

CITY OF CHOICE



PIETERMARITZBURG
MSUNDUZI

ANNUAL REPORT

2021/22 DRAFT

MSUNDUZI MUNICIPALITY

THE CITY OF CHOICE

VISION

“By 2040 Msunduzi will be a safe, vibrant, sustainable and smart metropolis.”

MISSION

“To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities. ”

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TABLE OF ABBREVIATIONS

AG	Auditor General
AIDS	Acquired Immune deficiency syndrome
AIPF	Associated Institution Pension Fund
AMP	Ampere
APR	Annual Performance Report
BBBEE	Broad Based Black Economic Empowerment
CBD	Central Business District
CCTV	Closed Circuit Television Camera
CFO	Chief Financial Officer
CLLR	Councillor
CoGTA	Cooperative Governance and Tradition Affairs
CWP	Community Work Programme
DAEARD	Department of Agriculture, Environmental Affairs and Rural Development
DBSA	Development Bank South Africa
DMAPC	Disaster Management Planning Advisory Committee
DMM	Deputy Municipal Manager
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EAP	Employee Assistance Programme
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
HDI	Historically Disadvantaged Individual
HIV	Human immune Virus
HIV	Human immune Virus
HNR	Housing Needs Register
HRD	Human Resources Development
HRM	Human Resource Management
IA	Implementing Agent
ICT	Information Communication Technology
IDP	Integrated Development Plan
IDT	Independent Development Trust
IMATU	Independent Municipal Allied Trade Union
IPMS	Individual Performance Management System
KPI	Key Performance Indicators
KWANALOGA	KwaZulu-Natal Local Governance Association
MCB	Miniature Circuit Breaker
MCPF	Municipal Councillors Pension Fund
MEC	Member of Executive Committee

MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Rates Act
MUNIMEC	Municipalities and Member of Executive Council Meetings
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Electricity Regulator of South Africa
NPA	National Prosecuting Authority
NQF	National Qualification Framework
NRW	Non-revenue Water
OC,P&KM	Organisational compliance, Performance and Knowledge Management
OP	Operational Plan
OPMS	Organizational Performance Management System
PDOHS	Provincial Department of Housing
PHC	Primary Health Care
PMB	Pietermaritzburg
PMS	Performance Management
SALAPF	South African Local Authorities Pension Fund
SALGA	South African Local Government Association
SAMWU	South African Municipal Workers Union
SAPS	South African Police Services
SBU	Strategic Business Unit
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SITA	South African State Information Technology Agency
SMMES	Small Medium and Micro Enterprises
SOP	Standard Operating Procedure
STATSSA	Statistics South Africa
UNISA	University of South Africa
VIP	Ventilated Improved Pit Latrine
WSDP	Water Services Development Plan
WSP	Workplace Skills Plan
WWTP	Waste Water Treatment Plan

CHAPTER 1 – MAYORS FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYORS FOREWORD

COUNCILLOR M THEBOLLA
CITY MAYOR

FOREWORD BY THE CITY MAYOR, 2021/2022

On behalf of the Msunduzi Municipality Council and officials, I hereby present this Annual Report for the financial Year 2021/22. This report will outline our performance on the targets we set ourselves to do over this period. The report will give our stakeholders and communities an insight into the performance and achievements of the council.

The 2021/22 Annual report which in many ways reflect our service delivery and developmental achievements and challenges, is presented in recognition of our legislative obligation to be an accountable and transparent organisation. The report also outlines the implementation and achievement of these objectives conform to the various pieces of legislation such as the section 46 of the Local Government: Municipal Systems Act No.32 of 2000 and sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No.56 of 2003.

The Municipality progressed significantly in achieving objectives with regard to the five key performance areas applicable to local government and which is outlined in this Annual Report:

- Basic Service delivery and infrastructure development
- Municipal transformation and development
- Local Economic Development
- Municipal Financial viability and management
- Good Governance and Public Participation

It is a law-making authorization that as a Local Municipality, we are obligated to prepare an Annual report which its main objective is to reflect on the performance of the Municipality for each financial year, which is prepared in terms of the provisions of section 121(1) of the Municipal Finance Management Act as well as section 46(1) of the Municipal Systems Act of 2000.

The Office of the Auditor General South Africa (AGSA) announced through a presentation to Special Full Council meeting held on the 16 March 2022 that the Msunduzi Municipality has achieved an Unqualified Audit outcome for the financial year 2020/2021.

In line with section 131 of MFMA, a corrective audit action plan was developed to address the matters of concern as raised by the Auditor General which included electricity and water losses, unauthorized, irregular as well as fruitless and wasteful expenditure. The audit action plan included the root causes, planned corrective measures to address the findings, target dates/timeframes and progress to date. We also assured the AG Office that the council will work diligently with the senior managers to improve on the view expressed by the findings.

Service delivery is the core mandate of this organization therefore it shall remain our priority and if we were to roll out effective service delivery we need to guarantee that we balance these three following tiers namely people, processes and systems. As a priority to this administration, we have been able to fill vacant posts that are critical in dealing with service delivery challenges such as electricity, waste, water and sanitation. We must continue to reengineer processes that informs us of the service delivery challenges and attention such as the call centre management, revenue collections and rapid response.

Inevitably, the new approach to local government has to be developmental and aims to overcome the poor planning of the past, therefore Integrated Development Planning is by far the most effective approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development.

Msunduzi continues to seek a clear articulated City Development Strategy (CDS). A growth path directive and a planning instrument, that will help realize a developmental and sustainable Msunduzi (metropolitan) complex and a globally competitive city.

This emanates from the city's vision 2040 placing Msunduzi Municipality at the centre of a safe, vibrant, sustainable and smart metropolis.

Msunduzi municipality values the opinions of the public in ensuring that the municipality delivers services to its citizenry. Therefore, the municipality has various platforms in order to get inputs on how to enhance service delivery, and to engage various stakeholders via public participation processes.

The city is committed in ensuring that there is consistent improvement in our processes and systems in order to achieve the vision of the organization

I thank you

THE HONOURABLE MAYOR
COUNCILLOR M THEBOLLA

COMPONENT B: EXECUTIVE SUMMARY

1. OVERVIEW BY THE CITY MANAGER – ANNUAL REPORT 2021/2022 FINANCIAL YEAR

The start of 2021/2022 financial year has proven to be an arduous journey with the Covid-19 pandemic being the greatest risk the world economy has faced post the great depression. In response to the Covid-19 crisis, several governments have put in place far reaching lockdown measures that have affected every sector of the economy during this crisis, municipalities still need to function and provide essential services such as water, sanitation, electricity and solid waste removal. During this unprecedented moment in time, it is more essential than ever that the municipal sector can carry out its duties towards local communities.

The economy of the City of Pietermaritzburg was already struggling prior to Covid-19, owing to challenges such as low business confidence, low private sector investment, poor revenue collection, low collection rate and reduced competitiveness amongst other structural bottlenecks. As the coalface of service delivery, municipalities are among the hardest hit at a time when the demands on them are increasing. The social unrest in July 2021 presented social and economic turmoil in the city. Further, the severe floods in November 2021 and April 2022 further exerted strain on the economic recovery of the city contributing to a notable drop in productivity across the board for the municipality, which severely impacted areas such as municipal revenue, financial management, revenue generation, the tourism sector, the informal sector, infrastructure development and municipal rates and taxes. The consequences of this growing financial crisis are dire, and several can't be avoided. The financial ambit requires additional attention. Not only is it prey to all the problems described above, but it will also be hurt as debtors fail to make good on their obligations. The combined effects of existing financial stressors, such as payment to suppliers and revenue generation, are not unfamiliar to the municipality. In addition to the above, unemployment will rise sharply, job losses and retrenchments are certain in many industries, drops in productivity and consumer spending will contribute to a long tail of employment losses.

To promote economic growth, good governance, spatial effectiveness, training and development, sustainability and accelerate services delivery, the municipality is currently reviewing the City Development Strategy (CDS) that was approved in 2015. The City Development Strategy refers to the strategic focus areas as outlined in the National Development Plan and the Provincial Growth and Development Strategy to steer the municipality in the right direction.

The municipality was placed under section 139(1)(b) intervention; therefore, the municipality has a Ministerial Representative to assist and guide the municipality toward recovery. There are various initiatives identified by the KwaZulu Natal Department of Cooperative Governance and Traditional Affairs (CoGTA) to ensure the municipality is making progress. Some of the initiatives instituted by CoGTA is the Msunduzi Turn Around Strategy and Implementation Plan and the Municipal Support and Intervention Plan. Further, the municipality has introduced an Audit Action Plan to ensure that all audit queries are addressed and a performance management system to aid with monitoring and ensuring that the municipality is achieving the strategic objectives outlined in the Integrated Development Plan (IDP).

In addition to the above, the municipality hosted Mayoral Imbizo's to engage with the communities regarding their needs as part of the IDP and budget process. Public participation programmes were conducted in all five zones of the municipality. The municipality further conducted four IDP Forums during the 2021/2022 financial year, which are meetings between the municipality, sector departments, business sector and civil society. This is a commitment from the municipality towards ensuring that a system of governance which is capable, responsive, inclusive and transparent.

The municipality has made great strides with contributing to the service delivery goals of the city. Below is the summary of activities per Business Unit during the 2021/2022 financial year:

Corporate Business Unit

The oversight committees are effective and they play an important role to hold the management accountable. The Mayor conducted roadshows to ensure that community members are part of the planning processes. The 5-year IDP (2022 – 2027) was adopted by council after a series of consultation processes with sector departments, the business sector and the community.

Infrastructure Services

The Water and Sanitation unit is severely impacted by a constrained budget however, during the 2021/2022 financial year, 17.7km of new sewer pipe was installed in various wards throughout the city to ensure that the municipality fulfils its mandate of providing water and sanitation services to the people of Msunduzi. The Non-Revenue Water Reduction Strategy was implemented to reduce water losses to the city. Further, 3.6km of road was constructed in Vulindlela from gravel to concrete and asphalt surface with kerb. 40 traffic calming measures were installed in various sites to ensure road safety.

Electricity

The electricity infrastructure is in a poor state resulting in frequent and prolonged outages. These outages have a huge impact on the economy and the well-being of residents. Therefore, every effort is made to ensure that these occurrences are mitigated. During the 2021/2022 financial year, the Electricity unit became a standalone unit, independent of Infrastructure Services with the view of ring-fencing electricity operations to improve service delivery. The General Manager: Electricity post is currently vacant; however, processes are underway to fill this vacancy.

