KING CETSHWAYO
DISTRICT MUNICIPALITY

2024-2025
ANNUAL REPORT

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His Worship the Mayor SZ Dlamini arriving at the Council meeting for his Inauguration

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

It gives me great pleasure to present the Annual Report for the 2024/2025 financial year.

As a high-performing municipality with a history of clean audits, King Cetshwayo District Municipality is constantly striving for service delivery excellence.

This translates into:
- Prioritising infrastructure maintenance, water security and waste management.
- Professional and prudent management processes: Attracting and retaining skilled personnel, enhancing performance management, and eliminating wasteful expenditure
- Disaster risk management: Building climate resilience and strengthening emergency preparedness across municipalities.
- Revenue enhancement strategies: Smart metering systems, community engagement on payment for services and cost-effective tariffs.

HIS WORSHIP THE MAYOR:
Cllr SZ Dlamini

We are situated along a critical coastal belt on the northern KwaZulu-Natal map, and yet we are most often used as a gateway rather than a destination.

The time has come for us to seize every available opportunity and draw development to our region through tourism and investment.

King Cetshwayo District Municipality (KCDM) is a largely rural district, with pockets of economic activity in the smaller municipalities of uMfolozi, Mthonjaneni, Nkandla and uMlalazi.

The City of uMhlathuze is our economic hub, and certainly the most conducive region to support economic growth and tourism development.

We need to utilize the District Development Model to work with all spheres of government and the private sector to encourage collaborative development and investment into the district.

This also includes infrastructure and road maintenance, crime prevention programmes and local economic development.

As we approach the final year of this term of Council, I am confident that we have indeed left the district in a better state than we entered into it.

We are at an advanced stage of handing over major bulk projects that will change the landscape of our rural areas, and bring reticulation to thousands of households.

"Good intentions are meaningless if you don't deliver on your promises"

This is our legacy as the current Council, and I am proud of what we have achieved, while we acknowledge that there is still more to be done.

I believe that we are building a strong foundation and an enabling environment for the fulfilment of these needs.

Thank you

CLLR SZ DLAMINI
MAYOR: KING CETSHWAYO DISTRICT MUNICIPALITY

1.2 MUNICIPAL MANAGER'S EXECUTIVE SUMMARY

MUNICIPAL MANAGER: Mr PP Sibiya

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 2024/2025:

NO.	LM	WARD NO.	PROJECT NAME	FY2024/2025 Allocation	FUNDER
1	Mfolozi	3 & partial 4	Mbonambi CWSS Phase 2	R 8 444 785	MIG
2	Mthonjaneni	5 & 6	Greater Mthonjaneni SSA 4	R 967 099	MIG
3	Nkandla & uMlalazi	Nkandla - 7 & 14	Middle drift bulk water supply phase 2	R 747 500	MIG
4	Umlalazi	uMlalazi 1 & 2	Middle drift SSA5 Bulk Water and Reticulation	R 6 089 843	MIG
5	Umlalazi	2, 3, 4	Umlalazi Rural Sanitation - 514 Units	R 10 843 151	MIG
6	Umlalazi	1,2 & 26	Upgrading of Sewage Infrastructure for Eshowe (Upgrade of Water Service of Eshowe); Phase 2	R 10 507 797	MIG
7	Umlalazi	11 & 12	Eshowe SSA 1: Bulk Water Supply	R 25 002 451	MIG
8	Umlalazi	27	KwaHlokohloko SSA 5 Bulk Water Supply Plant Upgrade	R 446 616	MIG
9	N/A	23	PMU Management Support	R 6 792 379	MIG
10	uMlalazi & Mthonjaneni	N/A	KwaHlokohloko SSA 1 Water -	R 77 155 738	MIG
11	Nkandla	(Mthonjaneni: Ward 3, 5, 6, 7, 8, 9, 10	NKANDLA VITSHINI S/A SSA5 - PLANT UPGRADE	R 47 545 639	MIG
			TOTAL	R194 543 000	

1.2.2. 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.

1.2.3. ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Organisational Structure was reviewed and adopted by Council 20 June 2022 under Item KCDMC:411/2022. It be noted that on 28 May 2025, Council adopted the review of the Organisational Structure for the 2025/2026 Financial Year under item KCDMC: 3402/2025.

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 683 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 2025, the Municipality had a complement of 683 staff members, including six Section 57 staff members and thirteen financial intern staff members included in these statistics.

1.2.4. 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 a report from the Internal Audit and Risk Unit 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 28 February 2024. 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 risks are detailed 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 Councillors 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.

1.2.5. OVERSIGHT REPORT 2023/2024:

The King Cetshwayo District Municipality MPAC issued the following Oversight Report following the 2023/2024 financial year's Annual Report:

"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.

The Unqualified Audit Report (Clean Audit) for King Cetshwayo District Municipality for the 2023/2024 financial year, be noted with appreciation.

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.

The Oversight Report 2023/2024 be submitted to Council for adoption."

1.2.6. AUDITOR-GENERAL REPORT 2024/2025

The Annual Financial Statements for 2024/2025 were submitted to the Auditor General on 30 August 2025 for auditing in compliance with Section 126 (1) (a) of the MFMA.

The draft management report and draft audit report for the financial year ending 30 June 2025 was 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 25 November 2025.

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 XX to XX, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, the cash flow statement and the 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 2025 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 24 of 2024 (Dora).

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

1.2.7. 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	End of January annually
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

1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.3.1. 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).

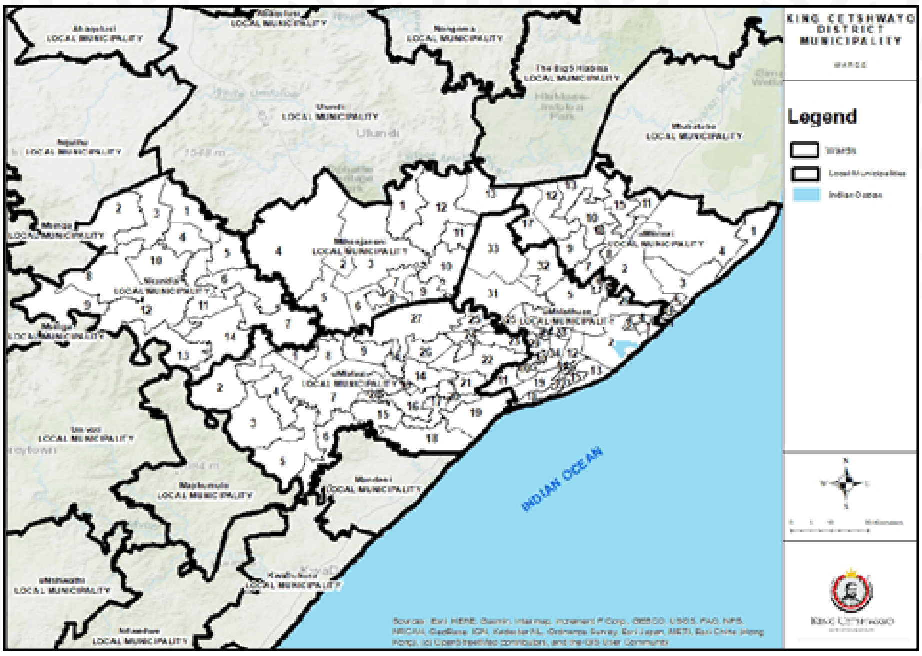
The District comprises five (5) Local Municipalities:

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

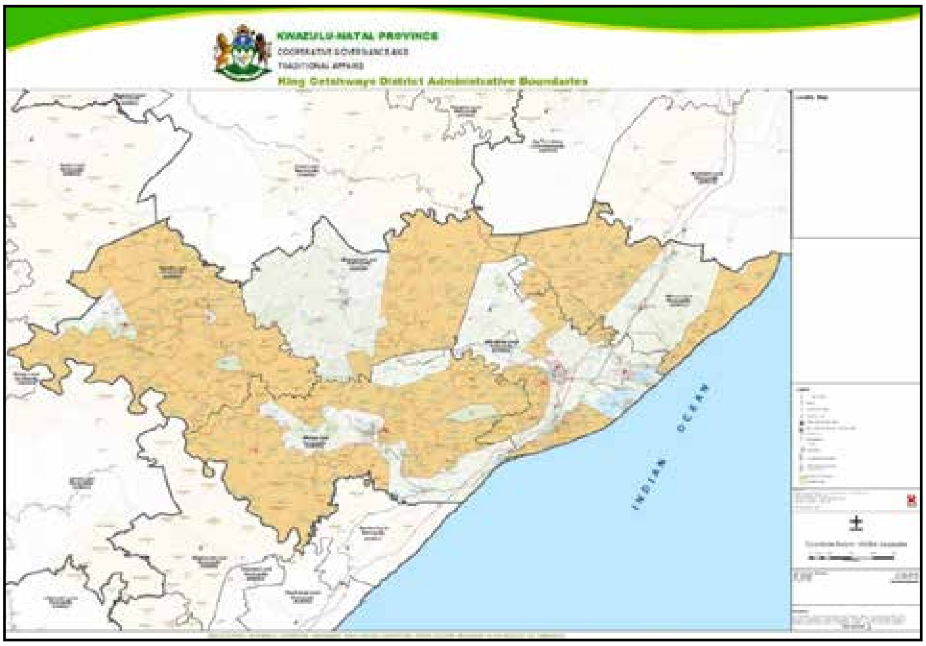
The King Cetshwayo District is surrounded by uMkhanyakude District to the north, Zululand District to the north-west, uMzinyathi District to the north-east and iLembe District to the south and is approximately 150 km north of the eThekwini metro.

The headquarters of the district is in Richards Bay and the district is made up of five local municipalities, namely: Mthonjaneni, uMlalazi, uMfolozi, 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.



Map: King Cetshwayo District wards



GIS Map: King Cetshwayo District

Map: King Cetshwayo District Local Municipalities

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**

1.3.2. COMPETITIVE ADVANTAGES

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.

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.

NAME	POPULATION SIZE	RANK
eThekwini	4 239 901	1
Umgungundlovu	1 235 715	2
King Cetshwayo	1 021 344	3
Zululand	942 794	4
Uthukela	789 092	5
iLembe	782 661	6
Ugu	773 402	7
Umkhanyakude	738 437	8
Amajuba	687 408	9
Umzinyathi	649 261	10
Harry Gwala	5 633	11

1.3.3. 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.

1.3.4. 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.

1.3.5. KCDM TRADITIONAL AUTHORITY AREAS

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, Nzuza, Mpungose, Dube, Ntuli, 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**	**105**	**46**	

Oversight visit to monitor progress on Middledrift Water project

1.3.6. 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 of the Municipality

1.3.7. 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: Stats SA Community Survey 2016

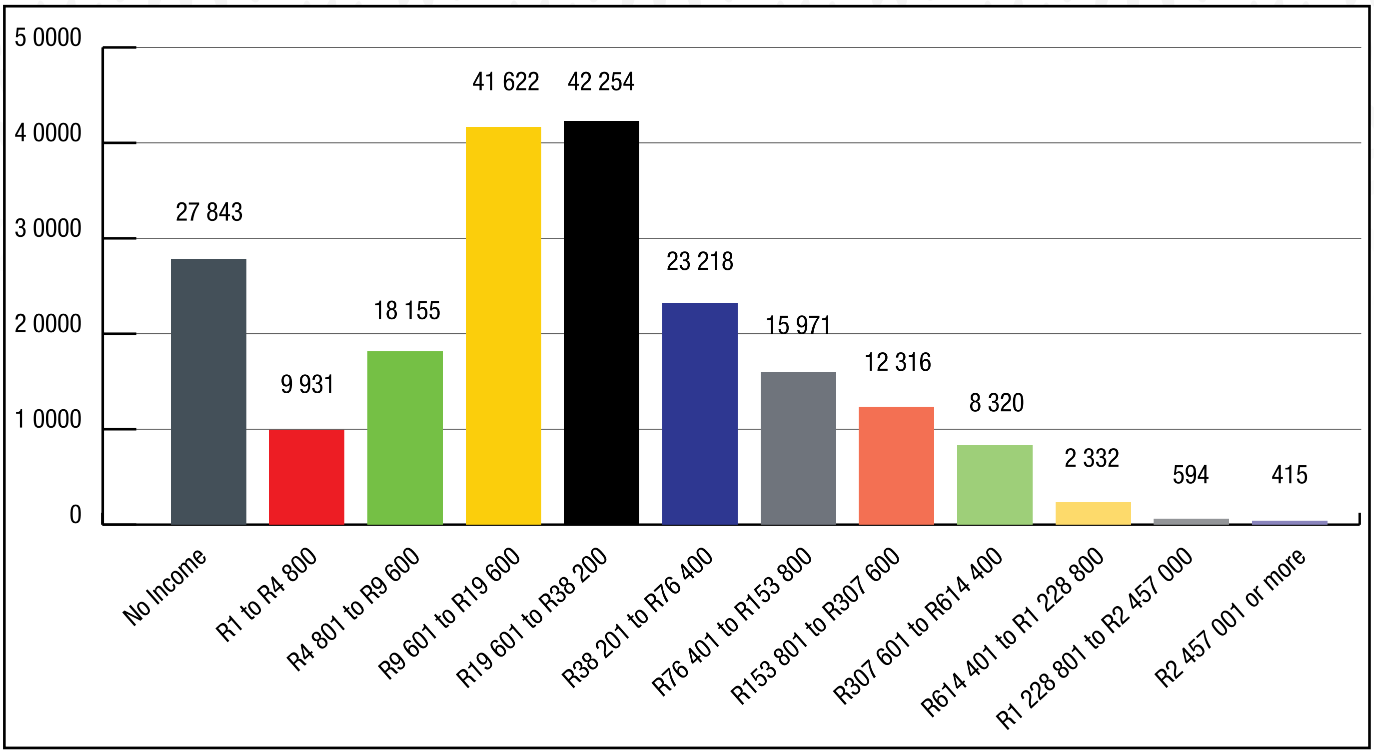
ANNUAL HOUSEHOLD INCOME

INCOME	POPULATION	%
No income	27843	14%
R 1 - R 4800	9931	4.9 %
R 4801 - R 9600	18155	9%
R 9601 - R 19 600	41622	20.5%
R 19 601 - R 38 200	42254	20.8%
R 38 201 - R 76 400	23218	11.4%
R 76 401 - R 153 800	15971	7.8
R 153 801 - R 307 600	12316	6%
R 307 601 - R 614 400	8320	4%
R 614 001 - R 1 228 800	2332	1.1%
R 1 228 801 - R 2 457 600	594	0.3%
R 2 457 601 or more	415	0.2%
Total	**202972**	**100%**

Source: CENSUS 2011

Handover of farming equipment to Cooperatives in uMhlathuze

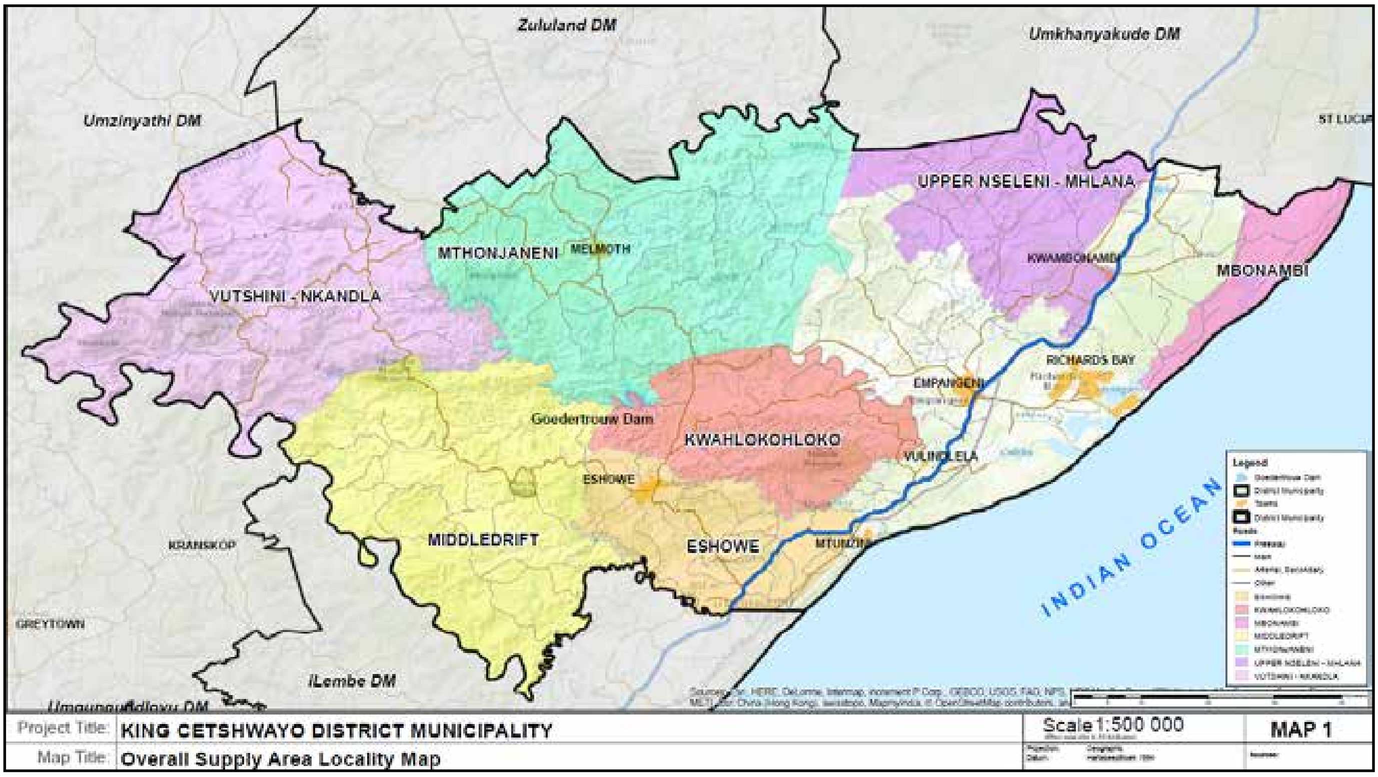
HOUSEHOLDS EARNING LESS THAN R1600 PER MONTH



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:

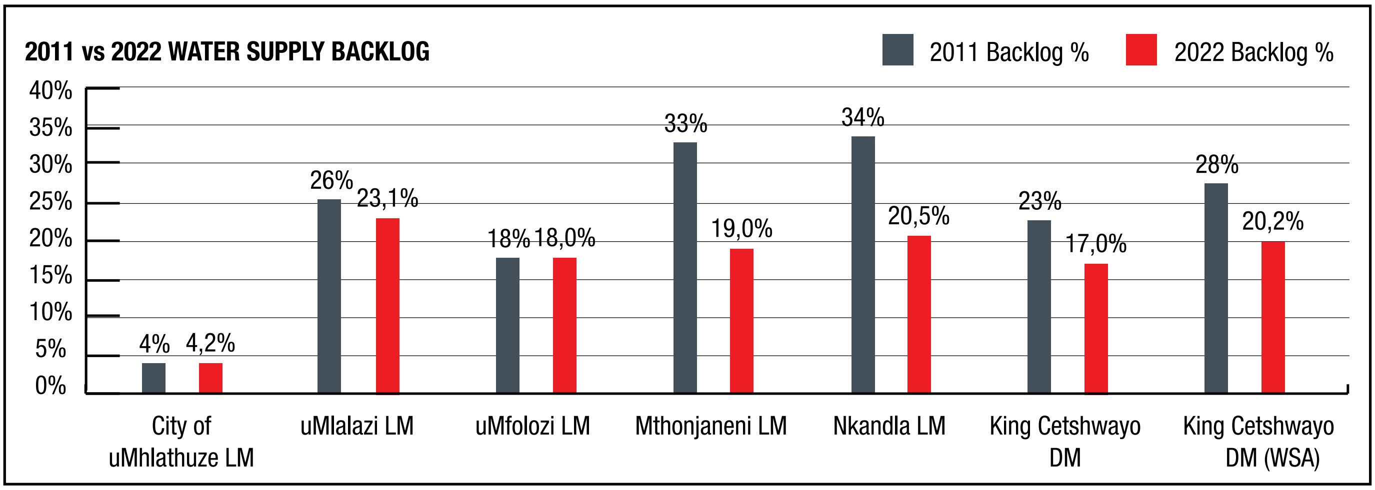
WATER SUPPLY BACKLOG IN KING CETSHWAYO DISTRICT

The annual target for the installation of new water connections was 604 units for the 2024/25 financial year. The annual target was set to be achieved at the end of the fourth quarter.

New water reticulation project with yard connections that were under construction within the reporting period was at UMlalazi LM Middledrift SSA5 Phase 3 and Mbonambi Water Supply Scheme phase 2

Table 4: Number of New water connections completed in 2024/2025 FY.

New project	Project name	Q1	Q2	Q3	Q4	Expected connection
New	Middledrift SSA5 Phase 3	0	0	0	0	604
	TOTAL	**0**	**0**	**0**	**0**	**604**

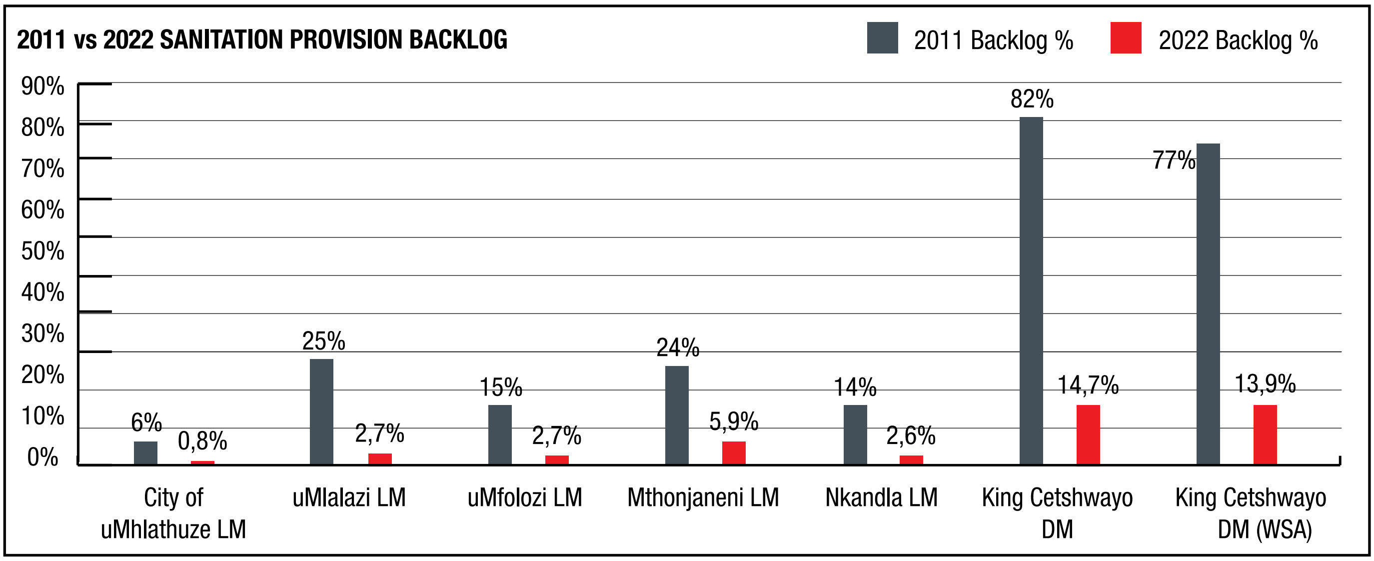


Source: Census 2022

PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO PIPED WATER INSIDE DWELLING

	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%

SANITATION BACKLOGS IN KING CETSHWAYO DISTRICT



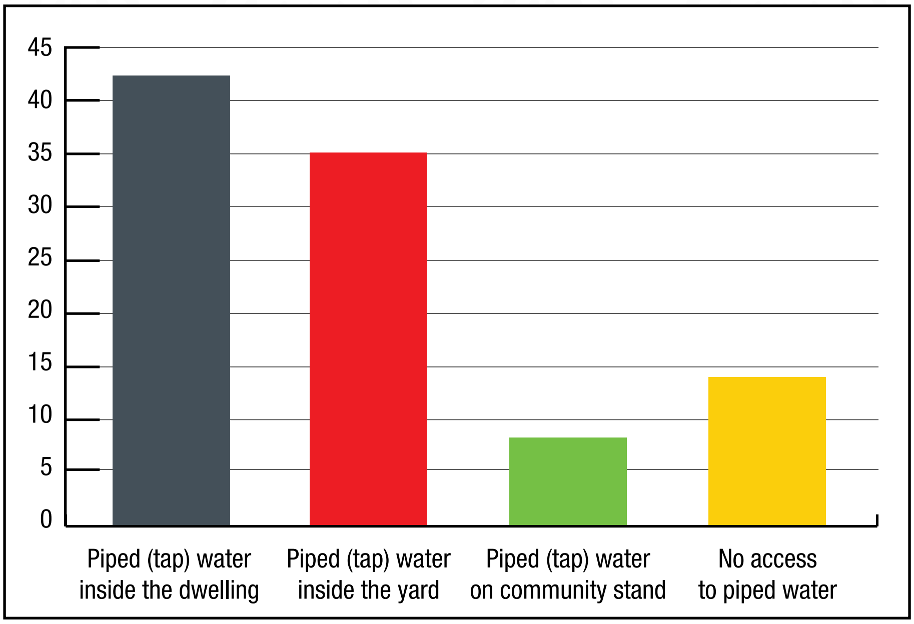
Source: Census 2022

ACCESS TO WATER SOURCES

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 PIPED WATER (%)



Source: Census 2022

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 advertised 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.

1.5.1. 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 the then legacy Financial Management System, Venus must be upgraded to the SOLAR system in terms of Council resolution KCDMC:1685/2018. This contract was further extended by two year ending the 30 March 2026 as per Council resolution KCDMC:1870/2024 due to review of the Business Process by National Treasury pending the outcome of the review.

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.

The following subsystems have been implemented since inception:

- Budget Management Module
- Action Assist (PMS)
- Payspace (HR & Payroll)
- Dashboard - Solar
- Cemetery Management System
- IMQS – Asset Register
- Fleet Management

1.5.2. 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 monthly in accordance with the FMG guidelines. Over 25 young graduates have been successfully mentored through this programme. In 2024/2025, there were four interns that was recruited.

1.5.3. MUNICIPAL BUDGET

The original 2024/2025 Multi Year Budget was approved by Council on 15 May 2024, per resolution number KCDMC:2210/2024, 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 2024/25 original budget were as follows:

REVENUE

The Equitable Share and Levy Replacement Grant combined allocation was reduced by R10,2m when compared to the 2023/24 projections as Gazetted in the 2023 Division of Revenue Bill.

The Water Services Infrastructure Grant has increased by R22m when compared to the 2023/24 projections as Gazetted in the 2023 Division of Revenue Bill.
The Municipal Infrastructure Grant (MIG) has decreased by R18,7m when compared to the 2023/24 projections as Gazetted in the 2023 Division of Revenue Bill.

The Regional Bulk Infrastructure Grant (RBIG) has decreased by R65.3m from R280m to R214m for the ensuing financial year.
The Expanded Public Works Incentive grant allocation for the 2024/25 financial year is R4m.

Trading Services charges are budgeted for at R134m, remaining unchanged from the estimates that was included in the 2024/25 MTREF.

The revenue derived from the interest on investments was increased by R5.6m compared to the amount indicated in the previous year's MTREF, with an estimate of R27.6m for the 2024/25 financial year. To note that this is dependent on the availability of funds to be invested which is influenced by the pace at which infrastructure grants are being spent and will be assessed during the mid year review.

To note that an amount of R50m of anticipated VAT refunds was used to augment the budget. This is dependent on the timely and full spending of the infrastructure grant allocations
Overall, the total revenue anticipated for the municipality in the 2024/25 financial year is R1.45 billion, the majority of which is grant revenue at R1.24 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) - R1 192 769 485
Capital Budget - R465 007 780

During the course of the 2024/25 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 21 August 2024 per resolution KCDMC: 2439/2024, 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 R4.9m, mainly for internal funded projects which were in progress at the end of the financial year.

The second adjustments budget was passed by Council on 30 October 2024 per resolution KCDMC: 2819/2024, dealing with Gazette No.: 51233 as published by National Treasury on grant adjustment in terms of Section 28 of the MFMA.

The third adjustments budget was passed by Council on 26 February 2025, per resolution KCDMC: 3028/2025 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.

Below is a summary of the adjustment budget as approved by Council in February 2025:
• Service Charges - Water
• Service Charges – Waste Management
• Inventory – Fuel & Oil
• Inventory – Water
• Repairs & Maintenance – Water Infrastructure & Fleet

The fourth adjustments budget was passed by Council on 09 April 2025 per resolution KCDMC: 3055/2025, dealing with Gazette No. 52381 as published by National Treasury on grant adjustment in terms of Section 28 of the MFMA

The fifth and final adjustment budget was approved by Council on 28 May 2025 per resolution KCDMC: 3397/2025 in terms of Section 29 of the MFMA Unforeseen & Unavoidable Expenditure. In accordance with Regulation 23(4) of the Municipal Budget and Reporting Regulations, states that an adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred and within the time period set in section 29(3) of the Act.

This adjustment budget was as a result of Council resolving to insource the bulk water service which was previously performed by uMngeni-uThukela Water.

SPECIAL ADJUSTMENT BUDGET SUMMARY					
	2024/2025 FINAL BUDGET	PRE ADJUSTMENT VIREMENTS	CURRENT VIREMENTS	ADJUSTMENT	ADJUSTED BUDGET
Revenue by Source	**A**	**B**	**C**	**D**	
- Grants & subsidies	491 314 040	-	-	-	491 314 040
- Equitable Share	351 156 000	-	-	-	351 156 000
- Levy Replacement Grant	369 477 000	-	-	-	369 477 000
Total Government Grant & Subsidies	**1 211 947 040**	**-**	**-**	**-**	**1 211 947 040**
- Sundry Income	3 988 203	-	-	1 564 220	5 552 423
- Interest Income	29 259 308	-	-	-	29 259 308
Total Other Income	**33 247 511**	**-**	**-**	**1 564 220**	**34 811 731**
Trading Services	120 633 703	-	-	-	120 633 703
VAT	50 000 000	-	-	-	50 000 000
SETA Refund	244 212	-	-	-	244 212
Capital Rollover	4 872 947	-	-	-	4 872 947
Total Revenue	**1 420 945 413**			**1 564 220**	**1 422 509 633**
Expenditure					
Non-trading services	371 360 260	-	- 7 582 512	-	363 777 748
Trading Services	708 644 492	-	25 959 923	-	734 604 415
Operational IDP	102 704 277	-	- 12 992 655	-	89 711 622
Capital IDP & Internal Fixed Assets	502 529 146	-	- 5 384 756	1 564 220	498 708 610
Total Expenditure	**1 685 238 175**	**-**	**-**	**1 564 220**	**1 686 802 395**
Less: Non-Cash Backed Items					
Depreciation	152 827 217	-	-	-	152 827 217
Actuarial Obligations	7 414 060	-	-	-	7 414 060
Debt Impairment	9 868 755	-	-	-	9 868 755
Bad Debt Written Off	9 122 026	-	-	-	9 122 026
Water Losses	77 430 039	-	-	-	77 430 039
Landfill Site Provision Unwinding	7 630 665	-	-	-	7 630 665
TOTAL EXPENDITURE EXCL. DEPN	**1 420 945 413**	**-**	**-**	**1 564 220**	**1 422 509 633**
BUDGET SHORTFALL	-	-	-	-	-

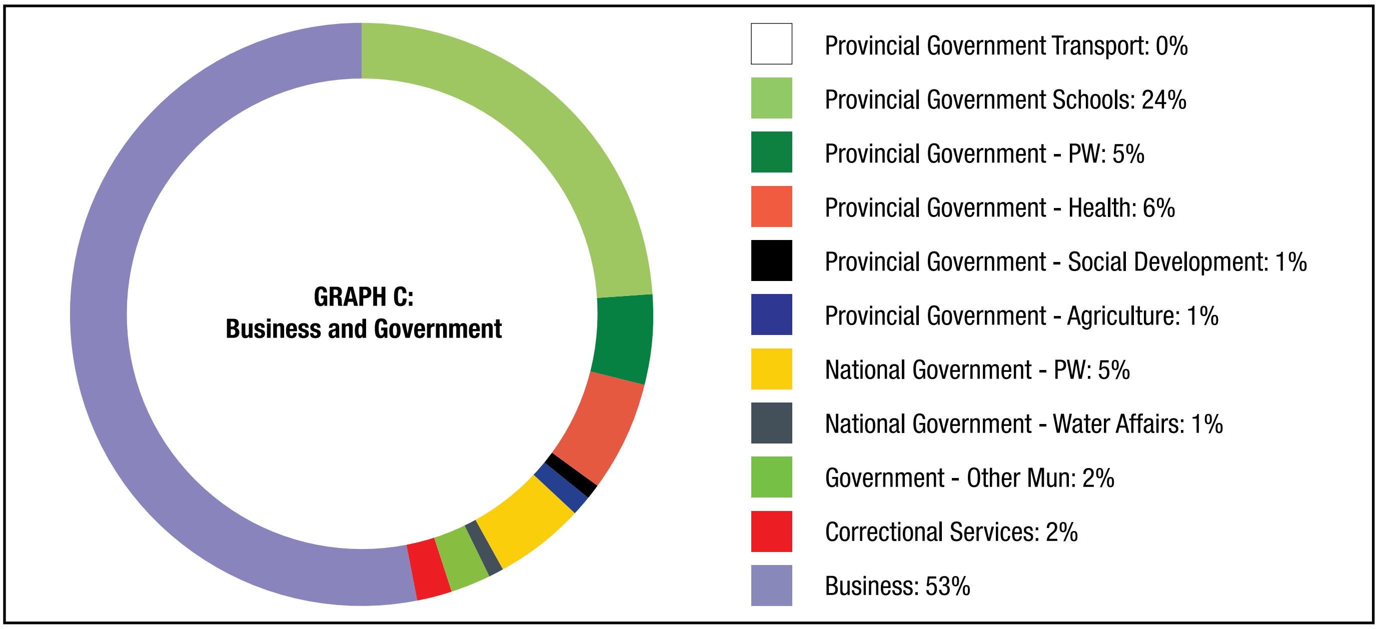
1.6 ANALYSIS OF DEBT

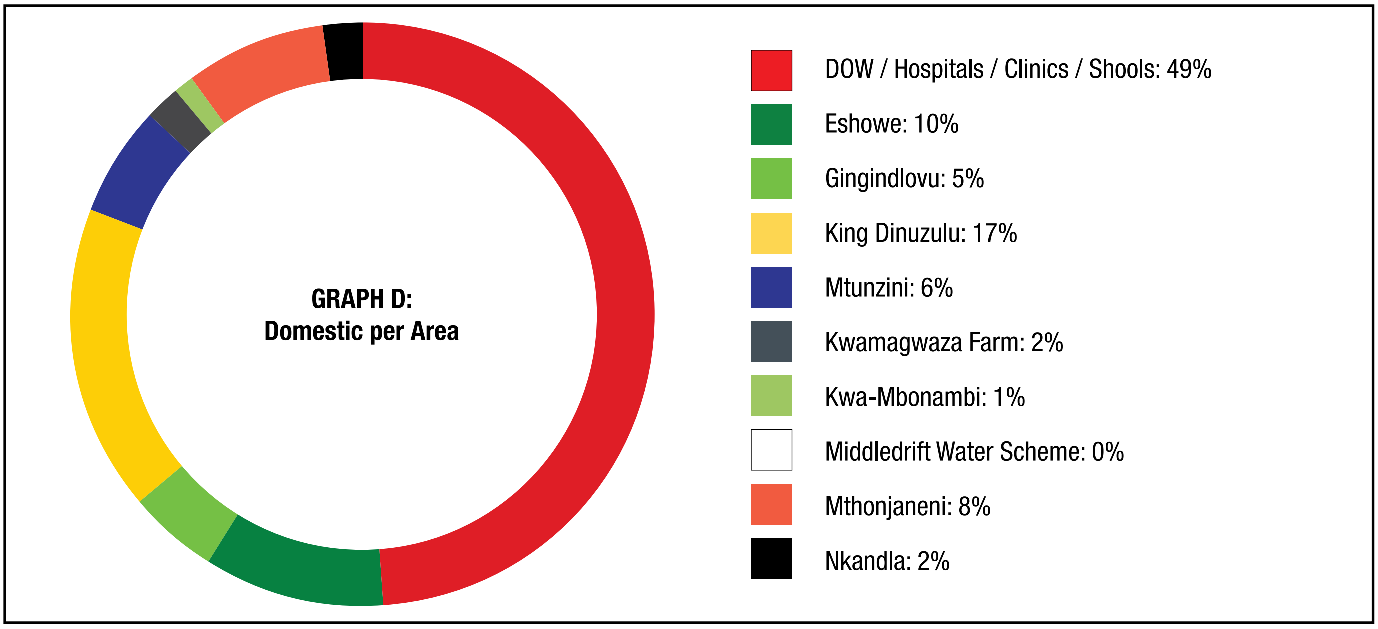
To deliver the services effectively, municipalities rely on their own revenue and grants. However, to this end, the issue of non-payment of municipal consumer debts by all recipients of services, including government departments poses a serious threat to the financial health of municipalities in South 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.

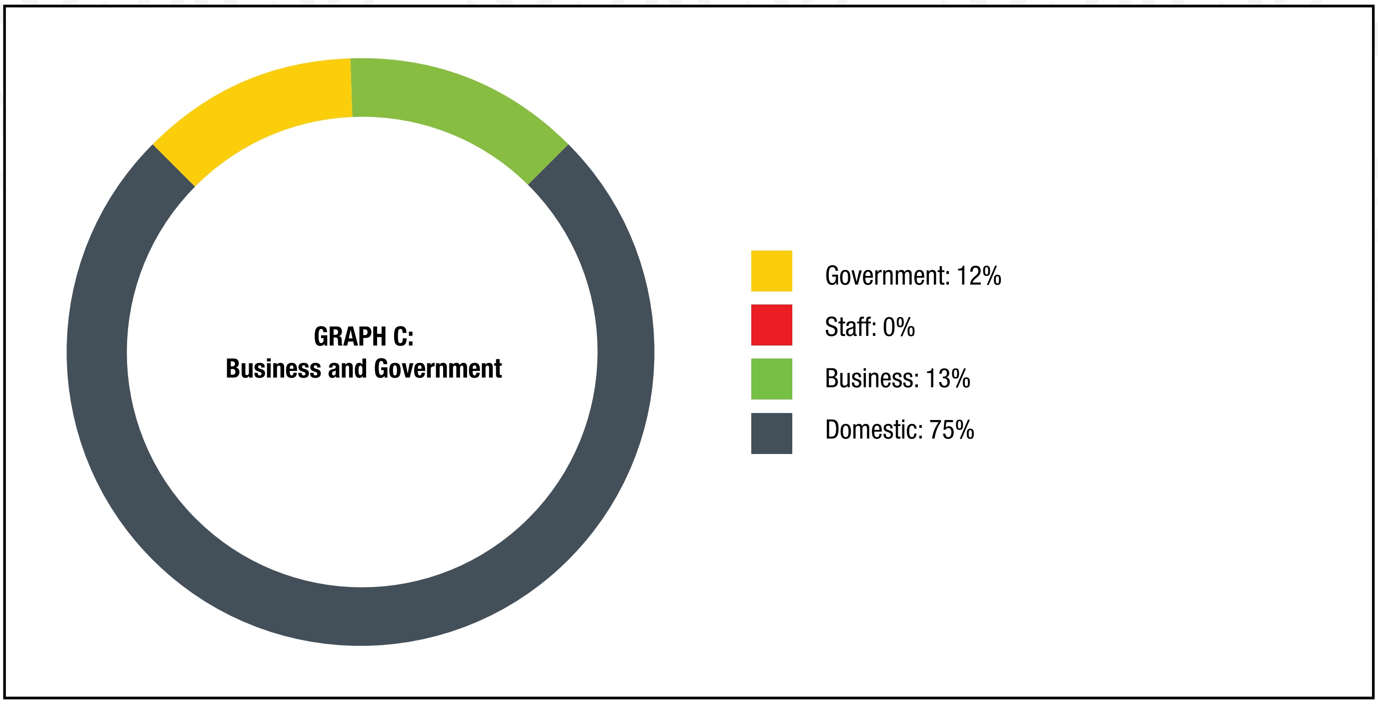
The King Cetshwayo District Municipality is also affected by this persistent increase of consumer debt. Nevertheless, the Municipality is working tirelessly to put in place creative measures towards recovery of some of its debts and to curb the increase thereof. In the year under review each debtor account 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, such debts were written off. The amount written off by Council on the 25th of June 2025 was R3 252 548 inclusive of vat per council resolution KCDMC 3591/2025.

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.

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



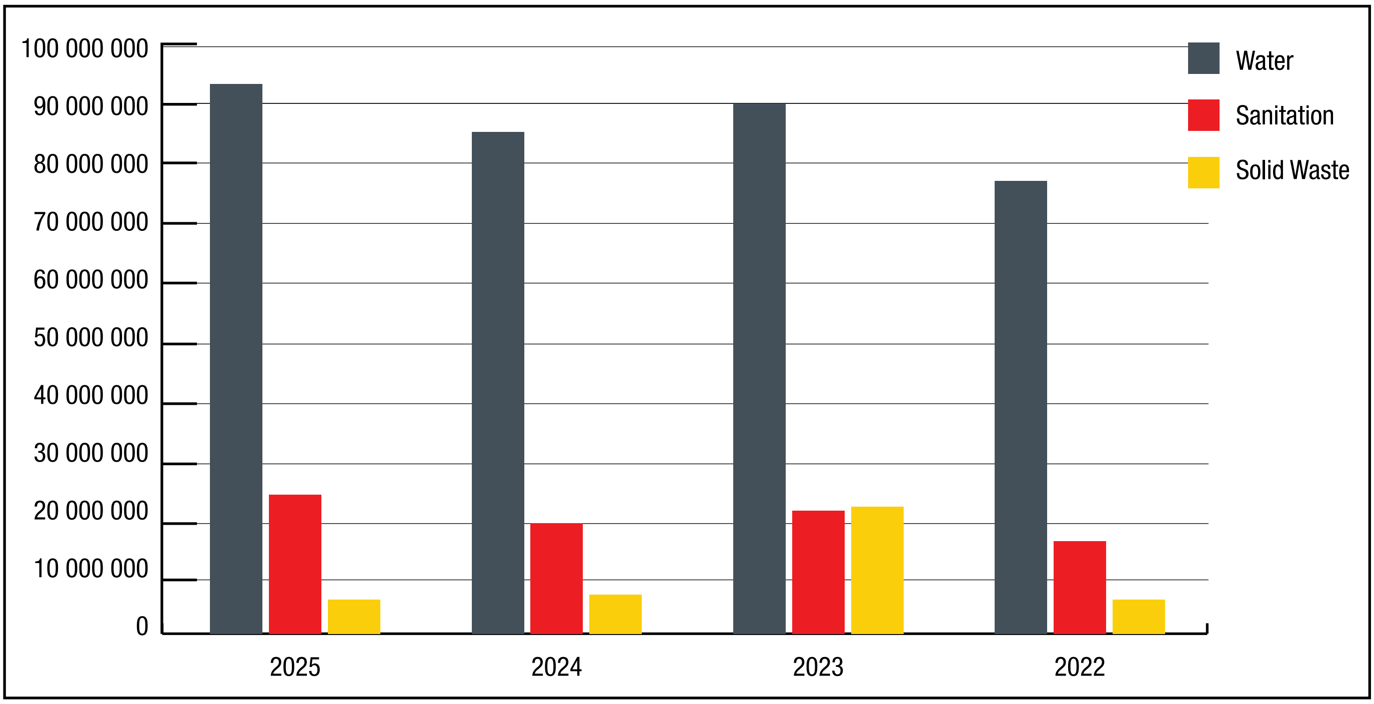




The debts as further analysis into services, depicts that the bulk of the arrears arose from water services.

	2025	2024	2023	2022	2021
Water	92 120 391	84 357 504	89 222 699	76 435 189	70 916 607
Sanitation	23 456 352	18 710 621	20 437 392	15 660 131	13 015 045
Solid Waste	6 145 571	6 310 630	21 274 884	5 626 638	5 418 091
Impairment	64 699 236	54 401 793	50 048 707	44 268 487	40 982 806
Percentage of Impairment of total Debt	54%	48%	38%	45%	46%
Growth from preceding year	10%	(18%)	25%	9%	0%

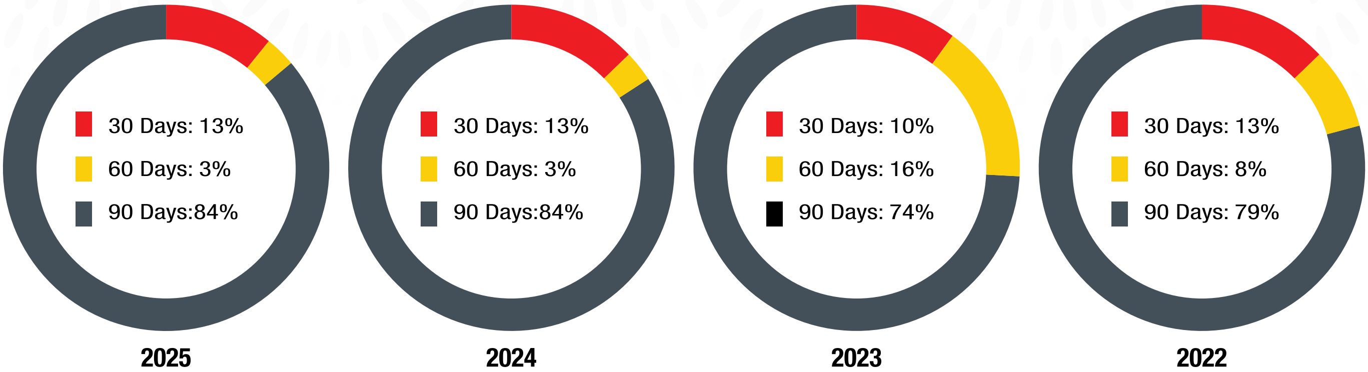
Graph E: Outstanding Debts per Service



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



Oversight on construction progress at Amakhosi Chambers in Eshowe

Handover of seedlings at Mthonjaneni Roadshow in November 2024

Middledrift Project under construction in August 2024

Inauguration of District Mayor in November 2024

Special Council for Inauguration of District Mayor in November 2024

INTRODUCTION TO GOVERNANCE

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 regards 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 as well as the private sector, communities and other stakeholders.

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 2024 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

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. During the first and second quarters 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 May (3rd & 4th quarter) 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 His Worship the Mayor, Cllr SZ Dlamini 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 must be the focus of the 2024/25 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 2024 and April/May 2025 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.

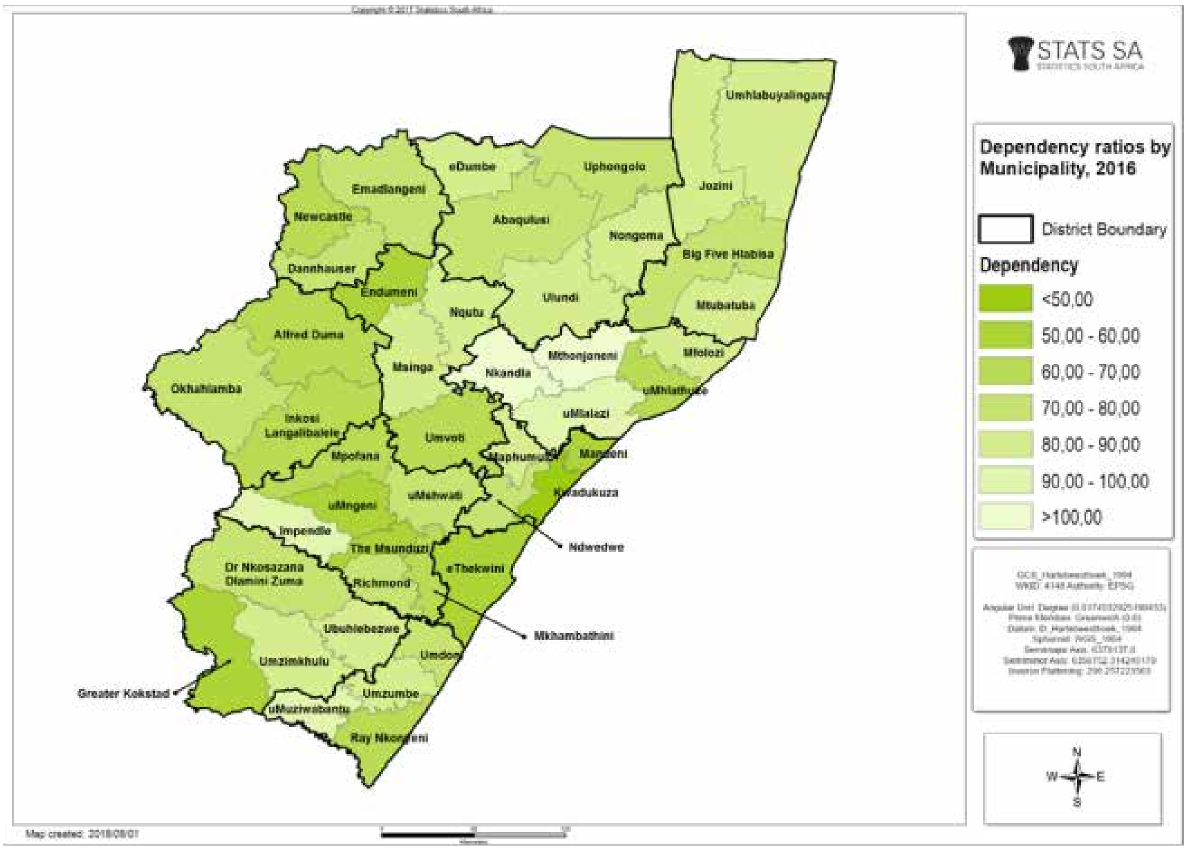
2.2 ANALYSIS OF PUBLIC SATISFACTION

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.

FIGURE 3.3: Dependency ratios per municipality, 2016

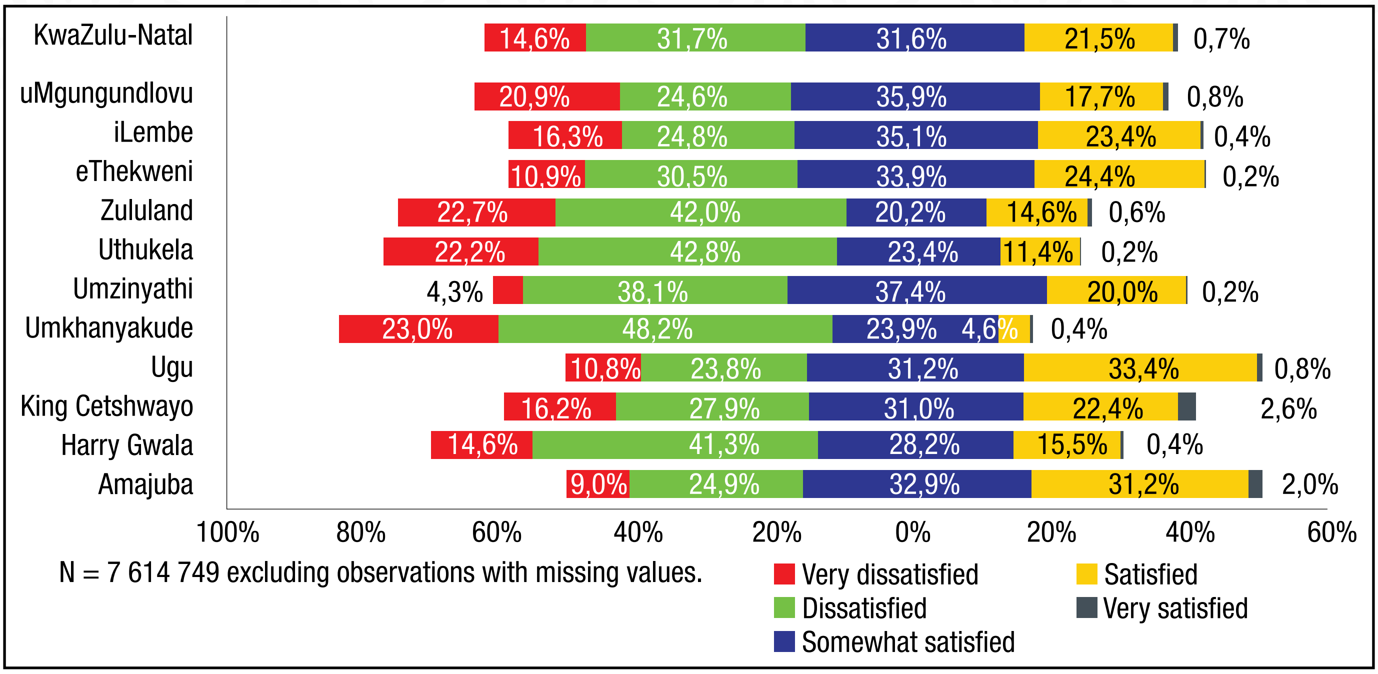


Source: Statistics South Africa, Community Survey 2016

Low working-age populations with high proportions of children and elderly indicate large dependency ratios. Figure 3.3 above 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 3.4: Percentage distribution of persons aged 15 years and older by district and level of satisfaction with general performance of local municipality



Source: KZN CSS (Citizen Satisfaction Survey) 2018

2.3 PLANNING AND LOCAL ECONOMIC DEVELOPMENT

2.3.1. 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 and currently being reviewed in line with the MEC assessments of the previous IDP to ensure compliance with all current legislation. 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 uMfolozi Local Municipality. The other local municipalities (Mthonjaneni and uMlalazi) will be assisted gradually as resources become available. 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 endorsed by KCDM Council during December 2024 and all its local municipalities and submitted to CoGTA in line with the IGR Framework Regulations having been consulted with all stakeholders in terms of all the relevant Clusters, Technical and

Political Hubs. It will be submitted to all relevant stakeholders and Government Spheres and Entities for implementation upon adoption by National Cabinet in line with the IGR Framework regulations. The improvements on the Plan are continuously being made as circumstances change as part of ongoing review going forward.

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

2.3.2. 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 GOALS
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 OUTCOMES

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:

GOAL NO	NATIONAL & 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

GOAL NO	NATIONAL & PROVINCIAL PRIORITIES	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

2.3.3. MEC COMMENTS ON 2024/2025 INTEGRATED DEVELOPMENT PLAN

IDP Assessment in are done 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 2025/2026 IDP review. The following table illustrates comments received from the MEC KZN CoGTA on 2024/2025 Integrated Development Plan:

KEY PERFORMANCE AREA	STRATEGIC THRUST OF THE 6 KPAS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN	
MEC Comment	**Responsible Department**	**Corrective measures to address MEC Comments**
The MEC raised that the SDBIP is partially aligned to the goals, associated with the objectives and strategies as per Chapter D of the IDP and implementation Plan	Office of the Municipal Manager	Comment will be addressed in the 2025/2026 IDP

KEY PERFORMANCE AREA	GOOD GOVERNANCE	
MEC Comment	**Responsible Department**	**Corrective measures to address MEC Comments**
The MEC recommended that a Service Delivery Improvement Plan be developed to ensure compliance with Batho Pele Principles.	Office of the Municipal Manager	The draft Service delivery Improvement plan was adopted on the 26th of March 2025
The IDP demonstrated meaningful participation of Amakhosi/Traditional Leadership however, there is a need to bring izinduna into the process and still take the Plan to the Local House of Traditional Leadership and/or Traditional Council within the Municipal Jurisdiction.	Office of the Municipal Manager	The Municipality Conducts IDP Roadshows for Amakhosi by annually
The MEC recommended that the Municipality includes Good Governance challenges at the end of the Good Governance Chapter and also ensure alignment with the challenges listed in the executive summary	Office of the Municipal Manager	Comment will be addressed in the 2025/2026 IDP

KEY PERFORMANCE AREA	GOOD GOVERNANCE	
MEC Comment	Responsible Department	Corrective measures to address MEC Comments
The municipality must review the Disaster Management Plan and submit the updated plan in the next review	Community Services	The Draft Disaster Management Plan was adopted by Council on the 26th of March 2025
Adequate operational budgets must be allocated for both disaster management and fire services, including a capital budget for the construction of the District Disaster Management Centre.	Community Services	Comment will be addressed in the 2025/2026 IDP
The SDF must consider disaster risk information and maps to ensure the implementation of appropriate disaster risk reduction measures.	Planning and Economic Development / Community Services	The municipality will source budget for review of strategic tools and the SDF is under review
SPATIAL DEVELOPMENT FRAMEWORK; was submitted; the Municipality does have the adopted environmental instruments/tools that guides planning of spatial development within the municipal space such as EMF and Strategic Environmental Assessment (SEA) but the review of these tools is encouraged	Office of the Municipal Manager	The Municipality Conducts IDP Roadshows for Amakhosi by annually
The municipality is commended for the environmental governance structures that are functional. The municipality is encouraged to consider filling the post of the environmental manager to ensure continuity to the excellent work of protecting the environment.	Community Services	The Municipality have some designated Environmental personnel arranged by DFFE and the Position of the Senior Manager: Environmental Management and Disaster is funded and will be advertised in the next financial year.
Availability of Environmental Tools/Environmental Projects To Address The Environmental Challenges And Promote Environmental Management & Quality: Environmental tools are in place; but some are outdated and are due for review.	Community Services	The municipality will source budget for review of strategic tools.

KEY PERFORMANCE AREA	KPA: BASIC SERVICE DELIVERY	
MEC Comment	Responsible Department	Corrective measures to address MEC Comments
It is recommended that the legibility of all maps is improved.	Technical Services	The comment will be addressed in the 2025/2026 IDP
It is requested that the water and sanitation projects are listed over the five year planning horizon using the Infrastructure Delivery Management System (IDMS) phases as required by National Treasury to improve alignment and implementation	Technical Services	The comment will be addressed in the 2025/2026 IDP

KEY PERFORMANCE AREA	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	
MEC Comment	Responsible Department	Corrective measures to address MEC Comments
The Municipality is commended for addressing this KPA element	Corporate Services	N/A
The responsible Department should revisit the Challenges and SWOT to ensure alignment throughout the document.	Corporate Services	The comment will be addressed in the 2025/2026 IDP

KEY PERFORMANCE AREA	LOCAL ECONOMIC DEVELOPMENT	
MEC Comment	Responsible Department	Corrective measures to address MEC Comments
The MEC recommends that the District Development Agency be established urgently	Planning & Economic Development	The issue of the DDA is currently on hold due to budget constraints
The Process/criteria followed in reviewing the LED implementation plan must be clearly indicated including shortfall, gaps, achievements, etc	Planning & Economic Development	The comment will be addressed in the 2025/2026 IDP
Programmes and interventions to be clearly spatially referenced and a dedicated budget must be included for research	Planning and Economic Development / Community Services	The comment will be addressed in the 2025/2026 IDP
DM to adopt the latest EPWP policy (Phase 5 Policy) and ensure there is a dedicated and clearly indicated budget for LED and LED interventions per LM	Technical Services	The Department of Public Works have not issued Phase 5 Policy to the Municipality.

KEY PERFORMANCE AREA	BASIC SERVICE DELIVERY	
MEC Comment	Responsible Department	Corrective measures to address MEC Comments
It is recommended that the legibility of all maps is improved.	Technical Services	The comment will be addressed in the 2025/2026 IDP
It is requested that the water and sanitation projects are listed over the five year planning horizon using the Infrastructure Delivery Management System (IDMS) phases as required by National Treasury to improve alignment and implementation.	Technical Services	The comment will be addressed in the 2025/2026 IDP

KEY PERFORMANCE AREA	FINANCIAL VIABILITY AND MANAGEMENT	
MEC Comment	Responsible Department	Corrective measures to address MEC Comments
The Municipality is commended for the well-structured KPA in accordance with the IDP Guideline.	Financial Services Department	N/A

2.3.4. 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.

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).

2.4 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.4.1. POLITICAL GOVERNANCE 2024/2025

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.

HIS WORSHIP THE MAYOR,
CLLR SZ DLAMINI

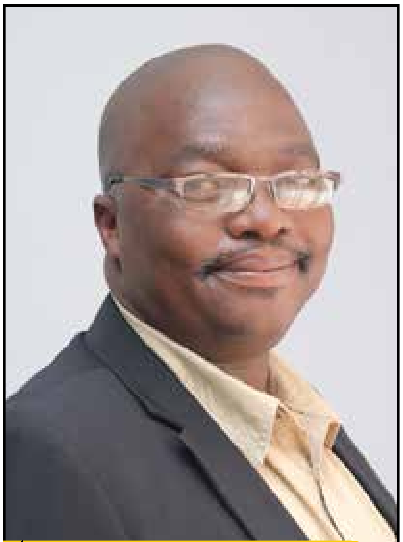
Chairperson of Executive Committee; Chairperson of Finance Portfolio Committee

HON DEPUTY MAYOR
CLLR PP XULU

Chairperson of Technical Services Portfolio Committee

HON SPEAKER
CLLR SH MKHWANAZI

Chairperson of Council, Chairperson of Rules Committee



HON CHIEF WHIP
CLLR AM MTSHALI

HON MPAC CHAIRPERSON
CLLR M MTSHALI

CLLR IN ZWANE

Exco Member,
Chairperson of Community
Services Portfolio Committee

CLLR F MNDABA

Exco Member,
Chairperson of Corporate
Services Portfolio Committee

CLLR SL MAGUBANE

Exco Member,
Chairperson of Planning
& Economic Development
Portfolio Committee

CLLR PC CELE

Exco Member

CLLR NM MADIDA

Exco Member

CLLR SW MGENGE

Exco Member

HON SPEAKER CLLR SH MKHWANAZI

2.4.2. 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.

2.5 COUNCIL AND COUNCIL COMMITTEES 2024/2025

2.5.1. EXECUTIVE COMMITTEE MEMBERS

EXECUTIVE COMMITTEE

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

2.5.2. COUNCIL MEMBERS

COUNCILLORS

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

PORTFOLIO CHAIRPERSONS

1. Cllr SZ Dlamini	Financial Services Portfolio Committee
2. Cllr PP Xulu	Technical Services Portfolio Committee
3. Cllr IN Zwane	Community Services Portfolio Committee
4. Cllr F Mndaba	Corporate Services Portfolio Committee
5. Cllr SL Magubane	Planning & Economic Development Portfolio Committee
6. Cllr SH Mkhwanazi	Rules and Ethics Committee
7. Cllr M Mtshali	Municipal Public Accounts Committee

2.5.3. OVERSIGHT COMMITTEES

MPAC 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

RULES COMMITTEE

1 Cllr SH Mkhwanazi (Chairperson)
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)

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. Mr SX Khanyile
3. Dr MJ Ndlovu
4. Cllr M Mtshali

2.5.4. COUNCIL & COMMITTEE MEETING SCHEDULE

FIRST QUARTER: JULY TO SEPTEMBER 2024

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL DATE OF MEETING
CORPORATE SERVICE	JULY	13H00	16.07.2024	16.07.2024
	AUGUST	13H00	14.08.2024	14.08.2024
	SEPTEMBER	10H00	17.09.2024	17.09.2024
COMMUNITY SERVICES	JULY	10H00	17.07.2024	17.07.2024
	AUGUST	13H00	13.08.2024	13.08.2024
	SEPTEMBER	10H00	18.09.2024	18.09.2024
TECHNICAL SERVICES	JULY	13H00	17.07.2024	17.07.2024
	AUGUST	10H00	13.08.2024	13.08.2024
	SEPTEMBER	13H00	17.09.2024	17.09.2024
PLANNING & ECONOMIC DEVELOPMENT	JULY	10H00	16.07.2024	16.07.2024
	AUGUST	10H00	14.08.2024	14.08.2024
	SEPTEMBER	13H00	18.09.2024	18.09.2024
FINANCIAL SERVICES	JULY	10H00	30.07.2024	30.07.2024
	AUGUST	10H00	20.08.2024	20.08.2024
	AUGUST	10H00	27.08.2024	27.08.2024
	SEPTEMBER	09H00	25.09.2024	25.09.2024
MPAC	AUGUST	13H00	20.08.2024	20.08.2024
RULES & ETHICS	AUGUST	13H00	27.08.2024	27.08.2024
EXECUTIVE COMMITTEE	JULY	10H00	31.07.2024	31.07.2024
	AUGUST	10H00	21.08.2024	21.08.2024
	AUGUST	10H00	28.08.2024	28.08.2024
	SEPTEMBER	10H00	25.09.2024	No quorum *Meeting postponed to another date to be confirmed*
COUNCIL	**JULY**	14H00	31.07.2024	31.07.2024
	AUGUST	14H00	21.08.2024	21.08.2024
	AUGUST	14H00	28.08.2024	28.08.2024

SECOND QUARTER: OCTOBER TO DECEMBER 2024

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL DATE OF MEETING
CORPORATE SERVICE	OCTOBER	13H00	16.10.2024	16.10.2024
	NOVEMBER	13H00	19.11.2024	19.11.2024
	DECEMBER	10H00	17.12.2024	17.12.2024
COMMUNITY SERVICES	OCTOBER	10H00	16.10.2024	16.10.2024
	NOVEMBER	13H00	20.11.2024	20.11.2024
	DECEMBER	10H00	18.12.2024	18.12.2024
TECHNICAL SERVICES	OCTOBER	10H00	15.10.2024	15.10.2024
	NOVEMBER	10H00	20.11.2024	20.11.2024
	DECEMBER	13H00	17.12.2024	17.12.2024
PLANNING & ECONOMIC DEVELOPMENT	OCTOBER	13H00	15.10.2024	15.10.2024
	NOVEMBER	10H00	19.11.2024	19.11.2024
	DECEMBER	13H00	18.12.2024	18.12.2024
FINANCIAL SERVICES	OCTOBER	10H00	29.10.2024	20.10.2024
	NOVEMBER	10H00	26.11.2024	26.11.2024
	DECEMBER	10H00	10.12.2024	Meeting cancelled
MPAC	OCTOBER	13H00	29.10.2024	29.10.2024
RULES & ETHICS	OCTOBER	13H00	26.11.2024	26.11.2024
EXECUTIVE COMMITTEE	OCTOBER	10H00	25.09.2024	09.10.2024
	OCTOBER	08H00	Special Meeting	23.10.2024
	OCTOBER	10H00	30.10.2024	30.10.2024
	NOVEMBER	14H00	27.11.2024	27.11.2024
	DECEMBER	10H00	11.12.2024	Meeting cancelled
COUNCIL	OCTOBER	14H00	25.09.2024	09.10.2024
	OCTOBER	14H00	Special Meeting	23.10.2024
	OCTOBER	14H00	30.10.2024	30.10.2024
	NOVEMBER	10H00	Special Meeting	12.11.2024
	DECEMBER	10H00	11.12.2024	04.12.2024
	DECEMBER	11H00	Special Meeting	17.12.2024

THIRD QUARTER: JANUARY TO MARCH 2025

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL DATE OF MEETING
CORPORATE SERVICE	JANUARY	13H00	14.01.2025	14.01.2025
	FEBRUARY	11H00	18.02.2025	18.02.2025
	MARCH	13H00	18.03.2025	18.03.2025
COMMUNITY SERVICES	JANUARY	10H00	14.01.2025	14.01.2025
	FEBRUARY	09H00	18.02.2025	18.02.2025
	MARCH	11H00	18.03.2025	18.03.2025
TECHNICAL SERVICES	JANUARY	10H00	15.01.2025	15.01.2025
	FEBRUARY	10H00	19.02.2025	19.02.2025
	MARCH	10H00	19.03.2025	19.03.2025
PLANNING & ECONOMIC DEVELOPMENT	JANUARY	13H00	15.01.2025	15.10.2024
	FEBRUARY	13H00	18.02.2025	18.02.2025
	MARCH	09H00	18.03.2025	18.03.2025
FINANCIAL SERVICES	JANUARY	10H00	21.01.2025	21.01.2025
	FEBRUARY	10H00	25.02.2025	25.02.2025
	MARCH	10H00	25.03.2025	25.03.2025
MPAC	JANUARY	13H00	21.01.2025	21.01.2025
	FEBRUARY	13H00	25.02.2025	25.02.2025
RULES & ETHICS	MARCH	13H00	25.03.2025	25.03.2025
EXECUTIVE COMMITTEE	JANUARY	10H00	22.01.2025	23.01.2025
	FEBRUARY	10H00	26.02.2025	26.02.2025
	MARCH	10H00	26.03.2025	26.03.2025
COUNCIL	JANUARY	11H00	Special Meeting	16.01.2025
	JANUARY	14H00	22.01.2025	23.01.2025
	FEBRUARY	14H00	26.02.2025	26.02.2025
	MARCH	14H15	Special Meeting	16.03.2025
	MARCH	10H00	26.03.2025	26.03.2025

City of uMhlathuze IDP Roadshow
November 2024

FOURTH QUARTER: APRIL TO JUNE 2025

	MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL DATE OF MEETING
CORPORATE SERVICE	APRIL	11H00	16.04.2025	16.04.2025
	MAY	13H00	14.05.2025	14.05.2025
	JUNE	09H00	17.06.2025	17.06.2025
COMMUNITY SERVICES	APRIL	09H00	16.04.2025	16.04.2025
	MAY	09H00	14.05.2025	14.05.2025
	JUNE	13H00	17.06.2025	17.06.2025
TECHNICAL SERVICES	APRIL	10H00	15.04.2025	15.04.2025
	MAY	10H00	13.05.2025	13.05.2025
	JUNE	10H00	18.06.2025	18.06.2025
PLANNING & ECONOMIC DEVELOPMENT	APRIL	13H00	16.04.2025	16.04.2025
	MAY	11H00	14.05.2025	14.05.2025
	JUNE	11H00	17.06.2025	17.06.2025
FINANCIAL SERVICES	APRIL	10H00	22.04.2025	22.04.2025
	MAY	10H00	27.05.2025	27.05.2025
	JUNE	10H00	24.06.2025	24.06.2025
MPAC	MAY	13H00	20.05.2025	20.05.2025
RULES & ETHICS	MAY	13H00	27.05.2025	27.05.2025
EXECUTIVE COMMITTEE	APRIL	10H00	23.04.2025	23.04.2025
	MAY	10H00	28.05.2025	28.05.2025
	JUNE	10H00	25.06.2025	25.06.2025
COUNCIL	APRIL	14H00	Special Meeting	09.04.2025
	APRIL	14H00	23.04.2025	23.04.2025
	MAY	14H00	28.05.2025	28.05.2025
	JUNE	14H00	25.06.2025	25.06.2025

IDP Roadshow in the City of uMhlathuze

FOURTH QUARTER: APRIL TO JUNE 2025

MONTH	TIME OF MEETING	DATE OF MEETING	ACTUAL DATE OF MEETING
AUDIT COMMITTEE			
AUGUST	10H00	26.08.2024	26.08.2024
NOVEMBER	10H00	06.11.2024	06.11.2024
JANUARY	09H00	20.01.2025	20.01.2025
MARCH	10H00	14.03.2025	14.03.2025
JUNE	10H00	13.06.2025	13.06.2025
AUDIT COMMITTEE			
AUGUST	13H00	26.08.2024	17.07.2024
JUNE	10H00	30.06.2024	30.06.2024
JANUARY	11H00	20.01.2025	20.01.2025
MARCH	09H00	24.03.2025	24.03.2025

Municipal Strategic planning workshop in February 2025

2.5.2. 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 follows:

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

2.6. 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

2.7. COMPONENT B: INTERGOVERNMENTAL RELATIONS

REPORT ON THE DISTRICT DEVELOPMENT MODEL - 2024/2025

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	01 August 2024	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr NG Zulu Co-Conveners: KCDM-DMM Planning Mr R Mazibuko & DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	08 August 2024	His Worship the Mayor: Cllr X.M Bhengu Convener: uMfolozi Acting MM Co-Conveners: KCDM-DMM: Community Services Mr B Masondo	Social Prevention and Human Development Cluster
	21 August 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	Justice, Crime Prevention and Security Cluster (JCPS)
	05 September 2024	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi & KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	12 September 2024	KCDM-Acting MM: Mr SBS Sibisi Co-Chair: HOD Champion: Dr S Tshabalala	Technical Hub
	19 September 2024	His Worship the Acting KCDM Mayor: Cllr SZ Dlamini Co-Chairs: Hon. Minister Champion S Zikalala & Hon. MEC Champion M Khawula	Political Hub
QUARTER TWO	30 October 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	Justice, Crime Prevention and Security Cluster (JCPS)
	31 October 2024	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr NG Zulu Co-Conveners: KCDM-DMM Planning Mr R Mazibuko & DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	05 November 2024	His Worship the Mayor: Cllr X.M Bhengu Convener: uMfolozi Acting MM Co-Conveners: KCDM-DMM: Community Services Mr B Masondo	Social Prevention and Human Development Cluster
	07 November 2024	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi & KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	14 November 2024	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Dr S Tshabalala	Technical Hub
	21 November 2024	His Worship the KCDM Mayor: Cllr SZ Dlamini Co-Chairs: Hon. National Champion S Zikalala & Hon. MEC Champion M Khawula	Political Hub

	DATE	CHAIRPERSON/S	DESCRIPTION
QUARTER THREE	19 February 2025	His Worship the Mayor: Cllr MN Biyela and Hon Acting Mayor Cllr NFJ Nzuza Conveners: Mthonjaneni MM: Mr ZS Mthethwa and Nkandla MM: Ms NP Dlamini	Justice, Crime Prevention and Security Cluster (JCPS)
	13 February 2025	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr P Mhlongo Co-Conveners: KCDM-DMM Planning Mr R Mazibuko & DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	27 February 2025	His Worship the Mayor: Cllr X.M Bhengu Convener: uMfolozi Acting MM Mr Nkosi Co-Conveners: KCDM-DMM: Community Services Mr B Masondo	Social Prevention and Human Development Cluster
	20 February 2025	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi & KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	06 March 2025	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Ms P Msimango	Technical Hub
	27 March 2025	His Worship the KCDM Mayor: Cllr SZ Dlamini Co-Chairs: Hon. National Champion N Nzuza & Hon. MEC Champion M Khawula	Political Hub
QUARTER FOUR	27 May 2025	His Worship the Mayor: Cllr MN Biyela and Her Worship the Mayor Cllr NFJ Nzuza Conveners: Mthonjaneni MM: Mr ZS Mthethwa and Nkandla MM: Ms NP Dlamini	Justice, Crime Prevention and Security Cluster (JCPS)
	29 May 2025	His Worship the Mayor: Cllr X Ngwezi Convener: CoU MM Mr P Mhlongo Co-Conveners: KCDM-DMM Planning Mr R Mazibuko & DMM Technical Services: Mr Z Ndlovu	Economic Sector and Infrastructure Development Cluster (ESID)
	21 May 2025	His Worship the Mayor: Cllr X.M Bhengu Convener: uMfolozi MM Mr S Mazibuko Co-Conveners: KCDM-DMM: Community Services Mr B Masondo	Social Prevention and Human Development Cluster
	23 May 2025	Her Worship the Mayor: Cllr QT Xulu Convener: uMlalazi MM: Mr S Shandu Co-Convener: KCDM DMM: Corporate Services Mr S Sibisi & KCDM CFO Mrs. Cheryl Reddy	Governance, State Capacity and Institutional Development Cluster (GSCID)
	05 June 2025	KCDM-MM: Mr PP Sibiya Co-Chair: HOD Champion: Ms P Msimango	Technical Hub
	19 June 2025	His Worship the KCDM Mayor: Cllr SZ Dlamini Co-Chairs: Hon. National Champion N Nzuza & Hon. MEC Champion M Khawula	Political Hub

2.8. COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.8.1. 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

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.

2.8.2. 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 pre-empt 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.

Operation Mbo programme in Nkandla Municipality in August 2024

2.9. 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.

2.9.1. 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, WhatsApp Channel, 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.

