submitted to KZN CoGTA	Number	3	N/A	4	4	1	1	1	1	2	2	1
			Practice Risk governance	Risk Management	5,7	Number of Annual Risk and Fraud Risk Assessment completed	Number	1	N/A	1	1	N/A in Q1	1	1	0	1	1	N/A in Q3
			Enhance Stakeholder Relations and Public Participation	Improve Value and Quality of communication through the IDP	5.8	Number of IDP Review approved	Number	1	N/A	1	1	N/A in Q1	N/A in Q1	N/A in Q2	N/A in Q2	NA @ Mid Year	NA @ Mid Year	1
CROSS CUTTING																		
	Cross Cutting	Create & Promote a safe , healthy and secure environment	To provide municipal Health Services in an effective and equitable manner	Enhance Effective enforcement of environmental health by law compliance	6.1	Number of environmental health awareness and educational sessions	Number	80	N/A	302	80	20	103	20	79	40	182	20
			To ensure reduction and mitigation of disaster risks	Develop and Implement disaster preparedness & risk reduction strategies	6,2	Percentage Relief support provided to critical and severe disaster incidents within the district subject to budget availability	Percentage	100%	NA	100%	100%	100%	100%	100%	100%	100%	100%	100%
			To ensure reduction and mitigation of disaster risks	Develop and Implement disaster preparedness & risk reduction strategies	6.3	Number of Disaster Awareness and Educational sessions	Number	16	N/A	19	16	4	9	4	4	8	13	4
		Promote healthy communities through sports, arts & culture development	To promote healthy lifestyles	Coordinate and Implement Sports Development programmes	6.4.1	Percentage of Sports Development initiatives supported	Number	NA	N/A	New	100%	N/A in Q1	N/A in Q1	100%	100%	100%	100%	NA in Q3
					6.4.2	Number of Salga Games participated in	Number	NA	NA	1	1	N/A in Q1	N/A in Q1	1	1	1	1	NA in Q3
					6.4.3	Number of District Marathons held	Number	NA	NA	New	1	N/A in Q1	N/A in Q1	N/A in Q2	N/A in Q2	NA @ Mid Year	NA @ Mid Year	NA in Q3
			To preserve culture and promote creative arts	Coordinate and implement Arts and Culture Programmes	6.5	Percentage implementation of Arts & Culture programmes prioritized for the financial year	Percentage	4	N/A	100%	100%	N/A in Q1	N/A in Q1	100%	100%	100%	100%	NA in Q3
				Implementation of Heritage Programmes (Heritage Sites)	6.6.1	Percentage implementation of Heritage Programmes prioritized for the financial year	Percentage	100%	NA	100%	100%	100%	100%	N/A in Q2	N/A in Q2	100%	100%	NA in Q3

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR									
IDP 2023/2024						Responsible Department	Financial Implication	KPI's Not Met	
Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result			Reason for Non Achievement	Measure for Improvement
1	NA in Q4	NA in Q4	7	10	Target Exceeded	COO /MM	Operational	Not Applicable	Not Applicable
NA in Q3	1	1	1	1	Target Met	COO /MM	Operational	Not Applicable	Not Applicable
NA in Q3	1	1	1	1	Target Met	COO /MM	Operational	Not Applicable	Not Applicable
1	1	1	4	4	Target Met	COO /MM	Operational	Not Applicable	Not Applicable
N/A in Q3	NA in Q4	NA in Q4	1	1	Target Met	COO /MM	Operational	Not Applicable	Not Applicable
1	NA in Q4	NA in Q4	1	1	Target Met	PED	R 25 000 Project Number 426	Not Applicable	Not Applicable
CROSS CUTTING									
79	20	82	80	343	Target Exceeded	COMMUNITY SERVICES	Operational	Not Applicable	Not Applicable
100%	100%	100%	100%	100%	Target Met	COMMUNITY SERVICES	Disaster Stock Items R 200 000 Project Number: 277	Not Applicable	Not Applicable
5	4	6	16	24	Target Exceeded	COMMUNITY SERVICES	R 40 000 Project Number :381	Not Applicable	Not Applicable
NA in Q3	100%	100%	100%	100%	Target Met	COMMUNITY SERVICES	R1 765 000 Project Number 420	Not Applicable	Not Applicable
NA in Q3	NA in Q4	NA in Q4	1	1	Target Met	COMMUNITY SERVICES	R4 000 000 Project Number 416	Not Applicable	Not Applicable
NA in Q3	1	1	1	1	Target Met	COMMUNITY SERVICES	R700 000 Project Number 417	Not Applicable	Not Applicable
NA in Q3	100%	100%	100%	100%	Target Met	COMMUNITY SERVICES	R 813 000 Project Number 351	Not Applicable	Not Applicable
NA in Q3	NA in Q4	NA in Q4	100%	100%	Target Met	COMMUNITY SERVICES	R 400 000 Project Number 357	Not Applicable	Not Applicable

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR																		
								IDP 2022/2023			IDP 2023/2024							
								2022/2023 FY										
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	OPMS Indicator No.	Performance Indicator	Unit of Measure	Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2	Mid Year Target	Mid Year Actual	Target Quarter 3
	Cross Cutting	Promote healthy communities through sports, arts & culture development	To preserve culture and promote creative arts	Coordinate and implement Arts and Culture Programmes	6.6.2	Number of Nkosi Cetshwayo Horse Racing event hosted	Number	N/A	N/A	New	1	1	1	N/A in Q2	N/A in Q2	1	1	NA in Q3
		Promote healthy communities through sports, arts & culture development	To preserve culture and promote creative arts	Coordinate and implement Arts and Culture Programmes	6.6.3	Number of Princess Magogo Choral Music Festival held	Number	N/A	NA	New	1	1	0	NA in Q2	1	1	1	NA in Q3
		Cordinated Planning spatial equity, costal and environmental management	To coordinate integrated planning in order to achieve spatial equity	Facilitate effective Land Use management Implementation of Land use and Environmental Plans.	6.7.1	Number Coastal and Environmental Management awareness campaigns conducted	Number	8	NA	19	3	1	11	NA in Q2	NA in Q2	1	11	1
			To coordinate integrated planning in order to achieve spatial equity	Develop Statutory Sector Plans	6.8.1	Number of Local Transport Plan developed.	Number	1	0	NA	1	NA in Q1	NA in Q1	NA in Q2	NA in Q2	NA @ Mid Year	NA @ Mid Year	1
				Implementation of Land use and Environmental Plans.	6.8.2	Number of phases completed on the Local Integrated Transport Plan	Number	4	2	2	3	1	1	1	1	2	2	1
				Implementation of Land use and Environmental Plans	6.9	Number of Planning Activities Reports	Number	10	N/A	10	10	3	3	2	2	5	5	2

TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TLSDBIP) / ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD (OPMS) FOR 2023 2024 FINANCIAL YEAR									
IDP 2023/2024						Responsible Department	Financial Implication	KPI's Not Met	
Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result			Reason for Non Achievement	Measure for Improvement
NA in Q3	NA in Q4	NA in Q4	1	1	Target Met	COMMUNITY SERVICES	R 5 500 000 Project Number : 354	Not Applicable	Not Applicable
NA in Q3	NA in Q4	NA in Q4	1	1	Target Met	COMMUNITY SERVICES	R 1 000 000 Project Number : 343	Not Applicable	Not Applicable
4	1	2	3	17	Target Exceeded	COMMUNITY SERVICES	Operational	Not Applicable	Not Applicable
0	NA in Q4	1	1	1	Target Met	PED	R500 000 Project Number 212	Not Applicable	Not Applicable
1	NA in Q4	NA in Q4	3	3	Target Met			Not Applicable	Not Applicable
2	3	3	10	10	Target Met		Operational	Not Applicable	Not Applicable

4.2 COMPONENT B: INTRODUCTION TO THE MUNICIPAL PERSONNEL

ADMINISTRATIVE STRUCTURES

The Organisational Structure was reviewed and adopted by Council on 20 June 2022 under Item KCDMC:411/2022. A revised recruitment and selection policy that seeks to address the imbalances in the employment profile of the Municipality, has been adopted by Council on 24 April 2024. There are 548 employees in the Municipality. Council approved six departments in the Municipality; the departments are as follows:

- Office of the Municipal Manager
- Corporate Services
- Technical Services
- Financial Services
- Community Services
- Planning and Economic Development Services

1. STAFF COMPONENT

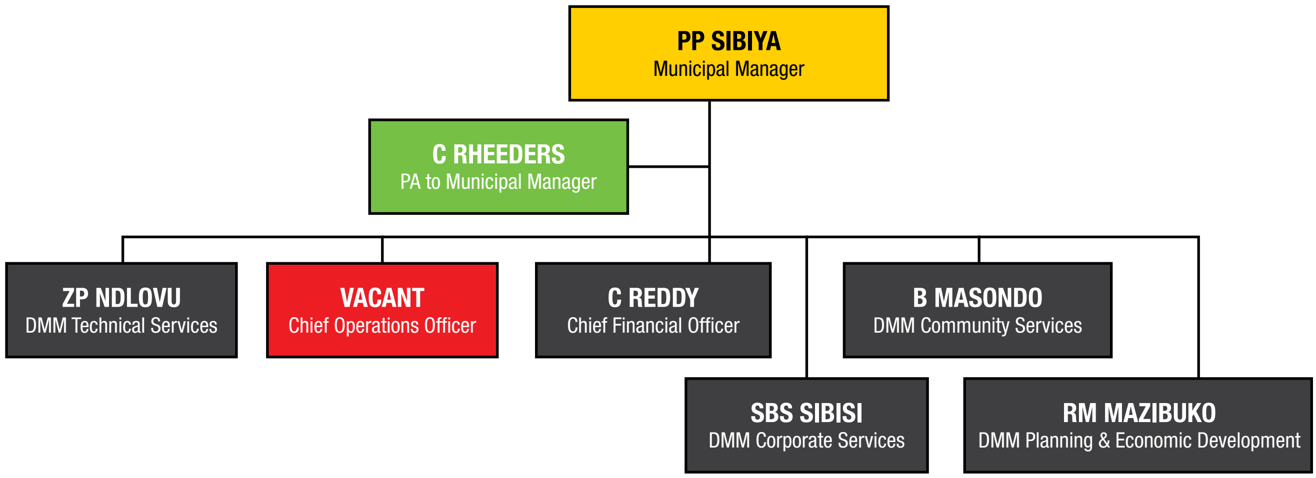
As of 30 June 2024, the Municipality had a complement of 548 staff members, including six Section 57 staff members (COO resigned mid-year) and thirteen financial intern staff members included in these statistics.

2. Staff component

DEPARTMENT	NO OF STAFF
Office of the Municipal Manager	30
Budget and Treasury Office (Financial Services)	86
Corporate Services	65
Community service	72
Technical Services	274
Planning service	21
Total	**548**

Senior Management:

All Senior Managers are responsible for portfolio committees in their departments.



JOB EVALUATION

The total number of job descriptions that were submitted for evaluation was five hundred and six (506) in line with the 2020/ 2021 organizational structure. The breakdown of the submissions per department is tabulated below:

DEPARTMENT	NO. OF JD'S SUBMITTED
Office of the Municipal Manager	61
Corporate Services	59
Community Services	49
Planning & Economic Development	22
Financial Services	77
Technical Services	238

The Municipality is still awaiting the final evaluation outcomes from the job evaluation committee.

EMPLOYMENT EQUITY DEVELOPMENT

The employment equity plan duration is from October 2020 to 30 September 2025, and this plan is reviewed periodically. Council approved the plan in June 2021. There has been a major improvement in this regard. (See the table below)

EMPLOYMENT EQUITY IMPLEMENTATION	DESIGNATED GROUP	NON-DESIGNATED GROUP	WOMEN	TOTAL
Senior Management	6	0	1	6
Managers	18	2	10	18
Middle Management	57	0	25	52

One hundred percent (100%) of the total top management is made up of the designated group, while the non-designated group is zero percent. The senior management is seventy-seven (77%) percent from the designated group. Eighty (80%) of the total staff complement is made up of the designated group and thirty-four percent (34%) consists of women. In addition to that, three point ninety-one percent (3.91%) of our staff falls under the category of people living with disabilities. See the table below which illustrates the figures:

Ethnic groups employed by the municipality

DEPARTMENT	MALE				FEMALE				
	A	C	I	W	A	C	I	W	TOTAL
Top Management	5						1		6
Senior Management	7			1	8		1	1	18
Middle Management	25		2		22			3	52
Skilled Technical	59	1	2	1	67	3	6	2	141
Semi-Skilled	142				70		3	3	218
Unskilled	66				47				113
TOTAL STAFF	**304**	**1**	**4**	**2**	**214**	**3**	**11**	**9**	**548**

HUMAN RESOURCE SERVICES AND POLICIES

POLICIES:

Human Resources' main focus areas for the year were Employee well-being, Health and Safety of employees, and pro-active and engaged Labour Relations. Towards these ends, we were responsible for Employment Equity, Training and Development, the Workplace Skills Plan, the Employee Assistance Programme, Occupational Health & Safety and the Local Labour Forums.

POLICIES:

NAME OF POLICY	COMPLETED	REVIEWED	DATE ADOPTED BY COUNCIL OR COMMENT ON FAILURE TO ADOPT
Acting Policy	Yes	Yes	24 .04.2024
Code of Conduct for employees	Yes	N/A	As per Schedule 2 of Local Government Systems Act
Disciplinary Code and Procedures	Yes	N/A	As per Collective Agreement and Disciplinary Procedures
Emergency Evacuation Procedure	Yes	Yes	26.05.2017
Employee Wellness Policy	Yes	Yes	24 .04.2024
Employment Equity Policy	Yes	To be reviewed	To be reviewed 2024/2025 FY
Minimum Service Agreement	Yes	in progress	The review is in progress.
Exit Interview Policy	Yes	Yes	24 .04.2024
Grievance Procedures	Yes	N/A	As per Main Collective Agreement and grievance procedure
HIV/Aids Policy	Yes	Yes	24 .04.2024
Leave Policy	yes	in progress	The review is in progress.
Long Service Leave Policy	N/A	N/A	As per the existing KZN Conditions Collective Agreement
Occupational Health and Safety	Yes	Yes	24 .04.2024
Official Housing	Yes	N/A	No amendments to be made on Policy (Policy ring-fenced to comply with the provisions of the Municipal Conditions of Service)
Overtime Policy	Yes	Yes	Administratively amended to comply with the provisions of the BCEA on the Earning Threshold effective June 2024.
Organisational Rights	Yes	N/A	As per Main Collective Agreement
Recruitment, Selection and Appointments	Yes	Yes	24 .04.2024
Relocation Assistance to Officials	Yes	Yes	11.11.2009, to be reviewed in 2024/2025 FY
Rental Allowance Scheme	Yes	N/A	No amendments to be made on Policy(The scheme is an personnel to holder as the scheme is phased out)
Sexual Harassment	Yes	Yes	24 .04.2024
Succession and Retention	Yes	No	12.03.2008 to be reviewed in 2024/2025 FY
Smoking Policy	Yes	Yes	24 .04.2024
Scarce Skills Policy	Yes	Yes	24 .04.2024
Study Aid Policy for Officials	Yes	Yes	24 .04.2024
Substance Abuse Policy	Yes	To be reviewed	To be reviewed 2024/2025 FY
Subsistence & Travel Allowance Policy	Yes	Yes	Administratively amended to comply with the South African Revenue Services' S&T rates 30.06.2024
Training and Development Policy	Yes	Yes	24 .04.2024
Termination Policy	Yes	Yes	24 .04.2024
Travel Allowance Policy for Management Officials	Yes	To be reviewed	12.03.2008; to be reviewed in 2024/2025 FY
Travel Allowance Scheme for Non-Management Officials	Yes	Yes	24 .04.2024

Top matriculant awarded

EMPLOYEE TOTALS:
APPOINTMENTS BY GENDER AND OCCUPATIONAL LEVELS
APPOINTMENTS MADE IN THE 2023/2024 FINANCIAL YEAR

(01 July 2023 - 30 June 2024)

Total Number of Appointments	34
Internal	4
External	30
Appointments by Gender	**34**
Females	18
Males	16
Appointments by Occupational Level	**34**
Top Management	03
Senior Management	03
Professional / Mid-Management	05
Skilled	14
Semi-Skilled	07
Unskilled	02

ANNUAL REPORT FOR LABOUR RELATIONS

The Labour Relations unit's core function and main focus are to maintain and control the application of specific procedures associated with a sound industrial relations climate and strengthen the relationship between employer, employee and trade unions.

All disciplinary processes and grievance processes are dealt with in terms of the Disciplinary Procedure Collective Agreement. Labour Relations represents the Council in all matters within their scope of work.

The Labour Relations section is also responsible for the following:

- Serves as a central point for internal and external disciplinary matters;
- Facilitates the appointment of a disciplinary panel utilising SALGA Panelists, including the appointment of interpreters and legal services providers for matters at a Bargaining Council level;
- Providing Secretariat to the Local Labour Forum meetings and any other Labour Related matters;
- Providing Secretariat to Internal Disciplinary matters;
- Provide Prosecution /Presiding Officers Services depending on the nature of the case;
- Refer employees with drug and alcohol complications to the Employee Assistance Programme (EAP) and conduct awareness sessions for employees;
- Facilitate employee-related workshops on Council Human Capital Policies, Code of Conduct and Disciplinary Procedure Code Agreement;
- Foster better relationships between management and Trade Unions;
- Assist and advise line management and employees on conflict management and building healthier employment relations;
- Enforce the implementation of Sanctions/ Arbitration Awards;
- Facilitates the application for exemptions at SALGBC; and
- Assist Departments in resolving grievances in terms of the Grievance Procedure.

01 July 2023 - 30 June 2024)

QUARTERS	TOPICS
Quarter 1	• HR / IR and Employment Equity Intervention
Quarter 2	• Code of Conduct
Quarter 3	• HR/IR/EE & Skills Development Intervention • Workplace Skills Plan • Study Assistance
Quarter 4	• HR / IR and Employment Equity Intervention

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

The Municipality strives to improve the skills of employees by facilitating the provision of quality NQF-aligned training for the employees to acquire skills and prepare them for management levels. It also addresses the compulsory competency levels required by the Municipal Finance Management Act. Suitable training and development is continuously needed as technology changes and new developments are uncovered in the industry. The Municipality offers study assistance to employees to assist them to broaden their skills and careers.

TYPE OF TRAINING INTERVENTION	TOTAL NUMBER OF OFFICIALS TRAINED: 121
NQF Aligned Trainings	09
Continuous Professional Development Training	93
Compliance Training	0
Workshops (SALGA)	19
TYPE OF TRAINING INTERVENTION	**TOTAL NUMBER OF COUNCILORS TRAINED: 32**
NQF Aligned Trainings	09
Continuous Professional Development Training	16
Workshops (SALGA)	07

NAME OF ACCREDITED PROGRAMME	NQF LEVEL	OCCUPATIONAL LEVEL	EMPLOYMENT EQUITY GROUP	NUMBER OF ATTENDEES
STRUCTURED TRAININGS				
Chartered Certified Accountant Candidacy Programme	8	2 x Mid-Management 1 x Skilled and 2 x Semi-Skilled	4 x Females 1 x Male	5
Negotiation Skills	5	1 x Mid-Management 1 x Skilled	1 x Females 1 x Male	2
Conflict Management Skills	5	2 x Skilled	1 x Females 1 x Male	2
Critical Thinking & Decision Making	5	2 x Skilled	2 x Females	2
ArcGIS Pro	5	1 x Senior Management 1 x Skilled	2 x Females	2

Matric Excellence Awards ceremony

Employment Equity Report

KCDM recruits for vacancies against an approved employment equity plan. The employment equity plan is approved internally and has to be considered by the Department of Labour. There are Employment Equity quarterly meetings that monitor the implementation of the Employment Equity Plan. KCDM is committed to ensuring that the overall purpose of the EE Act is achieved in the workplace by:

- promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination
- implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups (black people, women, and people with disabilities), to ensure their equitable representation in all occupational categories and levels in the workforce.

KCDM will demonstrate its commitment by taking active steps to promote employment equity in the workplace by:

- Implementing transformation interventions, which are aligned with and driving KCDM's business strategy.
- Facilitating an equitable representation of the workforce by attracting, developing and retaining employees from the designated groups.
- Implementing effective diversity management initiatives to establish and maintain an all-inclusive culture conducive to transformation.
- Making reasonable accommodation for employees from the designated groups and providing a safe and enabling work environment for all employees.

The following are the Employment Equity (EE) Committee members:

EE REPRESENTATIVES	CONSTITUENCIES REPRESENTED
Mr S. Ngwenya	Senior Management Occupational Level
Mr C Mntambo	Professional/ Middle Mngt Occupational Level
Mr Z Dlamini	Skilled Occupational Level
Ms Z Myemi	Semi–Skilled Occupational Level
Ms A. Hadebe	Unskilled Occupational Level
Mr B Hlophe	African Males
Ms C Mulqueeny	Coloured Males And Females
Ms L. Dhlodlo	African Females
Mrs N Singh	Indian Males And Females
Ms C Cook	All Females & Males
Mr M. Mbambo	Samwu
Ms C Cook	White Females & Males
Mr Z Biyela	Imatu
Mr B. Zwane	People With Disabilities

The EE Committee submitted its reports to the Department of Labour on EEA2 and EEA4 on 20 December 2023. The table below provides the numeric targets, including People with Disabilities, as at 30 June 2024. The EE Target for the 2023/2024 financial year is 50% per quarter, and the achievement for the year is as follows:

1ST QUARTER 1 JULY TO 30 SEPT. 2023	2ND QUARTER 1 OCT. TO 31 DEC 2022	3RD QUARTER 1 JAN TO 31 MARCH 2023	4TH QUARTER 1 APRIL TO 30 JUNE 2023
95.45%	88.88%	80%	No appointment was made during this quarter
Overall percentage average achieved for the 2023/2024 FY Financial Year			88.11%
EMPLOYMENT EQUITY MEETINGS HELD DURING THE 2023/2024 FINANCIAL YEAR			
1 JULY TO 30 SEPT. 2023	1 OCT. TO 31 DEC 2023	1 JAN TO 31 MARCH 2024	1 APRIL TO 30 JUNE 2024
22.09.2023	26.10.2023	14.03.2024	09.05.2024

COMPONENT D: MANAGING THE MUNICIPAL WORKFORCE

OCCUPATIONAL HEALTH AND SAFETY

The Occupational Health and Safety Act 85 of 1993 states that every employer and employee has a duty to comply with the requirements of the Act. The municipality must ensure that responsibilities for health and safety are assigned, accepted and fulfilled at all levels within the municipality, as well as promote a work environment where hazards and associated risks are eliminated and/ or mitigated through our Occupational Health and Safety solutions. The municipality has a functional OHS Committee led by the Municipal Manager.

OCCUPATIONAL HEALTH AND SAFETY COMMITTEE MEETINGS

OHS MEETING	TARGET	NUMBER OF MEETINGS HELD
All the Health & Safety Reps from all the Departments attended the OHS meetings	4	4

INJURIES ON DUTY (IOD)

King Cetshwayo District Municipality has shown a marked improvement regarding compliance with administration of occupational health and safety. Employees are also better informed of their responsibility to report sustained injuries. King Cetshwayo District Municipality has shown a marked improvement regarding the management of Injury On Duty cases. The number of IODs reported for this financial year is seventeen (17) incidents. The seventeen (17) incidents/ injuries were recorded with the Department of Labour in line with the Occupational Health and Safety Act. The Municipality noted that there was an increase of incidents in this financial year.

EMPLOYEE WELLNESS PROGRAMME (EWP)

King Cetshwayo District Municipality cares about the health and social well-being of its employees and recognizes that there are a number of personal problems which impact negatively on the employees' personal and work lives. Personal problems can have a detrimental effect on performance, productivity and behaviour in the workplace.

Various wellness awareness circulars were made available to all staff in order to sensitize them about infectious diseases.

WELLNESS DAY EVENT SUMMARY

Wellness Day event was held on 03 May 2024 at eShowe Sports Club, to provide support to employees on matters that affect their wellbeing.

The said event included the family of Municipalities under King Cetshwayo District namely; City of uMhlathuze; uMlalazi Local Municipality; uMfolozi Local Municipality; Nkandla Local Municipality and uMthonjaneni Local Municipality

Employees were engaged in various sports activities, aerobics, 3 km walk, water relay, soccer, netball tug of war, umkhukhu and casino cards. This aimed to encourage employees to stay fit, be productive and engage in interaction between inter-municipal employees and employers with a team spirit in a more relaxed environment.

Various exhibitors conducted brief presentations on services that they render, namely; Medical Aids, FNB, Capitec, Standard Bank, MTN, Insurance Companies and Car Dealerships.

Awareness circulars circulated:
- Epilepsy
- World No Tobacco Day
- World TB Day
- Type 2 Diabetes
- Skin Cancer Awareness
- Getting Medically Summer Ready
- Leukemia Awareness

FLEET MANAGEMENT

Fleet (vehicle) management includes a range of functions, such as vehicle financing, vehicle maintenance, vehicle telematics (tracking and diagnostics), driver management, speed management, fuel management and health and safety management. These functions are dealt with by an in-house fleet department with the assistance of a service provider from whom Council leases the vehicles.

We have a pool of approximately ninety-seven (97) leased vehicles, sixty-two (62) water tankers, including honey suckers and eleven (11) KCDM-owned vehicles, with two Fleet Officers and one General Assistant (Fleet) controlling the utilization and giving guidance to officials on vehicle utilisation.

This is done in line with the Pool Motor Vehicle Policy and Procedures. The Officer controls the day-to-day management of the municipal fleet. The pool vehicles may only be used by licensed employees who are not on the subsidised scheme, to perform their duties. Through the monthly reporting to Management on the mileage, fuel and oil consumption, Council prevents the occurrence of unnecessary costs and misuse of vehicles.

The current fleet comprises as follows:

SERVICE PROVIDER	KCDM VEHICLE	NUMBER OF VEHICLES
Service Provider	Leased Fleet	Ninety Seven (97)
KCDM Owned Vehicles	Water Tankers (Including honey suckers)	Sixty-Two (62)
	Vehicles	Eleven (11)

Chapter 5 | FINANCIAL PERFORMANCE

5.1 FINANCIAL SUPPORT, BUDGET PROCESS MANAGEMENT AND BUDGET REPORTING SUBSECTION

The process of planning to the approval of each MTREF (Medium Term Revenue and Expenditure Framework) is a continuous cycle, commencing immediately after the ensuing year's MTREF is approved by Council. The draft 2023/24 MTREF that was tabled before Council on 28 March 2023 was subjected to community consultation and was published on the municipality's website, and hard copies were made available at local municipalities' notice boards and in the local press. Innovative ways are constantly being sought to ensure the draft budget reaches our communities

These are:
- The municipal website
- Radio interviews
- Publication of the draft budget supplement in the local newspapers
- Social media: Facebook, WhatsApp, Twitter and TikTok
- Budget supplements distributed to each municipal area

In addition, the community roadshows took place in various local municipalities on the following dates:
- 2 May 2023 - uMfolozi LM
- 3 May 2023 - uMhlathuze LM
- 4 May 2023 - Mthonjaneni
- 5 May 2023 - uMlalazi LM
- 6 May 2023 - Nkandla LM
- 19 May 2023 - Corporate, Amakhosi and Government Sector

All documents were provided in the appropriate format (electronic and printed) to Provincial and National Treasuries, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Requests from the Community during the roadshows: There are various interventions that have been planned to respond to the needs of the community. While it must be appreciated that the Municipality endeavours to respond to all the requirements from the communities, not all can be accommodated in one year due to budgetary constraints. However, these will be reprioritized in future years subject to availability of funds.

National Treasury strives to ensure that municipalities prepare a budget document that provides concise and understandable financial and non-financial information, which will ensure that informed decisions are made to promote effective financial management and service delivery. By ensuring that the allocation of financial resources is aligned to service delivery targets it will be clear what services are being promised when budgets are approved.

During the introduction of the Municipal Budget and Reporting regulations in 2009, National Treasury created a template called "Batho Pele City" as a guide for municipal officials responsible to produce their real municipal budget documents. The aim of the Budget Guide is to provide more detailed guidance on the format and content of a municipal budget so as to ensure full compliance with both the letter and the spirit of Schedule A of the Municipal Budget and Reporting Regulations.

In light of the above, Council's Tabled and Adopted Budget report was prepared in line with the template provided by National Treasury. An ongoing special project for the implementation of mSCOA was carried in 2023/24. Although mSCOA is a business reform that requires transformation from the whole administration, the core operational steering team resides with the Budget & Reporting section. This was achieved in addition to the continued high standard of budget, control, reporting and support. The mSCOA uploads of the data string was successfully achieved in the 2023/24 financial year.

The municipality had four adjustment budgets that were approved during the 2023/24 financial year. These were the reasons for the adjustments:
- Rollover Adjustment Budget as per Section 28(2) (b) and (e) of the Municipal Finance Management Act (MFMA). This pertains to the Capital Internal funded projects.
- Grant Rollover Adjustment Budget as per Section 28(2) (b) and (e) of the Municipal Finance Management Act (MFMA). This pertains to the Solid Waste Floods.
- Main Adjustment Budget which was done in February 2024 after management had presented the midyear budget assessment report, where it identified gaps where shifting of funds could be applied based on prioritisation of projects.
- Additional Revenue Adjustment Budget which was done in May 2024.

Regulation 23(3) of the Municipal Budget and Reporting Regulations, states that if a National or Provincial adjustments budget allocates or transfers additional revenues to a municipality, the Mayor of the municipality must, at the next available Council meeting, but within 60 days of the approval of the relevant National or Provincial adjustments budget, table an adjustment budget referred to in section 28(2)(b) of the Act in the municipal Council to appropriate these additional revenues.

In accordance with the above, this adjustment budget was approved by Council on 15 May 2024 per resolution KCDMC: 2209/2024.

5.2 EXPENDITURE

The Expenditure Section is divided into two main subsections, that is, expenditure for processing of payments to creditors, and payroll for processing of salary-related transactions for councillors and staff. The section comprises 13 permanent employees and rotating interns, which are students from tertiary institutes with an aim of training them in the practical application of municipal finances and processing of payments.

Expenditure section is driven by the MFMA as the main legislation for compliance to payments within 30 days as required by section 65 of the MFMA, particularly section 65 (e) "that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure."

Payroll section is also governed by the MFMA and its circulars, as well as other legislation for payments of salaries and allowances. In addition the section must keep up to date with statutory changes from SARS, Salga, and the South African Local Government Bargaining Council. The annual changes to employee salaries are effected through the collective agreement as negotiated in the bargaining council for annual increases. Other changes are effected through policies that impact on payments, Internal audit recommendations and business process improvements.

Key Performance Areas of the section include:

- Compliance with legislation
- Management of risk inclusive of Business Continuity Plan and implementation of proper internal controls
- Develop sound financial reporting mechanism for the above functions
- Prompt payment of all categories of creditors being creditors, sundries and capital in nature
- Prompt payment of staff salaries and councillor allowances
- An accurate and effective financial management system
- Submission of financial information for AFS preparation
- Submission of information for budget compilation
- Prompt responses to internal and external audit queries
- Annual review of the Creditors ,staff and Councillors payment policy, as well as the Retention policy

Statistical and performance information for Expenditure section for the year 2023/2024

Though the legislation requires that creditors are paid within 30 days the municipality endeavours to pay SMME's within 14 working days of receipt of invoices, statements and supporting documents to assist SMME's with cash flow, due to it been a major problem for small businesses.

The challenges that are faced by the department are that of the suppliers' inability to send statements on a monthly basis in order to enable the department to fully achieve the vision of timely payments of creditors. There are however, mechanisms that are being used to encourage this best business practice and some positive results have been seen. In addition there are instances where the documentation may not be accurate, as well as Departments are not satisfied with the product or service and thus payments are delayed until such time that the contractual obligation is met.

The Expenditure Section has processed 4 260 Electronic Payments from 9 249 invoices (2022/2023 – 4 437 payments from 8 880 Invoices) received from suppliers in the 2023/2024 financial year, which resulted in Expenditure of more than R1 055 156 561.84 (2022/2023 - R1 094 748 752) paid to suppliers.

The Expenditure section has paid 100% of their creditors, where invoices and budgets were correct, within 30 days in 2023/2024. From the total number of invoices processed, 1.8% of these were not paid within the 30 day period, as they had to be referred back to the various user departments for queries to be resolved, such as budgetary problems, incorrect information on invoices or lack of supporting paperwork.

The payroll section processes the salaries and wages to permanent and contract staff.

The table below summarises the Salaries, 3rd party payments and statutory tax paid to SARS on behalf of employees and councillors.

Draft figures

		PAYMENTS OF STAFF SALARIES, 3RD PARTIES AND SARS		
DATE		STAFF & COUNCILLORS SALARIES	3RD PARTIES	SARS
	TOTALS	208 174 294.57	74 950 144.92	61 913 037.94

The above table reflects the annual employee-related costs for the municipality.

The section has shown significant improvement over the years as staff has gained more knowledge and experience in their roles and responsibilities. Ongoing training on the use of the Financial System Solar was done throughout the year, in order to increase usage and performance of the section.

Training on the new budgeting system was also done in the year. The section along with HR are in the process of initiating a new payroll system that will integrate with Solar, which will be implemented in the new financial year.

5.3 MANAGEMENT ACCOUNTS AND ASSETS

INVESTMENTS, CASH FLOWS AND BORROWINGS

Cash flow is of vital importance to the health of a municipality. The Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) requires that a municipality must establish an appropriate and effective cash management and investment policy.

Under this policy framework, the municipality must:

- Conduct its cash management and investments; and
- Invest surplus cash that is not immediately required for expenditure purposes. This surplus could include income from trading services, rentals, grants, and interest earned on investments.

One of the municipality's incidental revenue streams is that of interest earned from the placing of investments. To regulate the transactions pertaining to investments, an approved investment policy has been adopted and is reviewed on a yearly basis (Last review dated 15 May 2024 – KCDMC: 2211/2024). The policy is aimed at gaining optimum return on investments without incurring undue risks. The effectiveness of the investment policy is dependent on the accuracy of the municipality's cash management, which must identify surplus amounts to be invested and when those funds will be needed by the municipality's operations. All investments are made with institutions which comply with the Banks Acts, 1990 (ACT No.94 of 1990).

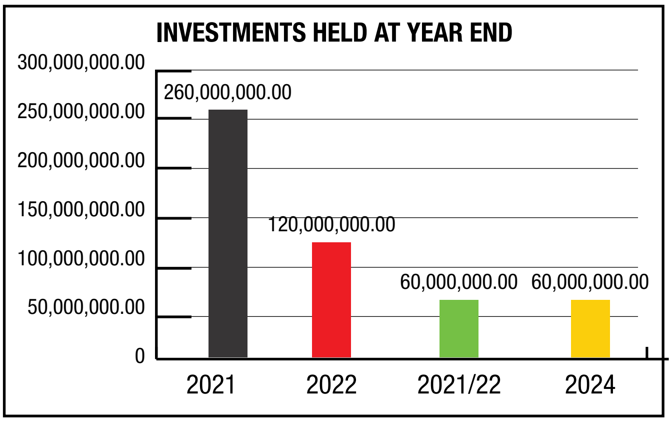
The value of invested funds at any point is purely a result of cashflow requirements at a particular point in time, whereby the expenditure and receipt of funds are analysed to utilise unused funds in generating interest income (noting grant funding is received in tranches in advance). It must be noted that the value of investments does not constitute surplus funds, however are in lieu of certain reserves and cash flow commitments.

The investments at year end amounted to:

FINANCIAL INSTITUTION	MATURITY DATE	INVESTMENT AMOUNT
ABSA	On call	60 000 000
		60 000 000

The municipality's investment portfolio commenced the year with an investment holding of R60 000 000, invested R730 000 000 during the year and R730 000 000 matured. An average interest rate of 9.15% (FY23 - 6.83% and FY22 - 4.64%) was received on investments placed for the financial year and the resultant interest income of R14 622 705 was earned.

INVESTMENT SUMMARY AS AT 30 JUNE 2024



The decrease in investment holdings at year end is as a result of the municipality ensuring that budget expenditure inclusive of grants is spent in accordance with procurement plans. This results in the cash surpluses being reduced at year end and thus lower investment holdings.

Sod turning of water project at Nkandla LM

LEVERAGE (BORROWING) AND CAPITAL STRUCTURE

The municipality evidenced a very strong gearing position, as all borrowings were settled during the 2023/2024 financial year with the last payment made in June 2024. The municipality does not foresee any pressure from gearing over the short to medium term as the municipality has not budgeted for the uptake of any new loans in the MTREF.

Net debt to income for 2023/2024 is negligible; while cash flow coverage ratios have declined in the 2023/2024 year under review from 2.01 months in FY23 to 1.77 in FY24; they remain within the norm of three months.

The municipality regulates all transactions pertaining to borrowings through an approved borrowing policy, which has been adopted and is reviewed on a yearly basis (Last review dated 16 May 2024 – KCDMC: 2211/2024).

CREDIT RATING ASSESSMENT

No credit rating was undertaken during the financial year as the remaining loan is in its final year, and there was no obligation for credit ratings as there is no short-term intention to seek funding from financial institutions.

The municipality undertook a yearly credit assessment issued by a suitably qualified credit rating agency, namely Global Credit Rating (GCR) as part of the prescripts of the loans. The rating for the 2020/2021 financial year was concluded by the agency in June 2022 and the Municipality was awarded an (A1 short term credit rating) and an (A long term credit rating), which is indicative that the municipality has maintained its rating for the past ten years. Furthermore, the Municipality has received a stable rating outlook. The last available credit rating is 2020/2021.

SECURITY CLASS	MEANING	2009/2010 RATING	2010/2011 RATING	2011/2012 TO 2019/2020 RATING	2020/2021 RATING
Short Term	Very high certainty of timely payment. Liquidity factors are excellent and supported by good fundamental protection factors. Risk factors are minor.	A1-	A1-	A1	A1
Long Term	High credit quality. Protection factors are good. However, risk factors are more variable and greater in A- periods of economic stress.	A-	A-	A	A

FINANCIAL RATIOS

The following table depicts some of the key ratios which give an overview of the performance of the district municipality over the years.

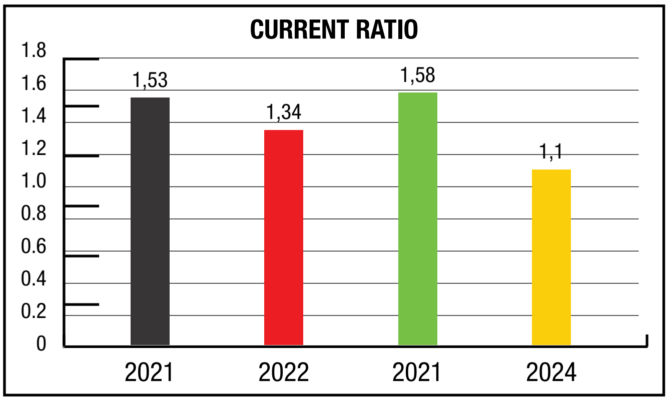
Ratio	2024	2023	2022	2021
Current ratio	1.51:1	1.57:1	1.34:1	1.53:1
Employee costs	32%	31%	28%	27%
Borrowing increase/(decrease)	(6.3) mil	(9.5) mil	(8.4) mil	(7.5) mil
Debt coverage	**	25.12	19.37	26.13
Debt collection	100%	6972%	8793%	9288%
Grant dependency	86%	88%	87%	88%
Repairs & Maintenance	9%	8%	96%	107%
Cost coverage	1.77	2.01	5.30	5.51

** The ratio is no longer applicable as all loans have been settled.

CURRENT RATIO ANALYSIS

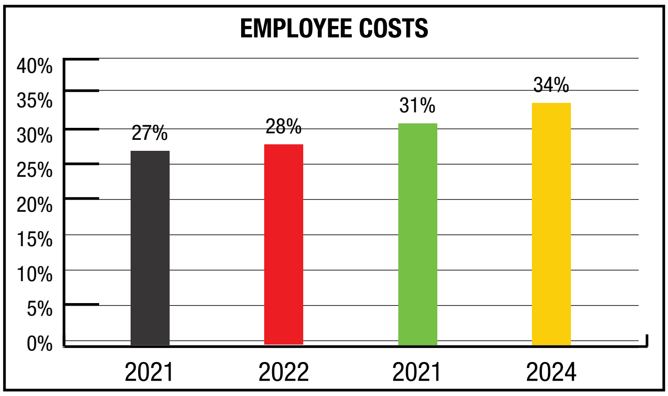
The Current Ratio represents the ability of the Municipality's current assets to service its current liabilities. This ratio has remained fairly consistent over the last four years averaging at 1.5.

The norm for this ratio is that of 1.5 - 2.0:1.

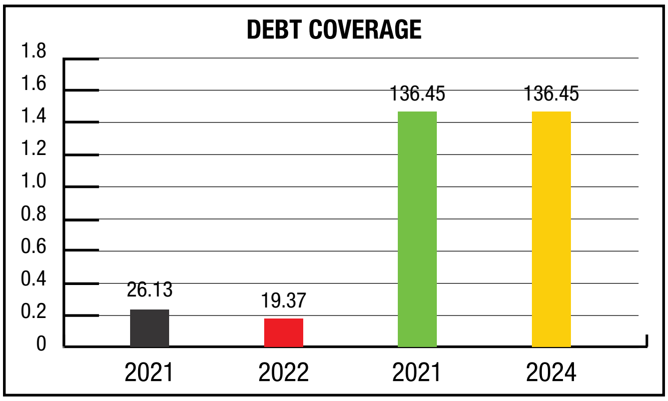


EMPLOYEE COSTS ANALYSIS

This ratio represents the percentage employee cost (including councillor remuneration) compared to the total expenditure of Council. This ratio has increased during the year under review due to the yearly increase and the filling of vacancies. The ratio for 2023/2024 of 32% is within the norm of 25% to 40% of the industry.

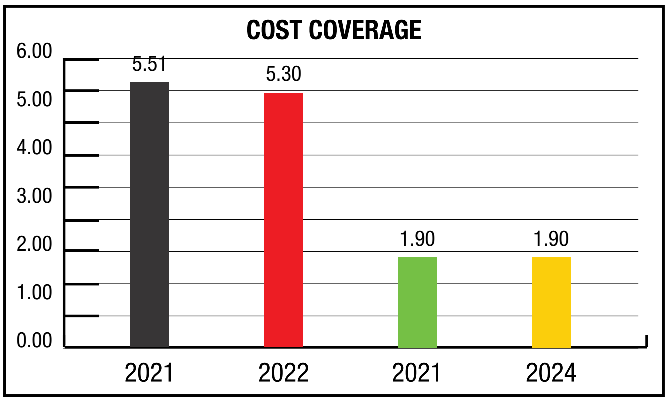


DEBT COVERAGE RATIO ANALYSIS



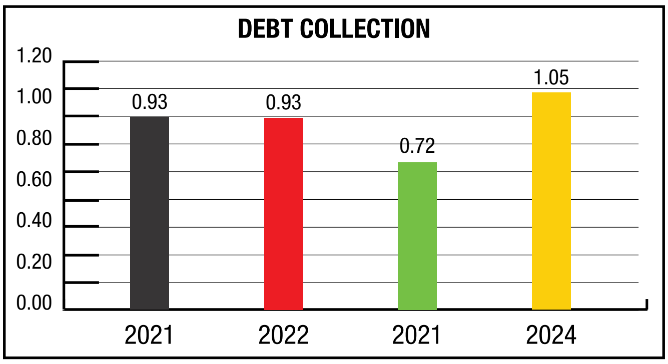
This ratio indicates the number of times the municipality can service its current debt obligations with revenue. The municipality has settled all loan obligations with the last payment made in June 2024 hence the reason for there being no ratio disclosed for the 2024 financial year as depicted in the chart below.

COST COVERAGE ANALYSIS



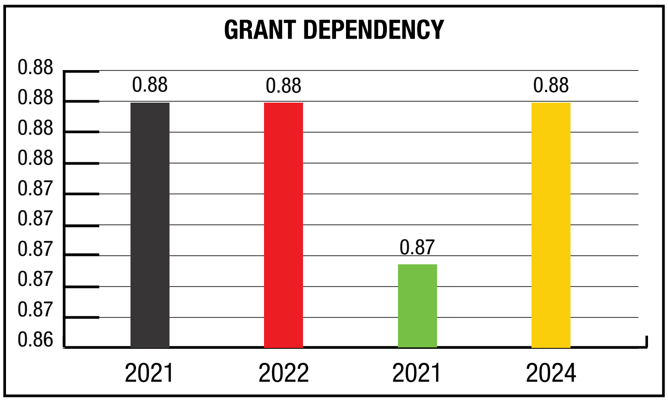
This ratio represents the number of months that operating expenditure can be covered by the cash and liquid assets available to the Municipality. The cost coverage ratio year on year shows a downward trend from the 2020/2021 financial year to 2023/2024. This is an indicator that the cash flow of the Municipality is under strain and that budget monitoring is imperative.

DEBT COLLECTION ANAYLSIS



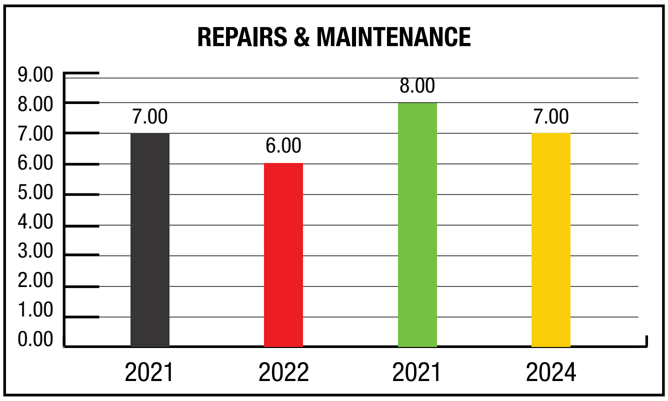
This ratio represents the collections from our Debtors on their monthly services. The ratio year on year shows an increased trend from the 2022/2023 financial year to 2023/2024. This indicates that the municipality has made some minor inroads to collecting outstanding debtor balances. It is imperative that the municipality endeavour's to collect outstanding debts in order to improve the cash position of the municipality.

GRANT DEPENDENCY ANALYSIS



This ratio indicates revenue received from grants to the total revenue generated by the municipality. This indicates that the municipality is largely reliant on the National Fiscus and susceptible to any movement effected by National Treasury on the allocation of grant funding. In the event grant allocations are reduced the municipality would need to cut expenditure in relation thereto.

REPAIRS AND MAINTENANCE ANAYLSIS



The ratio indicates the percentage spending on the repairing and maintenance of Council assets as a percentage of the carrying value of the assets which have been capitalised and are in use. The norm from National Treasury is set at 8%.

ASSETS

The Assets Section is primarily responsible for financial asset management and administration of the insurance portfolio.

Key Performance Areas

- Compliance with legislation and implementation of proper internal controls
- Management of risk
- Develop sound financial reporting mechanism for the above functions
- Implementation and the annual review of the District's Property, Plant & Equipment policy
- Submission of financial information for AFS preparation
- Prompt responses to internal and external audit queries

The utilisation and management of the property, plant and equipment register is the prime mechanism by which a municipality can fulfil its constitutional mandate for delivery of sustainable services and providing the basic needs to the community. To regulate the transactions pertaining to the assets, an approved property, plant and equipment policy has been adopted and is reviewed on a yearly basis (Last review dated 16 May 2024 – KCDMC: 2211/2024).

The municipality has a legislated and moral obligation to safeguard the monetary value and future service provision invested in property, plant and equipment, hence the Asset Care Centre was established under the management of the Deputy Municipal Manager Finance and asset managers to ensure effective safeguarding, accurate recording and movement of assets. However, the stewardship rests with the respective Deputy Municipal Managers.

Assets are maintained and recorded in the asset register which is in the format that complies with current standards of accounting practice and in accordance with the applicable GRAP as well as National Treasury and the mSCOA framework.

All section heads were requested to also undertake a comprehensive review of their asset portfolio to identify redundant or damaged items that no longer serve a functional purpose. Assets that were no longer needed, had reached the end of their useful life, or were beyond repair were written off in accordance with the municipality's asset management policies.

Through Council resolution KCDMC 2195/2024, dated 24 March 2024 assets with a carrying value of R 2 221 506.20 was written off.

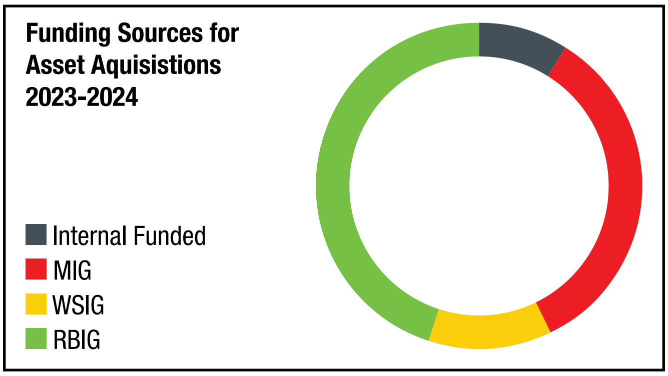
CAPITAL INFRASTRUCTURE ACQUISITIONS

Throughout the year, our municipality has made significant strides in enhancing and expanding its capital infrastructure to better serve the community. The focus has been on strategic acquisitions that improve the functionality, safety, and sustainability of our municipal assets.

The majority of the funding for these acquisitions came through external grants, which played a crucial role in alleviating the financial burden on municipal consumers, who constitute a largely rural and poverty plagued population.

During the 2023/2024 financial year, 91% of the asset acquisitions was sourced through external grant funding.

Funding Source	Actual Spending	Percentage
Internal	40,753,727.90	9%
MIG	144,959,207.96	34%
WSIG	52,173,912.25	12%
RBIG	193,519,129.95	45%
	431,405,978.06	**100%**



	Opening Balance	Additions	Additions AUC	Disposals	Donations	Depreciation Capitalised	Depreciation	Impairment Loss	Total
Buildings	47,426,409	-	-		876,204		(2,007,378)	(468,085)	45,827,150
Community Assets	18,575,837	-	7,391,931		1,075,000		(1,744,267)	(925,420)	24,373,081
Computer Equipment	4,937,415	1,450,851	-	(59,684)	90,910		(1,857,217)	-	4,562,275
Furniture	1,712,283	110,796	-	(7,474)	300,604		(375,555)	-	1,740,653
Infrastructure	3,004,049,804	45,575,807	360,760,044	-	5,318,019	(351,579)	(76,680,921)	(21,649,968)	3,317,021,206
Motor Vehicles	54,011,958	12,931,165	-	(1,741,977)	3,092,220		(14,764,412)		53,528,954
Office Equipment	1,822,996	296,513	-	(6,617)	33,911		(579,321)		1,567,482
Plant and Machinery	2,767,051	3,231,671	-	(809)	-		(602,808)		5,391,105
	3,135,303,753	**63,596,803**	**368,151,975**	**(1,816,561)**	**10,786,868**	**(351,579)**	**(98,611,879)**	**(23,043,473)**	**3,454,011,906**

The total value of assets increased from R 3 135 303 753 as at 30 June 2023 to R 3 454 011 906 as at 30 June 2024, with 96% of the assets being infrastructure assets.