Community Services

Road safety awareness campaigns were conducted to ensure that users comply with road traffic management prescripts, and that our roads are safe. In addition, the department was proactive in terms of conducting disaster management awareness campaigns so that people are better equipped with the relevant skills regarding disaster mitigation. Operational Sukuma Sakhe is fully functional, this is another initiative of maximizing public participation between the municipality and all the relevant stakeholders. Tools of trade were purchased to enhance grass cutting operations and the maintenance of public spaces. Waste Management operations were intensified through partnership with the Municipal Infrastructure Support Agency (MISA).

Budget and Treasury Office

Budget and Treasury Office

The Budget and Treasury Office has made progress during the financial year. 93% of all customer queries relating to revenue management were resolved within 30 days. This is an attempt to ensure that the municipality is responsive to the needs of ratepayers. 95% rates clearance applications processed within 3 days of receipt.

The Municipality continues to face financial challenges due to its inability to collect revenue adequately, illegal electricity connections, vandalism and water leaks due to the aging infrastructure. To curb further losses and effectively deal with such challenges the Municipality established strategic committees which meet regularly to monitor the implementation of contingency and/or recovery plans to restore the Municipality to its former glory.

Sustainable Development

The uMgungundlovu Rectification Project exceeded its target by building 33 new houses whereas 15 houses were targeted in the plan. As part of the Local Economic Development initiative 200 street stalls were installed which will provide more business opportunity to informal traders.

Corporate Services

The Human Resources Department was able to roll out Learnerships programmes as per the LGSETA sector plan. Internal City Manager's roadshows were conducted to ensure that employees are capacitated with organizational policies and to improve communication with staff.

Further, critical posts remain vacant within the municipality. The Municipal Manager resigned in April 2022; therefore, this post remains vacant. Processes are underway to fill the post. The shape of economic recovery for the city appears very bleak at this stage. Pietermaritzburg faces a confluence of economic difficulties with very slow economic growth. It is now more important than ever that the municipality steps up and puts in place plans to abate risks and improve service delivery.

Mrs. Nelisiwe Ngcobo
City Manager (Acting)

2. MUNICIPAL FUNCTIONS, POPULATION & ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Msunduzi Municipality provides Water, Sanitation, Electricity, Refuse Removal and Housing as part of the Basic Services and it also provides Roads, Storm water & Drainage together with Local Economic Development and the approval of local building plans to local communities.

2.3. LOCALITY

The Municipality, affectionately known as Pietermaritzburg or the City of Choice, is located along the N3 at a junction of an industrial corridor from Durban and Pietermaritzburg and an agro-industrial corridor stretching from Pietermaritzburg to Escourt. Regionally it is identified at the cross section of the N3 corridor and Greytown Road corridor to the north, a tourist route to the Drakensberg and Kokstad Road to the South.

2.4. THE POPULATION OF MSUNDUZI

The Population of Msunduzi is largely based on the Global Insight, 2015 report, A new Census has not been done as yet by stats SA. Taking into consideration the Covid -19 Pandemic that has engulfed the World the death toll has been rising more especially in the 2020/2021 FY.

POPULATION BY GENDER

DESCRIPTION	MALE	FEMALE	TOTAL
Pietermaritzburg	107 212	116 257	223 469
Copesville	8 505	8 693	17 198
Whispers	2 948	3 290	6 238
Natal Crushers	369	347	715
Panorama Gardens	1 664	1 939	3 603
Eastwood	7 678	8 192	15 870
Willowton	2 483	2 659	5 142
Woodlands	3 288	3 565	6 853
Mountain Rise	1 511	1 681	3 192
Queen Elizabeth	19	20	39
Town Bush Valley	520	593	1 112
Worlds View	66	70	136
Montrose	1 055	1 180	2 235
Northern Park	604	699	1 303
Athlone	557	607	1 164
Town Hill	1 621	1 982	3 602
Wembley	806	952	1 758
Boughton	688	670	1 358
Clarendon	832	1 228	2 060
Pietermaritzburg SP	9 291	10 602	19 893
Manor	220	278	498
Wensleydale	520	552	1 071
Scottsville	4 749	5 319	10 068
Hayfields	2 880	3 334	6 215
Glenwood	1 393	1 668	3 061
Sobantu	3 584	3 864	7 448
Lester Park	219	272	491
Blackridge	583	617	1 200
Prestbury	2 238	2 219	4 457
Signal Hill	584	816	1 399
Lincoln Meade	2 245	2 462	4 707
Napierville	3 101	1 355	4 456
Masons Mill	698	769	1 467
Camps Drift	17	10	27
Pelham	2 789	3 097	5 885
Fillan Park	737	792	1 529
The Grange	1 409	1 599	3 007
Westgate	4 731	5 627	10 359
Oribi Village	1 310	1 486	2 797
Scottsville Ext	649	732	1 380
Epworth	394	443	836
The Meadows	260	283	544
Cleland SP	613	621	1 234
Ockerts Kraal	525	585	1 110
Bellevue	228	239	467
Ashdown	4 330	4 975	9 306
Plessis-Laer	3 906	4 161	8 067

MISSION

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

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DESCRIPTION	MALE	FEMALE	TOTAL
Harewood	1 175	1 374	2 549
Mkondeni	31	4	35
Shortts Retreat	1 334	977	2 311
Claveshay	382	422	804
Lynroy	299	282	581
Ridgepark	447	571	1 019
Richmond Crest	246	307	553
Hazelmere	204	262	465
Oribi Heights	371	388	759
Bisley Heights	93	105	198
Bisley Crest	189	212	401
Slangspruit	8 329	9 068	17 398
Ambleton	4 695	5 142	9 837

COMMENT ON BACKGROUND DATA

The data provided herein is data used from the Census 2011 report conducted by Statistics South Africa and HIS Global Insight, 2015. Msunduzi Municipality strives to ensure the backlogs in the delivery of Basic Services like Water, Electricity and Housing are reduced on an annual basis.

3. AUDITOR GENERAL REPORT 21/22 FY

AUDITOR GENERAL REPORT FOR 2019/2020

In the 2019/2020 financial year, the Auditor General expressed a Qualified Audit opinion for Msunduzi Municipality.

The basis for qualified opinion is as follows:

- General expenses - External security services

The emphasis of matters raised were as follows:

- Restatement of corresponding figures
- Material Impairment
- Material losses – Electricity and Water

Other matters raised where as follows:

- Unaudited disclosure note
- Unaudited supplementary schedules

Report on the Audit of the annual performance report:

Auditor General did not identify material findings on the usefulness and reliability of the reported performance information for the basic service delivery development priority.

Other matters:

- Achievement of planned targets
- Adjustment of material misstatements

Report on the audit of compliance with Legislation:

- Financial statements, Expenditure Management, Consequence Management, Material irregularities.

The Municipality has developed an audit action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG.

Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well matters on the management report.

AUDITOR GENERAL REPORT FOR 2020/2021

In the 2020/2021 financial year, the Auditor General expressed an Unqualified Audit opinion for Msunduzi Municipality with matters of emphasis.

Emphasis of matters

- I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

- As disclosed in note 69 to the consolidated and separate financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors in the financial statements of the group at, and for the year ended, 30 June 2021.

Material impairment - statutory receivables and consumer debtors

- As disclosed in note 6 to the consolidated and separate financial statements, the municipality reported a provision for impairment balance of R772,56 million (2019-2020: R609,22 million) on statutory receivables as the recoverability of these amounts was doubtful.
- As disclosed in note 7 to the consolidated and separate financial statements, the municipality reported a provision for impairment balance of R2,52 billion (2019-2020: R2,03 billion) on consumer debtors as the recoverability of these amounts was doubtful.

Material losses – electricity

- As disclosed in note 77 to the consolidated and separate financial statements the municipality incurred material electricity losses of R321 million (2019-2020: R178,49 million) which represents 22% (2019-2020: 18%) of total electricity purchased. This was mainly due to illegal connections, infrastructure vandalism, ageing infrastructure and overloading.

Material losses – water

- As disclosed in note 77 to consolidated and separate the financial statements the municipality incurred material water losses of R223,37 million (2019-2020: R209,11 million), which represents 30% (2019-2020: 30%) of total water purchased. This was mainly due to illegal connections, progressive deterioration, as well as ageing and increasing levels of fragility in the bulk water infrastructure.

Other matters

- draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited disclosure notes

- In terms of section 125(2)(e) of the MFMA, the group is required to disclose particulars of noncompliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the group financial statements and, accordingly, I do not express an opinion on it.
- Unaudited supplementary schedules

AUDITOR GENERAL REPORT FOR 2021/2022

In the 2021/2022 financial year, the Auditor General expressed an Unqualified Audit opinion for Msunduzi Municipality with matters of emphasis.

Material uncertainty relating to going concern

- I draw attention to the matter below. My opinion is not modified in respect of this matter.
- I draw attention to note 79 to the financial statements, which includes indicators of doubt as to the appropriateness of the going concern basis of accounting. As stated in note 79, these indicators include the impact of the Covid-19 pandemic on municipal finance and operations, adverse liquidity ratios, below norm cash cost coverage ratio, the outstanding gross debtors balance that has increased significantly and the majority of the debtors have been outstanding for over 365 days, the dwindling of reserves over the recent years, deteriorating creditors days, the increase in net debtors balances and successive deficits.
- As stated note 79, these events or conditions, along with the other matters as set forth in note 79, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

- I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material impairment statutory receivables and consumer debtors

- As disclosed in note 6 to the financial statements, the municipality recognised a provision for impairment amounting to R943,904 million (2020-21: R785,58 million) on statutory receivables as the recoverability of these amounts was doubtful.
- As disclosed in note 7 to the financial statements, the municipality recognised provision for impairment amounting to R2,95 billion (2020-21 : R2,10 billion) on consumer debtors as the recoverability of these amounts was doubtful.