2.9.2. COMMUNITY ROADSHOWS

Seven (7) IDP/Budget roadshows were held between October to November 2024, and a further six (6) in May 2025, 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:

MUNICIPALITY/SECTOR	DATES	VENUES
Ondabezitha, Amakhosi Asendlunkulu	Thursday 03 October 2024	Aloe Hotel, Eshowe
uMfolozi Local Municipality	Friday 11 October 2024	Ngonondwana Sportsfield, Ward 14
UMlalazi Local Municipality	Friday 01 November 2024	Mbizo 2 Sportsfield, Ward 9
Nkandla Local Municipality	Tuesday 22 October 2024	Ward 14, Nkandla LM, King Cetshwayo Hall
Mthonjaneni Local Municipality	Friday 14 November 2024	KwaMagwaza Sportsfield, Ward 4
uMhlathuze Local Municipality	Tuesday 05 November 2024	Esikhaleni TVET College
Corporate & Govt Sector: Breakfast engagement	Thursday 27 November 2024	Premier Hotel, Richards Bay

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

DATE	MUNICIPALITY/ SECTOR	VENUE
06 May 2025	UMlalazi Local Municipality	Mpushini Park sportsfield
09 May 2025	uMfolozi Local Municipality	Ward 10 - Gegede Hall
10 May 2025	uMhlathuze Local Municipality	Esikhaleni TVET College
16 May 2025	Mthonjaneni Local Municipality	Debe Community Hall, ward 13
22 May 2025	Friday 14 November 2024	KwaMagwaza Sportsfield, Ward 4
23 May 2025	Ondabezitha, Amakhosi Asendlunkulu, Corporate & Government Sector	Aloe Lifestyle Hotel, Eshowe

2.9.3. 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, participating in the activities of the Provincial Batho Pele Forum.

2.9.4. 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 (KCDMC:3567/2025)
- Stakeholder Management Policy and Strategy (KCDMC:3568/2025)
- Intergovernmental Relations Policy (KCDMC:3569/2025)
- Communications Policy (KCDMC:3570/2025)

2.10. COMPONENT D: CORPORATE GOVERNANCE

2.10.1. 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. The RMC Annual strategic risk Assessment meeting took place on the 29-30 April 2025 and identified the following Risk.

They are in no particular order:

No	RISK DESCRIPTION
1	Basic Service Delivery, Water Services and Quality
2	Cross Cutting Issues: Business Continuity Management
3	Cross Cutting Issues: Environmental Management
4	Cross Cutting Issues: Disaster Management
5	Municipal Financial Viability and Management Financial Sustainability
6	Good Governance and Public Participation: Ethics, Fraud and Corruption
7	Local Economic Development Sustainable Economic Growth
8	Institutional Transformation And Organisational Development ICT
9	Municipal Transformation And Institutional Development: Human Resource Management

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
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. Unfortunately, the Independent Chairperson resigned in January 2025 and currently processes are underway to replace him.

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.

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 & 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

All these policies are currently under review. Two meetings have been held to workshop Enterprise Risk Management Framework (04 March 2025) and Strategic Risk Register (29-30 April 2025).

2.10.2. INTERNAL AUDITING, AUDIT AND PERFORMANCE COMMITTEES

The internal audit function (IAF) is a fundamental component of the Municipality's governance and accountability system. It is a function created by the accounting officer through legal prescription imposed by Section 62 & 95 of Municipal Finance Management Act (MFMA) and Circular 65. Circular 65 stipulates that internal audit must be conducted in accordance with the Standards set by the Institute of Internal Auditors. The IAF is guided by the International Professional Practices Framework (IPPF) published by the Institute of Internal Auditors (The IIA); to act independently and objectively in providing assurance and advisory services in respect of the Municipality's overall governance, risk management, and internal control processes. The IAF's functional reporting to the audit committee (AC) and Performance Audit Committee (PAC) as prescribed by the MFMA/ Circular 65 is intended to protect its independence and objectivity.

The AC and PAC are established by the Municipal Council (Council) as prescribed by the MFMA. Its core functions and responsibilities are spelled out in Section 166 of MFMA, Circular 65 and the Committees Terms of Reference (their respective Charters) approved by the Council.

The AC and PAC play a pivotal role in assessing, and based on such assessment, advising the Accounting Officer and Council regarding internal financial control and internal audit, risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management, compliance with this MFMA, the annual Division of Revenue Act and any other applicable legislation, performance evaluation and any other issues referred to it by the Municipality.

The AC and PAC thus assists the Municipality in enhancing its integrity and operational effectiveness through good governance and adherence to the legislative, accounting, and auditing frameworks.

2.10.3. INTERNAL AUDIT FUNCTION (IAF)

Key activities and objectives of the internal audit function

Purpose and mandate: The primary purpose of the internal audit function is to strengthen King Cethwayo District Municipality(KCDM)'s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight. The Chief Audit Executive(CAE) reports functionally to the Audit and Performance Committees and administratively to the Municipal Manager. The internal audit function operates in accordance with a current and appropriate charter approved by the AC and accepted by the Accounting Officer.

Vision and strategy: The vision of Internal Audit is to make a discernible contribution to the achievement of KCDM's strategic goals in ensuring that by 2035 King Cetshwayo District Municipality will be a cohesive; economically viable district, with sustainable strategic infrastructure, supporting job creation through radical economic transformation rural development and promotion of our heritage. This will be achieved by rendering Internal Audit Services to KCDM in accordance with IIA global internal audit standards read in conjunction with Municipality's code of conduct.

Charter, methodology and internal audit plans: The internal audit charter, methodology, internal audit strategy and an annual risk-based plan were reviewed and approved.

Independence and objectivity: The IAF operated freely in exercising its independence from the Municipality, and the Auditors maintained objectivity when conducting audit services.

Disclosing impairments to objectivity: Internal auditors were not aware of an impairment that has affected their objectivity.

Internal audit modality: IAF is co-sourced. The co-sourcing was enabled by a panel of contract ending on 30 June 2025.

Staffing: IAF staff is made up of the CAE and an Internal Audit Intern as well as a rotated Finance Intern.

Quality Assurance and Improvement Program: A Quality Assurance and Improvement Program (QAIP) is in place, internal self-assessments are conducted annually with the last one being in October 2024 including inputs from management and the AC. External assessments are conducted once every five years, the last external assessment was conducted and reported at the AC on 13 June 2025 with the outcome of 95% compliance.

Stakeholder Relationships: IAF maintains cordial relations with management, PMS unit, Risk unit, MPAC, AGSA, Provincial Treasury, Provincial COGTA and local IAFs.

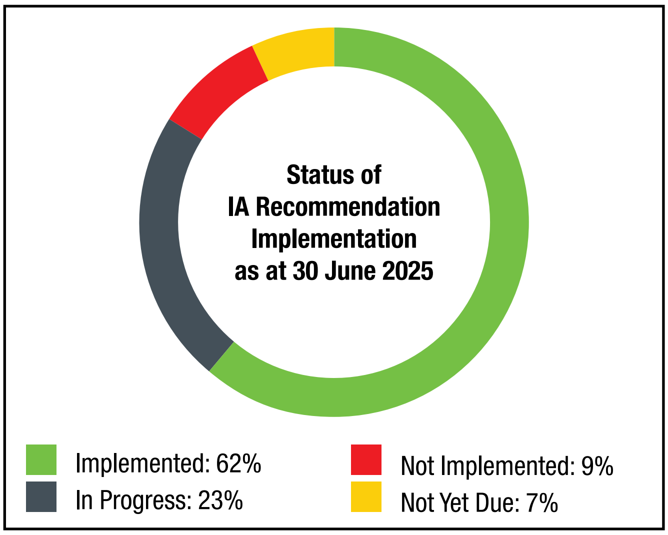
WORK DONE BY IAF DURING THE REPORTING PERIOD:

Planned and completed audits: Assurance services offer confidence to external stakeholders by verifying accuracy while Advisory services are about guiding decision-makers with recommendations not verification. 68,7% of our planned audits are done and archived, while 31,3% of the audit remained at the draft report stage as of 30 June 2025 and expected to be finalised within the first quarter of 2025/26 financial year.

The table below presents the status of audits conducted during the reporting period:

AUDIT STATUS	NUMBER	PERCENTAGE
Completed	22	68.7%
Not Completed	10	31.3%

- **Roll-overs:** There were no audits rolled over from the previous year.
- **Internal audit recommendations:**



2.10.4 AUDIT AND PERFORMANCE AUDIT COMMITTEES COMPOSITION & MEETING ATTENDANCE

The table below discloses relevant information on the audit committee members.

NAME	APPOINTMENT: TERM OF OFFICE		NO. OF MEETINGS ATTENDED 2024/25
	START DATE	END DATE	
Mr D Naicker	1/02/2023	30/06/2025	5
Mr H Mpungose	01/07/2022	30/06/2025	5
Mr A Gonzalves	01/07/2022	30/06/2025	5
Dr M J Ndlovu	01/07/2022	30/06/2025	5
Mrs N C Khanyile	01/07/2022	30/06/2025	5

Note: While the term of office of the above members of the AC ended on 30 June 2025, Council Resolved to extend the term of office of the following members:
Mr D Naicker (Chair), Mr A Gonzalves and Dr M J Ndlovu.

In addition, two new members were appointed subsequent to year end.

The table below discloses relevant information on the performance audit committee members.

NAME	APPOINTMENT: TERM OF OFFICE		NO. OF MEETINGS ATTENDED 2024/25
	START DATE	END DATE	
Dr Ndlovu	01/07/2022	30/06/2025	4
Mr A Gonzalves	01/07/2022	30/06/2025	4
Ms S Khanyile	01/07/2022	30/06/2025	4

Note: While the term of office of the above members of the PAC ended on 30 June 2025, Council Resolved to extend the term of office of the following members;
Mr A Gonzalves (Chair) and Dr M J Ndlovu.

Processes are underway to appoint an additional member.

2.10.5 REMUNERATION OF AUDIT COMMITTEE MEMBERS

Members are remunerated at the current National Treasury rate per (the applicable circular is effective April 2025) as well as a sitting allowance of R4 500.

2.11. SUPPLY CHAIN MANAGEMENT: 2024/2025

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 19 permanent employees, including 2 rotating interns, who are students from tertiary institutes with an aim of training them in the practical application of municipal finance processes, procedures and compliance.

BACKGROUND

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 organisation'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.

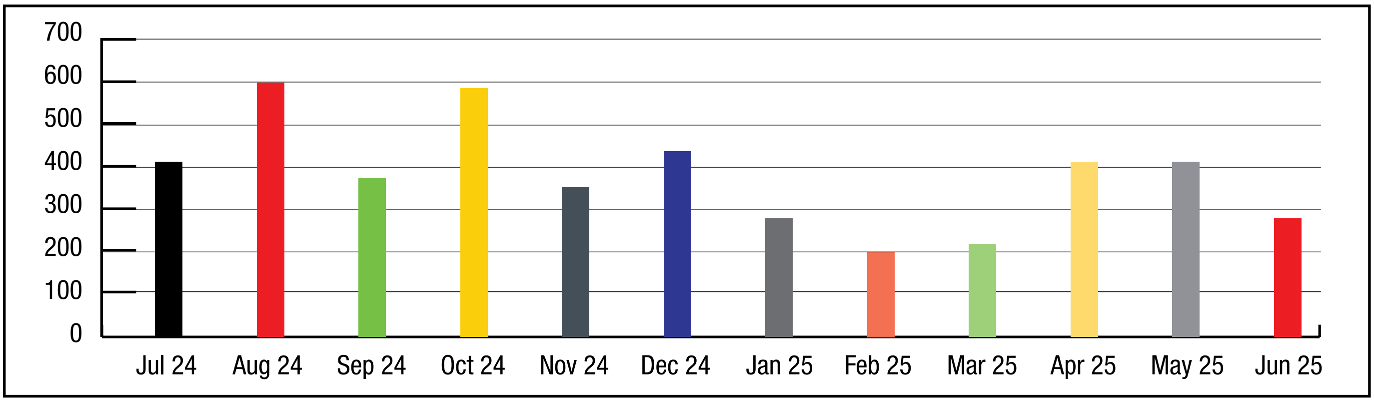
Key Performance Areas of the section include:

- 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 to the Finance Portfolio committee.

The tables below depict 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 above illustrates the Quantity of Orders for the period ending June 2025.

The SCM unit processed 4746 orders in the financial year 2024/2025.

OVERVIEW OF VALUE OF ORDERS PROCESSED FOR 2024/25				
DATE	VALUE OF ORDERS			
Table 2	R1 - R30 000	R30 000,01 - R200 000	Above R200 000	TOTAL
TOTAL	50 954 536,12	105 352 181,93	113 995 577,98	**270 302 296,03**

Table 1 above illustrates the value of Orders for the period ending June 2025.

The SCM unit processed R 270 302 296.03 value of orders in the financial year 2024/2025.

Analysis of Deviations for the years 2023/2024 and 2024/2025:

Table 3.1 – Number and Value of Deviations				
PERIOD	Previous financial year 2023/24		Current financial year 2024/25	
	Number of Deviations	Value of Deviations R	Number of Deviations	Value of Deviations R
TOTAL	793	88 725 547.86	299	40 226 059.58

Comparison of Deviations:
- Table 3 illustrates the Value and Quantity of Deviations.

There is a 54% reduction in deviations from 2023/2024 to 2024/2025 financial years. The reduction in deviations was mainly attributed to the appointment of the panel for maintenance of infrastructure assets.

Other deviations of the Municipality emanated from one or more of the reasons below:
(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 Services Providers was developed and enhanced to a stage where selection of service providers to request quotes from is done through the DIMS system. This is with the exception of service providers from the local municipal areas who are requested to register on the database and quote additionally, due to local economic development objectives.

The municipality had 5134 active service providers in the database at the start of the financial year on 1 July 2024 and 304 new service providers joined the database, totalling 5438 active service provider at 30 June 2025.

Table 4 below depicts the number of Tenders awarded (rates-based and value tenders):

Table 4 – Number and Value of Tender Awards				
PERIOD	Number of Rates Based Tender Awards	No. of Rand value Tender Awards	Total Number of Tender Awards	Value of Total tender Awards
TOTAL	20	11	31	R 427 372 101,98

A total of 31 tenders were awarded in 2024/2025 financial year.

KCDM departments exhibit their services at government programmes

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

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
- Communications Policy
- Intergovernmental Relations 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.

Commemoration of 16 June Youth programme

3.1 COMPONENT A: WATER AND SANITATION PROJECTS: WATER SERVICES AUTHORITY

Infrastructure projects implementation falls within the Municipal Infrastructure Implementation (MII) Section. MII Section is under the Technical Services Department: WSA.

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. Thereafter, MII Section hands over the completed and signed-off projects to Municipal Infrastructure Operations and Maintenance (MIOM) Section for operations and maintenance.

The Municipality's main sources of funding are obtained from various infrastructure grants from the National Department of Cooperative Governance and the Department of Water and Sanitation. The approval process of these grants follow a rigorous process that requires different stakeholders' input and regulatory approvals. Additionally, the Municipality is also making significant strides in engaging private sector support for infrastructure development.

3.1.1. WATER SERVICES CAPITAL EXPENDITURE (CAPEX)

For the previous financial year 2024/2025, capital projects were funded from the government subsidy grants, as tabled below:

Table No.1: Grants allocation

GRANT	ALLOCATIONS FOR 2024/25
Municipal Infrastructure Grant (MIG)	R 194 543 000
Water Services Infrastructure Grant (WSIG)	R 93 500 000
Regional Infrastructure Grant (RBIG)	R 194 744 000
TOTAL	**R 482 787 000**

The MIG funding is controlled and monitored by the Department of Co-operative Governance and Traditional Affairs (COGTA), whereas RBIG and WSIG are controlled and monitored by the Department of Water and Sanitation, as the respective transferring officers. The Municipality then autonomously implement the projects as per the Integrated Development Plan (IDP) and performance is measured against the approved implementation plan.

WATER AND SANITATION PROJECTS

Grant performance as at the end of the 2024/2025 financial year was fully met as indicated in the table below.

Table 2: Grants Expenditure for the 2024/2025 financial year as of 30 June 2025

SOURCE OF FUNDING	ALLOCATION	EXPENDITURE	% SPENT
MIG	R 194 543 000	R 194 543 000	100%
WSIG	R 93 500 000	R 93 500 000	100%
RBIG	R 194 744 000	R 194 744 000	100%
TOTALS	**R 482 787 000**	**R 482 787 000**	**100%**

LED equipment handover in uMfolozi Municipality in May 2025

MIG FUNDED PROJECTS

Table 3: Individual projects implemented through MIG funding

No	LM	Ward No.	Project Name	FY2024/2025 Allocation	Funder
1	Mfolozi	3 & partial 4	Mbonambi CWSS Phase 2	R 8 444 785	MIG
2	Mthonjaneni	5 & 6	Greater Mthonjaneni SSA 4	R 967 099	MIG
3	Nkandla & uMlalazi	Nkandla - 7 & 14 uMlalazi 1 & 2	Middle drift bulk water supply phase 2	R 747 500	MIG
4	Umlalazi	2, 3, 4	Middle drift SSA5 Bulk Water and Reticulation	R 6 089 843	MIG
5	Umlalazi	1, 2 & 26	Umlalazi Rural Sanitation - 514 Units	R 10 843 151	MIG
6	Umlalazi	11 & 12	Upgrading of Sewage Infrastructure for Eshowe (Upgrade of Water Service of Eshowe);Phase 2	R 10 507 797	MIG
7	Umlalazi	27	Eshowe SSA 1: Bulk Water Supply	R 25 002 451	MIG
8	Umlalazi	23	KwaHlokohloko SSA 5 Bulk Water Supply Plant Upgrade	R 446 616	MIG
9	N/A	N/A	PMU Management Support	R 6 792 379	MIG
10	uMlalazi LM & Mthonjaneni LM	(Mthonjaneni: Ward 3,5,6,7,8,9,10	KwaHlokohloko SSA 1 Water -	R 77 155 738	MIG
11	Nkandla LM	Ward 23	Nkandla Vitshini S/A SSA5 - Plant Upgrade	R 47 545 639	MIG
TOTAL				**R194 543 000**	

MIG PROJECTS PHOTOS

Project Name: Kwahlokohloko SSA1 Reticulation and Distribution Pipelines Zone 1C in Nkume, Gawozi and Eziqwaqweni Area in Umlalazi Local Municipality - Ward 10

Project Name: Nkandla-Vutshini Regional Water Supply: SSA5: Ph4 Bulk Augmentation - Water Treatment Package Plant, Pumps And Pipelines - Nkandla Ward 10,12 & 13

1. Reservoir 5 - 13 Concrete Roof Slab
2. Reservoir R5-7 Concrete Roof Slab - Reinforcement
3. Water Treatment Works with Reservoir R5-12
4. Bulk Line G from Reservoir R5-7 to Existing Reservoir R5-6
5. Mcc Boards Panels
6. Installation of Pumps
7. Pumps And Filtration Tank
8. Package Plant Building

WSIG GRANT FUNDED PROJECTS

No	LM	Ward No.	Project Name	FY2024/2025 Allocation	Funder
1	uMfolozi	15	Development of Mthwana Borehole	R 4 430 444,23	WSIG
2	uMfolozi	1	Development of Sogejasi Spring	R 2 959 393,78	WSIG
3	Mthonjaneni	12	Development of Lumbi Borehole	R 5 870 979,00	WSIG
4	Mthonjaneni	12	Construction of Qongqwane Water Scheme Extension	R 3 075 829,41	WSIG
5	uMlalazi	6	Development of Mombeni Borehole	R 4 458 319,10	WSIG
6	uMlalazi	6	Development of Gcotsheni Borehole	R 4 731 562,52	WSIG
7	Nkandla	1	Development of Vumangoma Borehole and Reticulation	R 4 159 871,34	WSIG
8	Nkandla	11	Development of Vumanhlavu Spring and Reticulation	R 2 763 085,89	WSIG
9	Nkandla	6	Development of Nkunzikayihlehli Borehole and Reticulation	R 30 144,00	WSIG
10	uMlalazi	KZ284	Replacement of Liester Engines - KZ284	R 5 120 582,00	WSIG
11	Mthonjaneni	KZ285	Replacement of Liester Engines - KZ285	R 4 516 050,00	WSIG
12	Nkandla	KZ286	Replacement of Liester Engines - KZ286	R 2 676 092,31	WSIG
13	uMfolozi	various	(Revenue Enhancement) WC/WDM Strategy Implementation: Phase 4	R 41 657 789,00	WSIG
14	Nkandla	5	Refurbishment of Nkandla Weir	R 594 214,00	WSIG
TOTAL				**R 93 500 000,00**	

RBIG FUNDED PROJECTS

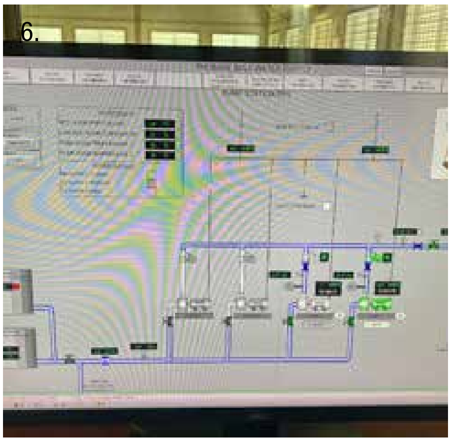
No	LM	Ward No.	Project Name	FY2024/2025 Allocation	Funder
1	Nkandla & uMlalazi	Nkandla - 14 uMlalazi - 2	Augmentation of Middle drift Bulk Water Supply (SSA2) - Planning for raw water and plant	R 10 524 914	DWS - RBIG
2	Nkandla	Partial 13 & 14	Bulk pipeline and reservoir at Middle drift SSA3: Phase 1a & 1b		
3	Nkandla & uMlalazi	28 (other 9, 10, 11, 12, 13, 14, 20, 21, 22, 27)	Upgrading of Kwahlokohloko SSA1 Bulk Water Supply; Mechanical and Electrical	R 64 829 387	DWS - RBIG
4	Mthonjaneni	3, 6, 7, 8, 9, 10, 11, 12 & 13	Greater Mthonjaneni SSA2	R 119 389 699	DWS - RBIG
TOTAL				**R 194 744 000**	

Regional Bulk Infrastructure Grant Funded Project

1. Greater Mthonjaneni SSA2 Phase 1B2

1. Greater Mthonjaneni SSA2 Phase 1B2 - 500Kl Reservoir
2. Newly Installed pumps
3. Pump House inspection by DWS
4. Bulk pipeline
5. Mthonjanenni SSA2 2.5ML Concrete Reservoir
6. Bulk pipeline in progress

2. KwaHlokohloko SSA 1 Bulk Water Projects



1. KwaHlokohloko 1.5ML Reservoir
2. KwaHlokohloko SSA1 Phase 2C
3. Bulk Pipeline under Construction
4. KwaHlokohloko SSA1 Phase2A
5. KwaHlokohloko 10ML Reservoir
6. waHlokohloko SSA1 Phase 1G
7. KwaHlokohloko SSA1 Phase 1HC
8. KwaHlokohloko SSA1 Phase2A

NEW WATER CONNECTIONS AND COMMUNAL STAND PIPES

As the 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; with the exception of the City of uMhlathuze. The City of uMhlathuze has a WSA status and is therefore responsible for the provision of water and sanitation within its area of jurisdiction.

Yard Connections

The annual target for the installation of new water connections was 604 units for the 2024/25 financial year. The annual target was set to be achieved at the end of the fourth quarter.

New water reticulation project with yard connection that was under construction within the reporting period was at UMlalazi LM Middledrift SSA5 Phase 3 and Mbonambi Water Supply Scheme phase 2

The above mentioned water reticulation project covers the following wards:
a) Mbonambi Water Phase 2 - Ward 3 of uMfolozi Local Municipality
b) Middledrift SSA 5: Phase 3 - Ward 2, 3 & 4 of uMlalazi Local Municipality
c) KwaHlokohloko SSA5 Reticulation - uMlalazi Local Municipality

Table 4: Number of New water connections completed in 2024/2025 FY.

New project	Project name	Q1	Q2	Q3	Q4	Expected connection
New	Middledrift SSA5 Phase 3	0	0	0	0	604
	TOTAL	**0**	**0**	**0**	**0**	**604**

Communal Stand pipes

The Municipality is also providing water supply at a rudimentary level of services whilst major bulk to these unserved areas is still at planning stage. These rudimentary schemes obtain raw water through the springs and/or underground via borehole development.

In this regard, the Municipality has successfully implemented 153 new water standpipe connections within 200m radius intervals, implemented under various rudimentary projects funded through the Water Services Infrastructure Grant.

1. Vumanhlamvu Concrete Weir
2. Vumanhlamvu Steel Reservoir3. Bulk Pipeline under Construction
3. Qongqwane Water Extension Scheme
4. Mthwane Water Scheme

1.


2.


3.


4.


NEW SANITATION UNITS PROVIDED

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

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 2024/2025 financial year were 514 VIP units and have been allocated per Local Municipality as below:

Table 5: Number of New Ventilated Improved Pit (VIP) units completed in 2024/2025 FY

Project Name	Comments						
	Q1	Q2	Q3	Q4	Total	Name of contractor	Progress
uMlalazi LM (Ward 1,2& 26)	0	465	45	4	514	Magubane Plant and Contractors	Project completed
Total Units	**0**	**465**	**45**	**4**	**514**		

Sanitation Project

1. Completed VIP Toilet
2. Completed VIP Toilet

3.1.2. WATER USE EFFICIENCY

The Water Use Efficiency (WUE) unit under Water Services Authority (WSA), is responsible for Water Conservation and Water Demand Management (WC/WDM) as well as Non-Revenue Water Reduction (NRW). The District Municipality is in a water-scarce region and therefore, Water Conservation and Water Demand Management are essential to avert further water crisis through demand as well as water resource management. The unit has implemented and reviewed a five (5) year Non-Revenue Water Reduction Strategy, which was approved by Council in February 2022. The reviewed strategy involves all the work packages and activities that are outstanding from the previous programme, and it is anticipated that after successful implementation, a reduction of at least 8% will be realized, which will reduce Non-Revenue Water from approximately 53% to at least ±45%. The table below depicts the Medium-Term NRW Reduction programme Intervention matrix over the past five (5) years.

Table (v): KCDM Medium-Term NRW Reduction Programme Intervention Matrix

Financial Year/Proposed Intervention	2020/21	2021/22	2022/23	2023/24	2024/25
Real Loss Reduction:					
Pipe Replacement		✓	✓	•	✓
Pressure management (rezoning to maximum 50m)	✓	✓	•	•	•
Advanced pressure management	•	•	•	•	•
Active leak detection and repair (contractor)	✓	✓	•	•	✓
Active leak detection and repair (“find and fix”)	✓	✓	•	•	✓
Reservoir control valve maintenance and storage leakage inspections	✓	✓	•	•	•
PRV and advanced pressure management maintenance	✓	•	•	•	•
Reticulation internal valve survey	✓		•	•	•

Financial Year/Proposed Intervention	2020/21	2021/22	2022/23	2023/24	2024/25
Billing improvement:					
ICI consumer meter replacement	•	•	•	•	✓
New meter installations	✓	•	•	•	✓
Domestic consumer meter replacement	•	•	•		✓
Informal settlement metering	•	•	•	•	•
Illegal connection removal	✓	✓	•	•	✓
Support Activities:					
Custody transfer Point Check metering/verification	✓	✓	•	•	✓
Stabilisation of Intermittent Supply Areas	•	•			•
Trunk and reticulation network modelling	•	•	•		•
Trunk main monitoring		✓	•		•
Online System Monitoring		✓	•		•
Consumer education and awareness	✓	✓	•	•	•
Water conservation mesures (consumer demand reduction)		✓	•		

✓ Represents implemented interventions
• Represents outstanding interventions

PROGRESS ON WC/WDM PROGRAMME - MZINGAZI PIPELINE REPLACEMENT

The Mzingazi area is supplied through a purchase point from the City of Umhlathuze (COU) often referred to as the Mzingazi Custody Transfer Meter (CTM). The majority of this supply serves the community of Mzingazi, which has been subdivided into 11 proposed zones, while a portion is pumped to the Mbonambi Reservoirs, with the balance feeding further Wards. The design of these 11 zones has been revised to better define supply boundaries, enhancing operational efficiency and management. Zone 11 has been divided into Zones 11a and 11b due to the specific characteristics and nature of its boundary.

As at the end of 2024/25 FY, a total of 5 zones were partially finalized with service connections completed, and only the installation of water meters was outstanding. To address the challenges of low pressure, a rearrangement in the supply system was made and is also approaching completion. Below are the progress photos.




KEY PERFORMANCE INDICATORS

Non-Revenue Water (NRW) Determination

The comparison for the Key Performance Indicators (KPI's) over the past four years' performance on non-revenue water reduction is presented on the table below. It should be noted that there has been some great improvement in terms of water losses from the two latter Financial Years. This can be attributed to the interventions carried out in the past 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	FY 2024/2025
Revenue Water [%]	50.4	48.8	50.4	47.0
Non-revenue water [%]	49.6	51.6	49.6	53.0
Water Losses [%]	36.5	34.7	28.3	28.5

Determination of water losses as of the end of FY2024/2025 is indicated at 28.5%, which is still within the acceptable norms of 15-30%.

The water losses and high non-revenue water in KCDM are due to the following reasons:

1. **Physical Losses (Real Losses)**
   a) **Pipe Leakages**
   These are the most significant contributors to NRW, with burst pipes, faulty joints, and corrosion leading to water escaping the distribution system before reaching consumers.
   b) **Aging Infrastructure**
   Deteriorating pipes and infrastructure are prone to leaks and bursts, increasing real losses. This is dominant in towns where the infrastructure has long existed.
   c) **Inadequate Maintenance**
   Lack of regular maintenance and repairs on the water network also leads to leaks becoming more severe and frequent. This predominantly occurs in areas that are remote and have limited access, like greenbelts, and mostly in deep rural areas.

2. **Commercial Losses (Apparent Losses)**
   a) **Metering Inaccuracies**
   Faulty or inaccurate water meters can underestimate water consumption, leading to underbilling. This is prevalent in water meters older than 15 years. 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.
   b) **Illegal Connections**
   Unauthorized connections to the water supply network, bypassed meters, resulting in unmetered and unbilled water use. Municipality has a high number of Illegal connections, which are unknown and evidently not metered.
   c) **Billing Errors**
   Incorrect billing practices, such as inaccurate meter readings or delayed billing, contributes to commercial losses.
   d) **Unbilled Consumption**
   Water used for firefighting, infrastructure maintenance, or other purposes that are not billed also contributes to NRW. The Municipality has certain systems/schemes that have a low percentage of registered consumer meters and some are totally non-registered consumers. The overall percentage of registered and read meters to a number of connections is extremely low.
   e) **Data Handling Issues**
   Inaccurate data collection, processing, and management of customer information can lead to billing errors.

3. **Other Contributing Factors within the district:**
   a) **Insufficient Pressure Management**
   High water pressure can exacerbate leaks and bursts, while inadequate pressure management can lead to overflows and other losses.
   b) **Lack of Customer Awareness**
   Limited awareness among customers about water conservation and the importance of reporting leaks can contribute to NRW.

Non-Revenue Water (NRW) Reduction Strategy

The Municipality has revised the NRW Reduction Strategy for a five-year forecast and this is in the process of approval by the Council. The update still takes into consideration institutional, financial, and consumer considerations, which covers a further 5-year outlook in terms of minimizing water losses within the Municipality's area of supply and improving revenue. The objectives of this Master Plan are focused on the following:

6. Maintain accurate water balances for each supply system using IWA standards.
7. Installation of water meters in Eshowe KDS, Nkandla, Gingingindlovu and Thubalethu
8. Identify and prioritize NRW reduction opportunities by component and location.
9. Set realistic targets supported by internationally recognized KPIs, such as the Infrastructure Leakage Index (ILI).
10. Improve billing accuracy, metering coverage, and data integrity.
11. Secure sustainable funding for both capital and operational needs.

3.2 COMPONENT B: OPERATIONS & MAINTENANCE - WATER SERVICES PROVIDER

MANDATE AND STRUCTURE

The Directorate of Operations and Maintenance has 174 internal staff members, 106 water tanker drivers employed as contract workers and 656 Network Operators also employed as contract workers.

The function of this directorate is split into sections reflected in the directorate's organizational structure as follows:

- Operations 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 infrastructure.
- Water quality sampling/testing and compliance with legislative requirements of SANS 241:2025 and the General Authorization Standard for both water and treated effluent respectively. These functions reside within the Process Management Section.
- The operations and maintenance of all rural schemes including the water and sewage plants for the clinics and hospitals within King Cetshwayo District.
- Repairs and maintenance of boreholes, hand pumps and spring protection.
- 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:
- Drilling, testing and equipping of new boreholes
- Repairs and maintenance of hand pumps
- Spring development and protection to provide safe and clean water (with support from WSA)
- 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 legislations
- 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:
  - Drilling, testing and equipping of new boreholes
  - Repairs and maintenance of hand pumps
  - Spring development and protection to provide safe and clean water
  - Provision of water through tankers to grey areas and where supply is inadequate.

3.2.1. 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 1.8.1:1 Water production per LM for 2024/25

Local Municipality	24 Jul	24 Aug	24 Sep	24 Oct	24 Nov	24 Dec	25 Jan	25 Feb	25 Mar	25 Apr	25 May	25 Jun	2024/25 FY	
		kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/year
1	uMfolozi - KZ281	416 958	367 751	381 554	382 334	378 710	379 452	383 059	331 183	356 988	393 689	329 400	366 244	4 467 321
2	uMlalazi - KZ284	776 570	699 554	810 430	627 498	694 583	702 969	905 198	652 725	654 151	754 813	552 069	696 053	8 526 611
3	Mthonjaneni - KZ285	349 216	309 987	308 073	305 347	307 569	301 419	258 982	286 221	227 164	327 487	325 772	307 499	3 614 737
4	Nkandla - KZ286	526 499	496 942	446 348	465 761	487 729	476 878	425 706	507 616	507 799	431 333	379 478	402 949	5 555 038
	Total SIV (m^3/month)	**2 069 243**	**1 874 233**	**1 946 405**	**1 780 940**	**1 868 591**	**1 860 718**	**1 972 945**	**1 777 745**	**1 746 102**	**1 907 321**	**1 586 720**	**1 772 745**	**22 163 707**
	Total SIV (m^3/day)	**66 750**	**60 459**	**64 880**	**57 450**	**62 286**	**60 023**	**63 643**	**63 491**	**56 326**	**63 577**	**51 185**	**59 092**	**714 958**

Table 1.8.1:2 Water purchased per LM for 2024/25

Local Municipality	24 Jul	24 Aug	24 Sep	24 Oct	24 Nov	24 Dec	25 Jan	25 Feb	25 Mar	25 Apr	25 May	25 Jun	2024/25 FY	
		kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/month	kl/year
1	uMfolozi - KZ281	393 804	344 596	359 219	359 210	355 647	356 388	359 995	308 574	332 343	369 045	304 842	342 125	4 185 788
2	uMlalazi - KZ284	769 619	692 620	803 765	621 003	688 793	696 489	898 947	645 988	646 863	747 524	544 459	689 015	8 445 085
3	Mthonjaneni - KZ285	299 217	259 715	258 744	245 523	252 804	244 930	201 415	227 949	181 407	268 389	264 653	255 302	2 960 048
4	Nkandla - KZ286	519 285	491 347	441 588	461 111	485 711	471 177	420 532	502 711	502 786	427 065	370 930	395 148	5 489 391
	Total SIV (m^3/month)	**1 981 925**	**1 788 278**	**1 863 315**	**1 686 847**	**1 782 956**	**1 768 984**	**1 880 889**	**1 685 222**	**1 663 399**	**1 812 023**	**1 484 884**	**1 681 589**	**21 080 312**
	Total SIV (m^3/day)	**66 750**	**60 459**	**64 880**	**57 450**	**62 286**	**60 023**	**63 643**	**63 491**	**56 326**	**60 401**	**47 899**	**56 053**	**719 661**

Three main problems related to the above are as follows:

- A high number of schemes without bulk meters
- A high number of inefficient small schemes
- Lack of control of non-revenue water

KCDM has approximately 383 schemes, but as depicted from Table 1.8.1, only 172 schemes are metered. Therefore, 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 kilolitre 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.

3.2.2. WATER TANKER SERVICE

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

MONTH	Q1	Q2	Q3	Q4	ANNUAL TOTAL
Number of Loads	11 145	10 387	11 046	13 187	23 653.3
Distance travelled by tankers (km)	772 778	810 607	75 9301	800 415	3 143 101
Volume of water delivered (ML)	177.2	166.2	178.3	108.4	630.1

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 intervention in areas where there is no infrastructure. Due to the water shortage and the water tanker requests, 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	31	5
Mfolozi	53	4
Mlalazi	47	17

3.2.3. 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.

Table 1.8.3: Storage facilities serviced by tankers in the District

Local Municipality (KZ)	No. of Jojo Tanks
uMfolozi	336
uMlalazi	410
Mthonjaneni	231
Nkandla	380
TOTAL	**1357**

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

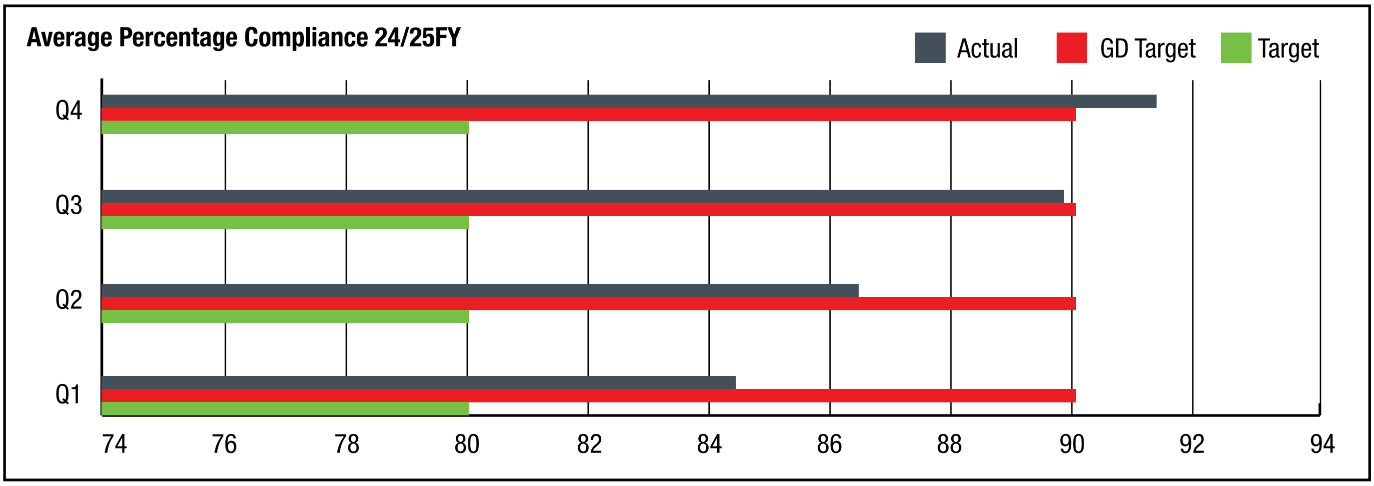
Over the years the Technical Department has been compelled to continuously review and reduce the frequency of the supply because of the increase in demand for water tankers and the decrease in the availability of funds to finance this operation. In some instances, we are compelled to add tanks because of the dire need for potable water in that area. Water tanker operation is an expensive mode of water supply to the communities and had an average expenditure of R7,5 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.

3.2.4. 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 financial year.

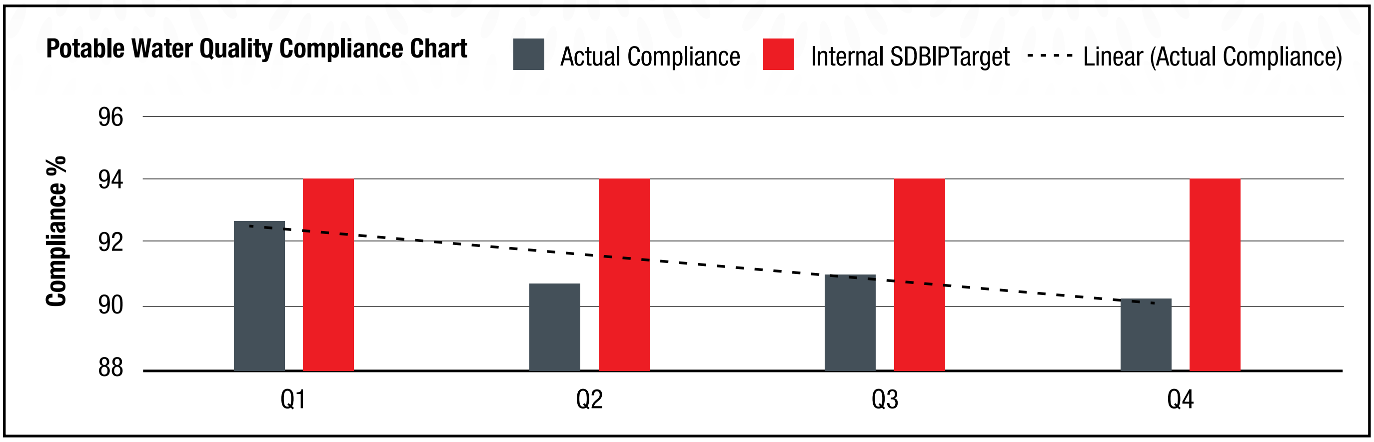
Table 1.8.4: Effluent Quality Compliance



3.2.5. 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, 2024/2025.

Table 1.8.5: Potable Water Quality Compliance



3.2.6. WASTE MANAGEMENT SERVICES

Waste management is one of the typical functions of local authorities in South Africa. A final step in the waste management process is disposal to landfills.

The Constitution of the Republic of SA allocates the responsibility of providing waste management services to municipalities. The operation and maintenance of the waste management facilities are functions of the Local Government. KCDM has a legislative duty and obligation to operate and manage waste management facilities. The District operates the Solid Waste Site according to the requirements of the waste license reviewed in terms of section 53 (1) and issued in terms of section 49 (1) of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) in July 2021.

The site services most of King Cetshwayo area of jurisdiction as well as other Municipalities, including uLundi Municipality under Zululand District Municipality, Mandeni Municipality under iLembe District Municipality and Mtubatuba under uMkhanyakude District Municipality.

The Municipal Structures Act (Section 84(1)(e)) gives powers and functions to Districts as follows:

84 (1)(e) Solid waste disposal sites, in so far as it relates to the determination of a waste disposal strategy, the regulation of waste disposal; the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district."

The following regulations are applicable to the Solid Waste Disposal Facility:

- National Environmental Management Act (NEMA), no. 107 of 1998.
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008)
- National Environmental Management: Waste Amendment Act, 2014 (Act 26 of 2014)
- Occupational Health and Safety Act (Act 85 of 1993)
- Hazardous Substances Act (Act 5 of 1973)
- Health Act (Act 63 of 1977)
- Environment Conservation Act (Act 73 of 1989)
- National Water Act (Act 36 of 1998)
- Municipal Structures Act (Act 117 of 1998)
- Municipal Systems Act (Act 32 of 2000)
- Mineral and Petroleum Resources Development Act (Act 28 of 2002)
- The South African Constitution (Act 108 of 1996)
- Air Quality Act (Act 39 of 2004)
- DWAF, 1998: Minimum Requirements for Waste Disposal by Landfill, Waste Management Series, Second Edition

The last airspace survey done on the site indicates a lifespan of 67 years from the current year before the site can be closed and fully rehabilitated.

TOTAL USE OF WASTE MANAGEMENT SERVICES

The waste data is recorded on a monthly basis to the Waste Information System as required by the Department of Environmental Affairs for the activities of KCRSWDF.

Table 1: Amount of waste received in the 2024/2025 financial year

Quarter	Q1	Q2	Q3	Q4	TOTAL (Tons)
Tonnage	20 925.00	27 847.76	28 348.48	29 511.40	106 632.64

WASTE MANAGEMENT SERVICE DELIVERY LEVEL

uMhlathuze Municipality

- Produces domestic, business, industrial, garden, street sweepings, medical, and hazardous waste.
- Currently 77% of households within the municipality are covered by waste collection systems whilst 23% are not covered (mainly rural households)
- It uses kerb side collection, skips, and a combination thereof to collect domestic, business, and industrial waste, and street sweepings. The waste collected is disposed of at King Cetshwayo Regional Solid Waste Site.
- Specialised containers for medical waste are used but the municipality does not collect medical waste, there are private contractors who collect waste and dispose of it in designated Medical waste sites.
- Hazardous waste is collected by private waste collection companies and disposed of in designated Class A Solid Waste sites.
- uMhlathuze Municipality has an updated IWMP available.

uMlalazi Municipality

- There are only three towns within the municipality where waste is generated and are covered by waste collection and removal services namely; Eshowe, Mtunzini and Gingindlovu.
- Currently 100% of urban households are covered by a waste collection system whilst 0% of rural households are covered.
- At Eshowe domestic, business, building, garden, industrial waste, street sweepings and except medical waste are generated and disposed at the King Cetshwayo Regional Solid Waste Site via transfer station except the medical waste. Medical waste is collected by private contractors and disposed of in Durban. There is also saw dust generated but it is not collected by the municipality.
- At Mtunzini domestic, business, building, garden, industrial waste, street sweepings and medical waste (doctors' rooms) are generated within the town. Building and garden waste are disposed of at Mtunzini Transfer Station. Medical waste is collected by private contractors and disposed of in Durban and the other waste types are disposed at King Cetshwayo Regional Solid Waste Site in Empangeni.
- A combination of skips and kerbside collection is used to collect waste within the municipal area.
- Private recycling plants are also in operation in both Eshowe and Mtunzini towns.

Mthonjaneni Municipality

- There are three areas within the municipality where wastes are generated and are covered by waste collection and removal systems namely, Melmoth town, Thubalethu and KwaMagwaza Hospital.
- There is one transfer station that is currently in operation.
- Domestic, business, garden, building waste, street sweepings and medical waste are generated within the municipal area.
- Cages, bins and kerbsite collection is the method of waste collection within the municipal area. Building waste is collected on request, medical waste is collected by private contractors and the rest of the waste is collected by the municipality and disposed at the King Cetshwayo Regional Solid Waste Site via the new transfer station.
- Mthonjaneni Municipality has an updated IWMP available.

Nkandla Municipality

- Currently 100% of urban households within Nkandla Town are covered by waste collection system, whilst part of rural households is covered. There are central collection points in each of the 13 rural wards in Nkandla. The waste collected is disposed of at the Nkandla Solid Waste site.
- Domestic, business, garden, building waste, street sweepings and medical waste are generated within the municipal area.
- Medical waste is collected and disposed of by private contractors in Durban while building waste is collected and disposed of at Nkandla Solid Waste Site by waste generators.
- Nkandla Municipality has an updated IWMP available.
- Nkandla Municipality has a newly constructed and permitted Solid Waste site which started working in 2014.

uMfolozi Municipality

- KwaMbonambi Town and Slovo Town (ward 02), Mzingazi (ward 05,06,14 and 16), Nhlabane (ward 03) and ward 17 are the only areas covered by waste collection and removal system.
- Domestic, business, industrial and garden waste, street sweepings, medical waste and hazardous waste is generated within the municipal area.
- Domestic waste generated is disposed of at King Cetshwayo Regional Solid Waste site via Kwambonambi Transfer Station.
- Garden waste is also disposed at KCDM Regional Solid Waste Disposal Facility via Kwambonambi Transfer Station.
- Recyclables are collected at the buy-back centre and recycled in Richards Bay.
- uMfolozi Municipality is in the process of updating the IWMP.

ACCESS TO WASTE MANAGEMENT

KING CETSHWAYO REGIONAL SOLID WASTE DISPOSAL FACILITY (KCRSWDF)

The King Cetshwayo District Municipality is the permit holder and the owner of the land. The King Cetshwayo District Council acquired the land from the state. The site is situated on Lot 11425 Part of Lot 167 of Richards Bay, uMhlathuze Local Municipality at King Cetshwayo District-DC28. The N2-highway borders the eastern boundary of the lot and the R34-highway (John Ross Highway) the northern boundary of the lot. On the west lies Lot 15199 Richards Bay, which is owned by Transnet and to the south lies Lot 11420 Richards Bay, which is owned by Braeburn/UVS Sugar Estate cc.

Council approved the leasing of vacant land adjacent to the Solid Waste site earmarked for future cell development. The City Development granted the District land use rights for agricultural purposes on the vacant land.

As per the permit, the following conditions are applicable:

- A monitoring committee was formed in June 2008 and meets once every three months to monitor the operations of the site.
- An Annual External Audit is performed annually, the last external audit compliance score of 79.4% was received, and the issues raised are currently being addressed.
- Bi-Annual water quality samples are done every year on the 15 July and the 15 January.
- The Site currently grants permission to 55 “reclaimers” to conduct recycling, to ensure alignment to the Waste Act and ensure the diversion of 40% of waste away from landfill.

WASTE MANAGEMENT SERVICES POLICY OBJECTIVE

The KCDM Regional Solid Waste Site was established in 2004. Waste transfer stations at Eshowe, Mtunzini, Ntambanana, Melmoth and Kwambonambi towns were constructed and waste is transported to the regional waste disposal facility. In line with Section 12 of the Municipal Systems Act, the District IWMP, was approved by Council in May 2022 and endorsed by EDTEA on 06 March 2023.

HUMAN CAPITAL IN WASTE MANAGEMENT SERVICES

Table 2.6.1:KCDM Personnel involved with waste management at Sold Waste Disposal Facility

Personnel	Number
Solid Waste Manager	1
Solid Waste Clerk	1
Weighbridge Operator	2
General Worker	10
Total Solid Waste Staff	**14**

The current operational Cell, number 2 has since being decommissioned in 2024. Cell 3 C has since been operational from March 2025.

3.2 COMPONENT C: ECONOMIC DEVELOPMENT

MANDATE AND STRUCTURE

The Directorate of Operations and Maintenance has 174 internal staff members, 106 water tanker drivers employed as contract workers and 656 Network Operators also employed as contract workers.

3.3. 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 2024/2025

3.3.1. 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, SEDA SEFA, Department Small Business Development (DSBD), Richards Bay Industrial Development Zone, Zululand Chamber of Commerce and Industry, SEDA and other industries in King Cetshwayo.

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 be introduced to running successful businesses.

- **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 enhance partnership. The DED forums engagements were held on quarterly basis as follows in 2024/2025 financial year:

  - Quarter 1: 26 September 2024
  - Quarter 2: 12 December 2024
  - Quarter 3: 19 March 2025
  - Quarter 4: 12 June 2025

- **KZN YOUTH IN BUSINESS SUMMIT**
  The KZN Office of the Premier hosted a two (2) day Youth in Business Summit event on 11-12 July 2024 at the Durban Exhibition Centre. KCDM LED unit attended the event. The purpose of the event was to empower and equip young people with strategies to succeed in business. This summit provided a platform of engagement between government and youth. There was approximately 1000 young people with their youth formation representatives and structures from across KZN Province.

  The Premier outlined employment and funding programmes and initiatives available in all provincial Government Departments. The Youth Development Strategy 2021-2026 was reviewed together with the implementation plan

- **HORSE RACING EVENT IN PARTNERSHIP WITH COMMUNITY SERVICES**
  King Cetshwayo District Municipality held the King Cetshwayo July Horse Racing Event on 26-27 July 2024. The Horse Racing event was on Saturday 27 July 2024 at Empangeni Airfield. PED partnered with Community Services Department for the success of this event. The SMME Support and Development unit's role was to ensure that Informal Traders/ vendors benefitted from the horse racing event by exhibiting and selling their products and also contributed R200 000 towards the event. SMME unit liaised with all Local Municipalities with regards to submitting lists of interested traders/ vendors to sell their products at the event. The City of uMhlathuze and uMlalazi Local Municipality submitted a list and ensured that their traders/ vendors had permits for the event. A total number of eight (8) SMME's and Informal traders (5 from COU and 3 from uMlalazi LM) benefited from the King Cetshwayo July event.

- **PROVINCIAL WOMEN'S SUMMIT**
  On 30 August 2024 KCDM attended a Provincial Women's Summit held at Durban ICC. The Premier hosted the summit for the Women in KZN who are doing business in different sectors. The Office of the Premier launched the Funding and set aside a budget of R2 Million that will assist women to sustain and grow their businesses. The KCDM delegation of 26 Women in Business, as identified by Local Municipalities (district-wide) participated at the summit.

- **REFURBISHMENT OF NDUNDULU MARKET STALLS**
  King Cetshwayo District Municipality took an initiative to

renovate Thuthukani market and SizuZulu market at Mthonjaneni Local Municipality (Ndundulu Area). This was a joint venture with Mthonjaneni Municipality, who was responsible for painting and the electrical fittings. King Cetshwayo District Municipality appointed a Service Provider to construct the veranda and for fixing of doors and windows that were damaged by heavy storms. The service provider reported on site on 21 October 2024, and completed the work on 01 November 2024.

- **SMME AND COOPERATIVE TRAINING**
  The LED implementation plan for 2024/2025 financial year encompasses support of SMMEs/ Cooperative/ Informal Traders within the District. LED in partnership with the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) and First National Bank conducted a SMME and Cooperatives training on 4 to 5 December 2024 in uMfolozi Local Municipality. The following topics were covered in day 1 and 2 of the training: Co-operative Governance and Business Financial Literacy. A total number of 26 SMME's and Cooperatives were trained and participated in the discussions, and received tokens from First National Bank. They also received certificates of attendance. An amount of R30 000 was utilized for catering purposes.

- **CONSUMER AWARENESS SMME TRAINING**
  King Cetshwayo District Municipality in partnership with the National Consumer Commission (NCC) held a Consumer Awareness Training for SMMEs which was held on 03 December at Nkandla and 05 December 2024 at Melmoth. The training of Small, Medium, and Micro Enterprises (SMMEs) is a cornerstone for fostering entrepreneurship, driving economic growth, and addressing unemployment in communities. The training targets challenges faced by SMMEs and equips them with essential skills and knowledge, this training initiatives enable businesses to navigate the complexities off the modern economic landscape.

  The National Empowerment Fund (NEF), King Cetshwayo District Municipality (KCDM), Mthonjaneni Local Municipality (MLM) and Nkandla Local Municipality focused on empowering local businesses and Consumers. A total number of 44 SMMEs attended the training respectively. The objectives of this training are Consumer Awareness and Business Development. The training programme provided information to entrepreneurs on how to access funding and resources through the NEF.

- **SUPPORT OF KCDM LANDFILL SITE WASTE RECLAIMERS (INFORMAL TRADERS)**
  KCDM LED unit held an engagement with landfill site waste re-claimers in November 2024. The LED unit procured PPE as an interim measure to assist the waste-pickers (Informal Traders).

  The PPE was procured and delivered on 31 January 2025 as follows:
  - 73 Safety Gumboots
  - 73 Cricket Hats
  - 73 gloves
  - 73 dust masks

- **YOUTH AND WOMEN PROGRAMME**
  KCDM handed over LED items to SMME's as part of the Women and Youth in business programme during the KCDM Budget /IDP road shows that were held on the 16 May 2025 at Debe Community Hall in Ward 13 of Mthonjaneni Municipality.

- **YOUTH AND WOMEN IN BUSINESS PROGRAMME**
  King Cetshwayo District Municipality (KCDM) held the Youth and Women in Business materials handover. The opportunity was advertised on the KCDM Facebook page and forwarded to local municipalities. The closing date was on 14 March 2025.

  The handover details for the Youth & Women in Business, supported under SMME and Cooperative Section are tabled below:

DATE OF OF HANDOVER	LOCAL MUNICIPALITY	NUMBER OF WOMEN BENEFICIARIES	NUMBER OF YOUTH BENEFICIARIES
16 May 2025	Mthonjaneni	5	6
21 May 2025	Mthonjaneni (outstanding from previous year)		7
22 May 2025	Nkandla	4	5
29 May 2025	uMlalazi	6	5
29 May 2025	uMlalazi (out-standing from previous year)	5	6
10 June 2025	uMfolozi	5	5
11 June 2025	City of uM-hlathuze	4	5
	Total	**29**	**39**

1.3.7. AGRICULTURE UNIT

- **FARMER SUPPORT AND DEVELOPMENT INITIATIVES**
  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:**

DATE	VENUE	PARTNERSHIP	NAME/NO. OF BENEFICIARIES	ACTIVITY
23 August 2024	Mzinokhanyayo Community Hall	Nkandla LM DARD TWD EDTEA	132 Farmers	Goat and Farmer Cooperatives Training
11 September 2024	KCDM Office	Forest South Africa (FSA) SAPPI DEFF	Small-scale growers Executive	Quarterly meeting with Small-scale growers executive for KCDM
04 & 05 December 2024	UMfolozi Town Hall	FNB EDTEA UMfolozi LM	26 Farmers & SMMEs	• Co-operative Governance • Business Financial Literacy
13 March 2025	KCDM Office	Forest South Africa (FSA) SAPPI DEFF	Small-scale growers Executive	Quarterly meeting with Small-scale growers executive for KCDM
20 March 2025	Mpushini Hall	DARD UMlalazi LM	150 Farmers	Farmers Information Day on potato crop

- **FARMERS SUPPORTED: 2024/2025 FY**

DATE	VENUE	TOTAL CO-OPERATIVES	TOTAL BENEFICIARIES	ACTIVITY
04 November 2024	TVET College	3	15	400 Seedlings
22 January 2025	Mthonjaneni LM	6	30	Agricultural material, infrastructure, fencing materials, poultry and feeds.
07 March 2025	City of uMhlathuze	3	15	Agricultural materials, poultry with feeds, forest materials.
16, 22, 29 May & 10 June 2025	KCDM Office	59 (26 Youth & 33 Women)	236	Agricultural materials, fencing materials, poultry with feeds, forest materials.
TOTAL BENEFICIARIES SUPPORTED 2024/2025			**296**	

- **FOOD SECURITY PROGRAMME (ONE-HOME ONE-GARDEN)**
KCDM distributed about 24 000 seedlings (cabbage, spinach, beetroot & onions) to all five local municipalities during its IDP/Budget Roadshows in October 2024 and in May 2025. Over 8000 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 MONITORING AND EVALUATION**
KCDM handed over five hundred (500) goats under the Goat Farming Programme wherein fifty (50) Cooperatives were identified by the five Local Municipalities. Over five hundred and forty (540) beneficiaries benefited from this programme. The district continues with the monitoring and evaluation (M&E) of the goat farming programme through the Planning and Economic Development Portfolio Committee Councillors to ensure that the programme continues to grow. The goat beneficiaries are continuously provided with medication for the care and health management of goats. The district has sourced the VET Services to provide support to the beneficiaries.

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 a link-up with markets. 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.

1.3.8. TOURISM UNIT

Tourism has a critical role to play in the development of tourism, 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 that promote tourism.

- **MARKETING: 2025 AFRICA TRAVEL INDABA**
The attendance of 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 in Durban International Convention Centre (DICC) from 13–16 May 2024.

The 2025 Africa Indaba held under the resonant theme "Unlimited Africa" had about 1300 exhibitors and 26 African countries represented and over 1200 vetted buyers from 55 countries showcasing products and offerings.

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

- Meet Mekaar Resorts
- Sabi Pax Travel
- 1KZN TV
- TIFA/Milvest
- UMlalazi Municipality
- Basweli Travel & Tours
- Aloe Lifestyle
- One on Hely
- City of uMhlathuze
- Nkandla Municipality

- **EVENTS:**

- NGODINI BUNDUZ GAMES

- Ngodini Bunduz Games advocates to promote tourism, social cohesion, exploring activities, adventures, experiences and local economic upliftment with a Zulu flair. The event held on 29 November 2024 to 01 December 2024 at Ngodini Bunduz under uMlalazi Municipality, was a 3-day and 2-night event that attracts a diverse audience from all walks of life as it creates socio-cultural platform that encourage visitors to interact with each other.
- The event was attended by about 8000 visitors from other Provinces including visitors from the Kingdom of Swaziland.
- An MOU was signed in 2024 with the organizers for 1 year, ending in 2024.
- The main objective of Ngodini Bunduz Games is to provide entertainment to the community through games, gather people from all race and age groups during the 3-day event, create economy 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.
- Ngodini Bunduz Games 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 promote and sell their art and craft during the 3 days. Local Municipalities nominate 1 crafter each to participate during the festival. For marketing purposes, the tourism team constructed an exhibition space to exhibit Tourism activities.

- 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 towards it financially and 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 economy opportunities and attract tourists to the area from other provinces to increase the numbers. The 3-day period provide 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 promote and sell their art and craft during the 3 days. Local Municipalities nominate 1 crafter each to participate during the festival. KCDM arrange 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 constructed an exhibition space.

KCDM utilized every opportunity to market and promote our district throughout the period from 26 – 28 September 2024. Banners were being put up and the logo appeared on every flyer, advertisement, website and more.

- **PASSENGER CRUISE LINER VESSELS**

The Passenger cruise liner vessels for the 2024/25 season officially began on 08 November 2024 and remained open until May 2025. 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 on 08 November 2024 as SH Diana arrived and docked at the Small Craft Harbour, coordinated jointly by King Cetshwayo District and the City of uMhlathuze 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

- **INKWAZI BOARDWALK CRAFTERS PROGRAMME:**
  KCDM Tourism unit in collaboration with the Boardwalk Inkwazi Shopping Centre in Richards Bay, hosted a 4-days programme (26-29 September 2024) with a total number of 10 crafters nominated from the 5 (five) Municipalities within KCDM, however only 08 (eight) crafters participated fully in the programme as uMlalazi Municipality withdrew the participation of 02 crafters because of transport challenges. The Chairperson of PED Portfolio, Honourable Cllr S.L Magubane welcomed the crafters and visited the exhibition space within Boardwalk Inkwazi mall. Crafters were provided with accommodation, including the provision of transport from the accommodation facility to the Boardwalk Inkwazi.

- **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 Traditional Authority. It consists of chalets, a multi-purpose hall and 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 a Community Conservation Reserve. KCDM, Nkandla Municipality and Mahlayizeni Traditional Authority 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 were made to ensure the successful development of the Amatshenezimpisi CCA;

- 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, and if the proposed sales targets can be met, the Amatshenezimpisi CCA will be able to establish a feasible and sustainable business venture.

The KCDM Council resolved to support the proposal and set aside a budget for the rehabilitation of Amatshenezimpisi Tourism Chalets under Ward 06 Nkandla Municipality.

On the 28th of March 2025, His Worship the Mayor Cllr S.Z Dlamini held a sod-turning ceremony for the Rehabilitation of the Emahlayizeni Multi-purpose Hall and the drawings have been finalized.

- 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.

In 2024/2025 KCDM set aside a budget for the upgrade of King Cetshwayo memorial grave. Various stakeholders, including Nkandla Municipality, KwaZulu-Natal Amafa and Research Institute (AMAFA) and the Department of Arts and Culture have been engaged on the projects. The Zulu Royal household will be engaged by the municipal political Leadership.

A service provider was appointed to do drawings for the beautification of the whole 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 in 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. The District has signed the MOU with AMAFA Research Institute on the restoration of the project.

- 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, and 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 preserves heritage sites. The funding also assists the Zululand Birding Route to develop marketing material to showcase at Tourism Indaba 2024.

- **COMMUNITY TOURISM ORGANISATIONS (CTO'S)**
  The District has a role to coordinate Tourism in the 5 (five) Local Municipalities and the establishment of CTO's in all LM's. Among the roles of the District is to 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. Nkandla Municipality has established a CTO whereas the uMfolozi Local Municipality is being supported to finalize the CTO establishment process.

- **TOURISM STUDENTS ENHANCEMENT WORKSHOPS**
  The District in partnership with the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) held a workshop for the Tourism students at the University of Zululand, Richards Bay Campus on 16 April 2025. 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.

  Support was provided through the following: applying for the Work Integrated Learning programme (WIL) and internship programmes and 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 16-18 JANUARY 2025**
  The District hosted a 3-day programme in celebrating the Life of King Cetshwayo which had the following activities:
  - 16 January 2025: King Cetshwayo Memorial sites visits (eSikhaleni seNkosi monument at the City of uMhlathuze, the resting Spirit of King Cetshwayo and Fort Nonqayi Museum at uMlalazi Municipality).
  - 17 January 2025: King Cetshwayo Grave at Nkandla Municipality
  - 18 January 2025: Commemoration of King Cetshwayo and the Battle of Isandlwana at Mthonjaneni Rugby Sports field.

  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, re-colouring 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

  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.

1.3.9. 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.

- **PURCHASING OF FILM EQUIPMENT FOR DISTRICT FILMMAKERS**
  Film Equipment was purchased for Filmmakers for the value of R189 000.

  The list of the purchased equipment is as follows:

ITEM NO.	DESCRIPTION	QTY
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

ITEM NO.	DESCRIPTION	QTY
6.	Dual Channel Wireless Mic system (Lapel)	x4
7.	Cable for Mic	x1
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

- **FILM PRODUCTION: MTHONJANENI LOCAL MUNICIPALITY**
  KCDM received a request from Mthonjaneni Local Municipality to support the Municipality for a Film Production that was going to be shot at Mthonjaneni by a company called KH Films from Durban. KH Films requested to film at Mthonjaneni from 11 - 18 April 2024. Pre-production plans took place from 2 – 5 April 2024. KCDM assisted Mthonjaneni Local Municipality by liaising, guiding and advising KH Films, the company responsible for filming on the following:
  - A Film Application form was completed by KCDM.
  - Mthonjaneni Local Municipality approved the request by KH Films to film at their area of jurisdiction.
  - A location scout was conducted and locations used on the Production were identified and approved.
  - Auditions and workshops were conducted for the required cast.
  - Negotiations of call fees were finalised and contracts signed with the cast members from Mthonjaneni Local Municipality.
  - Acceptable work conditions were followed being guided by the Film Policy and Mthonjaneni Local Municipality By-Laws.

  The Film & Photography unit visited Mthonjaneni Local Municipality for a briefing with KH Films, Mthonjaneni Local Municipality officials and the community that attended auditions. The budget for the Production was R100 000 and it was from KH Films. The Film was about an initiative to teach the community how to vote and to encourage people to vote.

- **FILM PERMIT APPLICATION FOR SHAKA ILEMBE SEASON 2**
  A film permit application was received from The Bomb Shelter Film Company (Pty) Ltd on 4 September 2024, for the Shaka iLembe season 2 series. The company is known for popular TV series such as Isibaya, YizoYizo, Zone 14, Jacob's Cross and many others and the same company produced the first season of Shaka iLembe.

  The film permit application requested a permit to film at Mtunzini Fern Forest and the District Film & Photography unit liaised with uMlalazi Local Municipality for guidance to ascertain whether the forest was owned by KZN Ezemvelo Wildlife, uMlalazi Local Municipality or is privately owned.

  The role of the Film & Photography unit, once a permit request has been received, is to find out where the identified film location is located, who is responsible for the shoot and what are the processes for permission to utilise the film location.

  The Film & Photography unit works closely with the Local Municipality where the identified film location is located and if a film location is privately owned, the Film & Photography does not interfere or issue the film permit and allows for private negotiations.

  In the case of Shaka iLembe season 2 film permit application and after liaising and having a meeting dated 17 September 2024 with uMlalazi Local Municipality officials, it was established that the property is privately owned and therefore the involvement of the Film & Photography unit ended regarding issuing of the film permit.

  The Production utilized a privately owned location, however organisers made a request for assistance and involvement from both KCDM Film and Photography unit and uMlalazi Local Municipality to assist with linking the production with Tribal Authorities of the area, to get assistance from the Councillors of the area with casting community members to be in the series as a team of warriors going to war.

  The dates were proposed for pre-production, production and postproduction as follows:
  • Pre-Production: 06 October 2024
  • Production: 07 - 09 October 2024
  • Post-Production: 10 October 2024

3.4. COMMUNITY & SOCIAL SERVICES

COMMUNITY DEVELOPMENT ANNUAL REPORT

3.4.1. ARTS, CULTURE AND HERITAGE 2024/25 PROGRAMMES

The Arts, Culture & Heritage programme was implemented in order to prioritize and promote Arts, Culture and Heritage activities within the district. It was designed taking into cognisance the provincial Department of Arts & Culture guidelines, also working collaboratively with local municipalities, government departments and other stakeholders.

The 2024/25 Arts, Culture and Heritage Plan focused on the following activities:

- **JULY 2024**
  - **Carnival Parade during the King Cetshwayo July**
    The Arts, Culture and Heritage Unit coordinated the Carnival Parade on 26th July 2024. The Carnival Parade was part of series of activities conducted during the King Cetshwayo July Event. The carnival parade started at eMpangeni Civic Centre and ended at eMpangeni Airfield. The show encompassed the costumed multi-skilled performing artists who added a high visual and entertainment impact that

created the desired festive atmosphere to the parades. The performers included Bikers; Convertible Jeeps; Nguni-off Road 4x4 cars, Cheer Leaders, Band from Echibini Church, stilt walkers, Unicyclist Clowns, Mini Cyclist clown, Clown on Hobby Horse and Ingezo taxis.

Fashion Show

The fashion show took place concurrently with the crowning of Miss and Mr King Cetshwayo and was aimed at encouraging local designers to showcase their line of clothing and accessories. The vision of the fashion show was to provide the local designers a platform to promote their talent and creativity, and market their uprising businesses to a broad and diverse audience. Fashion designers were identified by their respective municipalities to be part of the King Cetshwayo fashion show. The fashion show was sponsored by Siyaqhubeka Forestry Group in partnership with Mondi Group with an amount to the value of R50 000.

NAME AND SURNAME	MUNICIPALITY	AMOUNT
Jado Mjadu	uMfolozi	R 30 000
Asanda Khumalo	City of uMhlathuze	R 15 000
Mthunzi Mthembu	uMlalazi	R 5 000

Photos of the fashion show are depicted below:

- **AUGUST 2024**

Umkhosi WesiVivane

King Cetshwayo District Municipality participated in the Isivivane Women Cultural programme held from 14 to 18 of August 2024 at KwaKhangela Royal Palace. The KwaZulu-Natal Department of Sport, Arts and Culture under the guidance of MEC Hon. Mntomuhle Khawula, together with Zulu Royal Household, organized the 2024 Umkhosi weSivivane. The ceremony was organized under the banner of the Women's Month celebration where various activities were conducted to empower women whilst promoting culture and good behaviour in the communities.

Umkhosi Wesivivane is a traditional annual ceremony dating back from ancient times where women gathered to deliberate around matters affecting the nation. The ceremony is in line with government priorities on women empowerment wherein also his Majesty the King gets to listen and interact with women about social issues including social-ills and socio-economic matters.

Matrons Session

King Cetshwayo District Municipality hosted the Matron's Session on the 22nd August 2024 at Kwa-Bulawayo Cultural Village (uMlalazi Municipality). The vision behind this workshop was to prepare for the upcoming District Cultural Activities and the Royal Household ceremonies such as Operation Siyaya Emhlangeni and the Reed Dance Ceremony. The event was aimed at ensuring matrons understand what is expected from them.

- **SEPTEMBER 2024**

Operation Siyaya eMhlangeni

The King Cetshwayo District Municipality hosted the District Operation Siyaya eMhlangeni on the 7th of September 2024 at uMfolozi Local Municipality (Dondotha Sports Field). 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. The activities conducted during this day involved a street parade, Ingoma, amahubo and different messages of support on moral regeneration and self-worth from different guests, including Queen Mchiza and His Worship the Mayor Cllr S.Z Dlamini. Operation Siyaya eMhlangeni was collaboratively conducted between local municipalities, King Cetshwayo District and the Department of Arts and Culture.

Reed Dance Ceremony

King Cetshwayo maidens participated in the Reed Dance Ceremony held from 13 - 15 September 2024 at eNyokeni Royal Palace, KwaNongoma. The Reed Dance Ceremony is an annual cultural event aimed at showcasing Zulu culture and heritage through traditional dance, music, art and craft. The 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 played a co-ordination role in ensuring that all municipalities participated in the Reed Dance Ceremony. This project was a collaborative effort between Indlunkulu kaZulu, Department of Sport, Arts and Culture, and the Municipalities.

Umkhosi WeLembe

Umkhosi WeLembe is a ceremony dedicated to the commemoration and celebration of Isilo saKwaDukuza, King Shaka ka Senzangakhona, who lived for an ideal and philosophy of a united nation. uMkhosi WeLembe was held on the 24th of September 2024 at the Stanger High School Sportsfield. History tells us that Umkhosi weLembe was initiated by King Solomon kaDinuzulu, and it was later entrenched by King Bhekuzulu kaSolomon of kwaKhethomthandayo. It continued during the reign of King Zwelithini ka Bhekuzulu. The 2024 uMkhosi was addressed by His Majesty King Misuzulu, talking especially to amabutho about challenges faced by the nation today as well as the belief of King Shaka in promoting a healthy lifestyle through vigorous training and physical exercise to have strong men who defended the Kingdom and women.

- **OCTOBER 2024**

Diwali Festival

King Cetshwayo District Municipality provided financial support to Richards Bay Diwali and Cultural Committee. The Diwali Festival was held on 26 October 2024 at Brackenham Community Hall, City of uMhlathuze.

Richards Bay Diwali and Cultural Committee is a Non-Profit organization that hosts the annual Diwali Festival as means of promoting cultural cohesion amongst the various communities. The Diwali festival is the major event with the largest gathering of community members of all faiths.

- **NOVEMBER 2024**

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 such as Ugubhu and umakhweyana. Her talent enabled her to contribute 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 2024 Princess Magogo Festival was held on the 16th of November at Umfolozi Casino.

- **JANUARY 2025**

Impi yaseSandlwane Commemoration and King Cetshwayo Memorial Lecture

King Cetshwayo District Municipality hosted its 4th Annual King Cetshwayo Impi Yase Sandlwane Commemoration and Memorial Lecture on the 18th of January 2025 at Mthonjaneni Local Municipality with the aim to promote and preserve the heritage of the District, especially since the District was named after Isilo and this district is the place of his birth and his final resting place. This programme 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 also to archive the history for the benefit of the tourism sector.

- **MARCH 2025**

Annual Prayer

King Cetshwayo District Municipality hosted its 4rd Annual District Prayer on the 28 of March 2024 at KwaMagwaza Hall, Nkandla 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. The 4th Annual District Prayer was attended by the community of wards 13 & 14, various Faith Based Organizations and Councillors.

- **MAY 2025**
  - **Visual Arts Material Handover**
    The visual arts material support is one of the programmes identified by the Arts, Culture and Heritage Forum aimed at sector resuscitation and skills development. During the IDP Roadshow held on the 9th May 2025 at Gegede hall, Ward 10, the material handover was done to sustain the visual artists' organisations, so that they can continue to produce and sell quality products.

- **JUNE 2025**
  - **Nomkhubulwano Cultural Programme**
    The Arts, Culture and Heritage Office was invited by uMfolozi Municipality to form part of the planning team towards the hosting of Nomkhubulwane Cultural Programme held on 7-8 June 2025, KwaSokhulu Traditional Authority.

    The Nomkhubulwane Cultural Programme focused on prayers for abundance and favourable conditions for planting. This event is organized by women and young maidens and is part of the official Imikhosi kaZulu led by the Royal Household and the Department of Sport, Arts and Culture. The event includes a cultural dialogue and a sacred pilgrimage to a holy field where women engage in cultivation and prayer to Nomkhubulwane, the goddess of fertility. While the Department of Arts and Culture is involved, the event is also a collaboration with other government departments like Social Development and various organizations committed to women's empowerment.

3.4.2. YOUTH DEVELOPMENT UNIT

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.

- **JULY 2024**

Crowning of Miss and Mr King Cetshwayo
The crowning of Mr and Miss King Cetshwayo was held on the evening of the 26th July 2024 at Empangeni, Umfolozi Casino. This was a pre-event for the traditional horse racing competition and its purpose was to uplift youth using the modelling talent and showcasing beauty and intelligence of the young people in the district. The results of the beauty pageant were as follows:

NAME OF WINNER	LOCAL MUNICIPALITY	POSITION
Sisanda Mkhize	UMlalazi Municipality	Ms King Cetshwayo
Owethu Seme	City of uMhlathuze	First princess
Ziyanda Luhlongwane	City of uMhlathuze	Second princess
Prince Khumalo	City of uMhlathuze	Mr King Cetshwayo
Thabiso Mthembu	uMfolozi Municipality	First prince
Anele Ntshangase	City of uMhlathuze	Second prince

- **AUGUST 2024**

Workshop for the Beauty Pageant Winners
King Cetshwayo July Beauty Pageant Workshop was held on 06 August 2024 at the KCDM Council Chambers. The aim of the workshop was for the contestants to learn how to present themselves in public and how to cultivate certain traits such as confidence or poise. In some cases, the winners are expected to act as representatives on behalf of the district.

Young Women in Business
King Cetshwayo July Beauty Pageant Workshop was held on 06 August 2024 at the KCDM Council Chambers. The aim of the workshop was for the contestants to learn how to present themselves in public and how to cultivate certain traits such as confidence or poise. In some cases, the winners are expected to act as representatives on behalf of the district. The 2024 Women's Month commemoration was held under the theme: "Celebrating 30 Years of Democracy Towards Women's Development". During this month, women are celebrated as active agents of change and social transformation.

- **OCTOBER 2024**

  Job Preparedness

  King Cetshwayo District Municipality in partnership with City of uMhlathuze hosted a Job Preparedness Session on the 23 of October 2024 at Nseleni 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 was attended by 100 unemployed youth. 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.