5.4 REVENUE

REVENUE

The major revenue streams of the municipality are service charges and government grants.

The following policies guide the revenue department and these were reviewed during the financial year and the revised policies were adopted on 15 May 2024.

The following are the main streams of revenue of the municipality:

- Water Revenue
- Sanitation Revenue
- Solid Waste Revenue
- Cemetery Revenue
- Rental and Air quality renewal

Revenue collection is made possible through two groups of individuals, firstly the Consumer Billing Staff, who are tasked with obtaining meter readings and billing of consumers. Their work then culminates into a debt obligation arising, whereupon a team of credit controllers will pursue debts under the supervision of the Chief Credit Controller.

The Key performance indicators of the units are to:

- Collect a minimum of 85% of all billed revenue
- Ensure that a minimum of 96% of all default notices prepared reach the intended recipients
- Hold at least 4 community meetings per quarter.

Aiding the revenue billing and collection processes are appointed service providers who provide their specialist services. These include:

- Meter reading
- Printing of monthly statements
- Cash in transit facility
- On line debtor tracing

Revenue collection is based on the integrity of the two predominant components, i.e metered service delivery and billing. The municipality has constantly applied its Credit Control & Debt Collection Policy and continuously intensifies its debt collection strategies, such as the early reminder for payments of accounts using SMSs, engaging with government departments and indigent registration. In addition, households were randomly visited to verify that they are properly metered and paying for the services they are receiving. The municipality also has an Incentive policy, which is to encourage consumers to settle their municipal account and to encourage prompt payment of debtor accounts.

To deliver the services effectively, municipalities rely on its own revenue and grants. However, to this end, the issue of non-payment of municipal consumer debts by all recipients of services including government departments poses a serious threat to the financial health of municipalities in South Africa. This state of affairs cripples the cash position and the ability to fulfil constitutional mandate responsibilities of municipalities and puts further reliance and pressure on government for grants.

The King Cetshwayo District Municipality is also affected by this persistent increase of consumer debt, which to date stands at R 103 815 585 inclusive of VAT as at 30 June 2024.

These debts range from current to greater than 12 days. Nevertheless, the Municipality is working tirelessly to put in place creative measures towards recovery of some of its debts and to curb the increase thereof. In the year under review each debtor account was profiled against private sector credit and consumer data so as to segment each consumer into categories such as legal recovery mechanisms. In cases where consumers were classified as financially vulnerable or elderly with no significant financial assets, such debts were written off. The amount written off by Council on the 24th of April 2024 was R 4 686 139,15 inclusive of VAT, per council resolution KCDMC 2196/2024.

Furthermore, the District monitors the top 20 debtors in each category very closely by engaging with them on an ongoing basis to ensure payments are made on time.

The District has explored the prepaid systems available in the marketplace, with projects being tested as early as in 2013. These systems have posed challenges, and though technological advances made over the years, it would seem that more development is required in the field of prepaid water meters. Council's long-term strategy with regards to future metering projects is therefore under review.

REVENUE BY SOURCE

During the year service charges were received through the following core functions of the Municipality:

Draft figures

SERVICE	ORIGINAL BUDGET '000	ADJUSTED BUDGET '000	ACTUAL REVENUE '000
Water	74 388	72 893	63 030
Sanitation	36 634	41 675	32 970
Refuse	10 007	10 007	9 778
Cemetery	405	405	461

REVENUE BILLED VS COLLECTION PERFORMANCE

The revenue collection is based on the integrity of the two components, which is metered serviced delivery and billing. The municipality has constantly applied the Credit Control and Debt Collection Policy. The municipality has also intensified its debt collection strategies, by delivering monthly statements, using SMS's and continuous engagement with government departments.

Debt collection has been falling over the past three years. This can be attributed to the post COVID-19 pandemic period. Additionally, load shedding has had a negative impact on the economy. As a result, many consumer's inabilities to pay for their services was due to the fact that many people lost their jobs over the period. Added to that, is that there is high level of poverty within the municipality boundaries.

The analysis of the collection ratio for billing raised versus receipts per town for the year, is summarized below. To note, the computations below summarize the total value of invoices generated for the period, in comparison to the amount of actual cash received from the respective area.

COLLECTION TRENDS PER AREA – 2023/2024

AREA	JUNE 2024 BILLED	JUNE 2024 COLLECTED	COLLECTION RATE
Solid Waste	2 465 207.18	5 205 107.54	211%
Mfolozi	229 935.26	235 462.34	102%
Mtunzini	471 879.16	673 200.35	143%
Mtunzini Estate	242 729.44	267 209.69	110%
Riverland Resort - Mtunzini	6 371.59	4 566.47	72%
Gingindlovu	268 836.21	352 703.11	131%
Eshowe	1 546 157.34	1 922 817.46	124%
King Dinizulu	541 477.30	106 280.99	20%
DOW/Hospitals/Clinics/Schools	789 869.89	1 174 171.88	149%
Melmoth	839 481.02	757 566.11	90%
Kwa-Magwaza	-111 013.41	69 916.53	-63%
Nkandla	1 048 170.40	634 035.96	60%
Nzalabantu	189 614.98	848.33	0%
Thubalethu	-140 502.68	14 307.51	-10%
TOTAL	**8 388 214**	**11 418 194**	**135%**

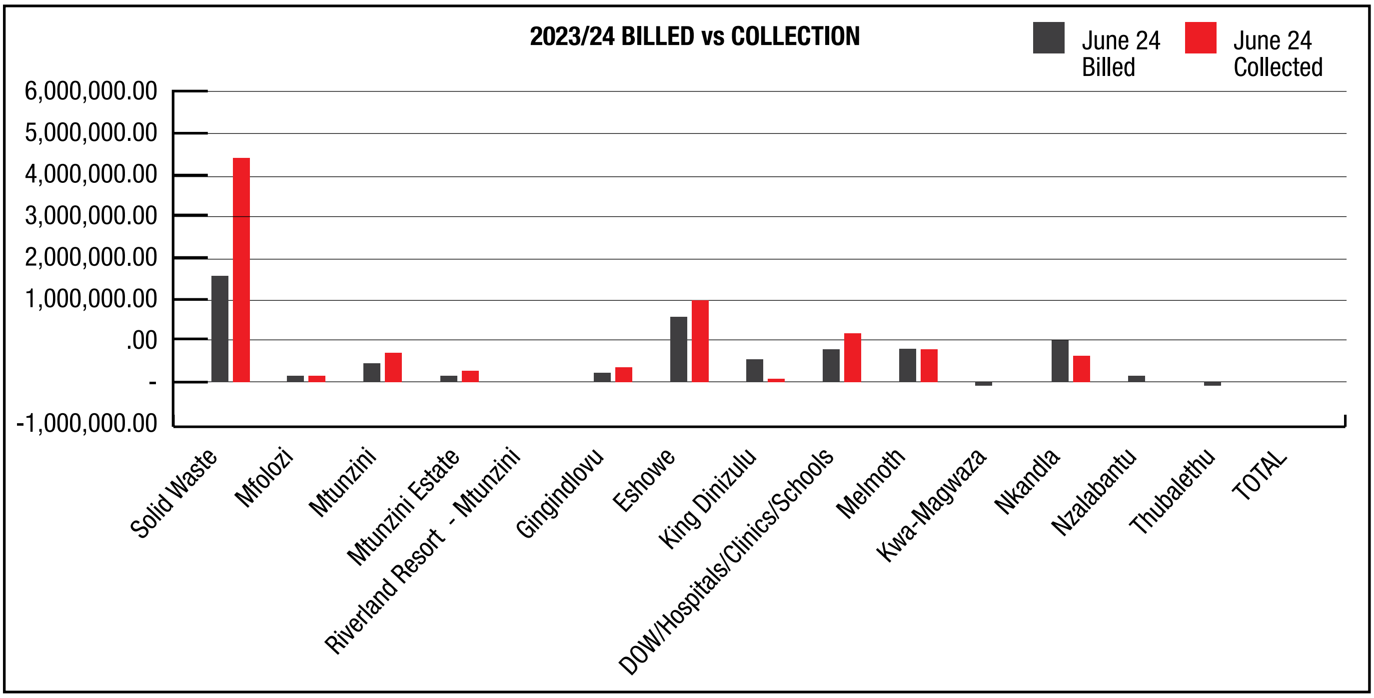
The collection rates as quoted in the above table are inclusive of write-offs amounting to R 4 686 139,15, that were approved by Council per KCDMC 2196/2024 on 24th of April 2024. The write-off evaluation was based on the critical analysis of each debtor's financial position and was inclusive of VAT per council resolution.

The collection is normally up to date in the following areas:
- Eshowe
- Mtunzini
- Mfolozi town
- Gingindlovu
- Melmoth

The areas that are not always up to date are:
- King Dinizulu
- Thubalethu
- Nkandla
- Nzalabantu

The contributor to areas that not paying is sometimes inefficient infrastructure. Also, it is difficult to collect revenue in places where infrastructure is not properly maintained.

GRAPH A:

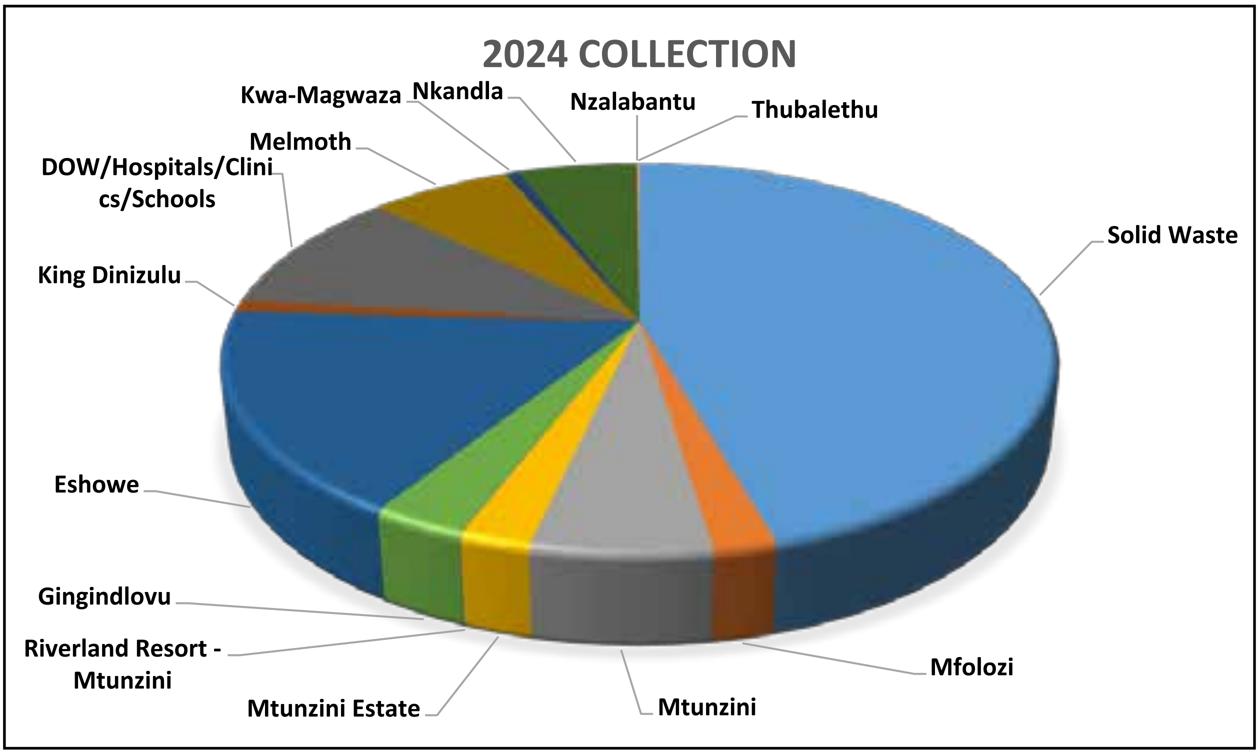


The graph above depicts the collections vs the billing per area as per the detailed preceding table

Revenue per area

The graph below depicts the areas where revenue is generated through service charges:

GRAPH B:



INDIGENT

King Cetshwayo District Municipality is a predominantly rural municipality. As one of the benefits to financially strained customers, the municipality provides a benefit to qualifying indigent customers. Customers are required to register with the municipality to qualify for free basic services and in order to qualify for this programme. The customers must apply for this programme, and the municipality will vet the applicant based on the criteria as set out in the policy. Successful applicants are granted indigent status and are eligible to benefit.

The District often runs awareness campaigns to ensure that households are aware of the application process. An indigent status is not for life, as the economic status of a family might change and improve over time. Therefore, to ensure that only the poorest families are catered for, the District requires registered households to reapply for indigent status on a yearly basis.

Participation in Council's Indigent programme is subject to the following mandatory prescripts:

a) Maximum property value to not exceed R 400 000.00 as determined through the MPRA.
b) Maximum household income to not exceed the equivalent of two state old age grants
c) Vetting through Council's service provider to verify through due diligence the information submitted and confirm the applicant's financial position.

The indigent package is as follows:

- Free Sewer charges (water borne systems)
- No refundable deposits
- 6 kilolitres free water

As at 30 June 2024 the following information was available on the water users who are registered as indigent: Registered Active number of Indigents – 233.

Free basic services are funded through the equitable share allocation. It must be noted that the delivery of free basic water extends beyond the conventional metered house supply as many residents within the District access free water from standpipes, water tankers, jojo tanks, unmetered yard connections, stand pipes and boreholes.

Based on data as utilised by National Treasury for determination of the Equitable Share formula, there are a total of 252 801 households within the District.

Inclusive hereto is 129 228 households which are serviced by the City of uMhlathuze, who would apply their own Indigent benefits. The remaining households are serviced by the District per the table below:

AREAS	NUMBER OF HOUSEHOLDS	HOUSEHOLDS WITH MONTHLY INCOME LESS THAN 2 OLD AGE PENSIONS	EQS FOR WATER	EQS FOR SANITATION
UMfolozi	34 906	24 431	57 532 156.50	37 454 222.72
uMlalazi	50 694	35 484	83 559 664.28	54 398 487.14
Mthonjaneni	16 121	11 603	27 323 893.43	17 788 229.26
Nkandla	21 853	15 346	36 138 217.50	23 526 475.09
King Cetshwayo District Municipality				
			335 219 732	

The cost of servicing the 123 574 consumers over the 2023/2024 financial year cost Council as follows:

Draft figures

Service	Operational Expenditure	Trading Service Charged
Water	539 563	63 030
Sanitation	23 950	9 778
Total	563 513	72 808

The above highlights that a large population of our consumers are serviced through free basic services, thus the number extends to much more than the limited number of registered indigents who are predominantly metered-urban and semi-rural consumers only.

TARIFFS

The District is a Water Services Authority (WSA) having a responsibility to ensure the sustainability of water supply in its area of jurisdiction. The costs involved in delivering water services need to be recovered by means of a tariff charge. A punitive measure in the form of stepped tariffs for both domestic and commercial consumers is implemented to continuously provide water supply and to support conservation of the water resource.

The district is also responsible for the provision of solid waste services, and such service operates under strict compliance to the environmental regulations. The operations and maintenance cost in running the landfill site is quite high. It is therefore extremely important that the determination of waste tariffs are affordable and equitable in order to generate the revenue required to cover all the costs incurred.

However, cognizance needs to be drawn to the fact that tariffs are at present not fully cost-reflective across all services due to the high cost associated with provision of services and such position is not financially sustainable to the municipality.

COMMUNICATION

The Municipality believes that a sound communication strategy is a critical element to the building of local government's long term sustainability. It is the municipality's belief that only through communication campaigns, can the expectations of customers and the municipality be clearly articulated and understood, thus strengthening the relationship between the municipality and its customers. It is for these reasons that the revenue section holds regular meetings and workshops with all relevant community stakeholders such as ward councillors, government organizations and other elected community leaders. Communication systems through email and sms have been implemented for some time and consumers have embraced this method, more especially after the disruption to postal services.

Site visit at South 32 Hillside mining smelter

Chapter 6 | AUDITOR GENERAL AUDIT FINDINGS

6.1 PREVIOUS YEAR'S AUDITOR-GENERAL REPORT: 2022/2023

The Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2022/2023 (PREVIOUS YEAR'S FINDINGS)

The office of the Auditor – General expressed the following opinion on the annual financial statements:

"In my opinion, the financial statements present fairly, in all material respects, the financial position of the King Cetshwayo District Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora)."

The municipality received an unqualified without findings audit opinion, resulting in a clean audit.

NEW CAPTION

AUDIT ACTION PLAN – BASED ON AUDIT REPORT 2023/2024

KING CETSHWAYO DISTRICT MUNICIPALITY
Type of Opinion Current Year: Unqualified with no findings (clean audit)
Type of Opinion Previous Year: Unqualified with no findings (clean audit)
The following action plans developed and monitored by KCDM emanate from the emphasis of matters raised by the Auditor-General in the 2023/2024 audit report

No.	NATURE	DESCRIPTION	AUDIT ACTION PLANS
1.	Material allowance for impairment: receivables from exchange transactions - consumer debtors	As disclosed in note 3 to the financial statements, a provision for impairment of R45,68 million (2022-23: R44,53 million) on receivables from exchange transactions for consumer debtors was made as the recoverability of these amounts was doubtful.	Audit Action 1. Implementation of Revenue Enhancement Strategy, which include: - Aggressively implementing the strict Credit Control Policy by restricting and disconnecting supply of water for non-payers. - Request additional funding in form grants from National Treasury, including internal funding. - Technical to source funding to replace non-functioning meters - Work with political leadership and senior management to enforce payment for municipal services by community. 2. Quarterly progress reports on the implementation of the revenue enhancement strategy to be reported to the finance portfolio committee. Responsible Person Senior Manager: Revenue HOD: Operations and Networks DMM: Finance Services DMM: Technical Services Target Date 30 June 2025
2	Material impairments – Property, plant and equipment	As disclosed in note 8 to the financial statements, an impairment of R23,04 million (2022-23: R3,63 million) was processed on property, plant and equipment that were no longer expected to be used by the municipality for the initial purpose intended.	Audit Action The implementation of continuous maintenance programs in line with maintenance plans and within the budget availability will be undertaken by the technical department. Monthly reporting on the progress will be done through the tabling of items to the Technical Portfolio Committee. Responsible Person HOD: Operations and Networks DMM: Technical Services Target Date 30 June 2025
3	Material water distribution losses	As disclosed in note 38 to the financial statements, material water losses of R51, 27 million (2022-2023: R43, 90 million) was incurred, which represents 50.4% (2022-2023: 51.6%) of total water purchased. These losses were due to apparent and real losses related to customer meter inaccuracies and leakages.	Audit Action 1. Monthly follow up on submitted business plan to DWS for NRW Reduction in Thubalethu, Gingindlovu and Nkandla Town. 2. Monthly follow up on submitted business plan to NT for implementation of smart meter and management system. 3. Review of 5-year Non-Revenue Water Reduction Strategy by 30 June 2025. 4. Continuous implementation of WC/WDM – Mzingazi pipeline replacement project and report to technical portfolio monthly. Responsible Person Senior Manager: WSA DMM: Technical Services Target Date 30 June 2025
4	An uncertainty relating to the future outcome of exceptional dispute	Regarding note 44 to the financial statements, the municipality is party to a dispute with the water board regarding the tariff levied for bulk water purchases and execution of contractual obligations. The ultimate outcome of the matter could not be determined and no provision for any liability that may result was made in the financial statements.	Audit Action The tariff dispute has been escalated to the Minister of Water and Sanitation who has requested the KZN DWS to mediate on the matter. Responsible Person Municipal Manager Target Date 30 June 2025

No.	NATURE	DESCRIPTION	AUDIT ACTION PLANS
5	Achievement of planned targets: Solid waste landfill site	Percentage compliance with the license conditions at the regional solid waste and transfer station (target 85%; actual 55%).	Audit Action 1. The landfill-site operator has been placed on terms as far the contractual obligations are concerned by 31 January 2025. 2. Penalties against the landfill site operator in line with the contract will be levied for non-performance. 3. The interim dumpsite to be cleared and the incoming waste safely disposed at the approved operating cell 3B by 31 January 2025. 4. Monthly sampling and analysis to monitor both the ground and underground water quality will be performed. 5. The construction of the access road to be completed by 28 February 2025. 6. Implementation of developed daily inspection sheets/templates for site monitoring. 7. The second phase of staff training is scheduled to take place by 31 March 2025. 8. Meeting to be finalised with COU regarding the leachate permit by 31 January 2025. 9. The installation of additional fire extinguishers by 31 January 2025. 10. The site zoning confirmation certificate to be obtained by 31 January 2025. Responsible Person HOD Ops & Maintenance DMM Technical Services Target Date 30 June 2025
6	Achievement of planned targets: SANS 241:2015	Percentage compliance to SANS 241:2015 (target 94%; actual 90%).	Audit Action 1. The Municipality continues to implement measures outlined in the blue drop improvement plan and report to Technical portfolio monthly. 2. The Municipality is currently implementing various bulk water projects including plant upgrades and refurbishments for Eshowe water works, Ofasimba and Obanjeni. Expected completion 30 June 2025 Responsible Person HOD Ops & Maintenance DMM Technical Services Target Date 30 June 2025
7	Achievement of planned targets: General authorisation standards/ works	Percentage compliance to general authorisation standards/works license (target 80%; actual 76.25%).	Audit Action 1. Implementing corrective measures through the developed Green Drop Improvement Plan and report to Technical portfolio monthly. 2. Implementation of various wastewater plants upgrades and refurbishments by 30 June 2025 for Mtunzini waste plant, KDS waste plant and Ocean view waste plant 3. The Municipality will install flow meters by 30 June 2025. Responsible Person HOD Ops & Maintenance DMM Technical Services Target Date 30 June 2025
8	Achievement of planned targets: Water and sanitation complaints.	Percentage of official water and sanitation complaints responded to within 48 hours (target 100%; actual 96%).	Audit Action The manual reporting and recording system will be enhanced through the implementation of standardised spreadsheet, prepared daily by the issue controller, verified/signed off by the operations/process managers weekly and signed off by the HOD ops and maintenance monthly Responsible Person HOD Ops & Maintenance DMM Technical Services Target Date 30 June 2025

6.2 REPORT OF THE AUDITOR-GENERAL: 2023/2024 FINANCIAL YEAR COMPONENT B: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2023/2024

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on King Cetshwayo District Municipality

Report on the audit of the financial statements

1. I have audited the financial statements of the King Cetshwayo District Municipality set out on pages 190 to 266, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the King Cetshwayo District Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified with respect to these matters.

Material impairment allowance: Receivables from exchange transactions - consumer debtors

7. As disclosed in note 3 to the financial statements, a provision for impairment of R45,68 million (2022-23: R44,53 million) on consumer debtors as the recoverability of these amounts was doubtful

Material impairments - Property, plant and equipment

8. As disclosed in note 8 to the financial statements, an impairment of R23,04 million (2022-23: R3,63 million) was processed on property plant and equipment that were no longer expected to be used by the municipality for the initial purposes intended.

Material water distribution losses

9. As disclosed in note 38 to the financial statements, material water losses of R51,27 million (2022-23: R43,90 million) were incurred, which represents 50,4% (2022-23: 51,6%) of total water purchased. These losses were due to apparent and real losses related to customer meter inaccuracies and leakages

Uncertainty relating to the future outcome of exceptional dispute

10. Regarding note 44 to the financial statements, the municipality is party to a dispute with the water board regarding the tariff levied for bulk water purchases and execution of contractual obligations. The ultimate outcome of the matter could not be determined and no provision for any liability that may result was made in the financial statements

Other matter

11. I draw attention to the matter below. My opinion is not modified with respect to this matter.

Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA standards of GRAP and the requirements of the MFMA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

14. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

15. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 8, forms part of our auditor's report.

Report on the audit of the annual performance report

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area (KPA) presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

18. I selected the following KPA presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected a KPA that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

KEY PERFORMANCE AREA 2	PAGE NUMBERS	PURPOSE
Basic service delivery	133 - 134	Provision of infrastructure and basic services delivery. Efficient operation and maintenance of waste disposal. Timeous planning and development of the waste disposal capacity.

19. I evaluated the reported performance information for the selected KPA against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

20. I performed procedures to test whether:
    - the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
    - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
    - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
    - the targets can be linked directly to the achievement of the indicators and are specific, timebound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
    - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
    - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
    - there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

21. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

22. I did not identify any material findings on the reported performance information for the selected KPA.

Other matter

23. I draw attention to the matter below.

Achievement of planned targets

24. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

25. The following table provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 133 to 134.

KPA 2 - basic service delivery

Targets achieved: 75% Budget spent: 94, 02%

KEY SERVICE DELIVERY INDICATOR NOT ACHIEVED	PLANNED TARGET	REPORTED ACHIEVE-MENT
Percentage compliance with the licence conditions at the regional solid waste and transfer station	85%	55%
Percentage compliance to SANS 241 :2015	94%	90%
Percentage compliance to general authorisation standards/works licence	80%	76,25%
Percentage of official water and sanitation complaints responded to within 48 hours	100%	96%

Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

28. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

29. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

30. The accounting officer is responsible for the other information included in the annual report.

    The other information referred to does not include the financial statements, the auditor's report and the selected KPA presented in the annual performance report that has been specifically reported on in this auditor's report.

31. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

32. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected KPA presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

33. The other information I obtained before the date of this auditor's report is the draft annual report which includes the mayor's foreword, governance report and service delivery performance received with the submission of the annual financial statements. The final annual report is expected to be made available after 30 November 2024.

34. If, based on the work I have performed on the other information that I obtained before the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

35. When I do receive and read the final annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

36. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

37. I did not identify any significant deficiencies in internal control.

Auditor - General

Pietermaritzburg

29 November 2024

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected KPA and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Municipal Finance Management Act 56 of 2003	Section 1 - paragraphs (a), (b) and (d) of the definition: irregular expenditure Section 1 - definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14{2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1) 29(1) Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32{2){b), 32(6)(a) Sections 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), MFMA 62(1)(f)(iii) Sections 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63{2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(g) Sections 64(2)(f), 64(2)(9), 65(2)(a), 65{2)(b), 65(2)(e), 72(1)(a)(ii), 87(8) 112(1)U) Sections 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b) Sections 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a) Sections 1331(1)(a) 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
Division of Revenue Act 5 of 2022	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), 29 (2)(c) Sections 29(2)(c), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42 Sections 43(2), 56(a), 57(2)(a), 57(4B), 57(6)(a), 66(1)(a), 66(1)(b) Sections 67(1)(d),74(1), 93J(1), 96(b) Parent municipality with ME: Sections 93B(a), 93B(b) Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1) Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11 (1), 11 (2)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7 A)
Prevention and Combating of Corruption Activities Act 12 of 2024	Section 34(1)
Municipal Budget and Reporting Regulations, 2009	Regulation 71(1)(a), 71(1)(b), 71(2)(a) 71(2)(b), 71(2)(c), 71(2)(d), 72, 75(1)
Municipal Investment Regulations	Regulation 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
Disciplinary Regulations for Senior Managers, 2011	Regulation 5(2), 5(3), 5(6), 8(4)
Financial Misconduct Regulations	Regulation 5(4), 6(8), 10(1)
Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(a), 7(1), 8, 9(1)(a), 10(a) Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)

6.3. Report of Audit Committee and Performance Audit Committee

1. Legislative requirements

The purpose of this report is to apprise the Council of King Cetshwayo District Municipality (Herein referred to as the "Municipality") of the work done by the Audit and Performance Audit Committee (Herein referred to as the "audit committee") during the financial year ended 30 June 2024 as prescribed by section 166 of the Municipal Finance Act No. 56 of 2003, as amended ("the MFMA"), read with circular 65 of the MFMA published by the National Treasury and regulation 14(2)(a) of the Municipal Planning and Performance Management Regulations of 2001.

The MFMA obliges every municipality to establish an independent audit committee, which must advise the municipal council, political office-bearers, accounting officer and management staff of the municipality as well as the accounting officer and the management staff of the municipal entity, on matters relating to internal financial controls and internal audits, risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation, and any other issues referred to it by the municipality.

The audit committee and the performance audit committee are governed by formal terms of reference (The Audit Committee Charter, the Performance Audit Committee Charter read in conjunction with the Internal Audit Charter), which are regularly reviewed and approved by the council. The committees are pleased to present their report for the financial year ended 30 June 2024.

2. Audit committee's responsibility

The audit committee has complied with its responsibilities arising from section 166 of the MFMA read with MFMA Circular 65, and hereby reports that it operated in terms of the Audit Committee Charter read in conjunction with the Internal Audit Charter.

3. Audit committee members, attendance and effectiveness

The audit committee was established in accordance with section 166 of the MFMA read with MFMA Circular 65 issued by the National Treasury. The Audit Committee Charter requires that the audit committee comprises a minimum of three (3) members who are appropriately qualified, financially literate and independent of management, Council or any member of the Council.

The audit committee comprises five members including the chairperson. In terms of section 166(4)(b) of the MFMA and the Audit Committee Charter, the audit committee must meet at least four (4) times a year. During the financial year ended 30 June 2024, the audit committee met on Seven (7) occasions.

The table below shows their attendance of the meetings:

NAME	DATE APPOINTED	MEETINGS HELD	MEETINGS ATTENDED
Mr Gonzalves AD	2022/07/15	7	7
Ms Mhlongo CN	2022/07/15	7	5
Mr Mpungose HG	2022/07/15	7	6
Dr Ndlovu MJ	2022/07/15	7	7
Mr Naicker D	2023/01/25	7	7

The members of the audit committee held meetings with the municipal manager as the accounting officer, senior management of the municipality, the internal auditors and the external auditors collectively on matters related to governance, internal controls and risk management during the reporting period. The Chairperson of the Risk Management Committee also attended some of these meetings.

These meetings were held as follows:

- 21 August 2023
- 25 August 2023
- 11 October 2023
- 27 November 2023
- 11 March 2024
- 06 May 2024
- 10 June 2024

The committee overall commended and encouraged management on the in-house preparation of financial statements. Furthermore, a close monitoring of the audit action plan in relation to the matters of emphasis by the AGSA which also talks to the continued operations of the municipality relating to the reduction of water losses, the collection of monies owed by customers as well as the finalisation of the dispute between the Umngeni Uthukela Water and KCDM.

The Committee evaluated its performance against its charter and noted that it was performing in line with its mandate.

4. Internal audit function and effectiveness of internal control

In terms of section 165 of the MFMA, the accounting officer is obliged to ensure that the Municipality has a system of internal audit under the control and direction of the audit committee. Furthermore, the Council must ensure that a fully capacitated internal audit function is in place.

The committee hereby reports that, in all material respects, the internal audit operated in terms of section 165 of the MFMA and in accordance with the Internal Audit Charter. The Audit Committee reviewed and approved the risk based internal audit plan that was implemented for the financial year 2023/24.

The internal audit function has concluded that the control environment of the municipality as a whole is effective.

The audit committee acknowledges the management's effort towards strengthening internal controls within the municipality and their commitment to ensuring that effective corrective action is implemented in respect of internal control weaknesses identified and reported by the internal and external auditors.

The internal audit unit internal assessment was completed and the results indicated that the unit is performing in accordance with the IIA standards. The audit committee review of internal audit unit also resulted to the design and implementation of in-house internal audit methodology.

5. Risk management function

The audit committee is also responsible for the oversight of the risk management function. The committee ensured that risk management committee review was included in the Internal audit plan. The committee also collaborated with the risk management committee chairperson.

The committee has urged management to ensure that all the plans are in place to be able to address any business continuity interruptions.

6. Performance management

The responsibility of the audit committee includes the oversight of the performance management function as per the Performance Audit Charter read in conjunction with the Internal Audit Charter. The Performance Audit Committee members for the 2023/2024 financial year consists of the following members appointed for a period of three (3) financial years ending June 2025:

- Mr AD Gonzalves - Chairperson
- Dr MJ Ndlovu - Member
- Ms SX Khanyile - Member
- Cllr AM Mtshali - Member

The Performance Audit Committee meets on a quarterly basis of each financial year to ensure compliance with relevant legislation, procedures as well as to consider the quarterly performance achievements reported on the Top Layer Service Delivery & Budget Implementation Plan (TL SDBIP) as well as the performance achievements reported in terms of the departmental Service Delivery & Budget Implementation Plans.

The Performance Audit Committee conducted its work throughout the financial year by ensuring that all quarterly meeting took place. The Performance Audit Committee meetings took place as required by legislation on the following dates:

- 29 August 2023
- 11 December 2023
- 26 February 2024
- 20 June 2024

The performance audit committee is satisfied that the Annual Performance Report has been prepared in terms of the MFMA, MSA and the related Regulations. Furthermore, the committee has noted that the Auditor General did not raise any material findings regarding the usefulness and reliability of the reported performance information.

The committee also evaluated its performance against its charter and noted that it was performing according to its mandate.

7. Fraud and irregular activities

During the period under review, no forensic investigations were performed internally, therefore no reports were submitted to the audit committee for consideration.

8. Evaluation of the annual financial statements

Prior to submission of the Annual Financial Statements to the Auditor General the audit committee reviewed these financial statements to ensure that they are prepared in terms of GRAP and the MFMA. The audit committee's review focused on the following:

- Significant financial reporting judgements and estimates contained in the annual financial statements.
- Clarity and completeness of disclosures and whether disclosures made have been set properly in context.
- Quality and acceptability of, and any changes in, accounting policies and practices.

- Compliance with accounting standards and legal requirements.
- Significant adjustments and/or unadjusted differences resulting from the audit.
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted.
- Reasons for major year-on-year fluctuations.
- Asset valuations and revaluations.
- Calculation and levels of general and specific provisions.
- Write-offs and reserve transfers.
- The basis for the going concern assumption, including any financial sustainability risks.

9. External auditor's report

The audit committee congratulates the Municipal Council, the Accounting Officer, the Chief Finance Officer and the Management of the municipality for attaining an Unqualified Audit Opinion with no findings for four consecutive financial years.

The audit committee confirms that it has been adequately appraised of the issues which informed the opinion of the external auditors and the report was also presented to both the chairperson of the Audit Committee as well as the Chairperson of Performance Audit Committee.

The audit committee hereby draws attention of the Council to the following matters which were reported by the Auditor General as follows:

- Significant water distribution losses;
- Material impairment of receivables;
- Material impairments of property, plant and equipment;
- Uncertainty relating to the future outcome of an exceptional dispute;
- Non-achievement of some key basis service delivery targets

The audit committee concurs with the recommendations of the Auditor General regarding these matters and hereby requests the Council and the Management of the Municipality to implement these recommendations.

10. Conclusion

Both the Audit Committee and Performance Audit committee hereby unreservedly affirm their commitment to serving and supporting the Council in the execution of their mandate.

On behalf of the Audit Committee:

Mr D Naicker
Chairperson
King Cetshwayo District Municipality Audit Committee

On behalf of the Performance Audit Committee:

Mr A Gonzalves
Chairperson
King Cetshwayo District Municipality Audit Committee

6.4. OVERSIGHT REPORT

The Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

This Oversight Report is based on the Annual Report 2023/2024 and is drafted and submitted in accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003)

1. Introduction

1.1. The Municipal Finance Management Act (MFMA) assigns specific oversight responsibilities to Council with regards to the Annual Report and the preparation of an Oversight Report. Section 129(1) of the Municipal Finance Management Act, Act 56 of 2003 requires the Council of a municipality to consider the Annual Report by not later than two months after the annual report was tabled in Council.

1.2. Given the processes required by Council to effectively undertake its oversight role, the MPAC of Council provides the appropriate mechanism in which Council could fulfill its oversight responsibilities.

1.3. The MPAC's primary role is to consider the Annual Report, receive input from the various role players and to prepare a draft Oversight Report for consideration by Council.

2. Background

The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive (Mayor and Executive Committee) and Administration. Good governance, effective accountability, and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councilors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the Executive (Mayor/Executive Committee). In other words, in exchange for the powers in which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality.

The Municipal Finance Management Act, No.56 of 2003 (MFMA) vests in Council specific powers of approval and oversight.

- ✓ Approval of budgets;
- ✓ Approval of Budget related Policies; and
- ✓ Review of the Annual Report and adoption of the Oversight Report.

3. Functions of The Municipal Public Accounts Committee

The functions of the MPAC are to:

- ✓ Undertake a review and analysis of the Annual Report.
- ✓ Invite, receive, and consider inputs from Councillors and Portfolio Committees, on the Annual Report.
- ✓ Consider written comments received on the Annual Report from the public consultation process.
- ✓ Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report.
- ✓ Receive and consider Council's Audit Committee views and comments on the annual financial statements and the performance report.
- ✓ Preparation of the draft Oversight Report, taking into consideration, the views and inputs of the public, representative(s) of the Auditor-General, organs of state, Council's Audit Committee and Councillors.

4. Composition of Municipal Public Accounts Committee

4.1. Membership

The Municipal Public Accounts Committee is a committee of Council established under section 79 of the Municipal Structures Act, 1998. Section 79, allows for the co-option of advisory members to a Committee of Council, who are not members of the Council.

Due to the separation of roles and responsibilities, between Council and the Executive (Mayor and Executive Committee) it is not appropriate that members of the Executive Committee be members of the MPAC.

The following members were nominated to serve on the KCDM MPAC Committee (Council meeting of 17 December 2021: KCDMC: 19/2021):

No	Name of Portfolio MPAC COMMITTEE	Party
1	Cllr M Mtshali	DA (Chairperson)
2	Cllr XM Bhengu	IFP
3	Cllr QT Xulu	IFP
4	Cllr MN Biyela	IFP
5	Cllr NT Mthiyane	ANC
6	Cllr PSM Mchunu	ANC
7	Cllr SD Khubisa	EFF

4.2. Authority & Power

The MPAC is delegated the responsibility to conduct meetings and to hold public hearings to receive and hear public submissions on the Annual Report, on behalf of Council.

Timely notice of all meetings should be given and all meetings held by the MPAC must be open to the public and minutes of the meetings must be submitted to Council meetings.

5. 2023/2024 ANNUAL REPORT

5.1. In terms of Section 127(2) of the Municipal Finance Management Act, 2003 (MFMA), the Mayor must table before Council the Annual Report of the Municipality within seven months after the end of the financial year.

5.2. The King Cetshwayo District Municipality's Annual Report for the year ended 30 June 2024, was approved by Council on 23 January 2025 (KCDMC:3022/2025) where it was resolved that:

- "The King Cetshwayo District Municipality's Annual Report for the year ended 30 June 2024, be noted.
- The Annual Report 2023/2024 be approved, and thereafter be advertised for public comment for a period of 14 days.
- The Annual Report be subjected to a public consultation process prior to the adoption of the Oversight Report 2023/2024."

5.3. The Annual Report was advertised for public comment on the municipal website and in the Zululand Observer newspaper, dated 31 January 2025, for a period of 14 days from publication and such period ended on 14 February 2025.

5.4. The Annual Report was also submitted to the Office of the Auditor-General, Provincial Treasury, COGTA KZN and Provincial Legislature for review.

5.5. The Annual Report document was available to the public at the municipal offices for a period of 14 days from the date of publication of the advertisement.

5.6. A public meeting was held on 20 February 2025 where the Annual Report was presented to a range of stakeholders. The comments received are detailed in this Report.

5.7. Comments received from the Auditor-General were also received, and are reflected in this Report.

6. Auditor-General's Report on the 2022/2023 Annual Financial Statements

6.1. The Municipal Finance Management Act, Act 56 of 2003, Chapter 12 deals with financial reporting and auditing of Municipalities, in terms of section 126, the Annual Financial Statements must be prepared and submitted to the Office of the Auditor-General by 31 August. The Auditor General is then required to submit an Audit Report on the Annual Financial Statements on or before 30th November (3 months) as required by the MFMA Section 126 (3).

6.2. The Annual Financial Statements for 2023/2024 were submitted to the Auditor General on 31 August 2024 for auditing in compliance with Section 126 (1) (a) of the MFMA and served at the Audit Committee and Council on 26 August 2024 (KCDMAC: 39/2024) and 28 August 2024 (KCDMC: 2455/2024) respectively.

6.3. The draft management report and draft audit report for the financial year ending 30 June 2024 was tabled and discussed at a meeting between the Office of Auditor-General, Accounting Officer, Chairs of the Audit Committee and PAC/Risk as well as members from management on 15 November 2024. The final management report and audit report was thereafter tabled at a meeting between the Office of the Auditor-General, Accounting Officer, the Honourable Mayor His Worship Cllr. S.Z. Dlamini and members from management on 21 November 2024.

6.4. The office of the Auditor – General has expressed the following opinion on the annual financial statements:

- *I have audited the financial statements of the King Cetshwayo District Municipality set out on pages 190 to 266, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.*

- *In my opinion, the financial statements present fairly, in all material respects, the financial position of the King Cetshwayo District Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act of 2003 (MFMA) and the Division of Revenue Act (Dora).*

6.5. The municipality has received an unqualified without findings audit opinion, resulting in a clean audit.

7. Oversight Process: Comments Received from Stakeholders

A	Auditor-General Comments	Response
1	Update content page to reflect the actual pages in the report	This has been addressed in the final copy
2	Insert pictures/ remove empty rectangular boxes	This has been addressed in the final copy
3	Include narrations on pictures included where relevant to provide context to the reader	This has been addressed in the final copy
4	Graphs to align with underlying data	This has been addressed in the final copy
5	Data relating to Annual financial statements, Performance Info and compliance to align with the audited underlying documents	This has been addressed in the final copy
B	**Public meeting comments**	**Response**
1	Pictorial reports must reflect correct financial year	To be addressed prior to printing of annual report
2	Complaints on water delivery. Are there financial constraints that af Complaints on water delivery. Are there financial constraints that affect the delivery of projects fect the delivery of projects	Major projects are underway in uMlalazi and Nkandla Municipality in particular, which will make inroads into the backlogs. By end of the year many challenges will be addressed. Financial constraints caused by a great demand for non-revenue water in rural areas. We are going to meter areas where people can afford to pay, working with Amakhosi. Illegal connections are another challenge
3	Does the report cover the weather and effects of climate change?	The report does include a comprehensive report on Disaster Management interventions following severe climatic events.
4	Does KCDM have any measures in place to get rid of the water crisis in the region, particularly in uMfolozi municipality? Umfolozi Municipality Ward 5 residents have been experiencing a water problem since 2021.	This is the only municipality that does not have a stable bulk supply due to a lack of water source. But we are restructuring our water plans to extend funding to open up opportunities to supply uMfolozi.

7. Conclusion

7.1. The Unqualified Audit Report (Clean Audit) for King Cetshwayo District Municipality for the 2023/2024 annual financial statements received from the Office of the Auditor General, be noted with appreciation.

7.2. The MPAC commends the Council, the management and staff at King Cetshwayo District Municipality on maintaining its record of good governance and once again achieving an unqualified audit report.

7.3. Having performed the following tasks:

- ✓ Reviewed and analysed the Annual Report;
- ✓ Considered the comments received on the Annual Report from the public consultation process;
- ✓ Received and considered Council's Audit Committee views and comments on the annual financial statements and the performance report; and
- ✓ Prepared the draft Oversight Report, taking into consideration, the views and inputs of the public, representatives of the Auditor-General, Council's Audit Committee and Councillors;
  - The MPAC has pleasure in presenting the Oversight Report to Council to consider the following resolutions and then to be forwarded to the relevant Departments and Provincial Legislature.

8. Recommendations of KCDM MPAC

8.1. That Council having fully considered the Annual Report of the King Cetshwayo District Municipality for the 2023/2024 Financial Year, adopts the Oversight Report for the 2023/2024 Financial Year, a copy of which is attached to the minutes of this meeting.

8.2. The Unqualified Audit Report (Clean Audit) for King Cetshwayo District Municipality for the 2023/2024 financial year, be noted with appreciation.

8.3. The Audit Action Plan be monitored to assist in responding to other matters raised in the Management Report and audit report, and to work towards maintaining the record of clean audit opinions in the next financial year.

8.4. The Oversight Report 2023/2024 be submitted to Council for adoption.

LIST OF APPENDICES:

KING CETSHWAYO

DISTRICT MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

GENERAL INFORMATION

Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998) read with section 155 (1) of the Constitution of the Republic of South Africa (Act 108 of 1996)
Nature of business and principal activities	The provision of services (water, sanitation & waste management) to communities in a sustainable manner, to promote social and economic development; and to promote a safe and healthy environment
Legislation governing the municipality's operations	Constitution of the Republic of South Africa (Act 108 of 1996) Local Government: Municipal Finance Management Act (Act 56 of 2003) Water Services Act 108 of 1997 Local Government: Municipal Systems Act (Act 32 of 2000) Local Government: Municipal Structures Act (Act 117 of 1998) Division of Revenue Act (Act 1 of 2007)
Mayor	His Worship Councillor AT Ntuli (Resigned 13 June 2024) His Worship Councillor SZ Dlamini (Appointed as Acting Mayor - 26 June 2024 and thereafter as Mayor on 12 November 2024)
Accounting Officer	Mr PP Sibiya
Deputy Municipal Manager Finance	Mrs MC Reddy
Registered office	King Cetshwayo District Municipality Prince Mangosuthu Buthelezi House Krugerrand, CBD Richards Bay 3900
Business address	King Cetshwayo District Municipality Prince Mangosuthu Buthelezi House Krugerrand, CBD Richards Bay 3900
Postal address	Private Bag X1025 Richards Bay 3900
Bankers	FirstRand Bank
Auditors	Auditor-General of South Africa (AGSA)
Senior Legal Advisor	Mr G Dlamini
Municipal demarcation code and grade	DC 28 / Grade 5
Members of the audit committee	Mr D Naicker - Chairperson Mr HGS Mpungose CA (SA) Mr AD Gonzalves Dr MJ Ndlovu Mrs CN Khanyile

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The reports and statements set out below comprise the annual financial statements for the year ended 30 June 2024 presented to the Council:

STATEMENT OF MUNICIPAL MANAGER'S RESPONSIBILITY

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

I, as the accounting officer acknowledge that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

I have reviewed the municipality's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements are prepared on the basis that the municipality is a going concern and that the Municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

I would like to bring your attention to the following material matters:

I certify that the salaries, allowances and benefits of Councilors as disclosed in note 30 and 45 of these annual financial statements, are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act (Act no. 20 of 1998) and the Minister of Provincial and Local Government determination in accordance with this Act.

Accounting Officer
Mr PP Sibiya
28 November 2024

ACCOUNTING OFFICER'S REPORT

The Accounting Officer submits his report for the year ended 30 June 2024.

1. Review of activities

Main business and operations

The municipality is a ctegory C municipality and has specific functions in line with section 85 of the Local Government Municipal Structures Act of 1998, which include planning and promotion of integrated development plant and supplying of the services to the community which are water, sanitation, refuse and environmental health services. The full extent of functions are listed in the published annual report.

Net surplus of the municipality was R297 839 797 (30 June 2023: surplus: R284 509 020).

2. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R3 478 766 128 and that the municipality's total assets exceed total liabilities by R3 478 766 128.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Subsequent events

The Accounting Officer is not aware of any matter or circumstance arising since the end of the financial year that may need to be adjusted for or disclosed in the annual financial statements.

4. Accounting Officer's Interest in contracts

The Accounting Officer has no interest in contracts awarded, either direct or indirect.

5. Accounting policies

The annual financial statements were prepared in accordance with the Municipal Finance Management Act (MFMA) and the effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations of such statements issued by the Accounting Standards board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

6. Accounting Officer

The Accounting Officer of the municipality is Mr PP Sibiya.

7. Corporate governance

General

The Accounting Officer is committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the Accounting Officer supports the highest standards of corporate governance and the ongoing development of best practice.

Audit committee

The chairperson of the audit committee for the full financial year was Mr D Naicker (independent member). The committee met 7 times during the financial year to review matters necessary to fulfil its role.

Internal audit

The municipality has co-sourced its internal ausit function wherein the municipality appointed a CHief Audit Executive who oversees the outsourced service provider. This is in compliance with the Municipal Finance Management Act, 2003.

The annual financial statements set out on pages 8 to 108 which have been prepared on the going concern basis, were approved by the Accounting Officer on 28 November 2024.