Material losses - electricity

- As disclosed in note 68 to the financial statements the municipality incurred material electricity losses of R362,59 million (2020-21 : R321 million) which represents 25% (2020-21 : 22%) of total electricity purchased. This was mainly due to illegal connections, infrastructure vandalism, metering inaccuracies (due to faulty meters), unmetered energy (meter tempering or bypassing the meter at the customer meter), revenue collection as well as ageing infrastructure that results in increased power dissipation during transmission and distribution on lines, cables and transformers in the system and overloading

Restatement of corresponding figures

- As disclosed in note 73 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial of the municipality at, and for the year ended, 30 June 2022.

Other matter

- I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure note

- In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Governance at Msunduzi Municipality is made up of political and administrative governance, inter-governmental relations, public participation and corporate governance. Political governance comprises of elected ward Councillors and proportional representation Councillors which make up the Council. Council plays oversight over the administration of the municipality to ensure effective and efficient service delivery.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political & administrative governance at Msunduzi Municipality comprises of the Councillors and Senior Managers, respectively; they work together on a day-to-day basis in order to achieve identified service delivery goals and targets.

2.1. POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Msunduzi municipality has several political structures which include Full Council, Executive Committee, other Council committees and Committees established to support the Executive Committee. The Speaker is the head of Council, whilst the Executive Committee is chaired by the Mayor. The Msunduzi Municipality also has the office of the Chief Whip.

The following Portfolio Committees have been established and are aligned to the Municipality's organizational structure:

- Corporate Services Portfolio Committee;
- Infrastructure Services Portfolio Committee;
- Sustainable Development and City Enterprises Portfolio Committee;
- Community Services Portfolio Committee; and
- Finance Portfolio Committee.

The Municipal Public Accounts Committee (MPAC) is a committee of Council that oversees the expenditure of public funds on behalf of Council and thereby ensures accountability of both the Executive Committee and administration.

MSUNDUZI MUNICIPALITY COUNCILLORS

CURRENT MSUNDUZI PROPORTIONAL REPRESENTATION COUNCILLORS & WARD COUNCILLORS LIST

COUNCILLORS

COMMITTEE ALLOCATIONS – JULY 2021 – JUNE 2022		
PORTFOLIO COMMITTEE	CHAIRPERSON	MEMBERS
Executive Committee	Councillor Mzimkhulu Meshack Thebolla (The Mayor)	Councillor Mxolisi Theophilus Mkhize Councillor Ntombizethu Precious Sokhela Councillor Zanele Princess Ngcobo Councillor Nokuthula Prudence Msimang Councillor Bongani Dumisani Mbona Councillor Thinasonke Dennis Ntombela Councillor Ross Bryan Strachan Councillor Bongumusa Cyril Nhlabathi Councillor Hlelelwa Kholeka Madlala
Sustainable Development & City Enterprise	Councillor Ntombizethu Precious Sokhela	Councillor Sinothi Jerome Nkabini Councillor Dumisani Bernard Phungula Councillor Dorcas Sibongile Mkhize Councillor Godman Nkosivelile Dlamini Councillor Kwazikwakhe Emmanuel Madonda Councillor Rooksana Ahmed Councillor Edith Elliot Councillor Mysie Sindisiwe Mbutho Councillor Thinasonke Dennis Ntombela Councillor Hlelelwa Kholeka Madlala
Corporate Services	Councillor Zanele Princess Ngcobo	Councillor Nkosinathi Maxwell Mbanjwa Councillor Siphive Phungula Councillor Sibusiso Alfred Mkhize Councillor Sphamandla Sydney Madlala Councillor Nkosinathi Patrick Masoeu Councillor Sibusiso Desmond Chonco Councillor Haroon Daniel Kemp Councillor Bongani Dumisani Mbona Councillor Pretty Nelisiwe Maphanga Councillor Sanenhlanhla Love-joy Ndlovu

COMMITTEE ALLOCATIONS – JULY 2021 – JUNE 2022

PORTFOLIO COMMITTEE	CHAIRPERSON	MEMBERS
Infrastructure Services	Councillor Mxolisi Theophilus Mkhize (Deputy Mayor)	Councillor Sbhongumusa Zuma Councillor Hamilton Mlungisi Zondi Councillor Msawenkosi Bhengu Councillor Percival Vusi Ngwenya Councillor Gladness Sibongile Mncwango Councillor Mduduzi Caswell Mshengu Councillor Bongumusa Nhlabathi Councillor Magalingem Lucky Naicker Councillor Rachel Soobiah Councillor Mduduzi Clive Nduli Councillor Mthetho Ephraim Mpulo Councillor Mshushisi Aubrey Ngubane Councillor Bukelani Ephaim Zuma Councillor Nomalady Eleanor Dlela
Community Services	Councillor Nokuthula Prudence Msimang	Councillor Cyril Sikhanyiso Makhaye Councillor Tholakele Ignatia Dlamini Councillor Mphilisi Instance Ndlovu Councillor Simphiwe Samuel Buthelezi Councillor Thandiwe Mkhize Councillor Victoria Mavie Phungula Councillor Zinhle Regina Ngubo Councillor Sandra Patricia Lyne Councillor Garth Middleton Councillor Nomusa Wendy Mncube Councillor Thembile Precious Memory Mzila Councillor Thandanani Desmond Ntombela Councillor Mbongeni Jetro Shezi Councillor Sandile Gcabashe Councillor Randall John Adams
Financial Services	Councillor Mzimkhulu Meshack Thebolla (The Mayor)	Councillor Roy Ram Councillor Hencefort Mbusiswa Mkhize Councillor Khulekani Msomi Councillor Phumulani Emmanuel Gabuza Councillor Mabhungu Moses Mkhize Councillor Ross Bryan Strachan Councillor Douglas Leslie Roberts Councillor Noma Autrin Phungula Councillor Tholakele Nelisiwe Cele Councillor Sanele Protus Mpulo Councillor Bhekithemba Alison Mkhize Councillor Nomfundo Ndlovu
Municipal Public Accounts	Councillor Zwelinjani Henry Magubane	Councillor Jabulisile Joyce Ngubo Councillor Themba Cyril Ngubane Councillor Dumisani Bernard Phungula Councillor Philisiwe Sithole Councillor Michael Bhekabantu Zuma Councillor Sbhongumusa Zuma Councillor Sanele Russell Zuma Councillor Thembinkosi Zondi Councillor Michael Steven Bond Councillor Reddy Suraya Councillor Lungile Mgaga Councillor Reinus Niemand Councillor Beatrice Nombuyiselo Mkhize

WARD COUNCILLORS BY POLITICAL PARTY 2021/2022 FY

WARD COUNCILLORS LIST		
WARD NO.	NAME	POLITICAL PARTY
1.	Msomi Khulekani	ANC
2.	Gabuza Phumlani Emmanuel	ANC
3.	Makhaye Sikhanyiso Cyril	ANC
4.	Zondi Hamilton Mlungisi	ANC
5.	Mbanjwa Nkosinathi Maxwell	ANC
6.	Madonda Kwazikwakhe Emmanuel	ANC
7.	Zuma Bukelani Ephram	ANC
8.	Ngubane Mshushisi Aubrey	ANC
9.	Mshengu Mduduzi Caswell	ANC
10.	Ngubane Themba Cyril	ANC
11.	Zuma Sanele Russell	ANC
12.	Masoeu Nkosinathi Patrick	ANC
13.	Mncwango Gladness Sibongile	ANC
14.	Mkhize Sibusiso Alfred	ANC
15.	Bhengu Msawenkosi	ANC
16.	Zuma Micheal Bhekabantu	ANC
17.	Ndlou Mphilisi Instance	ANC
18.	Buthelezi Simphiwe Samuel	ANC
19.	Ngwenya Percival Vusi	ANC

WARD COUNCILLORS LIST		
WARD NO.	NAME	POLITICAL PARTY
20.	Phungula Sipiwe	ANC
21.	Zuma Sbongumusa	ANC
22.	Zondi Thembinkosi	ANC
23.	Phungula Dumisani Bernard	ANC
24.	Nkabini Sinothi Jerome	ANC
25.	Bond Michael Steven	DA
26.	Strachan Ross Bryan (EXCO)	DA
27.	Kemp Haroon Daniel	DA
28.	Naicker Mangalingem	DA
29.	Madlala Sphamandla Sydney	ANC
30.	Soobiah Rachel	DA
31.	Ahmed Rooksana	DA
32.	Middleton Garth Frederick Wesley	DA
33.	Reddy Suraya	DA
34.	Ram Roy	ANC
35.	Dlamini Sandile Wellington (The Chief Whip)	ANC
36.	Roberts Douglas Leslie	DA
37.	Elliot Edith	DA
38.	Dlamini Godman Nkosivelile	ANC
39.	Mkhize Mbusiswa Hencefort	ANC
40.	Ngubo Jabulisile Joyce	ANC
41.	Mkhize Mabhungu Moses	ANC

PROPORTIONAL REPRESENTATION COUNCILLORS BY POLITICAL PARTY 2021/2022 FY

MSUNDUZI MUNICIPALITY PR COUNCILLORS LIST		
	Name	POLITICAL PARTY
	Thebolla Mzimkhulu Meshack (The Mayor)	ANC
	Mkhize Mxolisi Theophilus (Deputy Mayor)	ANC
	Ngcobo Zanele Princess	ANC
	Msimang Nokuthula Prudence	ANC
	Sokhela Ntombizethu Precious	ANC
	Nhlabathi Bongumusa Cyril	DA
	Ntombela Thinasonke Dennis	IFP
	Madlala Hlelelwa Kholeka	ABC
	Mbona Bongani Dum'sani	EFF
	Majola Nomagugu Eunice (The Speaker)	ANC
	Magubane Zwelinjani Henry	ANC
	Dlamini Tholakele Ignatia	ANC
	Mkhize Dorcas Sibongile	ANC
	Sithole Philisiwe	ANC
	Phungula Victoria Mavie	ANC
	Mkhize Thandiwe	ANC
	Lyne Sandra Patricia	DA
	Mgaga Lungile	DA
	Ngubo Zinhle	DA
	Chonco Sibusiso Desmond	DA
	Phungula Nomathemba	DA
	Maphanga Pretty Nelisiwe	IFP
	Ntombela Thandanam Desmond	IFP
	Ndlovu Nomfundo	IFP
	Shezi Mbongeni Jetro	IFP
	Mkhize Bhelukwenza Allison	IFP
	Gcabashe Sandile	ABC
	Niemand Reinus	ACDP
	Diela Nomalady	AIC
	Ndlovu Sinenhlanhla Love-Joy	JEP
	Adams Randal John	PA
	Mkize Beatrice Nombuyiselo	EFF
	Mncwabe Stanley Ntuthuko	EFF
	Cele Tholakele Nelisiwe	EFF
	Mpulo Mthetho Ephraim	EFF
	Nduli Mduduzi	EFF
	Mncube Nomusa Wendy	EFF
	Mbutu Mysie Sindisiwe	EFF
	Mpulo Sanele Protas	EFF
	Mzila Thembile Precious Memory	EFF

MSUNDUZI MUNICIPALITY PORTFOLIO COMMITTEES BY NAME & PURPOSE

The following reflects the different committees of Council and their respective purposes.