- **NOVEMBER 2024**

  Provincial Youth Fund Drive

  King Cetshwayo District Municipality co-ordinated and encouraged the youth to apply for the Provincial Youth Fund during the month of November 2024.

  The Youth Fund was for Youth entrepreneurs to apply for the Youth Empowerment Fund which opened from October 1 to November 29, 2024. The fund offered R20,000 to R50,000 for start-ups and up to R2 million for business expansions. The Youth Fund was offered to SMMEs.

Pictured are Youth being assisted with the application forms.

- **DECEMBER 2024**

  Youth Festival

  King Cetshwayo District held a Youth Festival (Gumba Fest) on the 31st of December 2024, at uMhlathuze Sports Complex. The Youth Festival (Gumba Fest) fosters community cohesion and places the youth at the centre of the cultural and social milieu. The Gumba Fest also served as a platform for inter-generational communication and cultural education. Both local and national artists were given a chance to showcase their talent.

- **JANUARY 2025**

  Mayoral Matric Excellence Awards

  King Cetshwayo District Municipality conducted the Mayoral Excellence Awards and handover of tertiary registration grants to disadvantaged learners on 31 January 2025 at uMlalazi Municipality. The top 10 learners and schools within King Cetshwayo District that were awarded are as follows:

KING CETSHWAYO DISTRICT RESULTS IN MERIT ORDER

NO.	CENTRE NAME	TOTAL WROTE	TOTAL FAILED	TOTAL ACHIEVED	% PASS 2024	PASS% 2023	ACHIEVED BACHELOR	% BACHELOR	ACHIEVED DIPLOMA	% DIPLOMA	ACHIEVED H-CERT	% H-CERT	ACHIEVED NSC	% NSC
1	MEVAMHLOPHE H	135	0	135	100,0	100,0	125	92,59	10	7,41	0	0,00	0	0,00
2	BHUQWINI H	103	0	103	100,0	97,9	60	58,25	36	34,95	7	6,80	0	0,00
3	EZIGQIZWENI H	84	0	84	100,0	88,6	71	84,52	11	13,10	2	2,38	0	0,00
4	NOGABISELA H	77	0	77	100.00	98,1	44	57,14	30	38,96	3	3,90	0	0,00
5	BHEKIKUSASA H	75	0	75	100,00	98,5	66	88,00	7	9,33	2	2,67	0	0,00
6	BAGIBILE H	62	0	62	100,0	98,6	50	80,65	10	16,13	2	3,23	0	0,00
7	MANZIMHLOPHE H	61	0	61	100,00	89,7	41	67,21	18	29,51	2	3,28	0	0,00
8	EMOYENI H	60	0	60	100,00	97,5	36	60,00	22	36,67	2	3,33	0	0,00
9	AMANGWE H	59	0	59	100,00	100,0	55	93,22	4	6,78	0	0,00	0	0,00
10	GRATTON COLLEGE	58	0	58	100,0	100,0	51	87,93	7	12,07	0	0,00	0	0,00

CENTRE NAME	SURNAME	NAMES	GENDER	POSITION @ DISTRICT
WELABASHA H	MASANGO	SIPHOSPHELELE NOTHANDO	Female	1
SIKHULANGEMFUNDO JS	MHLONGO	BAYANDA LIZWILETHU	Male	2
SIKHULANGEMFUNDO JS	SIBIYA	AMANDA OKUHLE	Female	3
DLANGEZWA H	SHEZI	SIPHOKAZI AZANDE	Female	4
BIZIMALI H	ZUMA	BANELE THEMBALETHU	Female	5
KHOMBINDLELA H	BIYELA	APHELELE S'YANDA	Male	6
BIZIMALI H	NGIDI	CEBOLENKOSI	Male	7
KHOMBINDLELA H	XULU	BANELE SENAMILE	Female	8
JOHN ROSS COLLEGE	MOONSAMY	LANDON SETH	Male	9
OLD MILL H	MCHUNU	KUHLE SIYAPHUMELELA	Male	10

- **APRIL 2025**

  King Cetshwayo District Career Expo

  The District Career Expo was held on 29-30 April 2025 at Mthonjaneni Local Municipality and City of uMhlathuze in order to give the youth from King Cetshwayo District Municipality an opportunity to interact with institutions of higher learning, thus exposing them to different career options.

  King Cetshwayo District Municipality organised the Career Expo with the intention to share necessary information required to unlock doors for the youth. The Career Expo was attended by 1000 youth from all five municipalities within King Cetshwayo District. Tertiary institutions and stakeholders such as the Department of Education and industries were given an opportunity to present on stage. Stakeholders were as follows: 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, Must Graduate Academy & South African Police Services.

- **JUNE 2025**

  Youth Day Commemoration

  King Cetshwayo District Municipality was the host for the 2025 Provincial Youth Day Commemoration held on 16 June 2025, at University of Zululand King Bhekuzulu Hall, City of uMhlathuze. June is designated as Youth Month and a time to reflect on the progress made and the ongoing challenges faced by young people, and to reaffirm commitment to youth development. King Cetshwayo District Municipality was provided with transport for the youth sector to participate in the youth day commemoration which was aimed at empowering young people and celebrating their contributions.

The Honourable Premier of Kwa-Zulu Natal, Mr A.T Ntuli awarded the KwaZulu-Natal Youth Fund to young entrepreneurs and social change agents across the Province. In his address, he indicated that history was not commemorated but history was made by changing the lives of youth through opportunity, support and trust.

The 2025 Youth Day commemoration did not only focus on economic empowerment which provides access to funding, skills development, and market opportunities for young entrepreneurs, but the social development aspect was covered and its aim was to address challenges faced by young people and promoting their active participation in society. This included recognizing the contributions of young people in various fields such as sports and community development.

ABOVE: Awarding Ceremony during Youth Day Commemoration

3.4.3. SPORT DEVELOPMENT UNIT

King Cetshwayo District Municipality (KCDM) is responsible for the coordination of sport development programmes within the district in collaboration with Local Municipalities, the Sports Confederation and DSAC.

King Cetshwayo District Municipality has 16 active federations that are affiliated to the Sports Confederation. The Federations submit their sports year plans, annually, to King Cetshwayo District Municipality for assistance. Federations are assisted on rotation and in consultation with the sports confederation. The Sport Unit is also responsible for the implementation of other programs and activities that add value to Sport within the District.

The following programmes were implemented by the Sport Development Unit in the year 2024/2025:

- **JULY 2024**

  King Cetshwayo July (Traditional Horse Racing event)
  King Cetshwayo District Municipality hosted its 3rd Annual King Cetshwayo July Event from 26 to 27 July 2024. The vision behind this event was to promote horse racing as a sport and to improve economic growth in King Cetshwayo District Municipality.

  King Cetshwayo July 2024 encompassed a series of activities such as the carnival parade, crowning of Miss and Mr King Cetshwayo, the Traditional Horse Racing Competition and Fashion Show.

- **SEPTEMBER 2024**

Federation Support: Dance Federation

King Cetshwayo District Municipality provided transport for the Dance Sport Federation to participate in the KwaZulu Natal Championships tournament held in Pietermaritzburg on 21 September 2024. The team managed to get 44 trophies, 38 (gold) for position one and the rest were position 2 (silver) and 3 (bronze).

Federation Support: Indigenous Games

King Cetshwayo District Municipality provided support to the Indigenous Federation. They were supported with tracksuit towards the IG competition held at Ugu District from 24-26 September 2024.The team managed to get position 2, overall.

The Indigenous Games team with His Worship the Mayor Cllr S.Z Dlamini (Acting), and officials during the team send-off at the Municipality Pay hall.

SALGA District Elimination Games

In preparation for the 2022 KZN SALGA DSAC Games, King Cetshwayo District Municipality hosted the District Elimination Games on 27 October 2024, at the City of uMhlathuze Sport Complex. All five municipalities namely, uMfolozi, City of uMhlathuze, uMlalazi, Mthonjaneni and Nkandla participated in the District Elimination Games. The District Elimination Games covered all 13 sport codes which are Football, Athletics, Boxing, Chess, Cricket, Dance, Indigenous, Karate, Netball, Rugby, Tennis, Table Tennis and volleyball, with an intention to select and constitute teams that represented King Cetshwayo District Municipality at the SALGA KZN DSAC Games 2024.

- **NOVEMBER 2024**

Federation Support - Boxing Federation

Transport provision was made for the Boxing Federation towards a training held in preparation for the SALGA games at Nkandla on 21 November 2024. Trainings are held after the District Elimination games to build team cohesion and optimize fitness in preparation for the SALGA games.

- **DECEMBER 2024**

KZN SALGA DSAC GAMES

King Cetshwayo District Municipality participated in the 2024 SALGA KZN DSAC Games held at eThekwini Metro from the 5th - 8th of December 2024.The SALGA KZN DSAC Games is an annual sports tournament whereby 10 Districts and one Metro participate. This sport tournament promotes interaction between various District Municipalities within KwaZulu-Natal, it also promotes Local Economic Development, Healthy Lifestyle and social cohesion in the Community. The games also play a crucial role in youth skills development.

The overall results for the 2024 SALGA KZN DSAC Games were announced as follows:

1st Position	- eThekwini Metro (45 Gold, 22 Silver and 13 Bronze)
2nd Position	- uMzinyathi (09 Gold, 13 Silver and 18 Bronze)
3rd Position	- KCDM (09 Gold, 13 Silver and 14 Bronze)
4rd Position	- uThukela (07 Gold, 04 Silver and 04 Bronze)

- **MARCH 2025**

District Marathon

King Cetshwayo District Municipality partnered with uMhlathuze Athletics Club to host the Marathon. The Marathon is one of the signature events which seeks to benefit athletes (Athletics Federation). It encompasses all vital aspects of a thriving economy where Sport, Arts, Culture, Tourism and other sectors benefit. The District Marathon was held on the 22nd March 2025, at Empangeni Addison Park, City of uMhlathuze.

The District marathon was approved by KwaZulu-Natal Athletics (KZNA) as a Comrades Qualifier and all races were included in the 2025 Road Running Calendar of Events. The approved races were 42.2km, 21.1km, 10km and 5km fun run.

The results for the first three positions were as follows:

Marathon - 42.2km

POSITION	SURNAME & NAME	CLUB	PRIZE	GENDER	TIME
1	Nsibande M.	Nedbank (Jozini)	R10 000	Female	3:23:23
2	Muller M.	Maxed Elite (KZN)	R7 500	Female	3:40:15
3	Mdluli H.	Eshowe Striders	R6 000	Female	3:49:39
1	Gumede D	NRB Harriers	R10 000	Male	02:31:59
2	Khumalo S	NRB Harriers	R7 500	Male	02:32:39
3	Sithole K.	Zakhele AC	R6 000	Male	02:41:11

Half Marathon - 21.1km

POSITION	SURNAME & NAME	CLUB	PRIZE	GENDER	TIME
1	Njunguza A.	Xcel AC	R5 000	Female	1:22:55
2	Kubheka O	No Club	R4 000	Female	1:28:44
3	Biyela S.	NRB AC	R3 000	Female	1:33:45
1	Mavuso B.	Nedbank AC	R5 000	Male	1:08:30
2	Oriteri B.N.	Maxed Elite Int	R4 000	Male	1:10:44
3	Gumede N.	Maxed Elite KZNA	R3 000	Male	1:12:01

10km - Challenge

POSITION	SURNAME & NAME	CLUB	PRIZE	GENDER	TIME
1	Njunguza A.	Xcel AC	R5 000	Female	1:22:55
2	Kubheka O	No Club	R4 000	Female	1:28:44
3	Biyela S.	NRB AC	R3 000	Female	1:33:45
1	Mavuso B.	Nedbank AC	R5 000	Male	1:08:30
2	Oriteri B.N.	Maxed Elite Int	R4 000	Male	1:10:44
3	Gumede N.	Maxed Elite KZNA	R3 000	Male	1:12:01

Photo 1: His Worship the Mayor, Cllr SZ Dlamini and the Chairperson of uMhlathuze Athletics Club Mr Ngcobo.

Photo 2: Cllr I.N Zwane, the Chairperson of Community Services Portfolio and Athletes

- **JUNE 2025**

  Federation Support- Power Lifting

  King Cetshwayo District Municipality supported Ms Isabella Mchunu from the Power Lifting Federation with transport, and the district also lobbied social partners to provide refreshments and accommodation for the athlete to participate in Germany Chemnizit from 08-15 June 2025 in the World Class Open International Powerlifting championship.

  King Cetshwayo District Municipality is proud that among 56 countries of elite and advanced athletes from across the globe the athlete from South Africa based in King Cetshwayo District got position 2 and broke two records being the African Open Bench Press 80Kg and the first female in RSA Deadlift 182.5Kg Achiever.

3.4.4. SPECIAL PROGRAMMES UNIT

The Special Programmes Unit is responsible for advancing programmes that benefit the vulnerable and marginalized groups within the District. The vulnerable groups include Children, Senior Citizens, Women, and the Disabled People.

- **JULY 2024**

  Gender Programme

  On the 19th of July 2024, King Cetshwayo District Municipality hosted the Isibaya Samadoda programme at Nseleni Community Hall, City of uMhlathuze, to create a platform for men to discuss issues pertaining to their overall wellbeing. Men are believed to face multiple challenges in life. Society expects men to be responsible, yet some men lack guidance and support, especially young men. Various stakeholders focusing on men's programmes were rendered men's health services on site.

- **MAY 2025**

  Handing over of Widowed Women`s Empowerment Materials

  During the IDP Roadshows held in May 2025, King Cetshwayo District Municipality handed over the Material to Widowed Women. The need to provide the support was identified by the Women's Forum with the intention to assist Widowed Women in their projects for them to improve their livelihoods.

  The material handed over to beneficiaries was as follows:

  - 5 x Sewing machine,
  - 5 x Over locker machine,
  - 5 x Foldable trestle table
  - 5 x full roll of Fabric

- **AUGUST 2024**

  SENIOR CITIZEN'S PROGRAMME: District Golden Games

  In preparation of the Provincial Golden Games that were held from 10-13 September 2024, King Cetshwayo District Municipality in partnership with Local Municipalities, DSAC and DSD hosted the District selection games on the 28th of August 2024. Senior citizens are prone to shortness of breath as they are ageing; 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 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
  - And to maintain muscle mass

- **OCTOBER 2024**

  Provincial Golden Games

  King Cetshwayo Senior Citizens participated in the Provincial Golden Games held from 04 to 06 October 2024 at Mandeni Municipality, Ilembe District Municipality. The Golden Games Selections commenced at a Ward level, and proceeded to the Local Municipality level and were followed by District Games whereby a team is selected to compete against other Districts at a provincial competition. Ultimately, all provinces compete at a national Golden Games festival.

  The send-off function was held at eShowe Town Hall in Mlalazi Municipality on the 4th October 2024. The Provincial Golden Games were attended by eleven Districts. King Cetshwayo District provided the attire for the team (tracksuits, t-shirts, shorts, leggings, backpacks and cricket hats), transport, water and lunch packs. Department of Sports, Arts & Culture and The Office of the Premier provided accommodation for athletes, and the Department of Social Development provided snacks and lunch for athletes during the Provincial Games.

- **OCTOBER 2024**

  Senior Citizens Parliament

  King Cetshwayo District Municipality was the host of the 2024 Senior Citizens Parliament held from the 16th to the 17th of October 2024 and the Older Persons Amendment Bill Public Hearing held on the 18th of October 2024 at Hlanganani Community Hall, City of uMhlathuze.

  The month of October is commemorated as the Senior Citizens Month to honour and pay tribute to senior citizens and raise awareness on issues that affect and impact them. The KwaZulu-Natal Senior Citizen's Parliament is held annually with the aim to afford Senior Citizens an opportunity to engage with the members of the Provincial Government. The parliamentary sitting is part of the Legislature's public participation programme where various sectors of society engage with Provincial policy makers

- **DECEMBER 2024**

  KwaBadala Old Age Home Visit

  Christmas is a time of giving, hence a King Cetshwayo District Municipality delegation led by His Worship the Mayor, Cllr S.Z Dlamini visited various institutions in order to spread cheer to those spending the season without their families. King Cetshwayo District Municipality visited KwaBadala Old Age Home on the 24th of December 2024. Senior Citizens were gifted with Christmas goodies in order to honour them as they are the treasures of society.

- **AUGUST 2024**

  Operation Sukuma Sakhe: Operation Mbo

  On the 15th of August 2024, King Cetshwayo District Municipality co-ordinated the Operation Mbo programme at Ngwegweni Community Hall, Nkandla Local Municipality. This programme was aimed at taking Municipal and Government services to the community under the banner of Operation Sukuma Sakhe.

- **OCTOBER AND NOVEMBER 2024**

  Co-ordination of OSS Stakeholders

  The Special Programmes Unit, under its Operation Sukuma Sakhe programmes, co-ordinated Sector Departments and NGO's to render services on site during the IDP roadshows. During the IDP Roadshows, Sector Departments were afforded an opportunity to present services they offer to the communities.

  The Operation Sukuma Sakhe stakeholders rendered services during the IDP Roadshows held on the following dates:
  - 11 October 2024 – uMfolozi Municipality
  - 22 October 2024 – Nkandla Municipality
  - 01 November 2024- uMlalazi Municipality
  - 04 November 2024 – City of uMhlathuze
  - 14 November 2024 - Mthonjaneni Municipality

- **JANUARY 2025**

  Schools' Functionality Programme

  On the 24th -25th of January 2025, the KwaZulu Natal Legislature Conducted Schools' Functionality Monitoring Programme. During this programme, the Committee for Education in the KZN Legislature, in collaboration with Districts, Local Municipalities and Operation Sukuma Sakhe structures visit schools to perform an oversight role on the functionality of the schools.

  The Operation Sukuma Sakhe Schools functionality monitoring was conducted in four schools namely:

  - Ntuthuko Primary School
  - Mthonjaneni High School
  - Mkhayideni Technical High School
  - Siphumelele Secondary School

  The main purpose of the oversight visit was to ensure that public schools deliver basic education, improve teaching and learning as well as to address challenges faced by schools particularly in rural areas.

  The Office of the Premier handed over school uniforms to all four schools visited, whereby 20 learners per school benefited from this initiative. In all four schools a walk-about was conducted to inspect the site and the infrastructure, and the Principal of each school gave a presentation on the functionality and performance of the school for the stakeholders to make inputs.

- **FEBRUARY 2025**

School shoes handover by MEC Champion, Mr M. Khawula
The Department of Sport, Art & Culture MEC, Hon. M. Khawula is the Operation Sukuma Sakhe (OSS) Champion for King Cetshwayo District Municipality. On the 20th of February 2025, the Hon. MEC donated 500 pairs of school shoes to all 5 Municipalities within King Cetshwayo District (100 pairs per LM). The hand over took place at Mthonjaneni Municipality, Njomelwane Area.

The intervention by Hon. MEC Khawula made a significant difference in the life of the learners, providing them with this basic yet essential necessity for their educational journey.

Gender Based Violence and Femicide Awareness Campaign
Government has recognised that Gender Based Violence (GBV) is a ‘national crisis’ and a ‘second pandemic’ that is a serious human rights abuse affecting all sectors of society. GBV is a widespread and entrenched socio-economic problem that stems from an unequal distribution of power and privilege between men and women.

The Office of the Premier in collaboration with various Government Departments, Local Municipalities within King Cetshwayo District Municipality, Traditional Leadership, Faith Based Organizations and NGOs hosted the Gender Based Violence Awareness on the 20th of February 2025 at the City of uMhlathuze, Esikhaleni TVET College. The Gender Based Violence and Femicide (GBVF) awareness led by the Office of the Premier was held in response to high crime statistics related to GBVF reported in King Cetshwayo District. The issue was also highlighted by the Honourable KZN Premier, Mr A.T. Ntuli during the State of the Province address as one critical area that requires attention and on which he indicated that as KZN Government they are committed in eradicating this scourge.

The awareness served as a platform to assess the effectiveness of existing policies, share survivor testimonies and develop actionable strategies to strengthen the Province`s response to Gender Based Violence and Femicide.

- **MAY 2025**

Co-ordination of OSS Stakeholders
The Special Programmes Unit, under its Operation Sukuma Programme, coordinated Sector Departments and NGOs to render services during the Draft Budget/IDP Roadshows. The purpose of this integrated intervention was to take services to the people instead of them travelling long distances to the facilities. All Sector Departments that attended the IDP Roadshows did presentations on available.

Interventions were done on the following dates:

DATE	MUNICIPALITY	VENUE
Tuesday, 06 May 2025 10h00	uMlalazi Municipality	Mpushini Park Sportsfield, Ward 11
Friday 09 May 2025 10h00	uMfolozi Municipality	Gegede Hall, Ward 10
Saturday 10 May 2025 13h00	City of uMhlathuze	Esikhaleni TVET Hall
Friday 16 May 2025 10h00	Mthonjaneni Municipality	Debe Community Hall, ward 13
Thursday 22 May 2025 10h00	Nkandla Municipality	Maphuthu CSC, Ward 10
Friday 23 May 2025 10h00	District Amakhosi, Corporate/ Government Sector	Aloe Lifestyle Hotel, Eshowe

- **SEPTEMBER 2024**

HIV / AIDS PROGRAMME
On the 17th - 18th September 2024, King Cetshwayo District Municipality hosted the induction for the King Cetshwayo Civil Society which was facilitated by the Office of the Premier. The induction focused on the roles of sectors in implementing and aligning the National Strategic Plan as well as Provincial Implementation Plan. The training also focused on goals within each sector, roles and responsibilities of Civil Society Forum.

- **OCTOBER 2024**

  HIV/AIDS Awareness Programme

  The joint Youth Job Preparedness Programme and HIV/AIDS Awareness Programme held on the 23rd of October 2024 at the City of uMhlathuze, Enseleni Community Hall.

  The HIV/Awareness Programme was facilitated by Sister Mkhwanazi from Edi Training and Community Development an organization which focuses on HIV/AIDS programme. She shared information with the youth regarding HIV/AIDS prevention services and also highlighted that youth need a preventative method that works for them in order to reduce HIV/AIDS infections.

  Edi Training and Community Development organization rendered services on site (voluntary testing and counselling).

Pictures: Cllrs and attendees including Edi Mobile Clinic

- **DECEMBER 2024**

  Provincial World Aids Day

  King Cetshwayo District Municipality hosted the World Aids Day on the 1st of December 2024. This programme was led by the Office the Premier. The World AIDS Day is commemorated each year on 01 December Worldwide, this is an opportunity for every community to unite in the fight against HIV/AIDS, show support for people living with HIV/AIDS and remember those who have passed on.

  Ethembeni Care Centre Visit

  His Worship the Mayor of King Cetshwayo District Municipality, Cllr S.Z Dlamini and the leadership visited Ethembeni Care Centre on the 24th of December 2024. The Ethembeni Care Centre exists to bring hope and holistic health services to the community living with TB and HIV & AIDS and other chronic diseases. His Worship the Mayor of King Cetshwayo District Municipality handed over groceries and resources such as sanitizers and adult napkins to the centre.

- **MAY / JUNE 2025**

  Distribution of Condoms and Condom Dispensers Initiative

  King Cetshwayo District Municipality in collaboration with the Department of Health conducted a community-based initiative to distribute condom dispensers across various public facilities within the District. The initiative is aimed at improving access to condoms and promoting safe sexual practices. It also forms part of the District's ongoing efforts to curb the spread of HIV, sexually transmitted infections (STI's) and to reduce the unplanned pregnancies, especially among the youth.

The initiative was conducted on the following dates:

DATE	MUNICIPALITY	VENUE		
29 May 2025	Nkandla Municipality	SMME Park 1 SMME Park 2	Multi-Purpose Centre Indoor Sport Centre	Taxi Rank Toilets
29 May 2025	Mthonjaneni Municipality	Mthonjaneni Main Offices Municipal Stores	Council Chamber Thubalethu Tavern	Protection Services
03 June 2025	uMfolozi Municipality	Gegede Hall Khishwa Hall	Dondotha Hall Nhlabosini Hall	Zonza MPCC
04 June 2025	uMlalazi Municipality	Norwood Park eShowe Taxi Rank	KDS Community Hall Gingindlovu Taxi Rank	Obanjeni Community Hall
04 June 2025	City of uMhlathuze	Richards Bay Beach Change Rooms and Public Toilets		uMhlathuze Clinic

- **OCTOBER 2024**

DISABILITY: District Disability Games

In preparation for Provincial Disability Games scheduled from 08-10 November 2024 at eThekwini Metro, King Cetshwayo District Municipality in partnership with the Department of Sport, Arts and Culture, the Department of Health and municipalities within King Cetshwayo District Municipality hosted the District Disability Games on the 09th October 2024 at uMhlathuze Sport Complex. The sport codes were athletics, wheelchair basketball, chess, football, goalball, mlabalaba, netball, table tennis and passing the ball. People with Disabilities must be given opportunities to participate in sport and recreation activities in their communities. These games also focus on the values of courage, determination, inspiration and equality. The Disability Games competitions have different and progressive stages. Selections commenced at the local level followed by District Games whereby a team is selected to compete against other districts at the provincial competition.

- **NOVEMBER 2024**

Provincial Disability Games

King Cetshwayo District Municipality participated in the Provincial Disability games that was held in Durban from 08 to 10 November 2024. This was after the district elimination games where the participants were selected. The provincial disability games are one of the major events on the provincial sporting calendar. The games are organized in partnership with sport federations and structures dealing with disability sport at both district and provincial level.

The Provincial Disability Games were attended by eleven Districts, King Cetshwayo provided the attire for the team (tracksuits, t-shirts, shorts, backpacks and hats) transport, water and lunch packs, the Department of Sports, Arts and Culture provided accommodation for athletes and refreshments for athletes during the Provincial Disability Games. The send-off function was held at Gingindlovu Hall in uMlalazi Municipality where his Worship the Mayor, Cllr SZ Dlamini handed over the attire to Disability Sector athletes wished the team all the best on the Provincial Disability Games and safe travels.

- **DECEMBER 2024**

Disability Parliament

King Cetshwayo District Municipality participated in the Disability Parliament held on the 9th -10th of December 2024. 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 Government. The parliamentary sitting is part of the Legislature's public participation programme where various sectors of society engage with Provincial policy makers.

Visit to eJabulani Centre for the Disabled

On the 24th of December 2024, King Cetshwayo District Municipality visited EJabulani Care Centre, under the City of uMhlathuze to hand over Christmas groceries to People with Disabilities.

- **DECEMBER 2024**

Children`s Rights: Motsepe Foundation Christmas with our people programme

King Cetshwayo District Municipality in partnership with the Motsepe Foundation, conducted the Christmas with our People Toy Distribution programme to all five municipalities. The programme aims to spread the spirit of love, and creates an atmosphere of joy, compassion and unity during the festive season. King Cetshwayo District was allocated a total of 5000 toys that were broken down according to age groups and category of toys.

Mayoral Christmas Visit - Sizanani Outreach Programme

On the 24th of December 2024, His Worship the Mayor Cllr S.Z Dlamini, King Cetshwayo Councillors and Nkandla Leadership visited Sizanani Childcare Centre to hand over toys, Christmas hampers and groceries to the Centre. The Sizanani Outreach programme provides home-based health care and other social support, focusing on orphans and other vulnerable children.

- **JANUARY - FEBRUARY 2025**

Provision of School Uniforms

King Cetshwayo District Municipality facilitated the back to school programme from the 28th January 2025 – 07th of February 2025 whereby full school uniforms were handed over to various schools within the District in partnership with Icon Construction. 200 learners benefited from this project.

The 2025 back to school project benefited the following schools:

NAME OF SCHOOL	LOCAL MUNICIPALITY	WARD	No. OF BENEFICIARIES	HAND OVER DATE
Maqhwakazi Primary School	uMlalazi	26	40	28/01/25
Ntingwe Primary School	Nkandla	12	40	29/01/25
Mabhensa Primary School	Mthonjaneni	10	40	30/01/25
Ndabayakhe Primary School	City of uMhlathuze	29	40	04/02/25
Enhlangwini Secondary School	uMfolozi	12	40	07/02/25

Pictured right: His Worship Mayor, Cllr S.Z Dlamini with KCDM Leadership handing over the school uniforms

Pictured far right: His Worship Mayor, Cllr S.Z Dlamini with KCDM Leadership handing over the school uniforms

- **MAY 2025**

Early Childhood Development Centres Material handover

Children spend most of their time in ECD Centres and some of the centres have neither proper infrastructure nor furniture, due to poverty in the area, hence King Cetshwayo District Municipality intervened by procuring materials for the Early Childhood Development Centres. It is the responsibility of King Cetshwayo District Municipality to play a major role by collaborating with local municipalities and other stakeholders in ensuring that children are protected by providing a conducive environment for them to feel safe at all times.

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

ECD	LOCAL MUNICIPALITY	WARD	CONTACT DETAILS
Velangaye Creche	UMfolozi	12	Ms Senamile Biyela 073 280 3625
Bambanani Creche	UMlalazi	28	Ms B. Dlomo 083 396 3948
Ntombokazi Creche Nhlube Creche	Mthonjaneni	12 10	Ms Khethiwe Zondi 063 926 5248
Nhlalakahle Creche Sqalakuhle Creche	Nkandla	10	Ms Nonduduzo Ntanzi 063 200 7475 Ms Phumzile Biyela 082 968 6698

3.5. ENVIRONMENTAL HEALTH/ MUNICIPAL HEALTH SERVICES

MUNICIPAL HEALTH SERVICES

REGULATORY MANDATE

The constitution of the Republic of South Africa allocates the Municipal Health Services (MHS) 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 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. Mthonjaneni, Nkandla, uMlalazi, uMfolozi, and uMhlathuze.

The Environmental Health Services activities undertaken are described as follows:

Sampling program 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.

Budget and resource prioritization has yielded significant milestones for KCDM, as the municipality proactively expanded the scope of Environmental Health Sampling to include additional microbiological parameters, such as Listeria and Bacillus Cereus. In the previous financial years, KCDM was only testing and analysing samples for microbiological parameters which are Escherichia Coli and Heterotrophic count and Total Coliforms. This was part of a proactive public health strategy aimed at enhancing early detection and ensuring timely strategic interventions.

This strategic approach enabled the early identification of Listeria-positive samples, which subsequently led to the revocation of the Certificate of Acceptability and the closure of a manufacturing facility based in uMlalazi Local Municipality. As a result, the distribution of food products from this facility was halted across all its sister branches. Importantly, due to these proactive measures, no cases of listeriosis were reported. Compliance reports were issued and health education was conducted to non-compliant premises.

2024/25 BUDGET ALLOCATION FOR SAMPLING PROGRAMME OF FOOD, WATER AND SWABS: R544 776				
TYPE OF SAMPLES TAKEN	QUARTER 2	QUARTER 3	QUARTER 4	TOTAL
DRINKING WATER	16	190	256	462
BOTTLED WATER	0	0	109	109
SWABS	11	194	262	467
FOOD	9	200	365	574

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 ascertain compliance with Regulations Governing General Hygiene Requirements for Food Premises, Transport of Food and Related Matters (Regulation R638).

ANNUAL PERFORMANCE ON FOOD SAFETY MONITORING AND COMPLIANCE	ANNUAL PERFORMANCE ACHIEVEMENTS
Number of food premises inspected	2828
Number of food audits conducted	40
Number of Certificate of Acceptability issued	283
Condemnation of unsafe foodstuffs	23 194 kg

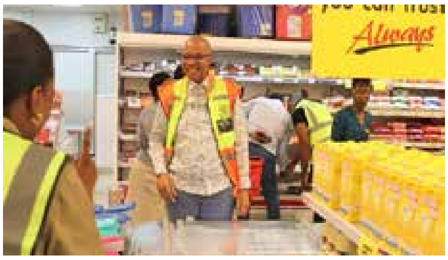
Food Safety Multi-Stakeholders Joint Operations: Food Safety Multi-Stakeholder Joint Operations are collaborative efforts involving various government departments, regulatory bodies, and industry stakeholders aimed at enhancing food safety across the entire value chain.

These operations focus on coordinated inspections, compliance monitoring, enforcement of food safety regulations, and public awareness. By working together, stakeholders reduce duplication, share critical information, and ensure safer food for all consumers, ultimately protecting public health and promoting regulatory compliance.

NUMBER OF OPERATIONS	NUMBER OF INSPECTION CONDUCTED	COMPLIANT PREMISES	NON-COMPLIANT PREMISES	ACTION TAKEN
10	102	10	92	Compliance notices were served, temporal closure, and health education, condemnation of foodstuffs.











Pictures 1-10: Food Safety Joint 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 Act, 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 PERFORMANCE ACHIEVEMENTS	
	ANNUAL TARGET	ACTUAL TARGET
Number of health surveillance of accommodation establishments conducted.	20	94
Number of inspections conducted in Early Child-hood Centres and Schools.	20	347
Building plans scrutinised.	As when the plans are received and scrutinized.	86
Planning applications and consent use applica-tions.	As when the planning and consent use applications are received and commented on.	86
Business licence applications received and commented on	As when the business license applications are received and commented on.	86

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, Bilharzia, Diphtheria and Hand, Foot and Mouth Disease.

Rapid Response Team (RRT) Training: KCDM successfully hosted a one-day Rapid Response Team (RRT) training session, organized by the Provincial Department of Health, aimed at addressing challenges related to the functionality of Rapid Response and Outbreak Response Teams across the province.

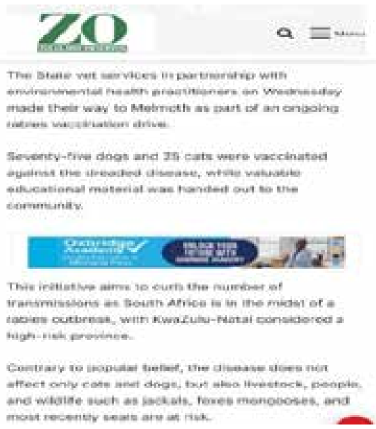
As part of a strategic clustering initiative, KCDM was designated as the central venue to host representatives from three districts: uMkhanyakude, King Cetshwayo, and Zululand. The training targeted all district RRT members, focusing on enhancing their skills and knowledge in outbreak management, investigation, and reporting. The session was graced by the presence of Cllr. NI Zwane, Chairperson of the KCDM Community Services Portfolio Committee, who delivered the opening and welcoming remarks to attendees from the various districts.

3.


KZN deemed rabies 'hot spot'

State vet carries out successful rabies drive in Melmoth

4.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The State vet services in partnership with environmental health practitioners on Wednesday made their way to Melmoth as part of an ongoing rabies vaccination drive.

Seventy-five dogs and 35 cats were vaccinated against the dreaded disease, while valuable educational material was handed out to the community.

This initiative aims to curb the number of transmissions as South Africa is in the midst of a rabies outbreak, with KwaZulu-Natal considered a high-risk province.

Contrary to popular belief, the disease does not affect only cats and dogs, but also livestock, people, and wildlife such as jackals, foxes mongooses, and most recently seals are at risk.

1. EHPs & Animal Health Technic, WIL EH Trainee during the Rabies Mass vaccination and awareness
2. EHPs & Animal Health Technic, WIL EH Trainee during the Rabies Mass vaccination and awareness
3. Local News Paper Articles on Rabies Mass Vaccinationa and awareness
4. Local News Paper Articles on Rabies Mass Vaccinationa and awareness

Vector Control: Monitoring, Identification, Evaluation and Prevention of vectors. A total of three thousand eight hundred and fifty (3850) premises were inspected comprising of food premises, accommodation establishments, schools, childcare facilities, clinics, mortuaries and hospitals during the 2024/25 financial year. This was to ensure that precautions, 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, noise, water and air pollution. A total of three thousand eight hundred and fifty (3850) inspections were undertaken during 2024/25 financial year to monitor and enforce tobacco legislation compliance, with the aim 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 institutions and residential areas. This is done in line with local municipalities By-laws and Integrated Waste Management Plans (IWMP). KCDM in partnership with the family of five (5) local municipalities actively participated and supported waste minimization initiatives that were carried out throughout the district.

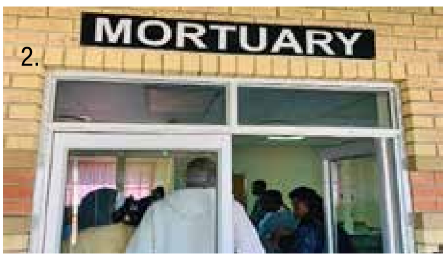
General Waste Minimization Activities: The Environmental Health section supported the waste minimization initiatives which were initiated by the Department of Economic Development, Tourism and Environmental Affairs and local municipalities during the reporting period.

ANNUAL PERFORMANCE ACTIVITIES	ANNUAL PERFORMANCE ACHIEVEMENTS	
	ANNUAL TARGET	ACTUAL TARGET
Number of health surveillances conducted on health care facilities	20	54

1. Mthonjaneni LM's Clean-Up Campaign Supported By Environmental Health
2. Mthonjaneni LM's Clean-Up Campaign Supported By Environmental Health
3. Waste Minimisation initiative for informal recyclers at uMfolozi LM
4. Waste Minimisation initiative for informal recyclers at uMfolozi LM

Disposal of the Dead: Compliance monitoring of funeral undertakers, mortuaries, embalmers, crematoria, graves and cemeteries 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.

ANNUAL PERFORMANCE ACTIVITIES	ANNUAL PERFORMANCE ACHIEVEMENTS	
	ANNUAL TARGET	ACTUAL TARGET
Number of health surveillances conducted on mortuaries and cemeteries	20	56
Number of exhumations received and monitored	02	



1. State Mortuary Inspections & Cremation monitoring, with WIL EH Trainees
2. State Mortuary Inspections & Cremation monitoring, with WIL EH Trainees

1-4. Awareness and Education

Environmental Health education and awareness programmes: Associated with positive social, and behavioural outcomes, such as prevention and health promotion programs 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 programs 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 & Hygiene Day, World Rabies Day and World Environmental Health Day to name a few.

A total of five hundred and forty-three (543) health awareness/education sessions were undertaken during the reporting period. Topics covered ranged from Food & Hygiene, Rabies, Bilharzia, Personal Hygiene, Waste Management, Tobacco awareness, Chemical Safety, Diphtheria, Hand Foot and Mouth Disease, Mpox, Pink eye, Cholera among others.

5. Attendees at Zululand DM MHS Training

Strategic knowledge sharing at SALGA: Supported Municipal Health Service Training: As part of its strategic direction to strengthen intergovernmental relations, promote knowledge sharing, and continuously improve service delivery, King Cetshwayo District Municipality actively participated in a Municipal Health Services Training hosted by Zululand District Municipality on 4 September 2024 in uLundi. The training was coordinated by the South African Local Government Association in partnership with the Provincial Department of Health.

KCDM, recognised as one of the best-performing municipalities in the delivery of Municipal Health Services, was invited to share its best practices, particularly in food and water sampling programme. The Senior Manager for Environmental Health Services represented the municipality and presented an information-sharing session that fostered continuous learning and collaboration between the two districts.

6. Senior Manager: EH presenting during the training

The engagement aligned with KCDM's broader goal of enhancing municipal health capacity through regional partnerships and peer learning. The event was well-attended by key stakeholders, including the Executive Mayor of Zululand District Municipality, Cllr. MW Ntshangase, Honourable Councillors, Executive Management, and Environmental Health officials.

Work Integrated Learning programme: The municipality accepted fifty-two (52) Environmental Health trainees in different groups during university holidays (June/July and December/January) who are bona fide residents of King Cetshwayo District Municipality and studying from various universities of technology; such as Mangosuthu University of Technology, Cape Peninsula University of Technology, Durban University of Technology, Tshwane University of Technology, University of Johannesburg who sought Work Integrated Learning (WIL) placements. This was done through the approval of the Municipal Manager.

The WIL is a mandatory prerequisite and Health Professions Council of South Africa (HPCSA) requirement for all registered Environmental Health students to complete the prescribed WIL days.

This programme seeks to create balance between theory and practical experience thus enabling the Environmental Health trainees to be better equipped for work challenges.

Environmental Health Revenue Streams and Approved Tariffs: Environmental Health revenue streams are derived from regulatory and inspection services performed by Environmental Health Practitioners (EHPs), such as issuing Certificates of Acceptability (CoA) for food premises and Certificates of Competence (CoC) for mortuaries. These certificates are issued only to facilities that meet legislative health and hygiene standards, following formal inspections.

Approved tariffs, adopted by the Municipal Council, ensure the financial sustainability of these services and are regularly reviewed to support service delivery and legislative compliance.

The CoA, required under Regulation R638 of 2018 in terms of the Foodstuffs, Cosmetics and Disinfectants Act, certifies food premises' compliance with hygiene standards. The CoC, issued under Regulation R363 of 2013 in terms of the National Health Act, confirms that facilities managing human remains meet health and infrastructure requirements. Both certificates are non-transferable and become invalid if changes occur to ownership, structure, or operations.

Regular compliance inspections are conducted, and operating without valid certification is unlawful.

Milestones in Environmental Health revenue generation were the collection of above R156,000 which surpassed the projected revenue target of R113,000 for the 2024/2025 financial year.

3.6. COMPONENT E: PUBLIC SAFETY

3.6.1. 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 therefore municipalities have a legislative duty and obligation to manage and control cemeteries and crematoria. 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 conducted:

a) Feasibility Study on the development of a crematorium with Endumeni Local Municipality and SALGA KZN:

Cemetery Management Unit received an invitation on the 14th February 2025 from the South African Local Government Association (SALGA- KZN) to participate on the 2 (two) days information sharing workshop with the political leadership of Endumeni LM. The workshop took place on the 20th - 21st February 2025 at Talana Museum, Dundee. The Manager Cemeteries co-facilitated the workshop with SALGA-KZN and presented a paper on the feasibility study on the development of a crematorium.

The paper was prepared in line with the needs analysis for Endumeni Local Municipality as they are embarking on a project to develop a new crematorium for the municipality.

The session was attended by the Community Services, Planning and Technical Services principals, Councillors of the Community Services Portfolio Committee, members of the Chamber of business, Civic Organization representatives of Endumeni LM and the officials from SALGA-KZN. The presentation covered the following topics in depth:

- The legal framework
- The Feasibility study details
- The project methodology
- Crematorium Development processes
- Crematorium Development cost
- Common challenges and mitigations

The workshop was warmly welcomed and appreciated by the municipality as an eye opener on the trajectory there are engaging on. SALGA-KZN will continue to monitor the developments at Endumeni Local Municipality on their crematorium development project and further requested the District`s expertise/assistance in the field as and when required. The 2-day workshop culminated in a visit to an established and functional crematorium under Newcastle Municipality, where Councillors and officials were given a practical experience of the functionality of the crematorium.

b) National Training Workshop Free State - Cemetery Management

The Cemetery Management Unit took part at the National Training Workshop 2025 - Free State that was held in Clarens at the Protea Hotel Training venue from 03rd to 05th June 2025 on the finer points of Cemetery and Crematoria Management for Municipal officials. The Training Workshop was organized by the South African Cemeteries Association (SACA) of which King Cetshwayo District Municipality is a member in collaboration with the South African Local Government Association (SALGA) Free State. The Cemetery Manager was invited to facilitate the training for the duration of 3 days.

The municipality had taken a membership with the professional body for cemeteries and crematoria, with its membership renewable each year. The Cemetery Manager is also serving as a Deputy Chairperson in the Executive Committee of the same professional body, the South African Cemeteries Association.

The training was attended by Municipal Cemetery Officials from 8 municipalities from Free State and Bloemfontein including Dihlabeng Local Municipality (LM), Setsoto LM, Maluti A Phofung LM, Metsimaholo LM, Ngwathe LM, SALGA Officials and COGTA – KZN representative who came to present during the training.The Training Workshop culminated to a site visit on the third day at the local Kanana cemetery where delegates were afforded an opportunity to experience the practical aspect of the training including the proper laying out of cemeteries, management of pauper burials and record keeping.

Cemetery Unit Highlights:

The table 2 below specifies the highlights for the 2024/25 financial year:

HIGHLIGHT (S)	DESCRIPTION
Cemetery Management Unit collaborated with Environmental Health Services and prepared a presentation on the exhumation procedure on the 7th November 2024 at uMlalazi Local Municipality cemetery during the preparatory meeting of the exhumation requested by the South African Police Service (SAPS).	District support to the Local Municipality on the legal requirements on the accepted exhumation process
Development of the Heroes Acre Block HHH at the Regional Cemetery	The portion within the cemetery set aside for the burial of heroes and heroines declared by Council
Cemetery Management Module refresher course for the implementation of the Electronic burial system for the improved management of the internment records at the cemetery by BCX Consultants on 26th February 2025 in August 2025	The implementation of the Electronic Cemetery Management System is one of the innovations achieved to address the issue of information risk, introduction of environmental friendly initiative (Paperless strategy) and effective instrument to improve the turnaround time on the services that are rendered at the Regional Cemetery. The system went live on the 26th of May 2025.
The Cemetery Management Unit took part at the National Training Workshop 2025 - Free State that was held in Clarens at the Protea Hotel Training venue from 03rd to 05th June 2025 on the finer points of Cemetery and Crematoria Management for Municipal officials. The training was co-ordinated by SALGA Free State in collaboration with the South African Cemeteries Association	Inter-government relations (IGR) initiative, capacity building of municipalities on the management of Cemeteries and Crematoria.

Cemetery Unit Challenges:

CHALLENGE (S)	ACTION TO ADDRESS
Insufficient budget - EPWP and maintenance	Forward planning and budgeting
Delay in the filling of vacant positions	Re-prioritization of filling vacant positions

Service Statistics: Cemeteries in 2024/2025:
The Regional Cemetery had responded and processed the total number of 356 burial applications including reservation during the period from July 2024 to June 2025. The number of tombstone permits issued were 158 in the year under review.

Burial statistics:

Table 4: Annual burials summary conducted during 2024/2025 financial year

BURIAL STATISTICS 01/07/2024 - 30/06/2025		
MONTH	NUMBER OF BURIALS	REVENUE
JULY	22	R 31 878,40
AUGUST	23	R 34 211,00
SEPTEMBER	27	R 32 904,00
OCTOBER	18	R 32 028,00
NOVEMBER	31	R 38 996,00
DECEMBER	24	R 31 198,00
JANUARY	32	R 41 254,00
FEBRUARY	58	R 100 438,00
MARCH	34	R 41 935,00
APRIL	31	R 36 266,00
MAY	31	R 46 874,07
JUNE	25	R 32 497,73
TOTALS	**356**	**R 500 479,32**

Burials per month for 24/25 Financial Year.

Figure 1: Fluctuating number of burials during the financial years 2024/ 2025

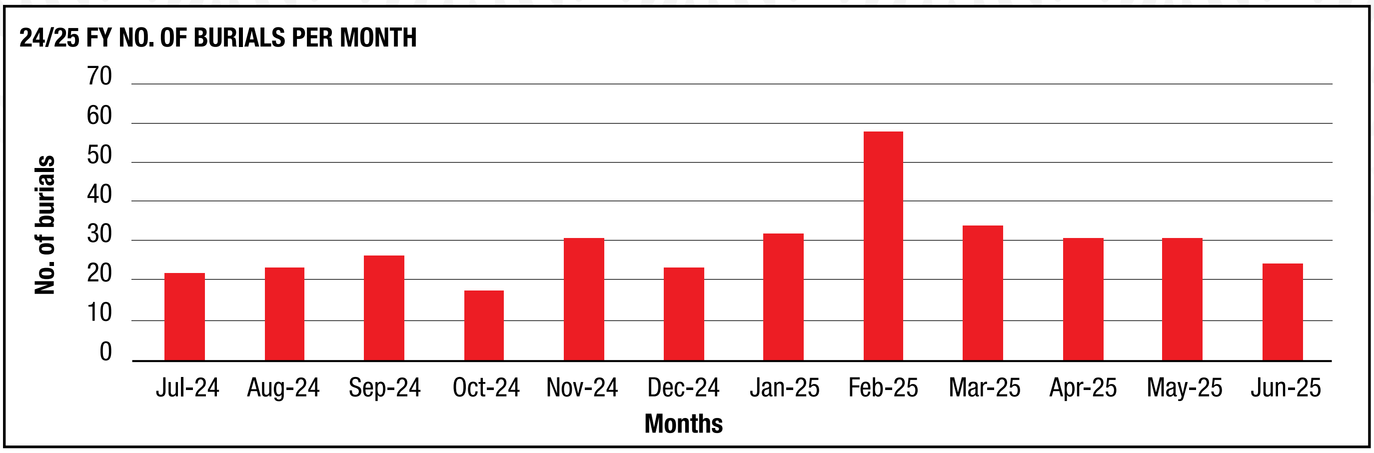


Figure 2: Summary of the number of burials for the four financial years

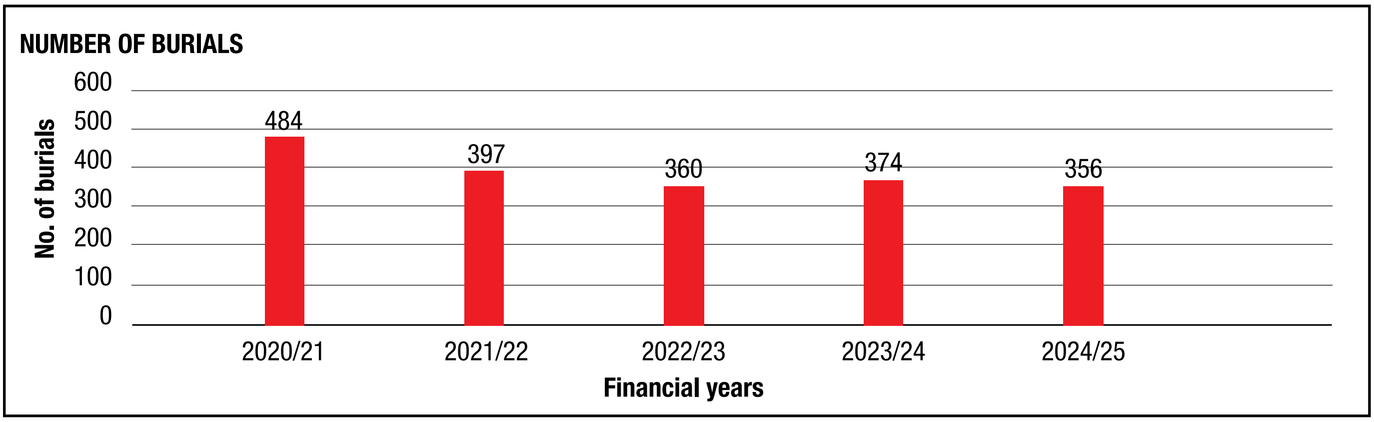


Table 5: Pauper burials

PERSONNEL	2021/2022	2022/2023	2023/2024	2024/2025
Pauper burials	9	0	5	4

Table 6: Tombstone permits

Annual tombstone permits summary issued during 2024/2025 financial year

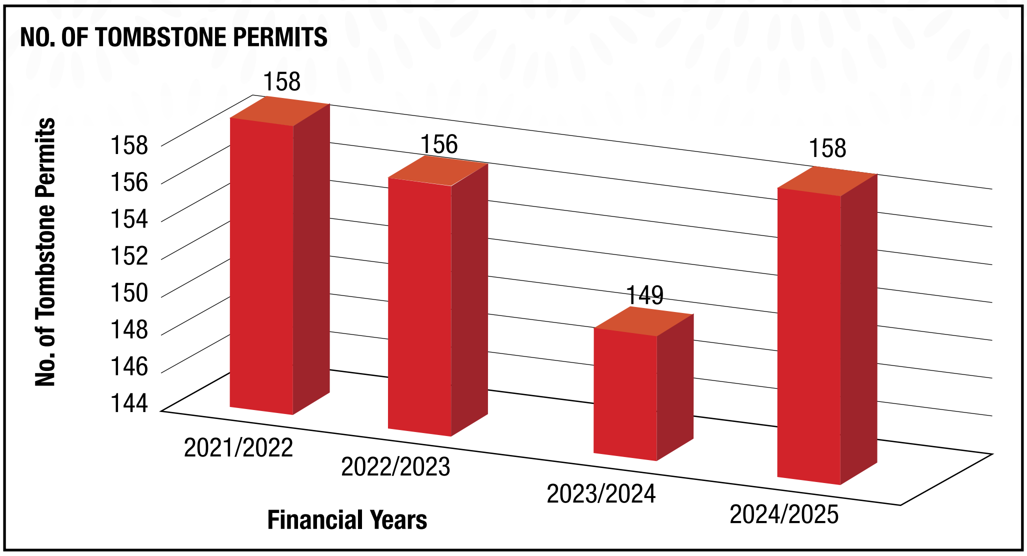
TOMBSTONE PERMITS STATISTICS 01/07/2024 – 30/06/2025	
Month	Number of Tombstone permits
JULY	10
AUGUST	15
SEPTEMBER	12
OCTOBER	15
NOVEMBER	22
DECEMBER	11
JANUARY	05
FEBRUARY	13
MARCH	15
APRIL	11
MAY	15
JUNE	14
TOTALS	158

Total tombstone permits in FY 2024/2025

Table 7: Total number of Tombstone permits per financial year.

FY 21/22	FY 22/23	FY 23/24	FY 2024/2025
158	156	149	158

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



Financial analysis:
The projected revenue collection was set at R421 496.00 for 2024/2025 and R500 479.33 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 R500 479.33 in 2024/2025 which is an increase of 8.4 % from the revenue of R461 494.30 which was collected in the 2023/2024 financial year.

Table 8: Summary of the revenue collected since 2021/2022 to 2024/2025 F/Y

PERIOD	2021/2022	2022/2023	2023/2024	2024/2025
Burials	397	360	374	356
Revenue	R 417.788.63	R 408.085.28	R 461,494,30	R 500 479.33

Available number of grave sites:
Rapid 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 4070, which translates to the remaining life span of the cemetery to be 10 -11 years, provided that the burial rate remains unchanged. The municipality to prioritize the commencement of the process preliminary feasibility studies, land identification and acquisition, and the drafting of a business plan for funding of the new cemetery development in the current financial year.

KCDM Manager Cemeteries presenting at Endumeni Local Municipality

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 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 healthy and aesthetic environment at the cemetery. The planned grass cutting cycles also incorporated the yard maintenance of the Disaster Management Centre at Empangeni.

1. National Training Workshop - 2025 Free State
2. King Cetshwayo District Regional Cemetery
3. Wall of Remembrance for the burial of the cremated ashes
4. Manual grave excavation at the Regional Cemetery
5. Heroes Acre at the Regional Cemetery

3.6.2. DISASTER MANAGEMENT

King Cetshwayo District Municipality (KCDM) is one of the ten districts of 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.

King Cetshwayo District Municipality (KCDM) presents the Annual Report of the Disaster Management Centre (DMC) for the financial year from 1 July 2024 to 30 June 2025. The annual 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 fulfilment of the principles and objectives of disaster management possible.

This report will be presented to the Council, the Local Municipalities, the Provincial Disaster Management Centre (PDMC) and the National Disaster Management Centre (NDMC).

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 targets:

- Number of awareness campaigns facilitated in line with the Disaster Risk Reduction Programme by 30 June 2024
- Number of Disaster Management Sector Plans Submitted to portfolio committee by 31 March 2024
- Number of Disaster Management Sector Plans Submitted to IDP section by 31 March 2025
- Approval of Summer Contingency Plan by Portfolio committee by 30 October 2025
- Number of Disaster Management Advisory Forums to be held on quarterly basis
- Number of Disaster Management Annual report submitted to CSPC, NDMC, PDMC and local municipalities by 30 September 2025
- 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
- Number of monthly incident reports on Disasters submitted to PDMC by the 6th of each month

Strategic Overview:

Vision

The King Cetshwayo District Municipality's Disaster Management vision is to ensure a safe and healthy environment, socially and economically, by building informed and resilient towns and communities in the King Cetshwayo District Municipality.

Mission Statement

The Disaster Management mission is to develop and implement holistic and integrated planning and practice in a cost-effective and participatory manner to reduce vulnerabilities and build resilient communities through sustainable development and service delivery.

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 legislation 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

- 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.

Figure 1: Municipal Staff Regulation Disaster Management Competency Framework

DISASTER MANAGEMENT COMPETENCY FRAMEWORK					
LEVELS	**1**	**2**	**3**	**4**	**5**
TYPICAL DESIGNATIONS (These are a guide and therefore not limited.)	• Assistant Disaster (Risk) Management Officer	• Disaster (Risk) Management Officer	• Senior Disaster (Risk) Management Officer	• Deputy Chief Disaster (Risk) Management Officer	• Manager (Chief) Disaster (Risk) Management Centre
FUNCTIONAL AREAS • **Disaster Risk Prevention and Reduction** Stream; • **Disaster Mitigation** stream • **Disaster Preparedness and Response** Stream • **Disaster Recovery and Rehabilitation** Stream • **Emergency Communications Officer / Control Room Operator**				• Portfolio Head	• Head: DRM Centre

Organisational Structure:

Table 2 below displays the organisational structure for the Disaster Management during the financial year 2024/ 2025. There is still alignment that should be done in partnership with HR to ensure that the job descriptions and organograms align to the Regulations.

Table 2: Disaster Management Staff

PERSONNEL	NUMBER	VACANCIES
DISASTER MANAGEMENT		
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	VACANCIES
Personnel	5 staff complement
	5 LGSETA Interns
	3 Working Integrated Learning
Vacant positions	3
Equipment	None
Vehicles	2 x Response cars

Table 4: KCDM DDMC status quo

MINIMUM PERFORMANCE STANDARD/ REQUIREMENT	KCDM
Head of Centre	Not appointed
Annual reports	Submitted annually
Active Disaster Management Advisory Forum	Active and meets quarterly
Risk Assessment (RA)	RA is being undertaken for uMlalazi Municipality
Disaster Management Framework (DMF)	Framework was approved in 2022
Disaster Management Plan	Adopted by Council in 2022 and the review funding secured in 2025-2026 Budget.

CHAPTER 2: 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 established in 2007 as per the Minimum Infrastructure Guidelines but currently the DDMC houses three other sections which is in contravention with the guidelines.

The District is working on the establishment of a new Disaster Management Centre (DDMC) that will be compliant will 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.

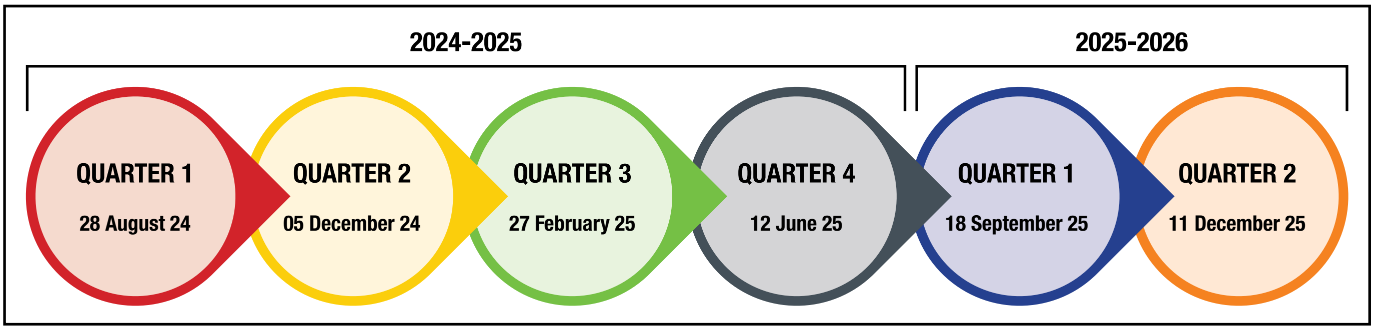
Details of the DDMC: The Centre is located at No 09 Bronze Street, Empangeni Rail, in the UMhlathuze Municipality.

District Disaster Management Advisory Forum (DMAF):
The District Disaster Management Advisory Forum is functional and was formed in terms Section 51 of the Disaster Management Act No. 57 of 2002, which require 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.

Number of DMAF Meetings Convened:
The King Cetshwayo Disaster Management Centre held the Disaster Management Advisory Forum meetings quarterly (2024/2025), to report and advise on all stakeholders' activities pertaining to the disaster management. The DMAF meetings were all convened and attended by stakeholders as per **Figure 2** below.

Figure 2: DMAF scheduled meetings for the financial year 2024/2025/2026



District Practitioners Forum Meetings:

The District together with local municipalities convene the District Disaster Management Practitioners Meeting see Table 5. The aim of these meetings is to deliberate on issues affecting Disaster Management.

Number of Meetings Convened:

Table 5: Practitioners meetings

QUARTER	MEETING SCHEDULES
1	20 September 2023
2	12 December 2023
3	20 February 2025 13 March 2025
4	16 April 2025

Municipal Disaster Management Inter-Departmental Committees:
There is a senior management committee (MANCO) which covers matters pertaining to disaster management. This structure substitute the Inter Departmental Committee structure as required by the DMF.

The district's nerve centre is another structure which comprises of 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.

District Development Model (DDM):
The objective of the district disaster management centre 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, other role-players involved in disaster management and communities.

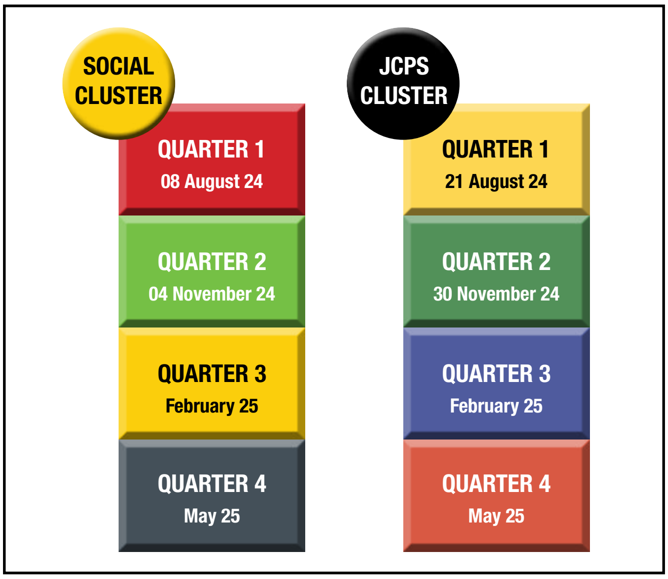
The DDM provides for this framework by fostering joint planning at district level, eradicating duplicates and misalignment, minimising waste of resources, drawing in all role players including civil society and affected communities.

The Disaster Management reports has been integrated to the District Development Model to enhance the objective of the "One Plan". The integration of the disaster management report is done on quarterly basis on a Social Cluster and Justice Cluster.

Disaster management unit was able to attend and present the status of KCDM Disaster Management and activities during The DDM Social and Justice Clusters in the 2024-2025 Financial Year.

The meeting for quarter 3 which falls under the current DMSP review was scheduled and convened with success as per Figure 3 below;

Figure 3: DDM 2024-2025 Meetings



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.

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 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. The district has also allocated budget to review and update the Disaster Management Plan in its 2024-2025 Financial Year.

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 support the other local municipalities by recording incidents reporting and allow for the necessary response. The Control Centre operating 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 district has undertaken a disaster risk assessment for uMlalazi Municipal area. In a case of uMlalazi Municipal area, the Disaster Risk Assessments must be undertaken to anticipate and plan for known hazards or disasters to prevent losses, limit endangering impacts and ensure that development initiatives maximize their vulnerability reduction outcomes.

The district has appointed Royal Huskoning DMV PTY LTD to undertake the risk assessment for uMlalazi area. The inception meeting was held on the 17th February 2025 and there was a delay with the signing of the Service Level Agreement hence the project started in March 2025. The first PSC meeting will be held on the 06th May 2025.

The project is anticipated to be completed by the end of August 2025 then it will undergo the Council process for approval and adoption.

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 2024 – June 2025. 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 4). 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.

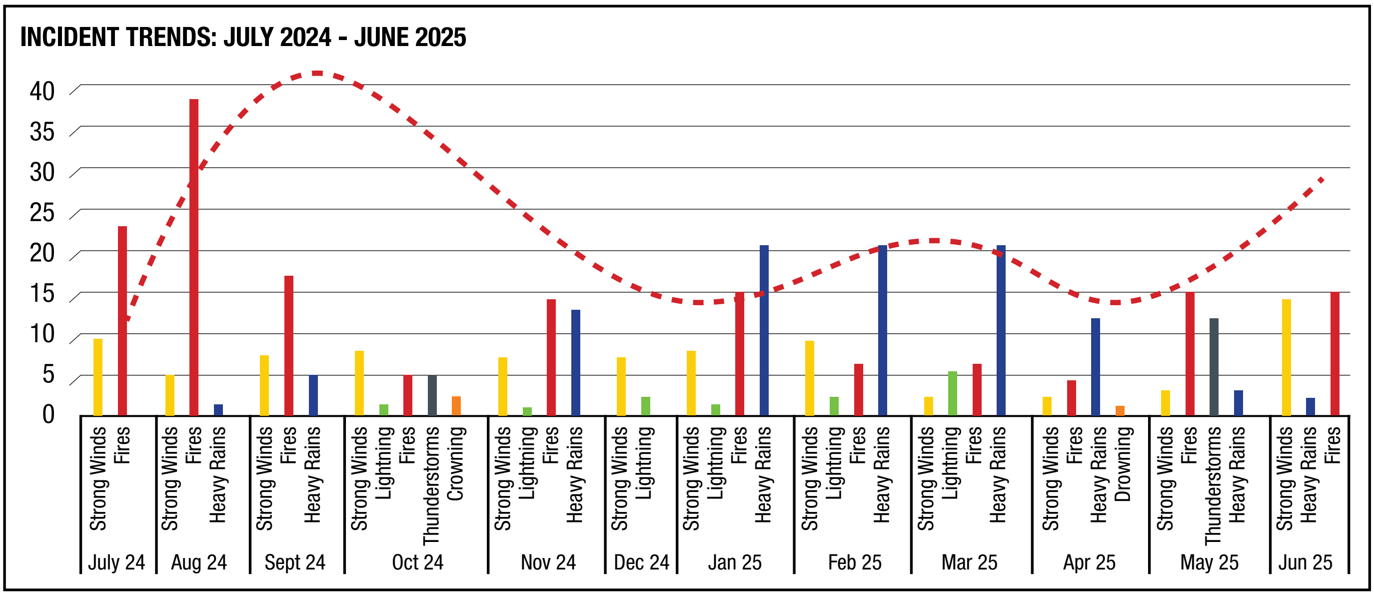


Figure 4: Types of incidents that were experienced during the 24/25 FY.

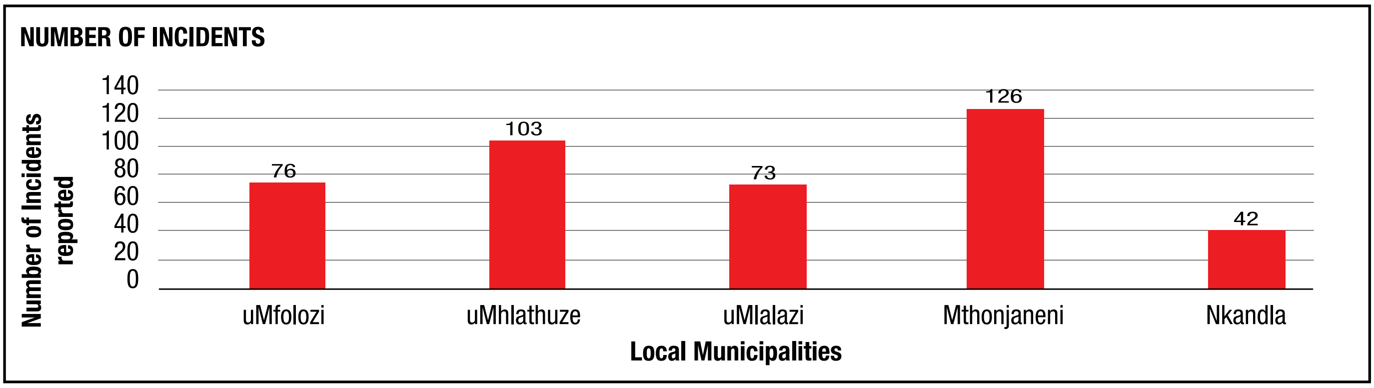


Table 6: The summary statistics gives an overview of the incidents that were reported to the District Disaster Management Centre during the month of July 2024 - June 2025

Municipalities	Number of Incidents	Households Affected	Houses Affected		Homeless	People Affected	Fatalities	Injuries
			Partially Damaged	Totally Destroyed				
uMfolozi	76	186	145	54	26	1 112	3	4
uMhlathuze	103	292	298	105	149	1 534	0	0
uMlalazi	73	854	827	649	399	5 573	11	6
Mthonjaneni	126	284	348	165	28	1 911	0	0
Nkandla	42	297	345	141	12	2 008	2	1
TOTAL	**420**	**1913**	**1963**	**1114**	**614**	**12 138**	**16**	**11**

Photos of the damage due to the incidents reported.

QUARTER 1:

1. Gazu bereaved family Ward 01 Ezinyosi Area- uMlalazi
2. uMhlathuze household affected by fire.


1.


2.

QUARTER 2:

3. uMhlathuze, a house affected by Strong Wind
4. uMfolozi, a house affected by strong wind


3.


4.

QUARTER 3:

5. Nkandla Ward 6 household, house damaged
6. Mthonjaneni, a house affected by strong wind


5.


6.

QUARTER 4:

7. uMfolozi Ward 11 household, roof blown away
8. uMlalazi Ward 6, house was struck by lightning


7.


8.

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 were conducted in different parts of the District covering all 5 Local Municipalities. The main objective of these campaigns is to reduce disaster risks while building resilient communities.

As part of community-based risk reduction measures the District embarked of the following capacity building programmes: (Photos depicting Public Awareness and Education Sessions that were conducted during the 24/25 FY)

uMfolozi

Mbonambi Primary School Ward 2 - 26 March 2025

Nhlabane Beach Ward 03- 18 September 2024

uMhlathuze

EDTEA Initiative Clean Up Campaign Ngwelezane Emacekeni, Ward 25 on 23 July 2024

EDTEA initiative- Natural Resources Management - Somopho Library Ward 31- 18 June 2025

uMhlathuze

District initiative DM & EHS- Mvutshini Clinic-Ward 16 Mvutshini Clinic Ward 16- 27 February 2025

District initiative DM & EHS -Ngudwini Clinic- Ngudwini Reserve Ward 5- 30 April 2025

uMhlathuze

EDTEA Initiative Clean Up Campaign Ngwelezane Emacekeni, Ward 25 on 23 July 2024

EDTEA initiative- Natural Resources Management - Somopho Library Ward 31- 18 June 2025

Climate Change and Sustainable Development:

- Climate Change Response Review

The Unit currently is currently in the process of reviewing the KCDM climate response plan with the financial and technical assistance from DFFE-Climate Change Adaptation Directorate.

Education and Awareness Activities/Clean-Up Campaigns

The unit responded to an invite and attended schools greening and environmental, sustainable farming practices education & awareness initiatives throughout the quarters.

RESPONSE AND RECOVERY

In terms of financial capabilities, see below Table 7 what the District had budgeted for Disaster Management operations as well as response and recovery. Each LM has been encouraged to put aside a budget for disaster management.

Table 7: Operational Projects Expenditure 2024/2025 FY

PROJECT	AMOUNT
Disaster Management Plan	R 159 000,00
Disaster Risk Reduction Programme	R 121 349,00
Disaster Stock Items	R 224 720,00
Disaster Relief Shelters	R1 060 000,00
TOTAL	**R1 565 069,00**

DISASTER RECOVERY AND RESPONSE

Relief distributed by KCDM

Table 8: Indicates the relief items that the District distributed to the LMs during the 24/25 FY

MUNICIPALITY	BLANKETS	TENTS	PLASTIC SHEETING	FOOD PARCELS	MATRASSES /SPONGES	RELIEF SHELTER	KITCHEN ESSENTIALS
uMfolozi	211	1	41	48	129	10	34
uMhlathuze	286	8	160	166	205	22	146
uMlalazi	67	0	4	70	15	0	1
Mthonjaneni	9	0	22	1	4	0	0
Nkandla	114	8	30	124	95	30	56
Total	**687**	**17**	**257**	**409**	**448**	**62**	**237**

Table 9: Indicates the relief items that the Local Municipalities distributed to the LM's during the 24/25 FY

MUNICIPALITY	BLANKETS	TENTS	PLASTIC SHEETING	FOOD PARCELS	MATRASSES /SPONGES	RELIEF SHELTER	KITCHEN ESSENTIALS
uMfolozi	162	0	30	0	94	2	25
uMhlathuze	268	0	153	50	152	2	60
uMlalazi	113	0	20	0	10	0	0
Mthonjaneni	72	0	8	0	15	0	6
Nkandla	111	0	5	3	48	4	13
TOTAL	**726**	**0**	**216**	**53**	**319**	**8**	**104**

Available relief stock item as at 30 June 2025

Below is the stock that was available at the DDMC as at end of June 2025.

Table 10: Available relief at KCDM DDMC as at June 2025:

ITEMS	STOCK AVAILABLE
Blankets	432
Mattresses/Sponges	68
Kitchen Essentials	3
Plastic Sheets/Tarpaulin	12

Relief Shelter Construction

The district assisted 4 households that were affected by various disaster-related incidents by constructing 2 Roomed-structures. The service provider started with the work on the 4 sites on the 21st of October 2024 and the completion was the 24th of December 2024.

The beneficiaries are as follows:

- Mr. Sikhumbuzo Sibiya who resides at Ward 2 Sabokwe under uMfolozi Municipality. Mr. Sibiya was the only occupant of the house which was completely destroyed by fire and he is now homeless and uses nearby bush to sleep.

  The damage on the house is depicted as per the photos below:

- Gogo Cingeni Zulu, who resides at Ward 14 eGobandlovu uMhlathuze Municipality. Gogo Zulu lives with his son 23-year-old Khanyisani Zulu who is unemployed. The house has been repeatedly affected in April 2022, 2023 and 2024 by the heavy rains.

  The damage on the house is depicted as per the photos on the following page:

There were two households that were affected by the fires on the 07th of July 2024 at Ward 5, Mahlayizeni area under Nkandla Municipality. The details are as follows;

- Mr. Ntombela's house was totally destroyed by fire. It houses 9 people, including 4 children.
- Mr. Mthembeni Mthimkhulu's 2 family houses were totally destroyed by fire and they housed 5 people, including 2 Senior Citizens.

The damage on the house is depicted as per the photos below:

Mthimkhulu household

Ntombela household

The completed Relief Shelters are depicted on the pictures below;

Gogo Cingeni Zulu

Mr. Mthimkhulu

Mr. Ntombela

Mr. Sibiya

Fire Oversight with COGTA MEC Nkandla July 2024

Inspection of fire affected areas in July 2024

Disaster Management

Table 11: Disaster Management Highlights for 2024-2025 FY

HIGHLIGHT(S)	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
	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

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
JANUARY 2024 INCIDENTS		
uMlalazi	Facilities	R8,5m

After the continuous disruptive rains, the municipalities were allocated grants as follows:

LOCAL MUNICIPALITY	ALLOCATION
uMfolozi	R5,4 m
Mthonjaneni	R4,2M
uMlalazi	R14,2m
Nkandla	R5M

SUCCESSES /ACHIEVEMENTS:

The district received a 3rd place and uMlalazi a 2nd place in the Premier's Service Excellence Awards.

Pillar 2: Disaster Management			
11 Compliant and Functional Disaster Management Centre	3rd place – King Cetshwayo DM Disaster Management Centre	3rd place – Bronze Trophy and a Certificate of Commendation	
	2nd place – Dr Nkosazana Dlamini Zuma LM Disaster Management Centre	2nd place – Silver Trophy and a Certificate of Commendation	Honourable MEC for KZN COGTA: Rev. T. D. Buthelezi
	1st place – Ugu DM Disaster Management Centre	1st place – Gold Trophy and a Certificate of Commendation	
12 Best Disaster Management Volunteer Programme	Jozini LM	Gold Trophy and a Certificate of Commendation	Honourable MEC for KZN COGTA: Rev. T. D. Buthelezi
13 Most Improved Fire and Rescue Services	3rd place – uMzimkhulu LM	3rd place – Bronze Trophy and a Certificate of Commendation	
	2nd place – uMlalazi LM	2nd place – Silver Trophy and a Certificate of Commendation	Honourable MEC for KZN COGTA: Rev. T. D. Buthelezi
	1st place – Alfred Duma LM	1st place – Gold Trophy and a Certificate of Commendation	

The Challenges: Disaster Management

Table 12: Disaster Management Challenges for the 24/25 financial year:

CHALLENGE(S)	ACTION TO ADDRESS
Slow response to incident 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 programs.
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 have a definitive system of decision making which will be 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 would 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.