Accounting Officer
Mr PP Sibiya

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

Figures in Rands	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	136 160 780	153 519 700
Receivables from exchange transactions - consumer debtors	3	63 699 541	70 946 072
Receivables from non-exchange transactions - consumer debtors	4	1 273 465	5 801 653
Inventories	5	5 864 055	6 064 210
Exchange transactions - VAT	6	98 918 489	120 691 782
Receivables from exchange transactions - other	7	16 974 710	17 203 169
		322 891 040	**374 226 586**
Non-Current Assets			
Property, plant and equipment	8	3 454 015 906	3 135 303 753
Intangible assets	9	3 603 395	3 630 074
Heritage assets	10	1 487 200	1 487 200
Receivables from exchange transactions - consumer debtors	11	5 514 776	3 493 132
		3 464 621 277	**3 143 914 159**
Total Assets		**3 787 512 317**	**3 518 140 745**
Liabilities			
Current Liabilities			
Current portion of borrowings	12	-	6 285 648
Payables from exchange transactions	13	195 741 525	210 504 916
Consumer deposits	14	11 739 499	10 991 054
Current portion of employee benefit obligation	15	2 410 000	2 232 000
Trade and other payables from non-exchange transactions	16	-	4 805 144
Current portion of provisions	17	4 273 702	2 927 919
		214 164 726	**237 746 681**
Non-Current Liabilities			
Employee benefit obligations	15	34 456 000	36 951 000
Provisions	17	60 125 463	62 516 734
		94 581 463	**99 467 734**
Total Liabilities		**308 746 189**	**337 214 415**
Net Assets		**3 478 766 128**	**3 180 926 330**
Accumulated surplus		3 478 766 128	3 180 926 330
Total Net Assets		**3 478 766 128**	**3 180 926 330**

* See Note 52

STATEMENT OF FINANCIAL PERFORMANCE AS AT 30 JUNE 2024

Figures in Rands	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	103 461 290	109 388 434
Sale of goods and rendering of services	19	468 975	416 068
Licences and permits	20	151 455	122 372
Rental income	21	357 491	357 770
Operational revenue	22	2 518 349	1 807 292
Interest on receivables from exchange transactions	23	4 350 959	4 110 326
Interest on receivables from investments and bank accounts	24	29 269 268	25 802 133
Actuarial gains	15	8 693 914	7 836 880
Gain on disposal of property, plant and equipment	8	833 252	-
Gain on adjustment to rehabilitation provision	17	10 325 417	3 429 681
Total revenue from exchange transactions		**160 430 370**	**153 270 956**
Revenue from non-exchange transactions			
Transfers and subsidies	25	1 177 325 016	1 135 764 783
Fines, penalties and forfeits	26	11 999 698	430 664
Donations	8	10 786 868	1 649 202
Service charges - availability charges	27	2 277 889	2 264 878
Interest on receivables from non-exchange transactions		28 466 846	294 338
Total revenue from non-exchange transactions		**1 202 856 317**	**1 140 403 865**
Total revenue		**1 363 286 687**	**1 293 674 821**
Expenditure			
Employee related costs	29	(330 089 520)	(301 718 720)
Remuneration of councillors	30	(14 986 734)	(15 273 741)
Depreciation and amortisation	31	(99 214 958)	(109 284 743)
Finance costs	32	(8 535 847)	(14 881 910)
Debt Impairment	3 & 4 & 7 & 11	(5 253 782)	(6 142 540)
Irrecoverable debts written off	3 & 7	(4 914 328)	(3 163 449)
Inventory consumed	33	(219 394 982)	(154 063 936)
Contracted services	34	(186 348 862)	(247 772 848)
Transfers and subsidies	35	(3 700 000)	(2 400 000)
Operating leases	36	(18 954 954)	(17 510 703)
Operational costs	37	(99 744 319)	(89 009 025)
Water losses	38	(51 265 131)	(43 898 199)
Inventories write-downs	5	-	(143 622)
Impairment on property, plant and equipment	8	(23 043 473)	(3 634 198)
Loss on disposal of property, plant and equipment	8	-	(268 167)
Total expenditure		**(1 065 446 890)**	**(1 009 165 801)**
Surplus for the year		**297 839 797**	**284 509 020**

* See Note 52

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

Figures in Rands	Accumulated surplus	Total net assets
Opening balance as previously reported	2 893 719 899	2 893 719 899
Adjustments		
Prior year adjustments 52	2 697 411	2 697 411
Restated balance at 01 July 2022	**2 896 417 310**	**2 896 417 310**
Restated surplus for the year	284 509 020	284 509 020
Restated balance at 01 July 2023	**3 180 926 330**	**3 180 926 330**
Opening balance as previously reported	3 177 811 494	3 177 811 494
Prior year adjustments 52	3 114 837	3 114 837
Surplus for the year	297 839 797	297 839 797
Balance at 30 June 2024	**3 478 766 128**	**3 478 766 128**

* See Note 52

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Figures in Rands	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Consumers and other		125 959 729	82 982 383
Transfers and subsidies	16	1 172 519 872	1 137 666 000
Interest		29 128 219	25 361 111
		1 327 607 820	1 246 009 494
Payments			
Employees		(338 699 345)	(309 908 581)
Suppliers		(564 846 938)	(744 993 548)
		(903 546 283)	(1 054 902 129)
Net cash flows from operating activities	40	**424 061 537**	**191 107 365**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangibles assets		(437 182 926)	(400 093 916)
Proceeds from insurance and sale of property, plant and equipment		2 649 817	2 417 800
Proceeds from long-term receivables		-	6 680
Net cash flows from investing activities		**(434 533 109)**	**(397 669 436)**
Cash flows from financing activities			
Repayment of current portion of borrowings	12	(6 285 648)	(9 563 780)
Finance costs	32	(601 700)	(1 686 702)
Net cash flows from financing activities		**(6 887 348)**	**(11 250 482)**
Net (decrease) in cash and cash equivalents		**(17 358 920)**	**(217 812 553)**
Cash and cash equivalents at the beginning of the year		153 519 700	371 332 253
Cash and cash equivalents at the end of the year	2	**136 160 780**	**153 519 700**

* See Note 52

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rands	Approved budget	Adjustments	Year to date Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges - water	74 388 424	(1 495 529)	**72 892 895**	61 721 653	**(11 171 242)**	46.1
Service charges - waste water management	10 006 523	-	**10 006 523**	8 769 402	**(1 237 121)**	46.2
Service charges - waste management	41 674 583	-	**41 674 583**	32 970 235	**(8 704 348)**	46.3
Sale of goods and rendering of services	784 293	(379 008)	**405 285**	468 975	**63 690**	
Interest earned from receivables	1 603 121	-	**1 603 121**	4 350 959	**2 747 838**	46.4
Interest earned from current and non-current assets	20 678 672	7 744 465	**28 423 137**	29 269 268	**846 131**	
Rental from fixed assets	229 272	-	**229 272**	357 491	**128 219**	
Licences and permits	-	109 479	**109 479**	151 455	**41 976**	
Operational revenue	714 610	4 469 825	**5 184 435**	2 518 349	**(2 666 086)**	46.5
Other gains	-	-	**-**	19 852 583	**19 852 583**	46.6
Total revenue from exchange transactions	**150 079 498**	**10 449 232**	**160 528 730**	**160 430 370**	**(98 360)**	
Revenue from non-exchange transactions						
Fines, penalties and forfeits	11 876	11 614 820	**11 626 696**	11 999 698	**373 002**	
Licenses and permits	50 000	(50 000)	**-**	-	**-**	
Transfers and subsidies - operational	725 015 175	3 045 531	**728 060 706**	728 046 612	**(14 094)**	
Donations	-	-	**-**	10 786 868	**10 786 868**	46.7
Interest	-	-	**-**	466 846	**466 846**	
Service charges - availability charges	-	-	**-**	2 277 889	**2 277 889**	46.8
Total revenue from non-exchange transactions	**725 077 051**	**14 610 351**	**739 687 402**	**753 577 913**	**13 890 511**	
Total revenue	**875 156 549**	**25 059 583**	**900 216 132**	**914 008 283**	**13 792 151**	
Expenditure						
Employee related costs	(360 603 844)	26 321 223	**(334 282 621)**	(330 089 520)	**4 193 101**	
Remuneration of councillors	(17 096 647)	-	**(17 096 647)**	(14 986 734)	**2 109 913**	46.9
Inventory consumed	(218 845 048)	(27 974 657)	**(246 819 705)**	(219 394 982)	**27 424 723**	46.10
Debt Impairment	(9 310 146)	3 694 044	**(5 616 102)**	(5 253 782)	**362 320**	
Depreciation and amortisation	(145 688 481)	3 036 849	**(142 651 632)**	(122 258 431)	**20 393 201**	46.11
Interest	(2 214 488)	(6 321 359)	**(8 535 847)**	(8 535 847)	**-**	
Contracted services	(148 846 807)	(44 638 691)	**(193 485 498)**	(186 348 862)	**7 136 636**	
Transfers and subsidies	(5 000 000)	(700 000)	**(5 700 000)**	(3 700 000)	**2 000 000**	46.12
Irrecoverable debts written off	-	(4 914 329)	**(4 914 329)**	(4 914 328)	**1**	
Operational costs	(124 036 156)	1 986 923	**(122 049 233)**	(118 699 273)	**3 349 960**	
Loss on disposal of assets	-	(1 816 564)	**(1 816 564)**	-	**1 816 564**	46.13
Other losses	-	(65 226 918)	**(65 226 918)**	(51 265 131)	**13 961 787**	46.14
Total expenditure	**(1 031 641 617)**	**(116 553 479)**	**(1 148 195 096)**	**(1 065 446 890)**	**82 748 206**	
Operating deficit	**(156 485 068)**	**(91 493 896)**	**(247 978 964)**	**(151 438 607)**	**96 540 357**	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rands	Approved budget	Adjustments	Year to date Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Transfers and subsidies - capital	481 636 825	(32 269 614)	**449 367 211**	449 278 404	**(88 807)**	
Surplus for the year	**325 151 757**	**(123 763 510)**	**201 388 247**	**297 839 797**	**96 451 550**	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rands	Approved budget	Adjustments	Year to date Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Position						
Assets						
Current Assets						
Cash and cash equivalents	446 879 263	(298 179 873)	**148 699 390**	136 160 780	**(12 538 610)**	
Trade and other receivables from exchange transactions	82 338 492	15 637 729	**97 976 221**	63 699 541	**(34 276 680)**	46.15
Receivables from non-exchange transactions	729 639	-	**729 639**	1 273 465	**543 826**	46.16
Current portion of non-current receivables	-	780 604	**780 604**	-	**(780 604)**	46.17
Inventory	8 650 332	(785 527)	**7 864 805**	5 864 055	**(2 000 750)**	46.18
VAT	40 934 447	73 999 660	**114 934 107**	98 918 489	**(16 015 618)**	
Other current assets	762 551	8 226 500	**8 989 051**	16 974 710	**7 985 659**	46.19
	580 294 724	**(200 320 907)**	**379 973 817**	**322 891 040**	**(57 082 777)**	
Non-Current Assets						
Fines, penalties and forfeits	11 876	11 614 820	**11 626 696**	11 999 698	**373 002**	
Licenses and permits	50 000	(50 000)	**-**	-	**-**	
Transfers and subsidies - operational	725 015 175	3 045 531	**728 060 706**	728 046 612	**(14 094)**	
Donations	-	-	**-**	10 786 868	**10 786 868**	46.7
Interest	-	-	**-**	466 846	**466 846**	
Service charges - availability charges	-	-	**-**	2 277 889	**2 277 889**	46.8
	3 385 973 912	**(16 105 386)**	**3 369 868 526**	**3 464 621 277**	**94 752 751**	
Total Assets	**3 966 268 636**	**(216 426 293)**	**3 749 842 343**	**3 787 512 317**	**37 669 974**	
Liabilities						
Current Liabilities						
Consumer deposits	10 723 858	810 196	**11 534 054**	11 739 499	**205 445**	
Trade and other payables from exchange transactions	321 839 624	(102 842 596)	**218 997 028**	195 741 525	**(23 255 503)**	46.23
Provisions	49 403 266	(43 148 672)	**6 254 594**	6 683 702	**429 108**	
VAT	(69 410 480)	77 724 320	**8 313 840**	-	**(8 313 840)**	
	312 556 268	**(67 456 752)**	**245 099 516**	**214 164 726**	**(30 934 790)**	
Non-Current Liabilities						
Provisions	70 455 703	54 357 744	**124 813 447**	94 581 463	**(30 231 984)**	46.24
Total Liabilities	383 011 971	(13 099 008)	**369 912 963**	308 746 189	**(61 166 774)**	
Net Assets	3 583 256 665	(203 327 285)	**3 379 929 380**	3 478 766 128	**98 836 748**	
Accumulated surplus	3 583 256 665	(203 327 285)	**3 379 929 380**	3 478 766 128	**98 836 748**	
Total community wealth / equity	3 583 256 665	(203 327 285)	**3 379 929 380**	3 478 766 128	**98 836 748**	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

Figures in Rands	Approved budget	Adjustments	Year to date Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Services charges	113 462 576	9 950 233	**123 412 809**	108 627 486	**(14 785 323)**	
Other revenue	111 336 030	26 421 041	**137 757 071**	17 332 240	**(120 424 831)**	
Transfers and subsidies - operational	698 145 000	(195 950)	**697 949 050**	725 933 300	**27 984 250**	
Transfers and subsidies - capital	508 507 000	(31 078 000)	**477 429 000**	446 586 571	**(30 842 429)**	
Interest	22 281 793	6 141 344	**28 423 137**	29 128 219	**705 082**	
	1 453 732 399	**11 238 668**	**1 464 971 067**	**1 327 607 816**	**(137 363 251)**	
Payments						
Suppliers and employees	(919 948 089)	(100 698 007)	**(1 020 646 096)**	(900 594 728)	**120 051 368**	
Finance charges	(2 214 488)	1 612 787	**(601 701)**	(601 700)	**1**	
Transfers and subsidies	-	(5 700 000)	**(5 700 000)**	(3 700 000)	**2 000 000**	
	(922 162 577)	(104 785 220)	**(1 026 947 797)**	(904 896 428)	**122 051 369**	
Net cash flows from operating activities	**531 569 822**	**(93 546 552)**	**438 023 270**	**422 711 388**	**(15 311 882)**	
Cash flows from investing activities						
Capital assets	(452 537 631)	16 105 386	**(436 432 245)**	(437 182 926)	**(750 681)**	
Proceeds on disposal of PPE	-	-	**-**	2 649 817	**2 649 817**	
Net cash flows from investing activities	**(452 537 631)**	**16 105 386**	**(436 432 245)**	**(434 533 109)**	**1 899 136**	
Cash flows from financing activities						
Repayments of borrowings	(6 285 649)	-	**(6 285 649)**	(6 285 649)	**-**	
Increase / (decrease) in consumer deposits	(17 803)	-	**(17 803)**	748 450	**766 253**	46.25
Net cash flows from financing activities	**(6 303 452)**	-	**(6 303 452)**	(5 537 199)	**766 253**	
Net (decrease) in cash held	72 728 739	(77 441 166)	**(4 712 427)**	(17 358 920)	**(12 646 493)**	
Cash and cash equivalents at the beginning of the year	374 114 918	(220 738 706)	153 376 212	153 519 700	**143 488**	
Cash and cash equivalents at the end of the year	**446 843 657**	**(298 179 872)**	**148 663 785**	**136 160 780**	**(12 503 005)**	

Variances greater than 10% with a value greater than R500 000 are explained in note 46.

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024

1. Basis of preparation

The annual financial statements for the year ended 30 June 2024 have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rands and the amounts have been rounded to the nearest rand.

A summary of the significant accounting policies, which have been consistently applied to all the years, in the preparation of these annual financial statements, are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements Significant judgements and sources of estimation uncertainty include:

1.1.1 Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 17.

1.1.2 Useful lives of property, plant, equipment and intangible assets

As described in accounting policies 1.7&1.9 the municipality depreciates/amortises its property, plant and equipment and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets become available for use. The useful lives and residual values of the assets are based on industry knowledge and are reviewed annually.

1.1.3 Defined benefit plan liabilities and other long-term employee benefits

As described in accounting policy 1.5, the municipality obtains actuarial valuations of its defined benefit plan liabilities. The defined benefit obligations of the municipality that were identified are post retirement health benefit obligations and other long-term employee benefits i.e. long service awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in note 15 to the financial statements.

1.1.4 Impairment of financial assets

The accounting policy 1.4 on financial instruments describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considers the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments and used its judgement to select a variety of methods and made assumptions that are mainly based on market conditions existing at the end of the reporting period.

On receivables from exchange transactions consumer debtors, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired.

The calculation in respect of the impairment of consumer debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per the approved council policy on credit control and debt collection.

1.1.5 Revenue recognition

Accounting policy 1.13 on Revenue from Exchange Transactions and accounting policy 1.14 on Revenue from Non - Exchange Transactions describe the conditions under which revenue is recorded by the management of the municipality. In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 Revenue from Exchange Transactions and GRAP 23 Revenue from Non-Exchange Transactions and in particular, whether the service has been rendered.

1.1.6 Financial assets and liabilities

The classification of financial assets and liabilities, into categories, is outlined in 1.4. below and is based on management's judgement.

1.1.7 Impairment of property, plant and equipment, intangible assets, heritage assets and write down of inventory

The accounting policies on impairment of non-cash generating assets 1.10 as well as inventory 1.12 describes the conditions under which non-financial assets are tested for potential impairment losses by the management of the municipality. Estimates and judgements are made relating to the impairment of property, plant and equipment, intangible assets and heritage assets and the write down of inventories to the lower of cost and net realisable values (NRV).

1.1 Basis of preparations (continued)

1.1.8 Inventory water

Water inventory is considered to be inventory at the point of extraction from natural water sources or at the point where water passes into the municipal network provided by bulk water suppliers.

1.1.9 Materiality

Materiality is judged by reference to the size and nature of the item. The deciding factor is whether the omission or misstatement could, individually or in aggregate, influence the decisions that users make on the basis of information disclosed in the annual financial statements.

In preparation of the annual financial statements materiality has been considered in:

a) Deciding what to report in the financial statements and how to present it.
b) Assessing the effect of omissions, misstatements and errors on the annual financial statements.

In assessing whether an item, transaction or event is material, specific thresholds for specific items, transactions and events, or aggregations thereof has been developed. These thresholds are used to make decisions about the reporting of information (i.e. how to recognise, measure, present and disclose items,transactions and events), and used as a margin of error or framework within which to assess misstatements and errors.

The municipality has also considered whether certain transactions or balances may be qualitatively material based on the inherent characteristics thereof, even though the transaction or balance is quantitatively immaterial, if:

a) The item, transaction or event relates to legal or regulatory requirements.
b) Related party transactions.
c) The regularity or frequency with which an item, transaction or event occurs.
d) The item, transaction or event results in the reversal of a trend.
e) The item, transaction or event is likely to result in a change in accounting policy.
f) The commencement of a new function, or the reduction or cessation of an existing function.
g) The degree of estimation or judgement that is needed to determine the value of an item, transaction or event.
h) An item, transaction or event that affects the going concern assumption of the municipality.

1.2 New standards of GRAP, guidelines and interpretations

GRAP standards revised and not yet effective

The following Standards have been revised with their amendments being effective for financial years commencing on or after 1 April 2025:

- GRAP 1 (as amended) on Presentation of Financial Statements. The effective date is still to be determined by the Minister of Finance.
- GRAP 103 (as revised) on Heritage Assets. The effective date is still to be determined by the Minister of Finance.
- GRAP 104 (as revised) on Financial Instruments. The effective date is 1 April 2025.
- Amendments of Standards of GRAP

The municipality expects that the above standards would not have a material impact on the preparation of the annual financial statements, with the exception of GRAP 104's impact which is still being assessed.

1.3 Offsetting

Assets and liabilities, as well as revenue and expenses, are offset and the net amount is reported in the financial statements when there is a legally enforceable right to offset the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.4 Financial instruments

Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	**Category**
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions (excluding statutory receivables i.e. VAT)	Financial asset measured at amortised cost

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	**Category**
Borrowings	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost

The municipality measures all financial assets and financial liabilities after initial recognition at amortised cost.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

1.4 Financial instruments (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly or by adjusting the allowance account. The amount of the reversal is recognised in surplus or deficit.

1.5 Employee benefits

Short-term employee benefits

Remuneration to employees is recognised in the statement of financial performance as the services are rendered, except for non-accumulating benefits, which are only recognised when the specific event occurs.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is included in payables from exchange transactions.

Defined contribution plans

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those funds. Contributions are recognised in the statement of financial performance in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid.

The municipality contributes to state funds on behalf of its qualifying employees (refer to Note 15 of the annual financial statements for details). The contributions to fund obligations for the payment of retirement benefits are charged to surplus or deficit in the year they become payable. These defined benefit funds are actuarially valued on the discounted cash method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

These contributions are recognised in the statement of financial performance when employees have rendered the service entitling them to the contribution.

Defined benefit plans

Post-retirement health care benefits

The municipality has an obligation to provide post-retirement health care benefits to certain of its retirees. According to the rules of the medical aid funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the medical aid fund, in which case the municipality is liable for a certain portion of the medical aid membership fee.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out every year by independent qualified actuaries

Other long-term employee benefits - long-service awards

The municipality has an obligation to provide long-service allowance benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 5, 10, 15, 20, 25, 30, 35, 40 and 45 years of continued service. The municipality's liability is based on an actuarial valuation. The projected unit credit method is used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the statement of financial performance.

1.6 Provisions

The municipality accounts for the following provisions - refer to note 17:
- Performance bonus for section 56 and 57 managers
- Rehabilitation provision for the solid waste landfill site

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in Surplus or Deficit as a finance cost as it occurs. Where the provision being measured involves a large population of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities.

1.7 Property, plant and equipment

All property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation on assets other than land is calculated using the Straight-line method.

1.7 Property, plant and equipment (continued)

The depreciation rates are based on the following estimated useful lives:

Item	Useful life
Buildings - other	30 years
Buildings - permanent	30 - 50 years
Plant and equipment	2 - 15 years
Furniture	10 years
Motor vehicles	5 - 15 years
Office equipment	5 years
IT equipment	5 years
Infrastructure - plant and equipment	15 years
Infrastructure - sewerage services	50 years
Infrastructure - solid waste and cemetery services	15 years
Infrastructure - water services	20 - 50 years

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.8 Heritage assets

A class of heritage assets is carried at its cost less any accumulated impairment losses.

The gain or loss arising from the derecognition of a heritage asset should be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the item is derecognised

1.9 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

Amortisation is on assets calculated using the straight line method.

The amortisation rates are based on the following useful lives:

Item	Useful life
Computer software, other	3-5 years

1.10 Impairment of non-cash-generating assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash generating assets. All other assets are classified as non-cash generating assets. The municipality assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable (service) amount is estimated for the individual asset. If it is not possible to estimate the recoverable (service) amount of the individual asset, the recoverable (service) amount of the non-cash generating unit to which the asset belongs is determined.

The recoverable (service) amount of an asset is the higher of its fair value less costs to sell and its value in use.

For non-cash generating assets the value in use is determined using the Depreciated Replacement Cost approach. An impairment loss is recognised immediately in Surplus or Deficit. An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable (service) amounts of those assets are estimated. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss is recognised immediately in Surplus or Deficit.

1.11 Leases

Operating leases - The municipality as a lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - The municipality as a lessee

Payments made under operating leases (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

1.12 Inventory

Consumables and maintenance materials are inventories used by the municipality which are not sold and thus measured at the lower of cost and current replacement cost. The cost of these inventory items are assigned using the first-in, first out (FIFO) formula.

Water for distribution is measured using the weighted average formula. Additions to water for distribution is accounted for in two ways i.e. bulk purchases and own production (natural sources). Bulk purchases are capitalised in inventory based on actual costs from the service provider and own production is capitalised based on costs associated with the production of naturally sourced water. Water is sold and thus subsequently valued at the lower of cost and net realisable value.

1.13 Revenue from exchange transactions

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Charges relating to water are based on consumption. Meters are read on a monthly basis and when the meter is not read provisional estimates are made and based on those readings the revenue is invoiced monthly and recognised. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date.

Service charges relating to refuse are recognised on a monthly basis in arrears and on an accrual basis by applying the approved tariff to each consumer that makes use of the landfill site.

Service charges from sanitation are raised on a monthly basis in accordance with the approved tariffs.

Other revenue from exchange transactions

Interest and rentals are recognised on a time proportion basis.

1.14 Revenue from non-exchange transactions

Revenue from non-exchange transactions includes the following items:

- Donations
- Transfers and subsidies
- Fines, penalties and forfeits
- Availability charges and interest

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue

1.15 Tax

Tax expenses

The municipality is exempt from income tax in terms of section 10(1)(A) of the Income Tax Act.

VAT

The municipality is registered with the South African Revenue Services (SARS) for Value Added Tax (VAT) on the payments basis, in accordance with Section 15(2)(a) of the Value-Added Tax Act No 89 of 1991.

The municipality accounts for VAT on the accrual basis, based on the approval received from the Commissioner for South African Revenue Services to an application by the Municipality. Permission has been given to remit or claim for value - added tax on the payments basis for debtors and creditors.

1.16 Transfers and subsidies

The municipality transfers money to individuals, organisations and other sectors of government from time to time.

These transfers are recognised in the Statement of Financial Performance as expenses in the period that the events giving rise to the transfer occurred.

1.17 Statutory receivables

The municipality has the following categories under the ambit of statutory receivables:

- Receivables from exchange transactions - consumer debtors (Air quality licences)
- VAT receivable (SARS)

The municipality measures statutory receivables using the cost method.

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

1.18 Budget information

The approved budget covers the fiscal period from 2023/07/01 to 2024/06/30.

The annual financial statements for the year ended 30 June 2024 and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts. Explanatory comments are provided in note 46 of the annual financial statements for a variance of 10% and greater than R500 000, providing reasons for the variance between actuals and budget.

1.19 Unauthorised expenditure

Unauthorised expenditure is defined in section 1 of the MFMA as follows:
"unauthorised expenditure", in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes:
- overspending of the total amount appropriated in the municipality's approved budget;
- overspending of the total amount appropriated for a vote in the approved budget;
- expenditure from a vote unrelated to the department or functional area covered by the vote;
- expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- a grant by the municipality otherwise than in accordance with this Act.

All expenditure relating to unauthorised expenditure is recognised as an expense in the Statement of Financial Performance in that the expenditure was incurred. If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.20 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined in section 1 of the MFMA as follows:

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in that the expenditure was incurred. If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.21 Irregular expenditure

Irregular expenditure is defined in section 1 of the MFMA as follows:
"irregular expenditure", in relation to a municipality or municipal entity, means:
- expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170;
- expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure".

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc. (as applicable). If the expenditure is not condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.22 Commitments

Items are classified as commitments where the municipality commits itself to future transactions that will result in the future outflow of resources. Capital commitments are not recognised in the statement of Financial Position as a liability but are included in the disclosure note 39, for approved and contracted commitments, where the expenditure has been approved and the contract awarded at the reporting date.

1.23 Related parties

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.24 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.25 Segment information

The amount of each segment item reported is the per measure reported to management. Management applies the measurement requirements per GRAP for the respective segment items and thus aligned to the entity's financial statements measurement basis.

Adjustments and eliminations made in preparing an entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit where relevant. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities are reported for that segment.

Amounts allocated to reported segment surplus or deficit, assets or liabilities, are allocated on total segment expenses or total segment assets or liabilities basis. Revenues are segment specific and are not allocated.

The municipality is organised and operates in six key functional segments being community and public safety, economic and environmental services, trading services water, trading services waste water, trading services waste management and governance and administration. The segment information is outlined in note 51.

All other sources of income and expenditure is aggregated through means of the administrative function as these services are not significant to the other services of the municipality as a whole.

1.26 Accumulated surplus

The accumulated surplus represents the net difference between the total assets and the total liabilities. Any surplus / deficit realised during a specific financial year is credited / debited against the accumulated surplus.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

2. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash book balances	76 052 070	93 370 411
Call investment deposits	60 000 000	60 000 000
Cash in transit	102 910	143 489
Cash on hand	5 800	5 800
	136 160 780	**153 519 700**

The comparative balance has been restated by an amount of R143 489 from R153 376 211 to R153 519 700. Refer to note 52.

Cash in bank accounts earn interest at a linked rate.

Call investment deposits with financial institutions

Financial institution Maturity		
Absa On call	-	60 000 000
Absa On call	60 000 000	-
	60 000 000	**60 000 000**

An average interest rate of 9.15% and 6.83% was received on investments placed for the year ended 30 June 2024 and 30 June 2023 respectively. The detailed investment register is available at the registered office of the municipality.

No cash and cash equivalents have been pledged as security.

2. Cash and cash equivalents continued

The municipality had the following bank accounts

Account number /description	Bank statement balances			Cash book balances		
	30 June 2024	30 June 2023	30 June 2022	30 June 2024	30 June 2023	30 June 2022
NEDBANK						
Primary Account Account No 145 408 8885	-	-	229 745 420	-	-	229 743 524
Billing Account Account No 145 408 8893	-	-	1 387 500	-	-	763 694
Expenditure Account Account No 145 408 9016	-	-	18 905 203	-	-	18 905 203
FirstRand Bank Limited						
Primary Account Account No 629 434 44109	53 575 177	63 351 103	1 914 032	53 575 177	63 350 411	1 914 032
Billing Account Account No 629 434 44125	82 995	20 000	-	82 995	20 000	-
Expenditure Account Account No 629 434 44117	22 393 898	30 000 000	-	22 393 898	30 000 000	-
Total	**76 052 070**	**93 371 103**	**251 952 155**	**76 052 070**	**93 370 411**	**251 326 453**

2023/2024

Detailed bank reconciliation's in support of the cash book balances are available at the registered office of the municipality.

First National Bank has provided a guarantee to the value of R80 000 as security for the payment obligations of the municipality in the event of defaulting against the South African Post Office SOC Ltd.

2022/2023

Detailed bank reconciliation's in support of the cash book balances are available at the registered office of the municipality.

The municipality had changed bankers from Nedbank to FirstRand Bank Limited in the 2021/2022 reporting

period.

The municipality finalised the transition and closure of the Nedbank accounts and as at 30 June 2023 the Nedbank accounts had been closed.
The difference between the cash book balance and bank statement as at 30 June 2023 for the FNB main account amounted to R692 is attributable to unallocated deposits.
First National Bank has provided a guarantee to the value of R80 000 as security for the payment obligations of the municipality in the event of defaulting against the South African Post Office SOC Ltd.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
3. Receivables from exchange transactions - consumer debtors		
Gross balances		
Water	84 357 504	78 457 991
Sanitation	18 710 621	15 875 797
Solid waste	6 310 630	21 138 011
	109 378 755	**115 471 799**
Less: Allowance for impairment		
Water	(34 308 352)	(38 395 542)
Sanitation	(7 445 153)	(4 745 823)
Solid waste	(3 925 709)	(1 384 362)
	(45 679 214)	**(44 525 727)**
Gross balances		
Water	50 049 152	40 062 449
Sanitation	11 265 468	11 129 974
Solid waste	2 384 921	19 753 649
	63 699 541	**70 946 072**

Aged summary of debtors by service type

	2024	2023
Water		
Current (0 - 30 days)	7 458 693	4 542 549
31 - 60 days	3 539 434	4 267 707
61 - 90 days	2 262 097	1 778 546
91 - 120 days	2 035 456	2 250 503
> 120 days	69 061 824	65 618 686
Less: Allowance for impairment	(34 308 352)	(38 395 542)
	50 049 152	**40 062 449**
Sanitation		
Current (0 - 30 days)	694 365	582 996
31 - 60 days	397 732	500 764
61 - 90 days	321 257	340 389
91 - 120 days	314 323	304 325
> 120 days	16 982 944	14 147 323
Less: Allowance for impairment	(7 445 153)	(4 745 823)
	11 265 468	**11 129 974**
Solid Water		
Current (0 - 30 days)	2 990 659	5 152 763
31 - 60 days	337 967	1 432 955
61 - 90 days	291 393	1 741 629
91 - 120 days	167 373	1 495 614
> 120 days	2 523 238	11 315 050
Less: Allowance for impairment	(3 925 709)	(1 384 362)
	2 384 921	**19 753 649**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
3. Receivables from exchange transactions - consumer debtors (continued)		
Aged summary of debtors by customer classification		
Domestic Consumers		
Current (0 - 30 days)	3 005 835	7 837 843
31 - 60 days	1 881 122	831 514
61 - 90 days	1 379 839	917 054
91 - 120 days	1 159 797	1 206 379
> 120 days	63 847 614	58 365 665
	71 274 207	69 158 455
Less: Allowance for impairment	(41 847 715)	(43 599 558)
	29 426 492	**25 558 897**
Industrial/Commercial Consumers		
Current (0 - 30 days)	4 333 661	3 959 133
31 - 60 days	714 340	3 570 720
61 - 90 days	494 215	2 133 109
91 - 120 days	523 242	2 146 721
> 120 days	15 550 607	21 944 917
	21 616 065	33 754 600
Less: Allowance for impairment	(3 831 499)	(926 169)
	17 784 566	**32 828 431**
National and Provincial Government Consumers		
Current (0 - 30 days)	3 754 996	2 573 882
31 - 60 days	1 677 062	1 799 192
61 - 90 days	997 753	810 401
91 - 120 days	831 209	697 342
> 120 days	9 227 463	6 677 926
	16 488 483	**12 558 743**
Aged summary of total debtors in:		
Current (0 - 30 days)	11 094 492	14 370 859
31 - 60 days	4 272 524	6 201 427
61 - 90 days	2 871 808	3 860 563
91 - 120 days	2 514 248	4 050 442
> 120 days	88 625 683	86 988 508
Less: Allowance for impairment	109 378 755	115 471 799
	(45 679 214)	(44 525 727)
	63 699 541	**70 946 072**
Aged summary of allowance for impairment		
Current (0 - 30 days)	(2 237 162)	(1 275 991)
31 - 60 days	(1 171 058)	(594 626)
61 - 90 days	(1 058 488)	(573 208)
91 - 120 days	(988 293)	(561 475)
> 120 days	(40 224 213)	(41 520 427)
	(45 679 214)	**(44 525 727)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
3. Receivables from exchange transactions - consumer debtors (continued)		
Aged debtors past due but not impaired		
31 - 60 days	3 101 466	5 606 800
61 - 90 days	1 813 320	3 287 355
91 - 120 days	1 525 955	3 488 967
> 120 days	54 694 378	45 468 082
	61 135 119	**57 851 204**
Reconciliation of allowance for impairment		
Balance at beginning of the year	(44 525 727)	(36 774 231)
Contributions	(1 153 487)	(7 751 496)
	(45 679 214)	**(44 525 727)**

The comparative net figure has been restated by an amount of R9 294 784 from R80 240 856 to R70 946 072 - refer to note 4, 11 and 52.

The movement in debt impairment to an amount of R1 153 487 has been recognised in the statement of financial performance.

The municipality entered into arrangements with debtors to pay off debt in arrears. The non-current portion of such has been disclosed separately in note 11.

In the determination of the amounts deemed to be impaired at 30 June 2024, an analysis of each debtor is undertaken. The debtors are classified into one of three categories.

- Category A - Regular payers, government accounts, consumers with amounts owing not older than 60 days.
- Category B - Irregular payers.
- Category C - Indigent customers, customers with debts older than 60 days with no payments made within the last 6 months and inactive accounts.

The value of the provision is determined for the detailed categories as follows:
- Category A - 0% of consumer's total debt.
- Category B - 50% of consumer's debt less than or equal to 180 days, 100% of consumer's debt > than 180 days.
- Category C - 100% of consumer's total debt.

As at 30 June 2024 and 30 June 2023, the collection rate from consumer debtors (inclusive of availability charges and debtor arrangements) was 105% and 74%, respectively. The high collection rate is a result of significant prior year debtor balances being settled within the reporting period.

In accordance with Council resolution KCDMC: 2196/2024 and the approved Council incentive policy, the municipality has written off R4 127 469 and R57 219 as at 30 June 2024.

Statutory receivables general information

Transaction(s) arising from statute

The municipality raises charges for the issuance of atmospheric emission licenses in terms of the National Environmental Management; Air Quality Act No. 39 of 2004. Upon the issuance of the license the municipality records all atmospheric licenses in the National atmospheric emissions database. These fees are received in full prior to the issuance of the license and thus no debtors are outstanding at the reporting date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

3. Receivables from exchange transactions - consumer debtors (continued)

Interest or other charges levied/charged

The municipality does not charge interest on the determined charges as all fees must be paid in full before the issuance of the license.

Determination of transaction amount

The air quality license amount is determined by the Minister of Environmental Affairs as issued through government gazette no. 39805 dated 11 March 2016. The revenue recognised as at 30 June 2024 and 30 June 2023 is included in note 20 (air quality licenses).

4. Receivables from non-exchange transactions - consumer debtors

	2024	2023
Service charges - availability charges	10 704 859	9 196 565
Allowance for impairment	(9 431 394)	(3 394 912)
	1 273 465	**5 801 653**

Receivables from non-exchange transactions - consumer debtors impaired

	2024	2023
Current (0 - 30 days)	(163 224)	(75 612)
31 - 60 days	(143 716)	(56 033)
61 - 90 days	(155 326)	(54 399)
91 - 120 days	(133 761)	(53 807)
> 120 days	(8 835 367)	(3 155 061)
	(9 431 394)	**(3 394 912)**

Receivables from non-exchange transactions - consumer debtors past due but not impaired

	2024	2023
Current (0 - 30 days)	35 102	115 247
61 - 90 days	26 436	105 363
91 - 120 days	24 934	106 349
> 120 days	1 062 713	5 258 258
	1 149 185	**5 585 217**

Reconciliation of provision for impairment of receivables from non-exchange transactions - consumer debtors

	2024	2023
Opening balance	(3 394 912)	(7 493 251)
Impairment (raised) / reversed	(6 036 482)	4 098 339
	(9 431 394)	**(3 394 912)**

Non-exchange receivables relating to availability charges on undeveloped land, previously disclosed within receivables from exchange transactions - consumer debtors, has now been separately disclosed in the statement of financial position - refer to note 3 and 52.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	Notes	2024	2023
5. Inventory			
Consumable stores		610 456	633 476
Maintenance materials		2 397 435	2 562 733
Water - static tanks		169 136	956 055
Water stock		2 687 028	1 911 946
		5 864 055	**6 064 210**
Water for distribution			
Opening balance		1 911 946	2 112 372
System input volume - bulk purchases		167 213 379	109 874 081
System input volume - natural sources		14 911 261	14 278 419
Authorised consumption		(130 084 429)	(80 454 726)
Water losses	38	(51 381 936)	(43 863 539)
Water stock adjustment		116 807	(34 661)
Closing balance		**2 687 028**	**1 911 946**
Write - down of inventories - water static tanks		-	143 622

2023/2024

No matters of significance have arisen during the reporting period requiring further disclosure.

2022/2023

The donations received amounting to R40 722 for relief efforts pertaining to the floods in April 2022 were distributed to the affected citizens during the reporting period.

No inventory was pledged as security.

6. Exchange transactions - VAT

		2024	2023
VAT		**98 918 489**	**120 691 782**
VAT accrual		82 430 456	90 594 341
VAT receivable		16 488 033	30 097 441
		98 918 489	**120 691 78**

Statutory receivables general information

Transaction(s) arising from statute

The municipality raises input and output value added tax in terms of the Value Added Tax Act no. 89 of 1991.

Determination of transaction amount

The municipality raises output VAT on services rendered and claims input VAT on qualifying purchases. As the municipality receives grant funding that is predominately zero rated, VAT claimed against these grants thus results in the municipality being in a net refund status at reporting year end.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	Notes	2024	2023

7. Receivables from exchange transactions - other

	2024	2023
Deposits	12 869 334	12 155 888
Employee, councillor accounts and other transactions	59 678	533 706
Investment interest accrual	438 904	160 932
King Cetshwayo Fresh Produce Market	41 193	408 513
Payments in advance	3 565 601	3 683 166
Transfers and subsidies	-	260 964
	16 974 710	**17 203 169**

The comparative figure for receivables from exchange transactions - other has been restated by an amount of R3 427 772 from R13 775 397 to R17 203 169 - refer to note 2 & 13 & 23 & 52.

2023/2024

The impairment for the King Cetshwayo Fresh Produce Market of R362 320 has been reversed and the gross receivable amounting to R729 639 was written off through council resolution KCDMC: 2444/2024 on 21 August 2024.

Deposits disclosed above relate to Eskom electricity connections at municipal plants, staff rentals and other municipal deposits.

Payments in advance relate primarily to South African Local Government Association membership fees.

2022/2023

Deposits disclosed above relate to Eskom electricity connections at municipal plants, staff rentals and other municipal deposits.

Payments in advance relate to South African Local Government Association membership fees.

The receivable pertaining to the King Cetshwayo Fresh Produce Market has been disclosed net off impairments amounting to R362 320

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	78 500 688	(32 673 538)	45 827 150	77 624 484	(30 198 075)	47 426 409
Community assets	37 241 956	(12 868 875)	24 373 081	28 775 025	(10 199 188)	18 575 837
Computer equipment	19 061 195	(14 498 920)	4 562 275	18 148 465	(13 211 050)	4 937 415
Furniture	7 919 568	(6 178 915)	1 740 653	7 557 861	(5 845 578)	1 712 283
Infrastructure	4 303 718 348	(986 697 142)	3 317 021 206	3 892 064 475	(888 014 671)	3 004 049 804
Motor vehicles	102 228 985	(48 700 031)	53 528 954	90 041 219	(36 029 261)	54 011 958
Office equipment	9 280 568	(7 713 086)	1 567 482	9 153 560	(7 330 564)	1 822 996
Plant and Machinery	9 083 948	(3 688 843)	5 395 105	5 917 726	(3 150 675)	2 767 051
Total	**4 567 035 256**	**(1 113 019 350)**	**3 454 015 906**	**4 129 282 815**	**(993 979 062)**	**3 135 303 753**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. Property, plant and equipment

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Additions - AUC	Disposals	Donations	Depreciation capitalised	Depreciation loss	Impairment	Total
Buildings	47 426 409	-	-	-	876 204	-	(2 007 378)	(468 085)	45 827 150
Community assets	18 575 837	-	7 391 931	-	1 075 000	-	(1 744 267)	(925 420)	24 373 081
Computer equipment	4 937 415	1 450 851	-	(59 684)	90 910	-	(1 857 217)	-	4 562 275
Furniture	1 712 283	110 796	-	(7 475)	300 604	-	(375 555)	-	1 740 653
Infrastructure	3 004 049 804	45 575 807	360 760 044	-	5 318 019	(351 579)	76 680 921)	(21 649 968)	3 317 021 206
Motor vehicles	54 011 958	12 931 165	-	(1 741 977)	3 092 220	-	(14 764 412)	-	53 528 954
Office equipment	1 822 996	296 513	-	(6 617)	33 911	-	(579 321)	-	1 567 482
Plant and Machinery	2 767 051	3 231 671	-	(809)	-	-	(602 808)	-	5 395 105
	3 135 303 753	**63 596 803**	**368 151 975**	**(1 816 562)**	**10 786 868**	**(351 579)**	**(98 611 879)**	**(23 043 473)**	**3 454 015 906**

The comparative figure for operational buildings was restated by R229 961 - refer to note 52.

During the year donations were received from Development Bank of South Africa, South 32 and uMlalazi Municipality for water tankers, infrastructure projects and community projects respectively.

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Additions - AUC	Disposals	Transfers received	Donations	Depreciation	Depreciation capitalised	Impairment loss	Total
Buildings	47 948 297	652 174	-	-	931 584	-	-	(2 105 646)	-	47 426 409
Community assets	20 471 306	-	-	-	-	-	-	(1 895 469)	-	18 575 837
Computer equipment	4 559 140	1 849 673	-	(55 527)	-	-	-	(1 415 871)	-	4 937 415
Furniture	1 703 904	394 508	-	(8 228)	-	-	-	(377 901)	-	1 712 283
Infrastructure	2 768 999 891	43 540 728	336 789 811	(2 561)	-	(284 915)	(51 219 805)	(90 139 147)	(3 634 198)	3 004 049 804
Motor vehicles	47 621 319	16 947 820	-	-	717 618	-	-	(11 274 799)	-	54 011 958
Office equipment	1 747 503	564 552	-	(16 979)	-	-	-	(472 080)	-	1 822 996
Plant and machinery	1 263 287	1 775 696	-	(5 601)	-	-	-	(266 331)	-	2 767 051
	2 894 314 647	**65 725 151**	**336 789 811**	**(88 896)**	**1 649 202**	**(284 915)**	**(51 219 805)**	**(107 947 244)**	**(3 634 198)**	**3 135 303 753**

During the year a donated water tanker from DWS was taken on upon finalisation of licensing and registration.
Furthermore, a house registered at the deeds office has been recognised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

8. Property, plant and equipment (continued)

Gain / (loss) on disposal of property, plant and equipment

Computer equipment	(59 684)	(55 527)
Furniture	(7 475)	(8 228)
Infrastructure	-	(2 561)
Motor vehicles	(1 741 977)	-
Office equipment	(6 617)	(16 979)
Plant and machinery	(809)	(5 601)
Insurance proceeds	2 649 814	-
Proceeds from the sale of property, plant and equipment	-	2 417 800
	833 252	**(268 167)**

The loss on disposal of intangible assets amounting to R2 597 071 which was previously disclosed within the property, plant and equipment note during the 2022/2023 annual financial statements has been reclassified to intangible assets note 9.

Change in estimates

In the financial year the review of the useful lives of assets resulted in the changes in estimates and the effects of the changes are as outlined below:

Asset class	Change in estimates	Effect in depreciation change
Buildings	R103 262	Increase
Computer equipment	R21 708	Increase
Furniture	R39 894	Increase
Infrastructure	R5 037 807	Increase
Motor vehicles	R82 978	Increase
Community	R151 202	Increase
Office equipment	(R11 333)	Decrease
Plant and machinery	(R96 295)	Decrease

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

8. Property, plant and equipment (continued)

Property, plant and equipment in the process of being constructed or developed

2023/2024

The assets under construction (infrastructure) carrying values includes delayed/halted water infrastructure projects amounting to R430.8m. The delays are mainly due to completed project phases awaiting the bulk water supply, water resource development, protracted planning processes and reticulation.

2022/2023

The assets under construction (infrastructure) carrying values includes delayed water infrastructure projects amounting to R192.4m. The delays are mainly due to completed project phases awaiting the bulk water supply.

Assets under construction - 2024

	Included within Infrastructure	Included within Community assets	Total
Opening carrying value	1 197 402 141	935 015	1 198 337 156
Additions/capital expenditure	413 137 158	-	413 137 158
Transferred to completed items	(189 954 785)	-	(189 954 785)
	1 420 584 514	**935 015**	**1 421 519 529**

Assets under construction - 2023

	Included within Infrastructure	Included within Community assets	Total
Opening carrying value	987 990 520	935 015	988 925 535
Additions/capital expenditure	380 982 710	-	380 982 710
Transferred to completed items	(171 571 089)	-	(171 571 089)
	1 197 402 141	**935 015**	**1 198 337 156**

Expenditure incurred to repair and maintain property, plant and equipment

	30 June 2024	30 June 2023
Community assets	2 377 514	2 663 845
Computers	1 193 161	690 090
Infrastructure	149 264 314	130 792 959
Motor vehicles	29 877 089	19 073 189
Plant and machinery	2 759 591	3 706 183
	185 471 669	**156 926 266**

The comparative AUC balance for operational buildings was restated by an amount of R1 087 623 from R1 087 623 to Rnil.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. Intangible assets

	2024 Cost	2024 Accumulated amortisation	2024 Carrying value	2023 Cost	2023 Accumulated amortisation	2023 Carrying value
Computer software and other	7 442 846	(3 839 451)	3 603 395	6 866 446	(3 236 372)	3 630 074

Assets under construction - 2024

	Opening balance	Additions - AUC	Amortisation	Total
Computer software and other	3 630 074	576 400	(603 079)	3 603 395

Assets under construction - 2023

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software and other	7 289 195	275 449	(2 597 071)	(1 337 499)	3 630 074

(Loss) / gain on disposal of intangible assets	30 June 2024	30 June 2023
Computer software	-	(2 597 071)

Intangible assets in the process of being constructed or developed

Expenditure recognised in the carrying value of Intangible assets	30 June 2024	30 June 2023
Computer software	1 754 229	1 177 829

Change in estimates

The changes in estimates are evaluated at each financial year end, and in the year the review of the useful lives of assets resulted in the changes in estimates and the effects of the changes are as outlined below:

Asset class	Change in estimates	Effect in amortisation charge
Intangibles	(R64 804)	Decrease

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

10. Heritage assets

	2024			2023		
	Cost	Accumulated Impairment losses	Carrying	Cost losses	Accumulated Impairment	Carrying value
Historical monuments	1 487 200	-	1 487 200	1 487 200	-	1 487 200

Reconciliation of heritage assets - 2024

	Opening balance	Total
Historical monuments	1 487 200	1 487 200

Reconciliation of heritage assets - 2023

	Opening balance	Additions	Total
Historical monuments	700 000	787 200	1 487 200

Historical monument

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

11. Receivables from exchange transactions - consumer debtors

Service charges	6 068 976	5 621 201
Allowance for impairment	(554 200)	(2 128 069)
	5 514 776	**3 493 132**

Receivables from exchange transactions - consumer debtors impairment ageing

31 - 60 days	-	(6 560)
61 - 90 days	(270)	(16 704)
91 - 120 days	(3 248)	(6 076)
> 120 days	(550 682)	(2 098 729)
	(554 200)	**(2 128 069)**

Receivables from exchange transactions - consumer debtors past due but not impaired

31 - 60 days	(63 178)	(14 191)
61 - 90 days	(63 061)	(27 810)
91 - 120 days	(57 445)	(42 252)
> 120 days	(5 331 092)	(3 408 878)
	(5 514 776)	**(3 493 131)**

Reconciliation of provision for impairment of trade and other receivables

Opening balance	(2 128 069)	(1 005)
Impairment reversed / (raised)	1 573 869	(2 127 064)
	(554 200)	**(2 128 069)**

A policy exists which grants consumer debtors an opportunity to make arrangements to pay off their arrear debt over an extended term. The non-current value of this term, previously included within receivables from exchange transactions - consumer debtors has now been separately disclosed on the statement of financial position. The amount is disclosed net of impairments - refer to note 3 and 52.

12. Borrowings

At amortised cost

ABSA Bank 12.6%	-	6 285 648

The loan was raised originally for the development of the King Cetshwayo House building and the Greater Mthonjaneni Bulk Water Scheme. Subsequently infrastructure for the landfill site and sewer treatment plants were constructed there from.

The loan was settled within the reporting period with the final installment paid in June 2024.

Current liabilities

At amortised cost	**-**	**6 285 648**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
13. Payables from exchange transactions		
Accrued bonus	6 841 300	7 036 628
Accrued leave pay	19 989 264	19 955 538
Amounts received in advance	5 406 493	4 611 027
Employee related costs	2 429 227	226 463
Retention payables	52 717 772	58 649 999
Trade payables and accruals	108 357 469	119 525 305
Trade payables King Cetshwayo Fresh Produce Market	-	499 956
	195 741 525	**210 504 916**

The comparative figure for payables from exchange transactions has been restated by an amount of R226 463 from R210 278 451 to R210 504 916 - refer to note 7&52.

14. Consumer deposits

	2024	2023
Water and sanitation	**11 739 499**	**10 991 054**

Consumer deposits are paid by consumers on application for new water and sanitation connections. The deposits are repaid when the accounts are terminated.

In terms of Council's by-laws no interest is raised or paid on consumer deposits.

15. Employee benefit obligations

Employee benefit obligations comprises two benefit categories, i.e. post retirement health care benefits and long service awards. A detailed breakdown of these obligations have been disclosed below.

Post retirement health care benefit liability

The municipality provides post-retirement medical benefits by funding the medical aid contributions of certain retired members of the municipality. According to the rules of the medical aid funds with which the municipality is affiliated, a member (who is on the current condition of service) may continue to be a member of the medical aid fund upon retirement, in which case the municipality is liable for a portion of the medical aid contributions.

The most recent actuarial valuations of the unfunded defined benefit obligation was carried out as at 30 June 2024 by Arch Actuarial Consulting (Pty) Ltd, a member of the Actuarial Society of South Africa. The present value of the defined benefit obligation and the related current service cost, were measured using the projected unit credit funding method. No other post retirement benefits are provided by the municipality.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

15. Employee benefit obligations (continued)

Characteristics

- As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.
- Eligible employees will receive a post-employment subsidy of 60% of the contribution payable should they be a member of a medical scheme at retirement.
- Continuation members and their eligible dependants receive a 60% subsidy.
- All post-employment subsidies are subject to a maximum subsidy. The maximum subsidy was assumed to be R5,541 per principal member per month for the year ending 30 June 2025, and has been assumed to increase annually on 1 July at 75% of salary inflation.
- Upon a member's death-in-service, surviving dependants are not entitled to commence receipt of the subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

Risks

- Inflation: The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.