MSUNDUZI MUNICIPALITY COUNCIL COMMITTEES, PORTFOLIO COMMITTEES AND OTHER COMMITTEES BY NAME & PURPOSE**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)**

The Municipal Public Accounts Committee (MPAC) is established in terms of section 79 of the Structures Act, 1998 and is made up of ordinary Councillors to oversee the expenditure of public funds in order to ensure the efficient and effective utilization of council resources and to enhance the political accountability of Council.

APEALS COMMITTEE

The Appeals Committee is constituted in terms of section 62 (4) (c) (ii) of the Local Government: Municipal Systems Act, 2000 to hear appeals against decisions taken by a political structure, political office bearer or a Councillor of the Municipality in terms of a power or duty delegated or sub-delegated to it by a delegating authority.

SECURITY COMMITTEE

The Security Committee is constituted in terms of section 79 of the Structures Act to consider and deal with cases of threats directed to Councillors and senior officials and are associated with or linked to the performance of their duties as municipal Councillors and senior officials.

RECESS COMMITTEE

The Recess Committee is established in terms of section 79 of the Structures Act to deal with any emergency or urgent matters which may emerge and require urgent attention when the Council is in recess.

EXECUTIVE COMMITTEE

The Executive Committee established in terms of section 42 of the Local Government: Municipal Structures Act No. 117 of 1998 (the Structures Act).

POLITICAL DECISION-MAKING

The Rules and Procedures of Council and its Committees provide inter alia for the powers and functions that the Council may delegate and those it may not delegate, as well as the votes that are required when certain matters are decided.

In making decisions on the following matters, a supporting vote of a majority of the number of Councillors is required: -

- (a) The passing of by-laws;
- (b) The approval of budgets;
- (c) The imposition of rates and taxes, levies and duties;
- (d) The raising of loans;
- (e) The rescission of a council resolution; and any other matter prescribed by legislation.

All other questions before the Council are decided by a majority of the votes cast and in the case of an equality of votes, the Councillor presiding (the Speaker) exercises a casting vote in addition to a vote he or she has as a Councillor.

Before the Council takes a decision on any of the following matters it first has to obtain the recommendations of the Executive Committee: -

- (a) The passing of by-laws;
- (b) The approval of budgets;
- (c) The imposition of rates;
- (d) The raising of loans;
- (e) The approval of an integrated development plan for the Municipality and any amendment to that plan;
- (f) The approval of a performance management system
- (g) The appointment and conditions of service of the City Manager and a head of department of the Council."

NUMBER OF MEETINGS HELD FOR EACH PORTFOLIO COMMITTEE FOR THE 2020/2021 FINANCIAL YEAR

Number of meetings held for Council & its Committees for the 2021/2022 FY is as per below:

MEETINGS HELD FOR EACH PORTFOLIO COMMITTEE FOR THE 2021/2022 FINANCIAL YEAR	
COMMITTEE NAME	NUMBER OF MEETINGS FOR THE 2021/2022 FY
Full Council	19
Executive Committee	23
Corporate Services	4
Financial Services	4
Infrastructure Services	4
Community Services	4
Sustainable Development & City Enterprises	3
Municipal Public Accounts Committee	14

Note: Minutes of all meetings as well as attendance registers can be obtained from the Archives, Records and Information Unit and Speakers office.

2.2. ADMINISTRATIVE GOVERNANCE

During the 20/21 financial year, The Posts of GM: Infrastructure and GM: Community Services were re-advertised as per the directive of EXCO and subsequently filled in November 2020.

In addition, the five Business Units that mirror the committee portfolios also report to the City Manager. These Business Units, each headed by a General Manager, ensure that services are delivered to the people of the Msunduzi Municipality. They are:

- Infrastructure services;
- Community services;
- Sustainable Development & City Enterprises;
- Budget and Treasury Office; and
- Corporate services.

TOP ADMINISTRATIVE STRUCTURE

TIER 1						
CITY MANAGER M Khathide						
FUNCTIONS						
Communications Integrated Development Plan Internal Audit Monitoring & Evaluation Policy, Strategy and Research						
TIER 2	TIER 2	TIER 2	TIER 2	TIER 2	TIER 2	TIER 2
CHIEF FINANCIAL OFFICER N Ngcobo	GENERAL MANAGER: Corporate Services M Molapo	GENERAL MANAGER: Community Services S Mathe	GENERAL MANAGER: Infrastructure Services V Cele	GENERAL MANAGER: Sustainable Development FT Nxumalo	CITY MANAGERS OFFICE	GENERAL MANAGER: Electricity Supply Services N Mpsi (A)
TIER 3	TIER 3	TIER 3	TIER 3	TIER 3	TIER 3	TIER 3
Senior Manager: Expenditure Management S Nxumalo Senior Manager: Revenue K Shoba Senior Manager: Budget Planning, Monitoring and Implementation S Khoza Senior Manager: Supply Chain D Ndlovu Senior Manager: Asset Management K Shoba Senior Manager: Financial Performance O Langa	Senior Manager: Human Resources Management F Ndlovu Senior Manager: Legal Services N Hlophe Senior Manager: Secretariat and Auxiliary Services S Dubazana Senior Manager: ICT X Ngebulana	Senior Manager: Waste Management S Mhlongo Senior Manager: Recreation and Facilities M Zuma Senior Manager: Public Safety, Enforcement and Disaster Management K Khumalo Senior Manager: ABM T Lyons	Senior Manager: Roads and Transportation L Mngelana Senior Manager: Water and Sanitation B Sivparsad Programme Manager: PMU S Kunene Mechanical Workshops Vacant	Senior Manager: Development Services M Khumalo Senior Manager: Planning & Environment A Khoali Senior Manager: Human Settlements E Nombungu Senior Manager: Municipal Entities S Zimu	Senior Manager: City Manager's Office M Jackson Senior Manager: Political Support S Zondi Senior Manager: Strategic Planning I Chetty Chief Audit Executive: PJ Mahlaba	

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality continues to receive full support from the Office of the MEC for Cooperative Governance and Traditional Affairs. Substantial support in the development of a financial recovery plan has also been obtained from National Treasury. The Provincial Treasury has also assisted in terms of developing both the strategic and operational risk registers of the municipality. Whilst the Municipal Infrastructure Grant (MIG) was the primary source of funding for capital projects related to infrastructure development and basic services, the following basic services are delivered to the community using mechanisms of intergovernmental relations with National/ Provincial Departments and/or parastatals:

Water & Sanitation - Department of Water Affairs and Umgeni Water;
Housing - Department of Human Settlements;
Electricity - Department of Minerals & Energy and Eskom

Various other grants, such as the Neighbourhood Partnership Development Grant, have been received for the implementation of projects. All information related to grants received is disclosed as required in the Annual Financial Statements.

NATIONAL INTERGOVERNMENTAL STRUCTURE

The Municipality is a participant in a number of national forums. On an administrative level, the Chief Financial Officer (CFO) participates in the CFO's Forum which is convened by the National Treasury and the office of the Auditor General. The City Manager participates in the National Municipal Managers Forum convened by the South African Local Government Association (SALGA). Both Councillors and management also participate in the SALGA National Members Assembly. The Corporates Services Unit is a member of the National Municipal Capacity Coordinating and Monitoring Committee. In light of the grant funding assistance received, the municipality participates in the National Treasury Forum of the National Development Partnership Grant (NDPG). Participation in these national forums is key to be able to network, benchmark and expose the municipality to a variety of developmental and funding opportunities.

Reference Groups & Forums	Msunduzi Representative
Built Environment Integration task team	Senior Manager: Strategic Planning
Knowledge Management Reference Group	Manager: Organizational Compliance Performance and Knowledge Management
Urban Safety Reference Group	Senior Manager: Public Safety Enforcement and Disaster Management
Expanded Public Works Reference Group	Senior Manager: Recreation and Facilities
International Forum	Senior Manager: Office of the City Manager
Urban indicators Reference Group	Senior Manager: Strategic Planning and Manager: Integrated Development Plan
Energy Reference Group	Senior Manager: Electricity
Waste Reference Group	Senior Manager: Waste Management
Water Reference Group	Senior Manager: Water and Sanitation
Communication	Senior Manager: Communications & IGR

The municipality continues to enjoy favourable relations with the following National Departments who have provided conditional grants to the municipality:

NATIONAL DEPARTMENTS WHO HAVE PROVIDED CONDITIONAL GRANTS TO THE MUNICIPALITY

PROJECT DESCRIPTION	FUNDER	RECEIVED
Library	ARTS & CULTURE	20 052 000
Tatham Art Gallery	ARTS & CULTURE	463 000
Housing Accreditation	HUMAN SETTLEMENTS	-
Equitable Share	NATIONAL TREASURY	546 052 000
Finance Management Grant	NATIONAL TREASURY	1 700 000
Energy Efficiency and Demand Side Management Grant	NATIONAL TREASURY	8 000 000
Expanded Public Works Programme	NATIONAL TREASURY	4 200 000
Municipal Disaster Relief Grant	NATIONAL TREASURY	1 192 000
Municipal Infrastructure Grant	NATIONAL TREASURY	197 516 000
Water Services Infrastructure Grant	NATIONAL TREASURY	53 000 000
Public Transportation Infrastructure Grant	NATIONAL TREASURY	226 665 000
Neighbourhood Development Partnership Grant	NATIONAL TREASURY	10 000 000
		1 068 840 000
NOT ON GAZETTE		
Greater Edendale Development Initiative	HUMAN SETTLEMENTS	25 500 000
Jika Joe Community Residential Units	HUMAN SETTLEMENTS	75 168 101
		100 668 101
		1 169 508 101

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The City Manager and the Mayor participate in the technical and provincial MUNIMEC respectively. They also participate in the Premier's Coordinating Forum. The provincial SALGA convene the provincial MM's Forum of which the City Manager does attend.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipal entity (Safe City) has a legally constituted board. The board approves the business plan and the associated budget for the entity. These documents are submitted to the municipality for approval. The business plan outlines the Key Performance Area and Indicators (KPA and KPI). The (KPA and KPI) are included in the SDBIP of the municipality. The delivery on the milestones is monitored on a monthly basis by the submission of a monthly report and this report is submitted to all relevant municipal committees for review. An annual report together with an audited financial statements of the entity are submitted to the municipality for consideration and approval. The municipality's senior management participate in the district development model and various governance clusters in the district.