3.6.3. FIRE & RESCUE SERVICES

INTRODUCTION

The Annual Report of the Fire and Rescue services for the financial year from 1 July 2024 to 30 June 2025 gives insight into the year's fire and rescue activities in the areas of fire response and recovery, institutional capacity, risk assessment and risk reduction strategies.

The aim of this report is to give account on the Fire & Rescue activities conducted and the incidents that were reported within the King Cetshwayo District Municipality during the 2024/2025 financial year. The report will further highlight the preventative measures that were implemented to reduce the high rate of fire related incidents and any human made fire disaster related incidents in our District.

BACKGROUND

Fire Services are a vital public service. It is a part of the fabric of all our communities. The service it provides is essential in preventing fires from starting in the first place and responding quickly and effectively without delay to those incidents with which it has to deal with them accordingly. Increasingly, it is now developing a wider role. That role involves tackling new threats which we are now facing such as Motor Vehicle Accidents (MVA), drownings, structural fires, runway veld fires, and other environmental disasters.

KCDM continues to experience an increase in the number of Motor Vehicle Accidents (MVA's), particularly on the R34/R66 and the N2 from Gingindlovu up to uMfolozi bridge. Contributing factors to the increase in the number of MVA's is mainly caused by the high volume of trucks travelling from Mpumalanga to Richards Bay harbour.

We have also noticed the increase in number of bush and grass fires and increase of house fires in rural areas, resulting in death, especially of the senior citizens. The contributing factor in the rise of fires is caused by mainly cooking, heating equipment, electrical malfunctions, illegal electricity connections, smoking, and candles that are left unattended.

KCDM has also noticed the rise in drownings and near drownings reported in the rural areas and unsafe beaches. This is due to the continuous heat wave that is experienced during summer seasons. The greatest causes of drowning is the lack of a skill to swim. Formal water safety and swimming lessons under the supervision of a lifeguard can dramatically decrease the risk of drowning.

LEGISLATIVE BACKGROUND

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.

This section covers the Fire & Rescue services unit's during the 2024/2025 financial year.

RESPONSE AND RECOVERY

Motor Vehicle Accidents during 2024/2025 F/Y

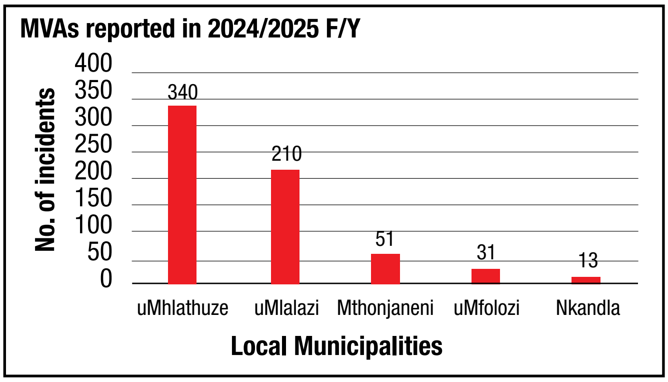
The fire crew from the local municipalities responded to MVAs to ensure the safety and rescuing of communities involved in accidents and some entrapped by ensuring effective communication and involvement of the Emergency Services (EMS) and Law Enforcement Officers.

During the 2024/2025 Fire Services received reports and attended to some of the incidents. A total of six hundred and forty-eight (648) MVA's were reported in the following local municipalities in the table 1 below:

Table 1: The number of MVA's attended per local municipality:

LOCAL MUNICIPALITY	TOTAL NUMBER OF MVA'S
City of uMhlathuze LM	340
uMlalazi LM	210
Mthonjaneni LM	51
uMfolozi LM	34
Nkandla LM	13
Total	**648**

Figure 1: 2024/2025 F/Y MVAs per LM



Below are some pictures of major accidents that were attended to in the 2024/2025 financial year:

N2 Msunduze Bridge Accident that claimed 5 people's lives on the 15 December 2024 under uMfolozi LM

N2 Msunduze Bridge Accident that claimed 5 people's lives on the 15 December 2024 under uMfolozi LM

Mandaba Minibus Accident on the 30 December 2024 that claimed 10 people's lives under Nkandla LM

Mandaba Minibus Accident on the 30 December 2024 that claimed 10 people's lives under Nkandla LM

N2 near Melomed accident that claimed 09 people's lives on 11 May 2025 under City of uMhlathuze

N2 near Melomed accident that claimed 09 people's lives on 11 May 2025 under City of uMhlathuze

Fire incidents attended during 2024/2025 F/Y

During the year under review, the Unit received and co-ordinated a response to all fire-related incidents that were reported. A total number of eight hundred and nine (809) different types of fires were reported (transport, fire involving electricity; grass and structural) as reflected in the following table 2:

Table 2: Fire incidents per LM attended to during 2024/2025 F/Y

LOCAL MUNICIPALITY	TOTAL NUMBER OF FIRES
City of uMhlathuze	561
uMlalazi LM	126
uMfolozi LM	46
Mthonjaneni LM	43
Nkandla LM	30
Total	**806**

Figure 3: 2024/2025 F/Y reported fire incidents per LM

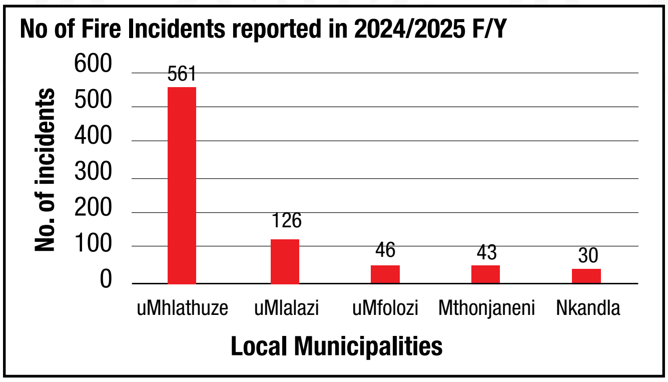


Table 3: Summary of the incidents that occurred and other fire-related activities undertaken by LM's and the District during the 24/25F/Y

MUNICIPALITY	MVA's	FIRES	SPECIAL EVENTS	PROTEST ACTION	FIRE PREVENTION INSPECTIONS	SPECIAL SERVICES	FOOD SAFETY INSPECTION
UMhlathuze	218	405	19	1	501	22	4
uMlalazi	125	76	18	1	63	0	2
Mthonjaneni	36	19	11	0	3	0	1
uMfolozi	11	42	7	0	14	0	1
Nkandla	17	7	8	1	2	0	2
TOTAL	**407**	**549**	**63**	**03**	**583**	**22**	**10**

RISK REDUCTION PROGRAMMES

AWARENESS ACTIVITIES CONDUCTED IN 2024/2025 F/Y:

Fire prevention is a function of many fire services. The goal of fire prevention is to educate the public, learners and communities to take precautions to prevent potentially harmful fires, and be educated on how to deal with them. It is a proactive method of reducing emergencies and the associated damages caused by the fires.

This financial year 2024/2025 the fire and rescue unit managed to undertake risk reduction awareness and education with a limited budget, limited staff and limited resources through collaboration strategies with other internal departments and external entities.

The unit collaborated with the following stakeholders during the 2024/2025 F/Y in educating the community and learners: KCDM Disaster Management, KCDM Air Quality, KCDM Environmental Health, Local Disaster Management, Local Fire Services, KZN CoGTA PDMC, Foskor, South 32, Grindrod, Bidvest and Much Asphalt. These awareness sessions focused on all the seasons of the year, including the hazards associated with them.

Below are the areas that were visited during the 2024/2025 financial year:

DATE	MUNICIPALITY	AREA OF AWARENESS	AREA
24 October 2024	uMlalazi	Mpumazi P. School	Mpumazi
28 October 2024	CoU	ILembe P. School	Esikhaleni
04 February 2025	CoU	Richards By Hoer School	Arboretum
21 February 2025	Nkandla	Mvutshini High School	Mvutshini
26 March 2025	uMfolozi	KwaMbonambi P. School	KwaMbonambi
27 March 2025	uMfolozi	SAPPI Clinic	KwaMbonambi
08 April 2025	uMfolozi	Cingci Clinic	Cingci
23 April 2025	CoU	Tisand Technical H. School	Esikhaleni
21 May 2025	Nkandla	KwaThema Traditional Council	KwaCwezi
25 June 2025	Nkandla	KwaXulu Traditional Council	KwaXulu

Below are some the pictures that were taken during awareness and education sessions:

1. Awareness and education at KwaMbonambi P. School on the 26 March 2025 under uMfolozi LM
2. Awareness and education at KwaMbonambi P. School on the 26 March 2025 under uMfolozi LM
3. Awareness and education at Tisand H School on the 23 April 2025 under City of uMhlathuze
4. Awareness and education at Tisand H School on the 23 April 2025 under City of uMhlathuze

SPECIAL EVENTS ATTENDED IN 2024/2025 F/Y:

In terms of Safety at Sports and Recreational Events Act No 2 of 2010 (SASREA) it is absolutely imperative for the fire department to be part of special events planning.

Fire and Rescue Services is responsible for assessing the fire safety compliance certificate in respect of the stadium or venue, and temporal structure as issued by a qualified engineer.

Events attended by the Unit during the 2024/2025 F/Y were as follows:

DATE	MUNICIPALITY	EVENT NAME	PLACE
02 October 2024	uMlalazi	SodTurnings	Kwahlokohloko Ward 10 and Ncamaneni Sports field W-27
03 October 2024	uMlalazi	IDP for Ondabezitha	Aloe Lifestyle Hotel
11 October 2024	uMfolozi	Sod Turning Mbonambi Water Supply Scheme Phase 3	Mpelamandla Community Hall Ward 02
11 October 2024	uMfolozi	IDP Road Show	Ngonondwane Sports field
18 October 2024	uMlalazi	King Dinuzulu Memorial Lecture	Aloe Lifestyle Hotel
22 October 2024	Nkandla	IDP Road Show	King Cetshwayo Community Hall Ward 14
27 October 2024	CoU	District SALGA Elimination Games	uMhlathuze Sports Complex
01 December 2024	CoU	World Aids Day	Mzingazi Sports Field
04 December 2024	CoU	SALGA Games Send Off Ceremony	Richards Bay Sports Complex
16 December 2024	uMlalazi	Reconciliation Day Celebration	Eshowe Rugby Field
31 December 2024	CoU	Gumba Fest 2024	Richards Bay Sports Complex
10 January 2025	CoU	Cat 2 State Funeral	Bhekuzulu Hall
16 January 2025	CoU	Heritage Sites Visit	Esikhaleni Senkosi Port Dunford
	uMlalazi	Heritage Sites Visit	Spirit of King Cetshwayo Eshowe
18January 2025	Mthonjaneni	Commemoration of King Cetshwayo & Battle of Isandlwana	Melmoth Sports Field
23 January 2025	CoU	Gumba Fest 2024	Richards Bay Sports Complex
23 January 2025	CoU	DOT P230/R34 Rehabilitation Contractor Handover.	Mevamhlophe Sports Ground.
31 January 2025	uMlalazi	2024 Matric Excellence Awards.	Eshowe Town Hall
		New Fleet Handover	Eshowe Rugby Club
06 May 2025	uMlalazi	KCDM Draft IDP Roadshow	Mpushini Park Sports Field
09 May 2025	uMfolozi	KCDM Draft IDP Roadshow	Gegede Community Hall

DATE	MUNICIPALITY	EVENT NAME	PLACE
10 May 2025	CoU	KCDM Draft IDP Roadshow	Esikhaleni TVET College Hall
21 May 2025	Nkandla	Nkandla LM Draft IDP Roadshow	KwaThema Traditional Council KwaCwezi
23 May 2025	uMlalazi	KCDM Draft IDP Roadshow/ Ondabezitha and Corporate Government	Aloe Lifestyle Hotel
16 June 2025	CoU	Youth Day Commemoration by OTP	UNIZUL Dlangezwa Campus

3.6.4. AIR QUALITY MANAGEMENT

INTRODUCTION

Air quality management refers to all the activities a regulatory authority (King Cetshwayo District Municipality) undertakes to help protect human health and the environment from the harmful effects of air pollution. The process of managing air quality involves the development of control strategies, emissions reduction, which includes but is not limited to the use of emissions inventories, air monitoring, air quality modelling and other assessment tools

LEGISLATION REGULATIONS AND STANDARDS:

The Constitution of the Republic of South Africa, 1996 (Act no. 108 of 1996) 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”)
- National Atmospheric Emission Reporting Regulation GNR 283 of 02 April 2015
- National Dust Control Regulation GNR 827 of 01 November 2013

AIR QUALITY MANAGEMENT PLANNING:

In accordance with the provisions of Section 15(2) of the AQA, King Cetshwayo District Municipality (KCDM) is required to develop and adopt an Air Quality Management Plan (AQMP) in its Integrated Development Plan. The unit has started the implementation of the approved and adopted Air Quality Management Plan during the 2024/2025 financial year. 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 2024/2025

OBJECTIVE	ACTIVITY	STATUS
GOAL 1: AQM IS UNDERTAKEN WITHIN THE CONTEXT OF COOPERATIVE GOVERNANCE		
Strengthen intergovernmental relations for effective AQM within the District	Collaborate with the provincial department and local municipalities to address AQM-related issues	Ongoing quarterly and reported to the council
Effective collaboration for approval of new sources with the District	Collaborate with relevant provincial departments and local Municipalities in the environmental authorization process	Issued licences are shared with provincial and local authorities
Active participation in AQM structures across all spheres of government	Attend AQM forums (e.g. AQOs Forum), conferences and workshops organised by other spheres of government	Ongoing quarterly
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	The Dispersion Modelling study was approved by council (KCDMC/3549/2025) on 25 June 2025
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 and is being reported to council monthly

AUTHORISATIONS

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

ATMOSPHERIC EMISSION LICENCE:

KCDM issued a total of six licences during the 2024/2025 financial year as depicted in Table 2, and Table 3 provides six licences applications that are still being processed to be issued during 2025/2026 financial year.

Table 2: Atmospheric Emission Licence issued in 2024/2025 financial year

FACILITY NAME	TYPE OF AEL	ISSUE DATE	EXPIRY DATE
South 32	Renewal	23/09/2024	22/09/2029
Hulamin	Renewal	29/10/2024	28/10/2029
Bidvest Tank Terminals	Variation	27/11/2024	27/05/2027
Foskor (Pty) Ltd	Variation	05/12/2024	02/01/2027
FFS	Transfer & Renewal	31/03/2025	30/03/2030
Grindrod Terminal (Navitrade)	Variation	23/06/2025	24/06/2025

Table 3: Atmospheric Emission License initiated and not issued in 2024/2025

FACILITY NAME	TYPE OF AEL	EXPIRY DATE
Grindrod Terminal (Sea Munye)	S22A and S24G	The facility was granted an S24G authorisation by the Department of Economic Development, Tourism, and Environmental Affairs; the appeal process will end in the 2025/2026 FY
Metallurgical Reductant Products and Services (MRPS)	New	On hold: the submitted application was incomplete and did not provide sufficient information for the licensing authority to make an informed decision to process the application.
Gerhardus Veldi Dekker	S22A and S24G	The facility was granted an S24G authorisation by Department of Economic Development, Tourism, and Environmental Affairs; the appeal process will end in the 2025/2026 FY
Reload Logistics	New	A pre-application meeting was conducted; this application is done in parallel with the EIA process
Bingelela Alloys	New	The facility was issued with a facility registration form and an AEL application form to be submitted to the Licensing Authority. And will be processed in the 2025/2026 FY
Transnet National Port Authority	New	To ensuring that environmental decisions are made in a transparent, informed, and locally relevant manner KCDM was involved in the public participation on the AEL Process for TNPA of the AEL will be issued by DFFE according to chapter 5 S 36 (1) of the National Environmental Management Air Quality Act (39 of 2004). This AEL will be issued in 2025/2026 FY.

AIR QUALITY REVENUE

This section provides air quality revenue for 2024/2025 financial year. There are two regulations for the licensing authorities to acquire revenue for air quality licensing; outlined in the NEM: 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 NEM: AQA.

The district received a total of two hundred and thirty-seven thousand Rands for air quality licensing as outlined in Table 4.

Table 4: Air Quality revenue for the 2024/2025 financial year

INDUSTRY NAME	APPLICATION TYPE	REVENUE	STATUS/COMMENTS
AEL Processing Fees			
Eyamakhosi Resources Pty Ltd	Renewal	R 10 000.00	Being processed to issue in Q1 of 2025/2026
FFS Tank Terminals:	Renewal	R 5 000.00	Issued
	Transfer	R 2 000.00	
Bidvest Tank Terminals	Renewal	R 5 000.00	Issued
Grindrod Navitrade	Renewal	R 5 000.00	Being processed to issue in Q1 of 2025/2026
Administrative fines			
Eyamakhosi Resources	Section 22A	R200 000.00	Being processed to issue in Q1 of 2025/2026
Total Received		**R237 000.00**	

COMPLIANCE MONITORING

Inspections

KCDM conducts three different types of inspections, namely compliance, pre-licensing and complaints investigation based on the regulatory framework within the air quality management sphere, and Joint Inspections to strengthen intergovernmental relations for effective AQM within the District

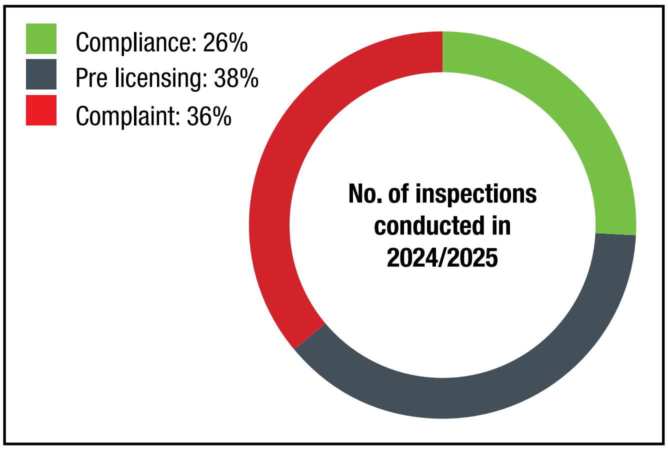
In ensuring that the organisation's environmental performance towards permits and licences meets the goals set out in its environmental policies, KCDM conducts compliance inspections within the district

Pre licensing Inspections

KCDM in its capacity as the Licensing Authority for AELs has a responsibility in ensuring that pre-licensing inspections as the key step in AEL application processing are conducted upon receiving applications to ensure that the proposed site and activity meets the requirement of NEMAQA (Act 39 of 2004)

KCDM conducted a total of 53 inspections during the 2024/2025 financial year as categorised in figure1 below:

Figure 1: Number and type of inspections conducted in 2024/2025



Complaints Investigations

To ensure that the bill of rights, which states that "everyone has a right to a clean and healthy environment" is adhered to, KCDM responds to dust, odour, coal dust and other air quality-related complaints to provide the community with security on their health.

Figure 2: Number and Types of Complaints Investigated in 2024/2025 FY

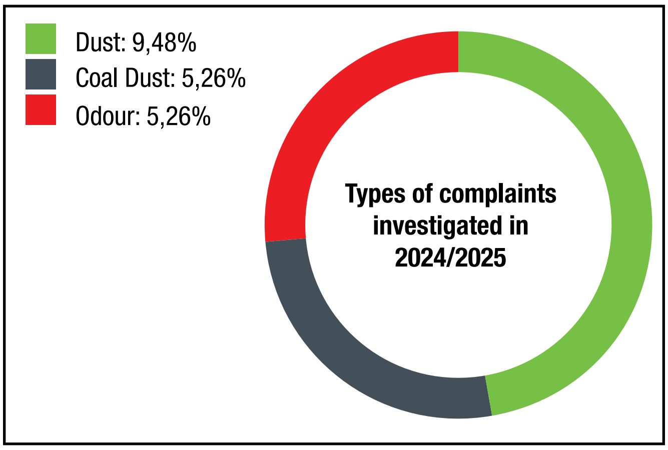
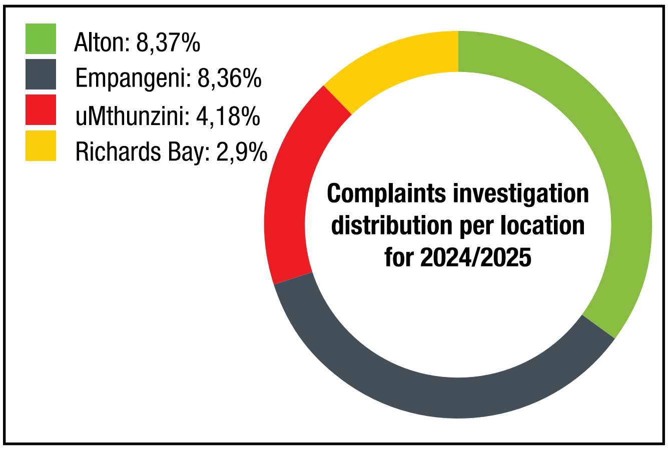


Figure 3: Complaints Investigation distribution per location for 2024/2025

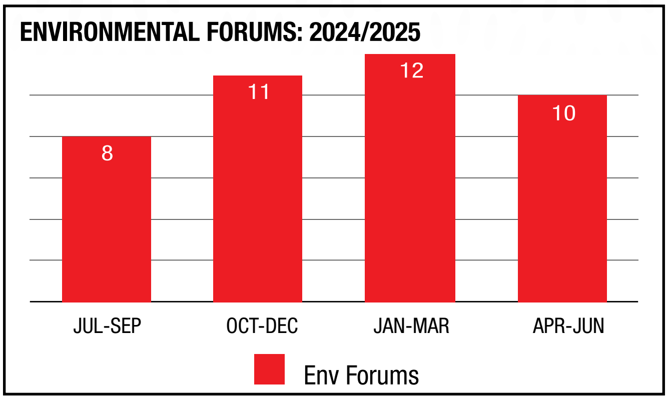


Environmental forums

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 (Figure 4).

Figure 4: Environmental forums attended during the reporting period 2024/2025 FY



EDTEA MEC Rev Musa Zondi and District Mayor at Richards Bay Port

Information Management:

Emission Reporting

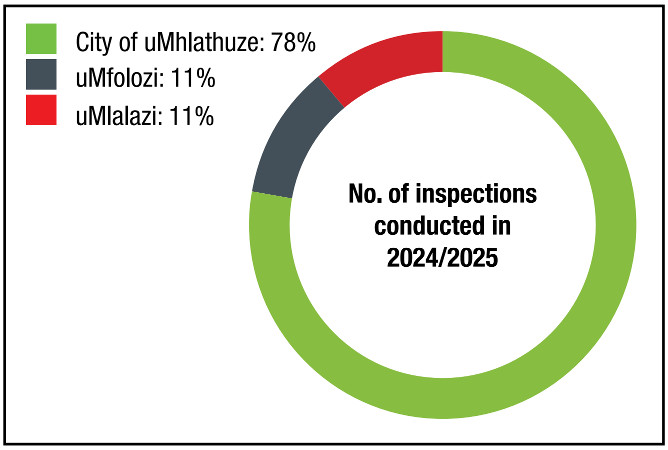
The data providers must submit the required information by email to the relevant authorities and to NAEISAdmin@dffe.oov.za from 01 January to 30 June of each calendar year. Where 30 June falls on a Saturday, Sunday or public holiday, that period must be extended to the end of the following day which is not Saturday, Sunday or a public holiday. The number of data providers registered in the KCDM 2024 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 28 facilities that are expected to report annual emissions by 30 June 2025. These facilities are located in three local municipalities, namely uMfolozi, uMlalazi, and the City of uMhlathuze, which has most facilities to report emissions as outlined in Table 5.

Table 5: Number of emission reports received per local municipality

LOCAL MUNICIPALITY (LM) NAME	NO. OF REPORTS RECEIVED	STATUS
City of uMhlathuze	22	Complete
uMlalazi	3	Complete
uMfolozi	3	Complete
Total	**28**	

Figure 5 provides the percentage number of reports received per local municipality



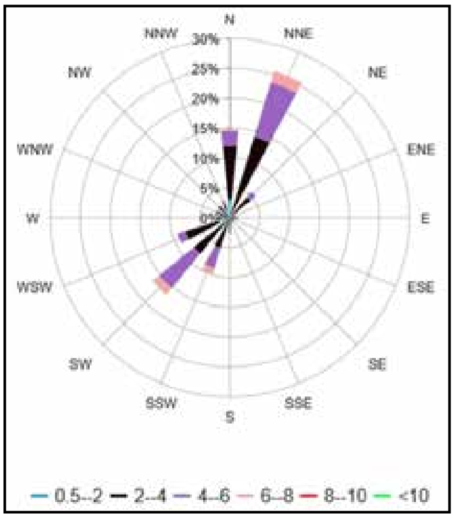
Ambient Monitoring

Ambient monitoring assists in assessing air quality, identifying pollution sources, and informing strategies to reduce exposure and safeguard vulnerable populations. Furthermore, it is essential for compliance with air quality standards and regulations. The King Cetshwayo District Municipality does not have ambient monitoring stations; the district relies on data from Richards Bay Clean Air Association (RBCAA). RBCAA monitoring stations data will be presented in the report for 2024/2025.

The location and names of the stations that operated during 2024/2025 FY is provided in figure 6. The wind rose in figure 7 indicates the general wind direction and speed for 01 July2024-30 June 2025 sampling period at Arboretum. The wind rose indicates that the wind blew predominantly from the N-NE 30% of the time and from 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 6: Location of RBCAA ambient monitoring stations

Figure 7 Annual wind roses for 2024/2025 financial year at Arboretum



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 (SO2) 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	REVENUE	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
Sulphur Dioxide (SO2)		10 minutes	500 µg/m³ (191ppb)	-	526
		1 hour	350 µg/m³ (134ppb)	-	88
		24 hours	125 µg/m³ (48ppb)	45 µg/m³	4
		1 year	50 µg/m³ (19ppb)	-	0

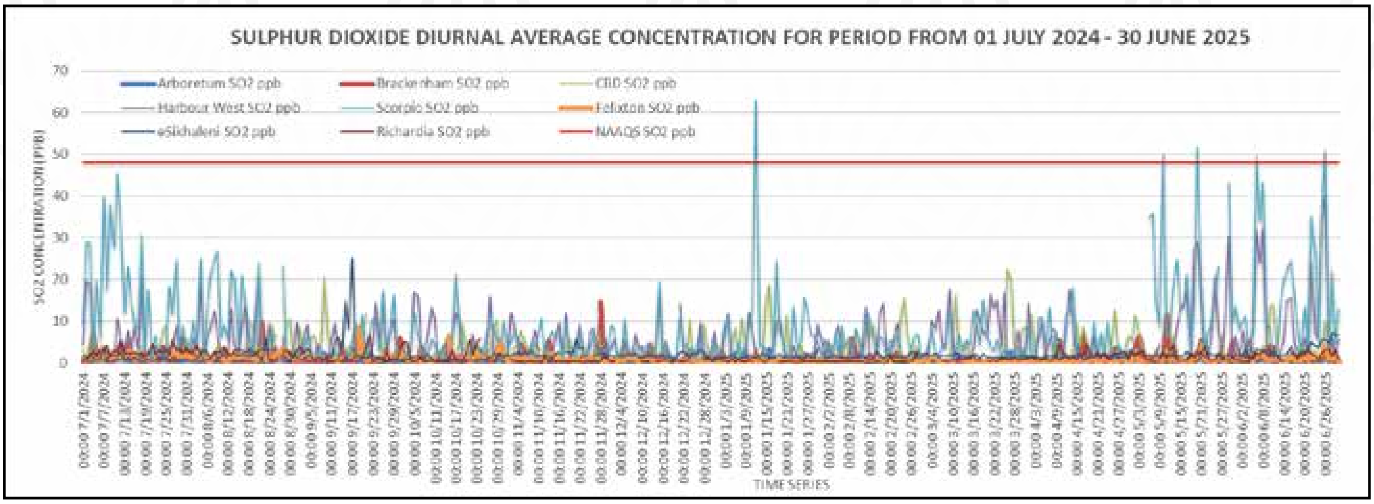
The acceptable data availability (capture) for ambient monitoring stations is 80%.

Sulphur Dioxide daily average concentrations

There were no annual exceedances recorded during 2024/2025 at all stations. The total of five (5) daily averages exceedances were recorded at Scorpio during the months of January, May and June 2025. were below the limit. All eight stations recorded data availability above 90% (Figure 8).

[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.

Figure 8: RBCAA stations daily SO_2 concentration from July 2024 to June 2025



Particulate Matter daily average concentrations

A total of 24 daily PM10 exceedances were recorded during 2024/2025 financial year (figure 9). The RSA Standard, which allows four (4) exceedances per year, was exceeded at Richardia and Scorpio (Table 7)

Figure 9: RBCAA stations' daily PM10 concentration from July 2024 to June 2025

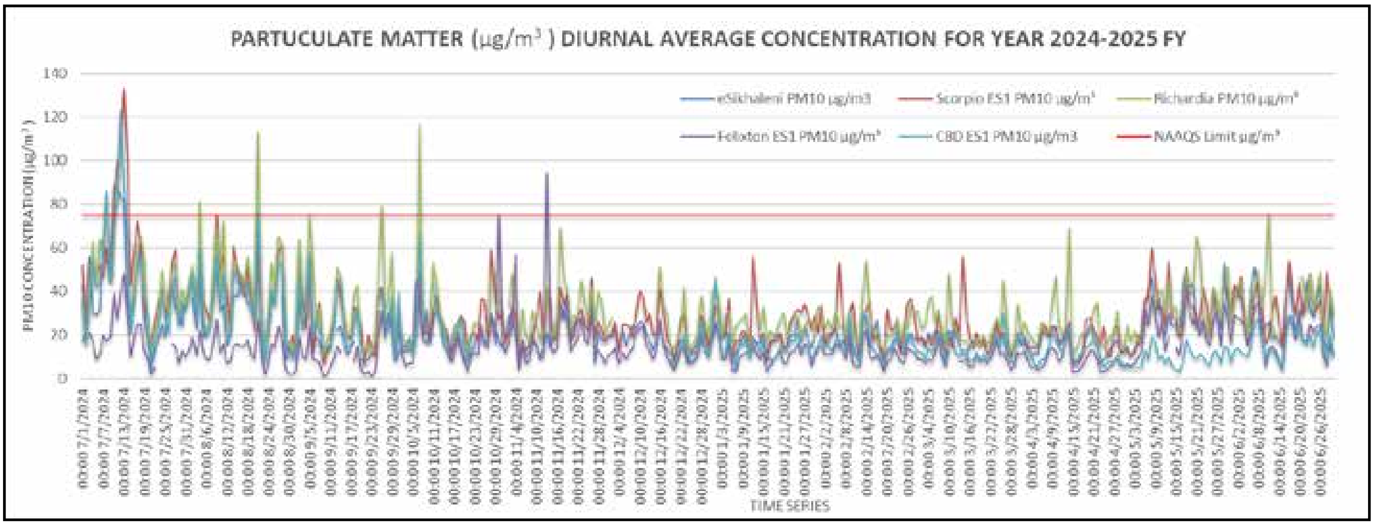


Table 7: PM10 daily average exceedance allocations (RSA).

STATION NAME	NO OF EXCEEDANCES
eSikhaleni	4
Scorpio ES1	6
Richardia	2
Felixton ES1	7
CBD ES1	5

There were eighteen (18) PM2.5 daily exceedances during the 2024/2025 financial year (Figure 10). The RSA Standard, which allows four (4) exceedances per year, was exceeded at Richardia and Scorpio (Table 8)

Figure 10: RBCAA stations daily PM2.5 concentrations from July 2024 to June 2025

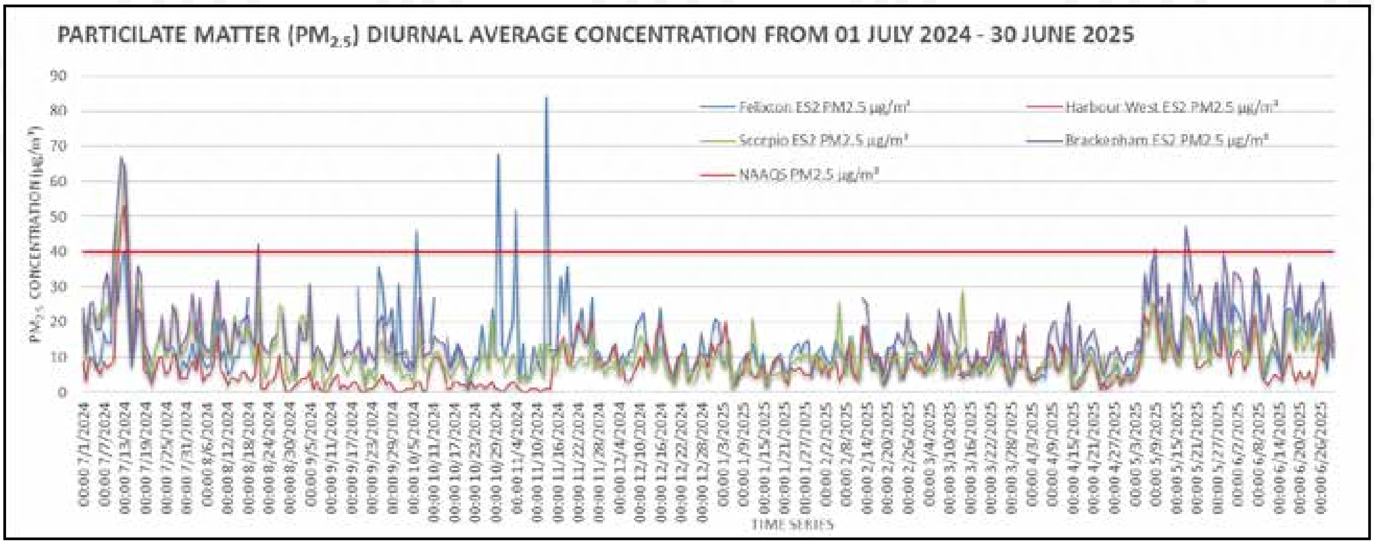
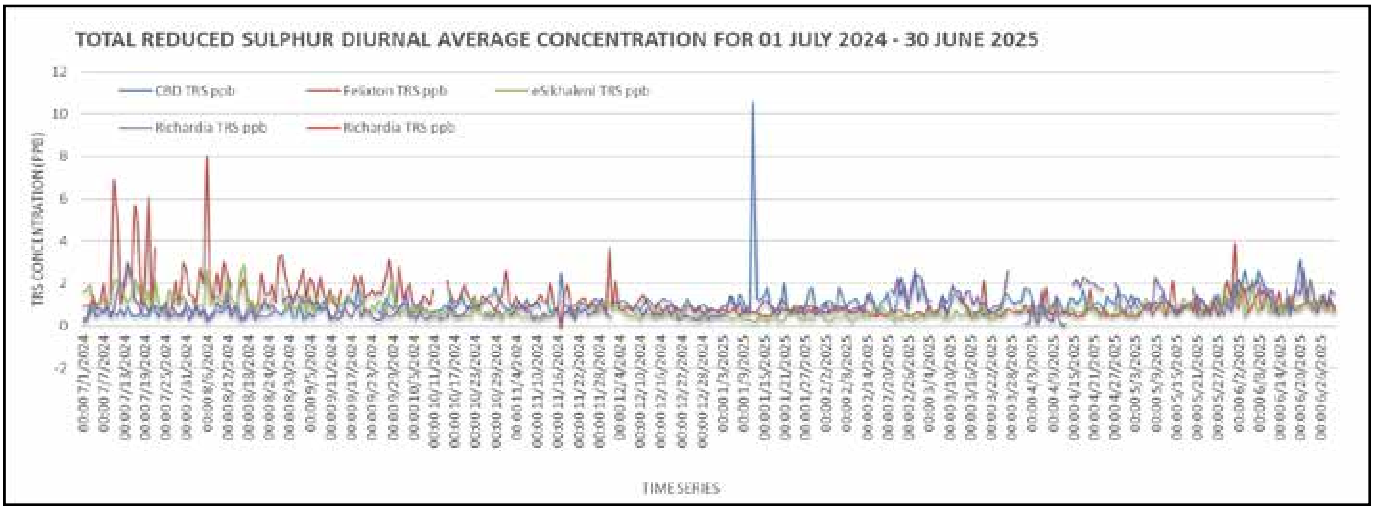


Table 8: $PM_{2.5}$ daily average exceedance allocations (RSA).

STATION NAME	NO OF EXCEEDANCES
Scorpio ES1	4
Harbour West	2
Scorpio	4
Brackenham	7

A National Ambient Air Quality Standard (NAAQS) for TRS has not been established (Figure 11).

Figure 11: RBCAA stations' daily TRS concentration from July 2024 to June 2025

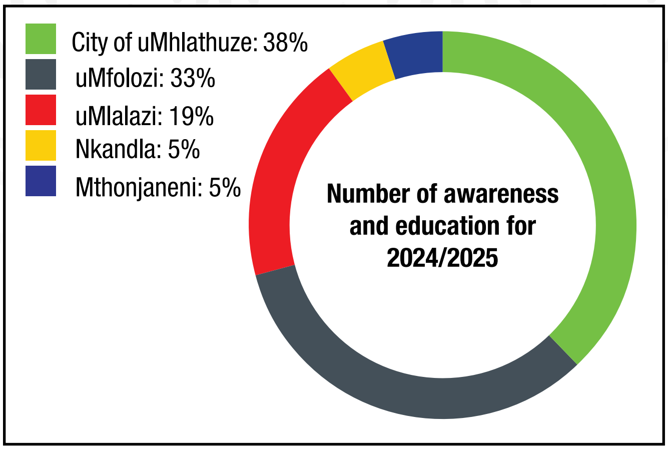


Outreach and Awareness

In order to fulfil the requirements of the KCDM AQMP vision which states "clean and healthy air for all" the District is required to conduct environmental awareness activities and clean-up campaigns which aim to educate and engage different community groups, promoting responsible environmental behaviour and fostering a culture of conservation.

The District conducted a total of twenty-one (21) awareness and education activities across the district, the photos and figure 12 below is an indication of the awareness and education conducted by the AQMU personnel in the 2024/2025 financial year.

Figure 12: Awareness and Education Activities conducted in the 2024/2025 FY



uMlalazi Local Municipality: eZikhaleni High School (uMlalazi LM Ward 23)

uMfolozi Local Municipality: AQMU presentation to KwaMbonambi Primary School learners

Mthonjaneni Local Municipality eSiqhomaneni Primary School

uMlalazi Local Municipality: eZikhaleni High School (uMlalazi LM Ward 23)

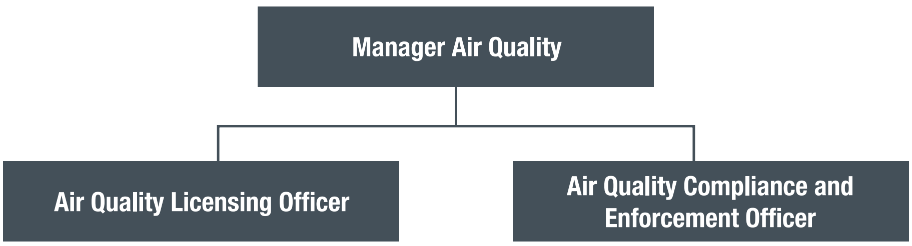
uMfolozi Local Municipality: AQMU presentation to KwaMbonambi Primary School learners

Mthonjaneni Local Municipality eSiqhomaneni Primary 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 13 (organogram).

Figure 13: District Air Quality Management Unit Organogram



The table below specifies the highlights for the 2024/25 financial year:

Table 8: highlights for the 2024/25financial year:

HIGHLIGHT(S)	DESCRIPTION
Dispersion Modelling	The district Dispersion Modelling Study was approved by council and to be published in the municipal website
Administrative Fine	Collection of R200 000.00 in administrative fines from industries

Table 09 challenges for the 2024/2025 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 the procurement of computer equipment and Personal Protective Equipment for air quality personnel.

COMPONENT F: PROPERTY AND LEGAL

3.7. 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. Legal Services continues to commit to the strategy of reduction of legal expenditure by ensuring prudent management of legal fees.

3.8. INFORMATION AND COMMUNICATIONS TECHNOLOGY

IT GOVERNANCE

The responsibility for implementation and monitoring of the information technology governance and security and related frameworks is delegated to the Information and Communications Technology (ICT) section within the Corporate Services Department (CS: ICT).

The ICT Strategy Plan is in place in order to ensure that the ICT section stays relevant and is supportive of the Integrated Development Plan (IDP) and approved ICT budget.

The updating of policies and procedures is an ongoing exercise throughout the year with assistance and advice received from CS: Legal Unit. The IT Section is able to ensure that policies meet the standards of Best Practice and IT Frameworks i.e. ITIL, COBIT, etc. as well as incorporates recommendations from IT Auditors. The ICT section is assisted by the ICT Security and Governance officer in policy formulations and procedures for IT Governance as well as IT Security matters.

IT AUDIT

The quarterly audit for the ICT section is being conducted and audit reports finalized by internal auditors. The annual audit for the ICT section was conducted by Auditor General. The findings from the Audit reports are being addressed and progress is monitored monthly. Senior ICT Manager is regularly invited to the Audit Readiness meetings where the ICT Audit reports are deliberated as well as in the quarterly ICT Steering Committee meetings.

The ICT Steering Committee (ICTSC) is a governance body that assists with providing strategic direction and oversight for ICT section. This committee also ensures that ongoing IT operations and systems are aligned with the ICT Strategic Plan and ultimately the IDP. In addition, IT related risks, projects, audit issues and required system changes are managed by the ICTSC. The ICTSC is chaired by the Municipal Manager and assisted by the ICT Senior Manager. The Deputy Municipal Managers from each of the Departments are members of the ICTSC. The ICT Steering Committee is convened at least once a quarter.

IT RELATED PROJECTS

One of the Network Enhancement Projects implemented was the Wireless Fidelity (WI-FI) which is a wireless networking technology that uses radio waves to provide wireless high-speed internet access. This project was implemented successfully to allow a more user-friendly network connectivity to both employees and visitors.

Wi-Fi accessibility is available for the entire building at Prince Mangosuthu Buthelezi House in Richards Bay, irrespective of where the office is located within the building, in just a single connection.

The Employee Self Service (ESS) system was upgraded to a web-based system (Payspace) and is currently in use at the head office and at the offsite offices where there is WAN connectivity. Finance, HR and ICT sections worked together in the implementation of the ESS system. This system is integrated to each employee's email and allows employees to access and print payslips, leave capturing, download IRP5, etc.

Microsoft Office 2016 applications are in place and currently being upgraded to the latest Microsoft 365. Microsoft Teams is currently being used successfully for virtual meetings, and even Exco and Council meetings are being held through this platform for members who are unable to attend physically.

The SOPHOS firewall is in place and is used for monitoring external access. The firewall does allow authorized users to be able to access KCDM systems from external networks using the Virtual Private Network (VPN). This access is being managed by requests sent to the ICT section, which are approved by relevant supervisors for those employees who need access to the systems while connecting outside the KCDM network.

Wide Area Network (WAN) connectivity consists of several data links. These links facilitate data communication between KCDM's head office and other offsite offices located within the district. The implementation of WAN connection for offsite offices is ongoing in each financial year until all sites have network connectivity.

3.9. AUXILIARY SERVICES

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 eighty-eight (88) leased vehicles, and eight (08) 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	Eighty-Eight (88)
KCDM Owned Vehicles	Vehicles	Eight (8)

FACILITIES AND SECURITY

The unit manages and controls the operations of the Facilities Management functionality (Building Maintenance & Special Projects) and Security Management Functionality. It controls the professional, technical and operational outcomes associated with special projects/ contracts. This is inclusive of monitoring and implementing procedures, maintaining effectiveness of repair and maintenance to Council building and also ensures the security and safety of personnel as well as buildings of the Municipality.

No.	CATEGORY	NUMBER OF MAINTENANCE COMPLETED IN Q1	NUMBER OF MAINTENANCE COMPLETED IN Q2	NUMBER OF MAINTENANCE COMPLETED IN Q3	NUMBER OF MAINTENANCE COMPLETED IN Q4
1	General repairs and maintenance	26	22	20	13
2	Electrical repairs and maintenance	8	4	6	9
3	Air-conditions repairs and maintenance	13	12	17	8
TOTAL		**47**	**38**	**43**	**30**
GRAND TOTAL FOR 2024/2025 FINANCIAL YEAR			**158**		

4.1 COMPONENT A: ANNUAL PERFORMANCE REPORT

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

CONTENTS

ANNEXURES

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 2024/2025 Performance Management Framework and Standard Operating Procedures (KCDMC:2201/2024) was approved on 15 May 2024 for the 2024/2025 financial year. The Performance Management Policy was reviewed and approved for the 2024/2025 financial year (KCDMC: 2202/2024) on 15 May 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.

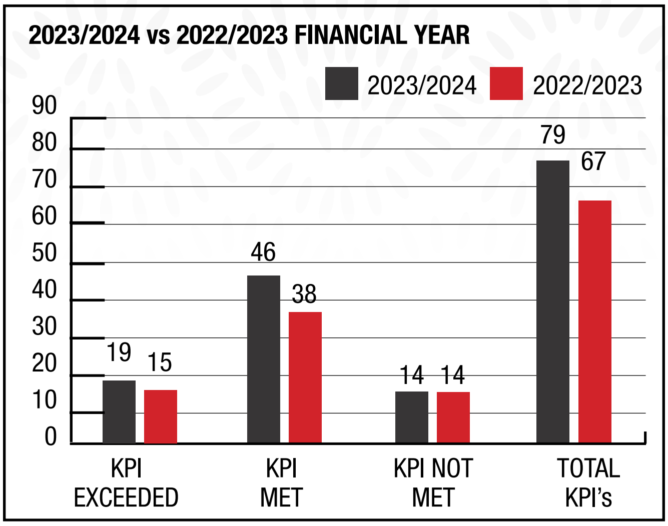
The annual performance report includes highlights from the key performance measures included in the Integrated Development Plan (IDP) for the 2024/2025 financial year. These priority measures constitute the Organisational Performance Management Scorecard (OPMS) / Top Layer Service Delivery & Budget Implementation Plan (TL SDBIP) for the 2024/2025 financial year.

At the end of the financial year (01 July 2024 to 30 June 2025) 75.95% 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 2024/2025 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 2024/2025 financial year shows a decline of 6.33% when compared to the 2023/2024 financial year.

The following graph compares the overall performance for the 2024/2025 financial year and the 2023/2024 financial year.

Graph 1: Comparative Annual achievement information



ORGANISATIONAL PERFORMANCE MANAGEMENT PROCESS

The Key performance indicators were 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 of regular monitoring of performance is in place through the submission of the 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 MANAGEMENT FRAMEWORK

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
TIMELINE	AUG - OCT	NOV - APR	MAY - JUL	ON-GOING	ON-GOING
WHAT	Review IDP	Review Organisational & Departmental Scorecards in alignment with draft budget	Review Performance Plans and draft SDBIP non-financial targets	Measure Performance Quarterly	Report Performance
HOW	Review Vision, Mission, Objectives, Strategy, Actions Determine KPA's and KPI's Align National KPI's Determine Targets Prioritise Targets	5. Stakeholder Perspective 3. Customer Perspective 4. Budget / Financial Perspective 2. Internal Perspective 1. Learning & Growth Perspective	1. MM Performance Plan - Org Performance Scorecard 2. HOD's Performance Plan - Dept Performance Scorecard 3. Individual Performance Plan - Individual Scorecard	Benchmark Performance Evaluations Actual viz Target; Self-Assessment Customer/ Climate Survey Performance Assessment/ Appraisal Quarterly & Annual	1. Monthly Departmental Performance - HOD's 2. Quarterly - Summarised Dept. Performance - MM, Perf. Audit Committee & EXCO 3. Annual - Perf. Audit Committee, Council & Community
WHO	• Vision, Mission, Obectives - IDP unit through Comm. Participation • KPA's, KPI's - IDP unit together with Performance unit & Dept. Rep's • Targets - In consultation with MM & HOD's	• KPA's, KPI's alignment - IDP & Budget - Performance unit & Dept. Rep's • Org. & Dept. Scorecard - Performance unit & HOD's	• KPA's, KPI's alignment with IDP & Budget - by Fin. Dept. Rep's & Performance unit • Org. & Dept. Scorecard - Performance unit	• Performance Assessment - Dept. HOD's/Dept. Rep's & Performance Unit • Performance & Benchmarking - Evaluation - Perf. Evaluation Panels, Performance Audit & Performance Unit	• Monthly Reports - Dept. Rep's • Quarterly Reports • Coordinated by Performance unit • Annual Performance Report - Performance unit & Dept. Rep's

PERFORMANCE AUDIT COMMITTEE

The Performance Audit Committee members for the 2024/2025 financial year consists of the following members appointed for a period of three (3) financial years ending June 2025. Council approved the renewal of the contract for a further three (3) financial years ending 30 June 2028 for two members of the Committee (KCDMC: 3029/2025).

- 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 2024 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:
26 August 2024
20 January 2025
24 March 2025
30 June 2025

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 2024/2025 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 2024 to August 2024 and the scoring sessions for the 2024/2025 financial year took place from 04-08 August 2025.

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).

The panel of Professional Service Providers which was appointed by King Cetshwayo District Municipality continued to perform the Internal Audit function until its period came to an end on 30 June 2025. In Quarter 1 and Quarter 2 of 2024/2025 financial year HTB Consulting carried out the audit for performance information. In Quarter 3, Ngubane and Co was appointed from the panel of existing service providers to carry out the audit. In Quarter 4, Ngubane and Co was appointed through a request for quotation procurement.

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 in 27 June 2025.

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 in 04 June 2025.

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 12 August 2025.

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 24 August 2025.

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 2024/2025 financial year focusing on the critical functional areas of the municipality:

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2024/2025 FY	2023/2024 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	Start 7 July 2023	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 KCDM/14/2022	Provision of the cash in transit facility	Start 1 July 2022 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. They have a Key Accounts Manager who is to address any matters that may arise, and makes regular contact ensuring that there are no issues with their service. No challenges were raised during the meeting.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2024/2025 FY	2023/2024 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 KCDM/15/2022	Online tracing of debtors through credit records	Start 1 July 2022 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.	3	3
Solar-Business Connexion Sole Provider Appointed by Council	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.	**Revenue** There were queries experienced with the SOLAR system, BCX did manage to attend to some of the issues and others were not fully resolved. **Expenditure** Issues were experienced with the SOLAR system during the quarter, and these were solved by BCX in a speedily manner. Assistance at year end was received. **Budget** The Budget Tool is operational and was used for the 2024/25 adjustment budget and 2025/26 draft Budget submissions. These are performing well except a few enhancements that will be discussed with systems vendor in SLA meetings. Meetings are being held with the system vendor on functionality issues and compliance with mSCOA. The Treasury Reporting Utility is also operational and is being used for the compilation of the 2024/25 Adjustment Budget and the version was updated to 6.9 for the 2025/26 budget schedules. No issues experienced on the TRU which is used for the In-Year Monitoring Reports (IYM). Regular meetings are held with the service provider. **Man Accounts and Assets** The service provide has been engaged to assist with vote openings and alignment on votes. The service was rendered satisfactory. **SCM** There were no issues raised by SCM to BCX their services rated as satisfactory.	3	3
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 satisfactory. A meeting was held on 14 May 2025 and 27 June 2025 wherein general matters were discussed including aspects related to Expenditure, Fleet and Revenue Management.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2024/2025 FY	2023/2024 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**	
SANKOFA Pty Ltd KCDM/01/2021	Administration of Council's insurance portfolio	01 July 2024 to 30 June 2027	The Contract entails the administration of Council's insurance portfolio.	The service provider had been engaged over quarter 4 on a adhoc basis with regards to new insurance claims, as well as the follow up on existing claims. In addition, hereto there were SLA engagements pertaining to the renewal of the 25/26 premium on the 06 June 2025 and 12 June 2025	3	3
Arch Actuarial Consulting PTY Ltd KCDM/24/2023	Provide a Professional service to the valuation of defined benefits at each year end	Start date 1 July 2023 - 3 Years (2324/2425/2526)	The contract entails professional services relating to the valuation of defined benefits at each year end.	The 24/25 valuation will be undertaken in Q1 of 25/26 for the financial year ending 30/06/2025. The template was received from the SP in June 2025 in preparation for the valuation.	3	N/A
Adventure Travel KCDM/22/2022	Providing the travel agency services for KCDM	Start Date 1 July 2022 Ending 30 June 2025	Tender for the panel of travel agencies & associated services for KCDM for a period ending 30 June 2025	The services rendered by the service provider for travel agency during the period under review is satisfactory. A service level agreement meeting was held on 13 May 2025 and discussed matters regarding delays in sending invoices to the municipality and we agreed that while waiting for food/ restaurant slips from these small establishment, invoices must be sent to us in order to process other lines of the order that is not affected by this.	3	3
HTB KCDM/10/2022	The contract entails the provision of internal audit services	01 July 2022 to 30 June 2025 Contract commenced 01 September 2024 to May 2025 appointed as part of a panel.	Contracted to execute 2024/25 Audit plan.	Challenges with quality and timelines Service provider taken to terms resulting in termination of contract in May 2025	1	N/A
Ngubane Management Consultants PTY LTD KCDM/10/2022	The contract entails the provision of internal audit services	01 July 2022 to 30 June 2025 Contract commenced 01 June 2025 appointed as part of a panel.	Contracted to execute 2024/25 Audit plan.	Draft reports were completed within the agreed upon timelines, regardless of the late start for these audits.	4	N/A
Scelo Business Consultancy KCDM/40/2020	The service providers provide the municipal fleet.	23 August 2021 to 30 June 2024 Extended to 31 December 2024.	The service providers provide the municipal fleet.	Services Provider's performance is good. The process of a new tender is under way. An extension of a tender for further 2 months ending 31 December 2024 was approved by Council under item no KCDMC: 2467/2024 New Service Provider is appointed will resume in January 2025.	3	2
IMQS	The contract entails professional services relating to the municipal assets register system	June 2024 – May 2027	The provision of professional services relating to the Municipal Assets register	The service provider rendered all services satisfactorily with the agreed prescripts of the SLA.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2024/2025 FY	2023/2024 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	
RIS KCDM/05/2024	The service providers provide the municipal fleet.	01 February 2025 to 02 January 2028	The service providers provide the municipal fleet	Services Provider's performance is good towards the fleet that has been delivered so far. Any contractual issues encountered are resolved amicably, since monthly SLA meetings are held between KCDM and the service provider	3	N/A
GWSB Contractors	Middledrift SSA 5 Water supply	May 2023 - 06 December 2024 - to be reviewed on availability of water supply for testing as per the comments.	Construction of Reticulation within SSA5 - The project related scope is completed, and partially commissioned. Portion of the scheme could not be commissioned due to shortage of bulk water supply. Middledrift Pump Station (PS1) pumps need to be replace. Contractor is back on site, but no water for testing. Contractor to be requested to temporary de-establish and re-establish once the pumps issue has been resolved.	Contractors performance is good.	3	3
Icon Construction	Construction of 2ML reinforced concrete reservoir and pump station	02 June 2023 - 08 November 2024	Project is practically complete. Reservoir tightness test not done yet due to shortage of bulk water supply. This should be addressed once the entire Greater Mthonjaneni Bulk Pipeline is having water. The Variation Order for the collapsed retaining came out expensive and is under discussion.	Contractors performance is good.	3	3
Mela Okuhle Trading Enterprise cc	KwaHlokohloko SSA1 Phase 2A Construction of DN500 Bulk pipeline from Emaqeleni to Thintumkhaba	04 February 2025 - 14 November 2025	Construction in progress. However, the project experienced some delays during the commencement stage due to Works Permit which has since been granted.	Contractors performance is good.	3	N/A
Bumbelihle Holdings	KwaHlokohloko SSA1 Reticulation and distribution pipelines Zone 1A Thintumkhaba and Mbiza areas	01 November 2024 - 15 December 2025	Construction in progress. However, the contractor was slow in progress but there have been a lot of improvement since last month. Approximately 80% of materials is on site and additional plant delivered in April to accelerate the pace.	Contractors performance is good.	3	N/A

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS					2024/2025 FY	2023/2024 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 that meets the stipulated specification. The yellow plant was provided, and Service Provider is closely monitored to clear all the backlog and ensure processing of waste in line with license conditions. Persistent poor performance challenges resulted in the contractor being issued with an intention to terminate the contract. The Contractor is now pursuing a legal route and the Municipality's legal team is attending to the matter.	1	2
uMgeni Water	Bulk Water services provider	01 October 2020- 01 October 2035	Provision of bulk water. Volume of water produced and maintenance conducted.	The Water Board's contract was terminated, and the Municipality has since taken over the operations and maintenance of all water purification plants	1	2

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2024/2025 FY	2023/2024 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	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	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of KwaHlokohloko SSA5.	Contractor's performance is good.	3	3
BI Infrastructure	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of KwaHlokohloko SSA1.	Contractor's performance is good.	3	3
BI Infrastructure	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 Eshowe Sewer Upgrade.	Consultant's performance is fairly good with slow progress which needs some urgent attention.	2	3
Impumelelo Engineers	July 2022 - 30 June-2025	Implementation Supervision of Melmoth Sewer Plant Upgrade.	Consultant's performance is fairly good with slow progress which needs some urgent attention.	2	3
ECA Consulting	July 2022- - 30 June 2025	Planning, Design and Implementation Supervision of Middledrift WTW Plant Upgrade.	Consultant's performance is good.	3	3
Veyane Consulting Engineers	July 2022 - 30 June 2025	Planning, Design and Implementation supervision of Nkandla Bulk	Consultant's performance is good.	3	3

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2024/2025 FY	2023/2024 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	
Izinga Holdings	July 2022 - 30 June 2025	Planning, Design and Implementation Supervision of Amakhosi Chamber	Consultant's performance is good.	3	3
Izinga Holdings	July 2022 - 30 July 2025	Planning, Design, and Implementation of Mthunzini Sanitation Infrastructure Upgrade	Consultant's performance is good.	3	3
Izinga Holdings	19 September 2022 - 31 July 2025	Supervision of construction Phobane WTW 10 ML Reservoir KCDM/RBIG 07/2022	Consultant's performance is good.	3	3
Izinga Holdings	01 July 2024 - 30 June 2025	Implementation of WC/WDM and Umzingazi pipeline replacement	Consultant's performance is good	3	3
STM Corporate Construction of Amakhosi Chamber	February 2024 -January 2025	Construction of Amakhosi chamber King Cetshwayo District	Contract terminated on 24 February 2025, due to poor performance.	1	3
Mancinza Civil Contractors & Roads Maintenance cc Mbonambi CWSS Water(Phase 3)	24 October 2024 -30 June 2025	Construction of water reticulation, 91 yard connections to be installed.	Contractors Performance is poor Contractual remedial measures have been implemented against the contractor such as issuing the letters of Non-performance, and subsequently the contractor have been put on terms for 14 days with the intention to terminate.	1	N/A
Simphulwazi Consulting Engineers Mbonambi CWSS Water(Phase 3)	24 October 2024 -30 June 2025	Construction of water reticulation, 91 yard connections to be installed.	Consultants Performance is good	3	N/A
GWSB Contractors	11 January 2024 - 10 April 2025	Nkandla/Vutshini SSA5: Augmentation – Water Treatment Package Plant, Pumps And Pipelines Consulting Engineers	Contractors performance is good.	3	3
ECA Consulting Engineers			Contractors performance is good.	3	3
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	Contract terminated on 04 February 2025, due to poor performance.	1	2
ECA Consulting Engineers		Consulting Engineers	Contractors performance is good.	3	3
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 fair	2	3
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	1
Libeko/Mthabeleni Jv			Contractors performance is good.	3	3
GWSB Contractors	03 July 2024- 30 January 2025	Development of Lumbi Borehole	Contractors performance is good.	3	N/A
GWSB Contractors	03 July 2024- 30 January 2025	Development of Lumbi Borehole	Contractors performance is good.	3	N/A
GWSB Contractors	03 July 2024 - 30 January 2025	Extension of Qongqwane Water Scheme	Contractor's performance is good	3	N/A

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS				2024/2025 FY	2023/2024 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	
Ginti Projects	3 July 2024 – 28 February 2025	Development of Mthwana Borehole	Contractor's performance is good	3	N/A
Ginti Projects	3 July 2024 – 28 February 2025	Development of Sogejasi Spring	Contractor's performance is good	3	N/A
Striving to Satisfy	04 July 2024 - 30 December 2024	Development of Vumangoma Borehole	Contractor's performance is good	3	N/A
Rural Pumps CC	04 July 2024 - 30 December 2024	Development of Nkunzikayihlehli borehole and reticulation	Contractor's performance is good	3	N/A
Ocean Link Trading	04 July 2024 - 30 December 2024	Development of Vumanhlamvu spring and reticulation	Contractor's performance is good	3	N/A
Aquacon Hydro Industries	04 July 2024 - 30 December 2024	Mombeni Borehole in Ward 6 of uMlalazi LM	Contractor's performance is good	3	N/A
Ocean Link Trading	04 July 2024 - 30 December 2024	Equipping of Gcotsheni Borehole in ward 5 and 6 of uMlalazi LM	Contractor's performance is good	3	N/A

CORRECTIVE MEASURES FOR CONTRACTORS PERFORMING BELOW THE ACCEPTABLE STANDARD	
NAME OF CONTRACTOR	MANAGEMENT COMMENTS
HTB	Service provider taken to terms resulting in termination of contract in May 2025.
Inkunzi Waste Management Solutions (PTY) Ltd. KCDM/01/2022	Service Provider was issued with a poor performance letter after failing to supply the plant that meets the stipulated specification. The plant was provided, the Service Provider is closely monitored to clear all the backlog and ensure processing of waste in line with license conditions. Persistent poor performance challenges resulted in the contractor being issued with an intention to terminate the contract. The Contractor is now pursuing a legal route and the Municipality's legal team is attending to the matter.
Umgeni Water	The water board's contractor was terminated with effect from 31 March 2025. The Municipality has since taken over the operations and maintenance of all water purification plants.
STM Corporate	Contractor's contract terminated on 24 February 2025 due to poor performance. The municipality will complete the project through a replacement contract.
Mancinza Civil Contractors & Roads Maintenance cc	Contractual remedial measures have been implemented against the contractor such as issuing the letters of non-performance, and subsequently the contractor have been put on terms for 14 days with the intention to terminate.
Somkhanda Plant Hire Cc	Contract was terminated on 04 February 2025 due to poor performance. The Municipality had to procure a replacement contractor.
Grand Connections (PTY)LTD	The service provider's performance was poor, consequently, the contract was terminated due to poor performance.

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 2024/2025 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 2024/2025 financial year.

The Annual Performance Report for the 2024/2025 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 2025.

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 2024/2025 financial year, once all reports are finalised.

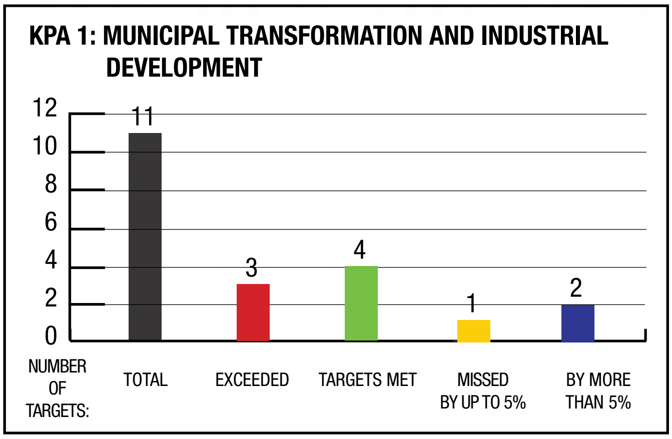
Analysis of reported achievements

In the 2024/2025 financial year there were 79 targets contained in the OPMS / Top Layer SDBIP. Out of the 79 targets, 60 targets were achieved or exceeded and 19 of the set targets were not achieved.

The following is a breakdown of the indicators per National Key Performance Areas:

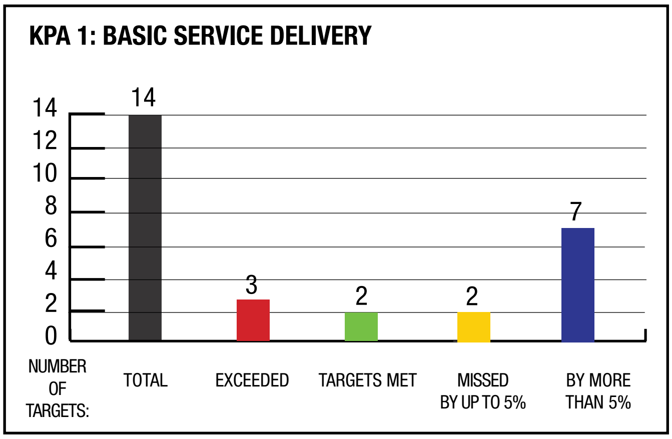
Key Performance Area 1: Municipal Transformation and Institutional Development

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
11	3	5	1	2	72.73%



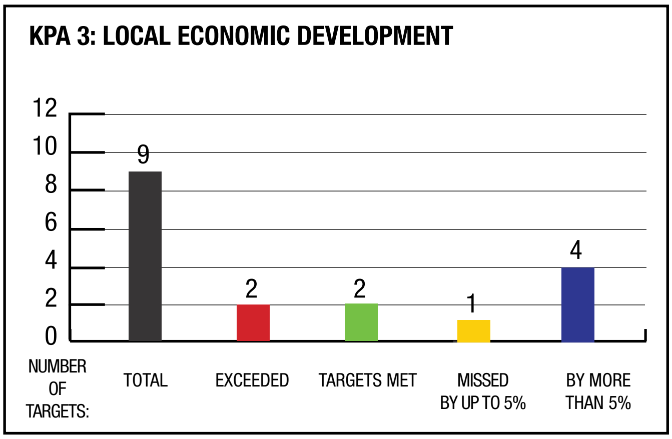
Key Performance Area 2: Basic Service Delivery:

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
14	3	2	2	7	35.71%



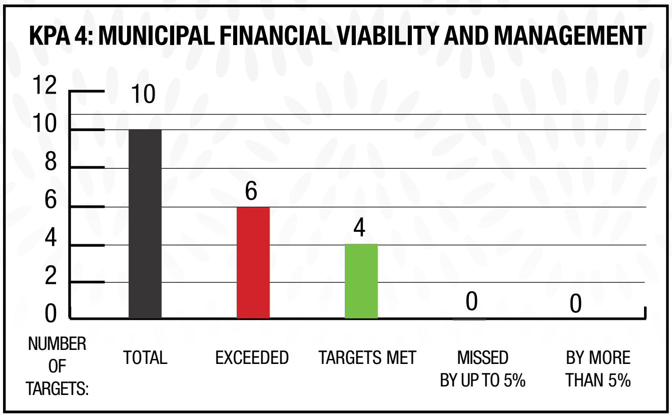
Key Performance Area 3: Local Economic Development:

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
9	2	2	1	4	44.44%



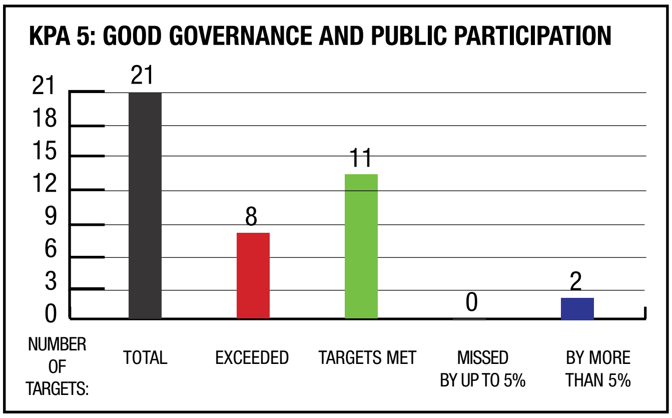
Key Performance Area 4: Municipal Financial Viability and Management:

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	6	4	0	0	100%



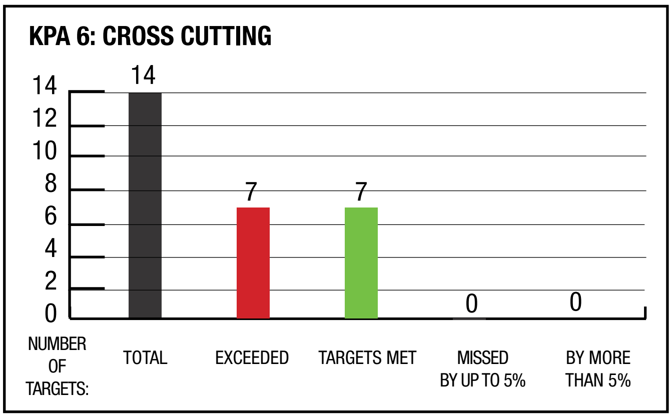
Key Performance Area 5: Good Governance and Public Participation:

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	8	11	0	2	90.48%



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	7	7	0	0	100%



In relation to the 2024/2025 financial year-end performance results, the final position shows that:

- 75.95% of measures met or exceeded the year-end target.
- 24.05% of measures were not achieved which is 6.33% regression on the overall performance compared to the 2023/2024 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	2023/2024 PERFORMANCE	2024/2025 PERFORMANCE
Blue – Exceeded target	24.05%	36.71%
Green – Met target	58.23%	39.24%
Amber – Missed target by up to 5%	5.06%	5.06%
Red – Missed Target by more than 5 %	12.66%	18.99%

Municipal Transformation and Institutional Development

The result of the KPA at the end of the financial year was 72.73%, which is an increase of 2.73% in comparison with the 2023/2024 financial year's achievement of 70%.

The implementation of the Employment Equity Plan was a success in terms of the appointments made for the year. Seven (7) officials from employment equity groups were employed in the three highest levels of management, the achievement exceeded the set target of 4 appointments targeted for the year. The reported achievement indicates a decrease when compared to the 2023/2024 financial years' achievement of 11 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 100 officials however at the end of the financial year, a total of 116 officials had been trained. Although the 2024/2025 financial year result is a decrease from the 121 officials trained in the 2023/2024 financial year, the current year result of 116 officials trained is well above the set target of 100 officials. The target for councillors training was set at ten (10) however by the end of the financial year, twenty-four (24) Councillors had been trained. This is a decrease when compared to the previous financial year's achievement of thirty-five (35) councillors trained, this can be attributed to the limited training budget. The municipal training plan was successfully implemented in the 2024/2025 financial year. The plan consisted 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	1 x Mid-Management 3 x Skilled and 3 x Semi-Skilled	5 x Females 2 x Males	7
ARPL Assessment, Plumbing Brush-Up & Trade Test Plumbing	5	3 x Unskilled	1 x Female 2 x Males	3
Management Development Program	7	5 x Mid-Management	2 x Females 3 x Males	5
Commercial Contracts Drafting	5	1 x Senior Management	1 x Male	1
Water Desalination, Reverse Osmosis/ Membrane and wastewater re-use	5	3 x Mid-Management	2 x Females 1 x Male	3
Waste Management and Pollution Control	4	2 x Semi Skilled 11 x Unskilled	7 x Males 6 x Females	13

During the 2024/2025 financial year, Council undertook a decision to in-house the provision of Bulk Water Supply under the King Cetshwayo District Municipality including the taking over of all the operations and employees stationed in all the plants throughout King Cetshwayo District Municipality effective from 13 March 2025. The function was previously outsourced to uMngeni-uThukela Water.

The Change Management Committee was established and thereafter tasked with the responsibility of engaging with Umgeni-uThukela Water on negotiations concerning the terms of the Section 197 Agreement for facilitating the transfer of employees performing the Bulk Water Provision functions. The transfer was successful in the 2024/2025 financial year.

Basic Service Delivery

The results of the KPA at the end of the 2024/2025 financial year indicates an achievement of 35.71%. There is 39.29% decrease on the reported result in comparison to the 2023/2024 financial year's achievement of 75%.

The municipality did not achieve the set annual targets of 778 new water connections, a total of 591 new water connections were achieved in the 2024/2025 financial year. Although the target is not achieved in the financial year, there is an improvement when compared to the 2023/2024 financial year's achievement of 587 water connections. The non- achievement is due to challenges with bulk water supply issues for the testing and commissioning. Some zones within the project are still experiencing water supply issues and as result, water supply was not coming out of the taps installed within those zones. The Municipality will attend to the refurbishment work required at Middledrift PS 1 and PS 2 to ensure continuous pumping that will provide sufficient bulk water supply to 5Ml reservoir for the new network.

The target for the sanitation connections was set at 512 for the 2024/2025 financial year, the municipality exceeded the target with the achievement of 514 sanitation connections. The reported figure of 514 for new sanitation connections in the 2024/2025 financial year shows a decrease when compared to the 2023/2024 financial year's reported achievement of 994.

The municipality utilized the demographic information contained in the 2022 National Census Report along with the accumulation of new household connections from 2011 onwards when setting the targets for the financial year in order to report on the percentage of households with access to basic water and sanitation. This is also complemented by the approved Water Services Development Plan (WSDP) due to the misaligned population statistics pertaining to access and the actual needs on the ground. The reported achievements were calculated and reported on by using the statistics contained in the WSDP report for a more accurate representation. The 2022 Census report identified 105 298 households within the district that require access to basic water and sanitation. However, the WSDP identified 140 898 households. Due to the misalignment and the potential misrepresentation of access to sanitation services being over 100%, the latter population figure has been used to report on the water and sanitation achievements for the 2024/2025 financial year. In doing so, this then warranted the readjustment of the baseline. 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 2024/2025 achievements in comparison to the 2023/2024 financial year for indicators located in the Basic Services Delivery Key Performance Area:

KEY PERFORMANCE INDICATOR	2023/2024 ACHIEVEMENT	2024/2025 ACHIEVEMENT
Percentage of households with access to basic water services	58.27 % ~~77.96 %~~	58.69%
Number of households with access to basic Water	82 095	82 686
Number of new water connections	587	591
Percentage of households with access to basic sanitation services	74.41% ~~99.57%~~	74.77%
Number of households with access to sanitation services	104 841	105 355
Number of new sanitation connections	994	514

The following table outlines the 2024/2025 percentage achievement in compliance with the License Conditions at the regional solid waste and transfer station when compared to the 2023/2024 financial year:

Key Performance Indicator	2022/2023	2023/2024
Percentage Compliance with the License Conditions at the regional solid waste and transfer station	55 %	78 %

The compliance audits were conducted on a quarterly basis and as such four audits were conducted in the 2024/2025 financial year. Three of the reports were conducted internally, one sector department external audit was done by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA), 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 will be implemented in line with the recommendations made by the EDTEA.

The following table outlines the compliance ratings for each quarter as well as the overall compliance level for the 2024/2025 financial year as issued by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA):

AUDIT PERIOD	COMPLIANCE RATING	SOURCE
Quarter 1	56 %	Internal Report
Quarter 2	59 %	Internal Report
Quarter 3	68 %	Internal Report
Quarter 4 and Annual Achievement	78 %	External Report on the compliance level issued by the Department of Economic Development, Tourism an Environmental Affairs

The municipality reported 28.9% for the Total Water Losses (WL/SIV) in the 2024/2025 financial year, the achievement indicates a decline of 0.6 % when compared to the reported percentage of 28.3% in the 2023/2024 financial year. To note that the reported achievement of 28.9% in the 2024 2025 financial year is still within the expected norm.

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 2024/2025 financial year was not met at 44.44% which is a 18.06% decline in comparison with the 2023/2024 financial year achievement of 62.50%.

The municipality continues to prioritize local economic development and upskilling small businesses within the district. In the 2024/2025 financial year the municipality secured two tourism partnerships, the first partnership was with University of Zululand and 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 set target for the number of farmers and agricultural co-operatives was exceeded with the achievement of 58 co-operatives supported. The achievement indicates an improvement when compare to the previous financial year's achievement of 50 farmers and agricultural co-operatives supported.

The target for the number of EPWP jobs created was set at 600 jobs and this target was not met with a total of 461 EPWP jobs created in the 2024/2025 financial year. This is a notable decrease when compared to the 2023/2024 financial years' achievement of 633 EPWP jobs the reduction was due to the staggered approach on the progression of capital infrastructure projects and the termination of contracts which resulted in few jobs created as job creation is staggered and progresses in line with the projects. The set target for youth appointments made on EPWP jobs for the 2024/2025 financial year was 50% however the reported achievement was 48.16% in the 2024/2025 financial year. This is a slight decrease of 2.23% when compared to the reported achievement of 50.39% in the 2023/2024 financial year.

Much effort was geared towards supporting small businesses within the district in the 2024/2025 financial year. This is evident in the number of SMME's supported within the district. The target was set at 10 however an overwhelming 167 SMME's were supported in the 2024/2025 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 100% for the 2024/2025 financial year which is a commendable increase of 10% when compared to the 2023/2024 financial year achievement of 90%.