-Longevity: The risk that eligible individuals live longer than assumed i.e. their benefits are payable for longer than expected.

- Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its longterm nature.
- Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.
- Future changes in legislation: The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the DBO for the Municipality.

The municipality contributes monthly to the following medical aid schemes:
Bonitas, Keyhealth, Hosmed, Samwumed, and LA Health.

The post employment health care benefit plan is a defined benefit plan, of which the members as per the most recent valuation as at 30 June 2024 were made up of 330 in-service member employees (2023: 319), 104 inservice non-member employees (2023: 125) and 6 (2023: 6) continuation members - retirees, widowers and orphans.

Estimated liability in respect of past services

In service members (Employees)	18 054 000	22 172 000
In-service non-members (Employees)	1 063 000	415 000
Continuation members (Retirees, widowers and orphans)	3 238 000	2 319 000
	22 355 000	**24 906 000**

Other long-term employee benefits - Long service awards

Employees are eligible for a long service award per the long service award policy after completing fixed periods of continuous service with the municipality, which includes their uninterrupted service with the former Local Authorities that were amalgamated in December 2000. The aforementioned award consists of a certain number of vacation leave days that, depending on the beneficiary employee's election, can be converted into an amount based on his or her basic salary at the time the award became payable, or alternatively, credited to the employee's vacation leave accrual.

The provision represents an estimation of the awards to which employees in the service of the municipality at the reporting date may become entitled to in future, based on the actuarial valuation performed at 30 June 2024.

The most recent actuarial valuations of the unfunded defined benefit obligation was carried out as at 30 June 2024 by Arch Actuarial Consulting (Pty) Ltd, a member of the Actuarial Society of South Africa.

The present value of the defined benefit obligation and the related current service cost, were measured using the projected unit credit funding method.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

15. Employee benefit obligations (continued)

Characteristics

- As there is no plan asset, the net defined benefit liability is equal to the defined benefit obligation.
- The Municipality offers employees LSA for every five years of service completed, from five years of service to 45 years of service, inclusive.
- In the month that each “completed service” milestone is reached, the employee is granted an LSA. Working days awarded are valued at 1/249th of annual earnings per day.
- Employees’ basic salaries, referred to as “earnings” in this report, are used to determine the Rand value of LSA.
- An employee with five or more years’ service with the Municipality, who leaves the service of the Municipality for any reason whatsoever, excluding reasons relating to misconduct, shall receive a pro-rata LSA for any uncompleted (five-year) period of service. The pro-rata factor applicable is the number of years of service since an employee’s most recent service milestone, divided by five.
- The encashment or taking of LSA leave days must occur in the same year that the employee qualifies for the award.

Risks

-Inflation: The risk that future CPI inflation and earnings inflation are higher than assumed and present in an uncontrolled manner.

-Termination of service: The risk that fewer eligible employees terminate their service at the Municipality i.e. more long service awards vest than expected.

-Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.

-Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.

Future changes in legislation: The risk that changes to legislation with respect to long service awards may increase the DBO for the Municipality.

	2024	2023
The amounts recognised in the statement of financial position are as follows:		
Present value of the defined benefit obligation - post employment medical aid benefits (PEMAB)	(22 355 000)	(24 906 000)
Present value of the defined benefit obligation - long service awards(LSA)	(14 511 000)	(14 277 000)
	(36 866 000)	(39 183 000)
Non-current liabilities	**(34 456 000)**	**(36 951 000)**
Current liabilities	**(2 410 000)**	**(2 232 000)**
	(36 866 000)	(39 183 000)

	2024	2023
Changes in the present value of the net defined benefit obligation are as follows:		
Opening balance	39 183 000	39 936 000
Actuarial gains	(8 693 914)	(7 836 880)
Net expense recognised in the statement of financial performance - total included in employee related costs	6 376 914	7 083 880
	36 866 000	**39 183 000**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

15. Employee benefit obligations (continued)

Net amount recognised in the statement of financial performance

	2024	2023
Post employment medical aid benefit - current service cost	1 491 000	1 748 000
Long service awards - current service cost	1 534 000	1 617 000
Post employment medical aid benefit - interest cost	3 302 000	3 393 000
Long service awards - interest cost	1 615 000	1 700 000
Post employment medical aid benefit - actual benefits paid	(274 707)	(266 716)
Long service awards - actual benefits paid	(1 290 379)	(1 107 404)
	6 376 914	**7 083 880**

Calculation of actuarial gains and losses

	2024	2023
Post employment medical aid benefit - actuarial (gain)	(7 069 293)	(5 136 284)
Long service awards - actuarial (gain)	(1 624 621)	(2 700 596)
	(8 693 914)	**(7 836 880)**

Expected future obligation and maturity analysis

Depicted below is the maturity analysis and past and future changes in the net DBO of the municipality. The maturity analysis shows the PMB and LSA liability's undiscounted expected benefits vesting within the next 80 years (R millions) and 40 years (R millions) respectively whilst the past and future changes in the net DBO of both the PMB and LSA shows the development of the DBO over the current period and projects the municipality's DBO and periodic costs over the two-year period following this valuation.

Post-retirement medical aid benefits

Maturity analysis of defined benefit	Future year	Expected benefit payments	Future year	Expected benefit payments	Future year	Expected benefit payment
	1	0,394	6-10	10,982	31-40	360,014
	2	0,699	11-15	21,837	41-50	422,738
	3	0,869	16-20	42,641	51-60	321,445
	4	1,130	21-25	76,664	61-70	131,077
	5	1,363	26-30	122,522	71-80	22,563

Past year and future projected defined benefit obligation	2024	2025	2026
Opening balance	24 906 000	22 355 000	26 232 000
Current service cost	1 491 000	1 536 000	1 726 000
Interest cost	3 302 000	2 735 000	3 195 000
Benefits paid	(274 707)	(394 000)	(699 000)
Actuarial gain	(7 069 293)	-	-
Projected closing	**22 355 000**	**26 232 000**	**30 454 000**
Current portion	394 000	699 000	869 000
Non-current portion	21 961 000	25 533 000	29 585 000
	22 355 000	**26 232 000**	**30 454 000**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

15. Employee benefit obligations (continued)

Other long-term employee benefits - Long service awards

Maturity analysis of defined benefit	Future year	Expected benefits vesting	Future year	Expected benefits vesting
	1	2,016	6-10	15,930
	2	1,030	11-15	21,497
	3	2,078	16-20	22,607
	4	3,196	21-30	29,826
	5	2,974	31-40	4,408

Past year and future projected defined benefit obligation	2024	2025	2026
Opening balance	14 277 000	14 511 000	15 638 000
Current service cost	1 534 000	1 590 000	1 773 000
Interest cost	1 615 000	1 553 000	1 738 000
Benefits paid	(1 290 379)	(2 016 000)	(1 030 000)
Actuarial gain	(1 624 621)	-	-
Projected closing	**14 511 000**	**15 638 000**	**18 119 000**
Current portion	2 016 000	1 030 000	2 078 000
Non-current portion	12 495 000	14 608 000	16 041 000
	14 511 000	**15 638 000**	**18 119 000**

Key assumptions used

Assumptions used at the last actuarial valuation as at 30 June 2024 as a follows:

Post employment medical aid benefits	2024	2023
Discount rate	12,34 %	12,96 %
Medical aid contribution inflation rate	7,81 %	9,37 %
Net effective discount rate	4,20 %	3,29 %
Maximum subsidy inflation rate	5,48 %	6,65 %
Net effective subsidy inflation rate	6,50 %	5,92 %
Continuation of membership at retirement	75,00 %	75,00 %
Proportion of in-service non-members joining a scheme by retirement	15,00 %	15,00 %
Other long-term employee benefits - Long service awards		
Discount rate	11,48 %	11,44 %
Normal salary increase rate	6,58 %	7,31 %
Net effective discount rate	4,60 %	3,85 %
Consumer price inflation	5,58 %	6,31 %
Other assumptions		
Normal retirement age	65 years	65 years
Average retirement age for females and males	63 years	63 years
Mortality rate - males per SA	85-90	85-90
Mortality rate - females per SA	85-90	85-90

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. Employee benefit obligations (continued)

2023/2024

The basis on which the discount rate and medical aid inflation rate has been determined are as follows for post employment medical aid benefits:
The yield curves as at 28 June 2024 supplied by the Johannesburg Stock Exchange were used to determine the discount rates and inflation rates for the valuation. This was done by matching the implied duration with the yields on the curve at that duration. The medical aid contribution inflation rate was set with reference to the past relationship between the (yield curve based) discount rate for each relevant time period and the (yield curve based) medical aid contribution inflation for each relevant time period. South Africa has experienced high health care cost inflation in recent years.

The 12,34% discount rate was obtained by means of an iterative process where the implied duration of the liabilities was matched to the corresponding rates on the yield curve at that duration. The yield curve used to obtain the rates was provided by the JSE as at 28 June 2024 and do not contain any adjustments for taxation. The liability-weighted implied duration for both components (In-Service and Continuation members) of the liability was used to determine the appropriate discount rate used for the purposes of this valuation.

This assumption is required to reflect estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs (for example, due to technological advances or changes in utilisation patterns). Any assumption regarding future medical scheme contribution increases is therefore subjective.

A medical aid contribution inflation rate of 7.81% per annum has been assumed. This is 1.50% in excess of expected consumer price index (CPI) inflation over the expected term of the DBO, namely 6.31% per annum. A larger differential would be unsustainable, eventually forcing members to less expensive options. This implies a net discount rate of 4.20% per annum which derives from ((1+12.34%)/(1+7.81%))-1.

The CPI inflation assumption of 6.31% per annum was obtained from the differential between market yields on index-linked bonds consistent with the estimated term of the DBO (5.21%) and those of fixed interest bonds (12.34%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%). This was thus determined as follows: ((1+12.34%-0.50%)/(1+5.21%))-1.

The next contribution increase was assumed to occur on 1 January 2025.

The maximum subsidy inflation rate assumption is the rate at which the subsidy cap amount is expected to increase with in the future. These annual increases are specified periodically by the local government bargaining council. The next increase expected to occur on 1 July 2025. The increases are assumed to increase with 75% of salary inflation each year, with salary inflation assumed to be equal to CPI + 1%. This gives rise to a subsidy cap inflation of 7.31%.

The basis on which the discount rate and salary inflation has been determined as follows for other long-term employee benefits - long service awards:

The yield curves as at 28 June 2024 supplied by the Johannesburg Stock Exchange were used to determine the discount rates and inflation rates for the valuation. This was done by matching the implied duration with the yields on the curve at that duration. The actuaries have derived the underlying future rate of consumer index inflation (CPI inflation) from the relationship between (yield curve based) Conventional Bond Rate for each relevant time period and the (yield curve based) inflation linked bond rate for each relevant time period.

The 11.48% discount rate was obtained by means of an iterative process where the implied duration of the liabilities was matched to the corresponding rates on the yield curve at that duration. The yield curve used to obtain the rates was provided by the JSE as at 28 June 2024 and do not contain an adjustments for taxation.

The CPI assumption was obtained by using the differential between the nominal yield (earned on fixed interest bonds) and the index-linked yield on the yield curve, as this effectively represents the market's expectation of future inflation. The index-linked yield used was 5.12%, which was also obtained by using the rate on the yield curve that corresponds to the calculated implied duration of 9.75 years.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. Employee benefit obligations (continued)

The CPI inflation assumption of 5.58% per annum was obtained from the differential between market yields on index-linked bonds (5.12%) consistent with the estimated term of the DBO and those of nominal bonds (11.48%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%). Therefore, expected CPI inflation is determined as ((1+11.48%-0.50%)/(1+5.12%))-1.

Thus, a general earnings inflation rate of 6.58% per annum over the expected term of the DBO has been assumed, which is 1.00% higher than the estimate of CPI inflation over the same term. This assumption reflects a net discount rate of 4.60%.

It was assumed that the next general earnings increase will take place on 1 July 2025.

2022/2023

The basis on which the discount rate and medical aid inflation rate has been determined are as follows for post employment medical aid benefits:

The yield curves as at 30 June 2023 supplied by the Johannesburg Stock Exchange were used to determine the discount rates and inflation rates for the valuation. This was done by matching the implied duration with the yields on the curve at that duration. The medical aid contribution inflation rate was set with reference to the past relationship between the (yield curve based) discount rate for each relevant time period and the (yield curve based) medical aid contribution inflation for each relevant time period. South Africa has experienced high health care cost inflation in recent years.

The 12,96% discount rate was obtained by means of an iterative process where the implied duration of the liabilities was matched to the corresponding rates on the yield curve at that duration. The yield curve used to obtain the rates was provided by the JSE as at 30 June 2023 and do not contain any adjustments for taxation. The liability-weighted implied duration for both components (In-Service and Continuation members) of the liability was used to determine the appropriate discount rate used for the purposes of this valuation.

The Medical Aid Contribution Inflation rate was set with reference to the past relationship between the (yield curve based) Discount Rate for each relevant time period and the (yield curve based) Medical Aid Contribution Inflation for each relevant time period.

The inflation assumption is required to reflect future changes to health care costs. South Africa has experienced high health care cost inflation in recent years. The annualised compound rates of increase for the last ten years show that registered medical aid schemes contribution inflation outstripped general CPI by almost 3% year on year. We do not consider these increases to be sustainable and have assumed that medical aid contribution increases would out-strip general inflation by 1,5% per annum over the foreseeable future.

The next contribution increase was assumed to occur on 1 January 2024.

The CPI assumption was obtained by using the differential between the nominal yield (earned on fixed-interest bonds) and the index-linked yield on the yield curve, as this effectively represents the market's expectation of future inflation. The index-linked yield used was 7.87%, which was also obtained by using the rate on the yield curve that corresponds to the calculated implied duration.

The maximum subsidy inflation rate assumption is the rate at which the subsidy cap amount is expected to increase with in the future. These annual increases are specified periodically by the local government bargaining council. The next increase expected to occur on 30 June 2024. The increases are assumed to increase with 75% of salary inflation each year, with salary inflation assumed to be equal to CPI + 1%. This gives rise to a subsidy cap inflation of 6.65%.

The rate at which cashflows would effectively be discounted at after allowing for the 12.96% discount rate and 9.37% medical aid inflation rate is 3.29% which is derived from: ((1+12,96%)/(1+9.37%)) – 1.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. Employee benefit obligations (continued)

The basis on which the discount rate and salary inflation has been determined as follows for other long-term employee benefits - long service awards:

The yield curves as at 30 June 2023 supplied by the Johannesburg Stock Exchange were used to determine the discount rates and inflation rates for the valuation. This was done by matching the implied duration with the yields on the curve at that duration. The actuaries have derived the underlying future rate of consumer index inflation (CPI inflation) from the relationship between (yield curve based) Conventional Bond Rate for each relevant time period and the (yield curve based) inflation linked bond rate for each relevant time period.

The 11.44% discount rate was obtained by means of an iterative process where the implied duration of the liabilities was matched to the corresponding rates on the yield curve at that duration. The yield curve used to obtain the rates was provided by the JSE as at 30 June 2023 and do not contain an adjustments for taxation.

The CPI assumption was obtained by using the differential between the nominal yield (earned on fixed interest bonds) and the index-linked yield on the yield curve, as this effectively represents the market's expectation of future inflation. The index-linked yield used was 3.85%, which was also obtained by using the rate on the yield curve that corresponds to the calculated implied duration.

The rate at which cashflows would effectively be discounted at after allowing for the 11.44% discount rate and 7.31% salary inflation rate is 3.85% which is derived from ((1+11.44%)/(1+7.31%))-1.

Our assumed rate of salary inflation was set as the assumed value of CPI plus 1%. The salaries used in the valuation include an assumed increase on 01 July 2023 of 5.4%. The next salary increase was assumed to take place on 01 July 2023

Other assumptions

Assumed healthcare cost trends, salary(general earnings) inflation rates and deviations from assumed level of mortality experience of the current employees and continuation members, amongst others will have a large impact on the actual cost to the municipality, with a significant effect on the amounts recognised in surplus or deficit. A change in assumed healthcare cost trends, salary inflation rates, mortality rates and withdrawal rates and other assumptions would have the following effects:

The assumptions applied in performing the employee defined benefit and other longterm employee benefits are determined annually. As such, only the prior year end effects have been disclosed.

Increase of 1% / (Decrease of 1 %) - Health care cost trends		
Effect on the post employment medical aid	2 104 000	3 129 000
Effect on aggregate of the service cost and interest cost	424 000	652 000
Effect on the post employment medical aid	(2 542 000)	(3 193 000)
Effect on aggregate of the service cost and interest cost	(526 000)	(675 000)
Increase of 1% / (Decrease of 1 %) - General earnings inflation rate		
Effect on the long service awards	934 000	1 018 000
Effect on aggregate of the service cost and interest cost	234 000	252 000
Effect on the long service awards	(847 000)	(920 000)
Effect on aggregate of the service cost and interest cost	(209 000)	(225 000)
(Increase of 1 year)/ Decrease of 1 year in post employment mortality		
Effect on the post employment medical aid	(518 000)	(701 000)
Effect on the post employment medical aid	509 000	697 000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. Employee benefit obligations (continued)

(Increase of 1%) / Decrease of 1 % in discount rates		
Effect on the post employment medical aid	(3 074 000)	(3 412 000)
Effect on the post employment medical aid	3 862 000	4 273 000
Effect on the long service awards	(859 000)	(880 000)
Effect on the long service awards	961 000	988 000
Increase of 2 years/(Decrease of 2 years) in average retirement age		
Effect on the long service awards	786 000	1 176 000
Effect on the long service awards	(795 000)	(1 279 000)
Decrease of 1 year in average retirement age		
Effect on the post employment medical aid	2 166 000	2 492 000
(Increase of x 2)/Decrease of x 0,5 in withdrawal rates		
Effect on the long service awards	(2 105 000)	(2 746 000)
Effect on aggregate of the service cost and interest cost	(573 000)	(706 000)
Effect on the long service awards	1 400 000	1 835 000
Effect on aggregate of the service cost and interest cost	391 000	487 000
(Decrease by 10%) of membership continuation		
Effect on the post employment medical aid	(2 549 000)	(2 884 000)

The assumptions are as per the most recent valuations as at 30 June 2024

The history of the accrued liability is outlined below:

	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
Present value of post employment medical aid benefit	22 355 000	24 906 000	25 168 000	21 852 000	28 875 000
Present value of Other long-term employee benefits - long service awards	14 511 000	14 277 000	14 768 000	13 593 000	9 751 000

Defined benefit contributions

The municipality's employees are members of one of the three(3) KwaZulu Natal Joint Municipal Pension Funds i.e (Superannuation, Provident and Retirement). An amount of R33 721 681 (2023: R30 381 505) was contributed by Council towards employment retirement funding. These contributions have been expensed as at 30 June 2024.

Description of fund	Total Assets R'000	Total Liabilities R'000	Net Assets R'000
March 2023			
Government Employees Pension Fund	2 332 923	66 083	2 266 840
KwaZulu Natal Joint Municipal Provident Fund	10 569 244	343 908	10 225 337
KwaZulu Natal Joint Municipal Pension Fund (Superannuation Fund)	16 051 174	191 586	15 859 588
KwaZulu Natal Joint Municipal Pension Fund (Retirement)	5 582 479	82 494	5 499 986
March 2022			
Government Employees Pension Fund	2 304 711	68 590	2 236 121
KwaZulu Natal Joint Municipal Provident Fund	9 271 834	329 300	8 942 534
KwaZulu Natal Joint Municipal Pension Fund (Superannuation Fund)	15 645 648	189 288	15 456 360
KwaZulu Natal Joint Municipal Pension Fund (Retirement)	5 414 053	67 609	2 346 444

Municipal employees have joined the Old Mutual Group Life scheme from 1 November 2015 which includes family cover, life insurance and group income protection. The municipality and employee each contribute to the scheme based on a percentage of the employees pensionable earnings.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

16. Trade and other payables from non-exchange transactions

Unspent conditional transfers and subsidies comprises of:

	2024	2023
Department of Water and Sanitation	-	2 691 833
Department of Co-operative Governance and Traditional Affairs	-	2 049 867
KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs	-	63 444
	-	**4 805 144**

Transfers and subsidies movement during the year

	2024	2023
Balance at the beginning of the year	4 805 144	2 903 927
Amounts received during the year	1 172 519 872	1 137 666 000
Revenue recognised for the year	(1 177 325 016)	(1 135 764 783)
	-	**4 805 144**

The municipality has complied with the conditions of allocations made in terms of Section 214 (1) (c) of the Constitution. In addition, all funds in terms of the Division of Revenue Act were received during the reporting period.

17. Provisions

Reconciliation of provisions - 2024

	Opening Balance	Additions	Adjustments change in estimates of provision	Unwinding of discount & other charges	Total
Performance bonus	2 927 919	1 345 783	-	-	4 273 702
Rehabilitation of landfill site	62 516 734	-	(10 325 418)	7 934 147	60 125 463
	65 444 653	**1 345 783**	**(10 325 418)**	**7 934 147**	**64 399 165**

Reconciliation of provisions - 2023

	Opening Balance	Additions	Adjustments change in estimates of provision	Unwinding of discount & other charges	Total
Performance bonus	1 839 345	1 088 574	-	-	2 927 919
Rehabilitation of landfill site	103 971 011	-	(54 649 486)	13 195 209	62 516 734
	105 810 356	**1 088 574**	**(54 649 486)**	**13 195 209**	**65 444 653**

	2024	2023
Non-current liabilities	**60 125 463**	**62 516 734**
Current liabilities	**4 273 702**	**2 927 919**
	64 399 165	65 444 653

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

17. Provisions (continued)

Performance bonuss

2023/2024

Performance bonuses are usually paid after the financial year end in arrears as the assessment of eligible employees usually only takes place after the year and upon approval of the Council following the tabling of the oversight report. The performance achievements relating to the provision for 2020/2021, 2021/2022 and 2022/2023 are in the process of being evaluated and anticipated to be completed before the second quarter of the 2024/2025 financial year. Provision for the current year has been made.

2022/2023

Performance bonuses are usually paid after the financial year end in arrears as the assessment of eligible employees usually only takes place after the year and upon approval of the Council following the tabling of the oversight report. The performance achievements relating to the provision for 2020/2021and 2021/2022 have yet to be evaluated, however provision was made as per the performance agreements. Furthermore, provision was made for the 2022/2023 financial year with exception for the Deputy Municipal Manager Technical Services and Deputy Municipal Manager Planning and Economic Development, as the incumbents were not in the position for a full financial year.

Rehabilitation of refuse landfill site

The provision for rehabilitation is calculated for the existing Empangeni Landfill Site, situated on Lot 11425 Richards Bay. The site is classified as a G:M:B+, which implies it is a site which may only be used for general waste between 150 to 500 tons per day. In terms of the permit as issued by the Department of Water Affairs and Forestry (DWAF) and the conditions of the permit requires the municipality to rehabilitate the site at the end of its useful life in order to obtain a closure permit.

2023/2024

In terms of licensing of the landfill refuse site, the provision for rehabilitation costs was R60.1m as at 30 June 2024 (2023: R62.5m) to restore the remaining portions of the old Empangeni refuse site at the end of their useful lives. Provision has been made at best estimate based on the current rehabilitation rate costs, determined by an independent professional engineer for the current solid waste site located in Empangeni.

The rehabilitation rate cost was escalated over the current developed waste footprint to determine the future liability and discounted using the cost of capital rate. Rehabilitation will take place as cells are fully utilised and per the site design of the cells which at the current used footprint and available airspace is expected to be approximately July 2030. The expected timing is subject to any significant changes to waste strategies of major customers. Based on the best estimate in consideration of the producer price index (PI), an applicable inflation rate of 4.6% (2023: 4.8%) has been determined and a discount rate of 12,69% (2023:12,69%) has been utilised.

Change in estimates

GRAP 19 requires that provisions be reviewed at each period end. The following changes transpired during the financial year, due to a decrease in the rehabilitation of the landfill site as a result of escalation rates applied in calculating the future obligation.

The rehabilitation provision adjustment resulted in a downward adjustment of R10 325 418.

2022/2023

In terms of licensing of the landfill refuse site, the provision for rehabilitation costs was R62.5m as at 30 June 2023 (2022: R104m) to restore the remaining portions of the old Empangeni refuse site at the end of their useful lives. Provision has been made at best estimate based on the current rehabilitation rate costs, determined by an independent professional engineer for the current solid waste site located in Empangeni.

The rehabilitation rate cost was escalated over the current developed waste footprint to determine the future liability and discounted using the cost of capital rate. Rehabilitation will take place as cells are fully utilised and per the site design of the cells which at the current used footprint and available airspace is expected to be approximately July 2028. The expected timing is subject to any significant changes to waste strategies of major customers. Based on the best estimate provided by the engineers, an applicable inflation rate of 4.8% (2022: 6.2%) has been determined and a discount rate of 12.69% (2022: 12,69%) has been utilised.

The rehabilitation provision adjustment resulted in a downward adjustment of R54 649 486 and the remaining adjustment of R3 429 681 was adjusted to profit and loss as the adjustment to the asset is limited to the carrying value of the asset as at 30 June 2023.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
18. Revenue from exchange transactions - Service charges		
Sanitation revenue	8 769 402	8 134 303
Solid waste revenue	32 970 235	36 634 396
Water revenue	61 721 653	64 619 735
	103 461 290	**109 388 434**

The comparative figure for revenue from exchange transactions - service charges has been restated by an amount of R2 264 878 from R111 653 312 to R109 388 434 as a result of reclassifying revenue from non-exchange transactions - availability charges to be separately disclosed on the statement of financial performance - refer to note 27&52.

The municipality has registered indigents who qualify for free water as outlined in the municipal policy amounting to 6Kl per month of 201 (2023:562). The revenue forgone amounts to R225 040 (2023: R261 730).

	2024	2023
19. Revenue from exchange transactions - Sale of goods and rendering of services		
Cemetery income	460 279	408 085
Sale of publication - tender documents	8 696	7 983
	468 975	**416 068**
20. Revenue from exchange transactions - Licences and permits		
Air quality licenses	55 000	45 000
Food premises	96 455	77 372
	151 455	**122 372**
21. Revenue from exchange transactions - Rental income		
Lease income - community assets	357 491	311 509
Rental income - parking	-	46 261
	357 491	**357 770**
22. Revenue from exchange transactions - Operational revenue		
Administrative fees	96 196	146 363
Bursary refunds and other	613 802	455 101
Insurance claim proceeds	1 808 351	1 205 828
	2 518 349	**1 807 292**
23 Interest on receivables from exchange transactions		
Revenue from exchange transactions - consumer debtors	3 582 843	3 610 824
Interest on receivables from long term exchange transactions	-	28
Interest on Eskom deposits	768 116	499 474
	4 350 959	**4 110 326**

The comparative figure for interest on receivables from exchange transactions has been restated by an amount of R205 136 from R3 905 190 to R4 110 326, as a result of reclassifying interest on receivables from non-exchange transactions and accounting for interest earned on Eskom deposits - refer to note 28&52.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
24. Interest on receivables from investments and bank accounts		
Bank accounts	14 646 561	21 174 474
External investments	14 622 707	4 627 659
	29 269 268	**25 802 133**

25. Revenue from non-exchange transactions - Transfers and subsidies

	2024	2023
Operating grants		
Levy Replacement Grant	362 663 833	342 609 000
Equitable Share	328 420 000	304 587 000
Department of Water and Sanitation	-	1 598 166
Department of Co-operative Governance and Traditional Affairs	25 033 911	54 573 838
Department of Public Works Grant	5 534 000	4 742 000
Department of Transport	3 145 000	2 705 000
National Treasury	1 200 000	1 200 000
KwaZulu-Natal Department of Economic Development Tourism and Environmental Affairs	-	241 483
Public Contributions	-	15 000
Department of Co-operative Governance and Traditional Affairs	2 049 868	2 450 133
	728 046 612	**714 721 620**
Capital grants		
Department of Water and Sanitation	282 547 000	279 273 001
Department of Co-operative Governance and Traditional Affairs	166 703 089	141 770 162
National Treasury	28 315	-
	449 278 404	**421 043 163**
	1 177 325 016	**1 135 764 78**

Summary of grants per funder

National Government - Levy Replacement Grant (Unconditional Grant)

	2024	2023
Current-year receipts	362 663 833	342 609 000
Transferred to revenue	(362 663 833)	(342 609 000)
	-	-

Regional council levies have been discontinued as from 30 June 2006, and the national fiscus has allocated a levy replacement grant to the district municipalities. The levy replacement grant is a measure to ensure the financial stability of district municipalities while National government is defining the overall fiscus streams to local government.

National Government - Equitable Share Grant (Unconditional Grant)

	2024	2023
Current-year receipts	328 420 000	304 587 000
Transferred to revenue	(328 420 000)	(304 587 000)
	-	-

In terms of the Constitution, this grant is unconditional and is used to subsidise the provision of basic services to the community. These subsidies includes 6 kilolitre free basic water per household to registered indigents.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

25. Revenue from non-exchange transactions - Transfers and subsidies (continued)

Department of Water and Sanitation

Balance unspent at beginning of the year: WSIG	2 691 833	-
Transferred to funder: WSIG	(2 691 833)	-
Current year receipts: WSIG	60 000 000	70 000 000
Conditions met - transferred to revenue: WSIG	(60 000 000)	(67 308 167)
Current year receipts: RBIG	222 547 000	213 563 000
Conditions met - transferred to revenue: RBIG	(222 547 000)	(213 563 000)
	-	**2 691 833**

Conditions still to be met - remain liabilities (see note 16).

These grants are used for:
- restoration of water & wastewater infrastructure services damaged by floods - WSIG;
- water infrastructure and sanitation projects;
- the reduction of water and sanitation backlogs;
- the sustainability of water and sanitation infrastructure;
- the upgrading and development of regional bulk water infrastructure; and
- the implementation of water conservation and water demand management programs.

Refer to note 49.

2023/2024

An amount of R2 691 833 received in the 2022/2023 financial year was not approved for roll over and was transferred to the funder.

Department of Co-operative Governance and Traditional Affairs

Current year receipts: MIG	191 737 000	196 344 000
Conditions met - transferred to revenue: MIG	(191 737 000)	(196 344 000)
	-	**-**

This grant is used for:
- restoration of water and wastewater infrastructure services damaged by floods;
- the construction of water and sanitation infrastructure;
- the reduction of water and sanitation backlogs;
- the sustainability of water and sanitation infrastructure, and
- the upgrading and development of regional bulk infrastructure.

Refer to note 49.

Department of Public Works Grant

Current year receipts: EPWP	5 534 000	4 742 000
Conditions met - transferred to revenue: EPWP	(5 534 000)	(4 742 000)
	-	-

This grant is used to expand job creation efforts in specific focus areas, where labour intensive delivery methods can be maximised. The following areas have been identified:
- basic services infrastructure, including water and sanitation reticulation;
- parks and beautification;
- sustainable land based livelihoods, and
- social services programmes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

25. Revenue from non-exchange transactions - Transfers and subsidies (continued)

Department of Transport

Balance unspent at beginning of the year	-	2 584 000
Conditions not met - transferred to funder: RRAMS	-	(2 584 000)
Current year receipts : RRAMS	3 145 000	2 705 000
Conditions met - transferred to revenue: RRAMS	(3 145 000)	(2 705 000)
	-	-

The Department of Transport grant is used to co-ordinate Rural Roads Asset Management Systems, and collect road, bridges and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa.

National Treasury		
Current year receipts: FMG	1 200 000	1 200 000
Conditions met - transferred to revenue: FMG	(1 200 000)	(1 200 000)
Current year receipts: LG SETA	28 315	-
Conditions met - transferred to revenue: LG SETA	(28 315)	-
	-	-

The Financial Management Grant is used to promote and support reforms to municipal financial management,and for the implementation of the Municipal Finance Management Act(Act no. 56 of 2003).

The LG SETA grant is used to promote the upskilling of employees. The budget amount of R131 050 was not received in full.

KwaZulu-Natal Department of Economic Development Tourism and Environmental Affairs

Balance unspent at beginning of the year	-	241 483
Conditions met - transferred to revenue : Capacity building	-	(241 483)
	-	-

The grants received from the Department of Economic Development Tourism and Environmental Affairs is for development of the Tourism Sector Strategy to provide support to municipality and the facilitation of tourism development initiatives within the district that are aligned to Tourism Master Plan. No grants were received during the current year to date.

KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs

Balance unspent at beginning of the year: Planning Shared Services	63 405	63 405
Transferred to funder : Planning and Shared Services	(63 405)	-
Balance unspent at beginning of the year: Feasibility study to establish the district shared legal service	39	39
Transferred to funder: Feasibility study to establish the district shared legal service	(39)	-
	-	**63 444**

Conditions still to be met - remain liabilities (see note 16)

An amount of R63 405 that was received in previous financial years was not approved for roll over and therefore transferred to the funder during the current financial year.

This grant was used to build planning capacity within the district as part of Planning Shared Services in order to enable effective performance of planning legislative mandates.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

25. Revenue from non-exchange transactions - Transfers and subsidies (continued)

Public contributions

	2024	2023
Balance unspent at beginning of the year	-	15 000
Conditions met - transferred to revenue	-	(15 000)
	-	**-**

Department of Co-operative Governance and Traditional Affairs

	2024	2023
Balance unspent at beginning of the year	2 049 867	-
Current-year receipts: Municipal Disaster Relief	-	4 500 000
Conditions met - transferred to revenue - Municipal Disaster Relief	(2 049 867)	(2 450 133)
	-	**2 049 867**

Conditions still to be met - remain liabilities (see note 16).

The roll-over approval was received from the department during the year. This grant is used to reconstruct and rehabilitate damaged municipal infrastructure due to the 2022 storms. The grant has been identified for the refurbishment of the Regional Solid Waste Site Empangeni infrastructure damaged by the April 2022 floods.

26. Revenue from non-exchange transactions - Fines, penalties and forfeits

	2024	2023
Air quality fines	800 000	400 000
Penalty fees non-compliance	1 403 993	30 664
Forfeits	9 795 705	-
	11 999 698	**430 664**

27. Revenue from non-exchange transactions - availability charges

	2024	2023
Water revenue	1 269 711	1 240 451
Sanitation revenue	1 008 178	1 024 427
	2 277 889	**2 264 878**

Revenue from non-exchange transactions - availability charges, previously disclosed in revenue from exchange transactions - service charges, has now been separately disclosed on the statement of financial performance - refer to note 18 and 52.

28. Interest on receivables from non-exchange transactions

	2024	2023
Service charges - availability charges	**466 846**	**294 338**

Interest on receivables from non-exchange transactions - availability charges, previously disclosed in interest on receivables from exchange transactions, has now been disclosed separately on the statement of financial performance - refer to note 23 and 52.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

29. Employee related costs

Employee related costs - salaries and wages	204 855 138	185 473 159
Employee related costs - contributions for UIF, pensions and medical aid	47 267 741	43 976 733
Travel allowances	16 882 073	16 773 011
Bonuses	13 895 757	13 270 101
Housing and cellphone allowances	7 103 262	8 071 165
Defined employee benefit obligations: post employment medical aid benefits and long service awards	6 376 914	7 083 880
Overtime payments	19 646 888	13 695 629
Acting allowances	1 584 199	1 740 667
Leave pay provision charge	4 281 268	5 205 874
Scarcity allowance	8 196 280	6 428 501
	330 089 520	**301 718 720**

Included in the employee related costs are the salaries, allowances and benefits for the Municipal Manager and Deputy Municipal Managers amounting to R11 591 142, and are outlined below:

2023/2024

As at 30 June 2024, a 3.3% percent cost of living adjustment(effective 1 July 2023) and a once off gratuity of R1695 per month (1 July 2023 to 30 June 2024) was gazetted in the period per gazette No. 50737 dated 30 May 2024.

2022/2023

As at 30 June 2023, a 3% percent cost of living adjustment(effective 1 July 2022) and a once off gratuity of R1695 per month (1 July 2022 to 30 June 2023) was gazetted in the period per gazette No. 48789 dated 14 June 2023.

Remuneration of Municipal Manager - PP Sibiya

Basic remuneration	1 328 597	1 290 490
Backpay	110 322	74 549
Cellphone and data allowance	41 798	39 656
Contributions to UIF	2 125	2 125
Gratuity	38 985	-
Leave pay	338 880	-
Travel allowance	442 868	501 850
	2 303 575	**1 908 670**

2023/2024

The incumbent resigned from office effective 28 June 2024. Mr SBS Sibisi was thereafter appointed as Acting Municipal Manager effective 1 July 2024.

2022/2023

The incumbent was employed on a contract effective 01 August 2022.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

29. Employee related costs (continued)

Remuneration of Deputy Municipal Manager - Planning & Economic Development - MR Mazibuko

Basic remuneration	1 064 397	-
Backpay	45 143	-
Cellphone and data allowance	34 167	-
Contributions to UIF and medical aid	33 297	-
Gratuity	18 645	-
Travel allowance	273 595	-
	-	**917 629**

<u>2023/2024</u>

The position was advertised and Council appointed ZP Ndlovu to the position effective 1 September 2023.

<u>2022/2023</u>

The incumbent resigned effective 30 April 2023. An acting allowance was paid to an incumbent for operational reasons.

Remuneration of Deputy Municipal Manager - Corporate Services - SBS Sibisi

Basic remuneration	748 199	606 323
Backpay	73 205	47 193
Cellphone and data allowance	37 273	29 470
Contributions to UIF, medical and provident	186 689	143 667
Gratuity	37 290	-
Travel allowance	499 988	140 732
	1 582 644	**967 385**

<u>2023/2024</u>

The incumbent was appointed Acting Municipal Manager effective 1 July 2024.

<u>2022/2023</u>

The position was advertised and Council appointed an incumbent to the position effective 01 September 2022.

Remuneration of Deputy Municipal Manager - Community Services - B Masondo

Basic remuneration	432 103	-
Acting allowance	27 778	-
Backpay	17 953	-
Cellphone and data allowance	15 530	-
Contributions to UIF, provident and retirement	81 509	-
Gratuity	8 475	-
Travel allowance	111 925	-
	695 273	**-**

The position was advertised and the incumbent was appointed effective 1 February 2024.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

29. Employee related costs (continued)

Remuneration of Deputy Municipal Manager - Community Services - TF Mguni

Basic remuneration	331 630	945 695
Backpay	97 712	128 873
Cellphone and data allowance	12 424	35 364
Contributions to UIF, medical, provident and retirement	70 320	179 328
Gratuity	27 120	20 340
Leave payout	167 813	-
Travel allowance	98 164	280 543
	805 183	**1 590 143**

The position was advertised and the incumbent was appointed effective 1 February 2024.

2023/2024

The incumbent resigned effective 31 October 2023. An acting allowance was thereafter paid to an incumbent for operational reasons. The position was advertised and Council appointed Mr B. Masondo effective 1 February 2024.

Remuneration of Chief Operating Officer - CK M'Maretel

Basic Remuneration	914 295	1 328 135
Backpay	89 756	107 714
Cellphone and data allowance	24 849	35 364
Contributions to UIF, provident and retirement	170 452	243 918
Gratuity	33 900	20 340
Travel allowance	152 270	197 267
	1 385 522	**1 932 738**

The incumbent resigned effective 29 February 2024 as a result of reaching the age of retirement. An acting allowance amounting to R57 677 was paid to an incumbent for operational reasons.

Remuneration of Deputy Municipal Manager - Financial Services - MC Reddy

Basic remuneration	1 272 308	1 230 631
Backpay	117 616	110 442
Cellphone and data allowance	37 273	35 364
Contributions to UIF	2 125	2 125
Gratuity	40 680	20 340
Travel allowance	545 264	535 571
	2 015 266	**1 934 473**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

30. Remuneration of councillors

Mayor	820 663	828 130
Deputy Mayor	977 901	939 904
Speaker	543 868	531 065
Chief Whip	605 658	617 065
MPAC Chair	583 574	653 252
Executive Committee	4 676 443	4 793 494
Councillors	6 204 758	6 396 509
Councillors' pension contribution	573 869	514 322
	14 986 734	**15 273 741**

In-kind benefits

The Mayor, Deputy Mayor, Speaker, Chief Whip, MPAC Chair and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council, which is included with expenditure items in the statement of financial performance. The remuneration of councillors includes remuneration, cellular allowance, backpay, sitting allowance, pension and travel. The pension for all councillors is disclosed under the line item councillors pension contribution.

The Mayor, Deputy Mayor and Speaker have the use of a Council owned vehicle together with a driver for official duties, and security. Furthermore, personal security is provided for some EXCO and Council members based on security assessments, as outlined in the Government Gazette on the Determination of upper limits of salaries, allowances and benefits of municipal councils.

Councillors receive the benefit of special risk insurance cover (SASRIA) as provided for in terms of the upper limits of salaries,allowances and benefits of the different members of municipal councils,as determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act,1998. South African Special Risk Insurance Association (SASRIA) covers the loss of damage to a councillor's personal immovable and movable property and assets, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder.

The full breakdown of the councillor remuneration by nature is disclosed under the note on related parties - refer to note 45.

31. Depreciation and amortisation

Depreciation - property, plant and equipment	98 611 879	107 947 244
Amortisation - intangible assets	603 079	1 337 499
	99 214 958	**109 284 743**

The comparative figure has been restated by an amount of R82 049 from R109 202 694 to R109 284 743 - refer to note 52.

32. Finance charges

Interest paid - borrowings	601 700	1 686 702
Provision for landfill site rehabilitation	7 934 147	13 195 208
	8 535 847	**14 881 910**

Finance costs relate to the one annuity loan held with ABSA during the year which was settled resulting in a year end balance of Rnil (2023: R6 285 647) - refer to note 12.

33. Inventory consumed

Consumables	72 750 876	64 439 349
Materials and supplies	15 785 983	9 144 121
Water	130 858 123	80 480 466
	219 394 982	**154 063 936**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
34. Contracted services		
Outsourced Services		
Burial services	16 395	56 850
Business and advisory	604 381	813 586
Catering services	3 086 950	4 150 206
Cleaning services	365 031	324 576
Hygiene services	16 525 481	30 364 954
Internal auditors	2 054 088	2 127 226
Meter management	474 877	707 842
Medical services (medical health services & support)	79 500	99 130
Mini dumping sites	12 177 952	11 522 248
Professional staff	380 229	202 239
Security services	13 845 127	9 620 798
Transport services	950 208	60 159 478
Consultants and Professional Services		
Business and advisory	1 303 515	2 242 825
Infrastructure and planning	2 734 783	2 724 000
Laboratory services	6 474 062	5 900 800
Legal cost	3 561 790	4 430 615
Contractors		
Artists and performers	405 000	1 206 311
Auctioneers	-	128 399
Event promoters	23 935 186	7 470 074
Exhibit installations	340 252	173 504
Fire services	29 125	-
Inspection fees	63 284	58 435
Maintenance and operations	88 017 614	95 029 180
Medical Services	-	46 148
Pest control and fumigation	13 370	5 950
Safeguard and security	8 595 902	7 360 568
Sports and recreation	81 600	93 200
Stage and sound crew	233 160	753 706
	186 348 862	**247 772 848**

The transportation line amount as disclosed in prior year amounting to R58 184 969 under sub-heading “contractors” has been aligned to the transport services line item under sub-heading “outsourced services” in accordance with mSCOA.

35. Transfer and subsidies		
Transfers to organisations	**3 700 000**	**2 400 000**

During the period under review, the Municipality supported social cohesion initiatives in the form of monetary transfers.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
36. Operating leases		
Premises	-	12 000
Motor vehicles	18 589 489	17 133 664
Plant and equipment	116 731	95 442
Community assets	248 734	269 597
	18 954 954	**17 510 703**

Operating leases, previously disclosed in operational costs, has now been disclosed separately on the statement of financial performance - refer to note 37 and 52.

	2024	2023
37. Operational Costs		
Achievements and awards	49 243	47 905
Advertisements and publicity	14 120 001	10 419 256
Archives	500 224	343 343
Bank charges	118 682	131 040
Bursaries	87 030	132 830
Cleaning	30 000	-
Courier and delivery services	12 651	2 732
Deeds	12 151	12 723
Delegations	15 519	332 040
Entrance fees	70 000	60 870
External audit fees	4 293 518	4 252 667
Insurance	10 681 748	9 457 811
Licenses	8 243 210	6 989 108
Municipal services	42 191 916	38 741 484
Personal protective equipment	2 679 052	2 562 512
Postage	486 718	472 895
Professional and regulatory bodies fees	3 329 280	2 570 509
Skills development levy	2 721 153	2 435 608
Small tools	33 594	56 625
Subsistence and travel	7 181 888	7 665 730
Telephone	2 383 391	2 213 894
Vehicle tracking services	503 350	107 443
	99 744 319	**89 009 025**

The comparative figure has been restated by an amount of R17 510 703 from R106 519 728 to R89 009 025 due to separately disclosing operating leases - refer to note 36 and 52.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

38. Water distribution losses

Apparent losses: unauthorised consumption	3 882 811	7 176 626
Apparent losses: customer meter inaccuracies	1 941 401	1 596 085
Real losses: leakage on transmission and distribution mains	37 357 331	28 774 477
Real losses: leakage and overflows at storage tanks/reservoirs	227 791	175 456
Real losses: leakage on service connections	7 972 602	6 140 895
Subtotal	51 381 936	43 863 539
Pipeline capacity and reservoir level storage	(116 807)	34 660
	51 265 129	**43 898 199**

2023/2024

National Treasury circular 71 of the Municipal Finance management act 53 of 2006 prescribes a norm of 15% to 30%. The calculated non-revenue water of 50.4% (10 308 857 kl) includes water losses of 28.31% (5 797 283 kl). The project to reduce water losses will be ongoing, aimed at isolating the root causes (like metering, illegal connections, leak detection and pressure reduction) in order to assist the municipality to calculate water losses and to implement water reducing loss strategies.

2022/2023

National Treasury circular 71 of the Municipal Finance management act 53 of 2006 prescribes a norm of 15% to 30%. The calculated non-revenue water of 51.6% (9 721 527 kl) includes water losses of 35.3% (6 652 942 kl). The project to reduce waste losses will be ongoing, aimed at isolating the root causes (like metering, illegal connections, leak detection and pressure reduction) in order to assist the municipality to calculate water losses and to implement water reducing loss strategies.

39. Commitments

Authorised capital expenditure

Approved and contracted for:

• Infrastructure	365 980 180	543 366 040
• Intangible assets	2 430 576	3 006 976
	368 410 756	**546 373 016**

The outstanding commitments exclusive of VAT, relate to capital projects and other assets that have been committed by the supply chain management processes prior to 30 June 2024.

Operating leases - as lessee (expense)

Minimum lease payments due

- not later than one year	5 506 204	17 243 745
- later than one year and not later than five years	18 789	318 165
	5 524 993	**17 561 910**

2023/2024

Operating lease payments represent payments for the leasing of vehicles and commercial property by the municipality. Lease contracts for vehicles are entered into for a three year period and the lease payments are fixed for the lease period with no escalation. The current lease contracts have been extended via Council resolution KCDMC: 40/2024 on 26 June 2024 in accordance with Section 116(3) of the MFMA, on a month to month basis for a period not exceeding four months. The commercial property leases are for business operations.