CHAPTER 3 – ANNUAL PERFORMANCE REPORT – SERVICE DELIVERY INDICATORS

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Municipality participates in the District Municipal Managers and Mayors Forum. The Municipal Manager used to be the Chairperson of the District Infrastructure Forum. Following the establishment of the District Command Council during the COVID-19 Disaster, the Municipality is the co-convenor of the Governance, State Capacity and Institutional Development (GSCID) Cluster.

The Communications Unit participates in the Local Government Forum and District Communicators forum which helps by benchmarking on the best practices from other municipalities.

INTRODUCTION:

In terms of section 46(1) and (2) of the Local Government: Municipal Systems Act (MSA), 2000 (Act 32 of 2000), municipalities are required to annually prepare a performance report reflecting the performance of the municipality and of each service provider during the financial year. The Annual performance report must also reflect comparison of performance with targets set for the year under review with performance of the previous financial year. Section 121 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) further states that the annual performance report must form part of the municipality's Annual Report. Msunduzi Municipality's Annual performance report for the 2020/2021 financial year has been prepared in line with the provisions of the MSA read together with the MFMA.

The Annual Performance Report 2021 / 2022 of the Msunduzi Municipality is prepared as per section 46 of the Municipal Systems Act.

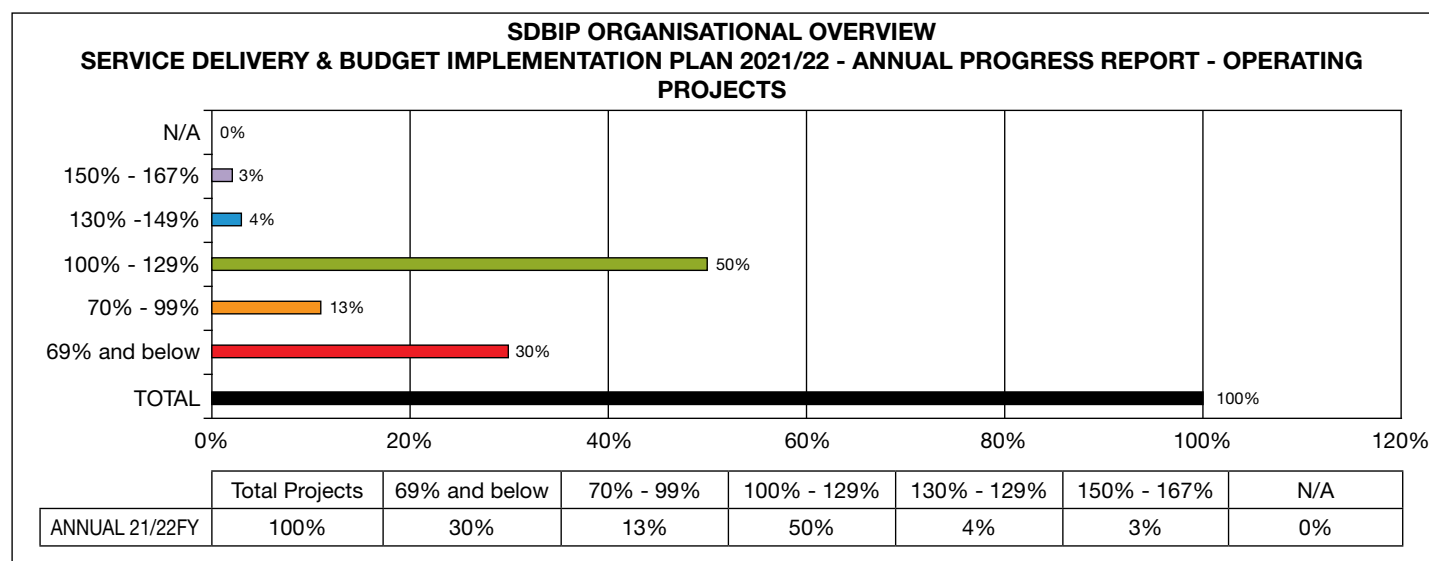
- **HIGH LEVEL SUMMARY OF ACHIEVEMENTS AS PER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN**
- **MEASURES TAKEN TO IMPROVE PERFORMANCE**
- **COMPARISON OF INDICATORS FOR 2020/2021 & 2021/2022 FINANCIAL YEARS**
- **REMOVED INDICATORS AS PER ADJUSTMENT BUDGET**
- **PERFORMANCE OF EXTERNAL SERVICE PROVIDERS**

The graphical representations below illustrate the summary of high level performance of the municipality for the 2020/2021 and the 2019/2020 financial years, as per the colour-coded dashboard.

COLOUR	SCORE	DESCRIPTION	PERCENTAGE	KEY
	N/A	TOTAL PROJECTS	N/A	KEY
	1	NIL ACHIEVED	69% and below	
	2	TARGET PARTIALLY MET	70% - 99%	
	3	TARGET MET	100% - 129%	
	4	TARGET EXCEEDED	130% - 149%	
	5	TARGET SIGNIFICANTLY EXCEEDED	150% - 167%	
	NOT APPLICABLE	N/A	N/A	

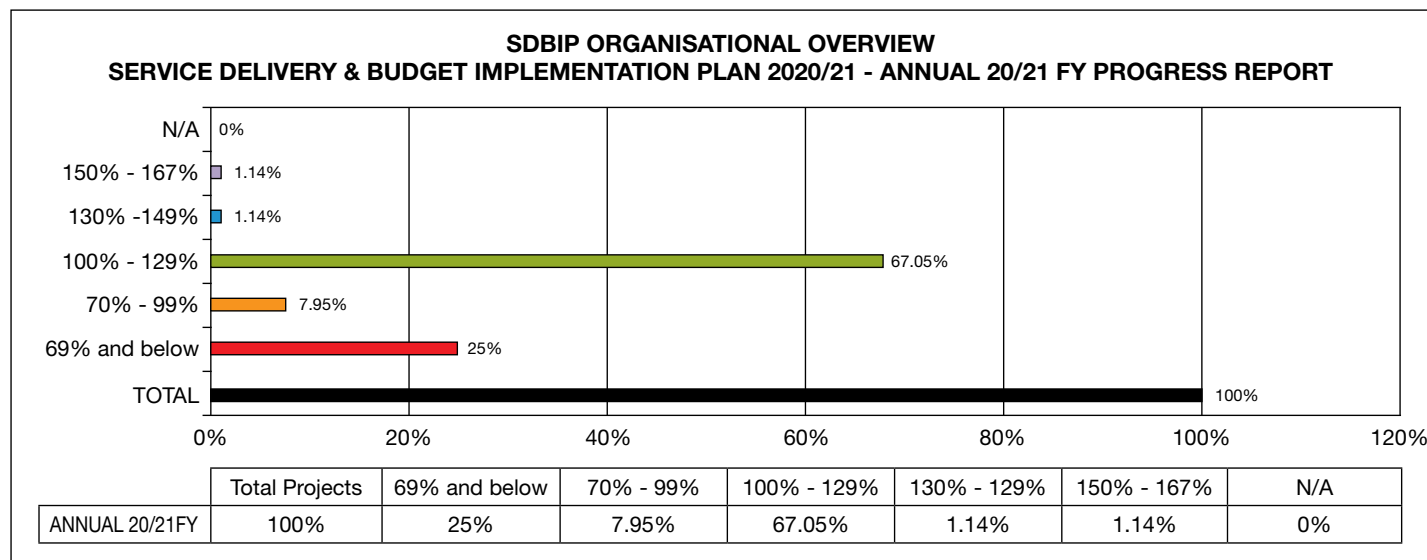
1.2 HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2020/2021 & 2021/2022 FINANCIAL YEARS (SDBIP & OP)

GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

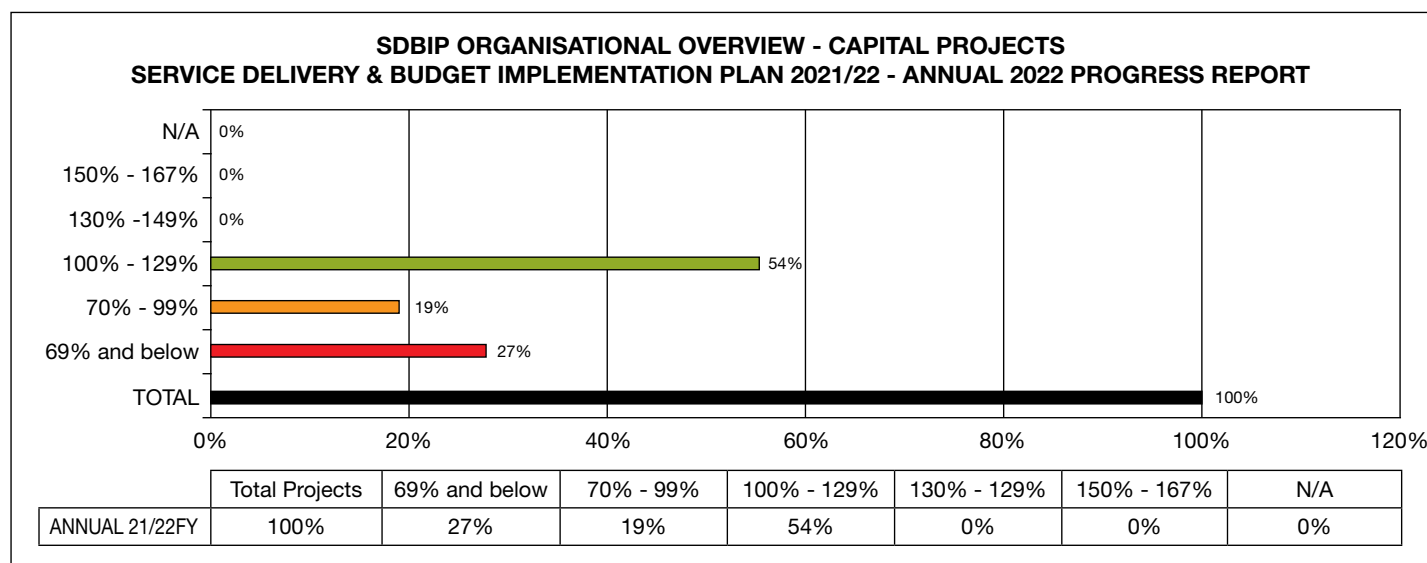


1. 25% of the projects were reported as having achieved a 1 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 30% was achieved in the 21/22 FY
2. 10.13% of the projects were reported as having achieved a 2 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 13% was achieved in the 21/22 FY
3. 67.05% of the projects were reported as having achieved a 3 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 50% was achieved in the 21/22 FY