R 104 948 254 was collected from customers during the 2024/2025 financial year. The rand value collected decreased by R 6 930 582 in comparison to the 2023/2024 financial year figure of R 111 878 836.

The debt collection achievement for the financial year was an overwhelming 104% which is commendable achievement, exceeding the set target of 85%. The achievement indicates a slight decrease of 1% when compared to the 2023/2024 financial years' achievement of the of 105%.

The municipality achieved 100% expenditure on grants and subsidies which remains the same when compared the 2023/2024 financial year's achievement.

Good Governance and Public Participation

The KPA result for the 2024/2025 financial year was 90.48%, which is an increase of 4.77% when compared with the 2023/2024 financial year's results of 85.71%.

The implementation of the District Development Model continues to be a success, the cluster meetings and Technical Hub meetings took place quarterly 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 4 awareness campaigns in the 2024/2025 financial year, the achievement is a slight increase when compared to the 2023/2024 financial years' achievement of three (3) awareness campaigns. The implementation of Special Programmes in the municipality was a huge success in the 2024/2025 financial year. The Disability, Women, Children's Rights and Senior Citizens Programmes all exceeded the set targets in the 2024/2025 financial year. 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 200 students which is a slightly lower achievement in comparison to the 2023/2024 financial years' achievement of 202 students assisted with registration grants.

The district successfully hosted the King Cetshwayo Career Expo which was held on 29 and 30 April 2025 at Mthonjaneni Sports Centre and Esikhawini TVET College 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 2024/2025 financial year was 100%, the achievement of the KPA remains the same in comparison to the 2023/2024 financial year.

The implementation of the Environmental Health awareness campaigns was a commendable success in the 2024/2025 financial year, the target for the year was 80 campaigns however, an overwhelming 540 awareness campaigns were conducted which is an outstanding achievement in comparison to the 2023/2024 achievement of 343 awareness campaigns. Topics covered during the awareness campaigns range from different environmental diseases and health conditions, such as Rabies, food-hygiene, personal hygiene, Bilharzia, Malaria, German Measles and Hand, Foot and Mouth Disease.

The municipality conducted 19 disaster awareness and educational sessions therefore exceeding the set target of sixteen (16) for the 2024/2025 financial year. There is a slight decrease when compared to the 2023/2024 financial year's achievement of 24 disaster awareness and educational sessions. 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 11 coastal and environmental management awareness campaigns, this is decrease when compared to 17 coastal and environmental management awareness campaigns for the 2023/2024 financial year.

The King Cetshwayo District Municipality hosted its 3rd Annual King Cetshwayo Horse Racing event from 26 to 27 July 2024. The two (2) day event kicked off with a fashion show and the crowning of Mr and Miss King Cetshwayo that was held in the evening of 26 July 2024 at Empangeni, uMfolozi casino. This was a pre-event for the traditional horse racing competition and its purpose is to uplift youth by show casing the modelling talent of young people within the district. Local designers were given a platform to promote their talent and creativity and to market their businesses to a diverse audience.

The second day started off with carnival walk and Ingezo parade followed by the Traditional Horse Racing Competition. The Traditional Horse-Racing Competition took place on 27 July 2024 at Empangeni Airfield. Each race had horses graded from 07 to 01 from all Districts in Kwa-Zulu Natal. 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 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 16 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. The event created a platform for choral artists to the show case their talent and creativity. with participation and performances received from choirs, soloists and orchestra from within the District and all over KwaZulu Natal.

Inkosi Zuzifa Buthelezi the son of Prince Mangosuthu gave the keynote address, he conveyed the word of gratitude on behalf of the family of Kwa Phindangene. He mentioned the importance of choirs and soloists as the provide healing with their soulful music. He encouraged that choral music competitions must be revitalized in schools. The Minister of CoGTA Honorable V.F Hlabisa on his message of support congratulated all the performances from the choirs and soloists The music festival event was a huge success.

The municipality hosted its 4th Annual King Cetshwayo Memorial Lecture in Commemoration of Impi Yase Sandlwana with the aim to promote and preserve heritage on 18 January 2025 at Mthonjaneni Municipality Indoor Sports Centre. The event formed part of 3-day tour from 16 to 18 February 2024 through the King's Experience Heritage tourism route to the King Cetshwayo heritage sites. The tour started with a visit to Esikhaleni seNkosi (Port Dunford) to pay homage to the capture site, then proceeded to Spirit of King Cetshwayo at uMlalazi Municipality to pay homage to the site where King Cetshwayo kaMpande passed to eternal life and the procession ended at the Bhophe Ridge near Nkandla where King Cetshwayo kaMpande was laid to rest. The final day culminated with the King Cetshwayo Memorial Lecture in Commemoration of Impi Yase Sandlwana.

Leadership at District Games

Addressing Audit findings raised in the 2023/2024 financial year

During the 2023/2024 financial year, the Auditor General highlighted matters of emphasis on the achievement of planned targets. The noted non-achievements were based on the key performance indicators under the Basic Service Delivery KPA, the indicators that were not achieved were for the Solid waste landfill site, Compliance to SANS 241:2015, Compliance to General authorisation standards/works and the response to water and sanitation complaints. The progress on the listed matters was reported on monthly and submitted to the Audit Committee on a quarterly basis.

Description	Audit Action Plans	Progress update as at June 2025
Percentage compliance with the license conditions at the regional solid waste and transfer station (target 85%; actual 55%).	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. <u>Responsible Person</u> HOD Ops & Maintenance DMM Technical Services <u>Target Date</u> 30 June 2025	1. The landfill-site operator has been placed on terms as far as the contractual obligations are concerned, which has led to improvements to operations and their performance is being closely monitored and reported on monthly through an item to the technical portfolio committee – KCD-MTS: 1282/2025 2. In instances where non-compliance is noted, penalties have been instituted in the April 2025 payment certificate. 3. Action completed: Interim dumpsite cleared. The second phase of staff training was undertaken in the third quarter of 2024/2025. The site zoning certificate issued by CoU on 15 November 2024. 4. December 2024 sampling was performed, and the results are being attended to. Monthly sampling has resumed since April 2025 due to budget challenges. 5. The construction of the access road was completed by 28 February 2025, however due to constrained budgets and high material costs, there were some limitations on layer works and drainage provision. Subsequently the access road was damaged by heavy rains experienced in the district in the months of March and April. However, funding allocation has been made in the 2025/2026 budget for further construction to include daily drain provision. 6. 6. Daily inspections are being undertaken for leachate and ` fire monitoring. 7. Meeting took place with COU in the third quarter of 2024/2025 regarding the leachate permit, a further site meeting was undertaken in March 2025 by CoU and KCDM now awaits the outcome thereof. Technical endeavours to follow up with city officials. 8. The municipality has a target of 85% and as at Quarter 4 the municipality attained a 78% from the external audit conducted by EDTEA. Whilst an improvement from the 55% attained the 2023/2024 external audit by EDTEA, the municipality continues to implement the recommendations made by EDTEA. 9. The installation of additional fire extinguishers was completed on 31 January 2025. 10. The site zoning confirmation certificate was obtained on 15 November 2024.

<table>
<tr><th>Description</th><th>Audit Action Plans</th><th>Progress update as at June 2025</th></tr>
<tr><td>Percentage compliance to SANS 241:2015 (target 94%; actual 90%).</td><td>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</td><td>The Quarter 4 of the 2024/25 Potable water quality report indicates an improvement from 2023/2024 with an achieved percentage compliance of 90.30% due to heavy rains experienced in April 2025 (target 94%). The Municipality continues to implement measures outlined in the blue drop improvement plan and report to the Technical Portfolio Committee monthly.

The Municipality is currently implementing various bulk water projects – upgrade Phobani WPP is at 15%, Nkandla Vutshini WPP is at 76%, Middledrift WPP upgrade contract was terminated and new tender process closed on 02 May 2025. Approval for the planning upgrade of Nkandla Bulk WPP was received in April 2025 and preliminary design is at 95% complete. The implementation on plant upgrades and refurbishments for Eshowe WPP, Ofasimba WPP and Obanjeni WPP has been budgeted for in the 2025/2026 FY.</td></tr>
<tr><td>Percentage compliance to general authorization standards/works license (target 80%; actual 76.25%).</td><td>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</td><td>1. As at end of January 2025 Wastewater effluent quality is at 96% which is above the PMS target of 80% which is an improvement from the prior year achievement of 76.25% reported in 2023/2024. The March 2025 results are expected to be received in the month of May 2025. Implementing corrective measures through the developed Green Drop Improvement Plan and report to Technical portfolio monthly is ongoing.
2. Implementation of various wastewater plants upgrades and refurbishments for Mtunzini waste plant, KDS waste plant and Ocean view waste plant, inclusive of flow meters has been budgeted for in the 2025/2026 FY.</td></tr>
<tr><td>Percentage of official water and sanitation complaints responded to within 48 hours (target 100%; actual 96%).</td><td>The manual reporting and recording system will be enhanced through the implementation of standardized 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</td><td>The manual reporting and recording system has been enhanced through the implementation of a standardised spreadsheet. The spreadsheet is prepared daily by the issue controller and reviews are undertaken thereof.</td></tr>
</table>

Deteriorating Performance

This section highlights key areas for deterioration of performance, the following key performance indicators have not been achieved for two consecutive years.

	2023/2024 FINANCIAL YEAR		2024/2025 FINANCIAL YEAR	
KEY PERFORMANCE INDICATOR	TARGET	ACHIEVEMENT	TARGET	ACHIEVEMENT
Percentage compliance with the license conditions at the regional solid waste and transfer station	85%	55%	85%	78%
Percentage compliance to SANS 241: 2015	94%	90%	94%	91.40%
Percentage of infrastructure and maintenance budget spent on repairs	100%	97.98%	100%	88%
Percentage of official water and sanitation complaints responded to within 48 hours	100%	96%	100%	62.92%
Percentage activities towards Ematshenezimpisi Game Reserve (Refurbishment of Community Hall)	100%	80%	N/A	N/A
Number of Ematshenezimpisi Game Reserve site fenced	N/A	N/A	1	0
Percentage construction of sewing hub factory	50%	33%	N/A	N/A
Number of Sewing Hub/Factory fenced and site clearance	N/A	N/A	1	0
Number of Mayors Forum meetings held	4	3	4	2
Number of Speakers Forum meetings held	4	0	4	2

There has been some improvements in the key performance indicators relating to percentage compliance with the license conditions at the regional solid waste and transfer station, percentage compliance to SANS 241:2015 and the speaker's forum meetings. Although the targets were not achieved, an improvement is noted when comparing the achievement of the 2024/2025 financial year to that of the 2023/2024 financial year. The municipality will ensure that the listed key performance indicators are closely monitored to ensure that they are achieved in the new financial year. The reasons for the 2024/2025 non-achievements are detailed in the non-achievements section as well as measures to improve.

Non-Achievements for the 2024/2025 Financial Year

The organization achieved 60 targets out of a total of 79 targets on the Top Layer SDBIP. The table below provides an analysis of the 19 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 appropriately align Human Resources skills in the organisation	Review the Human Resource Strategy to ensure Talent management and Skills enhancement	Percentage of all manager's performance agreements signed by 30 July each year	100%	96.97%	Office of the Municipal Manager
<u>Reason for Non-Achievements</u> Two (2) managers did not submit their performance agreements by 31 July; one manager was on prolonged sick leave and the other manager was on bereavement leave at the time of submission.				<u>Measures for improvement</u> The two (2) outstanding performance agreements were submitted in August by both managers. Reminders emails were sent to departments to advise them of the their obligation to submit their signed performance agreements before the due date.		

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 strengthen Information and Communication Technology (ICT) information and security systems	Deployment of Innovative systems contributing towards the integrity of ICT information	Number of satellite offices connected to WAN	1	0	Corporate Services
<u>Reason for Non-Achievements</u> The service provider (MTN) was issued with an order to connect the Eshowe EHP satellite office. The service provided needed to perform due diligence to confirm the available technology to be deployed for the connectivity, either a Fibre link or a microwave link. The fibre link was the more suitable option, the municipality had to place an order for infrastructure or equipment to implement. Delays were experienced with finalising all these				<u>Measures for improvement</u> To fast track installation with MTN. Weekly updates to be requested from the service provider in monitoring installation progress. The project finalization is projected for 31 December 2025.		

National Key Performance Area: Municipal Transformation and Institutional Development

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Municipal Transforma-tion and Institutional Development	To integrate Municipal ICT systems	Implementation of Enterprise Resource Planning (ERP) system.	Number of Business Continuity Plan (BCP) approved by Council	1	0	Office of Municipal Manager
Reason for Non-Achievements The BCP function was the responsibility of the COO, however the COO post was vacant in the 2024/2025 financial year and has since been removed from the organisational structure.				Measures for improvement Provincial Treasury conducted a Strategic Risk Assessment in April 2025. During the session, a risk register was developed with an action plan to benchmark a Business Continuity Plan with other organizations, this target is due by March 2026.		

National Key Performance Area: Municipal Transformation and Institutional Development

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 LicenceConditions at theregional solid wasteandtransfer station	85%	78%	Technical Services
Reason for Non-Achievements The findings listed on the external audit report based on audit conducted by EDTEA identified the following failures on certain critical areas: 1. Compaction and cover of waste was not 100%. 2. The off-site borehole not maintained properly. 3. The borehole located next to sump three (3) 4. The Geohydrological model Biennially as required by condition 4.4.5 of Waste Management License. 5. Annual report for water monitoring results interpretation as required by condition 4.4.1. 6. Monitoring and measurement plan of air space. 7. Maintain the storm water management system, which was found to be compromised by windblown litter, bathing materials from waste reclaimers and overgrown vegetation. 8. Waste remains such as Sulphur spillages and Industrial filters near the recyclers dedicated area. 9. Effluent Discharge Permit 10. Solid Waste Disposal Facility Monitoring Committee to consistently meet on a quarterly basis. 11. Adequate signage's and warnings signs in specific areas on site. 12. The disposal of dead animals, rejected carcasses, parts of dead animal, condemned food waste. 13. Confirmation letter from the waste water treatment works (WTW) to discharge leachate. 14. Geomembrane penetration test of Cell 3B&C. 15. Post Geotechnical Assessment and Stability Assessment of beams after waste disposal have commenced on Cell 3B&C. 16. Updated Emergency Preparedness Plan and Operation and Maintenance.				Measures for improvement Service provider operating the site has been requested to urgently provide the client an action plan with time frames to undertake the above task. The off-site borehole is very challenging because the borehole is at the remote area, with sugar cane fields whereby during the season of sugar cane burning the borehole get affected. A new borehole location will be sourced. A new location for the borehole located next to sump three (3) will be sourced where there no high water table. KCDM will ensure the above is done and be provided in accordance with Waste Management License. KCDM has since requested the new service provider for water sampling to provide interpreted result when doing sampling for Landfill site. The air space with supporting documents will be compiled and provide in accordance with Waste Management License. The storm water drainage system has since been clean and all windblown litter together with bathing material were removed. The removal of such has since being removed to the dedicated working phase. Several engagements with authorities managing the sewer system were done, but with no progress. A new application will be considered with further engagements with City of uMhlathuze. The next meeting will be on 31 July 2025 and the following be 26 September 2025 in order to meet the quarterly basis. This is included on the Action Plan that will be provided by Site Operator/Service Provider. The service provider/site operator has since been given an instruction to attend to such waste disposal with strict monitoring dedicated trenches. A new application will be considered with further engagements with CoU. This test will be included on the External Audit provided by service provider/site operator on August 2025 as per KCDM instruction.		

	The assessment will be included on the External Audit provided by service provider/site operator on August 2025 as per KCDM instruction. The Emergency and Preparedness Plan was compiled and will be submitted after review.

National Key Performance Area: Basic Service Delivery

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 households with access to basic sanitation services	100.05%	74.77%	Technical Services

Reason for Non-Achievements	Measures for improvement
The misrepresentation of full access to basic sanitation caused by the utilization of 2022 Census forced the Municipality to reconsider the information used to calculate backlog. In this regard, the Municipality therefore considered utilizing the approved Water Services Development Plan (WSDP) information as it is more relevant. Due to this, the baseline and annual achievement had to be amended, thus non-achievement of the total access to sanitation. However, it's important to note that even if the Municipality utilized the most relevant and up to date information, the total number of sanitation units installed would not have changed as the full capacity was used.	The Municipality is currently reviewing and updating the WSDP to ensure that up to date information is utilized. The update will be completed within FY2025/26 and the updated information will be utilized for backlog calculations.

National Key Performance Area: Basic Service Delivery

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 households with access to basic water services	78.70%	58.69%	Technical Services
			Number of households with access to basic water	82 873	82 686	
			Number of new water connections	778	591	

Reason for Non-Achievements	Measures for improvement
Middledrift SSA5 Water Reticulation project could not be completed and commissioned due to bulk water supply challenge. Thus, some zones within the project are still experiencing water supply issues and as result, water supply was not coming out of the taps installed within those zones. Happy Letters not obtained from the home owners as they are only signing them after water supply comes out of the yard installed tap.	The Municipality to attend to the refurbishment work required at Middledrift PS1 and PS2 to ensure continuous pumping that will provide sufficient bulk water supply to 5Ml reservoir feeding this new network. This work has been allocated and projected to be completed by 12 December 2025.

National Key Performance Area: Basic Service Delivery

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 infrastructure and maintenance budget spent on repairs	100%	88%	Technical Services

Reason for Non-Achievements	Measures for improvement
The actual expenditure realized was 88%, resulting in a 12% variance against the approved target. Moreover, persistent shortages in technical personnel resulted in slower execution of some in-house repairs programmes. In several instances, work that was planned for internal execution had to be postponed.	The Municipality has recently appointed two (2) senior managers (Senior Manager: Operations and Maintenance and Senior Manager: Process Management). The said appointments will greatly aid in expediting repairs and maintenance of infrastructure and thus improve expenditure. The Municipality remains committed to achieving full budget utilization in the current financial year and ensuring improved reliability and sustainability of infrastructure assets.

National Key Performance Area: Basic Service Delivery

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 reduction of water services backlog	0.74%	0.42%	Technical Services
Reason for Non-Achievements Middledrift SSA5 Water Reticulation project could not be completed and commissioned due to bulk water supply challenge. Thus, some zones within the project are still experiencing water supply issues and as result, water supply was not coming out of the taps installed within those zones. Happy Letters not obtained from the home owners as they are only signing them after water supply comes out of the yard installed tap.				Measures for improvement The Municipality to attend to the refurbishment work required at Middledrift PS1 and PS2 to ensure continuous pumping that will provide sufficient bulk water supply to 5Ml reservoir feeding this new network. This work has been allocated and projected to be completed by 12 December 2025.		

National Key Performance Area: Basic Service Delivery

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%	91.40 %	Technical Services
Reason for Non-Achievements Target not achieved due to plants and equipment aged infrastructure.				Measures for improvement Plant refurbishment and upgrades are under implementation. Due to the internal funding limitations with KCDM, grant funding was applied for and approved through MIG for the refurbishment activities of 12 Water Treatment Works. This refurbishment works to be completed within Quarter 2 of 2025/2026 financial year.		

National Key Performance Area: Basic Service Delivery

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%	62.92%	Technical Services
Reason for Non-Achievements Target not achieved due to plants and equipment aged infrastructure. The Municipality is rural dominated, and most communities rely heavily on reporting complaints to the ward Councilors and the information is further reported to the municipality through various WhatsApp messages. Moreover, the municipality has a Call Centre which has resource limitations (staff and call center system).				Measures for improvement The Municipality has benchmarked with similar rural municipalities on the system been used by them with the intention to procure a system which will be tailor-made to needs of the municipality. The following interventions will be implemented: 1. Call centre awareness to the communities by 31 March 2026. 2. Improve the complaints register to include complainant's name, contact details, reference number and tracking logs.		

National Key Performance Area: Local Economic Development

<table>
<tr><th>NATIONAL KPA</th><th>OBJECTIVE</th><th>STRATEGY</th><th>PERFORMANCE INDICATOR</th><th>ANNUAL TARGET</th><th>ACTUAL ACHIEVEMENT</th><th>RESPONSIBLE DEPARTMENT</th></tr>
<tr><td>Local Economic Development</td><td>To capacitate SMMEs and Cooperatives to enable the creation of jobs</td><td>Implementation of EPWP Programmes</td><td>Percentage of official water and sanitation complaints responded to within 48 hours</td><td>600</td><td>461</td><td>Technical Services</td></tr>
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EPWP jobs are realized in a staggered approach based on the projects progression. Fewer number of jobs created was as a result of the termination of 3 contracts (i.e. Mthonjaneni SSA2 Phase 1b1, Mthonjaneni SSA2 Phases 1b2, Mthojaneni SSA4 (2) reservoir, and KwaHlokohloko SSA 1), and these contracts had to go out on tender. Postponement of commencement of Eshowe sewer upgrade project due to prolonged EIA approval.</td><td colspan="3">Measures for improvement
Projects that were terminated have all restarted and contractors accelerating work on site.
Budget allocated for Eshowe sewer upgrade was reallocated to finalize the planning phase and to add on the KwaHlokohloko water reticulation project.
Engagements are on-going with EDTEA regarding
Eshowe Sewer Upgrade project.
Technical Services must strive to have implementation ready projects overlapping in multi-financial years in case of unavoidable circumstances.
The employment that was not achieved in 2024/2025 financial year will be realized and reported on in the
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National Key Performance Area: Local Economic Development

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<tr><td>Local Economic Development</td><td>To capacitate SMMEs and Cooperatives to enable the creation of jobs</td><td>Implementation of EPWP Programmes</td><td>Percentage of EPWP youth appointments made in the 2024
2025 financial year</td><td>50%</td><td>48.16%</td><td>Technical Services</td></tr>
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EPWP jobs are realized in a staggered approach based on the projects progression. Fewer number of jobs created was as a result of the termination of 3 contracts (i.e. Mthonjaneni SSA2 Phase 1b1, Mthonjaneni SSA2 Phases 1b2, Mthojaneni SSA4 (2) reservoir, and KwaHlokohloko SSA 1), and these contracts had to go out on tender. Postponement of commencement of Eshowe sewer upgrade project due to prolonged EIA approval.</td><td colspan="3">Measures for improvement
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National Key Performance Area: Local Economic Development

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<tr><td>Local Economic Development</td><td>To develop, market & promote investment & tourism</td><td>Promote, develop & market Tourism products.</td><td>Number of Ematshenezimpisi Game Reserve (Mahlayizeni Game Reserve) site fenced</td><td>1</td><td>0</td><td>Planning and Economic Development</td></tr>
<tr><td colspan="4">Reason for Non-Achievements
The target was not achieved; however, it should be noted that plans are in place towards the main objective as listed below:
Ematshenezimpisi Game Reserve- Master plan (relayed from Feasibility study by Urban Econ) was prepared at no cost by the Service Provider from the Technical Service’s panel. The Master plan was also discussed with the relevant Traditional Authority and it was agreed into a Phased Approach implementation. Subsequent to that; Sod Turning was conducted, and the Service Provider was introduced and awaiting the finalization of appointment. The funds were rollover to 2025/2026 FY.</td><td colspan="3">Measures for improvement
The project is expected to commence during the new financial year 2025/2026 as per Master Plan phased approach.</td></tr>
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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 King Cetshwayo Memorial Site's upgraded	1	0	Planning and Economic Development
Reason for Non-Achievements The budget for Capital projects, King Cetshwayo Grave upgrade was rechanneled to other programs within KCDM during the re-prioritization process due to delays in protocol issues. Subsequent to that Amafa Heritage (Custodian of the Heritage related functions) were engaged and agreed to come on board through Formal partnership arrangement by entering into a Memorandum of Understanding (MoU). Private Service provider was engaged by PED unit to assist in preparing conceptual Drawings as part of KCDM contribution to the project and those drawings were accepted and adopted by Amafa. Furthermore, Amafa indicated that they set aside a budget of R7 200 000 (over 3 years) as part of commitment to the project starting from 2025/2026 financial Year. KCDM in partnership with uMlalazi Local Municipality are currently supporting the project by providing water services and re-electrification of the existing structures.				Measures for improvement KCDM and KwaZulu-Natal Amafa and Research Institute are currently formalizing a partnership agreement to support the project. KCDM Accounting Officer has signed MoU, awaiting Amafa to sign the MoU that was sent on 24 June 2025.		

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	Training, Support and development of entrepreneurs for the creation of sustainable job opportunities	Number of Sewing Hub/ Factory fenced and site clearance	1	0	Planning and Economic Development
Reason for Non-Achievements There was a delay in the approval of building plans by Nkandla Local Municipality. The process of getting approval was initiated by the service provider in January 2025 and the approval was received on 28 July 2025. Funds for the project were then channeled (reprioritized) to other programmes within KCDM.				Measures for improvement To identify and engage other potential funders to support with funding for the project in 2025/2026 financial year.		

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	Enhance Stakeholder Relations and Public Participation	Improve value and quality of communication through the IGR	Number of Mayors Forum meeting held	4	2	Office of the Municipal Manager
Reason for Non-Achievements The Mayor's Forum did not take place due to a conflict of schedules of service delivery commitments and other meetings.				Measures for improvement The meeting will take in place in Quarter 1 of the 2025/2026 financial year. A Mayor's Forum meeting schedule will be prepared for the full financial year in order to avoid clashes.		

NATIONAL KPA	OBJECTIVE	STRATEGY	PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL ACHIEVEMENT	RESPONSIBLE DEPARTMENT
Good Governance and Public Participation	Enhance Stakeholder Relations and Public Participation	Improve value and quality of communication through the IGR	Number of Speakers Forum meeting held	4	2	Office of the Municipal Manager
Reason for Non-Achievements The Speaker's Forum was not achieved due to the busy schedule of the Honourable Speaker.				Measures for improvement The Speaker's Forum is scheduled to take place on 5 September 2025. A Speaker's Forum meeting schedule will be prepared and made available to all Speaker's in the district in order to avoid clashes.		

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY															
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	TLSDBIP/OPMS Indicator No.	Performance Indicator	Unit of Measure	IDP 2023/2024 20232024 FY			IDP 2024/2025				
								Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2
NATIONAL KPA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION															
A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERTIATED APPROACH TO MUNICIPAL FINANCING PLANNING AND SUPPORT IS IMPLEMENTED	Municipal Institutional Development and Transformation	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	11	4	N/A	N/A	N/A	4
			To appropriately align Human Resources skills in the organization	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	N/A	N/A	N/A	N/A
					1.2.2	Percentage of salaries budget actually spent on workplace skills plan	Percentage	1%	N/A	1%	1%	0,10%	0.60%	0,20%	0.93%
					1.3.1	Number of staff trained	Number	50	N/A	121	100	15	22	20	20
					1.3.2	Number Councillors trained	Number	10	N/A	35	10	N/A	5	N/A	2
					1.4	Percentage of all managers performance agreements signed by 30 July each year	Percentage	New	N/A	New	100%	100%	96.97%	N/A	N/A
			To provide growth and development opportunities to employees	Implementation of Employee Assistance Programme	1.5	Number of Employee Wellness Programmes held	Number	1	N/A	1	1	N/A	N/A	N/A	1
		Organizational & 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	Number of satellite offices connected to WAN	Number	New	New	New	1	N/A	N/A	N/A	N/A
					1,7	Percentage of finalized WIFI deployment on main site (KCDM)	Percentage	New	New	New	100%	25%	25%	50%	25%
			To integrate Municipal ICT systems	Implementation of Enterprise Resource Planning (ERP) system.	1,8	Number of reports on the testing of Disaster Recovery Plan	Number	New	N/A	New	1	N/A	N/A	N/A	N/A
			To integrate Municipal ICT systems	Implementation of Enterprise Resource Planning (ERP) system.	1,9	Number of Business Continuity Plan (BCP) approved by Council	Number	New	N/A	New	1	N/A	N/A	N/A	N/A

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY										
IDP 2024/2025									Responsible Department	
Mid Year Target	Mid Year Actual	Target Quarter 3	Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result		Measures for Improvement
NATIONAL KPA : MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION										
N/A	4	2	3	2	0	4	7	Target Exceeded	Corporate Services	N/A
N/A	N/A	N/A	N/A	1	1	1	1	Target Met	Corporate Services	N/A
0,20%	0.93%	0,60%	0.9397%	1%	1%	1%	1%	Target Met	Corporate Services	N/A
35	42	20	29	45	45	100	116	Target Exceeded	Corporate Services	N/A
N/A	7	N/A	5	10	12	10	24	Target Exceeded	Corporate Services	N/A
100%	96.97%	N/A	N/A	N/A	N/A	100%	96.97%	Target Missed by up to 5% of the Target	COO	The two (2) outstanding performance agreements were submitted in August by both managers. Reminders emails were sent to departments to advise them of the their obligation to submit their signed performance agreements before the due date.
N/A	1	N/A	N/A	1	0	1	1	Target Met	Corporate Services	N/A
N/A	N/A	N/A	N/A	1	0	1	0	Target missed by more than 5 %	Corporate Services	To fast track installation with MTN. Weekly updates to be requested from the service provider in monitoring installation progress. The project finalization is projected for 31 December 2025.
50%	25%	75%	75%	100%	100%	100%	100%	Target Met	Corporate Services	
N/A	N/A	N/A	N/A	1	1	1	1	Target Met	Corporate Services	N/A
N/A	N/A	N/A	N/A	1	0	1	0	Target missed by more than 5 %	COO/MM	Provincial Treasury conducted a Strategic Risk Assessment in April 2025. During the session, a risk register was developed with an action plan to benchmark a Business Continuity Plan with other organisations, this target is due by March 2026.

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY															
								IDP 2023/2024 20232024 FY			IDP 2024/2025				
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	TLSDBIP/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
NATIONAL KPA: BASIC SERVICES DELIVERY															
IMPROVED ACCESS TO BASIC SERVICES	Basic Service Delivery	Strategic Infrastructure	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%	N/A	55%	85%	85%	56%	85%	59%
			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	'72.36%	'77.90%	58.27% ~~77,96%~~	78.70% ~~'79.47%~~	77,96%	58.27%	78.70%	58.27%
					2.2.2	Number of households with access to basic water	Number	'84 204	'82 032	82 095	82 873 ~~'83 682~~	82 095	82 095	82 873	82 095
					2.2.3	Number of new water connections	Number	1 665	524	587	778 ~~'1587~~	N/A	NA	778	0
				Implementation of Infrastructure Programmes	2.3.1	Percentage of households with access to basic sanitation services	Percentage	102.97%	99,57%	74.41% ~~99.57%~~	100,05%	99.66%	74.41%	99.90%	74.74%
					2.3.2	Number of households with access to sanitation services	Number	119 819	104841	104 841	105 353	104 943	104 841	105 193	105 306
					2.3.3	Number of new sanitation connections	Number	1005	994	994	512	102	0	250	465
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	N/A	633	600	100	132	100	112
	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 2024 2025 financial year	Percentage	50%	N/A	50.39%	50%	N/A	N/A	N/A	N/A
IMPROVED ACCESS TO BASIC SERVICES	Basic Service Delivery	Strategic Infrastructure	Long-term: Provision of infrastructure and basic services delivery	Implementation of Infrastructure Programmes	2,6	Percentage reduction of water services backlog	Percentage	1,43%	0.49%	'0.55%	0.74% ~~'1.51%~~	N/A	N/A	N/A	N/A
					2,7	Percentage of infrastructure and maintenance budget spent on repairs	Percentage	100%	N/A	100%	100%	25%	35.33%	50%	51.04%
					2,8	Number of reports on the monitoring of water tankers	Number	4	N/A	4	4	1	1	1	1
					2,9	Percentage Reduction of Water Loss	Percentage	30%	N/A	28.3%	30%	N/A	N/A	N/A	N/A
					2.10	Percentage Compliance to SANS 241:2015	Percentage	94%	N/A	90%	94,0%	94,0%	92.27%	94,0%	91.94%
					2.11	Percentage Compliance to General Authorization Standards/ Works License	Percentage	80%	N/A	76.25%	75,0%	75,0%	84.36%	75,0%	86.41%
					2,12	Percentage of official water and sanitation complaints responded to within 48 hours	Percentage	100%	N/A	96%	100%	100%	35,92%	100%	76,61%

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY

IDP 2024/2025											
Mid Year Target	Mid Year Actual	Target Quarter 3	Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result	Responsible Department	Measures for Improvement
NATIONAL KPA: BASIC SERVICES DELIVERY										
85%	59%	85%	68%	85%	78%	85%	78%	Target missed by more than 5 %		Service provider operating the site has been requested to urgently provide the client an action plan with time frames to undertake the above task.The off-site borehole is very challenging because the borehole is at the remote area, with sugar cane fields whereby during the season of sugar cane burning the borehole get affected. A new borehole location will be sourced.A new location for the borehole located next to sump three (3) will be sourced where there no high water table. KCDM will ensure the above is done and be provided in accordance with Waste Management License. KCDM has since requested the new service provider for water sampling to provide interpreted result when doing sampling for Landfill site. The air space with supporting documents will be compiled and provide in accordance with Waste Management License.The storm water drainage system has since been clean and all windblown litter together with bathing material were removed.The removal of such has since being removed to the dedicated working phase.Several engagements with authorities managing the sewer system were done, but with no progress. A new application will be considered with further engagements with City of uMhlathuze.The next meeting will be on 31 July 2025 and the following be 26 September 2025 in order to meet the quarterly basis.This is included on the Action Plan that will be provide by Site Operator/Service Provider.The service provider/site operator has since been given an instruction to attend to such waste disposal with strict monitoring dedicated trenches.A new application will be considered with further engagements with CoU.This test will be included on the External Audit provided by service provider/site operator on August 2025 as per KCDM instruction.The assessment will be included on the External Audit provided by service provider/site operator on August 2025 as per KCDM instruction.The Emergency and Preparedness Plan was compiled and will be submitted after review.
78.70%	58.27%	77.96% ~~78.70%~~	58.27%	78.70% ~~'79.47%~~	58.69%	78.70% ~~'79.47%~~	58.69%	Target Missed by up to 5% of the Target		
82 873	82 095	82 095 ~~'82 873~~	'82095	82 873 ~~'83 682~~	82 686	82 873 ~~'83 682~~	82686	Target Missed by up to 5% of the Target		The Municipality to attend to the refurbishment work required at Middledrift PS1 and PS2 to ensure continuous pumping that will provide sufficient bulk water supply to 5Ml reservoir feeding this new network. This work has been allocated and projected to be completed by 12 December 2025.
778	0	N/A	N/A	N/A ~~'809~~	591	778 ~~'1587~~	591	Target missed by more than 5 %		
99.90%	74.74%	100.05%	74.77%	100,05%	74.77%	100,05%	74.77%	Target missed by more than 5 %		The Municipality is currently reviewing and updating the WSDP to ensure that up to date information is utilized. The update will be completed within FY2025/26 and the updated information will be utilized for backlog calculations.
105 193	105 306	105 353	'105 351	105 353	105 355	105 353	105 355	Target Exceeded		N/A
352	465	160	45	N/A	4	512	514	Target Exceeded		N/A
200	245	250	63	150	154	600	461	Target missed by more than 5 %	Technical Services	Projects that were terminated have all restarted and contractors accelerating work on site. Budget allocated for Eshowe sewer upgrade was reallocated to finalize the planning phase and to add on the KwaHlokohloko water reticulation project. Engagements are on-going with EDTEA regarding Eshowe Sewer Upgrade project. Technical Services must strive to have implementation ready projects overlapping in multi-financial years in case of unavoidable circumstances. The employment that was not achieved in 2024/2025 financial year will be realized and reported on in the 2025/2026 financial year.
N/A	N/A	N/A	N/A	50%	48.16%	50%	48.16%	Target Missed by up to 5% of the Target		Projects that were terminated have all restarted and contractors accelerating work on site. Budget allocated for Eshowe sewer upgrade was reallocated to finalize the planning phase and to add on the KwaHlokohloko water reticulation project. Engagements are on-going with EDTEA regarding Eshowe Sewer Upgrade project. Technical Services must strive to have implementation ready projects overlapping in multi-financial years in case of unavoidable circumstances. The employment that was not achieved in 2024/2025 financial year will be realized and reported on in the 2025/2026 financial year.
N/A	N/A	N/A	N/A	0.74% ~~'1.51%~~	0.42%	0.74% ~~'1.51%~~	0.42%	Target missed by more than 5 %		The Municipality to attend to the refurbishment work required at Middledrift PS1 and PS2 to ensure continuous pumping that will provide sufficient bulk water supply to 5Ml reservoir feeding this new network. This work has been allocated and projected to be completed by 12 December 2025.
50%	51.04%	75%	74.87%	100%	88%	100%	88%	Target missed by more than 5 %		The Municipality has recently appointed two (2) senior managers (Senior Manager: Operations and Maintenance and Senior Manager: Process Management). The said appointments will greatly aid in expediting repairs and maintenance of infrastructure and thus improve expenditure. The Municipality remains committed to achieving full budget utilization in the current financial year and ensuring improved reliability and sustainability of infrastructure assets.
2	2	1	1	1	1	4	4	Target Met		N/A
N/A	N/A	N/A	N/A	30%	28.9%	30%	28.9%	Target Met		N/A
94,0%	91.94%	94,0%	91.09%	94,0%	90.30%	94,0%	91.40%	Target Missed by up to 5% of the Target		Plant refurbishment and upgrades are under implementation. Due to the internal funding limitations with KCDM, grant funding was applied for and approved through MIG for the refurbishment activities of 12 Water Treatment Works. This refurbishment works to be completed within Quarter 2 of 2025/2026 financial year
75,0%	86.41%	75,0%	89.90%	75,0%	91.31%	75,0%	87.97%	Target Exceeded		N/A
100%	76.61%	100%	75.34%	100%	47.62%	100%	62.92%	Target missed by more than 5 %		The Municipality has benchmarked with similar rural municipalities on the system been used by them with the intention to procure a system which will be tailor-made to needs of the municipality. The following interventions will be implemented: 1. Call centre awareness to the communities by 31 March 2026. 2. Improve the complaints register to include complainant's name, contact details, reference number and tracking logs.

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY															
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	TLSDBIP/OPMS Indicator No.	Performance Indicator	Unit of Measure	IDP 2023/2024 20232024 FY			IDP 2024/2025				
								Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2
NATIONAL KPA: 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	1	2	2	N/A	N/A	1	1
					3,2	Number of Tourism Shows participated in	Number	2	N/A	1	1	N/A	N/A	N/A	N/A
			To develop, market & promote investment & tourism	Promote, develop & market Tourism products.	3,3	Number of Ematshenezimpisi Game Reserve (Mahlayizeni Game Reserve) site fenced ~~Number of Ematshenezimpisi Game Reserve (Mahlayizeni Game Reserve) upgraded~~	Number	New	New	New	1	N/A	N/A	N/A	N/A
					3,4	Number of King Cetshwayo Memorial Site's upgraded	Number	New	New	New	1	N/A	N/A	N/A	N/A
			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	50	10	78	6	N/A	N/A	3	3
			To capacitate SMMEs and Cooperatives to enable the creation of jobs	Training, Support and development of entrepreneurs for the creation of sustainable job opportunities	3,6	Number of SMME Co-operatives / informal traders supported	Number	50	N/A	143	10	N/A	N/A	5	106
			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 Sewing Hub/ Factory fenced and site clearance ~~Number of Sewing Hub/ Factory constructed~~	Number	New	New	New	1	N/A	N/A	N/A	N/A

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY										
IDP 2024/2025									Responsible Department	
Mid Year Target	Mid Year Actual	Target Quarter 3	Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result		Measures for Improvement
NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT										
1	1	N/A	N/A	1	1	2	2	Target Met	PED	N/A
N/A	N/A	N/A	N/A	1	1	1	1	Target Met		N/A
N/A	N/A	N/A	N/A	1	0	1	0	Target missed by more than 5 %		The project is expected to commence during the new financial year 2025/2026 as per Master Plan phased approach
N/A	N/A	N/A	N/A	N/A	0	1	0	Target missed by more than 5 %		KCDM and KwaZulu-Natal Amafa and Research Institute are currently formalizing a partnership agreement to support the project. KCDM Accounting Officer has signed MoU, awaiting Amafa to sign the MoU that was sent on 24 June 2025.
3	3	N/A	9	3	46	6	58	Target Exceeded		N/A
5	106	N/A	N/A	5	61	10	167	Target Exceeded		N/A
N/A	N/A	N/A	N/A	1	0	1	0	Target missed by more than 5 %		To identify and engage other potential funders to support with funding for the project in 2025/2026 financial year.

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY																
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	TLSDBIP/OPMS Indicator No.	Performance Indicator	Unit of Measure	IDP 2023/2024 20232024 FY			IDP 2024/2025					
								Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2
NATIONAL KPA :MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERTIATED APPROACH TO MUNICIPAL FIN/ANCING PLANNING AND SUPPORT IS IMPLEMENTED	Municipal Financial Viability and Management	Sound financial management and Viability	To ensure financial management and viability	Clean Audit 2017- and Beyond	4.1	Number of Unqualified Audit opinion's received	Number	Unqualified	N/A	1	1	N/A	N/A	1	1
			To ensure financial management and viability	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	3.00	N/A	1.77:1	1 Month ~~'3.00~~	3.00	3.48:1	3.00	4:01
					4.2.2	Debt coverage ratio	(Total operating revenue received - operating grants) / Debt service payments	17.00	N/A	00:01	17.00	N/A	N/A	17.00	00:01
					4.2.3	Outstanding service debtors to revenue ratio	Outstanding service debtors / revenue actually received for services	0.80	N/A	0.36:1	0.80	N/A	N/A	N/A	0.87:1
			To ensure financial turnaround	Update of Fixed Asset Register	4,3	Number of Asset Management Reports	Number	4	N/A	13	4	1	3	1	2
			To ensure financial turnaround	Robust and aggressive revenue collection strategy	4,4	Percentage debt collected	Percentage	85%	N/A	105%	85%	85%	91%	85%	110%
			To ensure financial management and viability		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%
			To ensure financial management	SCM Policy/Procedure Alignment	4,6	Number of SCM policies reviewed	Number	1	N/A	1	1	N/A	N/A	N/A	N/A
			To ensure financial management	Ensuring tenders are in place	4,7	Percentage of grants and subsidies spent	Percentage	100%	N/A	100%	100%	25%	53%	67%	74%
					4,8	Percentage of capital budget actually spent on capital projects	Percentage	100%	N/A	100%	100%	100%	100%	100%	100%

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY										
IDP 2024/2025									Responsible Department	
Mid Year Target	Mid Year Actual	Target Quarter 3	Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result		Measures for Improvement
NATIONAL KPA :MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT										
1	1	N/A	N/A	N/A	N/A	1	1	Target Met	Office of the Municipal manager	N/A
3.00	4:01	1 Month ~~'3.00~~	4.46:1	1 Month ~~'3.00~~	2.07:1	1 Month ~~'3.00~~	2.07:1	Target Exceeded	Financial Services	N/A
17.00	00:01	N/A	N/A	17.00	0:00	17.00	0:00	Target Exceeded		N/A
N/A	0.87:1	N/A	N/A	0.80	0.41:1	0.80	0.41:1	Target Exceeded		N/A
2	5	1	4	1	1	4	10	Target Exceeded	Financial Services	
85%	110%	85%	94%	85%	104%	85%	104%	Target Exceeded		N/A
100%	100%	100%	100%	100%	100%	100%	100%	Target Met		N/A
N/A	N/A	1	1	N/A	1	1	2	Target Exceeded	Financial Services	N/A
67%	74%	80%	77.15%	100%	100%	100%	100%	Target Met	Office of the Municipal manager	N/A
100%	100%	100%	100%	100%	100%	100%	100%	Target Met	Financial Services	N/A

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY															
								IDP 2023/2024			IDP 2024/2025				
								20232024 FY							
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	TLSDBIP/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
NATIONAL KPA: GOOD GOVERANCE AND PUBLIC PARTICIPATION															
IMPROVED CO ORDINATION OF INTERVENTIONS IMPACTING ON LOCAL GOVERNMENT	Good Governance and Public Participation	Promote good Governance and enhance Public Participation	Enhance Stakeholder Relations and Public Participation	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
					5.1.2	Number of District Political Hub meetings held	Number	4	N/A	3	4	1	2	1	1
				Improve value and quality of communication through the IGR	5.1.3	Number of Mayors Forum meeting held	Number	N/A	N/A	3	4	1	1	1	0
					5.1.4	Number of Speakers Forum meetings held	Number	N/A	N/A	0	4	1	1	1	0
			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	N/A	7	7
		Promote good Governance and enhance Public Participation	Enhance Stakeholder Relations and Public Participation	Implementation of Tertiary Assistance	5.3.1	Number of youths assisted with registration grants	Number	100	N/A	202	200	N/A	N/A	N/A	N/A
				Implementation of Youth Programs	5.3.2	Number of Youth Festivals held	Number	1	N/A	1	1	N/A	N/A	1	1
				Implementation of Career Expos	5.3.3	Number of Career Expos held	Number	1	N/A	1	1	N/A	N/A	N/A	N/A
				Implementation of Gender Equality Programmes	5.3.4	Number of Men's programmes implemented.	Number	New	N/A	New	1	1	1	N/A	N/A
				Implementation of Disability Programmes	5.3.5	Number of prioritized Disability programmes implemented.	Number	New	N/A	New	1	N/A	N/A	1	3
				Implementation of Women's Programmes	5.3.6	Number of prioritized Women's programmes implemented.	Number	New	N/A	New	1	1	1	N/A	N/A
				Implementation of Children's programmes	5.3.7	Number of Children's Rights programmes implemented	Number	New	N/A	New	2	N/A	N/A	1	2
				Implementation of the Senior Citizen Programmes	5.3.8	Number of Senior Citizens programmes implemented	Number	New	N/A	New	1	N/A	N/A	1	2
		Promote good Governance and enhance Public Participation.	Enhance Stakeholder Relations and Public Participation	Implementation of the HIV and AIDS Programme	5.4	Number of HIV/AIDS Awareness campaigns held	Number	2	N/A	3	2	N/A	N/A	1	3
			Inculcate culture of Excellence	Implementing Performance Management	5.5.1	Number of SDBIP's approved	Number	1	N/A	1	1	N/A	N/A	N/A	N/A
					5.5.2	Number of Section 54/56 performance agreements signed	Number	7	N/A	10	7	7	6	N/A	1
					5.5.3	Number of PMS Policies reviewed.	Number	1	N/A	1	1	N/A	N/A	N/A	N/A
					5.5.4	Number of PMS Framework's reviewed	Number	1	N/A	1	1	N/A	N/A	N/A	N/A
					5,6	Number of Planning and Reporting template's (Circular 88) submitted to KZN CoGTA	Number	3	N/A	4	4	1	1	1	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	N/A	1	1
			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	N/A	N/A	N/A

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY										
IDP 2024/2025									Responsible Department	
Mid Year Target	Mid Year Actual	Target Quarter 3	Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result		Measures for Improvement
NATIONAL KPA: GOOD GOVERANCE AND PUBLIC PARTICIPATION										
2	2	1	1	1	1	4	4	Target Met		N/A
2	3	1	1	1	1	4	5	Target Exceeded		N/A
2	1	1	1	1	0	4	2	Target missed by more than 5 %	COO/MM	The meeting will take in place in Q1 of the 2025/2026 financial year. A Mayor's Forum meeting schedule will be prepared for the full financial year in order to avoid clashes.
2	1	1	0	1	1	4	2	Target missed by more than 5 %		The Speaker's Forum is scheduled to take place on 5 September 2025. A Speaker's Forum meeting schedule will be prepared and made available to all Speaker's in the district in order to avoid clashes.
7	7	N/A	N/A	7	7	14	14	Target Met	PED	N/A
N/A	N/A	200	200	N/A	N/A	200	200	Target Met	Community Services	N/A
1	1	N/A	N/A	N/A	N/A	1	1	Target Met	Community Services	N/A
N/A	N/A	N/A	N/A	1	1	1	1	Target Met	Community Services	N/A
1	1	N/A	N/A	N/A	N/A	1	1	Target Met	Community Services	N/A
1	3	N/A	N/A	N/A	N/A	1	3	Target Exceeded	Community Services	N/A
1	1	N/A	N/A	N/A	1	1	2	Target Exceeded	Community Services	N/A
1	2	N/A	1	1	1	2	4	Target Exceeded	Community Services	N/A
1	2	N/A	N/A	N/A	N/A	1	2	Target Exceeded	Community Services	N/A
1	3	N/A	N/A	1	1	2	4	Target Exceeded	Community Services	N/A
N/A	N/A	N/A	N/A	1	1	1	1	Target Met	COO /MM	N/A
7	7	N/A	N/A	N/A	N/A	7	7	Target Met	COO /MM	N/A
N/A	N/A	N/A	N/A	1	2	1	2	Target Exceeded	COO /MM	N/A
N/A	N/A	N/A	N/A	1	1	1	1	Target Met	COO /MM	N/A
2	2	1	1	1	1	4	4	Target Met	COO /MM	N/A
1	1	N/A	N/A	N/A	1	1	2	Target Exceeded	COO /MM	N/A
N/A	N/A	N/A	N/A	1	1	1	1	Target Met	PED	N/A

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY															
Outcome 9	National KPA	King Cetshwayo District Strategic Goals	Objectives	Strategies	TLSDBIP/OPMS Indicator No.	Performance Indicator	Unit of Measure	IDP 2023/2024 20232024 FY			IDP 2024/2025				
								Approved Annual Target	Amended Approved Target	Actual	Annual Target	Target Quarter 1	Actual Quarter 1	Target Quarter 2	Actual Quarter 2
KPA: CROSS CUTTING															
			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	343	80	20	98	20	137
		Create & Promote a safe , healthy and secure environment	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%	N/A	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	24	16	4	6	4	4
					6.4.1	Number of Sports Development initiatives supported	Number	New	N/A	New	2	N/A	2	1	1
			To promote healthy lifestyles	Coordinate and Implement Sports Development programmes	6.4.2	Number of Salga Games participated in	Number	1	N/A	1	1	N/A	N/A	1	1
		Promote healthy communities through sports, arts & culture development			6.4.3	Number of District Marathons held	Number	1	N/A	1	1	N/A	N/A	N/A	N/A
			To preserve culture and promote creative arts	Coordinate and implement Arts and Culture Programmes	6.5	Number of Arts & Culture programmes implemented	Number	New	N/A	New	2	1	4	N/A	N/A
	Cross Cutting			Coordinate and implement Arts and Culture Programmes	6.6.1	Number of Heritage Programmes implemented	Number	New	N/A	New	1	N/A	N/A	N/A	1
		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	1	N/A	1	1	1	1	N/A	N/A
		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	1	N/A	1	1	N/A	N/A	1	1
			To enhance sustainable coastal and environmental management	Implementation of Land use and Environmental Plans.	6.7.1	Number Coastal and Environmental Management awareness campaigns conducted	Number	8	N/A	17	8	2	2	2	2
		Coordinated Planning spatial equity, coastal and environmental management		Develop Statutory Sector Plans	6.8.1	Number of Spatial Development Plan (SDP) Phases complete	Number	New	New	New	3 4	1	1	1	0
			To coordinate integrated planning in order to achieve spatial equity	Develop Statutory Sector Plans	6.8.2	Number of quarterly progress reports of the Spatial Development Plan (SDP) submitted to the PC	Number	New	New	New	3 4	1	1	1	1
				Implementation of Land use and Environmental Plans	6.9	Number of Planning Activities Reports	Number	10	N/A	10	10	3	3	2	3

KING CETSHWAYO DISTRICT MUNICIPALITY- TOP LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (TL SDBIP) (ORGANISATIONAL PERFORMANCE MANAGEMENT SCORECARD) 2024/2025 FY										
IDP 2024/2025									Responsible Department	
Mid Year Target	Mid Year Actual	Target Quarter 3	Actual Quarter 3	Target Quarter 4	Actual Quarter 4	Annual Target	Annual Actual	Annual Result		Measures for Improvement
KPA: CROSS CUTTING										
40	235	20	154	20	151	80	540	Target Exceeded	Community Services	N/A
100%	100%	100%	100%	100%	100%	100%	100%	Target Met	Community Services	N/A
8	10	4	4	4	5	16	19	Target Exceeded	Community Services	N/A
1	1	N/A	N/A	1	1	2	4	Target Exceeded	Community Services	N/A
1	1	N/A	N/A	N/A	N/A	1	1	Target Met	Community Services	N/A
N/A	N/A	N/A	1	1	0	1	1	Target Met	Community Services	N/A
1	4	N/A	N/A	1	1	2	5	Target Exceeded	Community Services	N/A
N/A	1	1	1	N/A	1	1	3	Target Exceeded	Community Services	N/A
1	1	N/A	N/A	N/A	N/A	1	1	Target Met	Community Services	N/A
1	1	N/A	N/A	N/A	N/A	1	1	Target Met	Community Services	N/A
4	4	2	2	2	5	8	11	Target Exceeded	Community Services	N/A
2	1	0 ~~1~~	0	1	2	3 ~~4~~	3	Target Met	PED	N/A
2	2	0 ~~1~~	0	1	1	3 ~~4~~	3	Target Met		N/A
5	6	2	3	3	3	10	12	Target Exceeded		N/A

4.2 COMPONENT B: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.2.1. ADMINISTRATIVE STRUCTURES

The Organisational Structure was reviewed and adopted by Council 20 June 2022 under Item KCDMC:411/2022. It be noted that on 28 May 2025, Council adopted the review of the Organisational Structure for the 2025/2026 Financial Year under item KCDMC: 3402/2025. 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.

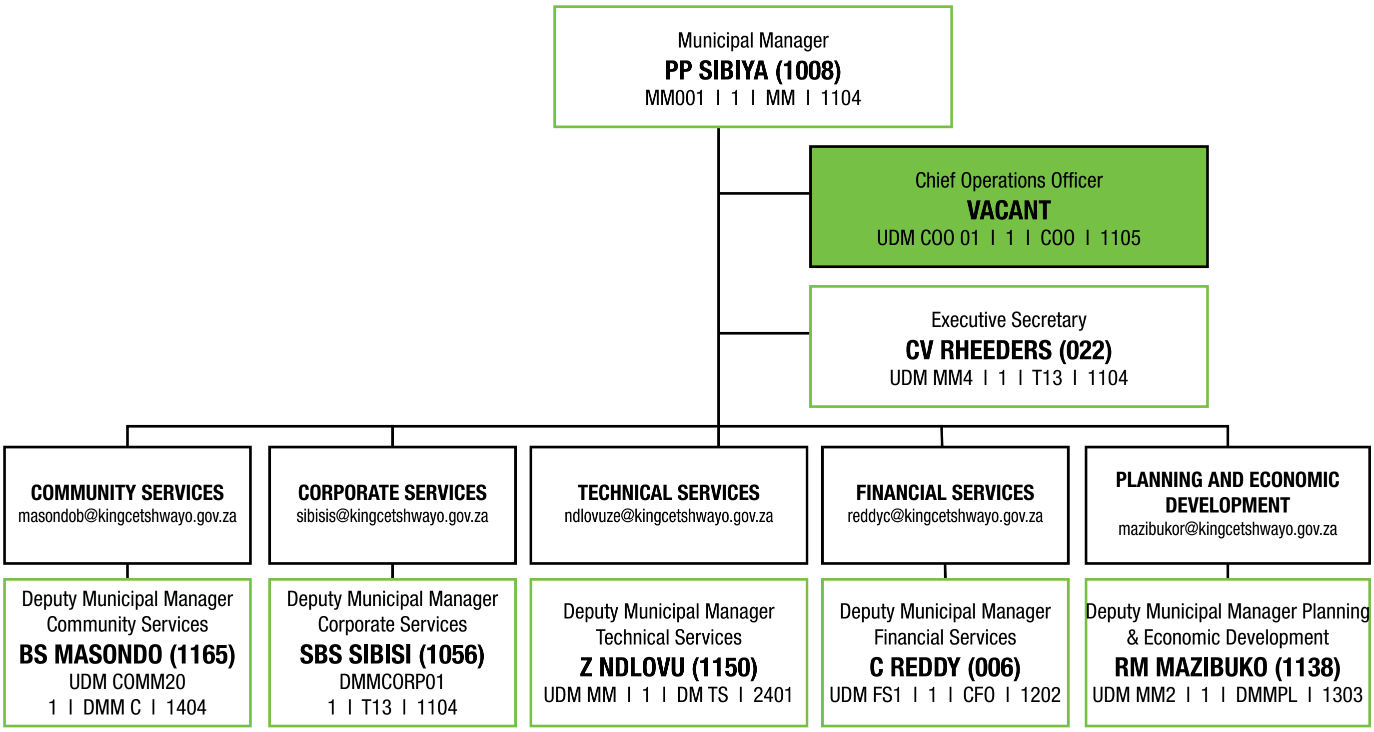
There are 617 employees in the Municipality. Council approved six departments in the Municipality; the departments are as follows:
- Office of the Municipal Manager
- Corporate Services
- Technical Services
- Financial Services
- Community Services
- Planning and Economic Development Services

STAFF COMPONENT

As of 30 June 2025, the Municipality had a complement of 617 staff members, including six Section 57 staff members and thirteen financial intern staff members included in these statistics.

DEPARTMENT	NO OF STAFF
Office of the Municipal Manager	23
Budget and Treasury Office (Financial Services)	85
Corporate Services	66
Community service	68
Technical Services	355
Planning service	20
TOTAL	**617**

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 ten (510) 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	65
Corporate Services	59
Community Services	49

DEPARTMENT	NO. OF JD'S SUBMITTED
Planning & Economic Development	22
Financial Services	77
Technical Services	238

The Municipality is addressing the comments made by the JEU on the submitted job descriptions for further submissions to the PAC for an outcomes report.

EMPLOYMENT EQUITY DEVELOPMENT

The employment equity plan duration is from October 2020 to 30 September 2025, and this plan is being reviewed from time to time. 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	5	0	1	6
Managers	16	2	10	18
Middle Management	51	3	22	54

ETHNIC GROUPS EMPLOYED BY THE MUNICIPALITY

OCCUPATIONAL LEVEL	Male				Female				TOTAL
	A	C	I	W	A	C	I	W	
Top Management	5						1		**6**
Senior Management	7			1	8		1	1	**18**
Middle Management	27		2		19			3	**54**
Skilled Technical	63	1	2	1	70	1	5	2	**145**
Semi-Skilled	192	0	0	0	91	2	3	3	**291**
Unskilled	58				45				**103**
Total Staff	**304**	**1**	**4**	**2**	**214**	**3**	**11**	**9**	**617**

HUMAN RESOURCE SERVICES AND 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		N/A	25/06/2025
Code of Conduct for employees	Yes	N/A	As per Schedule 2 of Local Government Systems Act
Councillor Capacity Development policy			25/06/2025

Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
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		N/A	24/04/2024
Employment Equity Policy		To be reviewed 2025/2026 FY (to be in line with the adop-tion of the new Employment Equity Plan.	13/07/2016
Minimum Service Agreement	Yes	in progress	The review is in progress.
Exit Interview		N/A	24/04/2024
Fleet Management Policy		N/A	25/10/2023
Grievance Procedures	Yes	N/A	As per Main Collective Agreement and grievance procedure
HIV and Aids Policy		N/A	24/04/2024
Leave policy (Incorporate into the leave policy- long service, sick, family responsibility leave)		N/A.	25/06/2025
Occupation Health & Safety		N/A	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)
Official Housing Assistance Rental			09/09/2009 - Updated administratively 01/10/2024 (Policy ring-fenced to comply with the provisions of the Municipal Conditions of Service.)
Overtime Policy	Yes	Yes	25/06/2025
Organisational Rights	Yes	N/A	As per Main Collective Agreement
Recruitment & Selection		To be reviewed 2025/2026 FY	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		N/A	24/04/2024
Succession & Retention		To be reviewed 2025/2026 FY	12/03/2008
Smoking		N/A	24/04/2024
Scarce Skills Policy		N/A	24/04/2024
Standby Policy	KCDMC:2813/2021 24/02/2021	Updated administratively 01/04/2025 (Policy ring-fenced to comply with the provisions of the Municipal Conditions of Service.)	Standby Policy
Study Aid Policy for Officials	Yes	Yes	24/04/2024

Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
Substance Abuse	26/02/2021	To be reviewed 2025/2026 FY	Substance Abuse
Subsistence & Travel Allowance Policy	Yes	Yes	09/03/2011 Administratively amended annuallt 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		N/A	24/04/2024
Travel Allowance Policy for Management Officials (Motor vehicle scheme management)	Yes	To be reviewed	25/08/2010
Travel Allowance Scheme for Non-Management Officials	Yes	Yes	24/04/2024

EMPLOYEE TOTALS: APPOINTMENTS BY GENDER AND OCCUPATIONAL LEVELS

APPOINTMENTS MADE IN THE 2024/2025 FINANCIAL YEAR (01 July 2024 – 30 June 2025)

Total Number of Appointments	132
Internal	9
External	123
Appointments by Gender	132
Females Males	48 84
Appointments by Occupational Level	132
Top Management Senior Management	00 02
Professional / Mid-Management Skilled Semi-Skilled Unskilled	05 02 122 01

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.

HR INTERVENTIONS CONDUCTED IN 2024/2025 FY

QUARTERS	TOPICS
2024/2025 FY	- SKILLS AUDITS - STUDY AID ASSISTANCE - ESS, UPDATE ON GROUP LIFE - POLICIES - CONDITION OF SERVICE - COLLECTIVE AGREEMENT - CODE OF CONDUCT - EMPLOYMENT EQUITY INTERVENTION - IR INTERVENTION - HIGH SPEED AWARENESS

4.2.2. 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 skill programmes and prepare them for management levels. It also addresses the compulsory competency level 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: 96
NQF Aligned Trainings	21
Continuous Professional Development Training	62
Compliance Training	0
Workshops (SALGA)	13
Type of Training Intervention	**Total Number of Councillors Trained: 18**
NQF Aligned	02
Continuous Professional Development Training	16

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	5 x Females 2 x Males	7
ARPL Assessment, Plumbing Brush-Up & Trade Test Plumbing	5	3x Unskilled	1 x Female 2 x Male	3
Management Development Program	7	5 x Mid-Management	2 x Female 3 x Male	5
Commercial Contracts Drafting	5	1 x Senior Management	1 x Males	1
Water Desalination, Reverse Osmosis/ Membrane and wastewater reuse	5	3 x Mid-Management	2 x Females 1 x Male	3
Waste Management and Pollution Control	4	2 x Semi Skilled 11x Unskilled	7 x Males 6 x Females	13

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 Management Occupational Level
Mr Z Dlamini	Skilled Occupational Level
Ms Z Myeni	Semi–Skilled Occupational Level

EE REPRESENTATIVES	CONSTITUENCIES REPRESENTED
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 05 December 2024. The table below provides the numeric targets, including People with Disabilities, as at 30 June 2025.

The EE Target for the 2024/2025 financial year is 50% per quarter, and the achievement for the year is as follows:

1st QUARTER 1 July to 30 Sept. 2024	2nd QUARTER 1 Oct. to 31 Dec 2024	3rd QUARTER 1 Jan to 31 March 2025	4th QUARTER 1 April to 30 June 2025
A moratorium on filling vacant positions was implemented during the 2023/2024 FY. Funding to fill these positions became available in the 2024/2025 FY. The vacant positions were advertised, with application closing dates 26 July 2024 and 20 August 2024 respectively. Due to the large number of applications received, recruitment processes began in September 2024.	100%	100%	100%
OVERALL PERCENTAGE AVERAGE ACHIEVED FOR THE 2024/2025 FY FINANCIAL YEAR			

EMPLOYMENT EQUITY MEETINGS HELD DURING THE 2024/2025 FINANCIAL YEAR			
1st QUARTER 1 July to 30 Sept. 2024	2nd QUARTER 1 Oct. to 31 Dec 2024	3rd QUARTER 1 Jan to 31 March 2025	4th QUARTER 1 April to 30 June 2025
09 August 2024	23 October 2024	28 February 2025	22 July 2025

4.2.3. 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. The Occupational Health and Safety Committee meetings are held on quarterly basis.

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 fourteen (14) incidents. The fourteen (14) 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.

TRAININGS CONDUCTED IN LINE WITH OCCUPATIONAL HEALTH AND SAFETY

TRAININGS	NUMBER OF EMPLOYEES TRAINED
Basic Life Support and First Aid Level I	27
Basic Life Support and First Aid Level II	13
Fire Fighter	13
Occupational Health and Safety Representative	17

EMPLOYEE WELLNESS PROGRAMME (EWP)

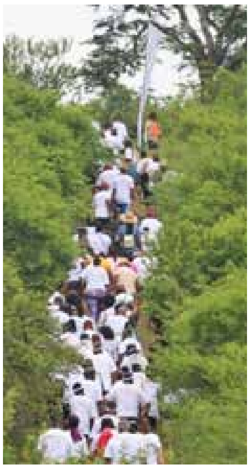
King Cetshwayo District Municipality cares about the health and social well-being of its employees and recognizes that there are a number of personal problems which impact negatively on the employees' personal and work lives. Personal problems can have a detrimental effect on performance, productivity and behaviour in the workplace.

2024/2025 FINANCIAL YEAR WELLNESS DAY EVENT SUMMARY PROGRAMME
• Wellness Day event was held on 13 December 2024 at Somopho Hills; its aim was to was to promote Health and Financial Wellness. • Wellness deals with employee's lifestyle and taking charge of the choices they make to stay healthy. • Wellness is the recognition that employees have a responsibility to take care of themselves physically, emotionally and psychologically. Getting exercise, maintaining healthy relationships and eliminating health risks and make positive lifestyle changes. • The said event aimed at promoting interaction between Inter- Departmental employees, Leadership and the Employer with team building spirit in a more relaxed environment • There was a guided trail hike of various distances (1.5km, 5km, and 8km) within Somopho Hills. • Aerobics led by the two instructors from Sne Jobe Wellness and Virgin Active. • Various stakeholders exhibited their services throughout the day, including Hyundai, UNICEF, Virgin Active Gym, Aerobics Federation to encourage a work-life balance to employees and councillors

WELLNESS DAY PHOTOS






WINNERS PER SPORTING CODE WERE AS FOLLOWS:

SPORT CODE	DEPARTMENT
Tug of War: Females	Corporate Service
Tug of War: Males	Technical Service
8 KM Walk: Officials	Lindumusa Mthethwa: Technical Service
8 KM Walk: Councilors	Cllr. F. P. B. Mpungose
2 KM Walk: Officials	Andile Mjadu: Finance
2 KM Walk: Councilors	Cllr. Z. L. Mfusi

District Speaker participates in a women's march and prayer event during Womens Month in August 2024


Handover of uniforms to disadvantaged learners in school at Nkandla during January 2025

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 years' MTREF is approved by Council. Prior to the draft budget, the community engagements were held in November 2023 to determine the needs of the communities for the ensuing years that needs the budget.

These engagements were on the following dates:
- 7 November 2023 - uMfolozi LM
- 9 November 2023 - uMhlathuze LM
- 10 November 2023 - Nkandla LM
- 14 November 2023 - Umlalazi LM
- 22 November 2023 - Mthonjaneni LM
- 16 November 2023 - Amakhosi Asendlunkulu, Corporate and Government Sector

After the draft 2024/25 MTREF was tabled before Council on 27 March 2024 and in compliance with section 23, the Municipality embarked on a public consultation process where the budget roadshows were held in various areas of the local municipalities in the District and was published on the municipality's website, and hard copies were made available at local municipalities' notice boards and in the media as follows:
- 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:
- 16 April 2024 - uMfolozi LM
- 23 April 2024 - uMhlathuze LM
- 30 April 2024 - Mthonjaneni
- 07 May 2024 - Nkandla LM
- 08 May 2024 - uMlalazi LM
- 08 May 2024 - Amakhosi Asendlunkulu, Corporate and Government Sector

All documents in the appropriate format (electronic and printed) were provided 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.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant, were considered as part of the finalisation of the 2024/25 MTREF.

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 continued with in 2024/25. Although mSCOA is a business reform that requires transformation from the whole administration, the co-ordination of related activities 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 were achieved successfully in the 2024/25 financial year.

The municipality had five adjustment budgets that were approved during the 2024/25 financial year. These were the reasons for the various adjustment budgets:
- 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.
- Conditional Grant Adjustment Budget as per Section 28 of the Municipal Finance Management Act (MFMA). This pertains to Gazette No.: 51233 as published by National Treasury on grant adjustment.
- Main Adjustment Budget which was done in February 2025 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.
- Second Conditional Grant Adjustment Budget as per Section 28 of the Municipal Finance Management Act (MFMA). This pertains to Gazette No.: 52381 as published by National Treasury on grant adjustment.
- Section 29 of the adjustment budget was approved on the 28 May 2025 pertaining to Unforeseen & Unavoidable Expenditure.

Regulation 23(4) of the Municipal Budget and Reporting Regulations, states that an adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred and within the time period set in section 29(3) of the Act.

In accordance with the above, this adjustment budget was approved by Council on 28 May 2025 per resolution KCDMC: 3397/2025, this as a result of Council resolving to insource the bulk water service which was previously performed by uMngeni-uThukela Water.

5.2. EXPENDITURE

Introduction

The Expenditure Section is divided into two main subsections that is expenditure for processing of payments to creditors inclusive of grant payment administration 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. The department has maintained its staff levels throughout the year and has had no vacancies within the department during the year.

Background

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 recommendation and business process improvements.

Key Performance Areas of the section include:

- Compliance with legislation relating to payments, grants, payment of salaries and statutory legislation
- Management of risk inclusive of Business Continuity Plan and formulation and implementation of 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 Annual Financial Statements preparation
- Submission of information for budget compilation for the section and assisting with salary and other Departments budgets
- 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 2024/2025

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 3 845 Electronic Payments from 9 565 invoices (2023/2024 - 4 260 payments from 9 249 Invoices) received from suppliers in the 2024/2025 financial year, which resulted in Expenditure of more than R 1 038 218 024.66 (2023/2024 - R 1 055 156 561.84) million paid to suppliers.

The Expenditure section has paid 100% of their creditors, where invoices and budgets were correct, within 30 days in 2024/2025. From the total number of invoices processed, 2.2% 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, incorrect information on invoices or lack of supporting paperwork, etc.

The creditors processing period for the year is 4.18 days (2023/2024 - 8.01 days).

The payroll section processes the salaries and wages to permanent 667 and contract staff 684.

The section along with HR initiated the new payroll system called Payspace that integrates with Solar, which was used for the duration of the financial year. The system is web based and able to process salaries budget, salary processing and reports as well as HR and leave.

The table on the following page summarises the Salaries, 3rd party payments and statutory tax paid to SARS on behalf of employees and councillors as processed by the Payroll Section.

Conclusion

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.

Payments of Staff salaries, 3rd parties and SARS				
	STAFF & COUNCILLORS SALARIES	3RD PARTIES	SARS	TOTAL
TOTALS	214 868 479.43	78 697 559.58	64 111 006.77	357 677 045.78

5.3. MANAGEMENT ACCOUNTS AND ASSETS

MANAGEMENT ACCOUNTS AND ASSETS

The Management accounts section is responsible for the monthly management accounts through trial balance reconciliations, overseeing the investment portfolio, monthly cash flow analysis, the compilation of the Annual Financial Statements and overseeing of the yearly external audit. The Assets Section plays a pivotal role in the effective financial management and sustainability of the municipality through ensuring the asset register is reported in compliance with legislative frameworks. Both sections ensure compliance with Municipal Finance Management Act (MFMA), Generally Recognised Accounting Practice (GRAP), National Treasury guidelines, and the mSCOA framework. The section comprises of 5 permanent employees and 2 interns, which are students from tertiary institutes with an aim of training them in the practical application of municipal finances.

Key Performance Areas

- **Legislative Compliance and Internal Controls**
  Ensuring full compliance with all relevant financial legislation and regulations, supported by robust internal controls to mitigate risks and improve accountability.
- **Risk Management**
  Identifying, assessing, and mitigating risks related to asset loss, in alignment with the municipality's broader risk management framework.
- **Financial Reporting and AFS Support**
  Developing and maintaining reliable asset-related financial reporting mechanisms to support the timely preparation of the Annual Financial Statements (AFS).
- **Investment, Funding and reserves policy and Borrowing** policy The municipality's Investment, Funding and reserves and borrowing policies were reviewed annually to align with evolving best practices and legislative changes. The most recent review was adopted on 28 May 2025 (Council Resolution: KCDMC 3399/2025).
- **Asset Policy Review and Implementation**
  The municipality's Property, Plant & Equipment (PPE) Policy is reviewed annually to align with evolving best practices and legislative changes. The most recent review was adopted on 28 May 2025 (Council Resolution: KCDMC 3399/2025).
- **Audit Preparedness and Response**
  Timely and effective responses to both internal and external audit queries are prioritised to support clean audit outcomes.

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 28 May 2025 – KCDMC: 3399/2025). 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.

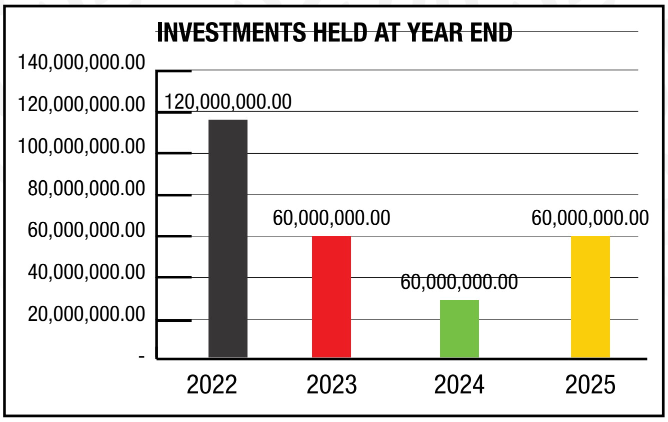
The investments at year end amounted to:

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 R1 020 000 000 during the year and R1 020 000 000 matured. An average interest rate of 6.96% (FY24 - 9.15% and FY23 - 6.83%) was received on investments placed for the financial year and the resultant interest income of R15 128 500 was earned.

INVESTMENT SUMMARY AS AT 30 JUNE 2025

The decrease in investment holdings at year end is 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.



LEVERAGE (BORROWING) AND CAPITAL STRUCTURE

The municipality held no borrowings during the 2425 financial year and 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.

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 28 May 2025 – KCDMC: 3399/2025).

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.

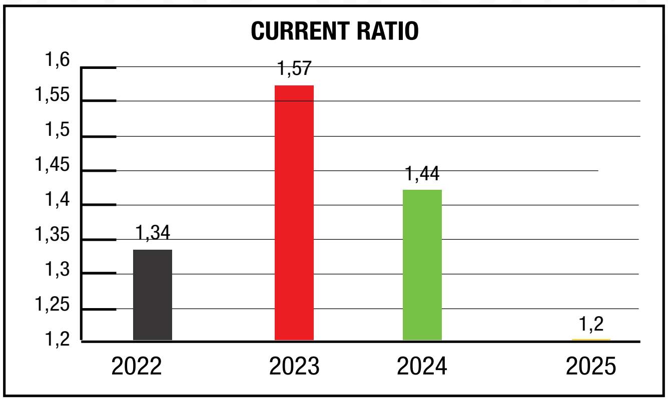
Ratio	2025	2024	2023	2022
Current ratio	**1.20:1**	1.44:1	1.57:1	1.34:1
Employee costs	**33%**	32%	31%	28%
Debt collection	**88%**	100%	69%	87%
Grant dependency	**88%**	87%	88%	87%
Repairs & Maintenance	**9%**	9%	8%	9%
Cost coverage	**2.07**	1.77	2.01	5.30

** The ratio is no longer applicable as the municipality holds no loans.

CURRENT RATIO ANALYSIS

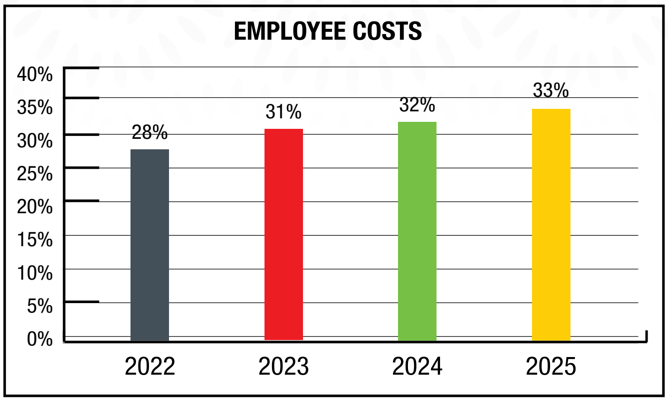
The Current Ratio represents the ability of the Municipality's current assets to service its current liabilities. This ratio has regressed over the comparative years, currently below the norm. The municipality will implement stringent budget monitoring and revenue enhancement initiatives to improve its liquidity position.

The norm for this ratio is that of 1.5 - 2.0:1.