2022/2023

Operating lease payments represent payments for the leasing of vehicles and commercial property by the municipality. Lease contracts for vehicles are entered into for a three year period and the lease payments are fixed for the lease period with no escalation. The commercial property leases are for business operations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023
40. Cash generated from operations		
Surplus	297 839 797	284 509 020
Adjustments for:		
Depreciation and amortisation	99 214 958	109 284 743
(Gain) / Loss on disposal of property, plant and equipment	(833 252)	268 167
Gain on adjustment to rehabilitation provision	(10 325 417)	(3 429 681)
Impairment on property, plant and equipment	23 043 473	3 634 198
Interest income	(4 958 858)	(4 845 686)
Finance costs	8 535 847	14 881 910
Debt impairment	5 253 782	6 142 540
Irrecoverable debts written off	4 914 328	3 163 449
Movements in employee benefit obligations	(2 317 000)	(753 000)
Movements in provisions	(8 979 635)	(53 560 911)
Depreciation capitalised	351 579	284 915
Adjustment for provision - landfill	10 325 417	54 649 486
Donations	(10 786 868)	(1 649 202)
Insurance proceeds - non-cash	(47 700)	-
Changes in working capital:		
Inventory	(671 329)	11 706
Receivables from exchange transactions - consumer debtors	3 704 122	(31 545 775)
Receivables from other debtors	1 068 159	(259 322)
Payables from exchange transactions	(8 986 460)	(177 362 384)
Exchange transactions - VAT	21 773 293	(15 086 211)
Trade and other payables from non-exchange transactions	(4 805 144)	1 901 217
Consumer deposits	748 445	868 186
	424 061 537	**191 107 365**

41. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process. Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that the accounting officer records the reasons for any deviations and reports the said deviations to the next meeting of Council and includes a note to the annual financial statements. All deviations are reported to Council on a quarterly basis with a detailed schedule and reasons thereto. The deviations greater than R200 000 are listed individually below for the year ended 30 June 2024 in categories as follows:

- 36(1)(a)(i) - in an emergency
- 36(1)(a)(ii) - if such goods and services are produced or available from a single service provider
- 36(1)(a)(iii) - for the acquisition of special works of art or historical objects where specifications are difficult to compile
- 36(1)(a)(v) - dispense with official procurement processes in any other exceptional case where it is impractical or impossible to follow the official procurement process
- 36(1)(b) - dispense with the official procurement processes to ratify minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

41. Deviation from supply chain management regulations (continued)

Project description	Nature	June 2024	June 2023
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	318 954	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	608 586	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	220 188	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	548 754	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	974 711	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	236 556	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	469 881	-
Transport	36(1)(a)(i)	328 750	-
Fire equipment: Landfill site fire outbreak intervention	36(1)(a)(i)	408 595	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	337 288	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	287 381	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	204 406	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	229 099	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	377 464	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	286 737	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	632 415	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	271 946	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	230 957	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	239 492	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	245 927	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	369 801	-
Car hire	36(1)(a)(i)	233 439	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	463 771	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	244 236	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	295 127	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	212 428	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	688 929	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	572 608	-
Software	36(1)(a)(ii)	962 496	-
Vehicle tracking	36(1)(a)(ii)	671 000	-
Purchase of water tankers	36(1)(a)(ii)	9 606 180	-
Purchase of water tanker	36(1)(a)(ii)	1 601 030	-
Horse racing affiliation fees	36(1)(a)(ii)	990 000	-
Purchase of water tanker	36(1)(a)(ii)	1 601 030	-
Purchase of Leadership vehicles	36(1)(a)(ii)	1 715 392	-
Repairs to mayoral vehicle	36(1)(a)(ii)	361 431	-
Sporting gear - golden games	36(1)(a)(v)	265 876	-
Salga games accommodation	36(1)(a)(v)	1 582 000	-
Radio broadcasting	36(1)(a)(v)	391 000	-
Radio broadcasting	36(1)(a)(v)	952 683	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	565 906	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	271 526	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	94 094	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	420 900	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	206 845	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	319 042	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	Nature	2024	2023
41. Deviation from supply chain management regulations (continued)			
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	291 890	-
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	207 838	-
Radio Broadcasting	36(1)(a)(v)	308 637	-
Eshowe SSA1 Bulk Water Supply	36(1)(a)(v)	49 282 572	
LED Items procured for Umfolozi Beneficiaries	36(1)(a)(v)	1 502 419	-
Radio Broadcasting	36(1)(a)(v)	391 000	-
LED Items procured for Umlalazi Beneficiaries	36(1)(a)(v)	601 141	-
LED Items procured for Umhlathuze Beneficiaries	36(1)(a)(v)	276 575	-
Radio Broadcasting	36(1)(a)(v)	391 000	-
Radio Broadcasting	36(1)(a)(v)	391 000	-
LED Items procured for Mthonjaneni Beneficiaries	36(1)(a)(v)	225 062	-
Security services (guarding) for KCDM	36(1)(a)(i)	-	613 295
Management development program	36(1)(a)(ii)	-	250 000
Transportation - IDP roadshows	36(1)(a)(ii)	-	291 000
Manufacture and installation of statue at KCDM building	36(1)(a)(iii)	-	870 000
Internal audit fees	36(1)(a)(v)	-	1 223 600
Sports attire - golden games	36(1)(a)(v)	-	226 355
Financial system fault investigation	36(1)(a)(v)	-	207 000
Transportation event	36(1)(a)(v)	-	375 800
Sports attire - SALGA games	36(1)(a)(v)	-	599 500
Events management - KCDM lecture and impi yesesandlwana	36(1)(a)(v)	-	760 955
Booking of outside broadcast with Ukhozi FM for the renaming of building event	36(1)(a)(v)	-	391 000
Security services	36(1)(a)(v)	-	593 510
KCDM/RBIG/06/2022 - Kwahlokohloko SSA1 - Bulk Water Supply	36(1)(a)(v)	-	53 450 458
KCDM/MIG/01/2023 - Construction of Middledrift Water Reticulation Sub Supply	36(1)(a)(v)	-	24 996 554
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	575 562
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	395 767
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	250 833
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	636 038
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	242 070
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	617 760
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	314 548
Panel of contractors for maintenance and support for water and sanitation works	36(1)(b)	-	287 830
Total deviations greater than R200,000		**87 485 991**	**88 169 435**
Total deviations less than R200,000 aggregated	Various	56 225 596	9 362 071
Total deviations for the year		**143 711 587**	**97 531 506**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

42. Awards to close family members of persons in the service of the state

The Municipal Finance Management Act, 2003 (Act no. 56 of 2003); Municipal Supply Chain Management Regulation 45 states that the particulars of any award more that R 2000 made to a person who is a spouse, child or parent of a person in the service of the state or has been in the service of the state in the previous twelve (12) months must be disclosed as a note in the financial statements. The details are listed below for the year ended 30 June 2024:

Name of person	T Jordan
Relation	Spouse
Capacity Director	Development Faciliation Western Cape Governement
Service provider	Audio Computer World
Number of transactions	1 (June 2023: 12)
Total amount	R29 843 (June 2023: R126 773)
Declaration by supplier	MBD4, Annexure D
Name of person	N Reddy
Relation	Spouse
Capacity	Prosecutor - NPA Verulam Court
Service provider	Fana Manufacturing cc
Number of transactions	23 (June 2023: 34)
Total amount	R538 545 (June 2023: R1 320 031)
Declaration by supplier	MBD4, Annexure D
Name of person	Z Buthelezi
Relation	Mother
Capacity	Librarian City of uMhlathuze Municipality
Service provider	Zidane Management Trading
Number of transactions	6 (June 2023: 11)
Total amount	R556 775 (June 2023: R568 229)
Declaration by supplier	MBD4, Annexure D
Name of person	Mrs Msomi and Miss Msomi
Relation	Spouse and daughter
Capacity	Department of Education and Ethekwini Municipality
Service provider	Ngubane and Co.
Number of transactions	1 (June 2023: 1)
Total amount	R100 740 (June 2023: R1 223 600)
Declaration by supplier	MBD4, Annexure D

The above awards were done via the competitive bidding process.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

43. Additional disclosure in terms of Municipal Finance Management Act No 56 of 2003

Contributions to organised local government

Current year membership fee	3 202 753	2 546 291
Amount paid - current year	(3 202 753)	(2 546 291)
	-	-

Audit fees

Current year fee	4 293 518	4 252 667
Amount paid - current year to date	(4 293 518)	(4 252 667)
	-	-

PAYE and UIF

Current year fee	57 996 070	51 119 352
Amount paid - current year to date	(57 996 070)	(51 119 352)
	-	-

Pension and Medical Aid Deductions

Current year subscription / fee	40 583 434	37 842 608
Amount paid - current year to date	(40 583 434)	(37 842 608)
	-	-

VAT

Net VAT accrual	82 430 456	90 594 341
Net VAT receivable SARS	16 488 033	30 097 441
	98 918 489	**120 691 782**

2023/2024

All the VAT 201 returns have been submitted by the due date throughout the 12 months.

2022/2023

All the VAT 201 returns have been submitted by the due date throughout the 12 months. The VAT 201 returns for the months of May and June 2023 had not been settled as at 30 June 2023.

Councillors arrear consumer accounts

At the reporting date no Councillors had arrear accounts outstanding for more than 90 days.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

44. Contingent liabilities

All contingencies disclosed in section A1 to A3 below relate to the estimated financialimplication on plaintiff claims only and does not include legal fees thereto.

A1 - Legal matters relating to ex-employees - potential claims

	2024	2023
Ex-employee 3	880 196	880 196
Ex-employee 5	2 177 970	2 177 970
	3 058 166	**3 058 166**

Ex-employee 3 - The employee has lodged a labour dispute against the municipality. The amount disclosed is per annum and excludes interest which will be applied in the event the matter is not defended successfully. The matter is still at pleading stage.

Ex-employee 5 - The employee has lodged a claim against the municipality relating to the employee's dismissal and in this year an amount has been quantified and reflected above excluding interest which may become due in the event the matter is not defended. The matter is pending a court date.

Ex-employee 6 - The employee has lodged a claim against the municipality relating to the employee's dismissal and no amount has yet been quantified, however, in the event the incumbent is successful, backpay will be applicable. The matter is pending a court date.

A2 - Legal matters relating to service providers - potential claims

	2024	2023
Service provider 4	27 804 000	27 804 000
Service provider 5	-	193 844
Service provider 6	680 058	680 058
	28 484 058	**28 677 902**

Service provider 4 - This is a Section 197 labour related claim by a service provider. The matter is currently before the Labour Appeal Court and the amount disclosed is per annum. The matter is pending judgement.

Service provider 5 - This claim relates to a service provider demanding payment for work allegedly done. The matter was settled in the second quarter of the reporting period.

Service provider 6 - This claim relates to a service provider demanding payment for work allegedly done, which the municipality has defending, and pending judgement. The amount disclosed excludes interest which will be applied in the event the matter is not defended successfully.

A3 - Legal matters relating to public members - potential claims

	2024	2023
Public member 2	-	102 858
Public member 3	155 776	155 776
	155 776	**258 634**

Public member 2 - This is a claim made against the municipality as a result of a contested cession agreement. The matter was resolved in council's favour in the reporting period.

Public member 3 - This claim relates to a public member claiming damages to property.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

44. Contingent liabilities (continued)

B - Dispute with the Department of Water and Sanitation (DWS)

Total raised by DWS since dispute	84 926 903	81 358 593
Less: pre 2012 invoices to be credited by DWS as per motivational correspondence from Provincial Treasury	(7 554 689)	(7 554 689)
Less: interest to be reversed on disputed invoices	(24 841 381)	(16 142 054)
Less: charges raised without supporting documentation	(14 488 760)	(15 632 517)
Accrued expenses	(4 236 660)	(8 223 920)
	33 805 413	**33 805 413**

A dispute has arisen between the municipality and the DWS with regard to charges which have been levied by the department against the municipality pertaining to raw water abstraction.

The dispute has arisen due to the department charging the municipality for water abstracted from the abstraction points under the control of the municipality, when no water was available due to the ongoing drought in the region. The municipality believes that it should not be charged for water that could not be delivered due to the drought. Emanating from numerous meetings with DWS, the department has requested the municipality to make a formal application to the department, requesting the reversal of all interest charges, the crediting of erroneous invoices and the substitution of corrected invoices based on actual water abstracted from the various abstraction points. The readings have been forwarded to the department for the process to be concluded. A contingent liability has been disclosed amounting to R 33 805 413.

In light of the above, an accrual has been made on the basis of the application being accepted by the department.

C - Dispute with the Bulk water service provider

Total raised by service provider	874 750 377	499 860 758
Revised rate applied by KCDM to invoices	(413 146 065)	(257 505 925)
	461 604 312	**242 354 833**

A dispute has arisen with the service provider regarding the tariff being applied to the municipality account. In this regard the municipality has paid and accrued at a rate being charged by the service provider to all other customers and raised an amount of R461 604 312 for the difference between the charged rate and the rate charged by the service provider to other customers.

The municipality has raised the dispute with the service provider accordingly.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

45. Related parties

Municipal entities and other relationships

Members of key management	Refer to note 29
Members of council	Refer to note 30

Management class: Councillors

30 June 2024

	Remuneration	Cellular	Sitting	Backpay	Pension	Travel	Total
Mayor - AT Ntuli	781 435	-	-	39 228	-	-	820 663
Deputy Mayor - SZ Dlamini	887 311	49 608	-	40 981	-	-	977 900
Speaker - IJ Naidoo	76 885	-	-	4 727	6 154	21 727	109 493
Speaker - SH Mkhwanazi	439 263	-	-	1 266	-	-	440 529
Chief Whip - AM Mtshali	543 255	-	-	25 090	-	37 313	605 658
MPAC Chair - M Mtshali	456 453	-	-	21 080	-	106 041	583 574
EXCO							
Cllr SW Mgenge	831 855	49 608	-	38 419	-	-	919 882
Cllr PPC Cele	831 855	49 608	-	38 419	-	52 843	972 725
Cllr SL Magubane	831 855	49 608	-	38 419	-	26 064	945 946
Cllr PP Xulu	730 356	49 608	-	33 408	106 510	53 398	973 280
Cllr NM Madida	345 056	-	-	(6 067)	-	25 604	364 593
Cllr IN Zwane	480 854	-	-	22 208	-	103 467	606 529
COUNCIL							
Cllr NR Xulu	-	2 076	-	10 339	-	-	12 415
Cllr MT Mthiyane	351 002	49 608	-	16 211	-	-	416 821
Cllr NN Lembede	311 556	49 608	-	14 097	41 561	7 092	423 914
Cllr ZL Mfusi	305 219	49 608	-	14 097	47 897	-	416 821
Cllr ME Mthethwa	305 219	49 608	-	14 097	47 897	-	416 821
Cllr ES Mbatha	310 575	49 608	-	14 097	42 541	73 312	490 133
Cllr F Mndaba	305 219	49 608	-	14 097	47 897	66 321	483 142
Cllr SE Mhlongo	351 002	49 608	-	16 211	-	77 979	494 800
Cllr CM Mpanza	305 219	49 608	-	14 097	47 897	38 780	455 601
Cllr SF Mdletshe	305 219	49 608	-	14 097	47 897	84 814	501 635
Cllr FPB Mpungose	305 219	49 608	-	14 097	47 897	48 120	464 941
Cllr SP Mpanza	-	-	28 092	950	-	1 333	30 375
Cllr XM Bhengu	-	-	25 733	1 252	-	-	26 985
Cllr MM Mthiyane	-	-	23 417	1 166	-	-	24 583
Cllr SN Ntshangase	-	-	39 801	1 555	-	11 600	52 956
Cllr MM Msimango	-	-	12 759	1 295	-	-	14 054
Cllr JL Nzuza	-	-	29 272	1 209	-	24 090	54 571
Cllr SH Mkhwanazi	-	-	5 682	1 295	-	21 072	28 049
Cllr A Lange	-	-	10 486	1 080	-	-	11 566
Cllr WL Ngema	-	-	21 015	1 123	-	-	22 138
Cllr ME DLamini	62 801	-	-	3 549	-	5 763	72 113
Cllr SD Khubisa	-	-	19 879	1 339	-	11 678	32 896
Cllr QT Xulu	-	-	28 049	1 598	-	-	29 647
Cllr MM Ngema	-	-	24 554	1 209	-	-	25 763
Cllr BC Magwaza	62 801	-	-	3 549	-	43 681	110 031
Cllr PSN Mchunu	-	-	18 743	864	-	-	19 607
Cllr MN Biyela	-	-	33 946	1 554	-	-	35 500

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

45. Related parties (continued)

	Remuneration	Cellular	Sitting	Backpay	Pension	Travel	Total
Cllr BB Ndima	63 201	-	-	4 215	-	-	67 416
Cllr NP Mahaye	63 201	-	-	4 215	-	90 665	158 081
Cllr SS Nkabinde	305 219	47 235	-	3 820	46 356	4 255	406 885
Cllr FN Mabuyakhulu	305 219	47 235	-	3 820	46 356	4 742	407 372
Cllr DJ Ndimande	-	2 127	-	10 591	(2 991)	-	9 727
Cllr SB Mthiyane	351 002	48 797	-	12 028	-	-	411 827
Cllr PH Khuzwayo	-	487	-	2 630	-	-	3 117
Cllr ZH Mkhize	-	-	12 975	-	-	20 683	33 658
	11 605 327	**892 077**	**334 403**	**518 621**	**573 869**	**1 062 437**	**14 986 734**

The municipal Council had movement within the Council strcutures as follows:
Honourable Speaker - Cllr IJ Naidoo resigned 31/8/2023 and was susequently replaced by Cllr ZH Mkhize on 6/12/2023.

Cllr SH Mkhwanazi was elected as Speaker on 7/9/2023.

Honourable Mayor - Cllr AT Ntuli resigned on 13/6/2024.

Honourable Cllr SZ Dlamini was appointed as Acting Mayor on 26/6/2024.

30 June 2023

	Remuneration	Cellular	Sitting	Backpay	Pension	Travel	Total
Mayor - AT Ntuli	828 130	-	-	-	-	-	828 130
Deputy Mayor - SZ Dlamini	895 504	44 400	-	-	-	-	939 904
Speaker - IJ Naidoo	527 209	-	-	3 856	27 566	-	558 631
Chief Whip - AM Mtshali	548 283	-	-	-	-	68 782	617 065
MPAC Chair - M Mtshali	460 670	-	-	-	-	192 582	653 252
<u>EXCO</u>							
Cllr SW Mgenge	841 700	44 400	-	-	-	5 856	891 956
Cllr PPC Cele	841 700	44 400	-	-	-	90 653	976 753
Cllr SL Magubane	841 700	44 400	-	-	-	43 938	930 038
Cllr PP Xulu	742 819	44 400	-	-	98 883	115 182	1 001 284
Cllr NM Madida	414 842	-	-	(9 931)	-	104 380	509 291
Cllr IN Zwane	487 457	-	-	-	-	95 598	583 055
<u>COUNCIL</u>							
Cllr NR Xulu	272 072	35 397	-	-	-	-	307 469
Cllr MT Mthiyane	354 243	44 400	-	-	-	-	398 643
Cllr NN Lembede	316 343	44 400	-	-	37 899	6 583	405 225
Cllr ZL Mfusi	309 729	44 400	-	-	44 514	-	398 643
Cllr PH Khuzwayo	59 352	8 880	-	-	8 904	15 086	92 222
Cllr ME Mthethwa	309 729	44 400	-	-	44 514	-	398 643
Cllr ES Mbatha	314 763	44 400	-	-	39 481	110 522	509 166
Cllr F Mndaba	309 729	44 400	-	-	44 514	97 484	496 127
Cllr SE Mhlongo	354 243	44 400	-	-	-	126 091	524 734
Cllr CM Mpanza	309 729	44 400	-	-	44 514	76 366	475 009
Cllr SF Mdletshe	309 729	44 400	-	-	44 514	84 605	483 248
Cllr FPB Mpungose	309 729	44 400	-	-	44 514	45 067	443 710
Cllr SP Mpanza	14 339	-	20 454	-	-	8 962	43 755
Cllr XM Bhengu	-	-	28 408	-	-	-	28 408
Cllr MM Mthiyane	-	-	27 272	-	-	-	27 272
Cllr SN Ntshangase	-	-	35 225	-	-	21 636	56 861

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

45. Related parties (continued)

Cllr MM Msimango	-	-	30 681	-	-	-	30 681
Cllr JL Nzuza	-	-	28 408	-	-	43 596	72 004
Cllr SH Mkhwanazi	-	-	29 544	-	-	144 685	174 229
Cllr A Lange	-	-	24 999	-	-	-	24 999
Cllr WL Ngema	-	-	24 999	-	-	-	24 999
Cllr ME DLamini	62 987	-	-	-	-	-	62 987
Cllr SD Khubisa	-	-	31 817	-	-	18 258	50 075
Cllr QT Xulu	-	-	37 499	-	-	-	37 499
Cllr MM Ngema	-	-	28 408	-	-	-	28 408
Cllr BC Magwaza	62 987	-	-	-	-	36 188	99 175
Cllr PSN Mchunu	-	-	20 453	-	-	-	20 453
Cllr MN Biyela	-	-	35 226	-	-	-	35 226
Cllr BB Ndima	62 987	-	-	-	-	-	62 987
Cllr NP Mahaye	62 987	-	-	-	-	175 478	238 465
Cllr LTZ Biyela (Nkosi)	-	-	1 750	-	-	-	1 750
Cllr TN MZimela (Nkosi)	-	-	1 750	-	-	-	1 750
Cllr SS Nkabinde	41 408	3 939	-	1 835	-	-	47 182
Cllr FN Mabuyakhulu	41 408	3 939	-	1 835	-	1 227	48 409
Cllr DJ Ndimande	244 202	36 260	-	(4)	34 506	9 809	324 773
Cllr SB Mthiyane	240 485	30 406	-	6 422	-	31 883	309 196
	11 793 194	**784 821**	**406 893**	**4 013**	**514 323**	**1 770 497**	**15 273 741**

The municipal Council had movement within the Council structures as follows:
Cllr IJ Naidoo changed from a MPAC member to an ordinary councillor at uMlhathuze Municipality on 24 August 2022.

Cllr PH Khuzwayo was elected to uMlhathuze municipality effective 13 September 2022 and was subsequently replaced by SB Mthiyane 28 October 2022.

Cllr NN Ngubane resigned on 30 January 2023.

Cllr M Madida changed from a MPAC member to an ordinary councillor at uMlhathuze Municipality on 3 March 2023.

Cllr NR Xulu resigned on 17 April 2023 and was subsequently replaced by SS Nkabinde on 30 May 2023.

Cllr DJ Ndimande resigned on 24 April 2023 and was subsequently replaced by FN Mabuyakulu on 30 May 2023.

46. Budget and Actual amount variances

The budget has been prepared on the accrual basis of accounting in accordance with the prescripts of the Municipal Budget Regulations as well as the Municipal Finance Management Act budget circulars.

Variances for the year ending 30 June 2024 which are greater than 10% and with a value greater than R500 000 between the final budget and actual amounts as referenced on the statement of comparison of budget and actual amounts, as reflected on pages 12 to 15, have been deemed material and explanations thereto are set out below.

Statement of Financial Performance

46.1 Service charges - water

Water revenue is below the budgeted projections. In analysing the consumption pattern, the municipality encountered a reduction in consumption by the commercial customer base due to loadshedding. Furthermore, government customer consumption reduced primarily due to school holidays and customers seeking alternative sources.

46.2 Service charges - waste water

Waste water revenue is below the budgeted projections primarily due to households opting for private contractors to render the removal of sewer from properties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

46. Budget and Actual amount variances(continued)

46.3 Service charges - waste management

Solid waste revenue is below the budgeted projections. The decrease is due to operational issues due to the contractor's performance at the solid waste site which are being addressed.

46.4 Interest earned from receivables

Interest is being raised in accordance with KCDM Council approved bylaws. Whilst there is an over achievement in relation to the budget, it must be noted that the collectability of this type of debt is relatively low due to economic hardships faced by residents.

46.5 Operational revenue

The variance between the budget and actual is primarily due to insurance claim proceeds relating to the disposal of assets which were budgeted for within operational revenue however accounted for within the gain/loss on disposal of assets vote structure.

46.6 Other gains

The variance is attributable to adjustments to the employee benefit and landfill site rehabilitation provisions which is determinable annually at year end.

Furthermore, gains realised from the disposal of assets in the form of insurance settlements was not budgeted for due to uncertain timing as a gain, however, the revenue was budgeted within operational revenue.

46.7 Donations

The variance is attributable to the municipality receiving water infrastructure from a private entity, water tankers from a government entity and land from a local municipality which was not budgeted for.

46.8 Service charges - availability charges

The municipality budgeted for the aforementioned revenue within service charges - revenue from exchange transactions

46.9 Remuneration of councillors

The municipality did not anticipate the reduced travel reimbursive claims and the gazette on upper limits for councillors not being finalised.

46.10 Inventory consumed

The municipality anticipated a higher cost of bulk water purchases than realised as well as lower than anticipated consumptions.

46.11 Depreciation and amortisation

The variance is primarily attributable to the reduction in the landfill site provision as well as the assessment of RULs.

46.12 Transfers and subsidies

During the period under review, the Municipality supported social cohesion initiatives. Not all of the transfers anticipated for was realised as some projects were at inception stage.

46.13 Loss on disposal of assets

The municipality budgeted for transactions related to disposal of assets however, the insurance settlement process resulted in a gain. Refer to 46.6

46.14 Other losses

The variance is primarily attributable to the water loss savings which were greater than anticipated.

Statement of Financial Position

46.15 Trade and other receivables from exchange transactions

The municipality's collection for the year was higher than anticipated resulting in lower debtor balances than budgeted for. It must further be noted that trade and other receivables from non-exchange transactions as well as long-term consumer debtor arrangements were budgeted for within this line item however disclosed separately.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

46. Budget and Actual amount variances (continued)

46.16 Receivables from non-exchange transactions

The municipality accounted for receivables on availability charges as a prior period reclassification which was initially budgeted for within trade and other receivables from exchange transactions.

46.17 Current portion of non-current receivables

The municipality wrote off the debtor balance relating to the King Cetshwayo Fresh Produce Market at year end through council resolution.

46.18 Inventory

The municipality anticipated a higher water stock balance than what was actually determined at year end.

46.19 Other current assets

The municipality did not anticipate the higher other debtor balances for year end

46.20 Heritage assets

The variance is attributable to the budget including assets anticipated to be acquired in the year.

42.21 Intangible assets

The variance is attributable to the budget including assets anticipated to be acquired in the year, which were in progress at year end.

46.22 Trade and other receivables from exchange transactions (non-current)

The municipality accounted for non-current receivables on exchange transactions as a prior period reclassification which was initially budgeted for within trade and other receivables from exchange transactions.

46.23 Trade and other payables from exchange transactions

The municipality settled creditors timeously thereby contributing to the lower creditor balance at year end.

46.24 Provisions - current and non-current

The variance is due to the year end valuation performed by an engineer for the rehabilitation of the landfill site and employee benefit provision determined by the actuaries.

Cash flow statement

42.25 Net cash flows from financing activities

The variance is attributable to consumer deposits for which the municipality did not anticipate.

Changes from approved budget to the final budget

The changes between the approved budget are a consequence of the following:
The original 2023/2024 Multi Year Budget was approved by Council on 30 May 2023, per resolution number KCDMC:1058/2023, in accordance with section 24 of the Municipal Finance Management Act (MFMA).

The first adjustments budget was passed by Council on 23 August 2023 per resolution KCDMC: 1388/2023, dealing with roll-overs pertaining to the 2022/2023 in-progress capital projects (internally funded).

The second adjustments budget was passed by Council on 6 December 2023 per resolution KCDMC: 1664/2023, dealing with 2023/2024 conditional grant roll-overs in terms of Section 28 of the MFMA.

The third adjustments budget was passed by Council on 28 February 2024, per resolution KCDMC: 1857/2024 in terms of Section 28 of the MFMA, wherein adjustments were made after the consideration of the mid-year budget assessment process. During the process it was resolved that certain estimates would need to be adjusted in accordance with the performance of the first six months of the financial year as well as the forecasts for the remainder of the financial year.

The final adjustment budget was approved by Council on 15 May 2024 per resolution KCDMC: 2209/2024 to account for additional allocations. In accordance with Regulation 23(3) of the Municipal Budget and Reporting Regulations, which states that if a National or Provincial adjustments budget allocates or transfers additional revenues to a municipality, the Mayor of the municipality must, at the next available Council meeting, but within 60 days of the approval of the relevant National or Provincial adjustments budget, table an adjustment budget referred to in section 28(2)(b) of the Act in the municipal Council to appropriate these additional revenues.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

47. Unauthorised, Fruitless, Wasteful and Irregular expenditure

Unauthorised expenditure

No unauthorised expenditure has been identified within the reporting period.

Fruitless and wasteful expenditure

	2024	2023
Opening balance as previously reported - Eskom	12 578	12 578
Eskom - reversal of interest charged	(4 613)	-
Opening balance as previously reported - Middledrift SSA 5 Phase 2: Construction of Reticulation within SSA 5 of Middledrift Phase 2	-	860 201
Less - Middledrift SSA 5 Phase 2: Construction of Reticulation within SSA 5 of Middledrift Phase 2 written off - current	-	(860 201)
Less: Eskom charges written off - current	(7 965)	-
	-	**12 578**

<u>2023/2024</u>

<u>Eskom</u>

Eskom has confirmed that the disputes raised by the municipality amounting to R4 613 have been resolved and reversed. The remaining balance amounting to R7 965 was written off as per council resolution KCDMC: 2242/2024 on 21 August 2024.

<u>2022/2023</u>

<u>Eskom</u>

Eskom has confirmed that the disputes raised by the municipality are under investigation and no outcome has been finalized.

<u>Middledrift SSA 5 Phase 2: Construction of Reticulation within SSA 5 of Middledrift Phase 2</u>

The investigation was concluded on and reports served at Council on 26 October 2022 - KCDMC: 649/2022 and 28 February 2023 (KCDMC: 917/2023). Council deemed the expenditure irrecoverable and resolved that the expenditure be written off

Irregular expenditure

	2024	2023
Opening balance as previously reported - non-compliance with Basic Condition of Employment Act, section 10	-	3 088 678
Less: non-compliance with Basic Conditions of Employment Act, section 10 written off	-	(3 088 678)
Opening balance as previously reported - non-compliance with Municipal Supply Chain Regulations, Regulation 43(2)	-	608 003
Less: non-compliance with Municipal Supply Chain Regulations, Regulation 43(2), written off	-	(608 003)
	-	**-**

All balances have been disclosed inclusive of VAT as outlined in Circular 68 of the MFMA.

<u>2023/2024</u>

No irregular expenditure has been identified within the reporting period.

<u>2022/2023</u>

Non-compliance with the Basic Conditions of Employment Act No. 75 of 1997 - section10 - R3 088 678

The municipality commissioned an investigation as outlined in Section 32 of the MFMA, and the report compiled by Ngubane and Co. was presented to MPAC on 18 October 2022 (KCDMMPAC 18/2022) and 22 August 2023 (KCDMMPAC 30/2023). Council on 30 August 2023 (KCDMC 1406/2023) deliberated on the report and recommendations and deemed the expenditure as irrecoverable and be written off.

Non-compliance with Municipal Supply Chain Regulations, Regulation 43(2) - R608 003

The council on 30 August 2023 (KCDMC 1407/2023) considered the report submitted and resolved to deem the expenditure as irrecoverable and be written off.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2024	2023

48. COVID-19

Covid-19 expenditure	-	9 713

49. Flood damage

Contracted services - maintenance & operations	1 782 493	14 989 902

2023/2024

The municipality has continued in the year to effect repairs to infrastructure that was effected by the floods.

2022/2023

The municipality has continued in the year to effect repairs to infrastructure that was effected by the floods

50. Risk management

Capital risk management

The municipality's objectives when managing capital are to safe guard the municipality's ability to continue as a going concern in order to provide returns and benefits for all stakeholders, while delivering sustainable services and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the municipality consists of debt , which includes the long term liabilities as disclosed in note 12, cash and cash equivalents disclosed in note 2 and equity as disclosed in the statement of financial position.

Financial risk management

Financial Risk Management Objectives

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities.

The municipality's financial services function monitors and manages the financial risks relating to the operation of the municipality. These risks include credit risk and liquidity risk.

Liquidity risk

The municipality's liquidity risk pertains to whether funds are available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit obligations. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored. The trade payables under payables from exchange transactions under note 13 are paid in accordance with Council's creditors, councillors and staff payment policy, being within thirty days of the date of receipt of all correct supporting documents, invoices and statement.

The liquidity ratio is outlined below:

	30 June 2024	30 June 2023
Current Assets	322 891 040	374 226 586
Current Liabilities	214 164 726	237 746 681
Liquidity ratio	1,51	1,57

At 30 June 2024	Carrying value	Less than 1 year	Between 1 and 2 years
Consumer deposits	11 739 499	-	
Payables from exchange transactions	195 741 525	-	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

50. Risk management (continued)

At 30 June 2024	Carrying value	Less than 1 year	Between 1 and 2 years
Borrowings	6 285 648	6 285 648	-
Consumer deposits	10 991 054	-	
Payables from exchange transactions	210 504 916	-	

The gearing ratio	30 June 2024	30 June 2023
Total borrowings - short and long term	-	6 285 648
Less: Cash and cash equivalents	(136 160 780)	(153 519 700)
Net cash	(136 160 780)	(147 234 052)
Total equity	3 478 766 128	3 180 926 330
Total capital	3 342 605 348	3 033 692 278
Gearing (%)	-	0,21

Credit risk

Credit risk consists mainly of cash investment deposits, cash equivalents, receivables from exchange and nonexchange transactions. The municipality manages credit risk in its investing activities by only dealing with well established financial institutions of high credit standing and by spreading its exposure over a range of such institutions in accordance with its approved cash banking and investment policy. Credit risk pertaining to consumer debtors comprise of mainly water, sanitation and refuse users, dispersed across different industries and geographical areas. Ongoing evaluations are performed on the financial condition of these debtors and have been presented in these financial statements net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by “levying of penalty charges”, “demand for payment”, “restriction of services” and, as a last resort, “handed over for collection”, which ever procedure is applicable in terms of Council’s credit control and debt collection policy. Furthermore the consumer debtors neither past due nor impaired are considered in the impairment assessment at year end as collectible debts as they are further secured by deposits held. The carrying amount of consumer debtors whose terms have been re-negotiated through an acknowledgment of debt whereby payment terms were extended amounts to R8 293 616 as at 30 June 2024 (30 June 2023 - R7 152 643).

Certain consumer debtors are recorded as past due when payment is not received in accordance with the credit terms, however such debtors are not impaired in compliance with the prescripts of Councils credit control policy which does not permit the impairment of such classes of consumers. Inclusive hereto are debtors within the different organs of State. The disclosure and analysis hereto is reflected in the annual financial statements under note 3&4&11 receivables from exchange transactions consumer debtors (National and Provincial Government) and note 7 receivables from exchange transactions - other.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties have similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with credit ratings. The carrying amount of financial assets recorded in the annual financial statements which is net of impairment losses, represents the municipality’s maximum exposure to credit risk.

Financial assets exposed to credit risk at 30 June 2024 and 30 June 2023 respectively are detailed below:

	30 June 2024 30	June 2023
Investments	60 000 000	60 000 000
Cash and cash equivalents	76 160 780	93 519 700
Receivables from exchange transactions - consumer debtors	115 447 731	121 092 999
Receivables from non-exchange transactions - consumer debtors	10 704 859	9 196 565
Maximum exposure to credit risk	262 313 370	283 809 264

Interest rate risk

The municipality limits exposure to interest rate fluctuations by only dealing with well-established institutions and opting for fixed interest rates rather than variable rates.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information

General information

Identification of segments

The municipality is organised and operates six key functional segments. The segments are organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes. Revenues, capital and operating expenditures relating to these business units are allocated at a transactional level. Costs relating to the governance and administration of the municipality are not allocated to these business units.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Aggregated segments

The municipality operates throughout the District of King Cetshwayo situated in the KwaZulu Natal Province. Segments were aggregated on the basis of services delivered as management considered that the economic characteristics of the segments throughout the District were sufficiently similar to warrant aggregation.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Community and public safety	Community and social services
Economic and environmental services	Planning and development and environmental services
Trading services - water management	Provision of water services
Trading services - waste water management	Provision of sanitation services
Trading services - waste management	Provision of refuse services
Governance and administration - unallocated	Provision of support services - finance, corporate, municipal managers office and board

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information (continued)

Segment surplus or deficit, assets and liabilities

30 June 2024

	Community and public safety	Economic and environmental services	Trading service - water management	Trading service - waste water management	Trading service - waste management	Governance and administration - unallocated	Total
Revenue							
Service charges	-	-	61 721 653	8 769 402	32 970 235	-	103 461 290
Sale of goods and rendering of services	460 279	-	-	-	-	8 696	468 975
Licenses and permits	-	151 455	-	-	-	-	151 455
Rental income	-	-	357 491	-	-	-	357 491
Operational income	-	-	-	-	-	2 518 349	2 518 349
Interest on receivables from exchange transactions	-	-	4 350 959	-	-	-	4 350 959
Interest on receivables from investments and bank accounts	-	-	-	-	-	29 269 268	29 269 268
Actuarial gains	-	-	-	-	-	8 693 914	8 693 914
Gain on disposal of property, plant and equipment	-	-	-	-	-	833 252	833 252
Gain on adjustment to rehabilitation provision	-	-	-	-	10 325 417	-	10 325 417
Transfers and subsidies	-	21 373 830	734 229 182	33 433 270	24 396 586	363 892 148	1 177 325 016
Fines, penalties and forfeits	-	800 000	11 199 698	-	-	-	11 999 698
Donations	1 075 000	-	6 619 648	-	-	3 092 220	10 786 868
Service charges - availability charges	-	-	1 269 711	1 008 178	-	-	2 277 889
Interest on receivables from non-exchange transactions-	-	268 102	198 744	-	-	466 846	
Total segment revenue	**1 535 279**	**22 325 285**	**820 016 444**	**43 409 594**	**67 692 238**	**408 307 847**	**1 363 286 687**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information (continued)

Expenditure							
Employee related costs	25 814 179	37 176 479	160 209 816	847 486	5 195 391	100 846 169	330 089 520
Remuneration of councilors	-	-	-	-	-	14 986 734	14 986 734
Depreciation and amortisation	958 076	72 414 87	372 517	3 968 121	1 459 611	5 384 219	
99 214 958							
Finance costs	-	-	171 354	58 862	8 024 402	281 229	8 535 847
Debt impairment	-	(362 320)	1 522 362	3 617 005	476 735	-	5 253 782
Irrecoverable debts written off	-	729 639	3 616 508	568 181	-	-	4 914 328
Inventory consumed	793 213	7 586 677	138 639	782 310 413	2 966 756	69 098 141	219 394 982
Contracted services	14 021 908	5 838 583	60 496 023	17 673 612	14 045 467	74 273 269	186 348 862
Transfers and subsidies	3 450 000	250 000	-	-	-	-	3 700 000
Operating leases	-	105 624	105 379	-	-	18 743 951	18 954 954
Operational costs	6 565 061	1 839 535	48 547 411	15 502	516 288	42 260 522	99 744 319
Water losses	-	-	51 265 131	-	-	-	51 265 131
Impairment on property, plant and equipment	925 420	-	19 340 554	1 911 000	398 415	468 084	23 043 473
Total segment expenditure	**52 527 857**	**53 236 631**	**571 286 837**	**28 970 182**	**33 083 065**	**326 342 318**	**1 065 446 890**
Total segmental surplus/(deficit)	**(50 992 578)**	**(30 911 346)**	**248 729 607**	**14 439 412**	**34 609 173**	**81 965 529**	**297 839 797**
Assets							
Cash and cash equivalents	-	-	-	-	-	136 160 780	136 160 780
Receivables from exchange transactions- consumer debtors	-	-	46 432 171	12 296 343	2 384 921	2 586 106	63 699 541
Receivables from non-exchange transactions - consumer debtors	-	-	642 541	630 924	-	-	1 273 465
Inventories	-	-	2 687 028	-	-	3 177 027	5 864 055
Exchange transaction - VAT	-	-	-	-	-	98 918 489	98 918 489
Receivables from exchange transactions - other	-	-	12 494 792	-	-	4 479 918	16 974 710
Property, plant and equipment	13 146 316	584 124	3 123 858 498	190 024 673	69 901 300	56 500 995	3 454 015 906
Intangible assets	-	-	-	-	-	3 603 395	3 603 395
Heritage assets	-	787 200	-	-	-	700 000	1 487 200
Non-current receivables from exchange transactions - consumer debtors	-	-	4 996 464	518 312	-	-	5 514 776
Total segment assets	**13 146 316**	**1 371 324**	**3 191 111 494**	**203 470 252**	**72 286 221**	**306 126 710**	**3 787 512 317**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information (continued)

	Community and public safety	Economic and environmental services	Trading service - water management	Trading service - waste water management	Trading service - waste management	Governance and administration - unallocated	Total
Liabilities							
Payables exchange transactions	-	-	-	-	-	195 741 525	195 741 525
Consumer deposits	-	-	11 739 499	-	-	-	11 739 499
Employee benefit obligations	-	-	-	-	-	2 410 000	2 410 000
Current portion of provisions	-	-	-	-	-	4 273 702	4 273 702
Non-current employee defined benefit obligations	-	-	-	-	-	34 456 000	34 456 000
Non-current provisions provisions	-	-	-	-	60 125 463	-	60 125 463
Total segment liabilities	**-**	**-**	**11 739 499**	**-**	**60 125 463**	**236 881 227**	**308 746 189**

30 June 2024

	Community and public safety	Economic and environmental services	Trading service - water management	Trading service - waste water management	Trading service - waste management	Governance and administration - unallocated	Total
Revenue							
Service charges	-	-	64 619 742	8 134 303	36 634 389	-	109 388 434
Sale of goods and rendering of services	408 085	-	-	-	-	7 983	416 068
Licenses and permits	-	122 372	-	-	-	-	122 372
Rental income	-	-	311 509	-	-	46 261	357 770
Operational income	-	-	-	-	-	1 807 292	1 807 292
Interest on receivables from exchange transactions	-	-	2 018 108	664 132	-	1 428 086	4 110 326
Interest on receivables from investments and bank accounts	-	-	-	-	-	25 802 133	25 802 133
Actuarial gains	-	-	-	-	-	7 836 880	7 836 880
Gain on adjustment to rehabilitation provision	-	-	-	-	3 429 681	-	3 429 681
Transfers and subsidies	-	18 702 479	674 488 992	64 095 216 34	654 096 343	824 000	1 135 764 783
Fines, penalties and forfeits	-	400 000	30 664	-	-	-	430 664
Donations	931 584	-	717 618	-	-	-	1 649 202
Service charges - availability charges	-	-	1 240 451	1 024 427	-	-	2 264 878
Interest on receivables from non-exchange transactions	-	-	166 035	128 303	-	-	294 338
Total segment revenue	**1 339 669**	**19 224 851**	**743 593 119**	**74 046 381**	**74 718 166**	**380 752 635**	**1 293 674 821**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information (continued)

Expenditure							
Employee related costs	23 884 415	33 099 589	123 975 057	1 460 281	5 356 142	113 943 236	301 718 720
Remuneration of councilors	-	-	-	-	-	15 273 741	15 273 741
Depreciation and amortisa	2 184 205	70 444	85 031 616	4 114 530	12 846 458	5 037 490	109 284 743
Finance costs	-	-	376 963	129 491	13 635 772	739 684	14 881 910
Debt impairment	-	-	4 915 290	704 486	160 444	362 320	6 142 540
Bad debts written off	-	-	2 675 687	487 762	-	-	3 163 449
Inventory consumed	403 033	3 602 204	84 900	130 9 073	4 085 016	61 064 480	154 063 936
Contracted services	11 986 801	1 187 033	132 162 776	33 397 242	13 733 938	55 305 058	247 772 848
Transfers and subsidies	250 000	2 150 000	-	-	-	-	2 400 000
Operating leases	-	-	-	-	-	17 510 703	17 510 703
Operational costs	8 279 282	1 748 866	43 498 521	41 943	471 111	34 969 302	89 009 025
Water losses	-	-	43 898 199	-	-	-	43 898 199
Inventories write-down	-	-	-	-	-	143 622	143 62
Impairment on property, plant and equipment	-	-	3 634 198	-	-	-	3 634 198
Loss on disposal of assets	-	-	-	-	-	268 167	268 167
Total segment expenditure	**46 987 736**	**41 858 136**	**525 068 437**	**40 344 808**	**50 288 881**	**304 617 803**	**1 009 165 801**
Total segmental surplus/(deficit)	**(45 648 067)**	**(22 633 285)**	**218 524 682**	**33 701 573**	**24 429 285**	**76 134 832**	**284 509 020**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information (continued)

	Community and public safety	Economic and environmental services	Trading service - water management	Trading service - waste water management	Trading service - waste management	Governance and administration - unallocated	Total
Assets							
Cash and cash equivalents	-	-	-	-	-	153 519 700	153 519 700
Receivable from exchange transactions - consumer debtors	-	-	33 960 306	11 158 619	19 753 649	6 073 498	70 946 072
Receivables from non-exchange transactions - consumer debtors	-	-	3 374 250	2 427 403	-	-	5 801 653
Inventories	-	-	1 911 953	-	-	4 152 257	6 064 210
Exchange transactions - VAT	-	-	-	-	-	120 691 782	120 691 782
Receivables from exchange transactions - other	-	-	8 684 513	-	-	8 518 656	17 203 169
Property, plant and equipment	13 719 218	1 386 667	2 828 869 168	183 150 277	51 078 555	57 099 868	3 135 303 753
Intangible assets	-	-	-	-	-	3 630 074	3 630 074
Heritage assets		787 200	-	-	-	700 000	1 487 200
Receivables from exchange transactions - consumer debtors (non-current)	-	-	3 136 415	356 717	-	-	3 493 132
Total segment assets	**13 719 218**	**2 173 867**	**2 879 936 605**	**197 093 016**	**70 832 204**	**354 385 835**	**3 518 140 745**
Liabilities							
Current portion of borrowings	-	-	-	-	-	6 285 648	6 285 648
Payables from exchange transactions	-	-	-	-	-	210 504 916	210 504 916
Consumer deposits	-	-	-	-	-	10 991 054	10 991 054
Current portion of employee benefit obligations	-	-	-	-	-	2 232 000	2 232 000
Trade and other payables from non-exchange transactions	-	-	-	-	-	4 805 144	4 805 144
Current portion of provisions	-	-	-	-	-	2 927 919	2 927 919
Long-term portion of employee benefit obligations	-	-	-	-	-	36 951 000	36 951 000
Long-term portion of provisions	-	-	-	-	62 516 734	-	62 516 734
Total segment liabilities	**-**	**-**	**-**	**-**	**62 516 734**	**274 697 681**	**337 214 415**
Other information							
Capital expenditure - 30 June 2024	504 819	59 327	394 557 190	12 753 518	19 441 429	4 089 726	431 406 009
Capital expenditure - 30 June 2023	399 940	982 900	343 149 421	26 674 198	28 010 246	4 360 906	403 577 611

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

51. Segment information (continued)

Information about geographical areas

The municipality's operations encompass the entire district of King Cetshwayo DC 28 and includes the water and sanitation functions within the following local municipalities.

uMlalazi local municipality (KZN 284);

uMthonjaneni local municipality (KZN 285;

uMfolozi local municipality (KZN 281), and

Nkandla local municipality (KZN 283).

The table below indicates the relevant geographical information after eliminating inter segmental transfers:

30 June 2024

	External revenues from nonexchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets*
Administrative or head office	371 133 096	44 582 015	321 543 243	113 415 103
Whole of the district	824 028 573	45 357 300	684 997 425	115 969 115
KZN281 uMfolozi	6 619 648	8 943 122	11 706 979	354 187 077
KZN284 uMlalazi	1 075 000	41 247 824	29 545 184	1 666 446 208
KZN285 uMthonjaneni	-	9 108 245	12 550 581	480 202 594
KZN 286 Nkandla	-	11 191 864	5 103 478	728 886 404
Total	**1 202 856 317**	**160 430 370**	**1 065 446 890**	**3 459 106 501**

30 June 2023

	External revenues from nonexchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets*
Administrative or head office	348 833 349	43 532 847	283 414 060	118 026 480
Whole of the district	791 570 516	42 159 896	652 023 774	72 175 888
KZN 281 uMfolozi	-	12 093 521	6 827 585	380 441 850
KZN 284 uMlalazi	-	36 925 114	38 995 497	1 548 378 446
KZN 285 uMthonjaneni	-	8 554 001	8 083 276	364 750 843
KZN 286 Nkandla	-	10 005 577	19 821 609	656 647 520
Total	**1 140 403 865**	**153 270 956**	**1 009 165 801**	**3 140 421 027**

*Excludes non-current receivables relating to service charges.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

52. Prior-year adjustments

Presented below are those items contained in the statement of financial position and performance disclosure notes which have been affected by prior-year adjustments:

52.1 Cash and cash equivalents

Cash in transit amounting to R143 489 was reclassified from receivables from exchange transactions - other to cash and cash equivalents thereby increasing the prior year cash and cash equivalents balance from R153 376 211 to R153 519 700.

52.2 Receivables from exchange transactions - consumer debtors

Availability charges billed on undeveloped land amounting to R5 801 653 was reclassified from receivables from exchange transactions - consumer debtors to receivables from non-exchange transactions to align to mSCOA reporting.

Furthermore, the non-current portion debtor arrangements entered into with consumers amounting to R3 493 132 was reclassified from receivables from exchange transactions - consumer debtors to non-current receivables from exchange transactions - consumer debtors.

The impact of such adjustments was a net decrease in receivables from exchange transactions - consumer debtors from R80 240 856 to R70 946 072.

52.3 Receivables from non-exchange transactions - consumer debtors

Availability charges billed on undeveloped land amounting to R5 801 653 was reclassified from receivables from exchange transactions - consumer debtors to receivables from non-exchange transactions to align to mSCOA reporting.

52.4 Receivables from exchange transactions - other

Employee related cost payable balances amounting to R226 463 were reclassified from receivables from exchange transactions - other to payables from exchange transaction to align to mSCOA reporting.

Transfers and subsidies receivable amounting to R260 964 from a municipality has been accrued for due to conditions of the grant not being met.

Cash in transit amounting to R143 489 was reclassified from receivables from exchange transactions - other to cash and cash equivalents.

Furthermore, interest earned on Eskom deposits amounting to R3 083 834 was recognised.

The impact of such adjustments was a net increase in receivables from exchange transactions - other from R13 775 397 to R17 203 169.

52.5 Property, plant and equipment

Assets within the operational building category amounting to R1 087 623 was reclassified from AUC to depreciable assets. The impact was a reduction in the carrying value due to accumulated depreciation amounting to R229 961.

52.6 Receivables from exchange transactions - consumer debtors (non-current assets)

The non-current portion debtor arrangements entered into with consumers amounting to R3 493 132 was reclassified from receivables from exchange transactions - consumer debtors to non-current receivables from exchange transactions - consumer debtors

52.7 Payables from exchange transactions

Employee related cost payable balances were reclassified from receivables from exchange transactions - other to payables from exchange transaction to align to mSCOA reporting. The reclassification adjustment amounted to R226 463 thereby increasing the prior year payable balance from R210 278 451 to R210 504 916.

52.8 Revenue from exchange transactions - service charges

Revenue attributable to availability charges on undeveloped stands amounting to R2 264 878 has been reclassified to revenue from non-exchange transactions service charges - availability charges.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

52. Prior-year adjustments(continued)

52.9 Interest on receivables from exchange transactions

Interest attributable to availability charges on undeveloped stands amounting to R294 338 has been reclassified to revenue from non-exchange transactions service charges - availability charges.

Furthermore, interest earned on Eskom deposits amounting to R499 475 was recognised.

The impact of such adjustments resulted in an increase in interest on receivables from exchange transactions from R3 905 190 to R4 110 326.

52.10 Revenue from non-exchange transactions - service charges (availability charges)

Revenue and interest attributable to availability charges on undeveloped stands amounting to R2 264 878 and R294 338 respectively has been reclassified to revenue from non-exchange transactions service charges - availability charges and interest on receivables from non-exchange transactions.

52.11 Depreciation and amortisation

Assets within the operational building category amounting to R1 087 623 was reclassified from AUC to depreciable assets. Depreciation amounting to R82 049 was raised for the year.

52.12 Operating costs

Operating leases amounting to R17 510 703 have been separately disclosed on the statement of financial performance to align to mSCOA reporting guidelines.

52.13 Operating leases

Operating leases amounting to R17 510 703 have been separately disclosed on the statement of financial performance to align to mSCOA reporting guidelines.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

52. Prior-year adjustments(continued)

Statement of financial position

30 June 2023

		As previously reported	Reclassification	Adjustment	Restated
Effect on cash and cash equivalents	2	153 376 211	143 489	-	153 519 700
Effect on receivables from exchange transactions - consumer debtors	3	80 240 856	(9 294 784)	-	70 946 072
Effect on receivables from non-exchange transactions - consumer debtors	4	-	5 801 653	-	5 801 653
Effect on receivables from exchange transactions - other	7	13 775 397	82 974	3 344 798	17 203 169
Effect on property, plant and equipment	8	3 135 533 714	-	(229 961)	3 135 303 753
Effect on receivables from exchange transactions - consumer debtors (non-current)	11	-	3 493 132	-	3 493 132
Effect on current liabilities - payables from exchange transactions	13	(210 278 451)	(226 465)	-	(210 504 916)

Statement of financial performance

30 June 2023

		As previously reported	Reclassification	Adjustment	Restated
Effect on service charges	18	111 653 312	(2 264 878)	-	109 388 434
Effect on interest on receivables from exchange transactions	23	3 905 190	(294 336)	499 472	4 110 326
Effect on service charges - availability charges	27	-	2 264 878	-	2 264 878
Effect on interest on receivables from nonexchange transactions	28	-	294 338	-	294 338
Effect on depreciation and amortisation	31	(109 202 694)	-	(82 049)	(109 284 743)
Effect on operating leases	36	-	(17 510 703)	-	(17 510 703)
Effect on operational costs	37	(106 519 728)	17 510 703	-	(89 009 02)

Statement of changes in net assets

30 June 2023

	As previously reported	Adjustment	Restated
Effect on accumulated surplus balance as at 1 July 2022	2 893 719 899	2 697 411	2 896 417 310
Effect on accumulated surplus balance as at 1 July 2023	3 177 811 494	3 114 836	3 180 926 330

53. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R3 478 766 128 and that the municipality's total assets exceed its liabilities by R3 478 766 128.