- 1,14% of the projects were reported as having achieved a 4 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 4% was achieved in the 21/22 FY
- 1,14% of the projects were reported as having achieved a 5 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 3 % was achieved in the 21/22 FY
- 0% of the projects were reported as not applicable on the SDBIP for the ANNUAL 20/21 & 21/22 FY PROGRESS REPORT

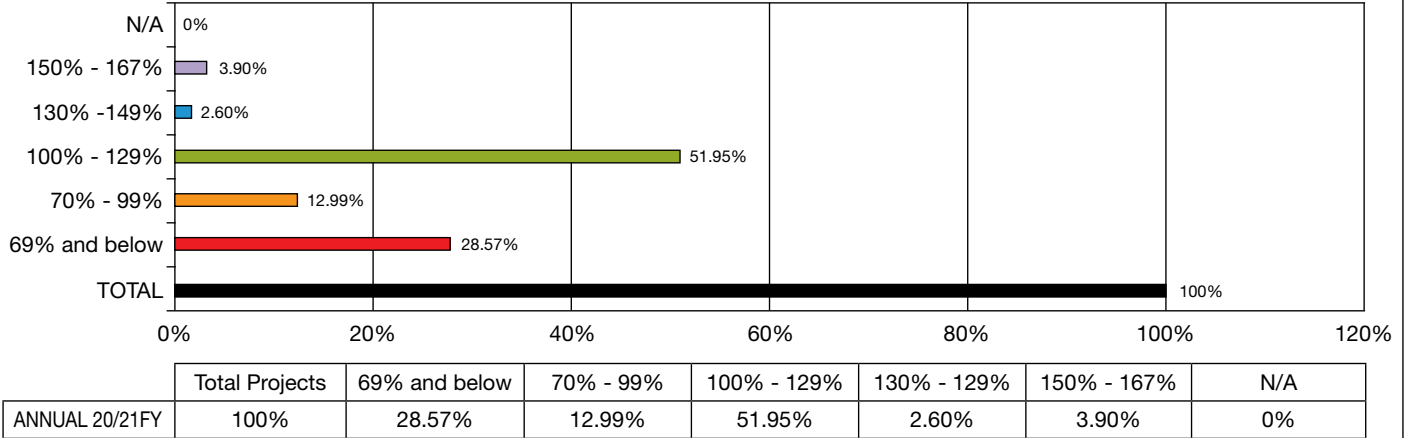


GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS



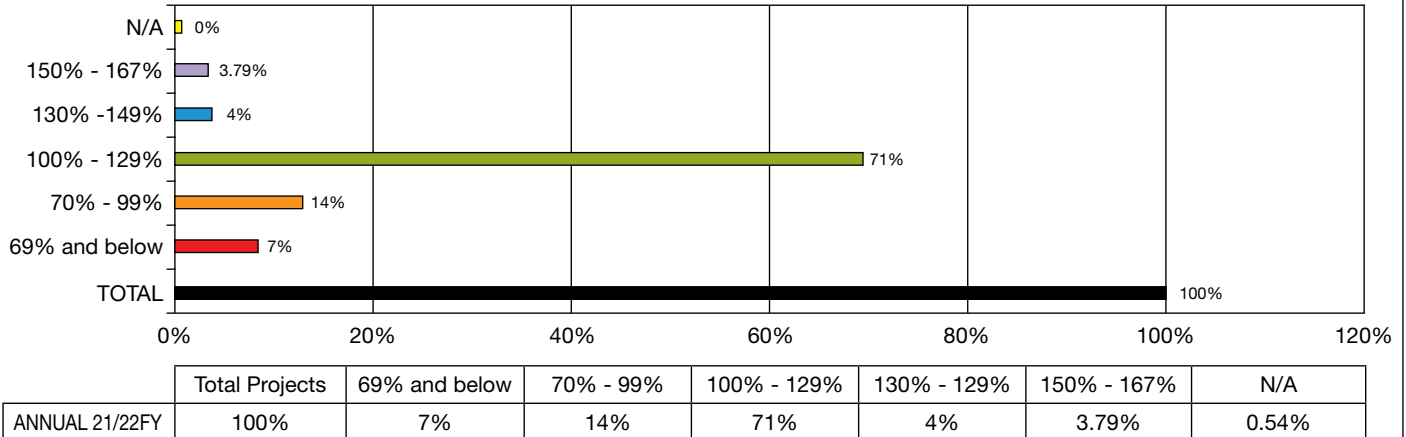
- 28.57% of the projects were reported as having achieved a 1 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 27% was achieved in the 21/22 FY
- 12.99 % of the projects were reported as having achieved a 2 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 19% was achieved in the 21/22 FY
- 51.95% of the projects were reported as having achieved a 3 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 54% was achieved in the 21/22 FY
- 2,60% of the projects were reported as having achieved a 4 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 0% was achieved in the 21/22 FY
- 3,90% of the projects were reported as having achieved a 5 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 0% was achieved in the 21/22 FY
- 0% of the projects were reported as not applicable due to not having any targets on the SDBIP for the ANNUAL 20/21 & 21/22 FY PROGRESS REPORT

SDBIP ORGANISATIONAL OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2020/21 - ANNUAL 20/21 FY PROGRESS REPORT



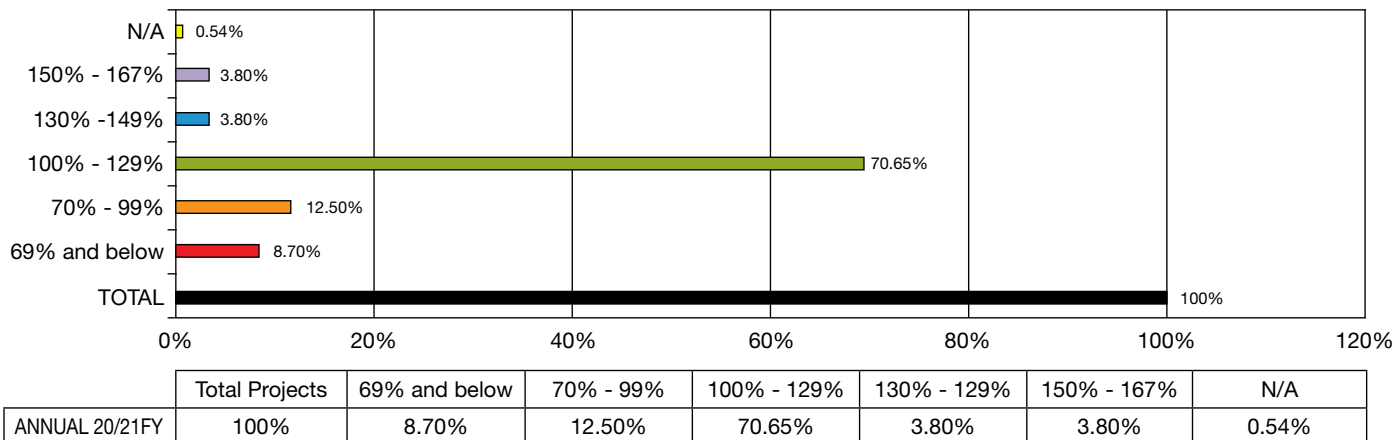
GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS

OPERATIONAL PLAN ORGANISATIONAL OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2021/22 - ANNUAL PROGRESS REPORT - OPERATING PROJECTS



1. 8,70% of the projects were reported as having achieved a 1 on the Operational Plan for the ANNUAL 20/21 FY PROGRESS REPORT whereas 7% was achieved in the 21/22 FY
2. 12.50% of the projects were reported as having achieved a 2 on the Operational Plan for the ANNUAL 20/21 FY PROGRESS REPORT whereas 14% was achieved in the 21/22 FY
3. 70.65% of the projects were reported as having achieved a 3 on the Operational Plan for the ANNUAL 20/21 FY PROGRESS REPORT whereas 71% was achieved in the 21/22 FY
4. 3,80 % of the projects were reported as having achieved a 4 on the Operational Plan for the ANNUAL 20/21 FY PROGRESS REPORT whereas 4% was achieved in the 21/22 FY
5. 3,80% of the projects were reported as having achieved a 5 on the Operational Plan for the ANNUAL 20/21 FY PROGRESS REPORT whereas 3,79% was achieved in the 21/22 FY
6. 0,54 % of the projects were reported as not applicable due to not having any targets on the Operational Plan for the ANNUAL 20/21 FY PROGRESS REPORT whereas 0% was achieved in the 19/20 FY

OPERATIONAL PLAN ORGANISATIONAL OVERVIEW SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2020/21 - ANNUAL 20/21 FY PROGRESS REPORT



1.3 PERFORMANCE ACHIEVEMENT PER NATIONAL KEY PERFORMANCE AREA (SDBIP & OPERATIONAL PLAN)

2019/2020	2020/2021	2021/2022
Basic Service Delivery - 119	Basic Service Delivery - 105	Basic Service Delivery - 99
Met - 68	Met - 49	Met - 55
Not Met -51	Not Met -56	Not Met - 44
Municipal Transformation- 96	Municipal Transformation - 85	Municipal Transformation- 84
Met -81	Met -49	Met - 70
Not Met- 15	Not Met- 36	Not Met- 14
LED- 36	LED- 24	LED- 41
Met- 33	Met- 15	Met- 32
Not Met-3	Not Met- 9	Not Met- 9
Financial Viability- 45	Financial Viability- 59	Financial Viability- 45
Met- 36	Met- 32	Met- 30
Not Met - 9	Not Met - 27	Not Met - 15
Good Governance -39	Good Governance -51	Good Governance - 60
Met- 25	Met- 22	Met- 33
Not Met - 14	Not Met - 29	Not Met - 27