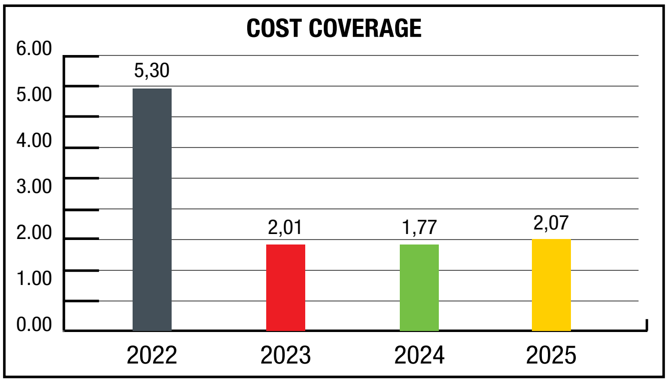
EMPLOYEE COSTS ANALYSIS

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 2024/2025 of 33% is within the norm of 25% to 40% of the industry.



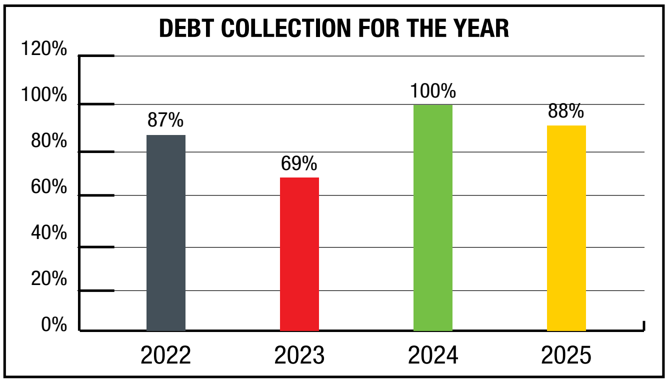
COST COVERAGE ANALYSIS

This ratio represents the number of months that operating expenditure can be covered by the cash and liquid assets available to the Municipality. Whilst the ratio is within the norm, budget monitoring is imperative to ensure improved cash reserves and a healthier financial position to improve the cost coverage term.



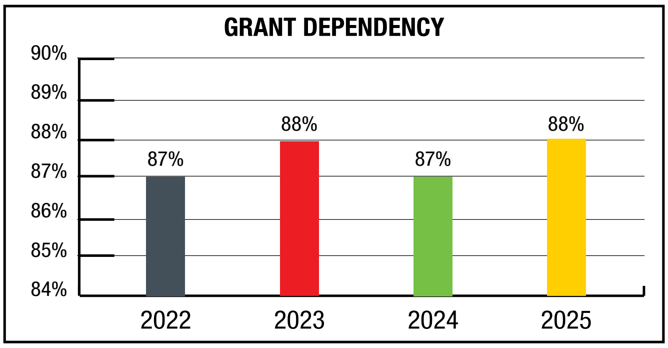
DEBT COLLECTION ANALYSIS

This ratio represents the collections from our Debtors on their monthly services. Whilst the ratio has regressed since the 2023/2024 year, this municipality remains committed to enforcing its credit control policy and revenue enhancement strategies to improve the collection rate and overall cash position of the organisation.



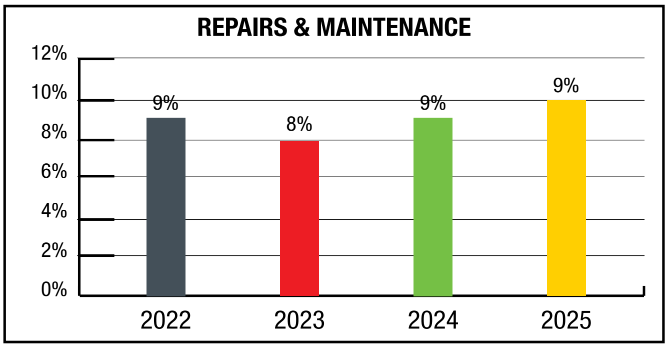
GRANT DEPENDENCY ANAYLSIS

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

- **Legislative Compliance and Internal Controls**
  Ensuring full compliance with all relevant financial legislation and regulations, supported by robust internal controls to mitigate risks and improve accountability.
- **Risk Management**
  Identifying, assessing, and mitigating risks related to asset loss, impairment, and underutilisation, in alignment with the municipality's broader risk management framework.
- **Financial Reporting and AFS Support**
  Developing and maintaining reliable asset-related financial reporting mechanisms to support the timely preparation of the Annual Financial Statements (AFS).
- **Asset Policy Review and Implementation**
  The municipality's Property, Plant & Equipment (PPE) Policy is reviewed annually to align with evolving best practices and legislative changes. The most recent review was adopted on 28 May 2025 (Council Resolution: KCDMC 3399/2025).
- **Audit Preparedness and Response**
  Timely and effective responses to both internal and external audit queries are prioritised to support clean audit outcomes.

Operational Framework and Governance

The municipality recognises the critical role of asset management in fulfilling its constitutional mandate to deliver sustainable services and meet the basic needs of the community. The Property, Plant, and Equipment (PPE) register is the primary tool through which assets are tracked, managed, and valued.

To ensure proper stewardship and accountability, the Asset Care Centre (ACC) operates under the supervision of the Deputy Municipal Manager: Finance, with designated asset managers providing operational oversight. However, ultimate responsibility for asset stewardship resides with respective Deputy Municipal Managers, in line with the decentralised accountability model.

Asset Register and Verification

All municipal assets are recorded in a fully compliant asset register maintained in accordance with GRAP, MFMA, and mSCOA requirements. The assets section undertakes an annual asset verification process guided by a formalised Asset Verification Plan. This includes physical verification, condition assessment, and reconciliation to financial records.

Asset disposals, acquisitions, and capitalisation are processed in strict adherence to the municipal asset management policy and relevant Treasury guidelines.

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 2024/2025 financial year, 89% of the asset acquisitions was sourced through external grant funding.

FUNDING SOURCE	ACTUAL SPENDING	PERCENTAGE
Internal	49 603 192.38	11%
MIG	153 932 579.99	34%
WSIG	79 521 739.87	18%
RBIG	169,342,608.00	37%
	452 400 120.24	**100%**

Asset Additions 2024/2025

	OPENING BALANCE	ADDITIONS	ADDITIONS AUC	DISPOSALS	DEPRECIATION CAPITALISED	DEPRECIATION	IMPAIRMENT LOSS	TOTAL
Buildings	45 827 150	129 650	-	-	-	(1 969 047)	(3,271)	43 984 482
Community Assets	24 373 081	-	7 713 312			(1 489 522)		30 596 871
Computer Equipment	4 562 275	1 401 241	-	(83 222)		(2 147 130)	-	3 733 164
Furniture and Equipment	3 308 137	677 691	-	(18 143)		(1 137 577)	-	2 830 108
Infrastructure	3 317 021 206	72 889 831	365 738 163	(539)	(2 418 021)	(76 491 362)	(804 625)	3 675 934 653
Motor Vehicles	53 528 954	1 958 239	-	(1 880 799)		(14 834 152)	(1 946 709)	36 825 533
Plant and Machinery	5 395 105	1 891 993	-	(3)		(1 208 887)	(31 042)	6 047 166
	3 454 015 908	**78 948 645**	**373 451 475**	**(1 982 706)**	**(2 418 021)**	**(99 277 677)**	**(2 785 647)**	**3 799 951 977**

5.4. 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 28 May 2025, Council resolution number KCDMC:3399.2025.

The following are the main streams of revenue of the municipality:
- Water Revenue
- Sanitation Revenue
- Solid Waste Revenue
- Cemetery Revenue
- Certificate of Acceptability (Health Compliance)
- 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 and handymen will pursue debts under the supervision of the Chief Credit Controller. The section is managed by the SM Revenue in Consultation with the DMM: Finance Services.

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
- 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. Also management team conducts spot checks on meter reading and restrictions. 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 put 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 stand at R 112 855 099 inclusive vat at 30 June 2024. These debts range from current to greater than 120 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 25th of June 2025 was R3 196 913.37, (R 3 251 538.89) inclusive of vat per council resolution KCDMC : 3591/2025.

Furthermore, the District monitors the top 20 debtors in each category very closely by engaging with them on a monthly 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:

SERVICE	2024/2025 ORIGINAL BUDGET '000	ADJUSTED BUDGET '000	ACTUAL REVENUE '000
Water	78 852	69 713	63 682
Sanitation	10 607	10 607	9 640
Refuse	44 175	40 314	38 626
Cemetery	823	823	3 501

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 Credit Control and Debts Collection Policy. The municipality has also intensified its debts collection strategies, by delivering monthly statements, using SMS's and continuous engagement with government departments.

Debt collection has been falling over past three years. This can be attributed to the economy of the country. This is as a result that many consumer's inabilities to pay for their services due to that many people lost their jobs over the period. Added to that is that there is high level of poverty within the municipality boundaries, and also infrastructure challenges.

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 - 2024/2025

SERVICE	JUNE 2025 BILLED	JUNE 2025 COLLECTED	COLLECTION RATE
Solid Waste	2 120 415	4 074 304	192%
Mfolozi	318 069	180 495	57%
Mtunzini	676 292	732 866	108%
Mtunzini Estate	245 639	224 818	92%
Riverland Resort - Mtunzini	4 340	3 392	78%
Gingindlovu	454 542	380 503	84%
Eshowe	1 512 507	1 694 909	112%
King Dinizulu	416 861	485 049	116%
DOW/Hospitals/Clinics/ Schools	868 911	1 414 122	163%
Melmoth	574 335	419 874	73%
Kwa-Magwaza	165 813	120 170	72%
Nkandla	352 688	655 909	186%
Nzalabantu	155 964	101	0%
Thubalethu	106 075	2 968	3%
TOTAL	**7 972 453**	**10 389 481**	**130%**

The collection rates as quoted in the above table are inclusive of write-offs amounting to R3 196 913.37, (R 3 251 538.89) inclusive of vat per council resolution KCDMC: 3591/2025. The write-off evaluation was based on the critical analysis of each debtor's affordability level/ financial position.

The table below summarise the areas that are keeping debts up to date and those that are defaulting.

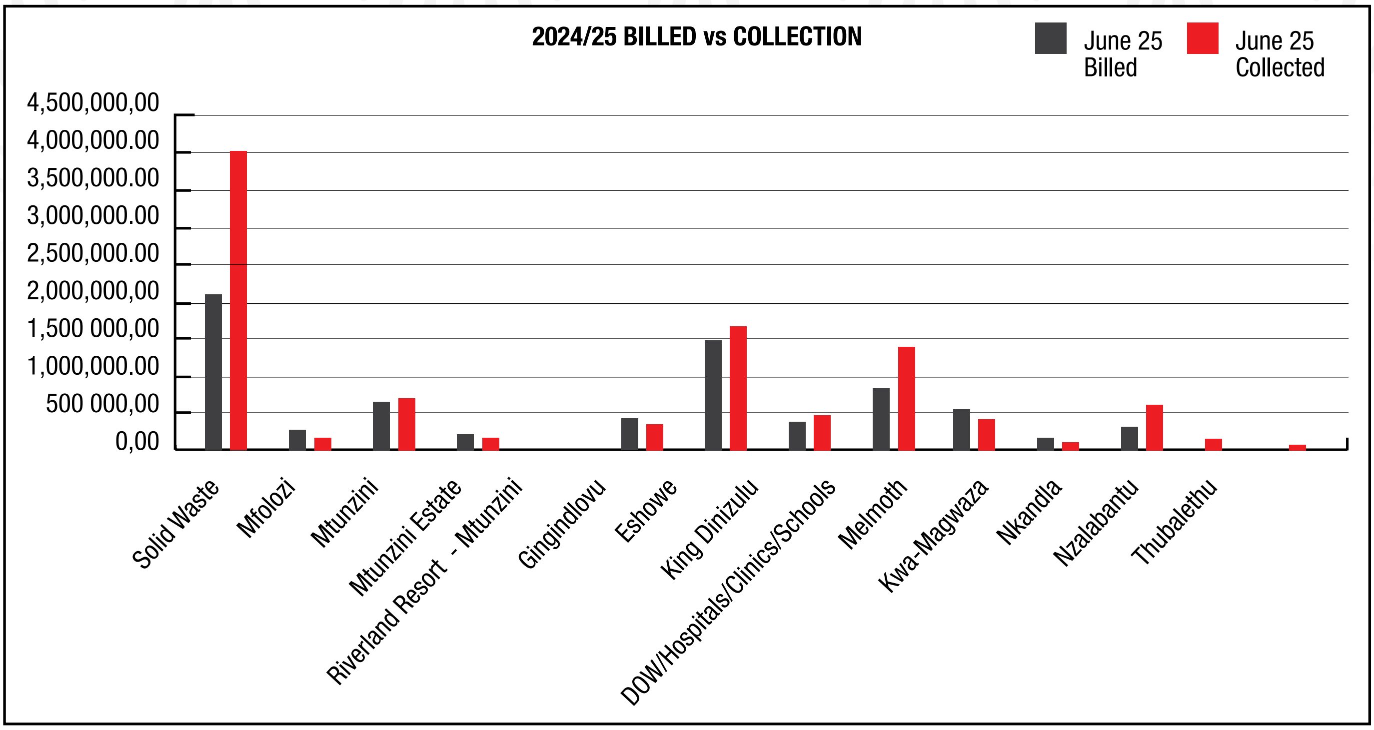
The collection is normally up to date in the following areas:
1. Eshowe
2. Mtunzini
3. Mfolozi town
4. Gingindlovu
5. Melmoth

The areas that are not always up to date are:
1. King Dinizulu
2. Thubalethu
3. Nkandla
4. Nzalabantu

The contributor to areas that not paying is that inefficient infrastructure. Also it is difficult to collect revenue in places where infrastructure is not properly maintained.

The graph above depicts the collections vs the billing per area as per the detailed preceding table.

GRAPH A:

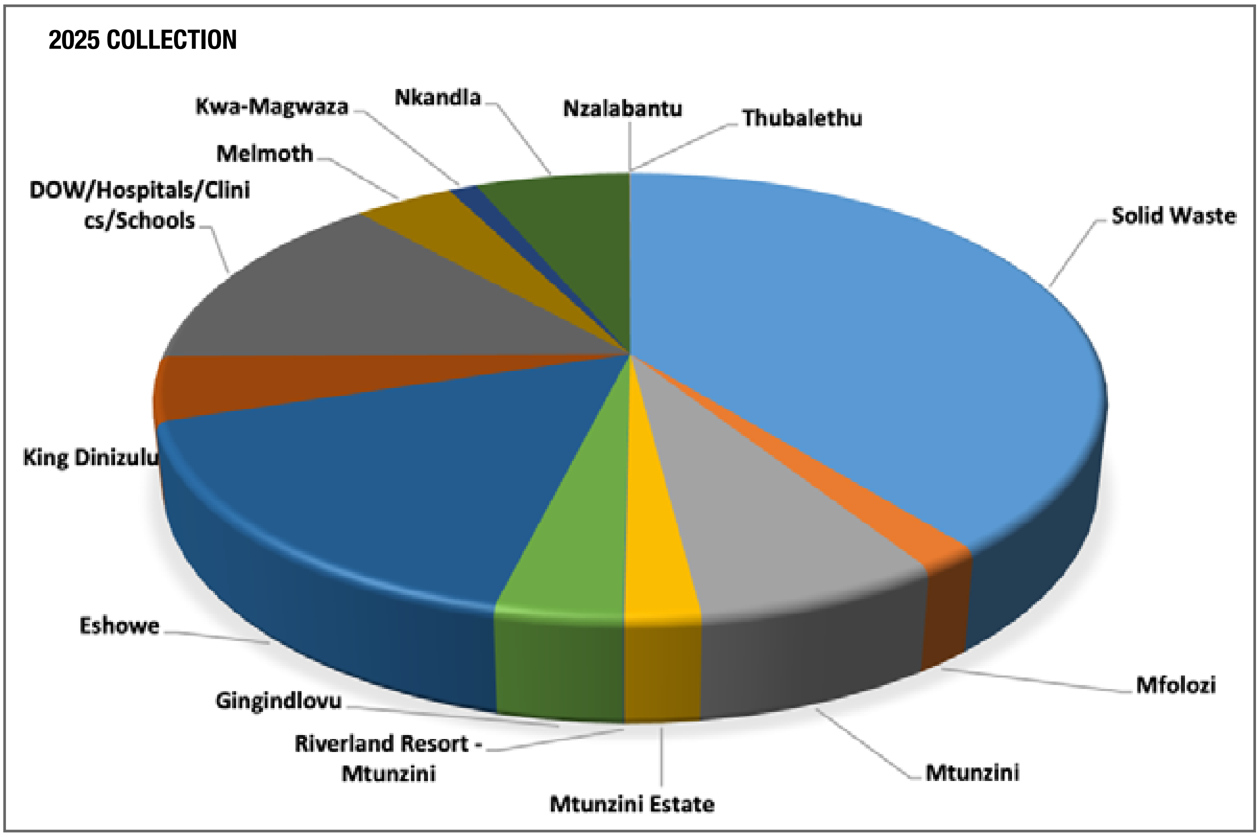


Revenue per area

The graph below depicts the areas where revenue is generated through service charges:

Graph B

INDIGENT



King Cetshwayo District Municipality is predominantly rural municipality. As one of the benefit to financially strained customers. The municipality provides benefit to indigent qualifying customers. Customers are required to register with the municipality to qualify for free basic services, in order to qualify for this program. The customers must apply for this program, 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 program 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 2025 the following information was available on the water users who are registered as indigent: Registered Active number of Indigents - 1199

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 based on XX stats, 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	62 672	39 214
uMlalazi	50 694	35 484	91 025	56 955
Mthonjaneni	16 121	11 603	29 765	18 624
Nkandla	21 853	15 346	39 367	24 632
King Cetshwayo District Municipality	123 574	86 864	222 830 638	139 426 283
			362 256 921	

The cost of servicing the 123 574 consumers over the 2024/2025 financial year cost Council as follows:

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 text messages have been implemented for some time and consumers have embraced this method, more especially after the disruption to postal services.

Also the Revenue Section is trying to get more customers to benefit from municipalities policies. Officials in consultation with ward councillors are holding community meetings on a regular basis. This aims to communicates the policies and attend to the customer queries. Also in consultation with PR section, electronic adverts were designed to promote the policies and encourage customers to pay for their debts. The Honourable Speakers Office was consulted and assisted to share the adverts with the local municipalities.

Public meeting held in March 2025 to elicit comments on the 2023/2024 KCDM Annual Report

6.1.PREVIOUS YEAR'S AUDITOR-GENERAL REPORT: 2023/2024

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 2023/2024 (PREVIOUS YEAR'S FINDINGS)

The office of the Auditor - General 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 received an unqualified without findings audit opinion, resulting in a clean audit.

Leadership at the Operation Siyaya Emhlangeni march

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on the King Cetshwayo Ditrict Municipality

6.2. REPORT OF THE AUDITOR-GENERAL: 2024/2025 FINANCIAL YEAR

COMPONENT B: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2024/2025

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of King Cetshwayo District Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, the cash flow statement and the 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 King Cetshwayo District Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with South African 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 24 of 2024 (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 in respect of these matters.
   Uncertainty relating to the future outcome of exceptional dispute
7. With reference to note 42 of the financial statements, the municipality is party to various water service disputes over the tariffs that have been levied and labour-related claims. The ultimate outcome of the matters could not be determined and no provision for any liability that may result was made in the financial statements.

Material allowance for impairment: Receivables from exchange transactions- consumer debtors

8. As disclosed in note 3 to the financial statements, the consumer debtors balance was significantly impaired. The total impairment of consumer debtors was R57,02 million (2023-24: R44,97 million), which represented 47% (2023-24: 41 %) of the total consumer debtors.

Other matters

9. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

10. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed 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.

Unaudited supplementary schedules

11. The supplementary information set out on pages xx to xx does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora 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.
13. 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

14. 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.

15. 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 at page xx-xx forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

16. 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 presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

KEY PERFORMANCE	PAGE NUMBERS	PURPOSE
Basic service delivery	xx	Provision of infrastructure and basic service delivery, efficient operation and maintenance of waste disposal site, timeous planning and development of the waste disposal capacity.

18. I evaluated the reported performance information for the selected key performance area 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.
19. 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, time bound 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 measures taken to improve performance.
20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
21. I did not identify any material findings on the reported performance information for the selected key performance area.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.
24. The table that follows 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 xx to xx.

Basic service delivery

Targets achieved: 35. 7%   Budget spent: 94. 7%

KEY SERVICE DELIVERY INDICATOR NOT ACHIEVED	PLANNED TARGET	REPORTED ACHIEVEMENT
Percentage compliance with the license conditions at the regional solid waste and transfer station	85%	78%
Percentage of households with access to basic water services	78,70%	58.69%
Number of households with access to basic water	82 873	82 686
Number of new water connections	778	591

KEY SERVICE DELIVERY INDICATOR NOT ACHIEVED	PLANNED TARGET	REPORTED ACHIEVEMENT
Percentage reduction of water services backlog	0,74%	0,42%
Percentage compliance to SANS 241: 2015	94%	91,22%
Percentage of infrastructure and maintenance budget spent on repairs	100%	88%
Percentage of official water and sanitation complaints responded to within 48 hours	100%	62.92%
Percentage of households with access to basic sanitation services	105%	74.77%

Material misstatements

25. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic delivery service. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

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 does not include the financial statements, the auditor's report and the selected key performance area presented in the annual performance report that has been specifically reported on in this auditor's report.
31. My opinion on the financial statements, and my reports on the audit of the annual performance report and 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 key performance area 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 prior to the date of this auditor's report is the draft annual report, and the final annual report is expected to be made available to me after 30 November 2025.
34. If, based on the work I have performed on the other information that I obtained prior to 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.
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.
36. I have nothing to report in this regard.

INTERNAL CONTROL DEFICIENCIES

37. 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.
38. I did not identify any significant deficiencies in internal control.

Auditor - General

Pietermaritzburg

30 November 2025

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 key performance area 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 in order 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 the 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.

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2){b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171 (4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7 A)
Division of Revenue Act 24 of 2024	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), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41 {1)(b), 41 {1)(c)(ii), 42, 43(2), Sections: 54A(1)(a),56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1){d), 74(1),96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: 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)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(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), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

6.3. JOINT REPORT OF THE AUDIT COMMITTEE AND PERFORMANCE AUDIT COMMITTEE

1. Legislative requirements

The purpose of this report is to communicate to the council the audit committee's progress to date in carrying out its oversight responsibilities in terms of section 166 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003, as amended) (MFMA), read with circular 65 published by the National Treasury for the year ended 30 June 2025.

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 is governed by formal terms of reference, which are regularly reviewed and approved by the council. The committee is pleased to present its report for the financial year ended 30 June 2025.

2. Audit committee members and attendance

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 comprises five members, including the chair, Mr Don Naicker. In terms of section 166(4)(b) of the MFMA, the audit committee must meet at least four times a year. During the financial year ended 30 June 2025, the audit committee met on five occasions. The table below shows the attendance of these meetings.

Name	Appointment: Term of Office		No. of Meetings Scheduled	No. of Meetings Attended
	Start Date	End Date		
Mr D Naicker (Chair)	1/02/2023	30/06/2025	5	5
Mr H Mpungose	01/07/2022	30/06/2025	5	5
Mr A Gonzalves	01/07/2022	30/06/2025	5	5
Dr M J Ndlovu	01/07/2022	30/06/2025	5	5
Mrs N C Khanyile	01/07/2022	30/06/2025	5	5

The members of the audit committee held meetings with the municipal manager as the accounting officer, senior management of the municipality, the internal audit function and the external auditors, collectively and individually, on matters related to governance, internal control and risk in the municipality, throughout the reporting period.

3. 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 reports that it operated in terms of the audit committee charter read in conjunction with the internal audit charter.

4. Effectiveness of internal control

The audit committee acknowledges management's efforts to strengthen internal controls in the municipality. The audit committee is concerned that in certain instances the matters reported by the external auditors and the internal audit function in prior years have not been fully and satisfactorily addressed. Management has given assurance that effective corrective action will be implemented in respect of all internal control weaknesses, and the audit committee will monitor these going forward.

While the audit committee has monitored the progress on the resolution of the municipality's dispute against the Umngeni-Uthukela water board, this dispute still remains and has now also been highlighted as a matter of emphasis by the external auditors. The committee will continue to provide oversight and encourage management to explore all available options to resolve the dispute.

The committee is concerned about the level of water losses that the municipality continues to have and will continue to review the controls around the management of these water losses until these losses can be reduced to the acceptable levels per the norms.

Controls in relation the financial statements and compliance remain strong and effective, however controls in relation of performance systems needs improvement.

The municipality is in the process of re-assessing their ICT risks as this is a critical and vulnerable support area and needs specific attention.

5. **The quality of monthly and quarterly reports submitted in terms of the MFMA and DORA**

The audit committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued during the year under review in compliance with the statutory framework.

The performance audit committee has engaged with management to remedy shortcomings, especially relating to the reports on performance against predetermined objectives. The committee has recommended that specific process be implemented to ensure that the information reported is both useful and reliable in terms of the applicable reporting framework.

The audit committee has reviewed and commented on the municipality's annual financial statements and report on performance information and their timely submission to the external auditors by 31 August 2025.

The audit committee is comfortable that the Municipality is meeting its obligation in terms of Division of Revenue Act and has recognised revenue to the extent that conditions have been met.

6. **Internal audit function**

The accounting officer is obliged, in terms of section 165 of the MFMA, to ensure that the entity has a system of internal audit under the control and direction of the audit committee. The audit committee is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The internal audit capacity was enhanced through co-sourcing of the internal audit function to a panel of Internal Auditors.

In terms of the risk-based audit plan approved by the audit committee, the internal audit function has performed 22 of the 32 planned engagements, with the others being completed subsequent to year end due to capacity challenges encountered with the internal audit service provider that was allocated work for the 2024/25 year.

The internal audit function found that the control environment as a whole was effective; however, some specific control weaknesses were identified in performance management, fleet management, and business continuity management for which recommendations were made for improvement.

The audit committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity. The internal assessment indicates that a generally "conforms rating" can be applied to the internal audit work and the term "Conforms with the Global Internal Auditing Standards" may be used by the function.
In the current year the internal audit function underwent an independent external quality assurance review successfully through the provincial treasury office.

7. **Risk management function**

The audit committee is responsible for the oversight of the risk management function. The risk management committee reports to the audit committee on the municipality's management of risk. To ensure that the risk management committee understands the requirements of the audit committee, the chairperson of the risk management committee is invited to all the meetings of the audit committee.

The audit committee is concerned with the risk function being understaffed, which will result in non-delivery by the function if the situation is not addressed.

The committee has reviewed the risk register and the reports from the risk committee and is generally satisfied with the maturity of the risk management process.

8. **Evaluation of the finance function**

The finance unit is led by a qualified and season chief financial officer, this is evident in its ability to deliver quality information on a timely basis. On the whole, the audit committee is satisfied with the municipality's finance function during the year under review.

9. **Performance management**

Part of the responsibilities of the audit committee includes the review of performance management. In the municipality, these responsibilities have been allocated to a performance audit committee. The chairperson of the performance audit committee is also a member of the audit committee to ensure that there is alignment between the two committees.

The performance audit committee has in terms of the performance of the municipality performed the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards.
- Review and comment on the alignment of the integrated development plan, budget, service delivery and budget implementation plan and performance agreements.
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the municipality.
- Review of compliance with in-year reporting requirements.

- Review of the quarterly performance reports submitted by the internal audit function.
- Review and comment on the municipality's performance management system and making recommendations for its improvement.

The Performance Audit Committee recommended that the accounting officer ensure that the outstanding annual performance assessments be carried out as required by the Municipal Systems Act and Municipal Performance Regulations.

Besides the matters raised in relation to the internal controls that requires some improvement, the performance audit committee is satisfied that the performance report has been prepared in terms of the MFMA, MSA and the related Regulations.

10. Evaluation of the annual financial statements

The audit committee has reviewed the annual financial statements, which 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 and issues.

The audit committee is comfortable that the annual financial statements have been prepared in terms of GRAP and the MFMA.

11. External auditor's report

The audit committee concurs with and accepts the conclusion and audit opinion of the external auditors on the annual financial statements. The committee is of the view that the audited financial statements be accepted and read together with the report of the external auditors.

The audit committee concurs with the conclusion on the reported performance information and compliance with legislation.

The external audit function, performed by the Auditor General, is independent of the municipality. The audit committee has met with the external auditors to ensure that there are no unresolved issues and acknowledges the diligence and cooperation of the external audit team.

Both the audit committee and performance audit hereby unreservedly affirm our commitment to serving and supporting the council in the execution of its mandate.

On behalf of the audit committee and performance audit committee:

Mr Don Naicker
Audit Committee Chair
King Cetshwayo District Municipality

6.4. OVERSIGHT REPORT

KCDM partnership with Motsepe Foundation to hand out Christmas toys

Handover of groceries to matric camps in schools during November 2024

KING CETSHWAYO
DISTRICT MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

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 SZ Dlamini
Accounting Officer	Mr PP Sibiya
Deputy Municipal Manager Finance (CFO)	Mrs C 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 X 1025 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 C A (SA) Mr AD Gonzalves Dr MJ Ndlovu Mrs CN Khanyile

INDEX

The reports and statements set out below comprise the annual financial statements for the year ended 30 June 2025

INDEX

Abbreviations used:

AUC	Assets Under Construction
CPI	Consumer Price Index
DBO	Defined Benefit Obligation
DWS	Department of Water and Sanitation
EQS	Equitable Share
EPWP	Expanded Public Works Programme
FMG	Financial Management Grant
GRAP	Generally Recognised Accounting Practice
LGSETA	Local Government Sector Education and Training Authority
LSA	Long Service Awards
MDRG	Municipal Disaster Relief Grant
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MPAC	Municipal Public Accounts Committee
MSCOA	Municipal Standard Chart of Accounts
MTREF	Medium Term Revenue Expenditure Framework
NRV	Net Realisable Value
PRMB	Post-Retirement Medical Benefits
RBIG	Regional Bulk Infrastructure Grant
RRAMS	Rural Roads Asset Management Systems
RUL	Remaining Useful Lives
SARS	South African Revenue Services
VAT	Value Added Tax Act (Act No. 89 of 1991)
WSIG	Water Services Infrastructure Grant

STATEMENT OF ACCOUNTING OFFICER'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 were 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 2026 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 the following material matters to your attention:

I certify that the salaries, allowances and benefits of Councilors as disclosed in note 28 and 43 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
30 August 2025

ACCOUNTING OFFICER'S REPORT

The Accounting Officer submits his report for the year ended 30 June 2025.

1. Review of activities

Main business and operations

The municipality is a category 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 plan 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 R268 27 4 002 (30 June 2024: surplus R294 526 497).

2. Going concern

We draw attention to the fact that at 30 June 2025, the municipality had an accumulated surplus of R3 757 432 663 and that the municipality's total assets exceed total liabilities by R3 757 432 663.

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

At the date of submission of the annual financial statements, the municipality identified one adjusting event which related to a judgement issued in favour of a plaintiff resulting in the recognition of a liability as at 30 June 2025 - refer to note 42.

4. Accounting Officers' 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 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 5 times during the financial year to review matters necessary to fulfil its role.

Internal audit

The municipality has co-sourced its internal audit 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 203 to 278, which have been prepared on the going concern basis, were approved by the Accounting Officer on 30 August 2025.

Accounting Officer
Mr PP Sibiya

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

Figures in Rands	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Cash and cash equivalents	2	168 907 480	136 160 780
Receivables from exchange transactions - consumer debtors	3	64 699 236	64 408 356
Receivables from non-exchange transactions - consumer debtors	4	3 103 794	1 273 465
Inventories	5	7 370 883	5 864 055
Receivables from exchange transactions - other	6	151 521 462	165 902 237
		395 602 855	**373 608 893**
Non-Current Assets			
Property, plant and equipment	7	3 799 951 977	3 454 015 908
Intangible assets	8	2 564 944	3 603 395
Heritage assets	9	1 487 200	1 487 200
Receivables from exchange transactions - consumer debtors	10	3 356 306	6 068 976
		3 807 360 427	**3 465 175 479**
Total Assets		**4 202 963 282**	**3 838 784 372**
Liabilities			
Current Liabilities			
Payables from exchange transactions	11	308 404 761	240 269 509
Consumer deposits	12	11 992 125	11 739 499
Current portion of employee benefit obligation	13	1 646 000	2 410 000
Current portion of provisions	15	6 340 314	4 273 702
		328 383 200	**258 692 710**
Non-Current Liabilities			
Employee benefit obligations	13	41 379 000	34 456 000
Provisions	15	75 768 419	56 477 000
		117 147 419	**90 933 000**
Total Liabilities		**445 530 619**	**349 625 710**
Net Assets		**3 757 432 663**	**3 489 158 662**
Accumulated surplus		3 757 432 663	3 489 158 662
Total Net Assets		**3 757 432 663**	**3 489 158 662**

* See Note 49

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

Figures in Rands	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	16	109 289 737	103 461 290
Sale of goods and rendering of services	17	1 053 315	468 975
Licences and permits	18	195 979	151 455
Rental income	19	324 618	357 491
Operational revenue	20	724 354	2 518 349
Interest on receivables from exchange transactions	21	5 063 499	4 350 959
Interest on receivables from investments and bank accounts	22	28 710 090	29 269 268
Gain on disposal of property, plant and equipment	7	1 889 241	833 252
Total revenue from exchange transactions		**147 250 833**	**141 411 039**
Revenue from non-exchange transactions			
Actuarial gains	13	-	8 693 914
Adjustment to rehabilitation provision	15	8 267 549	4 343 840
Transfers and subsidies	23	1 211 947 040	1 177 325 016
Fines, penalties and forfeits	24	3 582 447	11 999 698
Donations	7	-	10 786 868
Service charges - availability charges	25	2 353 186	2 277 889
Interest on receivables from non-exchange transactions	26	196 231	466 846
Total revenue from non-exchange transactions		**1 226 346 453**	**1 215 894 071**
Total revenue		**1 373 597 286**	**1 357 305 110**
Expenditure			
Employee related costs	27	(347 307 761)	(330 089 520)
Remuneration of councillors	28	(15 696 137)	(14 986 734)
Depreciation and amortisation	29	(100 142 051)	(99 214 958)
Finance costs	30	(8 267 548)	(7 451 316)
Debt Impairment	3 & 4 & 6 & 11	(10 222 795)	(3 670 036)
Irrecoverable debts written off	3	(2 903 900)	(4 914 328)
Inventory consumed	31	(232 987 379)	(219 394 982)
Contracted services	32	(196 021 158)	(186 348 862)
Transfers and subsidies	33	(1 623 804)	(3 700 000)
Operating leases	34	(17 259 256)	(18 954 954)
Operational costs	35	(109 557 854)	(99 744 319)
Actuarial losses	13	(135 657)	-
Water losses	36	(60 336 851)	(51 265 131)
Inventories write-downs	5	(75 486)	
Impairment on property, plant and equipment	7	(2 785 647)	(23 043 473)
Total expenditure		**(1 105 323 284)**	**(1 062 778 613)**
Surplus for the year		**268 274 002**	**294 526 497**

* See Note 49

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

Figures in Rands	Accumulated surplus	Total net assets
Revenue		
Opening balance as previously reported	3 180 926 330	3 180 926 330
Prior year adjustments 49	13 705 835	13 705 835
Balance at 01 July 2023 restated	**3 194 632 165**	**3194 632165**
Restated surplus for the year	294 526 497	294 526 497
Restated balance at 01 July 2024	**3 489 158 662**	**3 489 158 662**
Opening balance as previously reported	3 478 766 129	3 478 766 129
Prior year adjustments 49	10 392 532	10 392 532
Surplus for the year	268 27 4 002	268 27 4 002
Balance at 30 June 2025	**3 757 432 663**	**3 757 432 663**

* See Note 49

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Figures in Rands	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Consumers and other		147 114 668	152 475 637
Transfers and subsidies	14	1 211 947 040	1 172 519 872
Interest		30 291 517	31 120 958
VAT receipts		137 783 728	152 325 735
		1 527 136 953	1 508 442 202
Payments			
Employees		(342 565 441)	(336 658 178)
Suppliers		(678 010 788)	(674 180 667)
		(1 020 576 229)	(1 010 838 845)
Net cash flows from operating activities	38	**506 560 724**	**497 603 357**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangibles assets		(477 685 970)	(510 724 745)
Proceeds from insurance and sale of property, plant and equipment		3 871 946	2 649 817
Net cash flows from investing activities		**(473 814 024)**	**(508 074 928)**
Cash flows from financing activities			
Repayment of current portion of borrowings		-	(6 285 648)
Finance costs	30	-	(601 700)
Net cash flows from financing activities		**-**	**(6 887 348)**
Net increase / (decrease) in cash and cash equivalents		**32 746 700**	**(17 358 919)**
Cash and cash equivalents at the beginning of the year		136 160 780	153 519 699
Cash and cash equivalents as at the end of the reporting period	**2**	**168 907 480**	**136 160 780**

* See Note 49

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	78 851 730	(9 139 190)	**69 712 540**	61 846 438	**(7 866 102)**	44.1
Service charges - waste water management	10 606 915	-	**10 606 915**	8 792 368	**(1 814 547)**	44.2
Service charges - waste management	44 175 058	(3 860 810)	**40 314 248**	38 650 931	**(1 663 317)**	
Sale of goods and rendering of services	822 528	-	**822 528**	1 053 315	**230 787**	
Licences and permits	103 000	63 315	**166 315**	195 979	**29 664**	
Rental from fixed assets	343 478	-	**343 478**	324 618	**(18 860)**	
Operational revenue	5 257 487	(2 614 190)	**2 643 297**	724 354	**(1 918 943)**	44.3
Interest earned from receivables	1 699 308	-	**1 699 308**	5 063 499	**3 364 191**	44.4
Interest earned from current and non-current assets	27 560 000	-	**27 560 000**	28 710 090	**1 150 090**	
Gain on disposal of property, plant and equipment	-	-	**-**	1 889 241	**1 889 241**	44.5
Total revenue from exchange transactions	**169 419 504**	**(15 550 875)**	**153 868 629**	**147 250 833**	**(6 617 796)**	
Revenue from non-exchange transactions						
Adjustment to rehabilitation provision	-	-	**-**	8 267 549	**8 267 549**	44.6
Transfers and subsidies - operational	748 534 800	180 771	**748 715 571**	748 715 571	**-**	
Fines, penalties and forfeits	12 585	1 564 220	**1 576 805**	3 582 447	**2 005 642**	44.7
Service charges - availability charges	-	-	**-**	2 353 186	**2 353 186**	44.8
Interest on receivables from nonexchange	-	-	**-**	196 231	**196 231**	
Total revenue from non-exchange transactions	**748 547 385**	**1 744 991**	**750 292 376**	**763 114 984**	**12 822 608**	
Total revenue	**917 966 889**	**(13 805 884)**	**904 161 005**	**910 365 817**	**6 204 812**	
Expenditure						
Employee related costs	(416 354 870)	68 728 689	**(347 626 181)**	(347 307 761)	**318 420**	
Remuneration of councillors	(18 122 446)	2 045 779	**(16 076 667)**	(15 696 137)	**380 530**	
Depreciation, amortisation and impairment	(152 827 217)	2 948 540	**(149 878 677)**	(102 927 698)	**46 950 979**	44.9
Finance costs	(3 419 110)	(4 848 439)	**(8 267 549)**	(8 267 548)	**1**	
Debt Impairment	(9 868 755)	(2 183 924)	**(12 052 679)**	(10 222 795)	**1 829 884**	44.10
Irrecoverable debts written off	(9 122 026)	1 836 838	**(7 285 188)**	(2 903 900)	**4 381 288**	44.11
Inventory consumed	(179 041 303)	(54 629 998)	**(233 671 301)**	(232 987 379)	**683 922**	
Contracted services	(190 824 149)	(9 666 941)	**(200 491 090)**	(196 021 158)	**4 469 932**	
Transfers and subsidies	(5 200 000)	1 576 195	**(3 623 805)**	(1 623 804)	**2 000 001**	44.12
Operational costs	(129 713 217)	339 186	**(129 374 031)**	(126 817 110)	**2 556 921**	
Loss on disposal of assets	-	(1 982 708)	**(1 982 708)**	-	**1 982 708**	44.13
Other losses	(78 276 392)	512 483	**(77 763 909)**	(60 472 508)	**17 291 401**	44.14
Inventories losses/write-downs	-	-	**-**	(75 486)	**(75 486)**	
Total expenditure	**(1 192 769 485)**	**4 675 700**	**(1 188 093 785)**	**(1 105 323 284)**	**82 770 501**	
Operating deficit	**(274 802 596)**	**(9 130 184)**	**(283 932 780)**	**(194 957 467)**	**88 975 313**	
Transfers and subsidies - capital (monetary allocation)	491 415 200	(28 183 731)	**463 231 469**	463 231 469	**-**	
Surplus for the year	**216 612 604**	**(37 313 915)**	**179 298 689**	**268 274 002**	**88 975 313**	

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	133 631 529	(19 079 414)	**114 552 115**	168 907 480	**54 355 365**	44.15
Trade and other receivables from exchange transactions	86 895 096	(17 181 000)	**69 714 096**	64 699 236	**(5 014 860)**	
Receivables from non-exchange transactions	-	1 273 466	**1 273 466**	3 103 794	**1 830 328**	44.16
Inventory	8 647 238	(2 931 603)	**5 715 635**	7 370 883	**1 655 248**	44.17
VAT	102 873 891	(13 441 905)	**89 431 986**	-	**(89 431 986)**	44.18
Other current assets	8 964 051	5 480 284	**14 444 335**	151 521 462	137 077 127	44.18
	341 011 805	**(45 880 172)**	**295 131 633**	**395 602 855**	**100 471 222**	
Non-Current Assets						
Property, plant and equipment	3 576 554 325	166 062 872	**3 742 617 197**	3 799 951 977	**57 334 780**	
Intangible assets	4 852 565	(1 270 000)	**3 582 565**	2 564 944	**(1 017 621)**	44.19
Heritage assets	7 434 783	(5 947 583)	**1 487 200**	1 487 200	**-**	
Receivables from exchange transactions	-	6 068 977	**6 068 977**	3 356 306	**(2 712 671)**	44.20
	3 588 841 673	**164 914 266**	**3 753 755 939**	**3 807 360 427**	**53 604 488**	
Total Assets	**3 929 853 478**	**119 034 094**	**4 048 887 572**	**4 202 963 282**	**154 075 710**	
Liabilities						
Current Liabilities						
Trade and other payables from exchange transactions	172 951 560	73 725 230	**246 676 790**	308 404 761	**61 727 971**	44.21
Consumer deposits	11 666 566	72 933	**11 739 499**	11 992 125	**252 626**	
Provisions	6 560 269	218 520	**6 778 789**	7 986 314	**1 207 525**	44.22
VAT	10 013 739	7 770 027	**17 783 766**	-	**(17 783 766)**	44.21
	201 192 134	**81 786 710**	**282 978 844**	**328 383 200**	**45 404 356**	
Non-Current Liabilities						
Provisions	132 848 999	(24 951 871)	**107 897 128**	117 147 419	**9 250 291**	
Total Liabilities	334 041 133	56 834 839	**390 875 972**	445 530 619	**54 654 647**	
Net Assets	3 595 812 345	62 199 255	**3 658 011 600**	3 757 432 663	**99 421 063**	
Accumulated surplus	3 595 812 345	62 199 255	**3 658 011 600**	3 757 432 663	**99 421 063**	
Total community wealth / equity	**3 595 812 345**	**62 199 255**	**3 658 011 600**	**3 757 432 663**	**99 421 063**	

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	130 849 883	(12 999 877)	**117 850 006**	103 588 215	**(14 261 791)**	
Other revenue	114 160 955	54 479 110	**168 640 065**	181 310 182	**12 670 117**	
Transfers and subsidies - operational	745 697 800	3 017 771	**748 715 571**	748 715 571	**-**	
Transfers and subsidies - capital	494 252 200	(31 020 731)	**463 231 469**	463 231 469	**-**	
Interest	27 560 000	-	**27 560 000**	30 291 517	**2 731 517**	
	1 512 520 838	**13 476 273**	**1 525 997 111**	**1 527 136 954**	**1 139 843**	
Payments						
Suppliers and employees	(1 040 841 992)	(63 094 160)	**(1 103 936 152)**	(1 018 952 426)	**84 983 726**	
Transfers and subsidies	(5 200 000)	(50 000)	(5 250 000)	(1 623 804)	3 626 196	
	(1 046 041 992)	**(63 144 160)**	**(1 109 186 152)**	**(1 020 576 230)**	**88 609 922**	
Net cash flows from operating activities	**466 478 846**	**(49 667 887)**	**416 810 959**	**506 560 724**	**89 749 765**	
Cash flows from investing activities						
Capital assets	(465 007 780)	26 720 668	**(438 287 112)**	(477 685 970)	**(39 398 858)**	
Proceeds on disposal of PPE	-	-	**-**	3 871 946	**3 871 946**	
Net cash flows from investing activities	**(465 007 780)**	**26 720 668**	**(438 287 112)**	**(473 814 024)**	**(35 526 912)**	
Cash flows from financing activities						
Increase / (decrease) in consumer deposits	(132 512)	-	**(132 512)**	-	**132 512**	
Net increase/(decrease) in cash and cash equivalents	1 338 554	(22 947 219)	**(21 608 665)**	32 746 700	**54 355 365**	
Cash and cash equivalents at the beginning of the year	132 027 951	4 132 829	**136 160 780**	136 160 780	**-**	
Cash and cash equivalents at the end of the reporting period	**133 366 505**	**(18 814 390)**	**114 552 115**	**168 907 480**	**54 355 365**	

Variances greater than 10% with a value greater than R500 000 are explained in note 44.

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2025

1. Basis of preparation

The annual financial statements for the year ended 30 June 2025 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 15.

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 13 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 1.14 on Revenue from Exchange Transactions and accounting policy 1.15 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).

1.1.8 Inventory water and water losses

Water inventory is considered to be inventory at the point of extraction from natural water sources/own sources or at the point where water passes into the municipal network provided by bulk water suppliers.

Water losses are unauthorised losses that occur due to factors other than normal production and utilisations, and are regarded as material if their omission or misstatement will affect the decisions made by users of the information. These losses consist of real and apparent losses and disclosed in note 36.

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

<u>GRAP standards revised and not yet effective</u>

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.

The amendment relates to disclosure requirements on going concern and the preparation of annual financial statements thereon.

- GRAP 103 (as revised) on Heritage Assets. The effective date is still to be determined by the Minister of Finance.

The amendments relates to the definition, criteria, recognition, measurement and de-recognition of heritage assets.

- GRAP 104 (as revised) on Financial Instruments. The effective date is 1 April 2025 and as such will be applied in the 2025/2026 financial statements.

Emanating from the global financial crisis, a concern regarding accounting for financial instruments was raised in relation to information on credit losses and defaults on financial assets was received too late to enable proper decision-making, amongst others. The revisions better align the standard with recent international developments.

The amendments result in better information being available to make better decisions about financial assets and their recoverability.

- 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 financial 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
Receivables from non-exchange transactions	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
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.

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.

The municipality de-recognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of financial assets due to non-recoverability.

The municipality de-recognises financial liabilities when, and only when, the municipalities obligations are discharged, cancelled or expire.

Initial recognition and measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value that are directly attributable to the acquisition or issue of the financial asset or financial liability plus transaction costs.

Transaction costs are also added to financial instruments carried at amortised cost.

1.5 Employee benefits

<u>Short-term employee benefits</u>

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.

<u>Defined contribution plans</u>

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 13 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 contributions are recognised in the statement of financial performance when employees have rendered the service entitling them to the contribution.

<u>Defined benefit plans</u>

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.

<u>Other long-term employee benefits - long-service awards</u>
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 and contingencies

<u>Provisions</u>
The municipality accounts for the following provisions - refer to note 15:
- 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.

<u>Contingencies</u>
Contingent assets and contingent liabilities are not recognised in the annual financial statements. Contingencies are disclosed in note 42.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. A contingent asset is disclosed where an inflow of economic benefits or service potential is probable. The municipality shall disclose a brief description of the nature of the contingent assets at the reporting date, and, where practicable, an estimate of their financial effect.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality, or, a present obligation that arises from past event but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or, the amount of the obligation cannot be measured with sufficient reliablity. Unless the possibility of any outflow in settlement is remote, the municipality shall disclose for each class of contingent liability at the reporting date a brief description of the nature of the contingent liability and, where practicable:
- an estimate of its financial effect
- an indication of the uncertainties relating to the amount or timing of any outflow; and
- the possibility of any reimbursement

Contingencies are remeasured annually with relevant adjustments effected to the annual financial statements subject to the latest information available at the reporting date.

1.7 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost on its acquisition date or in the case of assets acquired at nil or nominal consideration the deemed cost, being the fair value of the assets at acquisition date.

1.7 Property, plant and equipment (continued)

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.

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

Heritage assets are assets that have a cultural and historical significance and are held indefinitely for the benefit of present and future generations.

Initial recognition

The municipality initially recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably. Heritage assets are initially measured at cost.

A class of heritage assets is subsequently measured 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

Initial recognition

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

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.

1.10 Impairment of non-cash-generating assets (continued)

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

<u>Operating leases - The municipality as a lessor</u>
Operating lease revenue is recognised as revenue on the straight line basis.

Income for leases is disclosed under revenue in statement of financial performance.

<u>Operating leases - The municipality as a lessee</u>
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 three ways i.e. bulk purchases, water treatment works and own production (natural sources).

Bulk purchases are capitalised in inventory based on actual costs from the service provider and own production/water treatment works is capitalised based on costs associated with the production of water.

Water is sold and thus subsequently valued at the lower of cost and net realisable value. Water becomes inventory at the point of extraction/supply and when water is being processed for consumption.

1.13 Water losses

Water losses are determined by the difference between system input volumes and authorised consumption which is then categorised between apparent and real losses.

<u>Apparent losses</u>
Apparent losses are made up from unauthorised consumption (theft or illegal use), plus all technical and administrative inaccuracies associated with customer metering. The guideline used to calculate the volume of apparent losses are those issued by the Department of Water and Sanitation.

A systematic estimate is made from local knowledge of the system and an analysis of technical and administrative aspects of the customer metering system. Calculations used are consumer meter age, prevalence of illegal connections, and data transfer inconsistencies from the billing database.

Metering inaccuracies are based on the various components of billed meterd consumption (BMC) and calculated at 5% of the sum of the following:

- BMC - exported water
- BMC - billed metered consumption
- BMC - pre-paid meters
- BMC - free basic water (billing database)
- Deemed consumption - pre-paid meters
- Deemed consumption - free basic water (boreholds and springs)
- BMC - tankered water

<u>Real losses</u>

Real losses are calculated by subtracting apparent losses from total water losses.

1.14 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 straight line basis.

1.15 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.

1.16 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.

1.17 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 and measured at amortised cost.

1.18 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.

1.19 Budget information

The approved budget covers the fiscal period from 2024/07/01 to 2025/06/30.

The annual financial statements for the year ended 30 June 2025 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 44 of the annual financial statements for a variance of 10% and greater than R500 000, providing reasons for the variance between actuals and budget.

1.20 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. Subsequent to investigation of the identified expenditure, should the expenditure not be condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.21 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. Subsequent to investigation of the identified expenditure, should the expenditure not be condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.22 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). Subsequent to investigation of the identified expenditure, should the expenditure not be condoned by the Council it is treated as an asset until it is recovered or written off as irrecoverable.

1.23 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 37 at their undiscounted contractual amounts, where the expenditure has been approved and the contract awarded at the reporting date.

1.24 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.

1.25 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.26 Prior period errors

The purpose of this policy is to prescribe how the Municipality identifies, corrects, and discloses prior period errors in accordance with GRAP 3 - Accounting Policies, Changes in Accounting Estimates and Errors, and to ensure consistent and transparent financial reporting as required by the MFMA.

A prior period error is an omission from, or misstatement in, the Municipality's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:
- was available when financial statements for those periods were authorised for issue; and
- could reasonably have been expected to be obtained and taken into account in the preparation and presentation of those financial statements.

Prior period errors include errors resulting from:
- Mathematical mistakes
- Mistakes in applying accounting policies
- Oversights or misinterpretations of facts

Recognition and measurement

When a prior period error is identified, the Municipality shall correct the error retrospectively in the first set of financial statements authorised for issue after its discovery by:
- Restating the comparative amounts for the prior period(s) presented in which the error occurred; or
- Restating the opening balances of assets, liabilities and net assets for the earliest prior period presented, if the error occurred before the earliest prior period presented.

The Municipality shall correct all material prior period errors retrospectively in the first set of financial statements authorised for issue after their discovery, unless it is impracticable to determine the effects of the error. If it is impracticable to determine the period-specific effects or the cumulative effect of an error, the Municipality shall correct the error prospectively from the earliest date practicable.

Disclosure

The entity shall disclose the following in the period in which a prior period error is corrected:
- The nature of the prior period error;
- for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected;
- the amount of the correction at the beginning of the earliest prior period presented; and
- if retrospective restatement is impracticable for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

1.27 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 48.

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.

1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.29 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	2025	2024

2. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Cash book balances	108 809 988	76 052 070
Call investment deposits	60 000 000	60 000 000
Cash in transit	91 692	102 910
Cash on hand	5 800	5 800
	168 907 480	**136 160 780**

Cash in bank accounts earn interest at a linked rate.

Call investment deposits with financial institutions

Financial institution	Maturity	2025	2024
Absa	On call	-	60 000 000
Absa	On call	60 000 000	-
		60 000 000	**60 000 000**

An average interest rate of 6.96% and 9.15% was received on investments placed for the period ended 30 June 2025 and 30 June 2024 respectively. The detailed investment register is available at the registered office of the municipality.

No cash and cash equivalents have been pledged as security.

The municipality had the following bank accounts

Account number /description	Bank statement balances			Cash book balances		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
FirstRand Bank Limited						
Primary Account Account No 629 434 44109	93 977 769	53 575 177	63 351 103	93 977 769	53 575 177	63 350 411
Billing Account Account No 629 434 44125	6 022 746	82 995	20 000	6 022 746	82 995	20 000
Expenditure Account Account No 629 434 44117	8 809 473	22 393 898	30 000 000	8 809 473	22 393 898	30 000 000
Total	**108 809 988**	**76 052 070**	**93 371 103**	**108 809 988**	**76 052 070**	**93 370 411**

Detailed bank reconciliations 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024
3. Receivables from exchange transactions - consumer debtors		
Gross balances		
Water	92 120 391	84 357 504
Sanitation	23 456 352	18 710 621
Solid waste	6 145 571	6 310 630
	121 722 314	**109 378 755**
Less: Allowance for impairment		
Water	(39 551 227)	(34 215 494)
Sanitation	(13 622 553)	(7 500 053)
Solid waste	(3 849 298)	(3 254 852)
	(57 023 078)	**(44 970 399)**
Net balance		
Water	52 569 164	50 142 010
Sanitation	9 833 799	11 210 568
Solid waste	2 296 273	3 055 778
	64 699 236	**64 408 356**

Aged summary of debtors by service type

	2025	2024
Water		
Current (0 - 30 days)	6 699 882	7 458 693
31 - 60 days	3 445 135	3 539 434
61 - 90 days	2 051 038	2 262 097
91 - 120 days	1 933 231	2 035 456
> 120 days	77 991 105	69 061 824
Less: Allowance for impairment	(39 551 227)	(34 215 494)
	52 569 164	**50 142 010**
Sanitation		
Current (0 - 30 days)	790 620	694 365
31 - 60 days	452 097	397 732
61 - 90 days	365 271	321 257
91 - 120 days	333 157	314 323
> 120 days	21 515 208	16 982 944
Less: Allowance for impairment	13 622 554)	(7 500 053)
	9 833 799	**11 210 568**
Solid Water		
Current (0 - 30 days)	2 852 622	2 990 659
31 - 60 days	293 751	337 967
61 - 90 days	110 292	291 393
91 - 120 days	5 377	167 373
> 120 days	2 883 529	2 523 238
Less: Allowance for impairment	(3 849 298)	(3 254 852)
	2 296 273	**3 055 778**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024
3. Receivables from exchange transactions - consumer debtors (continued)		
Aged summary of debtors by customer classification		
Domestic Consumers		
Current (0 - 30 days)	4 288 413	3 005 835
31 - 60 days	1 803 552	1 881 122
61 - 90 days	1 461 766	1 379 839
91 - 120 days	1 325 185	1 159 797
> 120 days	80 019 665	63 847 614
	88 898 581	71 274 207
Less: Allowance for impairment	(51 788 833)	(40 042 459)
	37 109 748	**31 231 748**
Industrial/Commercial Consumers		
Current (0 - 30 days)	4 224 974	4 333 661
31 - 60 days	761 845	714 340
61 - 90 days	460 776	494 215
91 - 120 days	447 545	523 242
> 120 days	11 792 896	15 550 607
	17 688 036	21 616 065
Less: Allowance for impairment	(5 234 246)	(4 927 940)
	12 453 790	**16 688 125**
National and Provincial Government Consumers		
Current (0 - 30 days)	3 232 267	3 754 996
31 - 60 days	1 625 587	1 677 062
61 - 90 days	604 060	997 753
91 - 120 days	499 034	831 209
> 120 days	9 174 752	9 227 463
	15 135 700	**16 488 483**
Aged summary of total debtors in:		
Current (0 - 30 days)	11 745 653	11 094 492
31 - 60 days	4 190 983	4 272 524
61 - 90 days	2 526 601	2 871 808
91 - 120 days	2 271 765	2 514 248
> 120 days	100 987 312	88 625 683
Less: Allowance for impairment	121 722 314	109 378 755
	(57 023 078)	(44 970 399)
	64 699 236	**64 408 356**
Aged summary of allowance for impairment		
Current (0 - 30 days)	(1 795 307)	(2 237 162)
31 - 60 days	(804 490)	(1 171 058)
61 - 90 days	(943 140)	(1 058 488)
91 - 120 days	(906 477)	(988 293)
> 120 days	(52 573 664)	(39 515 398)
	(57 023 078)	**(44 970 399)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

3. Receivables from exchange transactions - consumer debtors (continued)

Aged debtors past due but not impaired		
31 - 60 days	3 386 493	3 101 466
61 - 90 days	1 583 461	1 813 320
91 - 120 days	1 365 288	1 525 955
> 120 days	48 413 648	49 110 285
	54 748 890	**55 551 026**

Reconciliation of allowance for impairment		
Balance at beginning of the year	(44 970 399)	(46 653 796)
Contributions (raised)/reversed	(12 052 679)	1 683 397
	(57 023 078)	**(44 970 399)**

The comparative net figure has been restated by an amount of R708 815 from R63 699 541 to R64 408 356 - refer to note 10 and 49.

The movement in debt impairment to an amount of R 12 052 679 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 10.

In the determination of the amounts deemed to be impaired at 30 June 2025, an analysis of each debtor is undertaken as outlined in Council's approved Credit Control Policy. 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 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 2025 and 30 June 2024, the collection rate from consumer debtors (inclusive of availability charges and debtor arrangements) was 104% and 105%, and for the year 90% and 105% respectively.

In accordance with Council resolution KCDMC: 3591/2025 and the approved Council incentive policy, the municipality has written off R3 252 548 and R30 438 as at 30 June 2025.

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.

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 2025 and 30 June 2024 is included in note 18 and 24 (air quality licenses).

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	Note	2025	2024

4. Receivables from non-exchange transactions - consumer debtors

		2025	2024
Service charges - availability charges		11 779 281	10 704 859
Allowance for impairment		(8 675 487)	(9 431 394)
		3 103 794	**1 273 465**

Receivables from non-exchange transactions - consumer debtors impaired

		2025	2024
Current (0 - 30 days)		(114 264)	(163 224)
31 - 60 days		(113 831)	(143 716)
61 - 90 days		(111 275)	(155 326)
91 - 120 days		(111 980)	(133 761)
> 120 days		(8 224 137)	(8 835 367)
		(8 675 487)	**(9 431 394)**

Receivables from non-exchange transactions - consumer debtors past due but not impaired

		2025	2024
31 - 60 days		127 088	35 102
61 - 90 days		73 415	26 436
91 - 120 days		66 356	24 934
> 120 days		2 667 154	1 062 713
		2 934 013	**1 149 185**

Reconciliation of provision for impairment of receivables from non-exchange transactions - consumer debtors

		2025	2024
Opening balance		(9 431 394)	(3 394 912)
Impairment reversed / (raised)		755 907	(6 036 482)
		(8 675 487)	**(9 431 394)**

5. Inventory

		2025	2024
Consumable stores		586 216	610 456
Maintenance materials		3 720 425	2 397 435
Water - static tanks		84 568	169 136
Water stock		2 979 674	2 687 028
		7 370 883	**5 864 055**

Water for distribution

		2025	2024
Opening balance		2 687 028	1 911 946
System input volume - bulk purchases		166 794 755	167 213 379
System input volume - water treatment works		24 819 566	-
System input volume - natural sources		17 312 975	14 911 261
Authorised consumption		(148 297 799)	(130 084 429)
Water losses	36	(60 460 983)	(51 381 936)
Water stock adjustment		124 132	116 807
Closing balance		**2 979 674**	**2 687 028**

2024/2025
Inventories amounting to R75 486 were written off in stores as per Council Resolution KCDMC:2429/2024 dated 31 July 2024.

No inventory was pledged as security.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	Notes	2025	2024

6. Receivables from exchange transactions - other

Deposits	13 642 538	12 869 334
Councillor accounts and other transactions	53 108	59 678
Investment interest accrual	100 603	438 904
King Cetshwayo Fresh Produce Market	41 193	41 193
Payments in advance	3 689 251	3 565 601
VAT accrual	126 702 446	132 439 494
VAT receivable from SARS	7 292 323	16 488 033
	151 521 462	**165 902 237**

The comparative figure has been restated by an amount of R148 927 527 from R16 974 710 to R165 902 237 due to inclusion of the accrued input VAT and SARS VAT receivable disclosures - refer to note 11&49.

Deposits disclosed above relate to Eskom electricity connections at municipal plants, staff rentals and other municipal deposits.

Payments in advance relates mainly to South African Local Government Association membership fees.

Statutory receivables general information

<u>Transaction(s) arising from statute</u>
The municipality raises input and output value added tax in terms of the Value Added Tax Act no. 89 of 1991.

<u>Determination of transaction amount</u>
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 refund position at reporting year end.

<u>2023/2024</u>
The impairment for the King Cetshwayo Fresh Produce Market of R362 320 has been reversed and the the gross receivable amounting to R729 639 was written off through council resolution KCDMC: 2444/2024 on 21 August 2024.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7. Property, plant and equipment

	2025			2024		
	Cost	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Buildings	78 630 338	(34 645 856)	43 984 482	78 500 688	(32 673 538)	45 827 150
Community assets	44 955 268	(14 358 397)	30 596 871	37 241 956	(12 868 875)	24 373 081
Computer equipment	19 376 407	(15 643 243)	3 733 164	19 061 195	(14 498 920)	4 562 275
Furniture and office equipment	17 439 821	(14 609 713)	2 830 108	17 200 137	(13 892 000)	3 308 137
Infrastructure	4 742 333 891	(1 066 399 238)	3 675 934 653	4 303 718 348	(986 697 142)	3 317 021 206
Motor vehicles	98 951 128	(62 125 595)	36 825 533	102 228 985	(48 700 031)	53 528 954
Plant and Machinery	10 975 749	(4 928 583)	6 047 166	9 083 948	(3 688 843)	5 395 105
Total	**5 012 662 602**	**(1 212 710 625)**	**3 799 951 977**	**4 567 035 256**	**(1 113 019 350)**	**3 454 015 906**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Additions - AUC	Disposals	Depreciation	Depreciation capitalised	Impairment loss	Total
Buildings	45 827 150	129 650	-	-	-	(1 969 047)	(3 271)	43 984 482
Community assets	24 373 081	-	7 713 312	-	-	(1 489 522)	-	30 596 871
Computer equipment	4 562 275	1 401 241	-	(83 222)	-	(2 147 130)	-	3 733 164
Furniture and office equipment	3 308 137	677 691	-	(18 143)	-	(1 137 577)	-	2 830 108
Infrastructure	3 317 021 206	72 889 831	365 738 163	(539)	(2 418 021)	(76 491 362)	(804 625)	3 675 934 653
Motor vehicles	53 528 954	1 958 239	-	(1 880 799)	-	(14 834 152)	(1 946 709)	36 825 533
Plant and Machinery	5 395 105	1 891 993	-	(3)	-	(1 208 887)	(31 042)	6 047 166
	3 454 015 908	**78 948 645**	**373 451 475**	**(1 982 706)**	**(2 418 021)**	**(99 277 677)**	**(2 785 647)**	**3 799 951 977**

Furniture and office equipment have been combined into a single asset class to align to mSCOA.

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 and office equipment	3 535 279	407 309	-	(14 092)	334 515	-	(954 874)	-	3 308 137
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
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)**	**3 454 015 908**

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.

Furniture and office equipment have been combined into a single asset class to align to mSCOA.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

7. *Property, plant and equipment (continued)*

Gain / (loss) on disposal of property, plant and equipment

Computer equipment	(83 222)	(59 684)
Furniture and office equipment	(18 143)	(14 092)
Motor vehicles	(1 880 799)	(1 741 977)
Plant and machinery	(3)	(809)
Insurance proceeds	1 549 148	2 649 814
Water network	(539)	-
Proceeds from the sale of property, plant and equipment	2 322 800	-
	1 889 241	**833 252**

The municipality wrote of assets during the year as per Council resolution KCDMC: 3056/2025 and KCDMC 3391/2025 on 9 April 2025 and 23 April 2025 respectively. Furthermore assets were disposed of through an auction in June 2025.

Change in estimates

During financial year the review of the remaining useful lives of assets resulted in the changes in estimates and the prospective effects of the changes are as outlined below:

Asset class	Change in estimates	Effect in depreciation change
Buildings	(R 6 261)	Decrease
Computer equipment	R 2 213	Increase
Furniture and office equipment	R 8 318	Increase
Infrastructure	(R1 248 115)	Decrease
Motor vehicles	(R 586 773)	Decrease
Community	(R 36 059)	Decrease
Plant and machinery	(R 35 888)	Decrease

Property, plant and equipment - impairment

The municipality assessed its items of property, plant and equipment for any potential impairment losses or reversal of impairment losses on assets.

The following impairment losses were recognised during the year:		
Buildings	3 271	468 085
Community assets	-	925 420
Infrastructure	804 625	21 649 968
Motor vehicles	1 946 709	-
Plant and machinery	31 042	-
	2 785 647	**23 043 473**

Impairment losses on vehicles were predominantly due to the assets being damaged beyond repair.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7. Property, plant and equipment (continued)

Property, plant and equipment in the process of being constructed or developed

2024/2025
The assets under construction (infrastructure) carrying values includes delayed/halted water infrastructure projects amounting to R369.4m. The delays are mainly due to completed project phases awaiting the bulk water supply, water resource development, protracted planning processes and reticulation.

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.

Assets under construction - 2025

	Included within Infrastructure	Included within Community assets	Total
Opening carrying value	1 420 584 514	935 015	1 421 519 529
Additions/capital expenditure	424 219 783	-	424 219 783
Transferred to completed items	(361 230 584)	-	(361 230 584)
	1 483 573 713	**935 015**	**1 484 508 728**

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**

Expenditure incurred to repair and maintain property, plant and equipment

	30 June 2025	30 June 2024
Community assets	459 591	2 377 514
Computers	833 276	1 193 161
Buildings	374 787	-
Infrastructure	166 318 869	149 264 314
Motor vehicles	33 043 870	29 877 089
Plant and machinery	2 649 013	2 759 591
	203 679 406	**185 471 669**

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

8. Intangible assets

	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software and other	7 268 767	(4 703 823)	2 564 944	7 442 846	(3 839 451)	3 603 395

Assets under construction - 2025

	Opening balance	Transfers	Amortisation	Total
Computer software and other	3 603 395	(174 079)	(864 372)	2 564 944

Assets under construction - 2024

	Opening balance	Additions - AUC	Amortisation	Total
Computer software and other	3 630 074	576 400	(603 079)	3 603 395

Intangible assets in the process of being constructed or developed

Expenditure recognised in the carrying value of Intangible assets	30 June 2025	30 June 2024
Computer software	-	1 754 229

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	R17 049	Increase

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. Heritage assets

	2025			2024		
	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 - 2025

	Opening balance	Total
Historical monuments	1 487 200	1 487 200

Reconciliation of heritage assets - 2024

	Opening balance	Total
Historical monuments	1 487 200	1 487 200

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

10. Receivables from exchange transactions - consumer debtors

Service charges	**3 356 306**	**6 068 976**

The comparative figure has been restated by an amount of R554 200 from R5 514 776 to R6 068 976 - refer to note 3 and 49.

Receivables from exchange transactions - consumer debtors impairment ageing

31 - 60 days	10 750	63 178
61 - 90 days	34 703	63 332
91 - 120 days	48 563	60 692
> 120 days	3 262 290	5 881 774
	3 356 306	**6 068 976**

A policy exists which grants consumer debtors an opportunity to make arrangements to pay off their arrear debt over an extended term. No impairment is calculated on the arrangement due to the implementation of a separate payment contract/arrangement with the consumer debtors.

11. Payables from exchange transactions

Accrued bonus	7 638 449	6 841 300
Accrued leave pay	25 022 497	19 989 264
Amounts received in advance	5 531 703	5 406 493
Employee related costs	11 061 690	2 429 227
Retention payables	75 570 900	52 717 772
Trade payables and accruals	120 583 084	108 357 469
VAT accrual	69 551 470	50 009 038
VAT on provision for doubtful debts	(6 555 032)	(5 481 054)
	308 404 761	**240 269 509**

The comparative figure has been restated by an amount of R44 527 984 from R195 741 525 to R240 269 509 due to inclusion of the accrued output VAT liability and VAT on provision for doubtful debts disclosure - refer to note 6 & 49.

12. Consumer deposits

Water and sanitation	**11 992 125**	**11 739 499**

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.

13. 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

13. *Employee benefit obligations(continued)*

The most recent actuarial valuations of the unfunded defined benefit obligation was carried out as at 30 June 2025 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. There are no other post retirement benefits are provided by the municipality.

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 791 per principal member per month for the year ending 30 June 2026, 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 2025 were made up of 353 in-service member employees (2024: 330), 114 inservice non-member employees (2024: 104) and 6 (2024: 6) continuation members - retirees and widowers.

Estimated liability in respect of past services		
In service members (Employees)	22 004 000	18 054 000
In-service non-members (Employees)	1 264 000	1 063 000
Continuation members (Retirees and widowers)	3 333 000	3 238 000
	26 601 000	**22 355 000**

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 a monetary sum 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 2025.

The most recent actuarial valuations of the unfunded defined benefit obligation was carried out as at 30 June 2025 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	2025	2024

13. *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.

The amounts recognised in the statement of financial position are as follows:

	2025	2024
Present value of the defined benefit obligation - post employment medical aid benefits (PEMAB)	(26 601 000)	(22 355 000)
Present value of the defined benefit obligation - long service awards(LSA)	(16 424 000)	(14 511 000)
	(43 025 000)	**(36 866 000)**
Current liabilities	(1 646 000)	(2 410 000)
Non-current liabilities	(41 379 000)	(34 456 000)
	(43 025 000)	(36 866 000)

Changes in the present value of the net defined benefit obligation are as follows:

	2025	2024
Opening balance	36 866 000	39 183 000
Actuarial losses / (gains)	135 657	(8 693 914)
Net expense recognised in the statement of financial performance - total included in employee related costs	6 023 343	6 376 914
	43 025 000	**36 866 000**

Net amount recognised in the statement of financial performance

	2025	2024
Post employment medical aid benefit - current service cost	1 536 000	1 491 000
Long service awards - current service cost	1 590 000	1 534 000
Post employment medical aid benefit - interest cost	2 735 000	3 302 000
Long service awards - interest cost	1 553 000	1 615 000
Post employment medical aid benefit - actual benefits paid	(283 365)	(274 707)
Long service awards - actual benefits paid	(1 107 292)	(1 290 379)
	6 023 343	**6 376 914**

Calculation of actuarial gains and losses

	2025	2024
Post employment medical aid benefit - actuarial loss / (gain)	258 365	(7 069 293)
Long service awards - actuarial (gain)	(122 708)	(1 624 621)
	135 657	**(8 693 914)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

13. Employee benefit obligations (continued)

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	0,440	6-10	11,769	31-40	341,215
	2	0,792	11-15	25,009	41-50	363,573
	3	1,043	16-20	48,426	51-60	245,283
	4	1,259	21-25	82,541	61-70	88,368
	5	1,543	26-30	124,726	71-80	13,177

Past year and future projected defined benefit obligation	2025	2026	2027
Opening balance	22 355 000	26 601 000	31 433 000
Current service cost	1 536 000	2 264 000	2 522 000
Interest cost	2 735 000	3 008 000	3 539 000
Benefits paid	(283 365)	(440 000)	(792 000)
Actuarial loss	258 365	-	-
Projected closing	**26 601 000**	**31 433 000**	**36 702 000**
Current portion	406 000	731 000	962 000
Non-current portion	26 195 000 30	702 000	35 740 000
	26 601 000	**31 433 000**	**36 702 000**

Other long-term employee benefits - Long service awards

Maturity analysis of defined benefit	Future year	Expected benefits vesting	Future year	Expected benefits vesting
	1	1,347	6-10	16,996
	2	2,214	11-15	20,486
	3	3,381	16-20	20,251
	4	2,926	21-30	23,427
	5	3,195	31-40	2,475

Past year and future projected defined benefit obligation	2025	2026	2027
Opening balance	14 511 000	16 424 000	18 522 000
Current service cost	1 590 000	1 853 000	2 040 000
Interest cost	1 553 000	1 592 000	1 762 000
Benefits paid	(1 107 292)	(1 347 000)	(2 214 000)
Actuarial gain	(122 708)	-	-
Projected closing	**16 424 000**	**18 522 000**	**20 110 000**
Current portion	1 240 000	2 038 000	3 112 000
Non-current portion	15 184 000	16 484 000	16 998 000
	16 424 000	**18 522 000**	**20 110 000**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

13. Employee benefit obligations (continued)

Key assumptions used

Assumptions used at the last actuarial valuation as at 30 June 2025 as a follows:
Post employment medical aid benefits

Discount rate	11,40 %	12,34 %
Medical aid contribution inflation rate	7,20 %	7,81 %
Net effective discount rate	3,90 %	4,20 %
CPI Inflation rate	5,40 %	6,30 %
Maximum subsidy inflation rate	4,80 %	5,48 %
Net effective subsidy inflation rate	6,30 %	6,50 %
Continuation of membership at retirement	75,00 %	75,00 %
Proportion of in-service non-members joining a scheme by retirement	15,00 %	15,00 %
Proportion with a spouse dependant at retirement	60,00 %	60,00 %

Other long-term employee benefits - Long service awards

Discount rate	10,10 %	11,48 %
Normal salary increase rate	5,10 %	6,58 %
Net effective discount rate	4,80 %	4,60 %
Consumer price inflation	4,10 %	5,58 %

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

2024/2025

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 2025 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 11,4% 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 2025 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 7,2% per annum has been assumed. This is 1,8% in excess of expected consumer price index (CPI) inflation over the expected term of the DBO, namely 5,4% per annum. A larger differential would be unsustainable, eventually forcing members to less expensive options. This implies a net discount rate of 3,9% per annum which derives from ((1+11,4%)/(1+7,2%))-1.

The CPI inflation assumption of 5,4% per annum was obtained from the differential between market yields on index-linked bonds consistent with the estimated term of the DBO (5,2%) and those of fixed interest bonds (11,4%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0,5%). This was thus determined as follows: ((1+11,4%-0,5%)/(1+5,2%))-1.

The next contribution increase was assumed to occur on 1 January 2026.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

13. *Employee benefit obligations (continued)*

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 2026. 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 4.8%.

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 2025 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 10,1% 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 2025 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 5,3%, which was also obtained by using the rate on the yield curve that corresponds to the calculated implied duration of 9.5 years.

The CPI inflation assumption of 4,1% per annum was obtained from the differential between market yields on index-linked bonds (5,3%) consistent with the estimated term of the DBO and those of nominal bonds (10,1%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0,5%). Therefore, expected CPI inflation is determined as ((1+10,1%-0,5%)/(1+5,3%))-1.

Thus, a general earnings inflation rate of 5,1% 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 4,8%.

It was assumed that the next general earnings increase will take place on 1 July 2026.

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 1,5% 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

13. Employee benefit obligations (continued)

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 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 5.48%.