The annual financial statements for the year ended 30 June 2024 have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business, dependent on the receiving of equitable share allocations.

54. Events after the reporting date

At the date of submission of the annual financial statements there were no known adjusting events.

APPENDIX A

KING CETSHWAYO DISTRICT MUNICIPALITY: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2024

	Redeemable Date	Balance at 1 July 2023 R	Received during the period R	Redeemed written off during the period R	Balance at 30 June 2024 R
ANNUITY LOAN					
ABSA @ 12.6%	2024/06/30	6 285 649	-	6 285 649	-
		6 285 649	**-**	**6 285 649**	**-**
TOTAL EXTERNAL LOANS					
ANNUITY LOAN		6 285 649	-	6 285 649	-
		6 285 649	**-**	**6 285 649**	**-**

King Cetshwayo District Municipality - Annual Financial Statements: APPENDIX B

ANALYSIS AS AT 30 June 2024

Asset Group	Opening Balance (Historical Cost)	Additions (Historical Cost)	Additions WIP (Historical Cost)	Capitalised WIP (Historical Cost)	Disposals (Historical Cost)	Adjustment in Fair Value (Historical Cost)	Adjustment to Provisions (Historical Cost)	Transfer Cost (Historical Cost)
Cemeteries / Crematoria	21 768 163.40	-	-	-	-	-	-	-
Halls / Centres	-	1 075 000.00	7 391 911.40	-	-	-	-	-
Markets / Stalls / Shops	5 000 999.40	-	-	-	-	-	-	-
Facilities	2 005 863.03	-	-	-	-	-	-	-
Subtotal	**28 775 025.83**	**1 075 000.00**	**7 391 911.40**	-	-	-	-	-
Heritage Asset	1 487 200.00	-	-	-	-	-	-	-
Subtotal	**1 487 200.00**	-	-	-	-	-	-	-
Servers	8 911.29	-	-	-	-	-	-	-
Software	6 857 550.81	-	576 400.00	-	-	-	-	-
Subtotal	**6 866 462.10**	-	**576 400.00**	-	-	-	-	-
Outfall Sewers	122 102 678.10	-	22 585 839.92	64 404 610.04	-	-	-	-
Pump stations	56 214 809.31	-	-	-	-	-	-	-
Reticulation	47 157 088.37	2 306 234.03	-	-	-	-	-	64 404 610.04
Toilet facilities	13 895.90	-	-	-	-	-	-	-
Waste-water treatment w	27 306 558.86	-	-	-	-	-	-	-
Subtotal	**253 195 030.54**	**2 306 234.03**	**22 585 839.92**	**64 404 610.04**	-	-	-	**64 404 610.04**
Servitudes	61 683.13	-	-	-	-	-	-	-
Subtotal	**61 683.13**	-	-	-	-	-	-	-
Landfill sites	64 401 793.54	-	-	-	-	-	-	-
Waste Processing Facilities	16 681 366.52	-	-	-	-	-	-	-
Waste Transfer Stations	30 143 261.52	-	19 431 928.76	-	-	-	-	-
Subtotal	**111 226 421.58**	-	**19 431 928.76**	-	-	-	-	-
Boreholes	131 443 104.14	7 215 266.13	-	-	-	-	-	541 699.54
Bulk mains	740 482 085.17	62 434.17	84 836 347.29	6 744 751.77	-	-	-	29 755 588.32
Dams and weirs	7 960 683.74	14 699 973.16	2 248 451.10	4 321 402.00	-	-	-	4 321 402.00
Distribution	1 598 910 322.31	22 681 755.85	197 582 076.73	81 296 963.00	-	-	-	87 119 854.17
Pump stations	285 458 230.10	36 135.00	-	-	-	-	-	2 728 500.10
Reservoirs	427 037 387.18	3 898 047.02	-	-	-	-	-	6 085 950.00
Tank	4 262 238.00	-	-	-	-	-	-	-
Water treatment works (V	332 684 307.21	-	33 275 399.69	14 201 837.45	-	-	-	-
Subtotal	**3 527 581 341.22**	**48 587 611.75**	**318 742 274.81**	**80 564 995.22**	-	-	-	**80 564 995.22**
Computer Equipment	18 148 463.94	1 541 761.43	-	-	(629 029.53)	-	-	-
Subtotal	**18 148 463.94**	**1 541 761.43**	-	-	**(629 029.53)**	-	-	-
Furniture	7 557 859.75	411 400.47	-	-	(49 692.71)	-	-	-
Subtotal	**7 557 859.75**	**411 400.47**	-	-	**(49 692.71)**	-	-	-
Staff Housing	931 584.05	-	-	-	-	-	-	-
Subtotal	**931 584.05**	-	-	-	-	-	-	-
Motor Vehicle	90 041 219.71	16 023 385.00	-	-	(3 835 620.00)	-	-	-
Subtotal	**90 041 219.71**	**16 023 385.00**	-	-	**(3 835 620.00)**	-	-	-
Office Equipment	9 153 560.24	330 424.62	-	-	(203 417.32)	-	-	-
Subtotal	**9 153 560.24**	**330 424.62**	-	-	**(203 417.32)**	-	-	-
Municipal Offices	70 542 514.73	876 216.60	-	-	-	-	-	-
Stores	6 298 822.29	-	-	-	-	-	-	-
Workshops / stores	353 563.57	-	-	-	-	-	-	-
Subtotal	**76 692 900.59**	**876 216.60**	-	-	-	-	-	-
Plant and Equipment	5 917 726.07	3 231 651.86	-	-	(65 850.00)	-	-	-
Subtotal	**5 917 726.07**	**3 231 651.86**	-	-	**(65 850.00)**	-	-	-
Intangibles	**6 866 462.10**	-	**576 400.00**	-	-	-	-	-
Heritage	**1 487 200.00**	-	-	-	-	-	-	-
PPE	**4 129 282 816.45**	**74 382 685.56**	**368 151 974.89**	**144 969 605.26**	**(4 783 205.56)**	-	-	**144 969 605.26**
Grandtotal	**4 137 636 478.55**	**74 382 685.56**	**368 728 374.89**	**144 969 605.26**	**(4 783 205.56)**	-	-	**144 969 605.26**

Asset Group	Closing Balance (Historical Cost)	Opening Balance (Accumulated Depreciation, Impaired Losses and Transfers)	Additions (Accumulated Depreciation, Impaired Losses and Transfers)	Accumulated Impairment (Accumulated Depreciation, Impaired Losses and Transfers)	Disposals (Accumulated Depreciation, Impaired Losses and Transfers)	Closing Balance (Accumulated Depreciation, Impaired Losses and Transfers)	Carrying Value
Cemeteries / Crematoria	21 768 163.40	(8 327 298.04)	(1 357 182.90)	(673 555.82)	-	(10 358 036.76)	11 410 126.64
Halls / Centres	8 466 911.40	-	-	-	-	-	8 466 911.40
Markets / Stalls / Shops	5 000 999.40	(1 290 920.26)	(285 483.12)	(251 863.98)	-	(1 828 267.76)	3 172 731.64
Facilities	2 005 863.03	(580 969.21)	(101 600.82)	-	-	(682 570.03)	1 323 293.00
Subtotal	**37 241 937.23**	**(10 199 187.51)**	**(1 744 267.24)**	**(925 419.80)**	-	**(12 868 874.55)**	**24 373 062.68**
Heritage Asset	1 487 200.00	-	-	-	-	-	1 487 200.00
Subtotal	**1 487 200.00**	-	-	-	-	-	**1 487 200.00**
Servers	8 911.29	(7 997.81)	(304.66)	-	-	(8 301.97)	609.32
Software	7 433 950.81	(3 228 374.16)	(602 774.11)	-	-	(3 831 148.27)	3 602 802.54
Subtotal	**7 442 862.10**	**(3 236 371.97)**	**(603 078.77)**	-	-	**(3 839 450.24)**	**3 603 411.86**
Outfall Sewers	144 688 518.02	-	-	-	-	-	144 688 518.02
Pump stations	56 214 809.31	(44 678 896.44)	(1 216 152.06)	(1 447 669.13)	-	(47 342 607.63)	8 872 111.68
Reticulation	49 463 322.40	(11 883 796.64)	(1 691 315.76)	-	-	(13 575 112.40)	35 888 210.00
Toilet facilities	13 895.90	(11 892.20)	(667.91)	-	-	(12 560.11)	1 335.79
Waste-water treatment w	27 306 558.86	(10 746 644.89)	(958 384.84)	(463 350.41)	-	(12 168 379.94)	15 138 178.92
Subtotal	**278 087 104.49**	**(67 321 229.97)**	**(3 866 520.57)**	**(1 910 999.54)**	-	**(73 098 750.08)**	**204 988 354.41**
Servitudes	61 683.13	-	-	-	-	-	61 683.13
Subtotal	**61 683.13**	-	-	-	-	-	**61 683.13**
Landfill sites	64 401 793.54	(56 136 770.23)	(151 825.55)	(398 414.60)	-	(56 687 010.38)	7 714 783.16
Waste Processing Facilities	16 681 366.52	-	-	-	-	-	16 681 366.52
Waste Transfer Stations	49 575 190.28	-	-	-	-	-	49 575 190.28
Subtotal	**130 658 350.34**	**(56 136 770.23)**	**(151 825.55)**	**(398 414.60)**	-	**(56 687 010.38)**	**73 971 339.96**
Boreholes	138 658 370.27	(64 053 118.54)	(3 984 241.04)	(905 124.86)	-	(68 942 484.44)	69 715 885.83
Bulk mains	825 380 871.43	(60 371 613.23)	(9 336 040.67)	(16 336.07)	-	(69 717 989.99)	755 662 871.44
Dams and weirs	25 846 106.99	(2 587 369.00)	(34 000.65)	(15 223.46)	-	(2 636 593.11)	23 209 603.84
Distribution	1 818 374 154.89	(374 370 264.99)	(27 375 230.55)	(16 619.78)	-	(401 762 115.32)	1 416 612 039.57
Pump stations	285 494 365.12	(63 901 272.65)	(11 064 997.16)	(2 233 193.39)	-	(77 199 463.22)	208 294 901.90
Reservoirs	436 951 416.18	(131 540 785.81)	(14 588 897.61)	(8 720 450.75)	-	(154 850 133.07)	276 085 280.11
Tank	4 262 238.00	-	-	-	-	-	4 262 238.00
Water treatment works (V	365 959 706.90	(67 712 850.02)	(6 651 739.41)	(7 414 596.03)	-	(81 800 685.46)	284 157 021.44
Subtotal	**3 894 911 227.78**	**(764 556 673.76)**	**(73 014 153.15)**	**(19 340 554.34)**	-	**(856 911 381.25)**	**3 037 999 846.53**
Computer Equipment	19 061 195.84	(13 211 048.61)	(1 857 217.18)	-	569 346.49	(14 498 919.30)	4 562 276.54
Subtotal	**19 061 195.84**	**(13 211 048.61)**	**(1 857 217.18)**	-	**569 346.49**	**(14 498 919.30)**	**4 562 276.54**
Furniture	7 919 567.71	(5 845 577.75)	(375 555.04)	-	42 217.51	(6 178 915.28)	1 740 652.43
Subtotal	**7 919 567.71**	**(5 845 577.75)**	**(375 555.04)**	-	**42 217.51**	**(6 178 915.28)**	**1 740 652.43**
Staff Housing	931 584.05	(33 974.04)	(72 121.49)	(468 085.47)	-	(574 181.00)	357 403.05
Subtotal	**931 584.05**	**(33 974.04)**	**(72 121.49)**	**(468 085.47)**	-	**(574 181.00)**	**357 403.05**
Motor Vehicle	102 228 984.71	(36 029 262.61)	(14 764 411.66)	-	2 093 642.68	(48 700 031.59)	53 528 953.12
Subtotal	**102 228 984.71**	**(36 029 262.61)**	**(14 764 411.66)**	-	**2 093 642.68**	**(48 700 031.59)**	**53 528 953.12**
Office Equipment	9 280 567.54	(7 330 564.35)	(579 321.44)	-	196 800.33	(7 713 085.46)	1 567 482.08
Subtotal	**9 280 567.54**	**(7 330 564.35)**	**(579 321.44)**	-	**196 800.33**	**(7 713 085.46)**	**1 567 482.08**
Municipal Offices	70 918 731.33	(26 916 075.56)	(1 823 564.89)	-	-	(28 739 640.45)	42 179 090.88
Stores	6 298 822.29	(3 016 393.32)	(95 740.36)	-	-	(3 112 133.68)	3 186 688.61
Workshops / stores	353 563.57	(231 632.43)	(17 951.67)	-	-	(249 584.29)	103 979.48
Subtotal	**77 569 117.19**	**(30 164 101.30)**	**(1 935 256.92)**	-	-	**(32 099 358.22)**	**45 469 758.97**
Plant and Equipment	9 083 527.93	(3 150 675.71)	(602 808.16)	-	64 641.37	(3 688 842.50)	5 395 085.43
Subtotal	**9 083 527.93**	**(3 150 675.71)**	**(602 808.16)**	-	**64 641.37**	**(3 688 842.50)**	**5 395 085.43**
Intangibles	**7 442 862.10**	**(3 236 371.47)**	**(603 078.77)**	-	-	**(3 839 450.24)**	**3 603 411.86**
Heritage	**1 487 200.00**	-	-	-	-	-	**1 487 200.00**
PPE	**4 567 035 267.74**	**(993 979 060.86)**	**(98 963 456.18)**	**(23 040 473.75)**	**2 966 648.38**	**(1 113 019 349.41)**	**3 454 015 918.33**
Grandtotal	**4 575 965 329.84**	**(997 215 837.31)**	**(99 566 530.95)**	**(23 040 473.75)**	**2 966 648.38**	**(1 116 858 799.65)**	**3 459 106 530.19**

APPENDIX C

KING CETSHWAYO DISTRICT MUNICIPALITY : DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grants & Vote	Name of organ of state or municipal entity	CURRENT YEAR RECEIPTS				CONDITIONS MET TRANSFERRED TO REVENUE			
		Sep-23	Dec-23	Mar-24	Jun-24	Sep-23	Dec-23	Mar-24	Jun-24
Rural Transport Services & Infrastructure	DOT	-	1 900 000	1 245 000.00	-	507 980	715 587	622 171	1 299 262
Subtotal - Department of Transport		**-**	**1 900 000.00**	**1 245 000.00**	**-**	**507 980**	**715 587**	**622 171**	**1 299 262**
Regional Bulk Infrastructure Grant	DWS	85 000 000	95 000 000	42 547 000	-	55 337 097	79 516 577	40 466 195	27 227 131
Water Services Infrastructure Grant	DWS	43 000 000	10 000 000	7 000 000	-	8 694 102	34 121 994	6 140 262	11 043 643
Subtotal - Department of Water and Sanitation		**128 000 000**	**105 000 000**	**49 547 000**	**-**	**64 031 198**	**113 638 571**	**46 606 458**	**38 270 773**
MIG	MIG	52 000 000	99 000 000	40 737 000	-	35 684 794	70 900 108	24 298 763	60 853 335
Municipal Disaster Grant	COGTA						1 001 106	502 934	545 828
Sub total - Department of Co-operative Governance		**52 000 000**	**99 000 000**	**40 737 000**	**-**	**35 684 794**	**71 901 214**	**24 801 697**	**61 399 163**
Local Government Finance Grant	NT	1 200 000	-	-	-	307 587	213 786	212 820	463 807
Equitable Share	NT	146 513 439	109 473 175	72 433 386	-	82 105 000	82 105 000	82 105 000	82 105 000
Levy Replacement	NT	141 438 561	120 887 658	100 337 614	-	90 665 958	90 665 958	90 665 958	90 665 958
LG - SETA	NT		28 315						28 315
Subtotal - National Treasury		**289 152 000**	**230 389 148**	**172 771 000**	**-**	**173 078 545**	**172 984 744**	**172 983 778**	**173 263 080**
EPWP Incentive Grant	PW	1 466 000	2 638 000	1 430 000	-	1 466 000	1 790 681	1 777 826	499 493
Sub total - Department of Public Works		**1 466 000**	**2 638 000**	**1 430 000**	**-**	**1 466 000**	**1 790 681**	**1 777 826**	**499 493**
TOTAL					1 178 278 148				1 177 328 018

Entity:	King Cetshwayo District Municipality
Year end:	2023/2024
Item:	APPENDIX D - Appropriation Statement - Statement of Performance

	Original budget	Adjustments	Final budget	Shifting of funds (i.t.o s31 of the MFMA)	Virement (i.t.o. council approved policy	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as a % of final budget	Actual outcome as a % of original budget
Financial Performance											
Service charges - Water	74 388 424	(1 495 529)	72 892 895	-	-	72 892 895	61 721 653	-	(11 171 242)	-15%	-17%
Service charges - Waste Water Management	10 006 523	-	10 006 523	-	-	10 006 523	8 769 402	-	(1 237 121)	-12%	-12%
Service charges - Waste Management	41 674 583	-	41 674 583	-	-	41 674 583	32 970 235	-	(8 704 348)	-21%	-21%
Sale of Goods and Rendering of Services	784 293	(379 008)	405 285	-	-	405 285	468 975	-	63 690	16%	-40%
Interest earned from Receivables	1 603 121	-	1 603 121	-	-	1 603 121	4 350 959	-	2 747 838	171%	171%
Interest earned from Current and Non Current Assets	20 678 672	7 744 465	28 423 137	-	-	28 423 137	29 269 268	-	846 131	3%	42%
Rental from Fixed Assets	229 272	-	229 272	-	-	229 272	357 491	-	128 219	56%	56%
Licence and permits	-	109 479	109 479	-	-	109 479	151 455	-	41 976	38%	100%
Operational Revenue	714 610	4 469 825	5 184 435	-	-	5 184 435	2 518 349	-	(2 666 086)	-51%	252%
Fines, penalties and forfeits	11 876	11 614 820	11 626 696	-	-	11 626 696	11 999 698	-	373 002	3%	100942%
Licences or permits	50 000	(50 000)	-	-	-	-	-	-	-	100%	-100%
Transfer and subsidies - Operational	725 015 175	3 045 531	728 060 706	-	-	728 060 706	728 046 612	-	(14 094)	0%	0%
Other Gains	-	-	-	-	-	-	19 852 583	-	19 852 583	100%	100%
Interest	-	-	-	-	-	-	466 846	-	466 846	100%	100%
Service charges - availability charges	-	-	-	-	-	-	2 277 889	-	2 277 889	100%	100%
Donations	-	-	-	-	-	-	10 786 868	-	10 786 868	100%	100%
Total revenue (excluding capital transfers and contributions)	**875 156 549**	**25 059 583**	**900 216 132**	-	-	**900 216 132**	**914 008 283**	-	**13 792 151**	**2%**	**4%**
Expenditure											
Employee related costs	340 603 844	(11 647 634)	348 956 210	-	(14 673 589)	334 282 621	330 089 320	-	(4 193 301)	-1%	-8%
Remuneration of councillors	17 096 647	-	17 096 647	-	-	17 096 647	14 986 734	-	(2 109 913)	-12%	-12%
Inventory consumed	218 845 048	28 537 151	247 382 199	-	(562 494)	246 819 705	219 394 982	-	(27 424 723)	-11%	0%
Debt impairment	9 310 146	(4 686 140)	4 624 006	-	992 096	5 616 102	5 253 782	-	(362 320)	-6%	-44%
Depreciation, amortisation and impairment	145 688 481	-	145 688 481	-	(3 036 849)	142 651 632	122 258 431	-	(20 393 201)	-14%	-16%
Interest	2 214 498	6 321 339	8 535 847	-	-	8 535 847	8 535 847	-	-	0%	285%
Contracted services	148 846 807	26 374 686	175 221 493	-	18 264 005	193 485 498	186 348 862	-	(7 136 636)	-4%	25%
Transfers and subsidies	5 000 000	700 000	5 700 000	-	-	5 700 000	3 700 000	-	(2 000 000)	-35%	-26%
Irrecoverable debts written off	-	4 686 140	4 686 140	-	228 189	4 914 329	4 914 328	-	(1)	0%	100%
Operational costs	124 036 156	1 040 999	125 077 155	-	(3 027 922)	122 049 233	118 699 273	-	(3 349 960)	-3%	-4%
Losses on disposal of Assets	-	-	-	-	1 816 564	1 816 564	-	-	(1 816 564)	100%	100%
Other Losses	-	65 226 918	65 226 918	-	-	65 226 918	51 265 131	-	(13 961 787)	-21%	100%
Total expenditure	**1 031 641 617**	**116 553 479**	**1 148 195 096**	-	-	**1 148 195 096**	**1 065 446 890**	-	**(82 748 206)**	**-7%**	**3%**
Deficit	**(156 485 068)**	**(91 493 896)**	**(247 978 964)**	-	-	**(247 978 964)**	**(151 438 607)**	-	**96 540 357**	**-39%**	**-3%**
Transfers and subsidies - capital (monetary allocations)(Nat/Prov departm ent)	481 636 825	(32 269 614)	449 367 211	-	-	449 367 211	449 278 404		(88 807)	0%	-7%
Surplus for the year	**325 151 757**	**(123 763 510)**	**201 388 247**	-	-	**201 388 247**	**297 829 797**	-	**96 441 550**	**48%**	**100%**
Capital expenditure and funds sources											
Total capital expenditure	452 537 631	(16 105 386)	436 432 245	-	-	436 432 245	431 406 008	-	(5 026 237)	-1%	-5%
Sources of capital funds											
Transfers recognised - capital	418 814 631	(28 050 614)	390 764 017	-	-	390 764 017	390 676 872	-	(87 145)	0%	-7%
Borrowing	-	-	-	-	-	-	-	-	-	100%	100%
Internally generated funds	33 723 000	11 945 228	45 668 228	-	-	45 668 228	40 729 136	-	(4 939 092)	-11%	21%
Total sources of capital funds	**452 537 631**	**(16 105 386)**	**436 432 245**	-	-	**436 432 245**	**431 406 008**	-	**(5 026 237)**	**-1%**	**-5%**
Financial position											
Total current assets	580 294 724	(201 050 546)	379 244 178	-	-	379 244 178	322 891 040	-	(56 353 138)	-15%	-44%
Total non-current assets	3 385 973 912	(16 105 386)	3 369 868 526	-	-	3 369 868 526	3 464 621 277	-	94 752 751	3%	2%
Total current liabilities	312 556 268	(47 456 752)	265 099 516	-	-	265 099 516	214 164 726	-	(50 934 790)	-19%	-31%
Total non-current liabilities	70 455 703	54 357 744	124 813 447	-	-	124 813 447	94 581 463	-	(30 231 984)	-24%	34%
Community wealth/equity (net assets)	**3 583 254 665**	**(204 054 924)**	**3 379 199 741**	-	-	**3 379 199 741**	**3 478 766 128**	-	**99 566 387**	**3%**	**-3%**
Cash flows											
Net cash movement in operating activities	331 569 822	(93 546 552)	438 023 270	-	-	438 023 270	423 630 587	-	(14 392 683)	-3%	-20%
Net cash movement in investing activities	(452 537 631)	16 105 386	(436 432 245)	-	-	(436 432 245)	(435 452 308)	-	979 937	0%	-4%
Net cash movement in financing activities	(6 303 452)	-	(6 303 452)	-	-	(6 303 452)	(5 537 199)	-	766 253	-12%	-12%
Net increase / (decrease) in cash	**72 728 739**	**(77 441 166)**	**(4 712 427)**	-	-	**(4 712 427)**	**(17 358 920)**	-	**(12 646 493)**	**268%**	**-124%**
Cash and cash equivalents at the beginning of year	374 114 918	(220 738 707)	153 376 211	-	-	153 376 211	153 519 700	-	143 489	0%	-59%
Cash and cash equivalents at year end	**446 843 657**	**(298 179 873)**	**148 663 784**	-	-	**148 663 784**	**136 160 780**	-	**(12 503 004)**	**-8%**	**-70%**

APPENDICES

APPENDIX A: COUNCILLORS: COMMITTEE ALLOCATION AND ATTENDANCE

LIST OF PORTFOLIO COMMITTEES

CORPORATE SERVICES		
1	Cllr PP Xulu	IFP (Chairperson)
2	Cllr CN Mpanza	IFP
3	Cllr MM Mthiyane	IFP
4	Cllr F Mndaba	IFP
5	Cllr ME Dlamini	ANC
6	Cllr BB Ndima	ANC
7	Cllr SL Magubane	DA
8	Vacant	EFF

FINANCIAL SERVICES		
1	Cllr AT Ntuli	IFP (Chairperson)
2	Cllr QT Xulu	IFP
3	Cllr MN Biyela	IFP
4	Cllr JL Nzuza	IFP
5	Cllr SW Mgenge	ANC
6	Cllr SP Mpanza	ANC
7	Cllr SN Ntshangase	DA
8.	Cllr SB Mthiyane	EFF

COMMUNITY SERVICES		
1	Cllr IN Zwane	IFP (Chairperson)
2	Cllr ES Mbatha	IFP
3	Cllr M Msimango	IFP (DA)
4	Cllr SE Mhlongo	IFP
5	Cllr SS Nkabinde	ANC
6	Cllr PC Cele	ANC
7	Cllr M Mtshali	DA
8	Cllr NM Madida	EFF

MPAC COMMITTEE		
1	Cllr M Mtshali	DA (Chairperson)
2	Cllr XM Bhengu	IFP
3	Cllr QT Xulu	IFP
4	Cllr MN Biyela	IFP
5	Cllr NT Mthiyane	ANC
6	Cllr PSM Mchunu	ANC
7	Cllr SD Khubisa	EFF

TECHNICAL SERVICES		
1	Cllr SZ Dlamini	IFP (Chairperson)
2	Cllr XM Bhengu	IFP
3	Cllr MM Ngema	IFP
4	Cllr NP Mahaye	IFP
5	Cllr FN Mabuyakhulu	ANC
6	Cllr NN Lembede	ANC
7	Cllr S Ntshangase	DA
8	Cllr NM Madida	EFF

RULES COMMITTEE		
1	Cllr SH Mkhwanazi	IFP (Chairperson)
2	Cllr AM Mtshali (Council Whip)	IFP
3	Cllr ME Mthethwa (IFP Whip)	IFP
4	Cllr M Mtshali (DA Whip)	DA
5	Cllr NT Mthiyane (ANC Whip)	ANC
6	Cllr SD Khubisa (EFF Whip)	EFF

PLANNING & ECONOMIC DEVELOPMENT		
1	Cllr NM Madida	EFF (Chairperson)
2	Cllr ZH Mkhize	IFP
3	Cllr SF Mdletshe	IFP
4	Cllr FPB Mpungose	IFP
5.	Cllr A Lange	IFP
6	Cllr ZL Mfusi	ANC
7.	Cllr WL Ngema	ANC
8.	Cllr SL Magubane	DA

QUARTER 1

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2023

CORPORATE SERVICES	18.07.2023	16.08.2023	19.09.2023
Cllr PP Xulu	✓	✓	🔵
Cllr CN Mpanza	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr ME Dlamini	✓	✓	✓
Cllr BB Ndima	✓	✗	✓
Cllr SL Magubane	🔵	✓	✓
Cllr NN Ngubane	✗	✗	✗

TECHNICAL SERVICES	19.07.2023	15.08.2023	19.09.2023
Cllr SZ Dlamini	✓	✓	✓
Cllr XM Bhengu	✓	✓	✓
Cllr MM Ngema	✓	✓	✓
Cllr NP Mahaye	✓	🔵	✗
Cllr FN Mabuyakhulu	✓	✓	✓
Cllr NN Lembede	🔵	✓	✓
Cllr S Ntshangase	✓	✓	✓
Cllr NM Madida	✓	✓	🟠

COMMUNITY SERVICES	18.07.2023	16.08.2023	20.09.2023
Cllr IN Zwane	✓	✓	✓
Cllr ES Mbatha	🔵	✓	✓
Cllr M Msimango	✓	✓	🟠
Cllr SE Mhlongo	✓	✓	✓
Cllr SS Nkabinde	🔵	✓	✓
Cllr PPC Cele	🔵	✓	✗ 🟠
Cllr M Mtshali	✓	✓	✓
Cllr NM Madida	✓	✗	✗

PLANNING & ECONOMIC DEV.	~~19~~ 25.07.2023	15.08.2023	20.09.2023
Cllr NM Madida	✓	✓	🔵 🟠
Cllr SH Mkhwanazi	✓	✓	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	✓
Cllr A Lange	✓	✓	🟠
Cllr ZL Mfusi	🔵	🔵	✗
Cllr WL Ngema	✓	✓	✓
Cllr SL Magubane	🔵	✓	✓

FINANCIAL SERVICES	25.07.2023	22.08.2023	29.08.2023	26.09.2023
Cllr AT Ntuli	🔵	✓	🔵	✓
Cllr QT Xulu	✓	✓	✓	✓
Cllr MN Biyela	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓
Cllr SW Mgenge	✗	✗	✗	✗
Cllr SP Mpanza	✓	✓	✓	✓
Cllr S Ntshangase	✓	✓	✓	✓
Cllr SB Mthiyane	✓	✓	✓	✗

RULES & ETHICS	10.08.2022
Cllr IJ Naidoo	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✓
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	✗

MPAC	22.08.2023
Cllr M Mtshali	✓
Cllr XM Bhengu	✓
Cllr QT Xulu	✓
Cllr MN Biyela	✓
Cllr NT Mthiyane	✓
Cllr PSM Mchunu	🔵
Cllr SD Khubisa	✓

KEY:

- ✗ Absent
- ✓ Present
- 🔵 Apology
- 🟠 Observer

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2023

NAME	26.07.2023	23.08.2023	30.08.2023	~~27~~ 26.09.2023
Cllr AT Ntuli	✓	✓	•	✓
Cllr SZ Dlamini	✓	✓	✓	✓
Cllr IN Zwane	✓	✓	✓	✓
Cllr PP Xulu	✓	✓	✓	✓
Cllr NM Madida	✓	✓	✓	✗ •
Cllr PPC Cele	✓	✓	✓	•
Cllr SW Mgenge	✓	•	✓	•
Cllr SL Magubane	•	✓	✓	✓

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2023

NAME	26.07.2023	23.08.2023	30.08.2023	07.09.2023
Cllr IJ Naidoo	✓	✓	✓	Resigned
Cllr AT Ntuli	•	✓	•	✓
Cllr SZ Dlamini	✓	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓	✓
Cllr PPC Cele	✗	✓	✓	✓
Cllr SL Magubane	•	✓	✓	✓
Cllr NM Madida	✓	✓	✓	✗ •
Cllr PP Xulu	✓	✓	✓	✓
Cllr IN Zwane	✓	✓	✓	✓
Cllr SS Nkabinde	✗	✓	✓	✓
Cllr FN Mabuyakhulu	✓	✓	✓	✓
Cllr NT Mthiyane	✓	✓	✓	✓
Cllr ZL Mfusi	•	•	•	✗
Cllr NN Lembede	✓	✓	✓	✓
Cllr SB Mthiyane	✗	✓	✗	•
Cllr F Mndaba	✓	✓	✓	✓
Cllr SE Mhlongo	•	✓	•	✓
Cllr CN Mpanza	✓	✓	✗	✓
Cllr ME Mthethwa	✓	✓	✓	✓
Cllr ES Mbatha	✗	✗	✓	✓
Cllr SF Mdletshe	✓	✓	✓	✓

NAME	26.07.2023	23.08.2023	30.08.2023	07.09.2023
Cllr FPB Mpungose	✓	✓	✓	✓
Cllr SP Mpanza	✓	✓	✓	✓
Cllr XM Bhengu	✗	✓	✓	✓
Cllr AM Mtshali	✓	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓	✓
Cllr SN Ntshangase	✓	✓	✓	✓
Cllr MM Msimango	✓	✓	✓	•
Cllr M Mtshali	✓	✓	✓	✓
Cllr NN Ngubane	✗	✗	✗	✗
Cllr JL Nzuza	✓	✓	✓	✓
Cllr SH Mkhwanazi	✓	✓	✓	✓
Cllr A Lange	✓	✗	✗	•
Cllr ME Dlamini	✓	✓	✓	✓
Cllr WL Ngema	✓	✓	✓	✓
Cllr QT Xulu	✓	✓	✓	✓
Cllr MM Ngema	✓	✓	✓	✓
Cllr BC Magwaza	✓	✓	✓	✓
Cllr SD Khubisa	✓	✓	✓	•
Cllr PSM Mchunu	✓	✓	✓	✓
Cllr MN Biyela	✓	✓	✓	✓
Cllr BB Ndima	✗	✓	✓	✓
Cllr NP Mahaye	✓	✗	✗	✓

QUARTER 2

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE SECOND QUARTER FROM OCTOBER TO DECEMBER 2023

CORPORATE SERVICES	18.10.2023	15.11.2023
Cllr PP Xulu	✓	✓
Cllr CN Mpanza	•	✓
Cllr MM Mthiyane	✓	✓
Cllr F Mndaba	✓	✓
Cllr ME Dlamini	✓	✓
Cllr BB Ndima	✓	✓
Cllr SL Magubane	✓	✓
VACANT		

TECHNICAL SERVICES	18.10.2023	14.11.2023
Cllr SZ Dlamini	✓	✓
Cllr XM Bhengu	✓	✗
Cllr MM Ngema	✓	✓
Cllr NP Mahaye	✗	✓
Cllr FN Mabuyakhulu	✓	✓
Cllr NN Lembede	✓	✓
Cllr S Ntshangase	✓	✓
Cllr NM Madida	•	•

COMMUNITY SERVICES	17.10.2023	15.11.2023
Cllr IN Zwane	✓	✓
Cllr ES Mbatha	✓	✓
Cllr M Msimango	•	•
Cllr SE Mhlongo	✓	✓
Cllr SS Nkabinde	✓	•
Cllr PPC Cele	✓	✓
Cllr M Mtshali	✓	✓
Cllr NM Madida	•	•

PLANNING & ECONOMIC DEV.	17.10.2023	14.11.2023	21.11.2023
Cllr NM Madida	•	Meeting did not sit due to no quorum	Re-scheduled meeting did not sit due to no quorum.
Cllr SH Mkhwanazi	✓		
Cllr SF Mdletshe	✓		
Cllr FPB Mpungose	✓		
Cllr A Lange	•		
Cllr ZL Mfusi	✗		
Cllr WL Ngema	✓		
Cllr SL Magubane	✓		

FINANCIAL SERVICES	24.10.2023	28.11.2023	05.12.2023
Cllr AT Ntuli	✓	•	✓
Cllr QT Xulu	•	✓	✓
Cllr MN Biyela	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓
Cllr SP Mpanza	✓	✓	✓
Cllr S Ntshangase	✓	✓	✓
Cllr SB Mthiyane	✓	✓	✓

RULES & ETHICS	21.11.2023
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✓
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	✗

MPAC	21.11.2023	13.12.2023
Cllr M Mtshali	✓	✓
Cllr XM Bhengu	✗	✓
Cllr QT Xulu	✓	✓
Cllr MN Biyela	✓	✓
Cllr NT Mthiyane	✓	✓
Cllr PSM Mchunu	✓	✓
Cllr SD Khubisa	✓	✓

KEY:

✗	Absent
✓	Present
•	Apology
•	Observer

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE SECOND QUARTER FROM OCTOBER TO DECEMBER 2023

NAME	25.10.2023	29.11.2023	06.12.2023
Cllr AT Ntuli	✓	✓	•
Cllr SZ Dlamini	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr PP Xulu	✓	✓	✓
Cllr SL Magubane	✓	•	✓
Cllr PPC Cele	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓
Cllr NM Madida	•	•	•

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE SECOND QUARTER FROM OCTOBER TO DECEMBER 2023

NAME	25.10.2023	06.12.2023
Cllr SH Mhwanazi	✓	✓
Cllr AT Ntuli	✓	•
Cllr SZ Dlamini	✓	✓
Cllr SW Mgenge	✓	✓
Cllr PPC Cele	•	✓
Cllr SL Magubane	✓	✓
Cllr NM Madida	•	•
Cllr PP Xulu	✓	✓
Cllr IN Zwane	✓	✓
Cllr SS Nkabinde	✓	✓
Cllr FN Mabuyakhulu	✓	✓
Cllr NT Mthiyane	✓	✓
Cllr ZL Mfusi	✗	✗
Cllr NN Lembede	✓	✓
Cllr SB Mthiyane	✗	✓
Cllr F Mndaba	✓	✓
Cllr SE Mhlongo	✓	✓
Cllr CN Mpanza	✓	✗
Cllr ME Mthethwa	✓	✓
Cllr ES Mbatha	✓	✗
Cllr SF Mdletshe	•	✗
Cllr FPB Mpungose	✓	✓

NAME	25.10.2023	06.12.2023
Cllr SP Mpanza	✓	✓
Cllr XM Bhengu	✓	✗
Cllr AM Mtshali	✓	✓
Cllr MM Mthiyane	✓	✓
Cllr SN Ntshangase	✓	✓
Cllr MM Msimango	•	•
Cllr M Mtshali	✓	✓
Cllr JL Nzuza	✓	✓
Cllr ZH Mkhize		✓
VACANT		
Cllr A Lange	•	•
Cllr ME Dlamini	✗	✓
Cllr WL Ngema	✓	✗
Cllr QT Xulu	✗	✓
Cllr MM Ngema	✓	✓
Cllr BC Magwaza	✓	✓
Cllr SD Khubisa	✓	✓
Cllr PSM Mchunu	•	✓
Cllr MN Biyela	✓	✓
Cllr BB Ndima	✓	✓
Cllr NP Mahaye	✓	✓

QUARTER 3

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE THIRD QUARTER FROM JANUARY TO MARCH 2024

CORPORATE SERVICES	20.02.2024	19.03.2024
Cllr PP Xulu	•	✓
Cllr CN Mpanza	•	✓
Cllr MM Mthiyane	✓	✓
Cllr F Mndaba	✓	✓
Cllr ME Dlamini	✓	✓
Cllr BB Ndima	✓	✓
Cllr SL Magubane	✓	✓
VACANT		

TECHNICAL SERVICES	21.02.2024	20.03.2024
Cllr SZ Dlamini	✓	✓
His Worship Cllr XM Bhengu	✓	✓
Cllr MM Ngema	✓	✓
Cllr NP Mahaye	✓	✓
Cllr FN Mabuyakhulu	✓	✓
Cllr NN Lembede	✓	✓
Cllr S Ntshangase	✓	✓
Cllr NM Madida	•	

COMMUNITY SERVICES	21.02.2024	19.03.2024
Cllr IN Zwane	✓	✓
Cllr ES Mbatha	✓	✓
Cllr M Msimango	•	
Cllr SE Mhlongo	✓	✓
Cllr SS Nkabinde	✓	✓
Cllr PPC Cele	✓	✓
Cllr M Mtshali	✓	✓
Cllr NM Madida	•	

PLANNING & ECONOMIC DEV.	20.02.2024	20.03.2024
Cllr NM Madida	•	
Cllr SH Mkhwanazi	✓	✓
Cllr SF Mdletshe	✓	✓
Cllr FPB Mpungose	✓	✓
Cllr A Lange	•	
Cllr ZL Mfusi	✗	✗
Cllr WL Ngema	✓	✓
Cllr SL Magubane	✓	✓

FINANCIAL SERVICES	23.01.2024	30.01.2024	27.02.2024	26.03.2024
His Worship Cllr AT Ntuli	✓	✓	•	•
Her Worship Cllr QT Xulu	✓	✗	✓	✓
His Worship Cllr MN Biyela	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓
Cllr SW Mgenge	✓	✗	✗	✓
Cllr SP Mpanza	✓	✓	✗	✓
Cllr S Ntshangase	✓	✓	✓	✓
Cllr SB Mthiyane	✓	✗	✓	✓

KEY:

✗	Absent
✓	Present
•	Apology
•	Observer

RULES & ETHICS	26.03.2024
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✓
Cllr M Mtshali	✓
Cllr NT Mthiyane	✗
Cllr SD Khubisa	✓

MPAC	23.01.2024	27.02.2024
Cllr M Mtshali	✓	✓
His Worship Cllr XM Bhengu	✓	✓
His Worship Cllr QT Xulu	✓	✓
His Worship Cllr MN Biyela	✓	✓
Cllr NT Mthiyane	✓	✓
Cllr PSM Mchunu	✓	✓
Cllr SD Khubisa	✓	✓

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE THIRD QUARTER FROM JANUARY TO MARCH 2024

NAME	24.01.2024	28.02.2024	27.03.2024
His Worship Cllr AT Ntuli	✓	✓	✓
Cllr SZ Dlamini	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr PP Xulu	✓	✓	✓
Cllr SL Magubane	✓	✓	✓
Cllr PPC Cele	✓	✓	•
Cllr SW Mgenge	✓	✗	✓
Cllr NM Madida		•	

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE THIRD QUARTER FROM JANUARY TO MARCH 2024

NAME	24.01.2024	28.02.2024	27.03.2024
Cllr SH Mkhwanazi	✓	✓	✓
His Worship Cllr AT Ntuli	✓	✓	✓
Cllr SZ Dlamini	✓	✓	✓
Cllr SW Mgenge	✗	✗	✓
Cllr PPC Cele	✓	✓	•
Cllr SL Magubane	✓	✓	✓
Cllr NM Madida		•	
Cllr PP Xulu	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr SS Nkabinde	✓	✓	✓
Cllr FN Mabuyakhulu	✓	✓	✓
Cllr NT Mthiyane	✓	✓	✓
Cllr ZL Mfusi	✗	✗	✗
Cllr NN Lembede	✓	✓	✓
Cllr SB Mthiyane	✗	✗	✓
Cllr F Mndaba	✓	✓	✓
Cllr SE Mhlongo	•	✗	✓
Cllr CN Mpanza	✓	✓	✓
Cllr ME Mthethwa	✓	✗	✓
Cllr ES Mbatha	✓	✓	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	✓

NAME	24.01.2024	28.02.2024	27.03.2024
Cllr SP Mpanza	✓	✓	✓
His Worship Cllr XM Bhengu	✗	✓	✓
Cllr AM Mtshali	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓
Cllr SN Ntshangase	✓	✓	✓
Cllr MM Msimango		•	
Cllr M Mtshali	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓
Cllr ZH Mkhize	✓	✓	✓
VACANT		VACANT	
Cllr A Lange		•	
Cllr ME Dlamini	✓	✓	✓
Cllr WL Ngema	✓	✓	✓
Her Worship Cllr QT Xulu	✓	✓	✓
Cllr MM Ngema	✓	✓	✓
Cllr BC Magwaza	✓	✓	✗
Cllr SD Khubisa	✓	✓	✓
Cllr PSM Mchunu	✓	✓	✓
His Worship Cllr MN Biyela	✓	✓	✓
Cllr BB Ndima	✓	✓	✓
Cllr NP Mahaye	✓	•	✗

QUARTER 4

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE FOURTH QUARTER FROM APRIL TO JUNE 2024

CORPORATE SERVICES	17.04.2024	~~15~~ 21.05.2024	19.06.2024
Cllr PP Xulu	✓	✓	Meeting did not take place due to no quorum
Cllr CN Mpanza	✓	✓	
Cllr MM Mthiyane	✓	✓	
Cllr F Mndaba	✓	✓	
Cllr ME Dlamini	✓	✓	
Cllr BB Ndima	✓	✓	
Cllr SL Magubane	✓	•	
VACANT	VACANT		

TECHNICAL SERVICES	21.02.2024	20.03.2024	20.03.2024
Cllr SZ Dlamini	✓	✓	Meeting did not take place due to no quorum
His Worship Cllr XM Bhengu	✓	✗	
Cllr MM Ngema	✗	✓	
Cllr NP Mahaye	✓	✓	
Cllr FN Mabuyakhulu	✓	✓	
Cllr NN Lembede	✓	✗	
Cllr S Ntshangase	✓	✓	
Cllr NM Madida	•		

COMMUNITY SERVICES	17.04.2024	~~14~~ 22.05.2024	~~18~~ 25.06.2024
Cllr IN Zwane	✓	✓	✓
Cllr ES Mbatha	✓	✓	✓
Cllr M Msimango	•		
Cllr SE Mhlongo	✓	✓	✓
Cllr SS Nkabinde	✓	✓	✓
Cllr PPC Cele	✓	•	✓
Cllr M Mtshali	✓	✓	✓
Cllr NM Madida	•		

PLANNING & ECONOMIC DEV.	16.04.2024	~~14~~ 22.05.2024	~~18~~ 25.06.2024
Cllr NM Madida	✓	•	
Cllr SH Mkhwanazi	✓	Meeting did not take place due to no quorum	Meeting did not take place due to no quorum
Cllr SF Mdletshe	✓		
Cllr FPB Mpungose	✓		
Cllr ZL Mfusi	✗		
Cllr WL Ngema	✓		
Cllr SL Magubane	•		
Cllr A Lange	✓	•	

FINANCIAL SERVICES	23.04.2024	15.05.2024	~~28~~ 22.05.2024	25.06.2024
His Worship Cllr AT Ntuli	✓	✓	•	Resigned
Her Worship Cllr QT Xulu	•	✓	✓	✓
His Worship Cllr MN Biyela	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓	✓
Cllr SP Mpanza	✓	✓	•	✓
Cllr S Ntshangase	✓	•	✓	✓
Cllr SB Mthiyane	✓	✓	✓	✓

KEY:

✗	Absent
✓	Present
•	Apology
•	Observer

RULES & ETHICS	21.05.2024
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✗
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	✓

MPAC	21.05.2024
Cllr M Mtshali	✓
His Worship Cllr XM Bhengu	✓
His Worship Cllr QT Xulu	✓
His Worship Cllr MN Biyela	✓
Cllr NT Mthiyane	✓
Cllr PSM Mchunu	✓
Cllr SD Khubisa	✗

EXCO MEETINGS

ATTENDANCE REGISTER FOR EXCO MEMBERS FOR THE FOURTH QUARTER FROM APRIL TO JUNE 2024

NAME	24.04.2024	~~29~~ 15.05.2024	26.06.2024
His Worship Cllr AT Ntuli	•	✓	Resigned
Cllr SZ Dlamini	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr PP Xulu	✓	✓	✓
Cllr SL Magubane	✓	•	✓
Cllr PPC Cele	•	•	✓
Cllr SW Mgenge	✓	✓	✓
Cllr NM Madida	•		Resigned

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL MEMBERS FOR THE FOURTH QUARTER FROM APRIL TO JUNE 2024

NAME	24.04.2024	~~29~~ 15.05.2024	26.06.2024
Cllr SH Mkhwanazi	✓	✓	✓
His Worship Cllr AT Ntuli	•	✓	Resigned
Cllr SZ Dlamini	✓	✓	✓
Cllr SW Mgenge	✓	✗	✓
Cllr PPC Cele	•	•	✓
Cllr SL Magubane	✓	✓	✓
Cllr NM Madida	•		Resigned
Cllr PP Xulu	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr SS Nkabinde	✓	✓	✓
Cllr FN Mabuyakhulu	✓	✓	✓
Cllr NT Mthiyane	✗	✗	✓
Cllr ZL Mfusi	✗	✗	✗
Cllr NN Lembede	✗	✓	✓
Cllr SB Mthiyane	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr SE Mhlongo	✓	✓	✓
Cllr CN Mpanza	✓	✓	✓
Cllr ME Mthethwa	✓	✓	✓
Cllr ES Mbatha	✓	✓	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	✓

NAME	24.04.2024	~~29~~ 15.05.2024	26.06.2024
Cllr SP Mpanza	✓	✓	✓
His Worship Cllr XM Bhengu	✓	✓	✓
Cllr AM Mtshali	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓
Cllr SN Ntshangase	✓	✗	✓
Cllr MM Msimango		•	
Cllr M Mtshali	•	✓	✓
Cllr JL Nzuza	✓	✓	✓
Cllr ZH Mkhize	✓	✓	✓
VACANT		VACANT	
Cllr A Lange		•	
Cllr ME Dlamini	✓	✓	✓
Cllr WL Ngema	✗	✓	✓
Her Worship Cllr QT Xulu	✓	✓	✓
Cllr MM Ngema	✓	✓	✓
Cllr BC Magwaza	✓	✓	✓
Cllr SD Khubisa	✗	✓	✓
Cllr PSM Mchunu	✓	✓	✓
His Worship Cllr MN Biyela	✓	✓	✓
Cllr BB Ndima	✓	✓	✗
Cllr NP Mahaye	✓	✓	✓

APPENDIX B: COMMITTEES AND COMMITTEE PURPOSES:

THE MUNICIPAL COUNCIL

Powers reserved for Council

CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA 1996 (ACT NO 108 OF 1996)		
Section	**Power Conferred**	**Conditions/ Limitations or Directions**
6 (3) (b)	Determining language policy of the Municipality	Subject to receiving and considering a report and recommendations from the EXCO and taking into account the language preferences and usage in the municipal area.
23(3)	Forming/joining an employer's organisation	Subject to receiving and considering a report and recommendations from the EXCO
43(c)	Exercising the municipality's legislative power	None
139	Considering a directive issue by the provincial government pursuant to the municipality failing to fulfill an executive obligation in terms of legislation	Subject to receiving and considering a report and recommendations from the EXCO
152	Deciding the actions that must be taken to achieve the objects of local government	Subject to receiving and considering a report and recommendations from the EXCO
156(1)	Deciding which of the local government matters assigned to the municipality must be performed	Subject to receiving and considering a report and recommendations from the EXCO
160(1) (b)	Electing a chairperson of Municipal Council (Speaker)	Subject to section 36(3) and (4) of the Structures Act
160(1) (c)	Electing an executive and other committees	In terms of section 79 and 80 of the Structures Act, and Section 17(4) of the Systems Act
160(6)	Making bylaws that prescribe rules and orders	Subject to receiving and considering a report and recommendations from the EXCO
163	Deciding to become and remain a member of an organization representing municipalities	Subject to receiving and considering a report and recommendations from the EXCO
195(4)	Deciding whether to appoint a number of persons on policy considerations	Subject to receiving and considering a report and recommendations from the EXCO
217	Determining a procurement system that is fair, equitable, transparent, competitive and cost-effective when it contracts for goods or services	Subject to receiving and considering a report and recommendations from the EXCO
229(1)	Imposing rates on property and surcharges on fees for services provided by or on behalf of the municipality and, to the extent authorised by national legislation, other taxes, levies and duties appropriate to local government or to the category of local government into which the municipality falls.	Subject to receiving and considering a report and recommendations from the EXCO in the form of a draft annual budget or adjustment budget.
230	Deciding to raise loans for capital or current expenditure.	Subject to receiving and considering a report and recommendations from the EXCO subject to national treasury regulation and of the MFMA.
Local Government: Municipal Demarcation Act 1998 (Act No 27 of 1998)		
21(4)	Submitting an objection regarding the determination or redetermination of the municipality's boundaries to the Demarcation Board.	Subject to receiving and considering a report and recommendations from the EXCO in consultation with affected category B and neighbouring District Municipality.
Local Government: Municipal Structures Act 1998 (Act 117 of 1998)		
15	Reviewing and rationalising the by-laws, regulations and resolutions (including standing delegations) of the preceding municipalities that binds the municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
18(4)	Designating Councillors determined by the MEC for local government to be full-time Councillors.	Subject to receiving the approval of the MEC for local Government.
33	Determining whether the establishment of a particular committee is necessary.	Subject to section 79 and 80 of the Structures Act, and Section 17(4) of the Systems Act.