1.4 MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2021/2022 FINANCIAL YEAR

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2020/2021 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
1	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	Review of the Individual Performance Management Policy 21/22	Approved by Full Council	N/A	N/A
2	Organizational Compliance, Performance & Knowledge Management	Madeleine Jackson	Quarterly Verification of Performance Information on the SDBIP on a Quarterly basis	Ongoing	N/A	N/A
3	Organizational Compliance, Performance & Knowledge Management	Madeleine Jackson	Cascading of Performance to Level 4 Managers to ensure accountability from staff members	Ongoing	N/A	N/A
4	Budget & Treasury Business Unit	CFO – Dudu Ndlovu	Upon the Auditor General releasing their report on the Audit Opinion for the Municipality, The AG Action Plan contains queries for both financial and non-financial activities including performance management queries. This meeting happens on a weekly basis from Monday to Thursday and the chairperson of the meeting is the CFO.	Ongoing	N/A	N/A

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2020/2021 FINANCIAL YEAR

NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
5	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	Audit Committee Decision tracker is a template monitored by the PMS unit. This is in order to ensure that respective Business units implement all resolutions taken by the Audit Committee. The report is presented on a quarterly basis to Audit Committee at the scheduled meetings.	Ongoing	N/A	N/A
6	Organizational Compliance, Performance & Knowledge Management	Madeleine Jackson	Encouraged Management to submit POE along with performance information in electronic format so as to ensure that the PMS unit has soft copies readily available for POE verification and request	Ongoing	This is still problematic for most Business units as some large POE files are still not scanned	For Business units to scan POE files for submission to PMS unit
7	CoGTA - Consultant	Roshan Ramjeawon	The Municipality received a PMS expert from CoGTA to assist in ensuring that the Municipality addresses all challenges in relation to Performance Management in the Municipality	Ongoing	N/A	N/A
8	Organizational Compliance, Performance & Knowledge Management	Madeleine Jackson	Report to Audit Committee on how to deal with POE submission for internal Audit tracking tool and Audit committee decision tracker to assist Business units in resolving audit findings	Ongoing	N/A	N/A
9	Infrastructure Services	GM: Infrastructure	Weekly MIG meetings to deal with processing of MIG Projects and expenditure	Ongoing	N/A	N/A
10	Budget & Treasury Business Unit	CFO – Dudu Ndlovu	Weekly Revenue Enhancement meetings to deal with Revenue Collection strategies and Implementation of Revenue enhancement matters	Ongoing	N/A	N/A

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT											
SDIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 07	NIL	Number of Households with access to basic refuse collection	Waste Management	6250 Households with access to free basic refuse collection services (Municipal Households provided with free basic refuse removal) by the 31st of June 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RPI 08	NIL	1 x Weekly Refuse Removal provided per month for Misunduzi Households	Waste Management	1 x Weekly Refuse Removal provided per month for Misunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RPI 09	4210 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2020	6250 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2021	Improved access to Free Basic Services	6250 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2021	6000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2022	3 169 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2022	1 69% & below	Impact on Covid 19 still being felt. SASSA Offices taking limited number of people allowed to get Proof of Income Letters. This indicate how much grant, child support or pension is being provided to the person. This will greatly assist	Revenue has met with SASSA and developed a relationship, where identity numbers will be provided and SASSA will indicate how much grant, child support or pension is being provided to the person. This will greatly assist	Immediately	Applied Indigent June 2022
RPI 10	71% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP by the 30th of June 2020 (Percentage : Total spending on capital projects divided by total capital budget x 100)	100% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP (Percentage : Total spending on capital projects divided by YTD capital budget x 100)	Improved Audit Opinion	61% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP (Percentage : Total spending on capital projects divided by YTD capital budget x 100) by the 30th of June 2021	95-100% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP (Percentage : Total spending on capital projects divided by YTD capital budget x 100)	69% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP (Percentage : Total spending on capital projects divided by YTD capital budget x 100)	1 69% & below	- NB: this is the May 2022 Actual Capital Expenditure ratio, as capital expenditure information for June 2022 is not available at present as the S1 Reports for June 2022 have not yet been finalized.	- Early implementation of capital projects - processes for procurement for capital projects should be more streamlined to be more efficient	The 2021-22 financial year is over, however, going forward into the 2022-23 financial year, projects should be initiated and implemented as early as possible.	S1 Reports and Financial reports
RPI 11	8% achieved in 2019-20	Financial viability in terms of debt coverage achieved.	Improved Audit Opinion	5% Financial viability in terms of debt coverage achieved. (Ratio: (Short Term Borrowings+ Bank Overdraft + Short Term Lease + Long Term Lease) / (Total Operating Revenue - Operational by the 30th of June 2021)	45% Financial viability in terms of debt coverage achieved. (Ratio: (Short Term Borrowings+ Bank Overdraft + Short Term Lease + Long Term Lease) / (Total Operating Revenue - Operational by the 30th of June 2021)	4% Financial viability in terms of debt coverage achieved. (Ratio: (Short Term Borrowings+ Bank Overdraft + Short Term Lease + Long Term Lease) / (Total Operating Revenue - Operational by the 30th of June 2021)	1 69% & below	- This ratio compares the closing balance on the municipality's debt owing to its year-to-date revenue received in the current financial year. - Thus, a ratio below the norm indicates that the municipality is not dependent on debt to fund its operations.	- Current borrowing are governed by the contract, and thus cannot be changed - however, it is advised that the municipality not undertake any further borrowings in the near future.	- no further borrowings be undertaken in the near future	Financial Reports

PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT											
SDBP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	UNIT OF MEASURE	ANNUAL PROGRESS REPORT					SOURCE DOCUMENT	
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE		TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES
RPI 12	Ratio was 0.87 months in 2019-20	Financial viability in terms of cash coverage achieved.	Improved Audit Opinion	RPI 10	Improved access to basic services	1-3 months	3 X months financial viability in terms of cash coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) by the 30th of June 2022	0.34 months financial viability in terms of cash coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) by the 30th of June 2022	1 (69% & below)	- This ratio compares the closing balance on the municipality's debt owing to its year-to-date revenue received in the current financial year. - Thus, a ratio below the norm indicates that the municipality is not dependent on debt to fund its operations. - A low ratio also indicates that the municipality still had capacity to take up increased funding through borrowings, provided that it met financing requirements.	Financial Reports
RPI 13	97% achieved in 2019-20	Financial viability in terms of outstanding service debtors to revenue achieved.	Improved Audit Opinion	RPI 11	Improved access to basic services	< 100%	< 100% Financial viability in terms of outstanding service debtors to revenue achieved. (Ratio: Outstanding service debtors divided by annual revenue actually received for services) by the 30th of June 2021	107% Financial viability in terms of outstanding service debtors to revenue achieved. (Ratio: Outstanding service debtors divided by annual revenue actually received for services)	3 (100% - 129%)	- Debt collection measures provided to reduce the outstanding debtors which will result in an improved ratio. - The year-to-date service revenue received for the 2021-22 financial year is less than the total outstanding service debtors. - This is concerning as it indicates an increasing Debtors Book.	Financial Reports
RPI 14	1202 work opportunities created through CWP and Infrastructure sector.	1000 x work opportunities created through LED development initiatives including Capital Projects by the 30th June 2021	Community Work programme implemented and cooperatives supported	RPI 12	Improved access to basic services	Number of work opportunities	1000 x work opportunities created through LED development initiatives including Capital Projects by the 30th June 2021	1000 x work opportunities created through LED development initiatives including Capital Projects by the 30th June 2022	3 (100% - 129%)	N/A	CWP Report
RPI 15	N/A	Number of Households with access to free basic refuse collection service	Improved access to basic services	N/A	Improved access to basic services	N/A	1724 x new housing units constructed utilizing external funding by the 30th June 2021	93.02% of households with access to basic level of water by the 30th of June 2022. (Number of planned connections vs number of completed connections)	N/A	N/A	N/A
N/A	N/A	N/A	Improved access to basic services	RPI 03	Improved access to basic services	Percentage	Percentage of households with access to basic level of water by the 30th of June 2022	56.38% of households with access to basic level of sanitation by the 30th of June 2022. (Number of planned connections vs number of completed connections)	2 (70% - 99%)	The number of Applications received was less compared to the number of planned connections.	June 2022 Water Connection Spreadsheet
N/A	N/A	N/A	Improved access to basic services	RPI 04	Improved access to basic services	Percentage	Percentage of households with access to basic level of sanitation by the 30th of June 2022. (Number of planned connections vs number of completed connections)	60% Percentage of households with access to basic level of sanitation by the 30th of June 2022. (Number of planned connections vs number of completed connections)	2 (70% - 99%)	There was an increase rate on the ventilated improved structures prices, arising from the high demand of plastic, as a result of the July unrest, where a Plastic manufacturer was burnt down.	June 2022 Sewer Connection Spreadsheet

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2.2 WASTE MANAGEMENT SERVICES