13. Employee benefit obligations (continued)

<u>The basis on which the discount rate and salary inflation has been determined as follows for other long-term employee benefits - long service awards:</u>

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.

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.

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 and listed below. As such, only the prior year end effects have been disclosed.

<u>Increase of 1% / (Decrease of 1 %) - Health care cost trends</u>		
Effect on the post employment medical aid	2 405 000	2 104 000
Effect on aggregate of the service cost and interest cost	424 000	652 000
Effect on the post employment medical aid	(3 031 000)	(2 542 000)
Effect on aggregate of the service cost and interest cost	(526 000)	(675 000)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

13. Employee benefit obligations (continued)

Increase of 1% / (Decrease of 1 %) - General earnings inflation rate		
Effect on the long service awards	1 044 000	934 000
Effect on aggregate of the service cost and interest cost	234 000	252 000
Effect on the long service awards	(947 000)	(847 000)
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	(628 000)	(518 000)
Effect on the post employment medical aid	614 000	509 000
(Increase of 1%) / Decrease of 1 % in discount rates		
Effect on the post employment medical aid	(3 761 000)	(3 074 000)
Effect on the post employment medical aid	4 743 000	3 862 000
Effect on the long service awards	(960 000)	(859 000)
Effect on the long service awards	1 075 000	961 000
Increase of 2 years/(Decrease of 2 years) in average retirement age		
Effect on the long service awards	842 000	786 000
Effect on the long service awards	(886 000)	(795 000)
Decrease of 1 year in average retirement age		
Effect on the post employment medical aid	2 432 000	2 166 000
(Increase of x 2)/Decrease of x 0,5 in withdrawal rates		
Effect on the long service awards	(2 258 000)	(2 105 000)
Effect on aggregate of the service cost and interest cost	(573 000)	(706 000)
Effect on the long service awards	1 485 000	1 400 000
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	(3 103 000)	(2 549 000)

The assumptions are as per the most recent valuations as at 30 June 2025.

Furthermore comparative figures for service and interest costs for PEMA for Health care cost trends have been restated from R424 000 to R652 000 and (R526 000) to (R675 000) respectively. In addition LSA general earnings inflation and withdrawal rates were restated from R234 000 to R252 000 and (R209 000) to (R225 000); and (R573 000) to (R706 000) and R391 000 to R487 000 respectively. Refer to note 49.

The history of the accrued liability is outlined below:

	2024/2025	2023/2024	2022/2023	2021/2022	2020/2021
Present value of post employment medical aid benefit	26 601 000	22 355 000	24 906 000	25 168 000	21 852 000
Present value of Other long-term employee benefits - long service awards	16 424 000	14 511 000	14 277 000	14 768 000	13 593 000

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 R47 721 777, being R33 869 826 employer contribution and R13 851 951employee contributions. (2024: R46 826 988 being R33 147 811 employer contribution and R13 679 178 employee contribution) was contributed towards employment retirement funding. These contributions have been expensed as at 30 June 2025.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

13. Employee benefit obligations (continued)

Description of fund	Total Assets R'000	Total Liabilities R'000	Net Assets R'000
March 2024			
Government Employees Pension Fund	2 396 114	52 360	2 343 754
KwaZulu Natal Joint Municipal Provident Fund	12 261 170	332 750	11 928 420
KwaZulu Natal Joint Municipal Pension Fund (Superannuation Fund)	17 125 823	158 223	16 967 599
KwaZulu Natal Joint Municipal Pension Fund (Retirement)	5 939 801	73 758	5 866 043
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

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.

14. Trade and other payables from non-exchange transactions

Transfers and subsidies movement during the year

Balance at the beginning of the year	-	4 805 144
Amounts received during the year	1 211 947 040	1 172 519 872
Revenue recognised for the year	(1 211 947 040)	(1 177 325 016)
	-	-

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.

15. Provisions

Reconciliation of provisions - 2025	Opening Balance	Additions	Increases during the year	Reduction due to re-measurement	Unwinding discount & other charges	Total
Performance bonus	4 273 702	2 066 612	-	-	-	6 340 314
Rehabilitation of landfill site	56 477 000	-	19 291 419	(8 267 549)	8 267 549	75 768 419
	60 750 702	**2 066 612**	**19 291 419**	**(8 267 549)**	**8 267 549**	**82 108 733**

Reconciliation of provisions - 2024 restated	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	53 971 223	-	(4 343 839)	6 849 616	56 477 000
	56 899 142	**1 345 783**	**(4 343 839)**	**6 849 616**	**60 750 702**

The comparative rehabilitation of landfill site opening balance for 2023/2024 has been restated by an amount of R8 545 511 from R62 516 734 to R53 971 223. Furthermore the change in estimates and the unwinding of discount and other charges have been restated by an amount of R5 981 578 and R1 084 531 from R10 325 418 and R7 934 147 to R4 343 839 and R6 849 616 respectively. The effect of the adjustment resulted in the closing balance for 2023/2024 being restated by an amount of R3 648 463 from R60 125 463 to R56 477 000. Refer to note 49.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. Provisions (continued)

Current liabilities	**6 340 314**	**4 273 702**
Non-current liabilities	**75 768 419**	**56 477 000**
	82 108 733	60 750 702

Performance bonus

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. As such, a provision for the current year has been made.

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 Economic Development, Tourism and Environmental Affairs 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.

2024/2025

In terms of licensing of the landfill refuse site, the provision for rehabilitation costs was R75.7m as at 30 June 2025 (2024: R56.4m) 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 weighted average 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 (PPI), an applicable inflation rate of 0.6% (2024: 4.6%) has been determined and a discount rate of 11.78% (2024:12,69%) has been utilised.

GRAP 19 requires that provisions be reviewed at each period end. The following changes transpired during the financial year, due to changes in the rehabilitation of the landfill site as a result of rate changes applied in calculating the future obligation. The rehabilitation provision adjustment resulted in an upward adjustment of R11 023 870.

2023/2024

In terms of licensing of the landfill refuse site, the provision for rehabilitation costs was restated to R56.4m as at 30 June 2024 (Restated 2023: R53.9m) 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 weighted average 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 4.6% (2023: 4.8%) has been determined and a discount rate of 12.69% (2023: 12,69%) has been utilised.

GRAP 19 requires that provisions be reviewed at each period end. The following changes transpired during the financial year, due to changes in the rehabilitation of the landfill site as a result of rate changes applied in calculating the future obligation. The rehabilitation provision adjustment resulted in an adjustment of R4 343 839.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

16. Revenue from exchange transactions - Service charges

Sanitation revenue	8 792 368	8 769 402
Solid waste revenue	38 650 931	32 970 235
Allowance for impairment	61 846 438	61 721 653
	109 289 737	**103 461 290**

The municipality has registered indigents who qualify for free water as outlined in the municipal policy amounting to 6Kl per month of 1389 (2024:201). The revenue forgone amounts to R335 069 (2024: R225 040).

17. Revenue from exchange transactions - Sale of goods and rendering of services

Cemetery income	435 199	460 279
Sale of publication - tender documents	618 116	8 696
	1 053 315	**468 975**

18. Revenue from exchange transactions - Licences and permits

Air quality licenses	37 000	55 000
Food premises	158 979	96 455
	195 979	**151 455**

19. Revenue from exchange transactions - Rental income

Lease income - community assets	**324 618**	**357 491**

20. Revenue from exchange transactions - Operational revenue

Administrative fees	85 526	96 196
SETA and bursary refunds	553 286	613 802
Insurance claim proceeds	85 542	1 808 351
	724 354	**2 518 349**

21. Interest on receivables from exchange transactions

Revenue from exchange transactions - consumer debtors	4 284 295	3 582 843
Interest on Eskom deposits	779 204	768 116
	5 063 499	**4 350 959**

22. Interest on receivables from investments and bank accounts

Bank accounts	13 581 590	14 646 561
External investments	15 128 500	14 622 707
	28 710 090	**29 269 268**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024
23. Revenue from non-exchange transactions - Transfers and subsidies		
Operating grants		
Levy Replacement Grant	351 156 000	362 663 833
Equitable Share	369 477 000	328 420 000
Department of Water and Sanitation	2 050 000	-
Department of Co-operative Governance and Traditional Affairs	17 520 531	25 033 911
Department of Public Works Grant	4 340 000	5 534 000
Department of Transport	2 837 000	3 145 000
Department of Co-operative Governance and Traditional Affairs	-	2 049 868
National Treasury	1 214 040	1 200 000
Public Contributions	121 000	-
	748 715 571	**728 046 612**
Capital grants		
Department of Water and Sanitation	286 194 000	282 547 000
Department of Co-operative Governance and Traditional Affairs	177 022 469	166 703 089
National Treasury	15 000	28 315
	463 231 469	**449 278 404**
	1 211 947 040	**1 177 325 016**

Summary of grants per funder

National Government - Levy Replacement Grant (Unconditional Grant)

	2025	2024
Current-year receipts	351 156 000	362 663 833
Transferred to revenue	(351 156 000)	(362 663 833)
	-	-

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)

	2025	2024
Current-year receipts	369 477 000	328 420 000
Transferred to revenue	(369 477 000)	(328 420 000)
	-	-

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.

Department of Water and Sanitation

	2025	2024
Balance unspent at beginning of the year: WSIG	-	2 691 833
Transferred to funder: WSIG	-	(2 691 833)
Current year receipts: WSIG	93 500 000	60 000 000
Conditions met - transferred to revenue: WSIG	(93 500 000)	(60 000 000)
Current year receipts: RBIG	194 744 000	222 547 000
Conditions met - transferred to revenue: RBIG	(194 744 000)	(222 547 000)
	-	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

23. *Revenue from non-exchange transactions - Transfers and subsidies (continued)*

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/rehabilitation 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.

Department of Co-operative Governance and Traditional Affairs		
Current year receipts: MIG	194 543 000	191 737 000
Conditions met - transferred to revenue: MIG	(194 543 000)	(191 737 000)
	-	-

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 46.

Department of Public Works Grant		
Current year receipts: EPWP	4 340 000	5 534 000
Conditions met - transferred to revenue: EPWP	(4 340 000)	(5 534 000)
	-	-

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.

Department of Transport		
Current year receipts : RRAMS	2 837 000	3 145 000
Conditions met - transferred to revenue: RRAMS	(2 837 000)	(3 145 000)
	-	-

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

23. *Revenue from non-exchange transactions - Transfers and subsidies (continued)*

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	29 039	28 315
Conditions met - transferred to revenue: LG SETA	(29 039)	(28 315)
	-	-

The Financial Management Grant is used to promote and support reforms to municipal financial management, training and upskilling of finance interns and the Budget and Treasury office staff. Furthermore, modernisation of financial systems as well as used 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.

KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs		
Balance unspent at beginning of the year: Planning Shared Services	-	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
Transferred to funder: Feasibility study to establish the district shared legal service	-	(39)
	-	-

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.

Department of Co-operative Governance and Traditional Affairs		
Balance unspent at beginning of the year	-	2 049 867
Conditions met - transferred to revenue - Municipal Disaster Relief	-	(2 049 867)
	-	-

The grant was used for the refurbishment of the Regional Solid Waste Site Empangeni infrastructure damaged by the April 2022 floods.

Public donations		
Current-year receipts	121 000	-
Conditions met - transferred to revenue	(121 000)	-
	-	-

The municipality received donations from private entities as funding toward the annual King Cetshwayo July event, which promotes sport, local economic development and social cohesion within the community.

24. Revenue from non-exchange transactions - Fines, penalties and forfeits

Air quality fines	200 000	800 000
Penalty fees non-compliance	1 818 227	1 403 993
Forfeits	1 564 220	9 795 705
	3 582 447	**11 999 698**

25. Revenue from non-exchange transactions - availability charges

Water revenue	1 320 228	1 269 711
Sanitation revenue	1 032 958	1 008 178
	2 353 186	**2 277 889**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

26. Interest on receivables from non-exchange transactions

Service charges - availability charges	**196 231**	**466 846**

27. Employee related costs

Employee related costs - salaries and wages	216 994 356	204 855 138
Employee related costs - contributions for UIF, pensions and medical aid	49 069 325	47 267 741
Travel allowances	16 724 071	16 882 073
Bonuses	15 980 618	13 895 757
Housing and cellphone allowances	7 441 056	7 103 262
Defined employee benefit obligations: post employment medical aid benefits and long service awards	5 975 612	6 376 914
Overtime payments	20 410 994	19 646 888
Acting allowances	1 232 026	1 584 199
Leave pay provision charge	6 286 588	4 281 268
Scarcity allowance	7 193 115	8 196 280
	347 307 761	**330 089 520**

Direct employee related costs included in water inventory

An amount of R30 122 396 have been included as part of the production cost of water.

Employee related costs include the salaries, allowances and benefits for the Municipal Manager and Deputy Municipal Managers amounting to R9 706 170, as outlined below:

2024/2025
As at 30 June 2025, a draft gazette was issued in April 2025 for comments and awaiting final gazette. The municipality has accrued for a 5% percent cost of living adjustment(effective 1 July 2024) based on the approved 2024/2025 MTREF budget.

2023/2024
As at 30 June 2024, a 3.3% percent cost of living adjustment(effective 1 July 2022) 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.

Remuneration of Municipal Manager - PP Sibiya

Basic remuneration	1 031 835	1 328 597
Backpay	-	110 322
Cellphone and data allowance	32 759	41 798
Contributions to UIF	1 675	2 125
Gratuity	-	38 985
Leave pay	-	338 880
Travel allowance	343 945	442 868
	1 410 214	**2 303 575**

2024/2025
Mr PP Sibiya's resignation was rescinded per Council resolution KCDMC: 2457/2024 - 4 September 2024 and the incumbent commenced duties on 1 October 2024. During the period 1 July 2024 to 30 September 2024 an incumbent was paid an acting allowance as per Council resolution KCDMC: 2336/2024 date 26 June 2024.

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

27. *Employee related costs (continued)*

Remuneration of Deputy Municipal Manager - Planning & Economic Development - MR Mazibuko

Basic remuneration	1 200 414	1 064 397
Backpay	-	45 143
Cellphone and data allowance	38 951	34 167
Contributions to UIF and medical aid	39 425	33 297
Gratuity	-	18 645
Travel allowance	304 098	273 595
	1 582 888	**1 469 244**

Remuneration of Deputy Municipal Manager - Technical Services - ZP Ndlovu

Basic remuneration	1 310 347	1 040 947
Backpay	-	41 039
Cellphone and data allowance	38 951	31 061
Contributions to UIF	2 125	17 896
Gratuity	-	16 950
Travel allowance	231 238	186 542
	1 582 661	**1 334 435**

Remuneration of Deputy Municipal Manager - Corporate Services - SBS Sibisi

Acting allowance	42 552	-
Basic remuneration	778 323	748 199
Backpay	-	73 205
Cellphone and data allowance	38 951	37 273
Contributions to UIF, medical and provident	186 707	186 689
Gratuity	-	37 290
Travel allowance	578 530	499 988
	1 625 063	**1 582 644**

2024/2025
The incumbent was appointed as Acting Municipal Manager for the period 1 July 2024 to 30 September 2024 as per Council resolution KCDMC: 2336/2024 dated 26 June 2024.

Remuneration of Deputy Municipal Manager - Community Services - B Masondo

Acting Allowance	-	27 778
Basic remuneration	1 071 271	432 103
Backpay	-	17 953
Cellphone and data allowance	38 951	15 530
Contributions to UIF and provident	194 440	81 509
Gratuity	-	8 475
Travel allowance	277 485	111 925
	1 582 147	**695 273**

The incumbent was appointed during the 2023/2024 financial year effective 1 February 2024.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

27. Employee related costs (continued)

Remuneration of Chief Operating Officer - CK M'Maretel

Basic remuneration	-	914 295
Backpay	-	89 756
Cellphone and data allowance	-	24 849
Contributions to UIF, provident and retirement	-	170 452
Gratuity	-	33 900
Gratuity	-	37 290
Travel allowance	-	152 270
	-	**1 385 522**

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	1 317 492	1 272 308
Backpay	-	117 616
Cellphone and data allowance	38 951	37 273
Contributions to UIF	2 125	2 125
Gratuity	-	40 680
Travel allowance	564 629	545 264
	1 923 197	**2 015 266**

28. Remuneration of councillors

Mayor	848 416	820 663
Deputy Mayor	785 437	977 901
Speaker	588 618	543 868
Chief Whip	609 275	605 658
MPAC Chair	613 505	583 574
Executive Committee	5 162 780	4 676 443
Councillors	6 381 129	6 204 758
Councillors' pension contribution	706 977	573 869
	15 696 137	**14 986 734**

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.

As at 30 June 2025, gazette no. 51419 was issued on 21 October 2024 which has been used as a basis to accrue for 2024/2025 increases for councillors.

The full breakdown of the councillor remuneration by nature is disclosed under the note on related parties - refer to note 43.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024
29. Depreciation and amortisation		
Depreciation - property, plant and equipment	99 277 677	98 611 879
Amortisation - intangible assets	864 374	603 079
	100 142 051	**99 214 958**
30. Finance charges		
Interest paid - borrowings	-	601 700
Provision for landfill site rehabilitation	8 267 548	6 849 616
	8 267 548	**7 451 316**

The comparative for provision for landfill site rehabilitation was restated by an amount of R1 084 530 from R7 934 146 to R6 849 616. Refer to note 49.

All loans were settled in the prior year and as such, the municipality has incurred no interest payments in the current year.

Figures in Rands	2025	2024
31. Inventory consumed		
Consumables	71 866 569	72 750 876
Materials and supplies	12 807 448	15 785 983
Water	148 313 362	130 858 123
	232 987 379	**219 394 982**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024
32. Contracted services		
Outsourced Services		
Burial services	1 264	16 395
Business and advisory	919 610	604 381
Catering services	2 625 706	3 086 950
Cleaning services	244 062	365 031
Hygiene services	9 017 348	16 525 481
Internal auditors	1 166 004	2 054 088
Medical services (medical health services & support)	29 888	79 500
Meter management	2 304 831	474 877
Mini dumping sites	16 680 675	12 177 952
Professional staff	107 978	380 229
Security services	20 006 978	13 845 127
Transport services	9 009 760	950 208
Consultants and Professional Services		
Business and advisory	2 622 109	1 303 515
Infrastructure and planning	2 710 866	2 734 783
Laboratory services	509 047	6 474 062
Legal cost	4 312 319	3 561 790
Contractors		
Artists and performers	-	405 000
Auctioneers	132 821	-
Event promoters	14 770 307	23 935 186
Exhibit installations	445 306	340 252
Fire services	36 850	29 125
Inspection fees	29 861	63 284
Maintenance and operations	101 053 517	88 017 614
Pest control and fumigation	29 470	13 370
Plants, Flowers and Other Decorations	5 800	-
Safeguard and security	7 038 161	8 595 902
Sports and recreation	113 320	81 600
Stage and sound crew	97 300	233 160
	196 021 158	**186 348 862**
33. Transfer and subsidies		
Transfers to organisations	**1 623 804**	**3 700 000**

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	2025	2024

34. Operating leases

Motor vehicles	16 775 866	18 589 489
Plant and equipment	235 231	116 731
Community assets	248 159	248 734
	17 259 256	**18 954 954**

Operating lease commitments (as a lessee)

Minimum lease payments due		
- not later than one year	19 964 233	5 506 204
- later than one year and not later than five years	21 316 646	18 789
	41 280 879	**5 524 993**

2024/2025

Operating lease payments represent payments for the leasing of vehicles subject to monthly operational unit needs (8% annual escalation), commercial property (between 7% to 8% annual escalation) and office equipment (7% annual escalation) by the municipality. The Lease contracts for vehicles is the main contributor to the lease commitments. New vehicle leases were entered into for a three year period as per tender number KCDM/05/2024 effective from February 2025. The commercial property leases are for business operations.

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. 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.

35. Operational Costs

Achievements and awards	100 000	49 243
Advertisements and publicity	7 627 220	14 120 001
Archives	478 841	500 224
Bank charges	146 691	118 682
Bursaries	196 322	87 030
Cleaning	14 902	30 000
Courier and delivery services	943	12 651
Deeds	16 572	12 151
Delegations	267 101	15 519
Entrance fees	80 000	70 000
External audit fees	4 017 907	4 293 518
Insurance	9 895 555	10 681 748
Licenses	10 494 340	8 243 210
Municipal services	57 578 929	42 191 916
Personal protective equipment	3 089 156	2 679 052
Postage	587 530	486 718
Professional and regulatory bodies fees	3 434 193	3 329 280
Skills development levy	2 734 358	2 721 153
Small tools	44 519	33 594
Subsistence and travel	5 462 785	7 181 888
Telephone	2 645 978	2 383 391
Vehicle tracking services	644 012	503 350
	109 557 854	**99 744 319**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

36. Water distribution losses

Apparent losses: unauthorised consumption	9 617 979	3 882 811
Apparent losses: customer meter inaccuracies	2 003 749	1 941 401
Real losses: leakage on transmission and distribution mains	39 071 402	37 357 331
Real losses: leakage and overflows at storage tanks/reservoirs	488 391	227 791
Real losses: leakage on service connections	9 279 462	7 972 602
Subtotal	60 460 983	51 381 936
Pipeline capacity and reservoir level storage	(124 132)	(116 805)
	60 336 851	**51 265 131**

2024/2025
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 53.40% (11 838 621 kl) includes water losses of 28.96% (6 419 081 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.

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 50.40% (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.

37. Commitments

Authorised capital expenditure

Approved and contracted for:

• Infrastructure	285 341 057	365 980 180
• Intangible assets	-	2 430 576
	285 341 057	**368 410 756**

The outstanding commitments exclusive of VAT, relate to capital projects and other assets that have been committed through the supply chain management processes as at 30 June 2025.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024
38. Cash generated from operations		
Surplus	268 274 002	294 526 497
Adjustments for:		
Depreciation and amortisation	100 142 051	99 214 958
Gain on disposal of property, plant and equipment	(1 889 241)	(833 252)
Adjustment to rehabilitation provision	(8 267 549)	(4 343 840)
Impairment on property, plant and equipment	2 785 647	23 043 473
Interest income	(100 603)	(438 904)
Finance costs	8 267 548	7 451 316
Debt impairment	10 222 795	3 670 036
Irrecoverable debts written off	2 903 900	4 914 328
Movements in employee cost payables	14 462 846	2 041 162
Movements in employee benefit obligations	6 159 000	(2 317 000)
Movements in provisions	13 090 483	(2 998 058)
Depreciation capitalised	2 418 020	351 579
Adjustment for provision - landfill	(11 023 870)	4 343 840
Donations non-cash	-	(10 786 868)
Insurance proceeds - non-cash	(67 824)	(47 700)
Changes in working capital:		
Inventory	(1 506 828)	(671 329)
Receivables from exchange transactions - consumer debtors	(12 535 232)	273 015
Receivables from other debtors	14 481 378	(3 683 881)
Payables from exchange transactions	98 491 575	87 950 684
Trade and other payables from non-exchange transactions	-	(4 805 144)
Consumer deposits	252 626	748 445
	506 560 724	**497 603 357**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

39. 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 2025 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.

Project description	Nature	2025	2024
Hire of plant	36(1)(a)(i)	2 447 541	-
Repair SBPT ward 3 Umlalazi Mbongolwane	36(1)(a)(i)	279 814	-
Repair burst 350mm/400mm pipe ward 11 Umlalazi havelock street	36(1)(a)(i)	242 685	-
SMG Richards Bay for BMW G02 XDrive Number Plate 99062	36(1)(a)(i)	298 432	-
Hire of water tankers	36(1)(a)(i)	1 990 400	-
Hire of water tankers	36(1)(a)(i)	1 990 400	-
Hire of water tankers	36(1)(a)(i)	387 366	-
Hire of water tankers	36(1)(a)(i)	2 284 155	-
Hire of water tankers	36(1)(a)(i)	1 990 396	-
Hire of water tankers	36(1)(a)(i)	1 909 379	-
Hire of water tankers	36(1)(a)(i)	2 075 412	-
Hire of water tankers	36(1)(a)(i)	479 283	-
Hire of water tankers	36(1)(a)(i)	305 829	-
Bulk Package Water Treatment Works	36(1)(a)(i)	1 537 867	-
Ukhozi FM Live Broadcast for KCJ Horse Racing on 27 July 2024	36(1)(a)(ii)	391 000	-
Purchase of Mayoral vehicle BMW X5 xDrive 30D SAV	36(1)(a)(ii)	1 958 239	-
Manage Engine License	36(1)(a)(ii)	539 786	-
SALGA games accommodation	36(1)(a)(v)	479 550	-
SALGA games camp accommodation	36(1)(a)(v)	375 906	-
Transport - SALGA games	36(1)(a)(v)	365 500	-
Supply of FML Fleet Vehicles	36(1)(a)(v)	1 395 943	-
Installation of tanks and stands	36(1)(b)	337 288	-
Transport	36(1)(a)(i)	-	328 750
Fire equipment: Landfill site fire outbreak intervention	36(1)(a)(i)	-	408 595
Car hire	36(1)(a)(i)	-	233 439
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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

39. Deviation from supply chain management regulations (continued)

Project description	Nature	2025	2024
Radio broadcasting	36(1)(a)(v)	-	391 000
Radio broadcasting	36(1)(a)(v)	-	952 683
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
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
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
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
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)	-	594 094
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
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
Total deviations greater than R200,000		**24 062 171**	**87 485 991**
Total deviations less than R200,000 aggregated	Various	16 352 310	56 225 596
Total deviations for the year		**40 414 481**	**143 711 587**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

40. 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 period ended 30 June 2025:

Name of person	T Jordan
Relation	Spouse
Capacity	Director Development Facilitation Western Cape Government
Service provider	Audio Computer World
Number of transactions	2 (June 2024: 1)
Total amount	R22 680 (June 2024: R29 843)
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	80 (June 2024: 23)
Total amount	R5 494 563 (June 2024: R538 545)
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 2024: 6)
Total amount	R597 097 (June 2024: R556 775)
Declaration by supplier	MBD4, Annexure D
Name of person	Mrs Msomi and Miss Msomi
Relation	Spouse and daughter
Capacity - Spouse	Educator - Dept. of Education
Capacity - daughter	HR Officer - Ethekwini Municipality
Service provider	Ngubane and Co.
Number of transactions	1 (June 2024: 1)
Total amount	R658 812 (June 2024: R100 740)
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	2025	2024
41. Additional disclosure in terms of Municipal Finance Management Act No 56 of 2003		
Contributions to organised local government		
Current year membership fee	3 359 559	3 202 753
Amount paid - current year	(3 359 559)	(3 202 753)
	-	-
Audit fees		
Current year fee	4 017 907	4 293 518
Amount paid - current year to date	(4 017 907)	(4 293 518)
	-	-
PAYE and UIF		
Current year fee	56 308 269	57 996 070
Amount paid - current year to date	(56 308 269)	(57 996 070)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	42 185 838	40 583 434
Amount paid - current year to date	(42 185 838)	(40 583 434)
	-	-
VAT		
Net VAT accrual	63 706 008	87 911 510
Net VAT receivable SARS	7 292 323	16 488 033
	70 998 331	**104 399 543**

All the VAT 201 returns have been submitted by the due date throughout the reporting period.

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	2025	2024

42. Contingencies

All contingencies disclosed in section A1 to A3 below relate to the estimated financial implication on plaintiff claims only and does not include legal fees thereto.

A1 - Legal matters relating to ex-employees - potential claims		
Ex-employee 3	-	880 196
Ex-employee 5	-	2 177 970
	-	**3 058 166**

Ex-employee 3 - The employee has provided a withdrawal note and as such the matter is closed.

Ex-employee 5 - The employee lodged a claim against the municipality relating to the employee's dismissal. The matter was heard on 14 May 2025 and judgement was delivered on 14 July 2025 in favour of the plaintiff. As a result, the contingency was removed and a liability amounting to R7 641 582 was recognised per Council resolution KCDMC: 3614/2025.

Ex-employee 6 - The employee has lodged a claim against the municipality relating tothe employee's dismissal and no amount has yet been quantified, however, in theevent the incumbent is successful, backpay will be applicable. The matter is pending a court date.

A2 - Legal matters relating to service providers - potential claims		
Service provider 4	27 804 000	27 804 000
Service provider 6	680 058	680 058
Service provider 7	2 651 017	-
	31 135 075	**28 484 058**

Service provider 4 - This is a Section 197 labour related claim by a service provider. The amount disclosed is per annum. The matter was heard at the Labour Appeal Court (Case no. JA9/21) on 5th March 2024 and a judgement was delivered on 10 January 2025 wherein the appeal was dismissed with no costs. Council at a meeting dated 16 January 2025 through resolution KCDMC: 3008/2025 resolved to approve the legal team to appeal the judgement at the Labour Appeal Court through the Constitutional Court and thus the matter is subjudicae.

Service provider 6 - This claim relates to a service provider demanding payment for work allegedly done, which the municipality has defended, and pending judgement. The amount disclosed excludes interest which will be applied in the event the matter is not defended successfully.

Service provider 7 - The claim relates to a contractual dispute brought against the municipality by a service provider. The municipality has lodged a counter claim against the service provider, resulting in a contingent asset of R604 127 being disclosed should the ruling be in favour of the municipality.

A3 - Legal matters relating to public members - potential claims		
Public member 3	155 776	155 776

Public member 3 - This claim relates to a public member claiming damages to property.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rands	2025	2024

42. *Contingent liabilities (continued)*

B - Dispute with the Department of Water and Sanitation (DWS)

Total raised by DWS since dispute	88 965 513	84 926 903
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	(31 451 897)	(24 841 381)
Less: charges raised without supporting documentation	(14 488 760)	(14 488 760)
Accrued expenses	(1 664 754)	(4 236 660)
	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	1 231 177 367	874 750 377
Revised rate applied by KCDM to invoices	(556 504 203)	(413 146 065)
	674 673 164	**461 604 312**

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. An amount of R674 673 164 is reflected as a contingent liability.

The municipality has raised the dispute with the service provider which has been escalated to the Minister of Water and Sanitation who has delegated KZN DWS to mediate the dispute with the intention to resolve such. The Council resolved to terminate the contract between the municipality and the bulk service provider effective 31 March 2025, per resolution KCDMC: 3033/2025 dated 13 March 2025. However the dispute remains in place.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

43. Related parties

Municipal entities and other relationships

Members of key management	Refer to note 27
Members of council	Refer to note 28

Management class: Councillors

30 June 2025

	Remuneration	Cellular	Sitting	Backpay	Pension	Travel	Total
Mayor - SZ Dlamini	759 006	46 687	-	20 059	-	-	825 752
Previous Mayor - AT Ntuli	-	-	-	22 664	-	-	22 664
Deputy Mayor - PP Xulu	370 053	19 585	-	47 059	47 069	5 232	488 998
Previous Deputy Mayor - SZ Dlamini	298 503	-	-	45 006	-	-	343 509
Speaker - SH Mkhwanazi	551 101	-	-	34 705	-	-	585 806
Previous Speaker - IJ Naidoo	-	-	-	2 811	-	-	2 811
Chief Whip - AM Mtshali	557 874	-	-	37 434	-	13 968	609 276
MPAC Chair - M Mtshali	469 097	-	-	32 346	-	112 062	613 505
EXCO							
Cllr SW Mgenge	554 231	47 004	-	57 298	-	306 155	964 688
Cllr PPC Cele	816 624	47 004	-	57 298	36 401	104 520	1 061 847
Cllr SL Magubane	815 874	47 004	-	57 298	38 357	86 331	1 044 864
Cllr PP Xulu	401 139	27 419	-	12 087	65 523	35 884	542 052
Cllr NM Madida	362 394	-	-	21 444	-	16 832	400 670
Cllr F Mndaba	501 734	31 336	-	30 041	77 587	51 877	692 575
Cllr IN Zwane	494 154	-	-	34 027	-	145 772	673 953
COUNCIL							
Cllr MM Mthiyane	-	-	33 663	2 265	-	-	35 928
Cllr MT Mthiyane	360 077	47 004	-	23 271	-	-	430 352
Cllr NN Lembede	319 221	47 004	-	23 271	42 981	48 714	481 191
Cllr ZL Mfusi	313 110	47 004	-	23 271	49 091	-	432 476
Cllr ME Mthethwa	313 110	47 004	-	23 271	49 091	9 274	441 750
Cllr ES Mbatha	318 880	47 004	-	23 271	43 322	41 882	474 359
Cllr F Mndaba	102 679	15 668	-	-	15 402	19 897	153 646
Cllr SE Mhlongo	360 077	47 004	-	23 271	-	113 103	543 455
Cllr CN Mpanza	313 110	47 004	-	23 271	49 091	58 316	490 792
Cllr SF Mdletsh	313 110	47 004	-	23 271	49 091	75 347	507 823
Cllr FPB Mpungose	313 110	47 004	-	23 271	49 091	47 286	479 762
Cllr SP Mpanza	-	-	34 807	2 579	-	3 973	41 359
Cllr XM Bhengu	-	-	38 416	2 670	-	-	41 086
Cllr SN Ntshangase	-	-	45 635	3 418	-	12 571	61 624
Cllr MM Msimango	-	-	-	389	-	-	389
Cllr JL Nzuza	-	-	34 842	2 544	-	28 660	66 046
Cllr SH Mkhwanazi	-	-	-	177	-	-	177
Cllr A Lange	-	-	-	318	-	-	318
Cllr WL Ngema	-	-	33 698	2 124	-	-	35 822
Cllr ME Dlamini	63 942	-	-	2 651	-	20 204	86 797
Cllr QT Xulu	-	-	36 022	2 609	-	-	38 631
Cllr MM Ngema	-	-	31 198	2 311	-	-	33 509
Cllr BC Magwaza	63 942	-	-	2 651	-	57 851	124 444
Cllr PSN Mchunu	-	-	27 624	1 901	-	-	29 525
Cllr MN Biyela	-	-	36 057	2 715	-	-	38 772

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

43. Related parties (continued)

	Remuneration	Cellular	Sitting	Backpay	Pension	Travel	Total
Cllr BB Ndima	64 164	-	-	1 896	-	14 531	80 591
Cllr SD Khubisa	-	-	30 160	1 785	-	6 406	38 351
Cllr NP Mahaye	64 164	-	-	290	-	80 262	144 716
Cllr SS Nkabinde	316 413	47 004	-	23 271	45 789	84 216	516 693
Cllr FN Mabuyakhulu	313 110	47 004	-	23 271	49 091	15 506	447 982
Cllr SB Mthiyane	360 077	47 004	-	23 271	-	-	430 352
Cllr ZH Mkhize	-	-	28 839	1 755	-	47 488	78 082
Cllr NFJ Nzuza	-	-	15 617	749	-	-	16 366
	11 224 081	**845 755**	**426 578**	**828 626**	**706 977**	**1 664 120**	**15 696 137**

The municipal Council had movement within the Council structures as follows:
Cllr NFJ Nzuza was elected as Ordinary Cllr on 21/08/2024.

Cllrs N Madida and F Mndaba were elected on the EXCO on 30/10/2024

Honourable Deputy Mayor - Cllr SZ Dlamini was elected as Mayor on 12/11/2024.

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

43. Related parties (continued)

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
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	-	-	20 684	33 659
	11 605 326	**892 077**	**334 403**	**518 621**	**573 869**	**1 062 438**	**14 986 734**

The municipal Council had movement within the Council structures as follows:
Honourable Speaker - Cllr IJ Naidoo resigned 31/8/2023 and was subsequently 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.

44. Budget and Actual amount variances

Variances for the year ending 30 June 2025 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 11 to 14, have been deemed material and explanations thereto are set out below.

Statement of Financial Performance

Revenue

44.1 Service charges - water
Water revenue is below the budgeted projections. In analysing the consumption pattern, the municipality encountered a reduction in consumption by consumers, which may be attributable to the strict enforcement of Credit Control bylaws resulting in restrictions and in turn reduced consumption's. In addition availability charges was budgeted for under service charges, however disclosed separately. Furthermore consumers within the District are seeking alternative water sources.

44.2 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.

44.3 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 the proceeds of a capital nature are accounted for within the gain/loss on disposal of assets vote structure. Furthermore insurance settlements cannot be predicted with certainty due to its nature.

44.4 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, especially around water service defaulters, it must be noted that the collectability of this type of debt is relatively low due to economic hardships faced by residents within the District.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44. Budget and Actual amount variances (continued)

44.5 Gain on disposal of property, plant and equipment
The variance is attributable to the write off of assets, subsequent disposals of assets through auction sale and insurance proceeds, for which no budgets are prepared as such is difficult to determine at budgeting stage.

44.6 Adjustment to rehabilitation provision
The variance is attributable to the movement in the provision for landfill site rehabilitation which is determined at year end upon receipt of the engineers report, It is thus difficult to estimate at budget stage.

44.7 Fines, penalties and forfeits
The municipality issued non-compliance penalties within the reporting period which also includes Air Quality enforcement fines and forfeits. These items are difficult to estimate with absolute certainty due to their nature.

44.8 Service charges - availability charges
The municipality budgeted for the aforementioned revenue within service charges - revenue from exchange transactions.

Expenditure

44.9 Depreciation, amortisation and impairment
The variance is mainly attributable to the anticipation of projects being completed during the financial year which have subsequently not materialised, as well as the assessment of RUL's at year end. Furthermore, the effects of componentization and the annual adjustment of RUL's makes depreciation difficult to estimate.

44.10 Debt impairment
The variance is attributable to the municipality anticipating a higher impairment of consumer debtors, which after the year end assessment did not materialise.

44.11 Irrecoverable debts written off
The variance is attributable to lesser than anticipated debt write-offs due to strict assessments conducted by a third party resulting in less debtors qualifying for a write off, thus not creating a culture of non-payment.

44.12 Transfers and subsidies
The Municipality supported social cohesion initiatives and not all of the transfers anticipated for were realised.

44.13 Loss on disposal of assets
The municipality budgeted for transactions related to the disposal of assets, however the insurance settlement process and proceeds from auction resulted in a gain - refer to 44.5.

44.14 Other losses
The variance is primarily attributable to the water loss savings emanating from the year end water balancing report, which was better than anticipated.

Statement of Financial Position

44.15 Cash and and cash equivalents
The variance is attributable to prudent cash management through the year and a higher accruals and increased retentions at year end, resulting in higher cash than anticipated.

44.16 Receivables from non-exchange transactions
The municipality budgeted for receivables on availability charges based on historical trends which was lower than anticipated at year end. It is difficult to estimate which debtors will be outstanding at year end.

44.17 Inventory
The municipality did not anticipate a higher stock holding of maintenance materials at year end.

44.18 Other current assets and VAT
Current asset VAT was budgeted for separately from other current assets, however is due to the alignment of the annual financial statements to the National Treasury template, the actual for VAT is incorporated into the other current asset line item. Furthermore improved SARS settlement of VAT receivable has been experienced.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44. Budget and Actual amount variances (continued)

44.19 Intangible assets
The variance is attributable to the budget including assets anticipated to be acquired in the year, which did not materialise.

44.20 Receivables from exchange transactions (non-current)
The municipality budgeted for receivables based on historical trends which was lower than anticipated at year end. It is difficult to estimate which debtors will enter into arrangements which will be greater than 12 months at year end due to debtors not honouring arrangements.

44.21 Trade and other payables from exchange transactions and VAT
The variance relates mainly to the unanticipated increased leave provision, and employee costs accrual at year end. Furthermore VAT has been accounted for under trade and other payables from exchange in line with the National Treasury template.

44.22 Provisions - current
The variance is due to the year end valuation performed for employee benefit provision determined by the actuaries, which is difficult to predict at budgeting stage.

Changes from approved budget to the final budget

The changes between the approved budget are a consequence of the following:
The original 2024/2025 Multi Year Budget was approved by Council on 15 May 2024, per resolution number KCDMC:2210/2024, in accordance with section 24 of the Municipal Finance Management Act (MFMA).

The first adjustments budget was passed by Council on 21 August 2024 per resolution KCDMC: 2439/2024, dealing with roll-overs pertaining to the 2023/2024 in-progress capital projects (internally funded).

The second adjustments budget was passed by Council on 30 October 2024 per resolution KCDMC: 2819/2024, dealing with Gazette No.: 51233 as published by National Treasury on grant adjustment in terms of Section 28 of the MFMA.

The third adjustments budget was passed by Council on 26 February 2025, per resolution KCDMC: 3028/2025 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 fourth adjustments budget was passed by Council on 09 April 2025 per resolution KCDMC: 3055/2025, dealing with Gazette No.: 52381 as published by National Treasury on grant adjustment in terms of Section 28 of the MFMA.

The final adjustment budget was approved by Council on 28 May 2025 per resolution KCDMC: 3397/2025 in terms of Section 29 of the MFMA Unforeseen & Unavoidable Expenditure. 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

45. Unauthorised, Fruitless, Wasteful and Irregular expenditure

Unauthorised expenditure

No unauthorised expenditure has been identified within the reporting period.

Fruitless and wasteful expenditure

Opening balance as previously reported - Eskom	-	12 578
Eskom - reversal of interest charged	-	(4 613)
Less: Eskom charges written off	-	(7 965)
	-	**-**

2024/2025
No fruitless and wasteful expenditure has been identified during the reporting period.

2023/2024
Eskom
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.

Irregular expenditure

No irregular expenditure has been identified within the reporting period.

46. Flood damage

Contracted services - maintenance & operations	-	1 782 493

2023/2024
The municipality has continued in the year to effect repairs to infrastructure that was effected by the floods.

47. 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 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 11 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

47. Risk management (continued)

The liquidity ratio is outlined below:

	30 June 2025	30 June 2024
Current Assets	395 602 855	373 608 893
Current Liabilities	328 383 200	258 692 710
Liquidity ratio	1,20	1,44

At 30 June 2025	Carrying value	Less than 1 year	Between 1 and 2 years
Consumer deposits	11 992 125	11 992 125	
Payables from exchange transactions	308 404 761	308 404 761	

At 30 June 2024	Carrying value	Less than 1 year	Between 1 and 2 years
Consumer deposits	11 739 499	11 739 499	
Payables from exchange transactions	240 269 509	240 269 509	

The gearing ratio	30 June 2025	30 June 2024
Less: Cash and cash equivalents	(168 907 480)	(136 160 780)
Net cash	(168 907 480)	(136 160 780)
Total equity	3 757 432 663	3 489 158 662
Total capital	3 588 525 183	3 352 997 882
Gearing (%)	-	-

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 R4 122 151 as at 30 June 2025 (30 June 2024 - R8 293 616).

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&10 receivables from exchange transactions consumer debtors (National and Provincial Government) and note 6 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

47. Risk management (continued)

Financial assets exposed to credit risk at 30 June 2025 and 30 June 2024 respectively are detailed below:

	30 June 2025	**30 June 2024**
Investments	60 000 000	60 000 000
Cash and cash equivalents	108 907 480	76 160 780
Receivables from exchange transactions - consumer debtors	125 078 620	115 447 731
Receivables from non-exchange transactions - consumer debtors	11 779 281	10 704 859
Maximum exposure to credit risk	305 765 381	262 313 370

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.

48. 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

48. *Segment information (continued)*

Segment surplus or deficit, assets and liabilities

	Community and public safety	Economic and environmental services	Trading service - water management	Trading service - waste water management unallocated	Trading service - waste management	Governance and administration -	Total
Revenue							
Service charges	-	-	61 846 437	8 792 368	38 650 932	-	109 289 737
Sale of goods and rendering of services	435 199	-	-	-	-	618 116	1 053 315
Licenses and permits	-	195 979	-	-	-	-	195 979
Rental income	-	-	324 618	-	-	-	324 618
Operational revenue	-	-	-	-	-	724 354	724 354
Interest on receivables from exchange transactions	-	-	5 063 499	-	-	-	5 063 499
Interest on receivables from investments and bank accounts	-	-	-	-	-	28 710 090	28 710 090
Gain on disposal of property, plant equipment	-	-	-	-	-	1 889 241	1 889 241
Adjustment to rehabilitation provision	-	-	-	-	8 267 549	-	8 267 549
Transfers and subsidies	121 000	5 502 792	807 007 793	20 677 420	-	378 638 035	1 211 947 040
Fines, penalties and forfeits	-	200 000	3 382 447	-	-	-	3 582 447
Service charges - availability charges	-	-	1 320 228	1 032 958	-	-	2 353 186
Interest on receivables from non-exchange transactions	-	-	130 770	65 461	-	-	196 231
Total segment revenue	**556 199**	**5 898 771**	**879 075 792**	**30 568 207**	**46 918 481**	**410 579 836**	**1 373 597 286**
Expenditure							
Employee related costs	26 772 476	38 649 035	173 197 962	798 714	5 863 807	102 025 767	347 307 761
Remuneration of councilors	-	-	-	-	-	15 696 137	15 696 137
Depreciation and amortisation	1 768 847	51 537	86 520 762	4 094 886	1 451 054	6 254 965	100 142 051
Finance costs	-	-	-	-	8 267 548	-	8 267 548
Debt impairment	-	-	3 989 386	5 412 619	820 790	-	10 222 795
Irrecoverable debts written off	-	-	2 449 671	454 229	-	-	2 903 900
Inventory consumed	715 906	3 883 925	180 102 950	-	58 009	48 226 589	232 987 379
Contracted services	14 571 868	1 480 377	85 084 539	10 834 232	16 730 290	67 319 852	196 021 158
Transfers and subsidies	800 000	823 804	-	-	-	-	1 623 804
Operating leases	9 287	104 976	92 921	-	-	17 052 072	17 259 256

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

48. *Segment information (continued)*

Segment surplus or deficit, assets and liabilities

	Community and public safety	Economic and environmental services	Trading service - water management	Trading service - waste water management unallocated	Trading service - waste management	Governance and administration -	Total
Operational costs	5 966 803	1 438 865	66 094 009	17 447	513 647	35 527 083	109 557 854
Water losses	-	-	60 336 851	-	-	-	60 336 851
Inventories write-down	-	-	-	-	-	75 486	75 486
Impairment on property, plant and equipment	-	-	2 785 647	-	-	-	2 785 647
Actuarial losses	-	-	-	-	-	135 657	135 657
Total segment expenditure	**50 605 187**	**46 432 519**	**660 654 698**	**21 612 127**	**33 705 145**	**292 313 608**	**1 105 323 284**
Total segmental surplus/(deficit)	**(50 048 988)**	**(40 533 748)**	**218 421 094**	**8 956 080**	**13 213 336**	**118 266 228**	**268 274 002**
Assets							
Cash and cash equivalents	-	-	-	-	-	168 907 480	168 907 480
Receivables from exchange transactions - consumer debtors	-	-	48 763 087	9 978 726	2 296 273	3 661 150	64 699 236
Receivables from non-exchange transactions - consumer debtors	-	-	1 691 026	1 412 768	-	-	3 103 794
Inventories	-	-	2 979 674	-	-	4 391 209	7 370 883
Receivables from exchange transactions - other	-	-	13 273 996	-	-	138 247 466	151 521 462
Property, plant and equipment	10 341 171	535 147	3 443 702 199	203 036 143	87 760 561	54 576 756	3 799 951 977
Intangible assets	-	-	-	-	-	2 564 944	2 564 944
Heritage assets	-	787 200	-	-	-	700 000	1 487 200
Non-current receivables from exchange transactions - consumer debtors	-	-	3 051 617	304 689	-	-	3 356 306
Total segment assets	**10 341 171**	**1 322 347**	**3 513 461 599**	**214 732 326**	**90 056 834**	**373 049 005**	**4 202 963 282**
Liabilities							
Payables exchange transactions	-	-	-	-	-	308 404 761	308 404 761
Consumer deposits	-	-	11 992 125	-	-	-	11 992 125
Employee benefit obligations	-	-	-	-	-	1 646 000	1 646 000
Current portion of provisions	-	-	-	-	-	6 340 314	6 340 314
Non-current employee defined benefit obligations	-	-	-	-	-	41 379 000	41 379 000
Non-current provisions provisions	-	-	-	-	75 768 419	-	75 768 419
Total segment liabilities	**-**	**-**	**11 992 125**	**-**	**75 768 419**	**357 770 075**	**445 530 619**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

48. ***Segment information (continued)***

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	-	-	-	-	4 343 840	-	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**	**61 710 661**	**408 307 847**	**1 357 305 110**
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	6 939 871	281 229	7 451 316
Debt impairment	-	(362 320)	1 089 225	3 959 522	(1 016 391)	-	3 670 036
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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

48. *Segment information (continued)*

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**	**570 853 700**	**29 312 699**	**30 505 408**	**326 342 318**	**1 062 778 613**
Total segmental surplus/(deficit)	**(50 992 578)**	**(30 911 346)**	**249 162 744**	**14 096 895**	**31 205 253**	**81 965 529**	**294 526 497**
Assets							
Cash and cash equivalents	-	-	-	-	-	136 160 780	136 160 780
Receivable from exchange transactions - consumer debtors	-	-	47 140 986	12 296 343	2 384 921	2 586 106	64 408 356
Receivables from non-exchange transactions - consumer debtors	-	-	642 541	630 924	-	-	1 273 465
Inventories	-	-	2 687 028	-	-	3 177 027	5 864 055
Receivables from exchange transactions - other	-	-	12 494 792	-	-	153 407 445	165 902 237
Property, plant and equipment	13 146 316	584 124	3 123 858 498	190 024 673	69 901 300	56 500 997	3 454 015 908
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	-	-	5 434 382	634 594	-	-	6 068 976
Total segment assets	**13 146 316**	**1 371 324**	**3 192 258 227**	**203 586 534**	**72 286 221**	**356 135 750**	**3 838 784 372**
Liabilities							
Payables from exchange transactions	-	-	-	-	-	240 269 509	240 269 509
Consumer deposits	-	-	11 739 499	-	-	-	11 739 499
Current portion of 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	-	-	-	-	56 477 000	-	56 477 000
Total segment liabilities	**-**	**-**	**11 739 499**	**-**	**56 477 000**	**281 409 211**	**349 625 710**
Other information							
Capital expenditure - 30 June 2025	27 518	69 500	417 824 288	9 137 214	21 349 637	3 991 962	452 400 119
Capital expenditure - 30 June 2024	504 819	59 327	394 557 190	12 753 518	19 441 429	4 089 726	431 406 009

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

48. *Segment information (continued)*

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

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 2025	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current Assets*
Administrative or head office	383 005 679	36 550 714	287 418 061	123 636 437
Whole of the district	835 073 225	48 328 862	763 771 049	93 696 743
KZN281 uMfolozi	-	12 636 251	8 909 897	532 620 419
KZN284 uMlalazi	-	43 123 524	29 349 619	1 670 458 059
KZN285 uMthonjanen	-	8 810 483	15 874 658	489 138 708
KZN 286 Nkandla	-	6 068 548	-	894 453 755
Total	**1 218 078 904**	**155 518 382**	**1 105 323 284**	**3 804 004 121**

30 June 2024	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current Assets*
Administrative or head office	371 133 096	38 600 438	319 195 696	113 415 103
Whole of the district	824 028 573	45 357 300	684 676 695	115 969 115
KZN 281 uMfolozl	6 619 648	8 943 122	11 706 979	354 187 077
KZN 284 uMlalazi	1 075 000	41 247 824	29 545 184	1 666 446 208
KZN 285 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**	**154 448 793**	**1 062 778 613**	**3 459 106 501**

*Excludes non-current receivables relating to service charges.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

49. Prior-year adjustments

Presented below are those items contained in the statement of financial position, performance, net assets, cash flow and disclosure notes which have been affected by prior-year adjustments:

49.1 Receivables from exchange transactions - consumer debtors
The impairment amounting to R554 200 was reclassified from non-current receivables from exchange transactions - consumer debtors to receivables from exchange transactions - consumer debtors.

Furthermore, the impairment calculation was re-performed across the entire consumer debtor population resulting in a reduction of the impairment by an amount of R1 263 015.

The impact of such adjustments was a net increase in receivables from exchange transactions - consumer debtors from R63 699 541 to R64 408 356.

49.2 Receivables from exchange transactions - other
In 2023/2024 the municipality disclosed VAT on the Statement of Financial Position as Exchange transactions -VAT, amounting to R98 918 489. The disclosure of VAT has been aligned to the National Treasury template wherein VAT accrual on creditors and VAT receivable from SARS has been incorporated into the receivables from exchange transactions other note, amounting to R132 439 494 and R16 488 033 respectively.

49.3 Receivables from exchange transactions - consumer debtors (non-current assets)
The impairment amounting to R554 200 was reclassified to receivables from exchange transactions - consumer debtors.

49.4 Payables from exchange transactions
In 2023/2024 the municipality disclosed VAT on the Statement of Financial Position as Exchange transactions -VAT, amounting to R98 918 489. The disclosure of VAT has been aligned to the National Treasury template wherein VAT accrual on outstanding debtors has been incorporated into the payables from exchange transactions note, amounting to R50 009 038. Furthermore the municipality identified VAT on provisions for doubtful debts amounting to R5 160 324 in the closing balance for 2022/2023 and R320 730 movement in 2023/2024.

49.5 Provisions
During the current financial year, management identified an error in the prior periods relating to the recognition timing of the provision for the rehabilitation of the landfill site for Cell 3.

Previously, the provision for rehabilitation was recognised and disclosed , however, in accordance with “GRAP 19 – Provisions, Contingent Liabilities and Contingent Assets”, a provision should only be recognised when a present obligation arises, which in this case occurs when the landfill site becomes available for use (i.e., when Cell 3 became ready to process waste).

As a result, the provision was restated to reflect recognition from the date when Cell 3 became operational and began receiving waste. The comparative opening balance for 2024 has been restated by an amount of R8 545 511 from R62 516 734 to R53 971 223. The effect of the adjustment resulted in the closing balance being restated by an amount of R3 648 463 from R60 125 463 to R56 477 000.

49.6 Gain on adjustment to rehabilitation provision
In relation to point 49.5 above the prior adjustment to the provision has resulted in the gain being adjusted by an amount of R5 981 579 from R10 325 418 to R4 343 839.

49.7 Debt impairment
The municipality identified debtors who had been classified for impairment in error. The adjustment resulted in the debt impairment being restated by an amount of R1 263 015 as outlined in point 49.1 and 49.3 respectively and the incorporation of vat on the provision for doubtful debts of R320 730.

49.8 Cash flow - net cash flows from operating activities
The municipality has effected adjustments to accommodate the above mentioned changes, as well as to classify cash flows in the correct categories. Furthermore, the municipality has accounted for VAT receipts separately within the cash generated from operations disclosure, resulting in relevant adjustments being made to consumer receipts and supplier payments. In addition, cash adjustments were accounted for within interest and employees.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

49. Prior-year adjustments (continued)

49.9 Cash flow - net cash flows from investing activities
The municipality has effected adjustments on property, plant and equipment and intangible asset payments to account for VAT input.

49.10 Employee benefit obligations - disclosure
The municipality identified an incorrect disclosure with regards to the sensitivity analysis applied on service and interest costs for both post employment medical aid and long service awards for the period ending 30 June 2024.

Statement of financial position

30 June 2024		**As previously reported**	**Reclassification**	**Adjustment**	**Restated**
Effect on receivables from exchange transactions - consumer debtors	3	63 699 541	(554 200)	1 263 015	64 408 356
Effect on exchange transactions VAT	6 & 11	98 918 489	(98 918 489)	-	-
Effect on receivables from exchange transactions - other	6	16 974 710	148 927 527	-	165 902 237
Effect on receivables from exchange transactions - consumer debtors (non-current)	10	5 514 776	554 200	-	6 068 976
Effect on current liabilities - payables from exchange transactions	11	(195 741 525)	(50 009 038)	5 481 054	(240 269 509)
Effect on provisions	15	(60 125 463)	-	3 648 463	(56 477 000)

		As previously reported	**Adjustment**	**Restated**
Statement of financial performance				
30 June 2024 restated				
Effect on gain on adjustment for rehabilitation provision	15	10 325 418	(5 981 578)	4 343 840
Effect on finance charges	30	(8 535 847)	1 084 531	(7 451 316)
Debt impairment	3	(5 253 781)	1 583 745	(3 670 036)
Statement of changes in net assets				
30 June 2024 restated				
Effect on balance as at 1 July 2023 for accumulated surplus		3 180 926 330	13 705 835	3 194 632 165
Effect on accumulated surplus balance as at 1 July 2024		3 478 766 129	10 392 533	3 489 158 662
Cash flow statement				
30 June 2024 restated				
Cash flow from operating activities				
Consumers and other		125 959 729	26 515 908	152 475 637
Interest		29 128 219	1 992 739	31 120 958
VAT receipts		-	152 325 735	152 325 735
Employees		(338 699 345)	2 041 167	(336 658 178)
Suppliers		(564 846 938)	(109 333 729)	(674 180 667)
Net cash flows from operating activities		424 061 537	73 541 820	497 603 357
Cash flow from investing activities				
Purchase of property, plant and equipment and intangible assets		(437 182 926)	(73 541 819)	(510 724 745)
Net cash flows from investing activities		(424 061 537)	(84 013 391)	(508 074 928)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

50. Going concern

We draw attention to the fact that at 30 June 2025, the municipality had an accumulated surplus of R3 757 432 663 and that the municipality's total assets exceed its liabilities by R3 757 432 663.

The annual financial statements for the year ended 30 June 2025 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.

51. Events after the reporting date

At the date of submission of the annual financial statements, the municipality identified one adjusting event which related to a judgement issued in favour of a plaintiff resulting in the recognition of a liability as at 30 June 2025 - refer to note 42.

Appendix A

Asset Group	Opening Balance (Historical Cost)	Additions (Historical Cost)	Additions WIP (Historical Cost)	Capitalized WIP (Historical Cost)	Disposals (Historical Cost)	Transfer Cost (Historical Cost)	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
Borehole	141,032,526.00	36,306,460.00	-	1,832,463.00	(12,451.00)	1,562,154.00	177,056,227.00	(68,942,484.00)	(4,305,781.00)	(606,380.00)	11,912.00	(73,842,734.00)	103,213,493.00
Bulk mains	848,614,481.00	85,812.00	176,880,596.00	184,813.00	-	26,733,815.00	1,052,129,892.00	(69,717,996.00)	(9,879,314.00)	-	-	(79,597,310.00)	972,532,582.00
Cemeteries / Crematoria	21,768,163.00	-	-	-	-	-	21,768,163.00	(10,358,037.00)	(1,175,098.00)	-	-	(11,533,135.00)	10,235,028.00
Computer Equipment	19,059,763.00	1,401,241.00	-	-	(1,086,029.00)	-	19,374,975.00	(14,498,919.00)	(2,147,130.00)		1,002,807.00	(15,640,636.00)	3,734,339.00
Dams and weirs	25,846,107.00	-	516,708.00	-	-	-	26,362,815.00	(2,636,503.00)	(275,124.00)	-	-	(2,911,627.00)	23,451,188.00
Distribution	1,847,584,868.00	7,498,417.00	143,110,820.00	181,940,021.00	-	81,887,814.00	1,898,141,899.00	(401,762,115.00)	(28,360,573.00)	-	-	(430,122,689.00)	1,468,019,210.00
Furniture	7,919,568.00	138,523.00	-	-	(52,938.00)	-	8,005,153.00	(6,178,915.00)	(469,205.00)	-	43,454.00	(6,604,666.00)	1,400,487.00
HUMMINGBIRD	533.00	-	-	-	-	-	533.00	(532.00)	(1.00)	-	-	(533.00)	-
Halls / Centres	7,391,931.00	-	7,713,312.00	-	-	-	15,105,243.00	-	-	-	-	-	15,105,243.00
Heritage Asset	1,487,200.00	-	-	-	-	-	1,487,200.00	-	-	-	-	-	1,487,200.00
Landfill sites	57,181,235.00	21,427,887.76	-	-	-	73,477,115.00	152,086,237.76	(56,687,010.00)	(1,383,162.72)	-	-	(57,041,297.00)	95,044,940.76
Machinery and Equipment	-	167,000.00	-	-	-	-	167,000.00	-	(366.00)	-	-	(366.00)	166,634.00
Markets / Stalls / Shops	5,000,999.00	-	-	-	-	-	5,000,999.00	(1,828,268.00)	(212,823.00)	-	-	(2,041,091.00)	2,959,908.00
Motor Vehicle	102,228,985.00	1,958,239.00	-	-	(5,236,096.00)	-	98,951,128.00	(48,700,032.00)	(14,834,152.00)	(1,946,709.00)	3,355,297.00	(62,125,596.00)	36,825,532.00
Municipal Offices	70,918,731.00	129,650.00	-	-	-	-	71,048,381.00	(28,739,640.00)	(1,838,722.00)	-	-	(30,578,363.00)	40,470,018.00
Office Equipment	9,282,001.00	539,168.00	-	-	(385,069.00)	-	9,436,099.00	(7,713,085.00)	(668,372.00)	-	376,410.00	(8,005,047.00)	1,431,052.00
Outfall Sewers	78,266,632.00	-	7,734,759.00	-	-	-	86,001,390.00	-	-	-	-	-	86,001,390.00
Plant and Equipment	9,110,004.00	1,724,993.00	-	-	(192.00)	-	10,834,805.00	(3,688,842.00)	(1,208,521.00)	(31,042.00)	189.00	(4,928,217.00)	5,906,588.00
Public Ablution Facilities	2,005,863.00	-	-	-	-	-	2,005,863.00	(682,570.00)	(101,601.00)	-	-	(784,171.00)	1,221,692.00
Public Open Space	1,075,000.00	-	-	-	-	-	1,075,000.00	-	-	-	-	-	1,075,000.00
Pump stations	344,437,678.00	4,688,464.00	-	-	-	-	349,126,142.00	(124,542,161.00)	(11,700,609.00)	(40,246.02)	-	(136,280,796.00)	212,845,346.00
Reservoirs	437,001,367.00	2,241,741.00	-	-	-	126,700,964.00	514,326,390.87	(208,131,677.19)	(14,265,134.00)	(159,630.00)	-	(123,032,272.19)	391,294,118.68
Reticulation	114,267,932.00	-	-	-	-	-	114,267,932.00	(13,575,112.00)	(2,193,208.00)	-	-	(15,768,321.00)	98,499,611.00
Servers	8,911.00	-	-	-	-	-	8,911.00	(8,302.00)	(305.00)	-	-	(8,607.00)	304.00
Servitudes	61,683.00	-	-	-	-	-	61,683.00	-	-	-	-	-	61,683.00
Software	7,442,840.33	(174,096.74)	-	1,580,150.00	-	1,580,150.00	7,268,743.59	(3,839,428.00)	(864,371.62)	-	-	(4,703,799.62)	2,564,943.97
Staff Housing	931,584.00	-	-	-	-	-	931,584.00	(574,181.00)	(19,121.00)	-	-	(593,302.00)	338,282.00
Stores	6,296,822.00	-	-	-	-	-	6,296,822.00	(3,110,134.00)	(93,740.00)	-	-	(3,203,874.00)	3,092,948.00
Tank	4,262,238.00	-	-	-	-	-	4,262,238.00	-	-	-	-	-	4,262,238.00
Toilet facilities	13,896.00	-	-	-	-	-	13,896.00	(12,560.00)	(445.00)	-	-	(13,005.00)	891.00
Waste Transfer Stations	73,504,735.00	-	-	73,477,115.00	-	-	27,620.00	-	-	-	-	-	27,620.00
Waste-water treatment works (	27,306,559.00	44,224.00	-	-	-	-	27,350,783.00	(12,168,380.00)	(850,443.00)	-	-	(13,018,823.00)	14,331,960.00
Water treatment works (WTW)	304,310,376.00	596,823.00	37,323,372.19	52,927,450.00	-	-	293,818,267.00	(81,802,685.00)	(5,695,589.87)	(589.00)	-	(87,498,862.00)	206,319,405.00
Workshops / stores	353,564.00	-	-	-	-	-	353,564.00	(249,584.00)	(17,463.00)	(3,271.00)	-	(270,318.00)	83,246.00
	4,575,974,775.33	**78,774,546.02**	**373,279,567.19**	**311,942,012.00**	**(6,772,775.00)**	**311,942,012.00**	**4,974,153,579.22**	**(1,170,149,152.19)**	**(102,560,375.21)**	**(2,787,867.02)**	**4,790,069.00**	**(1,170,149,457.81)**	**3,804,004,121.41**

APPENDIX B

KING CETSHWAYO DISTRICT MUNICIPALITY : DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 560 2003

Name of Grants & Vote	Name of organ of state or municipal entity	CURRENT YEAR RECEIPTS				CONDITIONS MET TRANSFERRED TO REVENUE			
		Sep-24	Dec-24	Mar-25	Jun-25	Sep-24	Dec-24	Mar-25	Jun-25
Rural Roads Asset Management Systems Grant	DOT	1,986,000.00		851,000.00	-	152,682	1,270,518	727,472	686,328
Subtotal - Department of Transport		**1,986,000.00**	**-**	**851,000.00**	**-**	**152,682**	**1,270,518**	**727,472**	**686,328**
Regional Bulk Infrastructure Grant	DWS	80,000,000	80,000,000	34,744,000	-	45,431,721	55,560,229	54,435,913	39,316,137
Water Services Infrastructure Grant	DWS	35,000,000	35,000,000	23,500,000	-	29,410,746	27,805,344	16,350,899	19,933,011
Subtotal - Department of Water and Sanitation		**115,000,000**	**115,000,000**	**58,244,000**	**-**	**74,842,467**	**83,365,573**	**70,786,812**	**59,249,148**
MIG	MIG	92,633,000	37,489,000	64,421,000	-	36,149,456	69,635,758	37,120,356	51,637,430
Sub total - Department of Co-operative Governance		**92,633,000**	**37,489,000**	**64,421,000**	**-**	**36,149,456**	**69,635,758**	**37,120,356**	**51,637,430**
Local Government Finance Grant	NT	1,200,000			-	162,449	543,505	162,955	331,091
Equitable Share	NT	144,022,290	115,217,736	86,413,182	-	86,413,302	86,413,302	86,413,302	86,413,302
Levy Replacement	NT	153,948,878	123,159,000	92,369,122	-	92,369,250	92,369,250	92,369,250	92,369,250
LG Seta - Discretionary Grant	NT	15,000	14,040			-	-	-	29,040
Enviromental Health (EQS)	NT	2,292,832	1,834,264	1,375,696	-	1,375,698	1,375,698	1,375,698	1,375,698
Subtotal - National Treasury		**301,479,000**	**240,225,040**	**180,158,000**	**-**	**180,320,699**	**180,701,755**	**180,321,205**	**180,518,381**
EPWP Encentive Grant	PW	1,009,000	1,818,000	1,513,000	-	1,009,000	1,818,000	1,213,000	300,000
Sub total - Department of Public Works		**1,009,000**	**1,818,000**	**1,513,000**	**-**	**1,009,000**	**1,818,000**	**1,213,000**	**300,000**
Private Donations	PRIVATE DONATIONS	121,000				-	-	-	121,000
Sub total Private Donations		**121,000**	**-**	-	-	**-**	**-**	**-**	**121,000**
		512,228,000	**394,532,040**	**305,187,000**	**-**	**292,474,304**	**336,791,604**	**290,168,845**	**292,512,287**
TOTAL					**1,211,947,040**				**1,211,947,040**

APPENDIX C

	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	78 851 730	(9 139 190)	69 712 540			69 712 540	61 846 438		(7 866 102)	-11%	-22%
Service charges - sanitation	10 606 915	-	10 606 915			10 606 915	8 792 368		(1 814 547)	-17%	-17%
Service charges - refuse	44 175 058	(3 860 810)	40 314 248			40 314 248	38 650 931		(1 663 317)	-4%	-13%
Sale of goods and rendering of services	822 528		822 528			822 528	1 053 315		230 787	28%	28%
licences and permits	103 000	63 315	166 315			166 315	195 979		29 664	18%	90%
Rental of fixed assets	343 478		343 478			343 478	324 618		(18 860)	-5%	-5%
Operational revenue	5 257 487	(2 614 190)	2 643 297			2 643 297	724 354		(1 918 943)	-73%	-86%
Interest earned from receivables	1 699 308	-	1 699 308			1 699 308	5 063 499		3 364 191	198%	198%
Interest earned from current and non-current assets	27 560 000	-	27 560 000			27 560 000	28 710 090		1 150 090	4%	4%
Gain on disposal of property, plant and equipment	-	-	-			-	1 889 241		1 889 241	100%	100%
Adjustment to rehabilitation provision	-	-	-			-	8 267 549		8 267 549	100%	100%
Transfers and subsidies	748 534 800	180 771	748 715 571			748 715 571	748 715 571		-	0%	0%
Fines, penalties and forfeits	12 585	1 564 220	1 576 805			1 576 805	3 582 447		2 005 642	127%	28366%
Service charges - availability charges	-		-			-	2 353 186		2 353 186	100%	100%
Interest	-		-			-	196 231		196 231	100%	100%
Total revenue (excluding capital transfers and contrit	**917 966 889**	**(13 805 884)**	**904 161 005**	**-**	**-**	**904 161 005**	**910 365 817**	**-**	**6 204 812**	**1%**	**-1%**
Expenditure											
Employee related costs	(416 354 870)	54 773 701	(361 581 169)		13 954 988	(347 626 181)	(347 307 761)		14 273 408	-4%	-17%
Remuneration of councillors	(18 122 446)	-	(18 122 446)		2 045 779	(16 076 667)	(15 696 137)		2 426 309	-13%	-13%
Depreciation, amortisation and impairment	(152 827 217)	-	(152 827 217)		2 948 540	(149 878 677)	(102 927 698)		49 899 519	-33%	-33%
Finance costs	(3 419 110)	(4 211 555)	(7 630 665)		(636 884)	(8 267 549)	(8 267 548)		(636 883)	8%	142%
Debt impairment	(9 868 755)	-	(9 868 755)		(2 183 924)	(12 052 679)	(10 222 795)		(354 040)	4%	4%
Irrecoverable debts written off	(9 122 026)	-	(9 122 026)		1 836 838	(7 285 188)	(2 903 900)		6 218 126	-68%	-68%
Inventory consumed	(179 041 303)	(30 175 358)	(209 216 661)		(24 454 640)	(233 671 301)	(232 987 379)		(23 770 718)	11%	30%
Contracted services	(190 824 149)	(17 202 727)	(208 026 876)		7 535 786	(200 491 090)	(196 021 158)		12 005 718	-6%	3%
Transfers and subsidies	(5 200 000)	1 576 195	(3 623 805)		-	(3 623 805)	(1 623 804)		2 000 001	-55%	-69%
Operational costs	(129 713 217)	(930 909)	(130 644 126)		1 270 095	(129 374 031)	(126 817 110)		3 827 016	-3%	-2%
Loss on disposal of property, plant and equipment	-	-	-		(1 982 708)	(1 982 708)	-		-	100%	100%
Other losses	(78 276 392)	846 353	(77 430 039)		(333 870)	(77 763 909)	(60 472 508)		16 957 531	-22%	-23%
Inventories losses/write downs	-	-	-		-	-	(75 486)		(75 486)	100%	100%
Total expenditure	**(1 192 769 485)**	**4 675 700**	**(1 188 093 785)**	**-**	**-**	**(1 188 093 785)**	**(1 105 323 284)**	**-**	**82 770 501**	**-7%**	**-7%**
Deficit	**(274 802 596)**	**(9 130 184)**	**(283 932 780)**	**-**	**-**	**(283 932 780)**	**(194 957 467)**	**-**	**88 975 313**	**-31%**	**-29%**
Transfers and subsidies - capital (monetary allocation)(Nat/Prov department)	491 415 200	(28 183 731)	463 231 469			463 231 469	463 231 469		-	0%	-6%
Surplus for the year	**216 612 604**	**(37 313 915)**	**179 298 689**	**-**	**-**	**179 298 689**	**268 274 002**	**-**	**88 975 313**	**50%**	
Capital expenditure and funds sources											
Total capital expenditure	465 007 780	(26 720 668)	438 287 112	-	-	438 287 112	452 400 120	-	14 113 008	3%	-3%
Sources of capital funds											
Transfers recognised - capital	427 317 564	(24 507 591)	402 809 973			402 809 973	402 809 970		(3)	0%	-6%
Borrowing	-	-	-			-	-		-	100%	100%
Internally generated funds	37 690 216	(2 213 077)	35 477 139			35 477 139	49 590 149		14 113 010	40%	32%
Total sources of capital funds	**465 007 780**	**(26 720 668)**	**438 287 112**	**-**	**-**	**438 287 112**	**452 400 119**	**-**	**14 113 007**	**3%**	**-3%**
Financial position											
Total current assets	341 011 805	(45 880 172)	295 131 633			295 131 633	395 602 855		100 471 222	34%	16%
Total non-current assets	3 588 841 673	164 914 266	3 753 755 939			3 753 755 939	3 807 360 427		53 604 488	1%	6%
Total current liabilities	201 192 134	81 786 710	282 978 844			282 978 844	334 938 232		51 959 388	18%	66%
Total non-current liabilities	132 848 999	(24 951 871)	107 897 128			107 897 128	117 147 419		9 250 291	9%	-12%
Community wealth/equity	3 595 812 345	62 199 255	3 658 011 600			3 658 011 600	3 177 439 698		(480 571 902)	-13%	-12%
	3 595 812 345	**62 199 255**	**3 658 011 600**	**-**	**-**	**3 658 011 600**	**3 750 877 631**	**-**	**92 866 031**	**3%**	**4%**
Cash flows											
Net cash movement in operating activities	466 478 846	(49 667 887)	416 810 959			416 810 959	506 560 724	-	89 749 765	22%	9%
Net cash movement in investing activities	(465 007 780)	26 720 668	(438 287 112)			(438 287 112)	(473 814 024)	-	(35 526 912)	8%	2%
Net cash movement in financing activities	(132 512)	-	(132 512)			(132 512)	-	-	132 512	-100%	-100%
Net increase / (decrease) in cash	**1 338 554**	**(22 947 219)**	**(21 608 665)**	**-**	**-**	**(21 608 665)**	**32 746 700**	**-**	**54 355 365**	**-252%**	**2346%**
Cash and cash equivalents at the beginning of year	132 027 951	4 132 829	136 160 780			136 160 780	136 160 780	-	-	0%	3%
Cash and cash equivalents at year end	**133 366 505**	**(18 814 390)**	**114 552 115**	**-**	**-**	**114 552 115**	**168 907 480**	**-**	**54 355 365**	**47%**	**27%**

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KING CETSHWAYO
DISTRICT MUNICIPALITY

APPENDICES

LIST OF APPENDICES:

APPENDIX A: COUNCILLORS: COMMITTEE ALLOCATION AND ATTENDANCE

LIST OF PORTFOLIO COMMITTEES

CORPORATE SERVICES		
1	Cllr F Mndaba	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 SZ Dlamini	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 PP Xulu	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 SL Magubane	DA (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 NM Madida	EFF

QUARTER 1

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2024

NAME	31.07.2024	21.08.2024	28.08.2024	04.09.2024
Cllr SH Mkhwanazi	✓	✓	✓	✓
Cllr SZ Dlamini	✓	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓	✓
Cllr PPC Cele	✓	✓	✓	✓
Cllr SL Magubane	✓	✓	•	•
Cllr PP Xulu	✓	✓	✓	✓
Cllr IN Zwane	✓	✓	✓	✓
Cllr NFJ Nzuza		✓	✓	✓
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	✓	✓	✓	✓
Cllr SP Mpanza	✓	✓	✓	✓

NAME	31.07.2024	21.08.2024	28.08.2024	04.09.2024
Cllr XM Bhengu	✓	✓	✓	✓
Cllr AM Mtshali	✓	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓	✓
Cllr SN Ntshangase	✓	✓	✗	✓
Cllr M Mtshali	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓
Cllr ZH Mkhize	✓	✓	✓	✓
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	✓	✓	✓	✓
VACANT				
VACANT				
VACANT				
VACANT				

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2022

NAME	31.07.2024	21.08.2024	28.08.2024	25.09.2024
Cllr SZ Dlamini	✓	✓	✓	
VACANT				
Cllr IN Zwane	✓	✓	✓	No quorum
Cllr PP Xulu	✓	✓	✓	
Cllr SL Magubane	✓	✓	✓	
Cllr PPC Cele	✓	✓	✓	
Cllr SW Mgenge	✓	✗	✗	
VACANT				

KEY:

✗ Absent

✓ Present

• Apology

• Observer

ATTENDANCE REGISTER FOR COUNCIL FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2024

CORPORATE SERVICES	16.07.2024	14.08.2024	17.09.2024
Cllr PP Xulu	✓	✓	✓
Cllr CN Mpanza	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr ME Dlamini	✓	✓	✓
Cllr BB Ndima	✓	✓	✓
Cllr SL Magubane	✓	✓	✗
VACANT			