Local Government: Municipal Structures Act 1998 (Act 117 of 1998)		
34	Deciding to dissolve the Council	Subject to receiving a supporting vote of the $^{2}/_{3}$ of Councillors when 2 years have passed after election of Council.
36(2)	Electing a Speaker as Chairperson of the Council.	Subject to S36 (3) and S 36(4) of Structures Act.
40	Deciding to remove the Speaker from office.	Provided that the notice of the motion to remove the Speaker has been given to all Councillors.
41	Electing an acting Speaker	Subject to S36 (3) and S 36(4) of Structures Act.
42	Establishing an Executive Committee	Subject to approval of MEC in the province and section 33(c) - the Municipality must have more than 9 Councillors.
45	Appointing Executive Committee members	Subject to section 43 Structures Act and 160(8) of the Constitution.
48	Electing the Mayor	Subject to the procedure in Schedule 3.
53	Removing the Mayor from office and Exco Members.	Provided that notice of motion to remove the Mayor, Exco member from the office has been given to all Councillors.
79(1) (a)	Establishing a special committee of council.	None
79(1) (b)	Appointing members of Section 79 committees	None
79(1) (c)	Dissolving Section 79 committees	None
79(2) (a)	Determining the functions of Section 79 committee	None
79(2) (c)	Appointing the chairperson of a committee	None
79(2)(d)	Authorizing a committee to co-opt advisory members who are not members of the Council and setting limits on such co-option.	None
79(2) (e)	Removing a member of a Section 79 committee	None
79(2) (f)	Determining a committee's procedures	None
80(1)	Appointing Portfolio Committees to assist the Executive Committee	None
81(3)	Determining a procedure for Traditional Leaders to express a view on any matter directly affecting the area of a traditional authority.	Subject to receiving and considering a report and recommendations of the EXCO.
84(1)	Determining the extent to which the municipality performs the functional competencies assigned to it.	Subject to receiving and considering a report and recommendations of the EXCO.
87(2)	Deciding whether to object to the temporary assignment of a functional competency of another municipality to the District Municipality	Subject to receiving and considering a report and recommendations of the EXCO.
Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000)		
4(2) (h)	Determining processes, mechanisms and procedures for promoting gender equity in the exercise of the municipality's legislative authority.	Subject to receiving and considering a report and recommendations of the EXCO.
4(2)(i)	Determining the contribution to be made by the municipality, together with other organs of state, to the progressive realization of the fundamental rights contained in sections 24,25,26,27 and 29 of the Constitution.	Subject to receiving and considering a report and recommendations of the EXCO.
5(1)(e)	Determining processes, mechanisms and procedures through which the local community may demand that the proceedings of the municipal Council and those of its committees must be open to the public, conducted impartially and without prejudice and untainted by personal self-interest.	Subject to receiving and considering a report and recommendations of the EXCO.
14(3)	Deciding whether to adopt a standard by-law promulgated by the Minister for Provincial and Local Government or the MEC for local government, the extent of such adoption and any modifications and qualifications to such standard by-law.	Subject to receiving and considering a report and recommendations of the EXCO.

Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000)		
15(3)	Determining a reasonable fee for a copy of or an extract from the municipal code of the municipality	Subject to receiving and considering a report and recommendations of the EXCO.
16(1) (c)	Determining the annual allocation of funds in the budget, as may be appropriate for the purpose of implementing a culture of municipal governance that complements formal representative government with a system of participatory governance.	Subject to receiving and considering a report and recommendations of the EXCO.
17(2) (d)	Determining appropriate mechanisms, processes and procedures for consultative sessions with locally recognised community organizations and where appropriate, traditional authorities.	Subject to receiving and considering a report and recommendations of the EXCO.
17(4)	Establishing and appointing the members of one or more advisory committees consisting of persons who are not Councillors to advise the Council on any matter with the Council's competence.	Subject to receiving and considering a report and recommendations of the EXCO.
21(1) (b)	Determining newspapers circulating in the area as newspapers of record.	Subject to receiving and considering a report and recommendations of the EXCO with due regard to circulation of newspapers in the District and the languages predominant within the district.
21(2)	Determining the official languages in which municipal notices must be published.	Subject to receiving and considering a report and recommendations of the EXCO, taking in account the languages preferences and usage in the area.
25(1)	Adopting an integrated development plan for the municipality.	Subject to receiving and considering a report and recommendations of the EXCO.
26 (a)	Determining the Council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs to be incorporated in the integrated development and planning.	Subject to receiving and considering a report and recommendations of the EXCO.
26 (c)		
	Determining the Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs to be incorporated in the integrated development and planning (IDP).	Subject to receiving and considering a report and recommendations of the EXCO.
26 (f)	Determining the Council's operational strategies to be incorporated in the integrated development and planning.	Subject to receiving and considering a report and recommendations of the EXCO.
27(1)	Adopting a framework for Integrated development planning in the area as a whole.	Subject to receiving and considering a report and recommendations of the EXCO.
27(1)	Determining the consultative process with the local municipalities within its area that must be followed prior to adopting a framework for integrated development and planning.	Subject to receiving and considering a report and recommendations of the EXCO.
28(1)	Adopting a written process to guide the planning, drafting, adoption and review of its integrated development plan	Subject to receiving and considering a report and recommendations of the EXCO.
32(3)	Considering the MEC's request to reconsider the integrated development and planning or to follow the approved process/work plan.	Subject to receiving and considering a report and recommendations of the EXCO.
34	Annual reviewing and amendment of integrated development and planning.	Subject to receiving and considering a report and recommendations of the EXCO.
53(1)	Defining the specific role and area of responsibility of each political structure and political office-bearer or and the municipal manager.	Subject to receiving and considering a report and recommendations of the EXCO.

53(5)	Determining the relationship among those political structures and political office-bearers and the Municipal Manager, and the manner in which they must interact.	Subject to receiving and considering a report and recommendations of the EXCO.
53(5)	Determining the appropriate lines of accountability and reporting for those political structures and political office-bearers and the Municipal Manager.	Subject to receiving and considering a report and recommendations of the EXCO.
53(5)	Determining the mechanisms, processes and procedures for minimizing cross-referrals and unnecessary overlapping of responsibilities between those political structures and political office-bearers and the Municipal Manager.	Subject to receiving and considering a report and recommendations of the EXCO.
53(5)	Determining the mechanisms, processes and procedures for resolving disputes between those political structures and political office-bearers and the Municipal Manager.	Subject to receiving and considering a report and recommendations of the EXCO.
53(5)	Determining the mechanisms, processes and procedures for interaction between those political office-bearers and the Municipal Manager and other staff members of the municipality and Councillors and the Municipal Manager and other staff members of the municipality.	Subject to receiving and considering a report and recommendations of the EXCO.
54A(1)(a)	Appointing a Municipal Manager.	Subject to receiving and considering a report and recommendations of the EXCO in terms of section 30(5)(c) of the Structures Act.
54A(1)(b)	Appointing an Acting Municipal Manager.	Subject to receiving a report and recommendations of EXCO in terms of section 30(5) (c) Structures act.
56(1)(a)(i)	Appointing a Manager accountable directly to the Municipal Manager.	After consultation with Municipal Manager.
56(1)(a)(ii)	Appointing an Acting Manager accountable directly to the Municipal Manager.	After consultation with Municipal Manager.
59 (1)	Approving a system of delegation to political structures, political office-bearers and Municipal Manager.	Subject to receiving recommendations of the EXCO and excluding power mentioned in section 160(2) of the constitution and other applicable legislation.
65(1)	Considering a report of the Municipal Manager regarding the review of the Municipality's delegated body powers.	In consultation with the EXCO and the affected Political Office-Bearer.
66(1)	Determining a policy framework which would cater for staff establishment for the municipality, a job description for each post on the staff establishment, the remuneration and other conditions of service as may be determined in accordance with any applicable labour legislation attached to posts in the establishment and the remuneration and conditions of service.	Subject to receiving and considering a report and recommendations of the EXCO.
68(2)	Determining the allocation provided for in the budget for the development and implementation of training programmes.	Subject to receiving and considering a report and recommendations of the EXCO.
74(1)	Adopting and implementing of a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.	The agreement must comply with the provisions of the Act, MFMA and with any other applicable legislation. Subject to receiving and considering a report and recommendations of the EXCO.
76(1)	Adopting by-laws to give effect to the implementation and enforcement of the tariff policy.	Subject to receiving and considering a report and recommendations of the EXCO.
85(1)	Establishing a part of the municipality as an internal municipal service district to facilitate the provision of a municipal service in that part of the municipality.	Subject to receiving and considering a report and recommendations of the EXCO.
86(1)	Developing and adopting a policy framework for the establishment, regulation and management of an internal municipal service district.	Subject to receiving and considering a report and recommendations of the EXCO.

Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000)		
87	Deciding to establish, together with other municipality a multi-jurisdictional municipal service district to facilitate the provision of a municipal service in the relevant municipal areas or parts of those municipal areas.	Subject to receiving and considering a report and recommendations of the EXCO.
96(b)	Adopting, maintaining and implementing a credit control and debt collection policy which is consistent with the municipality's rates and tariff policies.	Subject to receiving and considering a report and recommendations of the EXCO.
98(1)	Adopting by-laws to give effect to the municipality's credit control and debt collection policy, its implementation and enforcement.	Subject to receiving and considering a report and recommendations of the EXCO.
99(c)	Determining the frequency during which the Executive Committee must report to the Council on the implementation and enforcement of the municipality's credit control and debt collection policy and any by-laws, the performance of the Municipal Manager in implementing the policy and any such by-laws in order to improve efficiency of its credit control and debt collection mechanism, processes and procedures.	Subject to receiving and considering a report and recommendations of the EXCO.
Local Government: Municipal Systems Act: Schedule 1: Code of Conduct for Councillors		
Item (4)	Adopting a uniform standing procedure for the imposition of a fine or the removal of a Councillor.	Subject to receiving and considering a report and recommendations of the Speaker/Rules Committee.
Item 8	Considering an application by a Councillor for the performance of any work otherwise than as a Councillor for the municipality.	Subject to receiving and considering a report and recommendations of the Speaker and EXCO
Item 7 (4)	Determining which of the financial interests of Councillors must be made public having regard to the need for confidentiality and the public interest for disclosure.	Subject to receiving and considering a report and recommendations of the Speaker.
Item 11 (a)	Mandating a Councillor to interfere in the management or administration of any department or give an instruction to an employee.	Subject to receiving and considering a report and recommendations of the EXCO.
Item 14 (1)	Investigating and making a finding on any alleged breach of a provision of the Code of Conduct for Councillors or establishment of a special committee to investigate and make a finding on any alleged breach of the Code and to make appropriate recommendations to the Council.	Subject to receiving a report and recommendations of the Speaker and Special Committee so appointed.
Item 14 (2)	Imposing a penalty on a Councillor having been found guilty of a breach of the Code of Conduct.	Subject to receiving a report and recommendations Disciplinary Tribunal or the Speaker.
Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
8(1)	Designating a bank account of the Municipality as the Municipality's primary bank account	Subject to receiving and considering a report and recommendations from the EXCO.
8(4) 12(2)	Entering into a agreement with other parent municipalities of a municipal entity of which the Municipality is a parent municipality, as to which municipality's primary bank account to use for the purpose of receiving allocations from organs of state to the municipality entity concerned.	Subject to receiving and considering a report and recommendations from the EXCO.
13(2)	Establishing an appropriate and effective cash management and investment policy for the municipality	Subject to receiving and considering a report and recommendations from the EXCO.
14(2)	Deciding to transfer ownership as a result of sale or other transaction or otherwise permanently dispose of a capital asset.	On condition that the asset concerned is not needed to provide the minimum level of basic municipal services and the Council considered the fair market value of the asset concerned.

Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
14(4)	Determining the value of movable assets in respect of which the Municipal Manager may determine: (a) whether an asset to be disposed of is not needed to provide the minimum level of basic municipal services; and (b) determining the fair market value of such asset and the economic and community value to be received in exchange for the asset.	Subject to receiving and considering a report and recommendations from the EXCO.
16 (1)	Approval of an annual budget	**NOTE:** 1. In terms of section 160(2) (b), read with section 160(3) (b) of the Constitution a budget must be approved by a decision taken by the Council with a supporting vote of a majority of its members. 2. Approval of the budget must be considered on or before 1 July each year in terms of section 24(1) of the MFMA. In terms of section 30(5) of the Local Government: Municipal Structures Act 1998 (Act No. 117 of 1998) the Council may only after it received and considered the report and recommendations of the EXCO approve the budget.
16(3) 23(2)	Deciding whether money for capital expenditure for a period not exceeding three financial years may be appropriated in an annual budget.	A separate appropriation must be made for each of financial year.
23(1) 28(1)	Deciding to revise an approved budget by way of an adjustments budget	Subject to receiving and considering a report and recommendations from the EXCO.
32(2)	Deciding to recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure.	**Except, in the case of:** 1. unauthorised expenditure, if the amount of the expenditure is authorised in an adjustments budget; or 2. is certified by the Council, after investigation by a Council committee, as irrecoverable and written off by the Council; and 3. irregular or fruitless and wasteful expenditure is, after investigation by a Council committee, certified by the Council as irrecoverable and written off by the Council.
32(2) 32(7)	Appointing a Council committee to investigate any suspected or reported unauthorised, irregular or fruitless and wasteful expenditure.	None
33(1)	Deciding to enter into a contract which will impose financial obligations on the municipality beyond three financial years	Subject to receiving and considering a report and recommendations from the EXCO.
34(1) 34(3)(a)	Considering the results of the provincial government's monitoring of the Municipality	Subject to receiving and considering a report and recommendations from the EXCO.
34(3)(b)	Considering a notification of the provincial government of any emerging or impending financial problems in the Municipality	Subject to receiving and considering a report and recommendations from the EXCO.
37(1)(a)	Determining the steps the municipality must take to promote co-operative governance with the national and provincial spheres of government and other municipalities in the municipality's fiscal and financial relations.	Subject to receiving and considering a report and recommendations from the EXCO.
37(2)	Determining the project amount of any allocation proposed to be transferred to another municipality during each of the next three financial years and notifying the receiving municipality thereof.	Such notification must be given on or before 31 March each year.

POWERS AND FUNCTIONS OF THE EXECUTIVE COMMITTEE (EXCO)

1. Primary Objective

1.1. The Executive Committee is the principal committee of the municipal Council. (Section 44 (1) (a)-Structures Act)

1.2. It receives and considers reports from other committees of the Council and forwards these reports together with its recommendations to the Council when it cannot dispose of the matter in terms of its delegated powers. (Section 44 (1) (b) Structures Act)

1.3. It guides the Council in performing its role of political oversight of the municipality's functions, programmes and the management of the administration.

1.4. The primary responsibility of the executive committee is to structure, plan and manage municipal resources in order to discharge the constitutional obligations of providing a democratic, accountable government which meets the needs of the community. (Section 44 (3)-Structures Act)

1.5. Nominates representatives to external bodies and institutes.

1.6. Determine Key Performance Indicators which are specific to the Municipality and common to Local Government in general;

1.7. Evaluate progress against the Key Performance Indicators and review the performance of the Municipality.

1.8. Develop strategies to maximize service delivery to the community

1.9. Monitor the efficiency of Credit Control, Revenue and Debt Collection Services.

2. Purpose

The primary purpose of the EXCO is to assist council in providing an efficient and effective government.

3. Functions and Powers

3.1. Section 44 of the Municipal Structures Act provides that the Executive Committee is the principal committee of the council of the municipality and receives reports from other committees of council and must forward these committee reports with its recommendations to the council if it cannot dispose of the matter in terms of its delegated powers.

3.2. In terms of Section 44(2) of the Municipal Structures Act, the functions of the Executive Committee are to:-

a) identify the needs of the municipality;

b) review and evaluate those needs in order of priority;

c) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans;

d) recommend or determine the best methods, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

3.3. In performing its duties, the Executive Committee must:-

a) identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general; (section 44 (3) (a))

b) evaluate progress against the key performance indicators; (section 44 (3) (b)

c) review the performance of the municipality in order to improve:-

i the economy, efficiency and effectiveness of the municipality;

ii the efficiency of credit control and revenue and debt collection services; and

iii the implementation of the municipality's by-laws; (section 44 (3) (c))

Monitor management and administration

d) monitor the management of the municipality's administration in accordance with the policy directions of the municipal council;(section 44 (3) (d))

Oversee services provision

e) oversee the provision of services to communities in the municipality in a sustainable manner; (section 44 (3) (e))

f) perform such duties and exercise such powers as the council may delegate to it in terms of Section 59 of the Municipal Systems Act; (section 44 (3) (f))

g) annually report on the involvement of communities and community organisations in the affairs of the municipality;(section 44 (3) (g))

h) ensure that regard is given to public views and report on the effect of consultation on the decisions of the council. (section 44 (3) (h))

Drafting of the IDP

3.4. Section 30 of the Municipal Systems Act assigns the Executive Committee to:

a) manage the drafting process of the integrated development plan;

b) assign responsibilities in this regard to the Municipal Manager; and

c) to submit the draft plan to the municipal council for adoption.

Management of the Performance Management System

3.5. Section 39 of the Municipal Systems Act mandates the Executive Committee to:

a) manage the development of the municipality's performance management system;

b) assign responsibilities in this regard to the Municipal Manager; and

C) submit the proposed system to the municipal council for adoption.

3.6. According to Section 30 (5) of the Municipal Structures Act, the Executive Committee must submit a report and its recommendations to the municipal council, before the council could take a decision on any of the following matters;

a) passing of by-laws;

b) approval of budgets;

c) imposition of rates and other taxes, levies and duties;

d) raising of loans;

e) the approval of the budget;

f) the approval of the integrated development plan (IDP); and any amendment thereto; and

g) the appointment and conditions of service of the Municipal Manager and Managers directly accountable to the Municipal Manager.

3.7. The Executive Committee receives reports and recommendations from Section 80 Portfolio Committees.

4. Financial Oversight

4.1. With regard to financial oversight, the powers and functions assigned by the Municipal Finance Management Act (MFMA) to a Mayor must be exercised by the Mayor in consultation with the executive committee. (Section 58 MFMA)

4.2. The executive committee is tasked with the implementation and enforcement of the municipality's credit-control and debt-collection policy and attendant by-laws.

5. Line of Authority

The Executive Committee reports to the Municipal Council.

6. Interaction with the Municipal Manager

The Executive Committee interacts directly with the Municipal Manager.

7. Dispute Resolution

In the event of a dispute between the Executive Committee and any other political structure, or the Municipal Manager, the dispute must be referred to the Municipal Council.

SECTION 80 COMMITTEES (PORTFOLIO COMMITTEES)

1. Establishment of Portfolio Committees

1.1. Section 80 of the Structures Act provides for the appointment of committees to assist the Executive Committee.

1.2. These committees are appointed by the council but their chairpersons are appointed by the Executive Committee.

1.3. The chairperson must be a member of the Executive Committee.

1.4. Such committees may not in number exceed the number of EXCO members.

1.5. Section 80 committees are linked to specific departments of the municipality.

1.6. Exco may delegate any of its powers and duties to the Committee.

1.7. Exco is not divested of the responsibility concerning the exercise of the power or the performance of the duty.

1.8. The Executive Committee may either refer a matter back to the Portfolio Committee for further consideration, amend or adopt the recommendations.

2. Responsibilities of Portfolio Committees

2.1. The responsibilities of the Portfolio Committees, in respect of their functional areas, are to:

- develop and recommend strategy;
- develop and recommend by-laws;
- consider and make recommendations in respect of the draft budget and IDP;
- ensure public participation in thedevelopment of policy, legislation, IDP and budget;
- monitor the implementation of Council policies; and
- exercise oversight role on all functional areas.

3. Functions

Formulates recommendations for consideration by Executive Committee in relation to:

3.1. policy falling within the functional area of the portfolio after consultation with the relevant Head of Department;

3.2. The implementation of the annual business plans falling within the functional area of the portfolio;

3.3. the implementation of the business plans of the functional areas of the portfolio;

3.4. the review of financial performance against approved budgets relating to prior and current years including dealing with reports from the Auditor-General;

3.5. the drafting of budget in respect of the functional areas of the portfolio, after consultation with the relevant Head of Department;

3.6. reports and submits recommendations in respect of the functional areas of the portfolio including comments arising from its oversight function;

3.7. compliance with the legislation, norms and standards in respect of the functional areas of the portfolio.

3.8. recommending amendments of by-laws pertaining to the function of the portfolio;

3.9. prioritizing projects falling within the functional areas of the portfolio;

4. Line of Accountability and Reporting

Reports to the Executive Committee.

5. ESTABLISHMENT OF PORTFOLIO COMMITTEES

The following portfolio committees have been established:

- Finance Management Portfolio Committee
- Corporate Services Portfolio Committee
- Community Services Portfolio Committee
- Technical Services Portfolio Committee and
- Planning and Economic Development Committee.

FINANCE PORTFOLIO COMMITTEE

1. Functional areas of Finance Portfolio Committee

The functional areas in which the Finance Portfolio Committee will operate are:

- Revenue and expenditure management
- Mid-year budget and performance assessment
- Revenue generation
- Debt collection, credit control and loans
- Supply chain management/procurement
- Capital expenditure control
- Investments
- Asset and liability management
- Internal audit and audit committee matters
- Financial reporting and auditing.

2. Responsibilities of Finance Portfolio Committee

The responsibilities of the FinancePortfolio Committee, in respect of its functional areas, are to:

(a) oversee the implementation of the provisions of the Municipal Finance Management Act in relation to its functional areas;
(b) develop and recommend strategy;
(c) develop and recommend by-laws within its functional area of responsibility;
(d) consider and make recommendations in respect of the draft budget and IDP;
(e) ensure public participation in the development of policy, legislation, IDP and budget;
(f) monitor the implementation of Municipal policies; and
(g) exercise oversight on all functional areas.

3. Functions of the Finance Portfolio Committee

3.1. The Finance Portfolio Committee formulate recommendations forconsideration by the Executive Committee in relation to:

(a) policy falling within the functional area of the portfolio after consultation with the relevant Head of Department;
(b) annual SDBIP and business plans falling within the functional area of the portfolio;
(c) the implementation of the business plans of the functional areas of the portfolio;
(d) the review of financial performance against approved budgets relating to prior and current years including dealing with reports from the Auditor-General;
(e) the draft budget in respect of the functional areas of the portfolio, including tariffs of charges after consultation with the relevant Head of Department;
(f) reports and recommendations submitted in respect of the functional areas of the portfolio including comment arising from its oversight function;
(g) consider monthly, quarterly, mid-year and annual financial reports and debate contents of the reports before recommending to the Mayor/Executive Committee
(h) compliance with the legislation, norms and standards in respect of the functional areas of the portfolio;
(i) recommend the passing or amendments of by-laws pertaining to the function of the portfolio;

3.2. The Portfolio Committee may consult with the Municipal Manager and the relevant Head of Department on Council's policies and programmes.

3.3. In executing its functions the Portfolio Committee will:

- Consider any matter relating to the financial affairs of the municipality and in addition shall examine any other financial matters referred to it by the Executive Committee.
- Satisfy itself, on behalf of the Executive Committee of the following:
- Compliance with the various MFMA prescripts, regulations, National Treasury Circulars, and GRAP accounting standards;
- Treatment of significant accounting, auditing or disclosure problems highlighted by the Auditors and Financial Management.
- The nature and impact of any changes in the accounting policy;
- Accounting policies adopted;
- Financial Regulations adopted;
- Establish Policy with respect to the acquisition and disposal of leasing or letting and ceding of the Council's assets and information systems;

- Establish policy with respect to business ethics and corporate conduct, its written code of conduct and the programme it has to monitor compliance with that code for Councillors and staff;
- Ensure that Annual Financial Statements are prepared timeously and determine whether they are complete and consistent with the information supplied to Committee members;
- Assess whether Financial Statements reflect appropriate accounting principles;
- Establish accounting and internal management reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the Financial Statements;
- Discuss draft annual budget and subscribe to the budget process as prescribed by the Municipal Finance Management Act and recommend approval of the budget to the Executive Committee;
- Deliberate on:
  - Issues and conditions relating to grant funding;
  - Matters concerning collective and writing off levies and other revenue,
  - Matters concerning insurance of municipal assets and Councillors and employees of the Municipality.
- Make recommendations to the Executive Committee on any matter relating to finance not specifically mentioned in the terms of reference.

4. Removal of members of the Portfolio Committee

4.1. The municipal council may, by resolution remove from office one or more or all the members of the Portfolio Committee.

4.2. Prior notice of an intention to move a motion for the removal of members must be given in accordance with the Standing Rules and Orders.

4.3. If all the members of the Portfolio Committee are removed, the municipal council must appoint other councillors to the committee.

5. Line of Authority

The Finance Portfolio Committee report on all matters deliberated by it through recommendations to the Executive Committee.

6. Interaction with the Municipal Manager

The Portfolio Committee interacts directly with the Municipal Manager in consultation with the Mayor.

7. Interaction with staff members

The Portfolio Committee, or its individual members, interacts directly with theChief Financial Officer (CFO);

8. Dispute Resolution

In the event of a dispute between the Portfolio Committee and any other political structure, or the Municipal Manager, the dispute must be referred to the Executive Committee.

CORPORATE SERVICES PORTFOLIO COMMITTEE

1. Functional areas of the Corporate Services Portfolio Committee

The functional areas in which the Corporate Services Portfolio Committee willoperate are:

- Human Resource Management and Development
- Information Technology
- Corporate governance and committee management
- Safety and Security
- Records and information management
- Legal support
- Administration and Support services
- Capacity building and skills development
- Archives
- Protection Services
- Registry Services
- Councillor Support & Public Participation
- Performance Management System (PMS).

2. Responsibilities of the Corporate Services Portfolio Committee

The responsibilities of the Corporate ServicesPortfolio Committee, in respect ofits functional areas, are to:

(a) receive reports and recommend on policy and strategy in its functional areas;
(b) receive draft and recommend by-laws relating to its functional areas;
(c) consider and make recommendations in respect of the draft budget and IDP;
(d) ensure public participation in the development of policy, legislation, IDP and budget;
(e) monitor the implementation of the SDBIP; and
(f) exercise oversight on all functional areas.

3. Functions of the Corporate Services Portfolio Committee

3.1. The Corporate Services Portfolio Committee formulates recommendations for consideration by the Executive Committee in relation to:

(a) policy falling within its functional area of the portfolio after consultation with the relevant Head of Department;
(b) annual SDBIP and business plans falling within its functional area;
(c) the implementation of the business plans in its functional area;
(d) the review of financial performance against approved budgets relating to prior and current years including matters emanating from reports of the Auditor-General;
(e) the draft budget in respect of its functional areas;
(f) reports and recommendations submitted in respect of its functional areas including comment arising from its oversight function;
(g) compliance with the legislation, norms and standards in respect of its functional areas;
(h) passing or amendments of by-laws pertaining to its functions; and
(i) prioritising projects falling within the functional area.

3.2. The Portfolio Committee may consult with the Municipal Manager and the relevant Head of Department on policies and programmes.

3.3. In executing its functions the Corporate ServicesPortfolio Committee will:

3.3.1. Be responsible for assisting the Executive Committee to maximize the effectiveness of the administrative capacity of the Municipality by advising the Executive Committee on:

- The policy framework referred to in Section 66 of the Municipal Systems Act of 2000;
- The development of appropriate policy systems and procedures relating to:
    - The recruitment, selection and appointment of persons as staff members or service conditions of staff;
    - The supervision and management of staff;
    - The promotion and demotion of staff;
    - The transfer of staff;
    - The retrenchment of staff;
    - Any other matter prescribed by regulation in terms of section 72 of the Municipal Systems Act;
    - Job evaluation and grading systems.

3.3.2. The development and improvement of the organisation of the municipality and its human resources capacity to a level that enables it to perform its functions and exercise its powers in an economical way in line with the provisions of the Skills Development Act, the South African Qualifications Act and the Adult Basic Education and Training Act;

3.3.3. The implementation of new structures and strategies;

3.3.4. Any policy requirements arising from or out of any labour related legislation;

3.3.5. Ensuring that administrative systems and processes of the Municipality are in line with the Batho Pele Principles;

3.3.6. The review of those by-laws, regulations, rules and the like that regulates and arises out of matters within the terms of reference of this committee and the proposal of amendments and additions thereto;

3.3.7. Matters relating to annual pay review and related matters requiring a mandate for negotiation purposes;

3.3.8. Review of conditions of employment and related staff matters as directed by SALGA and the SALGBC;

3.3.9. Any human resource related matter requiring provision of funds additional to those provided for in the budget and recommend to the Executive Committee; and

3.3.10. Recommendations from the Local Labour Forum.

4. Removal of members of the Portfolio Committee

4.1. The municipal council may, by resolution remove from office one or more or all themembers of the Portfolio Committee.

4.2. Prior notice of an intention to move a motion for the removal of members must be given in accordance with the Standing Rules and Orders.

4.3. If all the members of the Portfolio Committee are removed, the municipal council must appoint other councillors to the committee.

5. Line of Authority

The Corporate Services Portfolio Committee report on all matters deliberated by it through recommendations to the Executive Committee

6. Interaction with the Municipal Manager

The Portfolio Committee interacts directly with the Municipal Manager and the relevant HOD.

7. Dispute Resolution

In the event of a dispute between the Portfolio Committee and any other political structure, or the Municipal Manager, the dispute must be referred to the Executive Committee.

TECHNICAL SERVICES PORTFOLIO COMMITTEE

1. Functional areas of the Technical Services Portfolio Committee

The functional areas in which the TechnicalServices Portfolio Committee will operate are:

- Cemeteries
- Business planning
- Project management
- Solid Waste Management
- Contracts management
- Implementing agent
- EPWP
- Building inspection and control
- Maintenance of infrastructure
- Water & Sanitation
- Potable & Waste Water Treatment.

2. Responsibilities of the Technical Services Portfolio Committee

The responsibilities of the Technical ServicesPortfolio Committee, in respect of its functional areas are to:

(a) receive reports and recommend on policy and strategy;
(b) consider and recommend on draft by-laws;
(c) consider and make recommendations in respect of the draft budget and IDP;
(d) ensure public participation in the development of policy, legislation, IDP and budget;
(e) monitor the implementation of Municipal policies; and
(f) exercise oversight on all functional areas.

3. Functions of the Technical Services Portfolio Committee

The Technical Services Portfolio Committee formulates recommendations forconsideration by the Executive Committee in relation to:

(a) policy falling within the functional area of the portfolio after consultation with the relevant Head of Department;
(b) the SDBIP and annual business plans falling within the functional area of the portfolio;
(c) the implementation of the business plans of the functional areas of the portfolio;
(d) the review of financial performance against approved budgets relating to prior and current years including dealing with reports from the Auditor-General;
(e) the draft budget in respect of the functional areas of the portfolio, including tariffs of charges after consultation with the relevant Head of Department;
(f) reports and recommendations submitted in respect of the functional areas of the portfolio including comment arising from its oversight function;
(g) compliance with the legislation, norms and standards in respect of the functional areas of the portfolio;
(h) passing or amendments of by-laws pertaining to the function of the portfolio
(i) prioritising projects falling within the functional areas of the portfolio;

2.2. The Portfolio Committee may consult with the Municipal Manager and the relevant Head of Department on municipality's policies and programmes.

2.3. In executing its functions the Portfolio Committee will:

- Be responsible for assisting the Executive Committee in the co-ordination of functions pertaining to its portfolio; including prioritising infrastructure development projects in preparation for inclusion in the IDP.
- Consider reports from the designated officials for the portfolio, or other functionary and submit its recommendations on such issues to the Executive Committee.
- Introduce to the Executive Committee, recommendations on legislation and policies relating to its functions.

3. Removal of members of the Portfolio Committee

3.1 The municipal council may, by resolution remove from office one or more or allthemembers of the Portfolio Committee.

3.2 Prior notice of an intention to move a motion for the removal of members must be given in accordance with the Standing Rules and Orders.

3.3 If all the members of the Portfolio Committee are removed, the municipal council mustappoint other councillors to the committee.

4. Line of Authority

The Technical Services Portfolio Committee report on all matters deliberated by it through recommendations to the Executive Committee.

5. Interaction with the Municipal Manager

The Portfolio Committee interacts directly with the Municipal Manager in consultation with the Mayor.

6. Interaction with staff members

The Portfolio Committee, or its individual members, interacts directly with the Head:Technical Services;

7. Dispute Resolution

In the event of a dispute between the Portfolio Committee and any other political structure, or the Municipal Manager, the dispute must be referred to the Executive Committee.

COMMUNITY SERVICES COMMITTEE

1. Functional areas of the Community Services Portfolio Committee

The functional areas in which the Community Services Portfolio Committee will operate are:

- Emergency Services and Fire Fighting
- Environmental Health Services
- Disaster Management
- Social Development Services (including Operation Sukuma Sakhe (OSS)
- Sports Development
- Crime prevention
- Air Quality
- Arts and Culture
- HIV and Aids.

Special Programmes

- Youth
- Senior Citizens
- Disability
- Women
- Gender issues.

2. Responsibilities of the Community Portfolio Committee

The responsibilities of the CommunityPortfolio Committee, in respect of its functional areas are to:

(a) receive reports and recommend on policy and strategy in its functional areas;

(b) receive drafts and recommend by-laws relating to its functional areas;

(c) consider and make recommendations in respect of the draft budget and IDP;

(d) ensure public participation in the development of policy, legislation, IDP and budget;

(e) monitor the implementation of Municipality policies; and

(f) exercise oversight on all functional areas.

3. Functions of the Community ServicesPortfolio Committee

3.1. The Community Portfolio Committee will formulate recommendations for consideration by the Executive Committee in relation to:

(a) policy falling within its functional area of the portfolio after consultation with the relevant Head of Department;

(b) annual business plans falling within its functional area;

(c) the implementation of the business plans of its functional area;

(d) the review of financial performance against approved budgets relating to prior and current years including dealing with reports from the Auditor-General;

(e) the draft budget in respect of its functional areas

(f) reports and recommendations submitted in respect of its functional areas including comment arising from its oversight function;

(g) compliance with the legislation, norms and standards in respect of its functional areas

(h) passing or amendments of by-laws pertaining to its functions; and

(i) prioritising projects falling within the functional area;

3.2. The Portfolio Committee may consult with the Municipal Manager and the relevant Head of Department on Municipality's policies and programmes.

4. Removal of members of the Portfolio Committee

4.1. The municipal council may, by resolution remove from office one or more or all the members of the Portfolio Committee.

4.2. Prior notice of an intention to move a motion for the removal of members must be given in accordance with the Standing Rules and Orders.

4.3. If all the members of the Portfolio Committee are removed, the municipal council must appoint other councillors to the committee.

5. Line of Authority

The Community Services Portfolio Committee report on all matters deliberated by it through recommendations to the Executive Committee

6. Interaction with the Municipal Manager

The Portfolio Committee interacts directly with the Municipal Manager in consultation with the Head of Department.

7. Dispute Resolution

In the event of a dispute between the Portfolio Committee and any other political structure, or the Municipal Manager, the dispute must be referred to the Executive Committee.

PLANNING AND ECONOMIC DEVELOPMENT PORTFOLIO COMMITTEE

1. Functional areas of the Planning and Economic Development Portfolio Committee

1.1. The functional areas in which the Planning and Economic Development Portfolio

Committee operates are:

- Public works
- Project Management
- Contracts Management
- Implementing Agent
- IDP
- Development planning
- Urban and rural planning
- Spatial development
- GIS
- LED and tourism.

2. Responsibilities of the Planning and Economic Development Portfolio Committee

2.1. The responsibilities of the Planning and Economic DevelopmentPortfolioCommittee, in respect of its functional areas, are:

(a) to develop and recommend strategy;

(b) to develop and recommend by-laws;

(c) to consider and make recommendations in respect of the draft budget and IDP;

(d) to ensure public participation in the development of policy, legislation, IDP and budget;

(e) to monitor the implementation of Municipal policies; and

(f) to exercise oversight on all functional areas.

3. Functions of the Planning and Economic Development Portfolio Committee

3.1. The Planning and Economic Development Portfolio Committee formulate recommendations for consideration by the Executive Committee in relation to:

(a) policy falling within its functional area of the portfolio after consultationwith the relevant Head of Department;

(b) the SDBIP and annual business plans falling within its functional area;

(c) the implementation of the business plans of its functional area;

(d) the review of financial performance against approved budgets relating to prior and current years including matters emanating from reports of the Auditor-General;

(e) the draft budget in respect of its functional areas;

(f) reports and recommendations submitted in respect of its functional areas including comment arising from its oversight function;

(g) compliance with the legislation, norms and standards in respect of its functional areas;

(h) passing or amendments of by-laws pertaining to its functions; and

(i) prioritising projects falling within the functional area.

3.2. The Portfolio Committee may consult with the Municipal Manager and therelevant Head of Department on policies and programmes.

3.3. In executing its functions the Portfolio Committee will:-

- assist the Executive Committee in the co-ordination of functions pertaining to its portfolio;
- consider reports from the designated officials for the portfolio, or other functionary and submit its recommendations on such issues to the Executive Committee;
- introduce to the Executive Committee, recommendations on legislation and policies relating to its functions.

4. Removal of members of the Portfolio Committee

4.1. The municipal council may, by resolution remove from office one or more or all the members of the Portfolio Committee.

4.2. Prior notice of an intention to move a motion for the removal of members must be given in accordance with the Standing Rules and Orders.

4.3. If all the members of the Portfolio Committee are removed, the municipal council must appoint other councillors to the committee.

5. Line of Authority

The Planning and Economic Development Portfolio Committee report on all matters deliberated by it through recommendations to the Executive Committee.

6. Interaction with the Municipal Manager

The Portfolio Committee interacts directly with the Municipal Manager in consultation with the Mayor.

7. Dispute Resolution

In the event of a dispute between the Portfolio Committee and any other political structure, or the Municipal Manager, the dispute must be referred to the Executive Committee.

SECTION 79 COMMITTEES

- Section 79 of the Structures Act, provides that a municipal council may establish one or more committees necessary for the effective and efficient performance of its functions or the exercise of any of its powers.
- The Council appoints the members of these committees, and may dissolve the committee or remove a member at any time.
- The Council must determine the functions of a 'section 79 committee' and may determine its procedures.
- The Council may delegate powers to the committee in terms of section 59 of the Systems Act (Delegations)
- The Council appoints the chairperson.
- Section 79 committees may co-opt advisory members who are not Councillors, provided they have the authorization of the Council.
- The following are section 79 committees:
  - The Rules and Orders Committee;
  - Municipal Public Accounts Committee (MPAC)
  - The Disciplinary Committee for Councillors established in terms of Item 14(1) of the Code of Conduct of Councillors.
  - Appeals Committee (Section 62-Systems Act).

Relationship with section 80 Committee

- The two types of committees serve different purposes and they are accountable to different structures:
  - A section 79 Committee reports directly to Council.
  - A section 80 Committee reports to EXCO.
  - A section 79 Committee may thus not be used for the purpose normally served by a section 80 Committee.
  - The common feature of both committees is that they are council committees.

Statutory Committees

- These committees are established in terms of relevant legislation:
  - Audit Committee (section 166 of MFMA).
  - Performance Audit Committee (2001 Municipal Planning and Performance Regulations).
  - Evaluation Panel for Section 57 officials (2006 Municipal Performance Regulations).

Line of Accountability and Reporting

These committees report directly to Council.

RULES AND ETHICS COMMITTEE

1. Purpose

The primary purpose of the Rules and Ethics Committee is to investigate and make findings on any alleged breaches of the Municipality Standing Rules and Orders and Councillors' Code of Conduct, including sanctions for non-attendance at meetings and to make recommendations to Council regarding any other matter concerning the rules and orders.

2. Composition

The Committee shall consist of the Speaker and all whips of political parties represented in the Council.

3. Responsibilities of the Rules and Ethics Committee

The Rules and Ethics Committee is responsible for:

3.1. Formulates and recommends amendments to the Standing Rules and Orders for Committees and Council.
3.2. The development of policies and procedures on issues relating to the Code of Conduct for Councillors, including:
3.3. Standing procedures for the imposition of a fine or removal of a Councillor as a sanction for non-attendance of meetings in terms of Item 4(3);
3.4. Procedures and policy for the granting of leave of absence in compliance with Item 3(a) of the Code of Conduct;
3.5. Instances where Council must decide on permission or consent to be granted to Councillors, e.g. consent for outside work by full-time Councillors in terms of Item 8; and
3.6. To investigate processes and procedures to facilitate efficient and expeditious carrying out of the work of Council and Committees where difficulties are found to exist;
3.7. Supervising and managing the declaration of financial interests of Councillors to ensure honesty and avoid corruption;
3.8. To ensure that all Standing Rules and Orders and other matters of a procedural nature are complied with by Council and its Committees;
3.9. To interpret and give guidance on the Standing Rules and Orders where disputes as to meaning or interpretation may occur.
3.10. Overseeing adherence to the Code of Conduct and the Standing Rules and Orders of Council;
3.11. Managing investigations and disciplinary processes of Councillors who are in breach of the provisions of the Standing Rules and Orders and the Code of Conduct of Councillors.

4. Functions of the Rules and Ethics Committee

4.1. The Rules and Ethics Committee formulates recommendations for consideration by the Council in relation to the following policies and procedures:

4.1.1. Procedure on declaration of financial interests by Councillors and development of the register of financial interests of Councillors, taking into consideration some interests that must be made public and others kept confidential;
4.1.2. Procedure to enforce Code of Conduct and disciplinary procedure for Councillors in breach of the code;
4.1.3. Business plan for training and capacitation of Councillors;
4.1.4. Business plan for tools of trade of Councillors.

4.2. The Committee considers and decides on the following matters:

(a) Reports on attendance of Councillors in Council and Committees to which they are assigned;
(b) Declaration of confidential and public register of financial interests of Councillors for each financial year;
(c) Progress reports from the Office of the Speaker on implementation of the policies and attendance of Councillors.
(d) The Committee submits reports and recommendations to Council on its findings on investigations and disciplinary processes against Councillors who are in breach of the Code of Conduct of Councillors and the Standing Rules and Orders.
(e) The Committee reviews the Standing Rules and Orders, whenever this is necessary and submits its recommendations to Council.

5. Dissolution of the Committee

The municipal Council may dissolve the Rules and Ethics Committee at any time.

6. Line of Authority

The Rules and Ethics Committee report to the Municipal Council.

7. Interaction with the Municipal Manager

The Rules and Ethics Committee interacts directly with the Municipal Manager.

8. Dispute Resolution

In the event of a dispute between the Rules and Ethics Committee and any Councillor, or any other political structure, or the Municipal Manager, the dispute must be referred to the Municipal Council.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

Background

- MPAC means Municipal Public Accounts Committee.
- National Treasury, DCOG, COGTA and SALGA promote the establishment and effective functioning of MPACs in all municipalities.

Purpose

- Its primary purpose and function is to assist council to hold the Executive and the municipal administration to account for the efficient and effective use of municipal resources.
- Councillors are therefore responsible for exercising oversight over both the executive and the administration.
- Proper administration of "oversight" requires Councillors to be "fully informed" of their own agenda, business or affairs.
- MPAC will do this by reviewing public accounts and exercising oversightfunction on behalf of the Council.

Legal Basis for Councillor Oversight

- The Constitution of the Republic of South Africa:
  - vests executive and legislative authority of a municipality in a Municipal Council
  - confers on a Municipal Council the rightto govern on its own initiative the local government affairs of its community (Sect.151(3))
  - authorizes municipalities to establish procedures and functions of its committees for internal arrangements (section 160(6) (c).
- Municipal Systems Act, Municipal Structures Act & Municipal Finance Management Act:
  - Confer on a Municipal Council the responsibility to oversee municipal performance; and
  - By extension, confer on a Municipal Council the responsibility to supervise its own business.

Appointment and Legal Framework

- MPAC is a committee of Council appointed in accordance with Section 79 of the Structures Act.
- As a section 79 Committee, the following principles apply:
  - the Council must resolve to establish a MPAC by way of a council resolution;
  - the Council must determine the functions of the committee and agree on terms of reference for the committee;
  - the Council must delegate functions to the MPAC in accordance with the terms of reference for the committee;
  - the Council may determine the procedure of the committee or allow it to determine its own procedure;
  - the Council appoints the members of the MPAC amongst the councillors;
  - section 160(8) of the Constitution applies to the committee and therefore its composition must be such that it allows parties and interests reflected within the Council to be fairly represented in the MPAC;
  - the Council appoints the chairperson of the MPAC;
  - the Council may dissolve the MPAC at any time;
  - the Council may allow the MPAC to co-opt advisory members who are not members of the council, within the limits determined by the council;
  - the meetings of the MPAC should as far as is possible and practical, be open to the public in accordance with section 160(7) of the Constitution;
  - the municipal administration must ensure that adequate financial and human resources are made available to support the functions of the MPAC;
  - meetings of the MPAC should be provided for and included in the annual calendar of the council; and
  - the MPAC reports directly to the municipal council and the chairperson of the MPAC liaise directly with the Speaker on the inclusion of reports of the MPAC in the council agenda.

Establishment of the MPAC

- The Council must establish MPAC through a Council resolution.
- The resolution passed must be clear on all powers and functions of the Committee in order to prevent disputes.

Functions and Powers

The primary functions of MPAC are as follows:

- To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on the annual report;
- To examine the financial statements and audit reports of the municipality and municipal entities;
- To consider improvements from previous statements and reports and evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented;
- To promote good governance, transparency and accountability on the use of municipal resources;
- To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee;
- To perform any other functions assigned to it through a resolution of council within its area of responsibility.
- To examine any information relating to personnel, books of accounts, records, assets and liabilities;
- To examine Mayor's quarterly reports on the implementation of the budget and financial position of the municipality
- To initiate and develop an Annual Oversight Report based on the Annual Report and submit to Council for adoption.
- To invite and facilitate public input on the Annual Report on behalf of council;
- To summon any Councillor or official before it to answer questions.
- MPAC must enhance the accountability process by ensuring that there is objective political oversight, which allows for public involvement and comments in addition to

other established governance committees, such as the finance portfolio committee and the independent Audit Committee.

Delegations to the MPAC

The following responsibilities are to be delegated to the MPAC in terms of the provisions of section 59 of the Systems Act:

- Unforeseen and unavoidable expenditure;
- Unauthorised, irregular or fruitless and wasteful expenditure;
- SDBIP;
- Monthly budget statements;
- Mid-year budget and performance assessment;
- Mid-year budget and performance assessment of municipal entities;
- Disclosures concerning councillors, directors and officials;
- Annual financial statements;
- Annual report;
- Issues raised by the A-G in the audit reports;
- The appointment of the audit committee;
- Disciplinary steps instituted in terms of the MFMA;
- The review of the IDP post elections;
- The annual review of the IDP;
- Performance management plan;
- The draft annual budget with reference to the approved IDP; and
- Declaration of interest forms submitted by councillors.

Authority of MPAC

- MPAC shall be entitled to request for documents or evidence.
- MPAC shall have the authority to subpoena other committee members, management and other employees of municipality to be present at a given meeting for possible interview and clarity regarding items on the agenda.
- MPAC can request the support of both internal and external auditors when necessary in advisory capacity.
- The Committee shall have permanent referral of documentation as they become available relating to:
- financial statements of the municipality;
- all reports of the Auditor-General and the Audit Committee and
- information in respect of any disciplinary action take in terms of the MFMA
- the Standing Rules for the Council apply to the committee to the proceedings of the MPAC.

Composition and Membership

- MPAC, similar to other council committees, should solely be comprised of councillors appointed by a full council meeting.
- The actual size of MPAC should be determined by the size of a council (i.e. number of councillors).
- The following guidelines may, where possible, be adopted:
  - The size should range between a minimum of 5 to a maximum of 13 members.
  - Municipalities with less than 15 councillors may nominate up to 5 councillors;
  - Municipalities between 15-30 councillors may nominate up to 9 councillors
  - Municipalities between 31-60 councillors may nominate up to 11 councillors;
  - Municipalities with more than 60 councillors may nominate up to 13 councillors.
- Members should represent a wide range of experience and expertise available in council and represent various political affiliations.
- The Speaker, Mayor, Deputy Mayor, Chief Whip, and members of the Executive Committee are not allowed to be members of a MPAC.
- MPAC may co-opt other members of public (not councillors) in an advisory capacity based on their knowledge and expertise on a particular matter to assist and advise the MPAC when the need arises.
- The committee may co-opt not more than 5 (five) members of public.
- Payment of stipend/allowance of such co-opted members must be considered.
- These co-opted members have no voting rights.
- MPAC members are elected for a term corresponding to the term of the sitting Council.
- When a Councillor resigns or is transferred from the committee, the resignation must be in writing.
- Council must appoint a replacement in the full council meeting.

Chairperson of the MPAC

- The Chairperson should be appointed by Council Resolution.
- The Chairperson should be an experienced Councillor due to the important role played MPAC.
- When appointing the Chairperson, Council must take into consideration the requirements of transparency, ethical behaviour and general good governance prescripts.
- In deciding on the Chairperson, the Council may consider appointing a Councillor from parties other than the majority party in Council.
- A Deputy Chairperson must be elected from its members.
- A Municipality with 40 or more Councillors may consider making the position of Chairperson full-time.

A provision for a salary package for full-time Chairperson has since 2011 been made in the 2011 Remuneration for Councillors (see Item 5 Govt. Gazette No. 34869 dated 14/12/2011)

Meetings

- The committee must meet at least quarterly (4) four times a year.
- Meetings should be included in the annual calendar of the Council.
- Meetings must be conducted in accordance with the Standing Rules of Order of Council.
- The Committee may determine and adopt its own procedure for conducting of meetings.
- Notice requirements should be similar to those of other

committees of Council.
- Meetings of MPAC should be open to the public-unless the business being discussed demands that the meeting be closed to the public.