TECHNICAL SERVICES	17.07.2024	13.08.2024	17.09.2024
Cllr SZ Dlamini	✓	✓	✓
Cllr XM Bhengu	✓	✓	✓
Cllr MM Ngema	✓	✓	✓
Cllr NP Mahaye	✓	✓	✓
Cllr FN Mabuyakhulu	✓	•	✓
Cllr NN Lembede	✓	✓	✓
Cllr S Ntshangase	✓	✓	✓
VACANT			

COMMUNITY SERVICES	17.07.2024	13.08.2024	18.09.2024
Cllr IN Zwane	✓	✓	✓
Cllr ES Mbatha	✓	✓	✓
Cllr BC Magwaza	✓	✓	✓
Cllr SE Mhlongo	✓	✓	✓
Cllr SS Nkabinde	✓	✓	•
Cllr PPC Cele	✓	✗	•
Cllr M Mtshali	✓	✓	✓
VACANT			

PLANNING & ECONOMIC DEV.	16.07.2024	14.08.2024	18.09.2024
Cllr SL Magubane	✓	✓	✓
Cllr ZH Mkhize	✓	•	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	✓
Cllr ZL Mfusi	✗	✓	✓
Cllr WL Ngema	✓	✓	•
Cllr BC Magwaza	✓	✓	✓
VACANT			

FINANCIAL SERVICES	30.07.2024	20.08.2024	27.08.2024	25.09.2024
Cllr SZ Dlamini	✓	✓	✓	✓
Cllr QT Xulu	✓	✓	✓	✓
Cllr MN Biyela	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓	•
Cllr SP Mpanza	✓	✓	✓	✓
Cllr S Ntshangase	✓	✓	✓	✓
Cllr SB Mthiyane	✓	✓	✓	✓

RULES & ETHICS	27.08.2024
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✓
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	✓

MPAC	20.08.2024
Cllr M Mtshali	✓
Cllr XM Bhengu	•
Cllr QT Xulu	✓
Cllr MN Biyela	✓
Cllr NT Mthiyane	✓
Cllr PSM Mchunu	✓
Cllr SD Khubisa	✓

QUARTER 2

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE SECOND QUARTER FROM OCTOBER TO DECEMBER 2024

NAME	09.10.2024	23.10.2024	30.10.2024	12.11.2024	04.12.2024	17.12.2024
Cllr SH Mkhwanazi	✓	✓	✓	✓	✓	✓
Cllr SZ Dlamini	✓	✓	✓	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓	✓	✓	✓
Cllr PPC Cele	✓	✗	✓	✓	✓	✓
Cllr SL Magubane	✓	✗	✗	✓	✓	✓
Cllr NM Madida	✓	✗	✓	✓	✓	✗
Cllr NFJ Nzuza	✓	✗	✓	✓	✓	✓
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	09.10.2024	23.10.2024	30.10.2024	12.11.2024	04.12.2024	17.12.2024
Cllr SP Mpanza	✓	✓	✓	✓	✓	✓
Cllr XM Bhengu	✓	✓	✓	✓	✓	✓
Cllr AM Mtshali	✓	✓	✓	✓	✓	✓
Cllr MM Mthiyane	✓	✗	✓	✓	✓	✓
Cllr SN Ntshangase	✓	✓	✓	✓	✓	✓
Cllr M Mtshali	•	✓	•	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓	✓	✓
Cllr ZH Mkhize	✓	✗	✓	✓	✓	✓
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	✗	✗	✗	✓	✓	✗
VACANT						
VACANT						
VACANT						

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2022

NAME	09.10.2024	23.10.2024	30.10.2024	27.11.2024	11.12.2024
Cllr SZ Dlamini	✓	✓	✓	✓	Meeting cancelled
Cllr IN Zwane	✓	✓	✓	✓	
Cllr PP Xulu	✓	✓	✓	✓	
Cllr F Mndaba			✓	✓	
Cllr SL Magubane	✓	✓	✓	✓	
Cllr PPC Cele	✓	✓	✓	✓	
Cllr SW Mgenge	✓	✓	✓	✓	
Cllr NM Madida		✓	✓	✓	

KEY:

✗ Absent

✓ Present

• Apology

• Observer

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE SECOND QUARTER FROM OCTOBER TO DECEMBER 2024

CORPORATE SERVICES	16.10.2024	19.11.2024	17.12.2024
Cllr PP Xulu	✓	✓	✓
Cllr CN Mpanza	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr ME Dlamini	✓	✓	✓
Cllr BB Ndima	✗	✗	✗
Cllr SL Magubane	✓	✓	✓
VACANT			

TECHNICAL SERVICES	15.10.2024	20.11.2024	17.12.2024
Cllr SZ Dlamini	✓	✓	✓
Cllr XM Bhengu	✓	✓	•
Cllr MM Ngema	✓	✓	✓
Cllr NP Mahaye	✓	✗	✓
Cllr FN Mabuyakhulu	✓	✓	✓
Cllr NN Lembede	✓	✓	✓
Cllr S Ntshangase	✓	✓	✓
VACANT			

COMMUNITY SERVICES	16.10.2024	20.11.2024	18.12.2024
Cllr IN Zwane	✓	✓	✓
Cllr ES Mbatha	✓	✓	✓
Cllr BC Magwaza	✓	✓	✓
Cllr SE Mhlongo	✓	✓	✓
Cllr SS Nkabinde	✓	✓	✓
Cllr PPC Cele	✓	✓	•
Cllr M Mtshali	✓	✓	•
VACANT			

PLANNING & ECONOMIC DEV.	15.10.2024	19.11.2024	18.12.2024
Cllr SL Magubane	✓	✓	✓
Cllr ZH Mkhize	✓	✓	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	✓
Cllr ZL Mfusi	✓	✓	✓
Cllr WL Ngema	✓	✓	✓
Cllr BC Magwaza	✓	✓	✓
VACANT			

FINANCIAL SERVICES	29.10.2024	26.11.2024	10.12.2024
Cllr SZ Dlamini	✓	✓	Meeting cancelled
Cllr QT Xulu	✓	✓	
Cllr MN Biyela	✓	✓	
Cllr JL Nzuza	✓	✓	
Cllr SW Mgenge	✓	✓	
Cllr SP Mpanza	✓	✗	
Cllr S Ntshangase	✓	✓	
Cllr SB Mthiyane	✓	✓	

RULES & ETHICS	26.11.2024
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	•
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	✓

MPAC	29.10.2024
Cllr M Mtshali	✓
Cllr XM Bhengu	✓
Cllr QT Xulu	✓
Cllr MN Biyela	✓
Cllr NT Mthiyane	•
Cllr PSM Mchunu	✓
Cllr SD Khubisa	✓

QUARTER 3

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE THIRD QUARTER FROM JANUARY TO MARCH 2025

NAME	16.01.2025	23.01.2025	25.02.2025	13.03.2025	26.03.2025
Cllr SH Mkhwanazi	✓	✓	✓	✓	✓
Cllr SZ Dlamini	✓	✓	✓	✓	✓
Cllr SW Mgenge	✓	✗	✓	✓	✓
Cllr PPC Cele	✓	✓	•	•	✓
Cllr SL Magubane	✓	✓	✓	✓	✓
Cllr NM Madida	✓	•	✓	✓	✓
Cllr NFJ Nzuza	✗	✓	•	•	✓
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	16.01.2025	23.01.2025	25.02.2025	13.03.2025	26.03.2025
Cllr SP Mpanza	✓	✓	✓	✓	✓
Cllr XM Bhengu	✓	✓	✓	✓	✓
Cllr AM Mtshali	✓	✓	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓	✓	✓
Cllr SN Ntshangase	✓	✓	✓	✓	✓
Cllr M Mtshali	✓	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓	✓
Cllr ZH Mkhize	✓	✓	✓	✓	✓
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	✗	✗	✗	✓	✗
VACANT					
VACANT					
VACANT					

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2022

NAME	23.01.2025	26.02.2025	26.03.2025
Cllr SZ Dlamini	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr PP Xulu	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr SL Magubane	✓	✓	✓
Cllr PPC Cele	✓	•	✓
Cllr SW Mgenge	✓	✓	✓
Cllr NM Madida	✓	✓	✓

KEY:

✗	Absent
✓	Present
•	Apology
•	Observer

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE SECOND QUARTER FROM JANUARY TO MARCH 2025

CORPORATE SERVICES	14.01.2025	18.02.2025	18.03.2025
Cllr PP Xulu	✓	✓	✓
Cllr CN Mpanza	✓	✓	•
Cllr MM Mthiyane	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr ME Dlamini	✓	✓	✓
Cllr BB Ndima	✓	✓	✓
Cllr SL Magubane	•	✓	✓
Cllr NM Madida		✓	✓

TECHNICAL SERVICES	15.01.2025	19.02.2025	19.03.2025
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	14.01.2025	18.02.2025	18.03.2025
Cllr IN Zwane	✓	✓	✓
Cllr ES Mbatha	✓	✓	✓
Cllr BC Magwaza	•	✓	✓
Cllr SE Mhlongo	✓	✓	✓
Cllr SS Nkabinde	✓	•	✓
Cllr PPC Cele	✓	•	✓
Cllr M Mtshali	✓	✓	✓
Cllr SD Khubisa		✓	✓

PLANNING & ECONOMIC DEV.	15.01.2025	18.02.2025	18.03.2025
Cllr SL Magubane	✓	✓	✓
Cllr ZH Mkhize	✓	✓	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	✓
Cllr ZL Mfusi	✓	•	✓
Cllr WL Ngema	✓	✓	✓
Cllr BC Magwaza	✓	✓	✗
Cllr NM Madida	•	✓	✓

FINANCIAL SERVICES	21.01.2025	25.02.2025	25.03.2025
Cllr SZ Dlamini	✓	✓	✓
Cllr QT Xulu	✓	•	✓
Cllr MN Biyela	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓
Cllr SP Mpanza	✓	✗	✓
Cllr S Ntshangase	✓	✓	✓
Cllr SB Mthiyane	✓	✓	✓

RULES & ETHICS	25.03.2025
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✓
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	✓

MPAC	21.01.2025	25.02.2025
Cllr M Mtshali	✓	✓
Cllr XM Bhengu	✓	✓
Cllr QT Xulu	✓	✓
Cllr MN Biyela	✓	✓
Cllr NT Mthiyane	✓	✓
Cllr PSM Mchunu	✓	✓
Cllr SD Khubisa	✗	✗

QUARTER 4

COUNCIL MEETINGS

ATTENDANCE REGISTER FOR COUNCIL FOR THE FOURTH QUARTER FROM APRIL TO JUNE 2025

NAME	09.04.2025	23.04.2025	28.05.2025	25.06.2025
Cllr SH Mkhwanazi	✓	✓	✓	✓
Cllr SZ Dlamini	✓	✓	✓	✓
Cllr PP Xulu	✓	✗	✓	✓
Cllr PPC Cele	✓	✓	✓	•
Cllr SL Magubane	✓	✓	✓	✓
Cllr NM Madida	✓	•	✓	✓
Cllr NFJ Nzuza	✓	✗	✓	✓
Cllr SW Mgenge	✓	•	✓	✗
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	09.04.2025	23.04.2025	28.05.2025	25.06.2025
Cllr SP Mpanza	✓	✓	✓	✓
Cllr XM Bhengu	✓	✓	✓	✓
Cllr AM Mtshali	✓	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓	✓
Cllr SN Ntshangase	✓	✓	✓	✗
Cllr M Mtshali	✓	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓	✓
Cllr ZH Mkhize	✓	✗	✗	✓
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	✗	✗	✓	✗
VACANT				
VACANT				
VACANT				

EXCO MEETINGS

ATTENDANCE FOR EXCO MEMBERS FOR THE FIRST QUARTER FROM JULY TO SEPTEMBER 2022

NAME	23.04.2024	28.05.2025	25.06.2025
Cllr SZ Dlamini	✓	✓	✓
Cllr IN Zwane	✓	✓	✓
Cllr PP Xulu	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr SL Magubane	✓	✓	•
Cllr PPC Cele	✓	✓	•
Cllr SW Mgenge	•	✓	✓
Cllr NM Madida	✓	✓	✓

KEY:

✗	Absent
✓	Present
•	Apology
•	Observer

ATTENDANCE REGISTER FOR THE PORTFOLIO COMMITTEE MEMBERS FOR THE FOURTH QUARTER FROM APRIL TO JUNE 2025

CORPORATE SERVICES	16.04.2025	14.05.2025	17.06.2025
Cllr PP Xulu	✓	✓	✓
Cllr CN Mpanza	✓	✓	✓
Cllr MM Mthiyane	✓	✓	✓
Cllr F Mndaba	✓	✓	✓
Cllr ME Dlamini	✓	✓	✓
Cllr BB Ndima	✓	✓	✓
Cllr SL Magubane	•	•	✓
Cllr NM Madida	✓	•	✓

TECHNICAL SERVICES	15.04.2025	13.05.2025	18.06.2025
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	16.04.2025	14.05.2025	17.06.2025
Cllr IN Zwane	✓	✓	✓
Cllr ES Mbatha	✓	✗	✓
Cllr BC Magwaza	✓	✓	✓
Cllr SE Mhlongo	✓	✓	✓
Cllr SS Nkabinde	✓	•	✓
Cllr PPC Cele	•	✓	✓
Cllr M Mtshali	✓	✓	•
Cllr SD Khubisa	✓	✓	✓

PLANNING & ECONOMIC DEV.	16.04.2025	14.05.2025	17.06.2025
Cllr SL Magubane	✓	✓	✓
Cllr ZH Mkhize	✗	✓	✓
Cllr SF Mdletshe	✓	✓	✓
Cllr FPB Mpungose	✓	✓	•
Cllr ZL Mfusi	✓	✓	✓
Cllr WL Ngema	✓	✓	✓
Cllr BC Magwaza	✓	✓	✓
Cllr NM Madida	✓	•	✓

FINANCIAL SERVICES	22.04.2025	27.05.2025	24.06.2025
Cllr SZ Dlamini	✓	✓	✓
Cllr QT Xulu	✓	✓	✓
Cllr MN Biyela	✓	✓	✓
Cllr JL Nzuza	✓	✓	✓
Cllr SW Mgenge	✓	✓	✓
Cllr SP Mpanza	✓	✓	✓
Cllr S Ntshangase	✓	✓	✓
Cllr SB Mthiyane	✓	✓	✓

RULES & ETHICS	27.05.2025
Cllr SH Mkhwanazi	✓
Cllr AM Mtshali	✓
Cllr ME Mthethwa	✓
Cllr M Mtshali	✓
Cllr NT Mthiyane	✓
Cllr SD Khubisa	•

MPAC	20.05.2025
Cllr M Mtshali	✓
Cllr XM Bhengu	✓
Cllr QT Xulu	•
Cllr MN Biyela	✓
Cllr NT Mthiyane	✓
Cllr PSM Mchunu	✓
Cllr SD Khubisa	✓

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.

Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000)		
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.
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.
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.
Item 15 (3)	Imposing a penalty on a Traditional Leader having been found guilty of a breach of the Code of Conduct for Councillors.	None
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.

Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
38(2)	Considering a notice received from the National Treasury of its intention to stop the transfer of funds to the Municipality	Subject to receiving and considering a report and recommendations from the EXCO.
39(3) 44(1)	Deciding the reasonable steps to settle a dispute of a financial nature between the Municipality and another organ of state out of court.	Subject to receiving and considering a report and recommendations from the EXCO.
45(1)	Deciding whether to incur short term debt.	1. In terms of section 160(2) of the Constitution the Council may not delegate the raising of loans. 2. A decision to raise a loan must be taken by the Council with a supporting vote of a majority of its members in terms of section 160(3) (b) of the Constitution. 3. 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 Executive Committee, approve the raising of a loan.
46(1)	Deciding whether to incur long term debt.	1. In terms of section 160(2) of the Constitution the Council may not delegate the raising of loans. 2. A decision to raise a loan must be taken by the Council with a supporting vote of a majority of its members in terms of section 160(3) (b) of the Constitution. 3. 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 Executive Committee, approve the raising of a loan.
48(1)	Deciding whether to provide security for any of the Municipality's debt obligations, debt obligations of a Municipal entity under its sole control and contractual obligations of the Municipality undertaken in connection with capital expenditure by other persons on property, plant or equipment to be used by the Municipality or such other person.	Subject to receiving and considering a report and recommendations from the EXCO.
48(2)	Deciding the form/nature of security to be provided for any of the municipality's debt obligations, debt obligations of a municipal entity under its sole control and contractual obligations of the municipality undertaken in connection with capital expenditure by other persons on property, plant or equipment to be used by the municipality or such other person.	Subject to receiving and considering a report and recommendations from the EXCO.
48(3) (a)	Deciding whether an asset or right that has been hypothecated in any manner as security is necessary for providing the minimum level of basic municipal services.	Subject to receiving and considering a report and recommendations from the EXCO.
48(3) (b)	Deciding whether an asset or right that has been hypothecated in any manner as security is necessary for providing the minimum level of basic municipal services, the manner in which the availability of the asset or right will be protected.	Subject to receiving and considering a report and recommendations from the EXCO.
50	Deciding to issue a guarantee for any commitment or debt of any organ of state, person or municipal entity under the sole or shared control of the Municipality	Subject to receiving and considering a report and recommendations from the EXCO.
83(2)	Determining the resources or opportunities to be made available for the training or officials to meet the prescribed financial management competency level	Subject to receiving and considering a report and recommendations from the EXCO.
84(1) (a)	Determining precisely the function or service that a municipal entity would perform on behalf of the municipality when considering the establishment of, or participation in, a municipal entity.	Subject to receiving and considering a report and recommendations from the EXCO.

Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
84(2) (b) (i)	Considering an assessment of the impact of the shifting of a function or service to a municipal entity on the Municipality's staff, assets and liabilities when considering the establishment of, or participation in, a municipal entity.	Subject to receiving and considering a report and recommendations from the EXCO.
84(2) (b) (ii)	Considering the comments or representations received for the local community, organized labour and other interested persons in respect of the Municipality's intention to establish and or participate in, a municipal entity.	Subject to receiving and considering a report and recommendations from the EXCO.
84(2) (b) (iii)	Considering the views and recommendations of the National Treasury and the provincial treasury, the national and provincial departments responsible for local government and the MEC responsible for local government in respect of the Municipality's intention to establish and or/ participate in a municipal entity.	Subject to receiving and considering a report and recommendations from the EXCO.
87(2)	Considering the proposed budget of a municipal entity of which the municipality is the parent municipality and assessing the entity's priorities and objectives.	Subject to receiving and considering a report and recommendations from the EXCO.
	Deciding to make recommendations on the proposed budget of a municipal entity of which the municipality is the parent municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
87(5) (c)	Determining the limits, including any limits on tariffs, revenue, expenditure and borrowing, on the budget of a municipal entity of which the Municipality is the parent municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
88(b) (ii)	Receiving and considering a mid-year performance assessment report of a municipal entity of which the Municipality is the parent municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
89(a)	Determining the upper limits of the salary, allowances and other benefits of the Chief Executive Officer and senior managers of a municipal entity of which the municipality is the parent municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
90(2)	Considering an application from a municipal entity to transfer ownership or otherwise dispose of a capital asset other than an asset needed to provide the minimum level of basic municipal services.	The power must be exercised in a meeting which is open to the public at which the Council: (a) must determine on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and (b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.
90(4)	Deciding to delegate to the Municipal Manager the power to determine on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services and the fair market value of the asset and the economic and community value to be received in exchange for the asset in respect of movable capital assets of a municipal entity of which the municipality is the parent municipality below a value determined by the Council.	Subject to receiving and considering a report and recommendations from the EXCO.
90(4)	Determining the value of movable capital assets of a municipal entity of which the Municipality is the parent municipality in respect of which the Municipal Manager may on reasonable grounds decide that the asset is not needed to provide the minimum level of basic municipal services and the fair market value of the 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.

Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
97(3)	Considering a report of the accounting officer of a municipal entity of which the municipality is the parent municipality regarding any payments due by a organ of state to the entity in respect of service charges, if such payments are regularly in arrears for periods of more than 30 days.	Subject to receiving and considering a report and recommendations from the EXCO.
109	Deciding, when a municipal entity of which the Municipality is the parent municipality, experiences serious or persistent financial problems and the board of directors of the entity falls to act effectively: (a) the appropriate steps to be taken in terms of the Municipality's rights and powers over the entity concerned, including its rights and powers in terms of any relevant service delivery or other agreement; (b) impose a financial recovery plan, which meets the criteria set out in section 142 of the MFMA; or (c) Liquidate and disestablish the entity.	Subject to receiving and considering a report and recommendations from the EXCO.
113(1)	Deciding whether to consider an unsolicited bid received outside the Municipality's normal bidding process	In accordance with the prescribed framework.
116(3)	Considering the reasons for the proposed amendment of a contract or agreement and any representation that may have been received regarding the proposed amendment of a contract or an agreement procured through the supply chain management policy of the Municipality and deciding whether to consent to the amendment of the contract or agreement.	Subject to receiving and considering a report and recommendations from the EXCO.
116(3)	Considering the reasons for the proposed amendment of a contract or agreement and any representation that may have been received regarding the proposed amendment of a contract or an agreement procured through the supply chain management policy of a municipal entity of which the Municipality is a parent municipality and deciding whether to consent to the amendment of the contract or agreement.	Subject to receiving and considering a report and recommendations from the EXCO.
120(1)(a)	Determining whether a proposed public-private partnership agreement will provide value for money to the municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
120(1)(b)	Determining whether a proposed public-private partnership agreement will be affordable for the Municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
120(1) (c)	Determining whether a proposed public-private partnership agreement will transfer appropriate technical, operational and financial risk to the private party.	Subject to receiving and considering a report and recommendations from the EXCO.
120(4)	Deciding to conduct a feasibility study before a public-private partnership is concluded.	Subject to receiving and considering a report and recommendations from the EXCO.
121(4) (f)	Determining any additional information to be contained in the annual report of a municipal entity of which the Municipality is a parent municipality	Subject to receiving and considering a report and recommendations from the EXCO.
129(1)	Considering the annual report of the Municipality and of any municipal entity under the Municipality's sole or shared control	Subject to receiving and considering a report and recommendations from the EXCO.
	Adopting an oversight report containing the Council's comments on the annual report(s).	Subject to receiving and considering a report and recommendations from the MPAC.
129(5)	Deciding whether to adopt guidelines issued by the National Treasury on the manner in which councils should consider annual reports and conduct public hearings and the functioning and composition of any public accounts or oversight committees established by a council to assist it to consider an annual report.	Subject to receiving and considering a report and recommendations from the EXCO.

Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
133 (c) (1)	Deciding whether to request the Speaker or another Councillor to investigate the reasons for the failure of the Municipal Manager or of Accounting Officer of a municipal entity under the Municipality's sole or shared control to submit annual financial statements to the Auditor-General or the Mayor's failure to table the annual report of the Municipality or a municipal entity in the Council.	Subject to receiving and considering a report and recommendations from the EXCO.
	Receiving the report of the appointed Councillor regarding the failure of the Municipal Manager or of the Accounting Officer of a municipal entity under the municipality's sole or shared control to submit annual financial statements to the Auditor-General or the Mayor's failure to table the annual report of the Municipality or a municipal entity in the Council.	Subject to receiving and considering a report and recommendations from the EXCO.
135(3)	Considering whether the Municipality is, or is likely to, encounter a serious financial problems in meeting its financial commitments.	Subject to receiving and considering a report and recommendations from the EXCO and Mayor.
135(3) (a)	Determining the manner of seeking solutions to any serious financial problems in meeting its financial commitments experienced or anticipated by the Municipality.	Subject to receiving and considering a report and recommendations from the mayor.
	Defining the solutions to be implemented to solve or avoid any serious financial problem in meeting its financial commitments experienced or anticipated by the Municipality.	Subject to receiving and considering a report and recommendations from the EXCO and Mayor.
137(2)	Receiving an assessment of the seriousness of the financial problem in the Municipality, the determination of the provincial executive whether the financial problem experienced by the Municipality, singly or in combination with other problems, is sufficiently serious or sustained that the Municipality would benefit from a financial recovery plan and the request to a suitably qualified person to prepare and submit a financial recovery plan for the Municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
	Receiving a copy of the Municipal Financial Recovery Service's determination of the reasons for the crisis in the Municipality's financial affairs and assessment of the Municipality's financial state.	Subject to receiving and considering a report and recommendations from the EXCO.
141 (3) (a) 144 (2)	Participating in consultations with the person or body appointed to prepare a financial recovery plan or an amendment of such plan for the Municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
141(3) (c)	Commenting on a draft financial recovery plan or amendment to such plan for the Municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
144(2)		
143(3) (a)	Receiving an approved financial recovery plan for the Municipality	Subject to receiving and considering a report and recommendations from the EXCO.
147 (1) (b)	Receiving progress reports and a final report on any intervention from the MEC for local government or the MEC responsible for finance.	Subject to receiving and considering a report and recommendations from the EXCO.
148(1) (b) (i)	Declaring the Municipality's willingness to fulfill the executive obligation in terms of legislation or the Constitution that gave rise to any discretionary intervention in the Municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
148(3) (a)	Receiving a notification that an intervention in the Municipality has ended.	Subject to receiving and considering a report and recommendations from the EXCO.
152(1)	Deciding to apply to the High Court for an order to stay, for a period not exceeding 90 days all legal proceedings, including the execution of legal process, by persons claiming money from the Municipality if the Municipality is unable to meet its financial commitments.	Subject to receiving and considering a report and recommendations from the EXCO.

Local Government: Municipal Finance Management Act 56/2003 (MFMA)		
153(1) (a)	Deciding to apply to the High Court for an order to stay, for a period not exceeding 90 days at a time, all legal proceedings, including the execution of legal process, by persons claiming money from the Municipality	Subject to receiving and considering a report and recommendations from the EXCO.
153(1) (b)	Deciding to apply to the High Court for an order to suspend the Municipality's financial obligations to creditors, or any portion of those obligations, until the Municipality can meet those obligations.	Subject to receiving and considering a report and recommendations from the EXCO.
165(1)	Deciding whether to establish an internal audit unit or to outsource the internal audit function.	Subject to receiving and considering a report and recommendations from the EXCO.
166(1) and (6)	Deciding whether to establish an internal audit committee for: the Municipality only, or the Municipality and the local municipalities within the District municipal area; or the Municipality and any municipality entity under its sole control	Subject to receiving and considering a report and recommendations from the EXCO.
166(2)	Receiving reports of the audit committee	Subject to receiving and considering a report and recommendations from the EXCO.
166(4)	Determining the number of members of the Audit Committee	Subject to receiving and considering a report and recommendations from the EXCO.
	Determining the nature of the appropriate experience that persons should possess to be considered for appointment as a member of the audit committee	Subject to receiving and considering a report and recommendations from the EXCO.
166(5)	Appointing the members of the audit committee of the Municipality and of a municipal entity of which the Municipality is a parent municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
168(3)	Considering any guidelines issued by the Minister of finance in terms of section 168(1) of the MFMA	Subject to receiving and considering a report and recommendations from the EXCO.
REMUNERATION OF PUBLIC OFFICE-BEARERS ACT 1998(ACT NO. 20 OF 1998)		
7(4)	Determining the salary, allowances and benefits payable to Councillors.	Subject to receiving and considering a report and recommendations from the Municipal Manager and CFO.
LOCAL GOVERNMENT: MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS, 2001		
3(5)(b)	Considering the comment of local municipalities, if any, on any proposed amendment of the integrated development plan before taking finance decision.	Subject to receiving and considering a report and recommendations from the EXCO.
8	Adopting a Performance Management System of the municipality.	Subject to receiving and considering a report and recommendations from the EXCO.
14(2)	Establishing a performance audit committee	Subject to receiving and considering a report and recommendations from the EXCO.
14(2)	Appointing the members of a performance audit committee	Subject to receiving and considering a report and recommendations from the EXCO.
14(2) (c)	Deciding whether to have a separate performance audit committee or a consolidated audit committee	Subject to receiving and considering a report and recommendations from the EXCO.
14(2) (d)	Designating a member of the performance audit committee as chairperson	Subject to receiving and considering a report and recommendations from the EXCO.
14(2) (i)	Determination of the remuneration of members of the performance audit committee who are not Councillors or Employees of the municipality	Subject to receiving and considering a report and recommendations from the EXCO.
MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS, GOVERNMENT GAZETTE DATED 30 MAY 2005		
2	Approving and implementing a supply chain management policy for the Municipality	Subject to receiving and considering a report and recommendations from the Municipal Manager and the content requirements in terms of subsections (1) to 4 and section 112(1) of the MFMA.

LOCAL GOVERNMENT: DISCIPLINARY REGULATIONS FOR SENIOR MANAGERS, 2010		
4(1)	Instituting disciplinary proceedings for misconduct committed by a Senior Manager.	Subject to receiving and considering an investigation Report.
5(4)	Appointing an investigator to investigate allegations of misconduct against a Senior Manager.	Subject to receiving and considering a report and recommendations of the Mayor where the Municipal Manager is involved and Municipal Manager where a section 56 manager is involved.
5(7)	Authorising the Mayor and Municipal Manager to appoint and sign letters of appointment of the Presiding Officer and Prosecutor in a disciplinary hearing.	Subject to a Council resolution in this regard.
6(1)	Suspending a Senior Manager from duty.	Subject to receiving written representation by Senior Manager in terms of Regulation 6(2)
6(5) (b)	Reporting to the Minister and MEC in the Province for Local Government of the suspension of a Senior Manager.	None
11(1)	Appointing of an Arbitrator to conduct a pre-dismissal hearing regarding misconduct committed by Senior Manager.	Subject to receiving consent of the Senior Manager concerned.
12(3) (a)	Implementing the sanction imposed by Presiding Officer in a disciplinary hearing against Senior Manager.	Subject to receiving Presiding Officer's report and sanction
12(3) (b)	Reporting the outcome of disciplinary proceedings to the MEC and Minister.	Within 14 days after the finalisation of disciplinary hearing.
12(3)(c)	Reporting to the MEC for Finance in the province and Auditor-General where a Senior Manager has been found guilty of financial misconduct.	Subject to the prescribed provisions of the MFMA.

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. 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 ithe 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 the development 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 Finance Portfolio 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.
- 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 will operate 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 Services Portfolio Committee, in respect of its 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 Services Portfolio 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 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 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 Technical Services 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 Services Portfolio 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 for consideration 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;

3.2. The Portfolio Committee may consult with the Municipal Manager and the relevant Head of Department on municipality's policies and programmes.

3.3. 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.

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 Technical 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 Mayor.

7. Interaction with staff members

The Portfolio Committee, or its individual members, interacts directly with the Head: Technical Services;

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.

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 Community Portfolio 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 Services Portfolio 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 oon 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 **oversight function** 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 right to govern on its own initiative the local government affairs of its community (Sect.151(3))
  - authorises 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.<u>It reports and recommends to Council (not EXCO)</u>.
- 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.

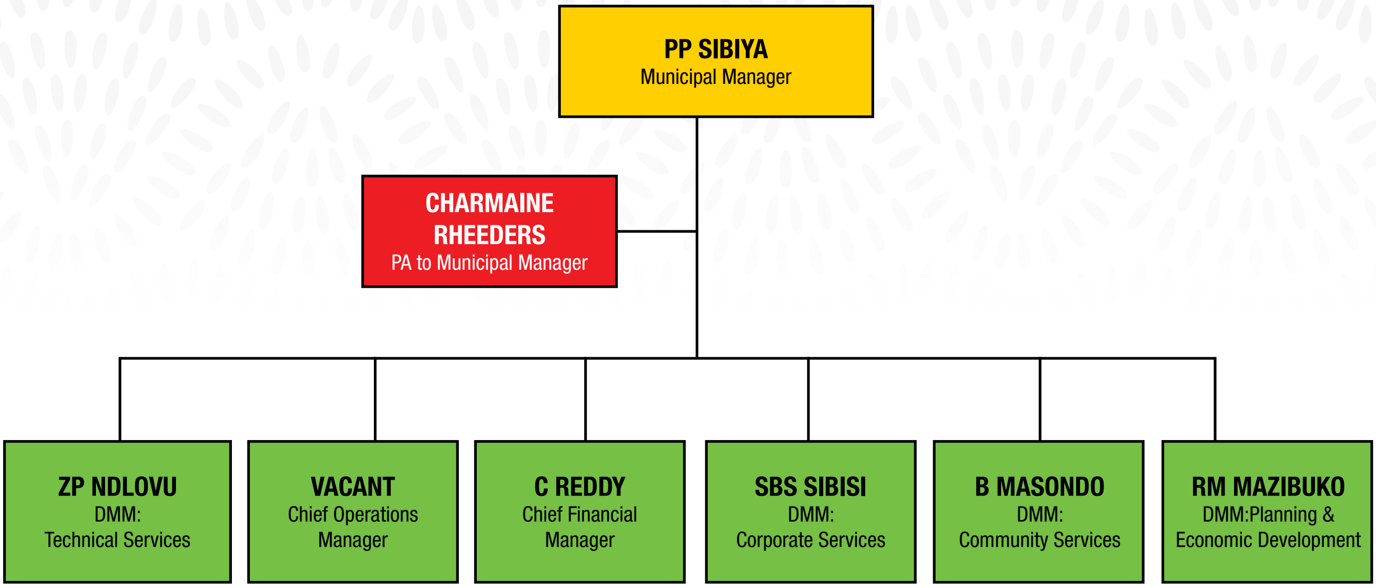
Conclusion

- 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

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

NO.	DATE	AGENDA ITEM	RESPONSIBILITY	STATUS	STATUS
1	21-Aug-23	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.	AMM Hon. Leadership DMM: Finance DMM: Technical	To note that the final accounts have been reconciled and all information submitted to uMngeni-uThukela for their final review. At this stage we await their processing. COGTA facilitated a meeting between KCDM, UUW & DWS and the resolution of the meeting was that this matter goes through the IGR dispute resolution. So it was agreed in the meeting that within the next 30 days from the date of the last meeting, information was submitted to DWS for a report to be compiled which will be presented. UUW submitted a proposal for other options. The information was submitted and a follow up was done by DWS, which was also responded on this week. The Municipal Manager informed the Committee that Council took a decision to terminate the contract of uMngeni-uThukela Water as from 13 March 2025.	In progress
2	26-Aug-25	KCDMAC: 38/2024 - Internal Audit Progress Report Internal Audit to follow up on the completion of the data migration.		Completed	Completed
3	06-Nov-2024	KCDMAC: 41/2024 - Internal Audit activities for quarter one of the 2024/2025 financial year DMM: Corporate Services to give feedback on the progress made with regards to the findings raised in points 1.9.1. to 1.9.5. at the next Audit Committee meeting.	DMM:CS	Completed	January 2025
4	06-Nov-2024	KCDMAC: 43/2024 - Internal Audit Performance Assessment Audit software to be procured by March 2025. External Assessment to be conducted before the end of 2024/2025 financial year.	CAE	Option of getting a license and using the system that the City is using is in consideration. Funds are currently being sourced to procure the software.	March 2025

NO.	DATE	AGENDA ITEM	RESPONSIBILITY	STATUS	STATUS
5	14-Mar-2025	**KCDMAC: 58/2025 - The Audit Action Plan for King Cetshwayo7District Municipality Audit Findings 2023/2024** The Committee to be provided with feedback on the installation of flow meters at the next Audit Committee meeting.	DMM:TS	Completed	June 2025
6	13-Jun-2025	**KCDMAC: 64/2025 - Audit Committee Charter and Audit Committee Work Plan** The adopted Audit Committee Charter be submitted to Council for approval.	CAE	Completed Served at Council on 29 July 2025 KCDMC: 3596/2025	July 2025
7	13-Jun-2025	**KCDMAC: 66/2025 - Approval of reviewed internal Audit Methodology and Procedure Manual** The internal audit methodology to be considered and recommended to Council for approval.	CAE	Completed Served at Council on 29 July 2025 KCDMC: 3598/2025	July 2025
8	13-Jun-2025	**KCDMAC: 67/2025 - King Cetshwayo District Municipality implementation of Risk Management for quarter four of 2024/2025** The Committee requested that the Vuvuzela Fraud and Ethics reports be discussed at the next Audit Committee meeting.	CAE	Item to serve at the next Audit meeting on 10 October 2025	August 2025

AUDIT COMMITTEE MEETINGS 2024/2025

- 26 August 2024
- 06 November 2024
- 17 January 2025
- 14 March 2025
- 13 June 2025

AUDIT ACTION PLAN – BASED ON AUDIT REPORT 2024/2025
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 as well as non-achievement of planned targets raised by the Auditor-General in the 2024/2025 audit report.

NO.	Nature	Description	Audit Action Plans
1	An uncertainty relating to the future outcome of exceptional dispute	With reference to note 42 of the financial statements, the municipality is party to various water service disputes over tariffs that have been levied and labour-related claims. The ultimate outcome of the matters could not be determined and no provision for any liability that may result was made in the financial statements.	**Audit Action** 1. The tariff dispute with UUW has been escalated to the Minister of Water and Sanitation who has requested the KZN DWS to mediate on the matter. 2. Monthly follow ups with the mediator will be undertaken to monitor progress. 3. The dispute with DWS will be followed up monthly through formal correspondence 4. The contingent liability for the labour related claims are being dealt with via legal/court processes and will be monitored through the monthly litigation report to Council structures. **Responsible Person** Municipal Manager **Target Date** 2 & 3 -Monthly follows from January 2026 - UUW & DWS 4 - Monthly litigation reports
2	Material allowance for impairment: receivables from exchange transactions - consumer debtors	As disclosed in note 3 to the financial statements, the consumer debtors balance was significantly impaired. The total impairment of consumer debtors was R57,02 million (2023-24: R44,97 million), which represented 47% (2023-24: 41%) of total consumer debtors.	**Audit Action** 1. Implementation of the credit control measures as per the credit control and debt collection policy, by a) Disconnecting customers who continuously do not pay outstanding debts b) Handing over for debts collection of long outstanding debts, starting with business customers. c) Technical to develop a plan to resolve the infrastructure challenges – water meters. d) Monthly tracking of the implementation of the plan through portfolio committee Monthly reporting of the progress through the Finance and Technical Portfolio committees. 2. Aggressive indigent registration outreach programs have been scheduled with pre-planned dates for the year with the assistance of public participation. Have one on one with respective ward councillors to assist in identifying potential customers. The progress to be measured against the number of meetings held and registration numbers. **Responsible Person** Senior Manager: Revenue HOD: Operations and Networks & DMM Technical service WSA **Target Date** Monthly implementation of the credit control and debt collection policy Develop infrastructure plan - 31 March 2026 Monthly implementation of the infrastructure plan from April 2026

NO.	Nature	Description	Audit Action Plans
3	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 78%).	**Audit Action** 1. Monthly monitoring of the newly appointed SP (10 September 2025) through monthly reports to community services portfolio 2. Monthly sampling and analysis to monitor both the ground and underground water quality is ongoing. 3. Maintenance plan to be developed and monitored monthly. 4. Implementation of developed daily inspection sheets/templates for site monitoring is ongoing. 5. The second phase of staff training is scheduled to take place by 31 March 2026. 6. Meeting to be finalised with COU regarding the leachate permit by 28 January 2026. 7. The department will be undertaking a review of the 25/26 targets as part of the mid-year budget review process to ensure that the target set is realistic/ achievable considering the available budget and compliance requirements. 8. The reviewed/amended target will be monitored with the Actual to target in March 2026 being used to ascertain whether any corrective actions may be necessary **Responsible Person** HOD: WSP/DMM Community Services DMM Technical Services **Target Date** Monthly monitoring through reports Point 3, 5 and 8 - 31 March 2026 Point 6 - 28 January 2026 30 June 2026
4	Achievement of planned targets: Percentage of households with access to basic water services.	Percentage of households with access to basic water services (target 78.70%; actual 58.69%).	**Audit Action** 1. Middledrift SSA5 project – expedite the refurbishment/replacement of the faulty Middledrift P/S 1 high-lift pump, which will increase the volume of bulk water to supply the new connections. 2. Mbonambi Bulk Water Supply – expedite the appointment of the contractor and work on site for the complete scope of work remaining from the terminated contract. 3. Enhanced due diligence on financial health checks and capability assessments to ensure new appointed contractors can absorb the work and manage cash flow through the development of a SOP. 4. Review and implement monthly performance report signed by the Representative 1of the Municipality, the Contractor and Employer's Agent Representative. 5. Senior Management through the attendance of site project meetings as well impromptu monthly site visits(i.e. DMM: Technical-WSA and/or SM: MII) will ensure monthly oversite on bulk water and water reticulation projects. 6. The department will be undertaking a review of the 2526 targets as part of the mid-year budget review process. **Responsible Person** SM: MII DMM: WSA **Target Date** 1 – By 30 April 2026 2 – By 27 February 2026 3 – By 30 January 2026 4 – All project reports submitted from February 2026 until completion 5 – Monthly until project finalised

NO.	Nature	Description	Audit Action Plans
5	Achievement of planned targets: Number of house-holds with access to basic water	Number of households with access to basic water (target 82 873; actual 82 686)	**Audit Action** 1. Middledrift SSA5 project – expedite the refurbishment/replacement of the faulty Middledrift P/S 1 high-lift pump, which will increase the volume of bulk water to supply the new connections 2. Mbonambi Bulk Water Supply – expedite the appointment of the contractor and work on site for the complete scope of work remaining from the terminated contract. 3. Enhanced due diligence on financial health checks and capability assessments to ensure new appointed contractors can absorb the work and manage cash flow through the development of a SOP. 4. Review and implement monthly performance report signed by the Representative 1 of the Municipality, the Contractor and Employer's Agent Representative. 5. Senior Management through the attendance of site project meetings as well impromptu monthly site visits(i.e. DMM: Technical-WSA and/or SM: MII) will ensure monthly oversite on bulk water and water reticulation projects. 6. The department will be undertaking a review of the 2526 targets as part of the mid-year budget review process. **Responsible Person** SM: MII DMM: WSA **Target Date** 1 – By 30 April 2026 2 – By 27 February 2026 3 – By 30 January 2026 4 – All project reports submitted from February 2026 until completion 5 – Monthly until project finalised
6	Achievement of planned targets: Number of new water connections	Number of new water connections (target 778 ; actual 591)	**Audit Action** 1. Middledrift SSA5 project – expedite the refurbishment/replacement of the faulty Middledrift P/S 1 high-lift pump, which will increase the volume of bulk water to supply the new connections 2. Mbonambi Bulk Water Supply – expedite the appointment of the contractor and work on site for the complete scope of work remaining from the terminated contract. 3. Enhanced due diligence on financial health checks and capability assessments to ensure new appointed contractors can absorb the work and manage cash flow through the development of a SOP. 4. Review and implement monthly performance report signed by the Representative 1of the Municipality, the Contractor and Employer's Agent Representative. 5. Senior Management through the attendance of site project meetings as well impromptu monthly site visits(i.e. DMM: Technical-WSA and/or SM: MII) will ensure monthly oversite on bulk water and water reticulation projects. 6. The department will be undertaking a review of the 2526 targets as part of the mid-year budget review process. **Responsible Person** SM: MII DMM: WSA **Target Date** 1 – By 30 April 2026 2 – By 27 February 2026 3 – By 30 January 2026 4 – All project reports submitted from February 2026 until completion 5 – Monthly until project finalised

NO.	Nature	Description	Audit Action Plans
7	Achievement of planned targets: Percentage reduction of water services backlog	Percentage reduction of water services backlog (target 0.74%; actual 0.42%)	**Audit Action** 1. Middledrift SSA5 project – expedite the refurbishment/replacement of the faulty Middledrift P/S 1 high-lift pump, which will increase the volume of bulk water to supply the new connections 2. Mbonambi Bulk Water Supply – expedite the appointment of the contractor and work on site for the complete scope of work remaining from the terminated contract. 3. Enhanced due diligence on financial health checks and capability assessments to ensure new appointed contractors can absorb the work and manage cash flow through the development of a SOP. 4. Review and implement monthly performance report signed by the Representative 1of the Municipality, the Contractor and Employer's Agent Representative. 5. Senior Management through the attendance of site project meetings as well impromptu monthly site visits(i.e. DMM: Technical-WSA and/or SM: MII) will ensure monthly oversite on bulk water and water reticulation projects. 6. The department will be undertaking a review of the 2526 targets as part of the mid-year budget review process. **Responsible Person** SM: MII DMM: WSA **Target Date** 1 – By 30 April 2026 2 – By 27 February 2026 3 – By 30 January 2026 4 – All project reports submitted from February 2026 until completion 5 – Monthly until project finalised
8	Achievement of planned targets: SANS 241:2015	Percentage compliance to SANS 241:2015 (target 94%; actual 91.22%).	**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 31 March 2026. 3. The department will be undertaking a review of the 25/26 targets as part of the mid-year budget review process. **Responsible Person** HOD: WSP/DMM Community Services DMM Technical Services **Target Date** 1 – Monthly monitoring 2 – Refurbishments by 31 March 2026
9	Achievement of planned targets: Percentage of infrastructure and maintenance budget spent in repairs	Percentage of infrastructure and maintenance budget spent in repairs (target 100%; actual 88%).	**Audit Action** The infrastructure spend and budget will be monitored monthly through report to the portfolio committee **Responsible Person** HOD: WSP **Target Date** Monthly

NO.	Nature	Description	Audit Action Plans
10	Achievement of planned targets: Water and sanitation complaints.	Percentage of official water and sanitation complaints responded to within 48 hours (target 100%; actual 62.92%).	**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, WSP. **Responsible Person** HOD: WSP/DMM Community Services DMM Technical Services **Target Date** 28 February 2026
11	Achievement of planned targets: Percentage of households with access to basic sanitation services	Percentage of households with access to basic sanitation services (target 105%; actual 74.77%)	**Audit Action** 1. Finalize WSDP review which will then indicate the current backlog. (April 2026) 2. Plan to incorporate underserved (grey areas) to ensure the prioritization of water connections. (April 2026) 3. Reviewed WSDP to be submitted to DWS for review and approval. **Responsible Person** A/SN/ WSA DMM: WSA **Target Date** 1 – By April 2026 2 – By April 2026 3 – By June 2026
12	Additional commitment: Material water distribution losses	Water distribution losses to be within the National Treasury norm of 30% or less.	**Audit Action** 1. Continuous monitoring of the implementation of the water loss reduction plan through submission to the Audit Committee and Council. 2. Monitoring of water losses through Top Layer SDBIP and MM office. 3. Quarterly submission of water loss report and resolutions to external auditors from the Audit committee. **Responsible Person** Senior Manager: WSA DMM: WSA Municipal Manager **Target Date** Ongoing

APPENDIX J: REPORT ON THE SUBMISSION OF DECLARATIONS OF INTEREST FOR THE PERIOD JULY 2024 TO JUNE 2025

The annual declaration of interest memo for employees to make their yearly submissions was circulated to all staff on 29 July 2024 for the 2024/2025 Financial Year.

The majority of employees did not adhere to the deadline due date being 29 November 2024 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 2025, a total of 474 staff members have declared their interests for the 2024/2025 financial year with a staff complement of 617.

Below is a breakdown of the Declarations of Interest submitted per department.

Declaration Submitted – 2024/2025 FY

Department Name	No. of Declarations Submitted
MMs Department	16
Technical	288
Finance	54
Community	41
Corporate	65
Planning	10
TOTAL SUBMITTED	**474**
Staff Complement	**617**
Outstanding	**143**

APPENDIX K: REVENUE COLLECTION PERFORMANCE

EXECUTIVE SUMMARY

Table 1 represents a municipal executive summary for the financial period ended 30th June 2025.

Table 1 – Provisional Summary for Financial Period ended June 2025

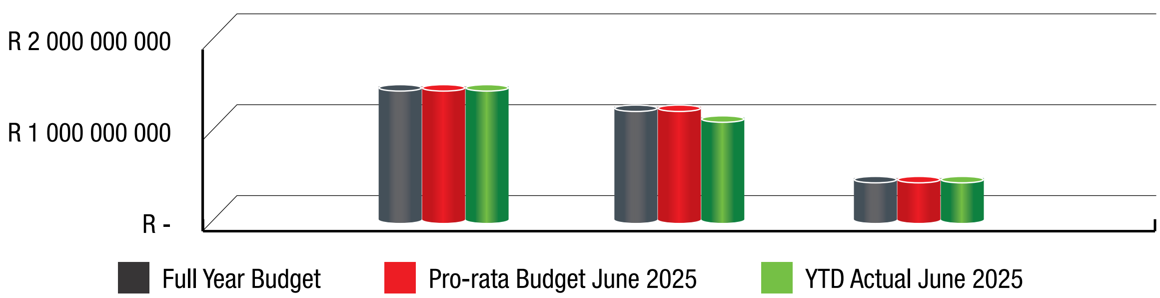
Description	Full Year BUDGET 2024/25 R '000	Pro-rata BUDGET 2024/25 R '000	Actual figures to June 2025 R '000	Target Achieved % (Actual vs. Pro-rata) %	Ref
Revenue - Operational (Incl. Ops Grants)	904 161	904 161	904 710	-	*C1*
Expenditure - Operational	1 188 094	1 188 094	1 031 811	(13)	*C1*
Operational Surplus/deficit	(283 933)	(283 933)	(127 101)		*C1*
Add: Non Cash Backed Depreciation	152 827	152 827	100 706	-	
Add: Non Cash Backed Water Losses	77 430	77 430	56 995	-	
Add: Non - Losses on Disposal of Assets	-	-	1 980		
Add: Non Cash Backed Debt Impairment	9 869	9 869	-	-	
Add: Non Cash Backed Bad Debt Written off	9 122	9 122	1 661	-	
Add: Non Cash Backed Actuarial	7 414	7 414	7 414	-	
Add: Non Cash Backed Provision for Rehabilitation of Landfill site	7 631	7 631	7 630	-	
Add: : VAT Funded - Municipal Services	2 664	2 664	2 663	-	
Add: LGSETA Prior Year Refund	244	244	130	-	
Add: VAT Funded - Inventory Consumable Stores - Zero Rated	16 810	16 810	15 335	-	
Surplus/(Deficit) after Non Cash Depreciation and surplus funded Exp	**78**	**78**	**67 414**	**-**	

Description	Full Year BUDGET 2024/25	Pro-rata BUDGET 2024/25	Actual figures to June 2025	Target Achieved % (Actual vs. Pro-rata)	Ref
Revenue - Capital Transfers	463 231	463 231	463 216	-	*C1*
Add: Internal funding (VAT & Prior year surpluses)	35 477	35 477	30 279	(15)	
Expenditure - Capital	438 287	438 287	433 087	(1)	*C1*
Input VAT (Capital Projects)	60 500	60 500	60 406	-	
Surplus/(Deficit) after Non Cash Depreciation and surplus funded Exp	**78**	**78**	**67 414**	**-**	

Source: Budget Table C1

Figure 1 illustrates the trend in Revenue and Expenditure as well as comparison to the Full Year Budget, for the period ended June 2025.

Figure 1: TREND IN REVENUE & EXPENDITURE vs ANNUAL BUDGET



2.1. REVENUE

2.1.1. Provisional Municipal Operational Revenue Trends

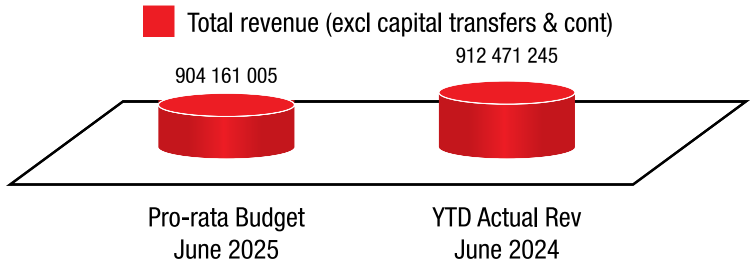
Table 2 & Figure 2 demonstrates the municipal source of funding per revenue categories.

Table 2 – Provisional Revenue per Category					
REVENUE PER CATEGORY	Full Year BUDGET 2024/25	PRO-RATA BUDGET 2024/25	ACTUAL YTD June 2025	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	%
Exchange Revenue					
Service charges – water revenue	69 713	69 713	61 846	(7 866)	(11)
Service charges – sanitation revenue	10 607	10 607	8 792	(1 815)	(17)
Service charges – refuse revenue	40 314	40 314	38 651	(1 663)	(4)
Sales of Goods and Rendering of Services	823	823	1 053	231	(28)
Interest earned from Receivables	1 699	1 699	4 284	2 585	152
Interest earned from Current and Non-Current Assets	27 560	27 560	29 489	1 929	7
Rental from Fixed Assets	343	343	325	(19)	(5)
Licences or permits	166	166	196	30	18
Operational Revenue	2 643	2 643	724	(1 919)	(73)
Non-Exchange Revenue					
Fines, penalties and forfeits	1 577	1 577	3 582	2 006	127
Transfer and subsidies - Operational	748 716	748 716	748 716	-	-
Interest	-	-	196	196	100
Operational Revenue	-	-	2 353	2 353	100
Gains on disposal of Assets			12 139	12 139	100
Other Gains			123	123	100
Total Revenue (excluding capital transfers and contributions)	**904 161**	**904 161**	**912 471**	**8 310**	**-**
					Source: Budget Table C4

VOTE		AMOUNT
24035651940ZZZZZZZ11	WATER	- 54 341 880,72
25015651540ZZZZZZZ11	SANITATION	- 6 918 563,38
22015651240ZZZZZZZ11	WASTE	- 34 751 388,51
		- 96 011 832,61

Figure 2 shows the actual revenue as compared to the budget

Figure 2: ACTUAL REVENUE vs BUDGET

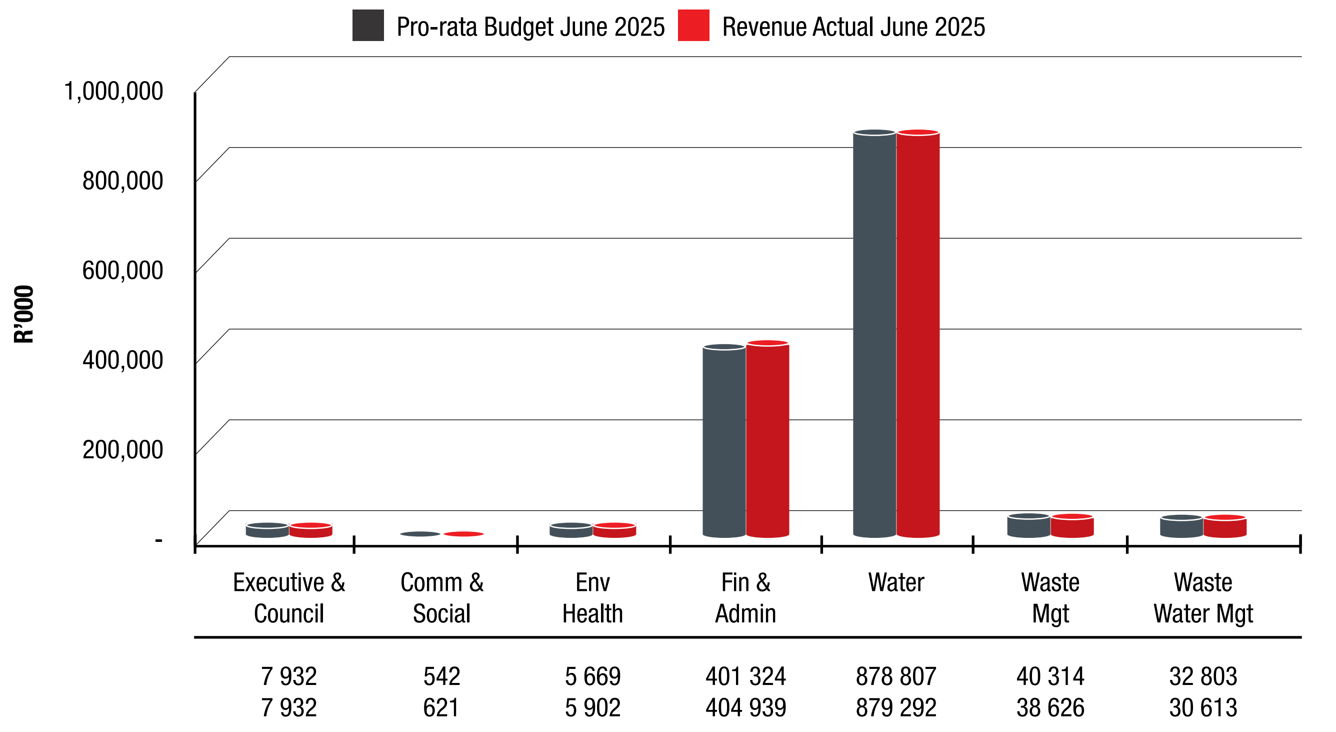


2.1.2. Provisional Municipal Departmental Revenue

Table 3 & Figure 3 illustrates the trend in Departmental Revenue as compared to the Budget for the period ending 30th June 2025.

Table 3 – Provisional Municipal Revenue per Department – Inclusive of Capital Contributions					
REVENUE PER CATEGORY	Full Year BUDGET 2024/25	PRO-RATA BUDGET 2024/25	ACTUAL YTD June 2025	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	%
Executive & Council	7 932	7 932	7 932	-	-
Community & Social Services	542	542	621	79	15
Environmental Health	5 669	5 669	5 902	233	4
Finance & Administration	401 324	401 324	404 939	3 615	1
Water (Infrastructure Services)	878 807	878 807	879 292	485	-
Waste Management	40 314	40 314	38 626	(1 688)	(4)
Waste Water Management	32 803	32 803	30 613	(2 190)	(7)
Total Revenue	**1 367 392**	**1 367 392**	**1 367 926**	**533**	**-**
					Source: Budget Table C3

Figure 3: TREND IN DEPARTMENTAL REVENUE vs ANNUAL BUDGET (June 2025)



APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

5. The grant register as at the end of June 2025, be noted.

DC28 KING CETSHWAYO DM MUNICIPALITY GRANT REGISTER

Monday, 30 June 2025

Name of grant	DORA Grant Allocation July 2024 - June 2025	Adjusted DORA Allocation March 2025	Outstanding Receipts DORA	Receipts	Expenditure: Operating (Revenue Recognised)	Expenditure: Capital (Revenue Recognised)	Total Expenditure - current year	Closing Balance as at 30 June 2025
Expanded Public Works Programme Integrated grant for Municipalities (EPWP)	4 340 000	4 340 000	-	R 4 340 000	R 4 340 000	R -	R 4 340 000	R -
Financial Management Grant (FMG)	1 200 000	1 200 000	-	R 1 200 000	R 1 200 000	R -	R 1 200 000	R -0
NT - LG SETA	29 040	29 040	-	R 29 040	R 14 040	R 15 000	R 29 040	R -
Municipal Infrastructure Grant (MIG)	194 543 000	194 543 000	-	R 194 543 000	R 17 520 531	R 177 022 469	R 194 543 000	R -
Water Services Infrastructure Grant (WSIG)	93 500 000	93 500 000	-	R 93 500 000	R 2 050 000	R 91 450 000	R 93 500 000	R -
Private Sector - Donations		121 000	-	R 121 000	R 121 000	R -	R 121 000	R -
Regional Bulk Infrastructure Grant (RBIG)	194 744 000	194 744 000	-	R 194 744 000	R -	R 194 744 000	R 194 744 000	R 0
Rural Roads Asset Management Systems Grant (RRAMSG)	2 837 000	2 837 000	-	R 2 837 000	R 2 837 000	R -	R 2 837 000	R 0
Equitable share	720 633 000	720 633 000	-	R 720 633 000				
	R 1 211 826 040	R 1 211 947 040	R -	R 1 211 947 040	R 28 082 571	R 463 231 469	R 491 314 040	R 0

APPENDIX M:CAPITAL EXPENDITURE - NEW & UPGRADE/ RENEWAL PROGRAMMES: INCLUDING MIG

ANNEXURE T

Expenditure on MIG Funded Projects as at 30 June 2025

Account Number	Project Name	2024/25 Allocation	Adjustments	Total MIG Budget 2024/25	YTD Expenditure June 2025	Balance available	% YTD Expenditure
Capital Projects							
2501644942090S01ZZ15	Eshowe Sewer Upgrade	11,157,566	-2,020,351	9,137,215	9,137,214	1	100%
2501644942090S02ZZ16	Melmoth Sewer Upgrade	10,780,869	-10,780,869	-	-	-	#DIV/0!
2501644942090S03ZZ15	MTUNZINI SEWER UPGRADE	-	519,689	519,689	-	519,689	0%
2409644502090WB1ZZ15	Eshowe SSA1	30,382,703	-8,641,441	21,741,262	21,741,262	-	100%
2409644602090W35ZZ15	Middledrift SSA5 - Distribution	-	5,295,516	5,295,516	5,295,516	-	100%
2409644602090W37ZZ15	KwaHlokohloko SSA1- Distribution	20,081,644	45,700,202	65,781,846	67,091,946	-1,310,100	102%
2409644602090W38ZZ15	MIDDLEDRIFT PHASE 2 - DISTRIBUTION	-	650,000	650,000	649,999	1	100%
2409644602090W42ZZ13	Mbonambi Water Phase 2 - Distribution	11,451,304	-4,108,013	7,343,291	7,343,291	-	100%
2409644702090W44ZZ16	Greater Mthonjaneni SSA4 - Reseviors	8,000,000	-7,159,044	840,956	840,956	-	100%
2409644802090W45ZZ17	Nkandla Vitshini S/A SSA5 - Plant Upgrade	35,785,217	5,558,817	41,344,034	41,344,034	-	100%
2409644802090W46ZZ15	KWaHlokohloko S/A SSA5 - Plant Upgrade	11,726,957	-11,338,595	388,362	388,361	1	100%
2406647002090CA7ZZ12	COMPUTER EQUIPMENT	-	100,000	100,000	100,000	-	-
2501644942090WW1ZZ15	MTHUNZINI WWTW	-	790,411	790,411	-	790,411	-
	TOTAL	**139,366,260**	**14,566,322**	**153,932,582**	**153,932,579**	**3**	
Operational Projects							
2406230453075172ZZ12	OC: PARKING FEES	-	174	174	-	174	0%
2406230576075172ZZ12	OC: T&S DOM - ACCOMMODATION	-	10,766	10,766	6,909	3,857	64%
2406230578075172ZZ12	OC: T&S DOM - FOOD & BEVERAGE (SERVE	-	3,132	3,132	2,183	949	70%
2406230581075172ZZ12	OC: T&S DOM TRP - W/OUT OPR OWN TRA	-	13,793	13,793	19,389	-5,596	141%
2501226210075531ZZ15	Umlalazi Sanitation Phase 9,10 & 11	10,000,000	182,075	10,182,075	8,843,151	1,338,924	87%
	PMU	9,824,800	-2,514,209	7,310,591	7,260,603	49,988	99%
	TOTAL	**19,824,800**	**-2,304,269**	**17,520,531**	**16,132,235**	**1,388,296**	**92%**
	VAT	**20,904,939**	**2,184,948**	**23,089,887**	**21,511,676**	**1,578,211**	**93%**
TOTAL MIG FUNDED PROJECTS		**180,095,999**	**14,447,001**	**194,543,000**	**191,576,490**	**2,966,510**	**98%**
	TOTAL EXPENDITURE CERTIFIED BY COGTA						

00030251

APPENDIX N:CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

ANNEXURE AE

CAPITAL PROJECTS AS AT 30 JUNE 2025														
Cust	Year	AT	Vote No	Cost Centre	Budget Type	Project	Vote Description	Adjustment Budget	Budget YTD	Exp June	Expenditure YTD	Commitments	Variance	Variance %
UTHU	2425	P	2407644602091DP1ZZ12	2407	6	DP1	METER INSTALLATION	1,710,970	1,710,970	-	-	-	(1,710,970)	-100%
UTHU	2425	P	2407644542094WF2ZZ17	2407	6	WF2	NKANDLA WEIR	516,708	516,708	-	516,708	-	(0)	0%
UTHU	2425	P	2407644502094WA8ZZ12	2407	6	WA8	WC/WDM STRATEGY IMPLEMENTATION	34,441,556	34,441,556	2,751,643	34,441,556	-	-	0%
				2407 Total				36,669,234	36,669,234	2,751,643	34,958,264	-	(1,710,970)	-5%
UTHU	2425	P	2408645602091M01ZZ12	2408	6	M01	MACHINERY AND EQUIPMENT	5,147,408	5,147,408	167,000	4,882,530	-	(264,878)	-5%
				2408 Total				5,147,408	5,147,408	167,000	4,882,530	-	(264,878)	-5%
UTHU	2425	P	2409644802091WT1ZZ16	2409	6	WT1	THUBALETHU WATER PROJECT	4,756,540	4,756,540	-	3,786,904	969,636	(969,636)	-20%
UTHU	2425	P	2409644802090W46ZZ15	2409	6	W46	KWAHLOKOHLOKO S/A SSA5 - PLANT UPGRADE	388,362	388,362	-	388,361	1	(1)	0%
UTHU	2425	P	2409644602090W38ZZ15	2409	6	W38	MIDDLEDRIFT PHASE 2 - DISTRIBUTION	650,000	650,000	-	649,999	1	(1)	0%
UTHU	2425	P	2409644442094W27ZZ15	2409	6	W27	EGCOTSHENI BOREHOLE	4,731,563	4,731,563	-	4,731,563	-	(0)	0%
UTHU	2425	P	2409644602094WH4ZZ13	2409	6	WH4	SOGEJASI RETICULATION EXTENSION	2,959,394	2,959,394	-	2,959,394	-	(0)	0%
UTHU	2425	P	2409644502096WE6ZZ15	2409	6	WE6	MIDDLEDRIFT SSA3	2,673,626	2,673,626	-	2,673,626	0	(0)	0%
UTHU	2425	P	2409644442094WH7ZZ17	2409	6	WH7	VUMANHLAMVU SPRING	2,763,086	2,763,086	-	2,763,086	-	(0)	0%
UTHU	2425	P	2409644502096WA1ZZ15	2409	6	WA1	KWAHLOKOHLOKO SSA1	56,373,380	56,373,380	4,870,355	56,373,379	1	(1)	0%
UTHU	2425	P	2409644442094W55ZZ15	2409	6	W55	REPLACEMENT OF LIESTER ENGINES - KZ284	3,186,000	3,186,000	3,186,000	3,186,000	-	-	0%
UTHU	2425	P	2409644442094W56ZZ16	2409	6	W56	REPLACEMENT OF LIESTER ENGINES - KZ285	30,144	30,144	30,144	30,144	-	-	0%
UTHU	2425	P	2409644442094W57ZZ17	2409	6	W57	REPLACEMENT OF LIESTER ENGINES - KZ286	5,120,582	5,120,582	5,120,582	5,120,582	-	-	0%
UTHU	2425	P	2409644502090WB1ZZ15	2409	6	WB1	ESHOWE SSA1	21,741,262	21,741,262	1,991,814	21,741,262	-	-	0%
UTHU	2425	P	2409644502096W53ZZ17	2409	6	W53	MIDDLEDRIFT SSA2	6,478,473	6,478,473	1,087,091	6,478,473	-	-	0%
UTHU	2425	P	2409644502096WA2ZZ16	2409	6	WA2	GREATER MTHONJANENI SSA2	103,817,130	103,817,130	5,776	103,817,130	-	-	0%
UTHU	2425	P	2409644602090W35ZZ15	2409	6	W35	MIDDLEDRIFT SSA5 - DISTRIBUTION	5,295,516	5,295,516	3,427	5,295,516	-	-	0%
UTHU	2425	P	2409644602090W37ZZ15	2409	6	W37	KWAHLOKOHLOKO SSA1 - DISTRIBUTION	67,091,946	67,091,946	3,122,551	67,091,946	-	-	0%
UTHU	2425	P	2409644602090W42ZZ13	2409	6	W42	MBONAMBI WATER PHASE 2 - DISTRIBUTION	7,343,291	7,343,291	1,134,775	7,343,291	-	-	0%
UTHU	2425	P	2409644702090W44ZZ16	2409	6	W44	GREATER MTHONJANENI SSA4 - RESEVIORS	840,956	840,956	30,480	840,956	-	-	0%
UTHU	2425	P	2409644802090W45ZZ17	2409	6	W45	NKANDLA VITSHINI S/A SSA5 - PLANT UPGRAD	41,344,034	41,344,034	4,138,358	41,344,034	-	-	0%
UTHU	2425	P	2409644442094W19ZZ15	2409	6	W19	MOMBENI BOREHOLE	4,458,319	4,458,319	-	4,458,319	-	0	0%
UTHU	2425	P	2409644442094WH3ZZ13	2409	6	WH3	MTHWANE BOREHOLE	4,430,444	4,430,444	-	4,430,444	-	0	0%
UTHU	2425	P	2409644442094WH5ZZ17	2409	6	WH5	NKUNZIKAYIHLEHLI BOREHOLE	3,777,264	3,777,264	-	3,777,264	-	0	0%
UTHU	2425	P	2409644442094WH8ZZ16	2409	6	WH8	LUMBI BOREHOLE	5,870,979	5,870,979	200,900	5,870,979	0	0	0%
UTHU	2425	P	2409644442094WH6ZZ17	2409	6	WH6	VUMANGOMA BOREHOLE	4,159,871	4,159,871	-	4,159,871	-	0	0%
UTHU	2425	P	2409644602094WH9ZZ16	2409	6	WH9	QONGQWANE RETICULATION EXTENSION	3,075,829	3,075,829	-	3,075,829	-	0	0%
				2409 Total				363,357,991	363,357,991	24,922,253	362,388,354	969,638	(969,637)	0%
UTHU	2425	P	2411647402091B11ZZ15	2411	6	B11	AMAKHOSI CHAMBERS	9,333,345	9,333,345	-	7,713,312	1,620,033	(1,620,033)	-17%
				2411 Total				9,333,345	9,333,345	-	7,713,312	1,620,033	(1,620,033)	-17%
UTHU	2425	P	2412644442091WE4ZZ12	2412	6	WE4	SURVIVAL WATER BOREHOLE	7,789,735	7,789,735	921,849	7,734,759	-	(54,976)	-1%

CAPITAL PROJECTS AS AT 30 JUNE 2025

Cust	Year	AT	Vote No	Cost Centre	Budget Type	Project	Vote Description	Adjustment Budget	Budget YTD	Exp June	Expenditure YTD	Commitments	Variance	Variance %
UTHU	2425	P	1101646002091F01ZZ11	1101	6	F01	FURNITURE & EQUIPMENT	130,826	130,826	-	2,999	-	(127,828)	-98%
UTHU	2425	P	1101642042091T01ZZ11	1101	6	T01	P-CNIN TRANSPORT ASSETS	1,958,239	1,958,239	-	1,958,239	-	(0)	0%
				1101 Total				2,089,065	2,089,065	-	1,961,237	-	(127,828)	-6%
UTHU	2425	P	1102646002091F01ZZ11	1102	6	F01	FURNITURE & EQUIPMENT	17,392	17,392	16,745	16,745	-	(647)	-4%
				1102 Total				17,392	17,392	16,745	16,745	-	(647)	-4%
UTHU	2425	P	1111647102091CA7ZZ11	1111	6	CA7	COMPUTER EQUIPMENT	84,783	84,783	82,758	82,758	-	(2,025)	-2%
				1111 Total				84,783	84,783	82,758	82,758	-	(2,025)	-2%
UTHU	2425	P	1201647102051CA7ZZ11	1201	6	CA7	COMPUTER EQUIPMENT	13,043	13,043	11,376	11,376	-	(1,667)	-13%
				1201 Total				13,043	13,043	11,376	11,376	-	(1,667)	-13%
UTHU	2425	P	1204646002091F01ZZ11	1204	6	F01	FURNITURE & EQUIPMENT	16,551	16,551	-	16,551	-	-	0%
				1204 Total				16,551	16,551	-	16,551	-	-	0%
UTHU	2425	P	1205647102091CA0ZZ11	1205	6	CA0	BIOMETRIC SECURITY SYSTEM	148,000	148,000	130,157	130,157	-	(17,843)	-12%
UTHU	2425	P	1205646002091F01ZZ11	1205	6	F01	FURNITURE & EQUIPMENT	262,306	262,306	29,250	250,706	10,750	(11,601)	-4%
UTHU	2425	P	1205647402091B05ZZ11	1205	6	B05	FENCING	129,651	129,651	-	129,650	-	(1)	0%
				1205 Total				539,957	539,957	159,407	510,512	10,750	(29,445)	-5%
UTHU	2425	P	1208647102091CB6ZZ11	1208	6	CB6	IMPLEMENTATION OF MSCOA(COMP EQUIP)	209,770	209,770	82,750	151,420	-	(58,350)	-28%
UTHU	2425	P	1208646002091F01ZZ11	1208	6	F01	P-CNIN FURN & OFF EQUIP	41,000	41,000	12,798	33,756	-	(7,245)	-18%
UTHU	2425	P	1208615142091C16ZZ11	1208	6	C16	IMPLEMENTATION OF MSCOA	-	-	(3,458)	-	-	-	#DIV/0!
				1208 Total				250,770	250,770	92,090	185,175	-	(65,595)	-26%
UTHU	2425	P	1210647102091CB0ZZ11	1210	6	CB0	BUSINESS CONTINUITY PLAN	384,365	384,365	214,439	214,439	-	(169,926)	-44%
UTHU	2425	P	1210647102091CA9ZZ11	1210	6	CA9	IT EQUIPMENT STOCK	977,739	977,739	120,933	804,440	141,081	(173,299)	-18%
UTHU	2425	P	1210647102091CA8ZZ11	1210	6	CA8	COMPUTER & NETWORK COMPONENTS	147,826	147,826	-	147,826	-	(0)	0%
				1210 Total				1,509,930	1,509,930	335,372	1,166,705	141,081	(343,225)	-23%
UTHU	2425	P	1211646002091F01ZZ11	1211	6	F01	FURNITURE & EQUIPMENT	17,000	17,000	-	11,764	-	(5,236)	-31%
				1211 Total				17,000	17,000	-	11,764	-	(5,236)	-31%
UTHU	2425	P	1212646002091F01ZZ11	1212	6	F01	FURNITURE & EQUIPMENT	10,000	10,000	-	10,000	-	-	0%
				1212 Total				10,000	10,000	-	10,000	-	-	0%
UTHU	2425	P	1304646002091F01ZZ12	1304	6	F01	FURNITURE & EQUIPMENT	19,500	19,500	19,500	19,500	-	-	0%
				1304 Total				19,500	19,500	19,500	19,500	-	-	0%
UTHU	2425	P	1401646002091F01ZZ12	1401	6	F01	FURNITURE & EQUIPMENT	9,074	9,074	6,900	6,900	2,174	(2,174)	-24%
				1401 Total				9,074	9,074	6,900	6,900	2,174	(2,174)	-24%
UTHU	2425	P	1402645602091M01ZZ12	1402	6	M01	P-CNIN MACHINERY & EQUIP	7,131	7,131	5,744	5,744	-	(1,387)	-19%
				1402 Total				7,131	7,131	5,744	5,744	-	(1,387)	-19%
UTHU	2425	P	1403646002091F02ZZ12	1403	6	F02	P-CNIN FURN & OFF EQUIP	12,700	12,700	-	12,700	-	-	0%
				1403 Total				12,700	12,700	-	12,700	-	-	0%
UTHU	2425	P	1701646002091F01ZZ12	1701	6	F01	FURNITURE & EQUIPMENT	50,000	50,000	6,763	50,000	-	-	0%
				1701 Total				50,000	50,000	6,763	50,000	-	-	0%
UTHU	2425	P	2201645002091SL4ZZ12	2201	6	SL4	CONSTRUCTION OF CELL 3	2,058,218	2,058,218	-	2,058,218	-	(0)	0%
				2201 Total				2,058,218	2,058,218	-	2,058,218	-	(0)	0%
UTHU	2425	P	2401646002091F01ZZ12	2401	6	F01	FURNITURE & EQUIPMENT	47,070	47,070	-	47,070	-	-	0%
				2401 Total				47,070	47,070	-	47,070	-	-	0%
UTHU	2425	P	2406647002090CA7ZZ12	2406	6	CA7	COMPUTER EQUIPMENT	100,000	100,000	74,590	100,000	-	-	0%
				2406 Total				100,000	100,000	74,590	100,000	-	-	0%

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ANNEXURE AE

CAPITAL PROJECTS AS AT 30 JUNE 2025

Cust	Year	AT	Vote No	Cost Centre	Budget Type	Project	Vote Description	Adjustment Budget	Budget YTD	Exp June	Expenditure YTD	Commitments	Variance	Variance %
				2412 Total				7,789,735	7,789,735	921,849	7,734,759	-	(54,976)	-1%
UTHU	2425	P	25016449420905012Z15	2501	6	S01	ESHOWE SEWER UPGRADE	9,137,215	9,137,215	-	9,137,214	1	(1)	0%
				2501 Total				9,137,215	9,137,215	-	9,137,214	1	(1)	0%
				Grand Total				438,287,112	438,287,112	29,573,990	433,087,389	2,743,677	(5,199,723)	-1%

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