Quorum and Decision Making

- A majority of the members constitute a quorum.
- A question before the Committee is decided by majority of the members present at the meeting.
- If on any question, there is an equality of votes, the Chairperson must exercise a casting vote in addition to that member's vote as a member.

MPAC Work Programme

- MPAC must develop its work programme annually.
- It must link such programmes to the overall planning cycle of council.
- The annual work programme must be approved by Council.

MPAC Year Planner

- Council must approve the MPAC year planner.
- It must be aligned to the Council approved municipal year plan.

July – September

- Financial Statements
- Internal Audit Reports
- Audit Committee Minutes
- CFO Financial Reports

October – December

- AG Report
- Internal Audit Reports
- Audit Committee on Performance Assessment
- Annual Report
- CFO Financial Reports

January – March

- Annual Report
- Oversight Report, including issues raised by AG
- Internal Audit Reports
- CFO Financial Reports
- Audit Committee Minutes

April – June

- Annual Budget
- Internal Audit Reports
- CFO Financial Reports
- Audit Committee Minutes
- IDP

Financial and Administrative Support

- Council must ensure that adequate financial and human resources are available to support the functions of the MPAC.
- MPAC must be supported by officials to co-ordinate and undertake research activities as required by the committee work programme.
- The compilation of agendas and minutes is the responsibility of Committee staff and must work under the guidance of the chairperson-MPAC.
- Adequate financial resources should be made available to support the functions of the MPAC.

Reporting and Accountability

MPAC reports and makes recommendations to Council through the Speaker.

- It is important to note that MPAC does not take decisions.It reports and recommends to Council (not EXCO).
- The MPAC should report to full council at least quarterly and may bring items before Council as and when necessary.
- The Chairperson of MPAC must liaise directly with the Speaker for inclusion of MPAC reports in the Council Agenda.
- The MPAC must report to Council on its activities, including a report:
  - detailing its activities of the preceding and current financial years;
  - on the number of meetings held;
  - on the membership of the committee and on key recommendations taken.
- The full Council should deliberate on the recommendations from the MPAC, at a meeting open to the public, and must reach finality in the shortest possible time.
- Council must evaluate the performance of MPAC on an annual basis.

What items must at least appear on the Agenda for MPAC

- Approval of previous minutes;
- Report on recommendations to Council/EXCO;
- Previous EXCO minutes;
- Matters referred to MPAC by any Audit Committee/ EXCO/ Council/MM/member of the public;

Internal Audit Reports received:
- CFO Financial Report;
- Audit Committee minutes;
- Compliance with statutory deadlines;
- Identified risk mitigation;
- Annual Financial Statements (September);
- AG Report (November/December);
- Oversight Report (February);
- Annual Budget (April);
- Other relevant matters raised by MPAC members

Monitoring by MPAC

- The committee shall develop a monitoring mechanism in line with the approved work programme to determine if actions have been taken to implement its recommendations.
- The responses to reports are to be provided to the MPAC as soon as possible after the date of the resolution together with the recommendations to which they relate.

Relationship with other structures

MPAC may liase with:

- Municipal Manager
- Mayor
- Internal Audit Unit
- Audit Committee
- Other Committees of Council
- Heads of Departments
- Member of the AG staff.

Audit Committee and Finance Portfolio Committee

- MPAC performs an oversight function on behalf of council.
- It is not a duplication of, and must not be confused with either the Audit Committee or the Finance Portfolio Committee.
- The Audit Committee is an independent advisory body that advises council and the executive on financial and risk matters
- The Audit Committee can act as an advisory body to MPAC.
- The Finance Portfolio Committee deals with financial management issues such as budgetary, revenue and expenditure management and supply chain management.
- The primary function of a MPAC is to assist council to hold the executive and the municipal administration to account and to ensure the efficient and effective use of municipal resources.
- It will do this by reviewing public accounts and exercising oversight on behalf of the council.

Municipal Audit Committee

Constitution

This is an independent advisory body established in terms of section 166 of the MFMA.

Membership

- No Councillor may be a member of Audit Committee.
- Members must be experienced and appropriately qualified experts.
- Council must appoint them.

Ex-Officio Membership

- Accounting Officer, Chief Financial Officer & Internal Auditor serve the Audit Committee in ex-officio capacity
- Accounting Officer, Chief Financial Officer & Internal Auditor primarily play the role of availing the Audit Committee with financial and other relevant records
- The Audit Committee liaises with the person designated by the Auditor-General to audit the financial statements of the Municipal Council.

Meetings

- An Audit Committee must meet as often as is
- required but at least once a quarter.

Functions

- Advises the Municipal Council, political office- bearers , Accounting Officer and management regarding:
  - internal financial controls & internal audits
  - risk management
  - accounting policies
  - adequacy, reliability & accuracy of financial reporting &information performance management.
  - legislative compliance with the MFMA Division of Revenue Act & any other applicable legislation
  - any other issues referred to it by the Municipality.
  - Reviews annual financial statements to provide the Municipal Council with:
  - an authoritative & credible view of the financial standing of the municipality
  - efficiency and effectiveness of the municipality
  - overall compliance of the municipality with applicable legislation.
- Responds to the Municipal Council on any issues raised by the Auditor-General in the audit report.
- Carries out any such investigations into the affairs of the municipality as may be required.
- Performs any other functions as may be prescribed.

Reporting

Reports directly to Council.

Finance Portfolio Committee

Generic Functions

- Budget preparation & Implementation
- Expenditure control\ Management
- Mid-year Budget & Performance Assessment
- Revenue Generation
- Revenue Management
- Asset & Liability Management
- Credit Control
- Debt Collection
- Loan Management
- Procurement\ Supply Chain Management matters

Membership and Reporting

- This is a section 80 Committee.
- The Chairman is a member of EXCO.
- Members are councillors appointed by Council.
- It reports to EXCO through its recommendations.

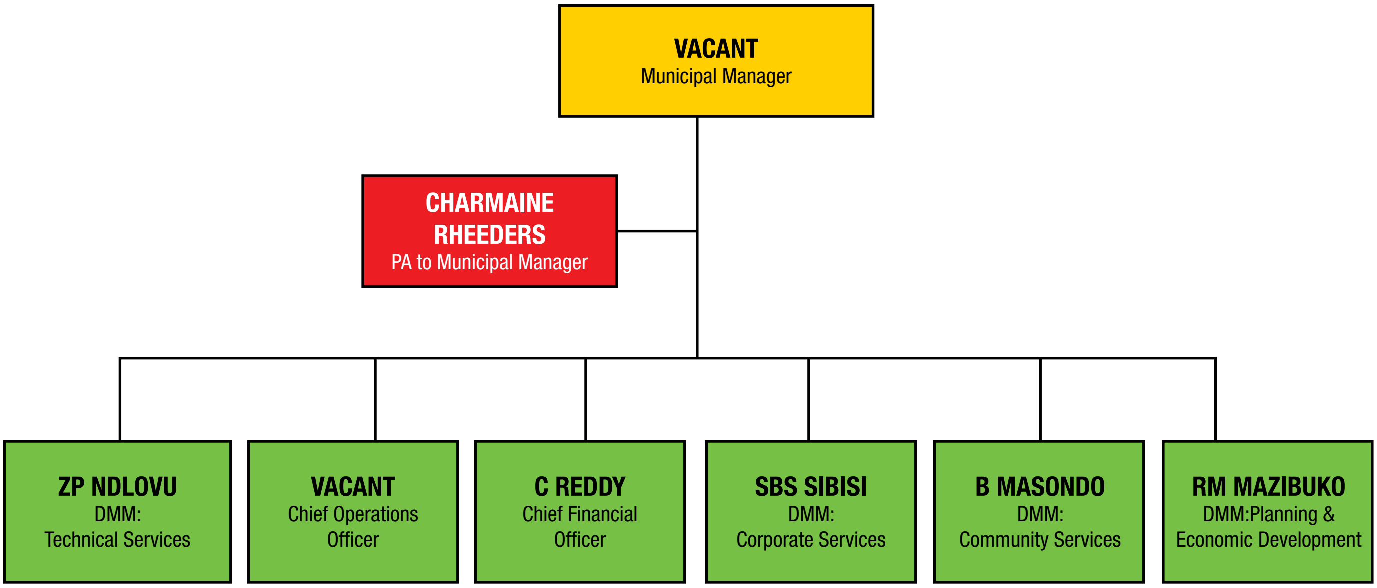
Conclusion

- The establishment and effectiveness of MPACs is critical for purposes of accountability and oversight.
- MPAC members must continually be empowered with the necessary skills, knowledge and information to execute effectively their oversight function.

Sources

- Guideline for establishment of Municipal Public Accounts Committees (MPAC): Dcog and National Treasury: August 2011.
  - MFMA Circular No. 32 of March 2006
  - Enhancing Oversight in Municipalities: SALGA March 2012.

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE



APPENDIX D: POWERS & FUNCTIONS

POWERS AND FUNCTIONS

In terms of Circular 8/2008: 2008/09 Capacity Assessments and Recommendations: Adjustment of Powers and Functions between District and Local Municipalities in terms of Section 85 of the Local Government: Municipal Structures Act 1998, King Cetshwayo District Municipality has the following powers and functions to fulfil:

			KCDM	uMfolozi	uMhlathuze	Ntambanana	uMlalazi	Mthonjaneni	Nkandla
1	S84(1)(a)	Integrated Development Planning for District as a whole	✓	✓	✓	✓	✓	✓	✓
2	S84(1)(a)	Potable Water Supply Systems	✓	✓	✗	✓	✓	✓	✓
3	S84(1)(c)	Bulk supply of electricity		✗	✗	✗	✗	✗	✗
4	S84(1)(d)	Domestic waste-water and sewage disposal system	✓	✓	✗	✓	✓	✓	✓
5	S84(1)(e)	Solid waste disposal sites serving the area of the District Municipality as a whole	✓	✓	✓	✓	✓	✓	✓
6	S84(1)(f)	Municipal roads which form an integrated part of a road transport system for the area of the district municipality as a whole	✓	✓	✓	✓	✓	✓	✓
7	S84(1)(g)	Regulation of passenger transport services	✓	✓	✓	✓	✓	✓	✓
8	S84(1)(h)	Municipal airport serving the area of the district municipality as a whole	✓	✓	✗	✓	✓	✓	✓
9	S84(1)(i)	Municipal health serving the area of the district municipality as a whole	✓	✓	✓	✓	✓	✓	✓
10	S84(1)(j)	Fire Fighting services for district municipality as a whole	✓	✓	✗	✓	✗	✓	✓
11	S84(1)(k)	Fresh produce markets and (Abattoirs) serving the area of the district municipality as a whole	✓	✓	✗	✓	✓	✓	✓
12	S84(1)(l)	Cemeteries and Crematoria	✓	✓	✓	✓	✓	✓	✓
13	S84(1)(m)	Promotion of local tourism for the District Municipality	✓	✓	✓	✓	✓	✓	✓
14	S84(1)(n)	Municipal public works relating to any of the above function or and other functions assigned to the district municipality	✓	✓	✗	✓	✗	✓	✓
	S84(1)(o)	the receipt, allocation and if applicable distribution of grants made to the district municipality	✓	✓	✓	✓	✓	✓	✓
16	S84(1)(p)	The implementation and collection of taxes, levies and duties as related to the above functions or may be assigned to the District Municipality in terms of National	✓	✓	✓	✓	✓	✓	✓
18	Sched 4 B	Building Regulations	✓	✓	✗	✓	✗	✗	✓
22	Sched 4 B	Local Tourism	✓	✓	✗	✓	✗	✓	✓
	Sched 4 B	Air Pollution	✓	✓	✗	✓	✓	✓	✓
40	Sched 5 B	Licencing and control of undertakings that sell food to the public	✓	✓	✓	✓	✓	✓	✓
50	Sched 5 B	Refuse removal, refuse dumps, solid waste disposal and cleaning services	✓	✗	✗	✓	✗	✗	✗

KEY ✗ Function performed by the Municipality

✓ Allocated functions to the District

Note: Functions performed by Ntambanana will continue to be provided by the relevant LM after demarcation.

APPENDIX G: AUDIT COMMITTEE ACTION/RESOLUTION REGISTER

POWERS AND FUNCTIONS

NO.	DATE	AGENDA ITEM	STATUS
1	21 August 2023	**Matters arising from the minutes:** The Committee was also advised that an amount of R10m has been paid to uMngeni-uThukela Water, however the matter is not yet concluded.	A progress report will be submitted to the Committee once the Hon. Leadership, MM, Finance and Technical have had a meeting with uMgeni-uThukela Water. KCDM has engaged with uMgeni-uThukela Waters finance team and we are refining the reconciliation and Technical is dealing with the operational issues.
2	21 August 2023	**KCDMAC: 14/2023** **Internal Audit Progress Report** The Committee was uncomfortable that they were not assured whether the Municipality does have controls in terms of the Disaster Recovery and Business Continuity.	The Committee was advised that provisions in terms of budget was made to ensure that we resolve the issues around the business continuity and get assistance there off. The DMM Corporate services to provide the progress report at the next Audit meeting.
3	11 March 2024	**KCDMAC: 29/2024** **The report on programmes under Water Services Unit: Waste Use Efficiency of Technical Services as at the end of February 2024 as per the SDBIP**	Mr. Ndlovu informed the Committee that the programme is in full force and that a detailed report will serve at the next Audit meeting. He mentioned that there is some improvement with regards to water losses, but on the non-revenue water is still at 50%. For this to be normal, the Municipality would need to ensure more billing.
4	06 May 2024	**The Audit Action Plan Status for the Matters of Emphasis raised in the 2022/2023 Audit report**	The Internal Audit Plan to include looking at the controls and document the process flow of water losses.
5	06 May 2024	Audit Committee Performance Assessment (In-Committee) 1. The below actions of improvement be considered by the Municipal Manager for his endorsement for approval by Exco and Council: 1.1. Quality Assurance of IA a. Develop and implement an annual self-assessment process. b. Consider peer review assessment. 1.2. AC improvement Action Plan a. Develop by b. Start implementing by 1.3. Evaluation of Committee value add a. Develop the evaluation process with inputs from all the relevant stakeholders 1.4. Chairperson attendance and reporting to Council a. Chair of the Audit Committee to attend quarterly Council meetings. 1.5. Sufficient time to process information a. Distribute meeting packs within the stipulated timelines. 1.6. Separate meetings with the CAE and IA quarterly.	

NO.	DATE	AGENDA ITEM	STATUS
7	10 June 2024	**KCDMAC: 32/2024** **Internal Audit Charter and Internal Audit Operational Plan** 1. CAE to have discussions with management with regards to the strategy of the unit on how to resource it as the panel contract ends June 2025. 2. CAE and Audit Committee members to have an engagement on how to use the hybrid approach.	
8	10 June 2024	**KCDMAC: 33/2024** Approval of Draft Internal Audit Policy and Draft Internal Audit Methodology and Procedural Manual CAE to look at obtaining audit software.	
9	10 June 2024	**KCDMAC: 34/2024** **Audit Committee Charter and Audit Committee Work Plan** The adopted Audit Committee Charter proceeds to Exco and Council for approval.	
10	10 June 2024	**KCDMAC: 36/2024** **Submission of the progress report on the implementation of Risk Management at KCDM during the 3rd quarter of 2023/2024 financial year** The Committee requested that a summary of the top 10 strategic risks be provided to the Committee.	

APPENDIX J: REPORT ON THE SUBMISSION OF DECLARATIONS OF INTEREST FOR THE PERIOD JULY 2023 TO JUNE 2024

The annual declaration of interest memo for employees to make their yearly submissions was circulated to all staff on 02 November 2023 for the 2023/2024 Financial Year.The majority of employees did not adhere to the deadline due date being 17 November 2023 at 16h00. Declarations of Interest are signed by Senior Management staff inclusive of Section 56-appointed Managers upon signing their annual Performance Agreements. This assists HR in obtaining signed declarations for senior personnel by the due date annually.

As at 30 June 2024, a total of 459 staff members have declared their interests for the 2023/2024 financial year with a staff complement of 548. Below is a breakdown of the Declarations of Interest submitted per department.

Declaration Submitted – 2023/2024 FY

Department Name	No. of Declarations Submitted
MMs Department	19
Technical	219
Finance	73
Community	65
Corporate	65
Planning	18
TOTAL SUBMITTED	**459**
Staff Complement	**548**
Outstanding	**89**

APPENDIX J: DISCLOSURE OF FINANCIAL INTEREST

NAME	POSITION	DISCLOSURE OF INTEREST SIGNED (YES/NO)
MR PP SIBIYA	MUNICIPAL MANAGER	YES
MR B MASONDO	DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES (STARTED ACTING - NOVEMBER 2023)	YES
MS TF MNGUNI	DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES (CONTRACT ENDED OCTOBER 2023)	YES
MRS MC REDDY	DEPUTY MUNICIPAL MANAGER: FINANCIAL SERVICES:	YES
MR SBS SIBISI	DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES	YES
MR ZP NDLOVU	DEPUTY MUNICIPAL MANAGER: TECHNICAL SERVICES	YES
MR CK M'MARETEL	CHIEF OPERATIONS OFFICER (RETIRED FEBRUARY 2024)	YES
MR RM MAZIBUKO	DEPUTY MUNICIPAL MANAGER: PLANNING AND ECONOMIC DEVELOPMENT	YES

APPENDIX K - REVENUE COLLECTION PERFORMANCE

Provisional Municipal Operational Revenue Trends

Table 2 & Figure 2 demonstrates the municipal source of funding per revenue categories

Table 2 – Provisional Revenue per Category					
DEPARTMENT NAME	Full Year BUDGET 2023/24	PRO-RATA BUDGET 2023/24	ACTUAL YTD June 2024	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	%
Exchange Revenue					
Service charges - water revenue	72 893	72 893	63 030	(9 862)	(14)
Service charges - sanitation revenue	10 007	10 007	9 778	(229)	(2)
Service charges - refuse revenue	41 675	41 675	32 970	(8 704)	(21)
Sales of Goods and Rendering of Services	405	405	461	56	14
Interest earned from Receivables	1 603	1 603	4 050	2 447	153
Interest earned from Current and Non-Current Assets	28 423	28 423	29 269	846	3
Rental from Fixed Assets	229	229	361	132	57
Licences or permits	109	109	151	42	38
Operational Revenue	5 184	5 184	5 119	(65)	(1)
Non-Exchange Revenue					
Fines, penalties and forfeits	11 627	11 627	11 523	(103)	(1)
Licences or permits	-	-	-	-	-
Transfer and subsidies - Operational	728 061	728 061	727 501	(560)	-
Other Gains	-	-	1	1	100
Total Revenue (excluding capital transfers and contributions)	**900 216**	**900 216**	**884 216**	**(16 000)**	**(2)**

Source: Budget Table C4

Declaration Submitted – 2023/2024 FY

VOTE		AMOUNT
24035651940ZZZZZZZ11	WATER	- 57 750 494.94
25015651540ZZZZZZZ11	SANITATION	- 9 016 169.48
22015651240ZZZZZZZ11	WASTE	- 46 753 604.55
		- 113 520 268.97

2.1.2 Provisional Municipal Departmental Revenue

Table 3 & Figure 3 illustrates the trend in Departmental Revenue as compared to the Budget for the period ending 30 June 2024.

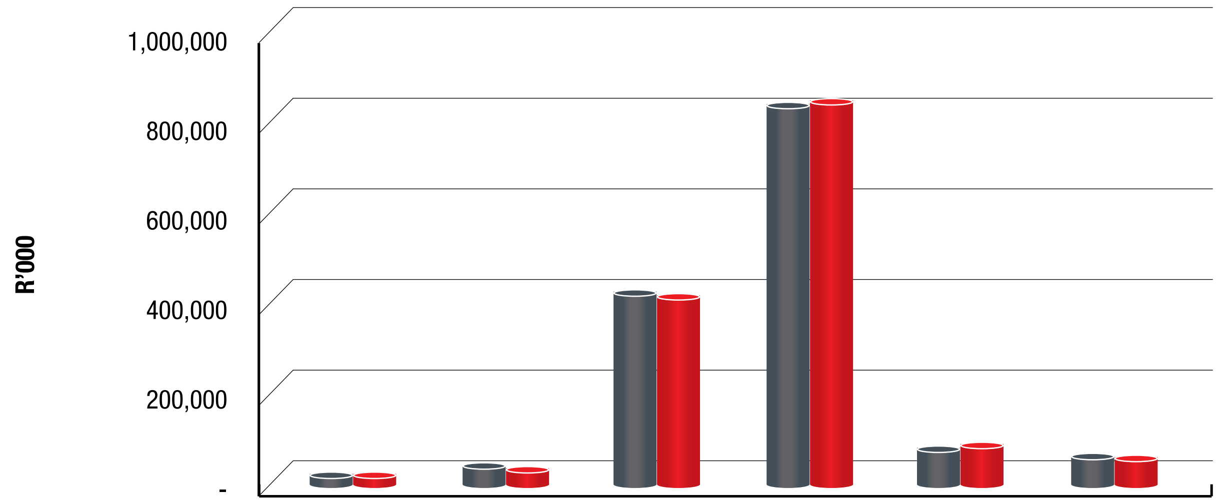
Table 3 – Provisional Municipal Revenue per Department – Inclusive of Capital Contributions

REVENUE PER CATERGORY	Full Year BUDGET 2023/24	PRO-RATA BUDGET 2023/24	ACTUAL YTD June 2024	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	%
Community & Social Services	405	405	461	56	14
Environmental Health	22 283	22 283	22 325	42	-
Finance & Administration	397 616	397 616	401 378	3 762	1
Water (Infrastructure Services)	822 816	822 816	810 764	(12 052)	(2)
Waste Management	66 071	66 071	56 821	(9 250)	(14)
Waste Water Management	40 391	40 391	43 211	2 819	7
Total Revenue	**1 349 583**	**1 349 583**	**1 334 960**	**(14 623)**	**(1)**

Source: Budget Table C3

Figure 3: TREND IN DEPARTMENTAL REVENUE vs ANNUAL BUDGET

June 2024



	Comm & Social	Env Health	Fin & Admin	Water	Waste Mgt	Waste Water Mgt
Revenue Actual June 2024	461	22,325	401,378	810,764	56,821	43,211
Pro-rata Budget June 2024	405	22,283	397,616	822,816	66,071	40,391

APPENDIX L - DC28 KING CETSHWAYO DM MUNICIPALITY GRANT REGISTER

Name of grant	DORA Grant Allocation July 2023 - June 2024	Outstanding Receipts DORA	Opening balance as at Saturday, 01 July 2023	Receipts	Expenditure: Operating (Revenue Recognised)	Expenditure: Capital (Revenue Recognised)	Total Expenditure - current year	Adjustments	Closing balance as at Sunday, 30 June 2024	[illegible]	[illegible]	[illegible]
Expanded Public Works Programme Integrated grant for Municipalities (EPWP) (uncertain)	3 534 000	-	R -	R 3 534 000	R 3 534 000	R -	R 3 534 000	R -	R -	R -	R -	
Finance Management Grant (FMG) (uncertain)	1 200 000	-	R -	R 1 200 000	R 1 200 000	R -	R 1 200 000	R -	R -0	R -	R -0	
[illegible]			R -	R -	R -	R -	R -	R -	R -		R -	
[illegible]	-	-	R 2 549 648	R -	R 2 549 647	R -	R 2 549 647	R -	R 0	R -	R 0	
[illegible]	131 000	102 706	R -	R 28 313	R -	R 28 313	R 28 313	R -	R -0	R -	R -0	
Municipal Infrastructure Grant (MIG) (uncertain)	191 737 000	-	R -	R 191 737 000	R 35 033 911	R 144 703 089	R 191 737 000	R -	R 0	R -	R -0	
Water Services Infrastructure Grant (WSIG) (uncertain)	40 000 000	-	R 2 491 833	R 40 000 000	R -	R 40 000 000	R 40 000 000	R -2 491 833	R -0		R -0	
[illegible]	-	-	R -	R -	R -	R -	R -	R -	R -		R -	
Regional Bulk Infrastructure Grant (RBIG) (uncertain)	222 547 000	-	R -	R 222 547 000	R -	R 222 547 000	R 222 547 000	R -	R 0	R -	R -0	
Rural Roads Asset Management Systems Grant (RRAMS) (uncertain)	3 148 000	-	R -	R 3 143 000	R 3 143 000	R -	R 3 143 000	R -	R 0	R -	R -0	
[illegible]			R -	R -	R -	R -	R -	R -	R -		R -	
[illegible]			R 63 403	R -	R -	R -	R -	R -63 403	R -	R -	R -	
[illegible]			R -	R -	R -	R -	R -	R -	R -		R -	
[illegible]			R -	R -	R -	R -	R -	R -	R -		R -	
[illegible]			R 39	R -	R -	R -	R -	R -39	R -	R -	R -	
[illegible]			R -	R -	R -	R -	R -	R -	R -	R -	R -	
Equitable share (uncertain)	871 584 000	-										
	R 1 175 379 000,00	R 102 706,00	R 4 903 148	R 484 911 211	R 34 962 099	R 449 379 404	R 484 341 133	R -2 753 377	R -0	R -	R -0	

APPENDIX M - EXPENDITURE ON MIG FUNDED PROJECTS AS AT 30 JUNE 2024

Expenditure on MIG Funded Projects as at 30 June 2024							
Account Number	Project Name	2023/24 Allocation	Budget Adjustment	Total MIG Budget 2023/24	YTD Expenditure June 2024	Balance available	% YTD Expenditure
Capital Projects							
2501644942090S01ZZ15	Eshowe Sewer Upgrade	11 304 348	-876 605	10 427 743	10 427 742	1	100%
2501644942090S02ZZ16	Melmoth Sewer Upgrade	12 173 914	-9 848 139	2 325 775	2 325 775	-0	100%
2201645002090SL4ZZ12	Construction of Cell 3	17 391 304	2 040 625	19 431 929	19 431 929	0	100%
2406647002090CA7ZZ12	Computer Equipment	304 348	-304 348	-	-	-	#DIV/0!
2409644502090WB1ZZ15	Eshowe SSA1	8 695 652	14 569 471	22 685 563	22 685 563	-	100%
2409644502090WB5ZZ15	Middledrift SSA3	4 347 826	-4 347 826	-	-	-	#DIV/0!
2409644502090WC3ZZ13	Mhlana Somopho Phase 3C	9 565 217	-8 396 607	1 168 610	1 168 609	1	100%
2409644602090WG1ZZ15	Middledrift SSA5 - Distribution	3 478 261	26 558 457	27 393 823	27 393 822	1	100%
2409644602090WG3ZZ15	KwaHlokohloko SSA1- Distribution	6 956 522	10 729 896	17 466 650	17 466 649	1	100%
2409644602090WG4ZZ15	Middledrift Phase 2 - Distribution	7 826 087	-7 185 649	518 296	518 296	-	100%
2409644602090WG9ZZ17	Nkandla Vitshini S/A SSA5 - Distribution	5 217 391	-5 217 391	-	-	-	#DIV/0!
2409644602090WH0ZZ15	KWaHlokohloko S/A SSA5 - Distribution	5 217 391	-4 408 997	808 394	808 394	-0	100%
2409644602090WH2ZZ13	Mbonambi Water Phase 2 - Distribution	13 527 826	-11 869 565	1 606 425	1 606 424	1	100%
2409644642090WG6ZZ16	Greater Mthonjaneni SSA4 - Pump State	9 565 217	-2 039 130	6 962 767	6 962 766	1	100%
2409644802090WG8ZZ17	Nkandla Vitshini S/A SSA5 - Plant Upgrade	22 102 457	1 085 231	27 413 704	25 964 026	1 449 678	95%
2409644802090WH1ZZ15	KWaHlokohloko S/A SSA5 - Plant Upgrade	20 000 000	-13 168 261	6 785 244	6 785 244	-	100%
	TOTAL	**157 673 761**	**-12 678 838**	**144 994 923**	**143 545 241**	**1 449 682**	**99%**
Operational Projects							
24062305810751 72ZZ12	P - TWS Fun/Eve Civic Fun	-		-	(2 953)	2 953	0%
250122621007553 1ZZ15	Umlalazi Sanitation Phase 9,10 & 11	10 000 000	1 397 726	11 397 726	11 215 414	182 312	98%
2501226210075548ZZ17	Nkandla Sanitation Phase 5	5 000 000	610 000	5 610 000	5 103 478	506 522	91%
	PMU	9 155 175		7 985 113	7 833 393	1 313	98%
	TOTAL	**24 155 175**	**2 007 726**	**24 992 839**	**24 149 331**	**693 101**	**97%**
TOTAL MIG FUNDED PROJECTS		**181 828 936**	**-10 671 112**	**-**	**167 694 572**	**-167 697 525**	**0%**
	TOTAL EXPENDITURE CERTIFIED BY COGTA						
	NB: THE DIFFERENCE BETWEEN EXPENDITURE CERTIFIED BY COGTA AND THE MONTHLY REPORTS IS DUE TO TIMING AS WELL AS THE ACCOUNTING TREATMENT OF RETE						

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Expenditure on MIG Funded Projects as at 31 July 2023							
Account Number	Project Name	2023/24 Allocation	Budget Adjustment	Total MIG Budget 2023/24	YTD Expenditure July 2023	Balance available	% YTD Expenditure
Capital Projects							
2501644942090S01ZZ15	Eshowe Sewer Upgrade	11 304 348		11 304 348	72 707		1%
2501644942090S02ZZ16	Melmoth Sewer Upgrade	12 173 914		12 173 914	1 370 777	10 803 137	11%
2201645002090SL4ZZ12	Construction of Cell 3	17 391 304		17 391 304	1 779 414	15 611 890	10%
2406647002090CA7ZZ12	Computer Equipment	304 348		304 348		304 348	0%
2409644502090WB1ZZ15	Eshowe SSA1	8 695 652		8 695 652		8 695 652	0%
2409644502090WB5ZZ15	Middledrift SSA3	4 347 826		4 347 826		4 347 826	0%
2409644502090WC3ZZ13	Mhlana Somopho Phase 3C	9 565 217		9 565 217		9 565 217	0%
2409644602090WG1ZZ15	Middledrift SSA5 - Distribution	3 478 261		3 478 261	1 572 662	1 905 599	45%
2409644602090WG1ZZ15	KwaHlokohloko SSA1- Distribution	6 956 522		6 956 522		6 956 522	0%
2409644602090WG1ZZ15	Middledrift Phase 2 - Distribution	7 826 087		7 826 087	60 032	7 766 055	0%
2409644602090WG1ZZ15	Nkandla Vitshini S/A SSA5 - Distribution	5 217 391		5 217 391		5 217 391	0%
2409644602090WH0ZZ15	KWaHlokohloko S/A SSA5 - Distribution	5 217 391		5 217 391		5 217 391	0%
24009644602090WH2ZZ13	Mbonambi Water Phase 2 - Distribution	13 527 826		13 527 826		13 527 826	0%
24009644642090WG6ZZ16	Greater Mthonjaneni SSA4 - Pump State	9 565 217		9 565 217	918 741	8 646 476	10%
2409644802090WG8ZZ17	Nkandla Vitshini S/A SSA5 - Plant Upgrade	22 102 457		22 102 457	415 227	21 687 230	2%
2409644802090WH1ZZ15	KWaHlokohloko S/A SSA5 - Plant Upgrade	20 000 000		20 000 000		20 000 000	0%
	TOTAL	**157 673 761**	**-**	**157 673 761**	**6 189 560**	**140 252 560**	**4%**
Operational Projects							
24062305810751722ZZ12	P - TWS Fun/Eve Civic Fun	-		-	(2 953)	2 953	0%
25012262100755531ZZ15	Umlalazi Sanitation Phase 9,10 & 11	10 000 000		10 000 000	1 143 587	8 856 413	11%
25012262100755548ZZ17	Nkandla Sanitation Phase 5	5 000 000		5 000 000	2 509 566	2 490 434	50%
24062999980000000000	PMU	9 155 157		9 155 157	590 218	8 564 939	6%
	TOTAL	**24 155 157**	**-**	**24 155 157**	**4 240 418**	**19 914 739**	**18%**
TOTAL MIG FUNDED PROJECTS		**181 828 918**	**-**	**-**	**10 429 978**	**-10 429 978**	**0%**
	TOTAL EXPENDITURE CERTIFIED BY COGTA				1 476 407		
	NB: THE DIFFERENCE BETWEEN EXPENDITURE CERTIFIED BY COGTA AND THE MONTHLY REPORTS IS DUE TO TIMING AS WELL AS THE ACCOUNTING TREATMENT OF RETEN						

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APPENDIX N - CAPITAL PROJECTS AS AT 30 JUNE 2024

CAPITAL PROJECTS AS AT 30 JUNE 2024

Cust	Year	AT	Vote No	Cost Centre	Budget Type	Group	Item	Sub Item	Fund	Project	Vote Description	Orig Budget	Amended Budget	Open Bal	Adjustment	Budget YTD	Exp June	Expenditure YTD	Commitment	Variance	Variance %
UTHU	2324	P	1101642042091T01ZZ11	1101	6	642	642042	6420420	91	T01	P-CNIN TRANSPORT ASSETS	0	1715393	0	1715393	1715393	0	1715392.08	0	-0.92	-5.3632E-07
UTHU	2324	P	1101646002091F02ZZ11	1101	6	646	646002	6460020	91	F02	P-CNIN FURN & OFF EQUIP	300000	-129268	0	170732	170732	13350	157007.73	0	-13724.27	-0.08038487
				1101 Total								300000	1586125	0	1886125	1886125	13350	1872399.81	0	-13725.19	-0.00727692
UTHU	2324	P	1111646002091F01ZZ11	1111	6	646	646002	6460020	91	F01	P-CNIN FURN & OFF EQUIP	50000	-5716	0	44284	44284	-30	42522.6	0	-1761.4	-0.03977509
				1111 Total								50000	-5716	0	44284	44284	-30	42522.6	0	-1761.4	-0.03977509
UTHU	2324	P	1201647102051CA7ZZ11	1201	6	647	647102	6471020	51	CA7	COMPUTER EQUIPMENT	0	76050	0	76050	76050	6722.61	24621.61	0	-51428.39	-0.67624444
				1201 Total								0	76050	0	76050	76050	6722.61	24621.61	0	-51428.39	-0.67624444
UTHU	2324	P	1205647102091CA0ZZ11	1205	6	647	647102	6471020	91	CA0	BIOMETRIC SECURITY SYSTEM	0	118295	0	118295	118295	0	118294.39	0	-0.61	-5.1566E-06
UTHU	2324	P	1205647402091BO5ZZ11	1205	6	647	647402	6474020	91	BO5	FENCING	0	101400	0	101400	101400	0	101400	0	0	0
UTHU	2324	P	1205647402091BH1ZZ11	1205	6	647	647402	6474020	91	BH1	SECURITY PARKHOME	0	59800	0	59800	59800	0	59800	0	0	0
				1205 Total								0	279495	0	279495	279495	0	279494.39	0	-0.61	-2.1825E-06
UTHU	2324	P	1208615142091C16ZZ11	1208	6	615	615142	6151420	91	C16	IMPLEMENTATION OF MSCOA	3000000	-2410900	0	589100	589100	0	421100	0	-168000	-0.28518078
UTHU	2324	P	1208646002091F01ZZ11	1208	6	646	646002	6460020	91	F01	P-CNIN FURN & OFF EQUIP	0	41900	0	41900	41900	28330	36154.35	0	-5745.65	-0.13712768
UTHU	2324	P	1208647102091CB6ZZ11	1208	6	647	647102	6471020	91	CB6	IMPLEMENTATION OF MSCOA(COMP	500000	-460100	0	39900	39900	1129.57	30129.57	0	-9770.43	-0.24487293
				1208 Total								3500000	-2829100	0	670900	670900	29459.57	487383.92	0	-183516.1	-0.27353716
UTHU	2324	P	1210647102091CA8ZZ11	1210	6	647	647102	6471020	91	CA8	COMPUTER & NETWORK COMPONENT	300000	198892	0	498892	498892	7777.39	488828.43	0	-10063.57	-0.02017184
UTHU	2324	P	1210647102091CA9ZZ11	1210	6	647	647102	6471020	91	CA9	IT EQUIPMENT STOCK	400000	230955	0	630955	630955	16999	623971.99	0	-6983.01	-0.01106737
UTHU	2324	P	1210647102091CB0ZZ11	1210	6	647	647102	6471020	91	CB0	BUSINESS CONTINUITY PLAN	300000	-224500	0	75500	75500	0	75500	0	0	0
UTHU	2324	P	1210647142091PBSZZ11	1210	6	647	647142	6471420	91	PBS	POWER BACKUP SYSTEM	0	173913	0	173913	173913	0	0	0	-173913	-1
				1210 Total								1000000	379260	0	1379260	1379260	24776.39	1188300.42	0	-190959.6	-0.13845075
UTHU	2324	P	1213645602091M01ZZ11	1213	6	645	645602	6456020	91	M01	P-CNIN MACHINERY & EQUIP	200000	-156173	0	43827	43827	0	39672.9	0	-4154.1	-0.09478404
				1213 Total								200000	-156173	0	43827	43827	0	39672.9	0	-4154.1	-0.09478404
UTHU	2324	P	1301610032091C45ZZ12	1301	6	610	610032	6100320	91	C45	KING CETSHWAYO - MEMORIAL SITE	2600000	-2100000	0	500000	500000	0	0	0	-500000	-1
UTHU	2324	P	1301645602091M01ZZ12	1301	6	645	645602	6456020	91	M01	P-CNIN MACHINERY & EQUIP	10000	-10000	0	0	0	0	0	0	0	#DIV/0!
UTHU	2324	P	1301646002091F01ZZ12	1301	6	646	646002	6460020	91	F01	FURNITURE & EQUIPMENT	13000	-900	0	12100	12100	0	12100	0	0	0
				1301 Total								2623000	-2110900	0	512100	512100	0	12100	0	-500000	-0.9763718
UTHU	2324	P	1405645602091M01ZZ12	1405	6	645	645602	6456020	91	M01	P-CNIN MACHINERY & EQUIP	0	504819	0	504819	504819	0	504819	0	0	0
				1405 Total								0	504819	0	504819	504819	0	504819	0	0	0
UTHU	2324	P	1701646002091F01ZZ12	1701	6	646	646002	6460020	91	F01	FURNITURE & EQUIPMENT	50000	-772	0	49228	49228	5000	47227.23	0	-2000.77	-0.04064293
				1701 Total								50000	-772	0	49228	49228	5000	47227.23	0	-2000.77	-0.04064293
UTHU	2324	P	1702645602091M01ZZ12	1702	6	645	645602	6456020	91	M01	P-CNIN MACHINERY & EQUIP	0	21740	0	21740	21740	0	0	0	-21740	-1
				1702 Total								0	21740	0	21740	21740	0	0	0	-21740	-1
UTHU	2324	P	2201645002090SL4ZZ12	2201	6	645	645002	6450020	90	SL4	CONSTRUCTION OF CELL 3	17391304	2040625	0	19431929	19431929	0	19431928.76	0	-0.24	-1.2351E-08
UTHU	2324	P	2201646002091F01ZZ12	2201	6	646	646002	6460020	91	F01	FURNITURE & EQUIPMENT	0	9500	0	9500	9500	0	9500	0	0	0
				2201 Total								17391304	2050125	0	19441429	19441429	0	19441428.76	0	-0.24	-1.2345E-08
UTHU	2324	P	2407644502094WA8ZZ12	2407	6	644	644502	6445020	94	WA8	WC/WDM STRATEGY IMPLEMENTATIC	7789770	-3514617	0	4275153	4275153	3098445.89	4275152.99	0.01	-0.01	-2.3391E-09
UTHU	2324	P	2407644542094WF2ZZ17	2407	6	644	644542	6445420	94	WF2	NKANDLA WEIR	8260870	9681555	0	17942425	17942425	581721.01	17942424.26	0.74	-0.74	-4.1243E-08
				2407 Total								16050640	6166938	0	22217578	22217578	3680166.9	22217577.25	0.75	-0.75	-3.3757E-08
UTHU	2324	P	2408645602091M01ZZ12	2408	6	645	645602	6456020	91	M01	MACHINERY AND EQUIPMENT	4000000	77176	0	4077176	4077176	847004.34	3724825.4	0	-352350.6	-0.08642026
				2408 Total								4000000	77176	0	4077176	4077176	847004.34	3724825.4	0	-352350.6	-0.08642026
UTHU	2324	P	2409644502090WB1ZZ15	2409	6	644	644502	6445020	90	WB1	ESHOWE SSA1	8695652	13989911	0	22685563	22685563	4356400	22685563	0	0	0
UTHU	2324	P	2409644502090WB5ZZ15	2409	6	644	644502	6445020	90	WB5	MIDDLEDRIFT SSA3	4347826	-4347826	0	0	0	0	0	0	0	#DIV/0!
UTHU	2324	P	2409644502090WC3ZZ13	2409	6	644	644502	6445020	90	WC3	MHLANA SOMOPHO PHASE 3C	9565217	-8396607	0	1168610	1168610	0	1168609.4	0	-0.6	-5.1343E-07
UTHU	2324	P	2409644502094W31ZZ12	2409	6	644	644502	6445020	94	W31	TANKER REDUCTION STRATEGY	35688490	-5732155	0	29956335	29956335	2289073.14	29956335	0	0	0
UTHU	2324	P	2409644502096WA1ZZ15	2409	6	644	644502	6445020	96	WA1	KWAHLOKOHLOKO SSA1	99293218	48103258	0	147396476	147396476	1169275.43	147396476	0.01	-0.01	-6.7844E-11
UTHU	2324	P	2409644502096WA2ZZ16	2409	6	644	644502	6445020	96	WA2	GREATER MTHONJANENI SSA2	66195478	-38385452	0	27810026	27810026	2606678.46	27810025.21	0.79	-0.79	-2.8407E-08
UTHU	2324	P	2409644502096WE6ZZ15	2409	6	644	644502	6445020	96	WE6	MIDDLEDRIFT SSA3	43478261	-25165632	0	18312629	18312629	2452332.4	18312628.75	0	-0.25	-1.3652E-08
UTHU	2324	P	2409644602090WG1ZZ15	2409	6	644	644602	6446020	90	WG1	MIDDLEDRIFT SSA5 - DISTRIBUTION	3478261	23915562	0	27393823	27393823	348672.71	27393822.36	0	-0.64	-2.3363E-08
UTHU	2324	P	2409644602090WG3ZZ15	2409	6	644	644602	6446020	90	WG3	KWAHLOKOHLOKO SSA1 - DISTRIBUTI(	6956522	10510128	0	17466650	17466650	0	17466649.27	0	-0.73	-4.1794E-08
UTHU	2324	P	2409644602090WG4ZZ15	2409	6	644	644602	6446020	90	WG4	MIDDLEDRIFT PHASE 2 - DISTRIBUTION	7826087	-7307791	0	518296	518296	12090	518295.98	0	-0.02	-3.8588E-08
UTHU	2324	P	2409644602090WG9ZZ17	2409	6	644	644602	6446020	90	WG9	NKANDLA VITSHINI S/A SSA5 - DISTRIB	5217391	-5217391	0	0	0	0	0	0	0	#DIV/0!
UTHU	2324	P	2409644602090WH0ZZ15	2409	6	644	644602	6446020	90	WH0	KWAHLOKOHLOKO S/A SSA5 - DISTRIB	5217391	-4408997	0	808394	808394	0	808394.17	0	0.17	2.10293E-07
UTHU	2324	P	2409644602090WH2ZZ13	2409	6	644	644602	6446020	90	WH2	MBONAMBI WATER PHASE 2 - DISTRIB	13527826	-11921401	0	1606425	1606425	0	1606424.34	0	-0.66	-4.1085E-07
UTHU	2324	P	2409644642090WG6ZZ16	2409	6	644	644642	6446420	90	WG6	GREATER MTHONJANENI SSA4 - PUMI	9565217	-2602450	0	6962767	6962767	0	6962766.15	0	-0.85	-1.2208E-07

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CAPITAL PROJECTS AS AT 30 JUNE 2024

Cost	Year	AT	Vote No	Cost Centre	Budget Type	Group	Item	Sub Item	Fund	Project	Vote Description	Orig Budget	Amended Budg	Open Bal	Adjustment Bu	Budget YTD	Exp June	Expenditure Y	Commitment	Variance	Variance %
UTHU	2324	P	2409644802090WG8ZZ17	2409	6	644	644802	6448020	90	WG8	NKANDLA VITSHINI S/A SSAS - PLANT U	22102457	5311247	0	27413704	27413704	3764286.89	25964025.83	1449678.17	-1449678	-0.05288151
UTHU	2324	P	2409644802090WH1ZZ15	2409	6	644	644802	6448020	90	WH1	KWAHLOKOHLOKO S/A SSAS - PLANT U	20000000	-13214756	0	6785244	6785244	0	6785244	0	0	0
UTHU	2324	P	2409644802091WT1ZZ16	2409	6	644	644802	6448020	91	WT1	THUBALETHU WATER PROJECT	0	3000000	0	3000000	3000000	0	2591285.27	408714.73	-408714.7	-0.13623824
				2409 Total								361155294	-21870352	0	339284942	339284942	10978804.03	337426544.7	1858395.7	-1858397	-0.00547739
UTHU	2324	P	2411647402091B11ZZ15	2411	6	647	647402	6474020	91	B11	AMAKHOSI CHAMBERS	7800000	2200000	0	10000000	10000000	863578	7474237.01	2525762.99	-2525763	-0.2525763
UTHU	2324	P	2411647402091W25ZZ17	2411	6	647	647402	6474020	91	W25	OP BLD MUNIC OFF	3000000	-3000000	0	0	0	0	0	0	0	#DIV/0!
				2411 Total								10800000	-800000	0	10000000	10000000	863578	7474237.01	2525762.99	-2525763	-0.2525763
UTHU	2324	P	2412642042091T01ZZ12	2412	6	642	642042	6420420	91	T01	P-CNIN TRANSPORT ASSETS	8500000	0	0	8500000	8500000	0	8500000	0	0	0
UTHU	2324	P	2412642042091T01ZZ17	2412	6	642	642042	6420420	91	T01	P-CNIN TRANSPORT ASSETS	0	2689774	0	2689774	2689774	0	2689773.74	0	-0.26	-9.6662E-08
UTHU	2324	P	2412644442091WE4ZZ12	2412	6	644	644442	6444420	91	WE4	SURVIVAL WATER BOREHOLE	2000000	10000000	0	12000000	12000000	682046.18	11110264.6	0	-889735.4	-0.07414462
				2412 Total								10500000	12689774	0	23189774	23189774	682046.18	22300038.34	0	-889735.7	-0.03836759
UTHU	2324	P	2501644942090S01ZZ15	2501	6	644	644942	6449420	90	S01	ESHOWE SEWER UPGRADE	11304348	-876605	0	10427743	10427743	0	10427742.27	0.73	-0.73	-7.0006E-08
UTHU	2324	P	2501644942090S02ZZ16	2501	6	644	644942	6449420	90	S02	MELMOTH SEWER UPGRADE	12173914	-9848139	0	2325775	2325775	0	2325775.33	0	0.33	1.41888E-07
				2501 Total								23478262	-10724744	0	12753518	12753518	0	12753517.6	0.73	-0.4	-3.1364E-08
				Grand Total								451098500	-14666255	0	436432245	436432245	23130878.02	429836711	4384158.17	-6595534	-0.01511239

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APPENDIX O - CAPITAL PROJECTS AS AT 30 JUNE 2024

CAPITAL PROJECTS AS AT 30 JUNE 2024

Cust	Year	AT	Vote No	Cost Centre	Type	Group	Item	Sub Item	Fund	Project	Vote Description	Orig Budget	Amended Budg	Open Bal	Adjustment Bu	Budget YTD	[illegible]	Expenditure Y	Commitment	Variance	Variance %
UTHU	2324	P	2409644802090WG8ZZ17	2409	6	644	644802	6448020	90	WG8	NKANDLA VITSHINI S/A SSAS - PLANT U	22102457	5311247	0	27413704	27413704	3764286.89	25964025.83	1449678.17	-1449678	-0.05288151
UTHU	2324	P	2409644802090WH1ZZ15	2409	6	644	644802	6448020	90	WH1	KWAHLOKOHLOKO S/A SSAS - PLANT U	20000000	-13214756	0	6785244	6785244	0	6785244	0	0	0
UTHU	2324	P	2409644802091WT1ZZ16	2409	6	644	644802	6448020	91	WT1	THUBALETHU WATER PROJECT	0	3000000	0	3000000	3000000	0	2591285.27	408714.73	-408714.7	-0.13623824
				2409 Total								361155294	-21870352	0	339284942	339284942	16978804.03	337426544.7	1858393.7	-1858397	-0.00547739
UTHU	2324	P	2411647402091B11ZZ15	2411	6	647	647402	6474020	91	B11	AMAKHOSI CHAMBERS	7800000	2200000	0	10000000	10000000	863578	7474237.01	2525762.99	-2525763	-0.2525763
UTHU	2324	P	2411647402091W25ZZ17	2411	6	647	647402	6474020	91	W25	OP BLD MUNIC OFF	3000000	-3000000	0	0	0	0	0	0	0	#DIV/0!
				2411 Total								10800000	-800000	0	10000000	10000000	863578	7474237.01	2525762.99	-2525763	-0.2525763
UTHU	2324	P	2412642042091T01ZZ12	2412	6	642	642042	6420420	91	T01	P-CNIN TRANSPORT ASSETS	8500000	0	0	8500000	8500000	0	8500000	0	0	0
UTHU	2324	P	2412642042091T01ZZ17	2412	6	642	642042	6420420	91	T01	P-CNIN TRANSPORT ASSETS	0	2689774	0	2689774	2689774	0	2689773.74	0	-0.26	-9.6662E-08
UTHU	2324	P	2412644442091WE4ZZ12	2412	6	644	644442	6444420	91	WE4	SURVIVAL WATER BOREHOLE	2000000	10000000	0	12000000	12000000	682046.18	11110264.6	0	-889735.4	-0.07414462
				2412 Total								10500000	12689774	0	23189774	23189774	682046.18	22300038.34	0	-889735.7	-0.03836759
UTHU	2324	P	2501644942090S01ZZ15	2501	6	644	644942	6449420	90	S01	ESHOWE SEWER UPGRADE	11304348	-876605	0	10427743	10427743	0	10427742.27	0.73	-0.73	-7.0006E-08
UTHU	2324	P	2501644942090S02ZZ16	2501	6	644	644942	6449420	90	S02	MELMOTH SEWER UPGRADE	12173914	-9848139	0	2325775	2325775	0	2325775.33	0	0.33	1.41888E-07
				2501 Total								23478262	-10724744	0	12753518	12753518	0	12753517.6	0.73	-0.4	-3.1364E-08
				Grand Total								451098500	-14666255	0	436432245	436432245	23130878.02	429836711	4384158.17	-6595534	-0.01511239

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