SDBP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			SDBP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT					
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL 2021/22 FY PROGRESS REPORT	
																ANNUAL TARGET	ANNUAL ACTUAL
N/A	N/A	N/A	N/A	N/A	N/A	WM 01	NKPA 2 - BASIC SERVICE DELIVERY	5KM Landfill Roads Upgraded	5KM Landfill Roads Upgraded	Kilometers of road rehabilitated	Rehabilitation of 5km of roads at the Landfill Site by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Photos and completion certificates.	
WM 01	NKPA 2 - BASIC SERVICE DELIVERY	Percentage of households with access to basic refuse collection.	20 x Bulk Steel (25m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (25m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	2 x Air conditioners Purchased and replaced for Waste Management offices by the 31st of June 2022	NOT APPLICABLE	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	N/A	WM02	NKPA 2 - BASIC SERVICE DELIVERY	PPE-MA-CHINERY & EQUIP-ALL OR EXCL NERSA-AC-QUIISITI	Replacement of 2 (two) Air conditioners	Number of Air conditioners replaced	2 x Air conditioners Purchased and replaced for Waste Management offices by the 31st of June 2022	3 (100% - 129%)	N/A	N/A	N/A	completion certificate	
WM 02	NKPA 2 - BASIC SERVICE DELIVERY	Percentage of Households with Access to Free basic Refuse collection service	10 x Bulk Steel (8m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (8m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	120 000 x household provided with access to Solid Waste removal	NOT APPLICABLE	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	N/A	WM 03	NKPA 2 - BASIC SERVICE DELIVERY	Waste Management	120 000 x household provided with access to Solid Waste removal	Number of households	120 000 x household provided with access to Solid Waste removal as per waste collection schedule by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Ewcomp vehicle movement reports, indigent register, customer statements, waste collection schedules and checklists.	
WM 03	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational License	100 x Concrete Street Litter bins purchased by the 30th of June 2021	0 x Concrete Street Litter bins purchased by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	120 000 x household provided with access to Solid Waste removal as per waste collection schedule by the 30th of June 2022	NOT APPLICABLE	N/A	N/A	N/A	N/A	
WM 04	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational License	26 x Bulk Steel (15m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (15m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	120 000 x household provided with access to Solid Waste removal as per waste collection schedule by the 30th of June 2022	NOT APPLICABLE	N/A	N/A	N/A	N/A	
WM 05	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational License	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	120 000 x household provided with access to Solid Waste removal as per waste collection schedule by the 30th of June 2022	NOT APPLICABLE	N/A	N/A	N/A	N/A	

3.3 AREA BASED MANAGEMENT

SDBP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY			SDBP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT					
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL 2021/22 FY PROGRESS REPORT	
																ANNUAL TARGET	ANNUAL ACTUAL
ABM 01	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	Community complaints referred to customer services and departments within 2 days of receipt	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2021	3 (100% - 129%)	ABM 01	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Community complaints received	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2022	Turnaround time	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint/s by ABM by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Complaints file	

SDIP REFERENCE		PERFORMANCE REPORTING 2020/2021 FY			PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
		INDICATOR	PROGRAMME	NATIONAL KEY PERFORMANCE AREA	SDIP REFERENCE	PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1-2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE
ABM 02	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	Effective mechanisms and procedures for Community Participation	ABM 02	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Ward plans file
ABM 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Effective mechanisms and procedures for Community Participation	ABM 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Effective mechanisms and procedures for Community Participation	4 x OSS functionality quarterly reports produced and submitted to the Office of the Mayor and District Council by the 30th of June 2021	2 (70% - 99%)	4 x OSS functionality quarterly reports produced and submitted to the Office of the Mayor and District Council by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	OSS FILE	
ABM 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	Public Participation	ABM 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	1 x public participation policy presentations conducted in the 20/21 FY for only 23 wards by the 31st of March 2021	1 (69% & below)	1 x public participation policy presentations conducted in the 21/22 FY for each of the 41 wards committees of council by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Public participation registers	
ABM 05	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	Public Participation	ABM 05	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	4 x quarterly ward audit reports for the 20/21 FY prepared and submitted to SMC on Audits conducted in each of the 39 wards on Service Delivery Challenges by the 30th of June 2021	3 (100% - 129%)	4 x quarterly ward audit reports for the 21/22 FY prepared and submitted to SMC on Audits conducted in each of the 39 wards on Service Delivery Challenges by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Ward audit file	
ABM 06	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	HIV/AIDS & SOCIAL SERVICES	8 x Ten Days HIV/AIDS Counselling Course Training conducted as per Training Schedule in the 20/21 FY by the 30th of June 2021	ABM 06	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	HIV/AIDS & SOCIAL SERVICES	5 x Ten Days HIV/AIDS Counselling Course Training conducted as per Training Schedule in the 20/21 FY by the 30th of June 2021	2 (70% - 99%)	7 x Ten Days HIV/AIDS Counselling Course Training conducted as per Training Schedule in the 21/22 FY by the 30th of June 2021	2 (70% - 99%)	Backlog due to Covid 19 regulations	Will be covered in the next financial year 2022/23	HIV/AIDS Soc Serv Register	
ABM 07	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	HIV/AIDS & SOCIAL SERVICES	120 x Ward visits conducted	ABM 07	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	HIV/AIDS & SOCIAL SERVICES	152 x Ward visits conducted in the 20/21 FY to support HIV/AIDS Groups by the 30th of June 2021	3 (100% - 129%)	172 x Ward visits conducted in the 21/22 FY to support HIV/AIDS Groups by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	HIV/AIDS & Social Serv Register	
ABM 08	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	HIV/AIDS & SOCIAL SERVICES	300 x HIV/AIDS and Social Support programmes in the 20/21 FY	ABM 08	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	HIV/AIDS & SOCIAL SERVICES	342 x HIV/AIDS and Social Support programmes in the 20/21 FY coordinated by the 30th of June 2021	3 (100% - 129%)	394 x HIV/AIDS and Social support programmes in the 21/22 FY to be coordinated by the 30th of June 2022	4 (130% - 149%)	No Response	N/A	HIV/AIDS Soc Serv Register	
ABM 09	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Halls	Maintenance plan reviewed and submitted to SMC for onward transmission to Full Council for Approval by the 30th of November 2020	ABM 09	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Halls	Maintenance plan reviewed and submitted to SMC for onward transmission to Full Council for Approval by the 30th of November 2020	3 (100% - 129%)	Maintenance plan reviewed and submitted to SMC for onward transmission to Full Council for Approval by the 31st of December 2021	3 (100% - 129%)	N/A	N/A	N/A	

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3.4 PUBLIC SAFETY, EMERGENCY SERVICES & ENFORCEMENT

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY			SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT				SOURCE DOCUMENT
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES		
														ANNUAL ACTUAL	
PSDM 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	156 x road safety awareness sessions conducted	184 x road safety awareness sessions conducted in the 2021 FY by the 30th of June 2021	3 (100% - 129%)	PSDM 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	156 x road safety awareness session conducted in the 21/22 FY by the 30th of June 2022	227 x Road safety awareness sessions conducted in the 21/22 FY by the 30th of June 2022	4 (130% - 149%)	No Response	N/A	N/A	School Road Safety & Education Report	
PSDM 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	4 x Quarterly Reports on the fire arm verification conducted in Compliance with Fire Arms Controls Act submitted to SMC by the 30th of June 2021	1 x Quarterly Reports on the fire arm verification conducted in Compliance with Fire Arms Controls Act submitted to SMC by the 30th of June 2021	1 (69% & below)	PSDM 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	4 x Quarterly Reports on the fire arm verification conducted in Compliance with Fire Arms Controls Act submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Report to SMC	
PSDM 03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	2 x Physical Fire arm verifications conducted on all arms and ammunition issued to Municipality staff by the 30th of June 2021	0 x Physical Fire arm verifications conducted on all arms and ammunition issued to Municipality staff by the 30th of June 2021	1 (69% & below)	PSDM 03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	2 x Physical Fire arm verifications conducted on all arms and ammunition issued to Municipality staff by the 30th of June 2022	2 x Physical Fire arm verifications conducted on all arms and ammunition issued to Municipality staff by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	SMC REPORT	
PSDM 04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	2 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 31st of January 2021	1 x Refresher training was conducted for all municipal fire arm holders permit holders facilitated by the 31st of May 2021	1 (69% & below)	PSDM 04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	2 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 31st of January 2022	2 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Attendance registers	
PSDM 05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	DISASTER MANAGEMENT	4 x Disaster Management Advisory Forums meetings facilitated by the 31st of May 2021	4 x Disaster Management Advisory Forums meetings facilitated by the 31st of May 2021	3 (100% - 129%)	PSDM 05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	4 x Disaster Management Advisory Forums meetings facilitated by the 31st of May 2021	4 x Disaster Management Advisory Forums meeting facilitated by the 1st of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Minutes of meetings	
PSDM 06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	DISASTER MANAGEMENT	24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2021	24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2021	3 (100% - 129%)	PSDM 06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2022	24 Hours turnaround time to respond to disaster related incidents reported according to the Approved DM plan/strategy by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	RISK ASSESSMENT FILE	
PSDM 07	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	DISASTER MANAGEMENT	Reviewed Disaster Management Plan prepared and submitted to SMC for approval by the 31st of December 2020	Reviewed Disaster Management Plan prepared and submitted to SMC for approval by the 31st of December 2020	3 (100% - 129%)	PSDM 07	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Reviewed Disaster Management Plan prepared and submitted to SMC for approval by the 31st of December 2021	Reviewed Disaster Management Plan prepared and submitted to SMC for approval by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Report Submitted to SMC & Approved	
PSDM 08	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	DISASTER MANAGEMENT	24 x Disaster awareness campaigns (1 campaign per high risk areas, 1 public education campaign) conducted by the 30th of June 2021	24 x Disaster awareness campaigns (1 campaign per high risk areas, 1 public education campaign) conducted by the 30th of June 2021	3 (100% - 129%)	PSDM 08	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	24 x Disaster awareness Campaigns per high risk areas, 1 public education campaign) conducted by the 30th of June 2022	24 x Disaster awareness Campaigns (1 campaign per high risk areas, 1 public education campaign) conducted by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	POE FILE REGISTRATION CHECK SHEET	
N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	PSDM 10	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	48 x Major Hazard Visitation	48 x Major Hazard Visitation conducted in the 21/22 FY by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	ATTENDANCE REGISTERS	

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2020/2021 FY			PERFORMANCE REPORTING 2021/2022 FY - ANNUAL			SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	
					REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES				
PSDM 11	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	FIRE & RESCUE	600 x fire prevention inspections conducted	Number of inspections	600 x fire inspections conducted by the 30th of June 2021	1130 x fire inspections conducted by the 30th of June 2021	3 (100% - 129%)	1086 x fire prevention inspections conducted in the 21/22FY by the 30th of June 2022	5 (150% - 167%)	N/A	DAILY SCHEDULES
N/A	N/A	N/A	N/A	Number of awareness sessions	120 x Fire & Rescue awareness sessions conducted	N/A	NOT APPLICABLE	120 x Fire & Rescue public awareness presentations conducted in the 21/22FY by the 30th of June 2022	3 (100% - 129%)	N/A	ATTENDANCE REGISTERS

4 INFRASTRUCTURE SERVICES

4.1 WATER AND SANITATION

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL			PERFORMANCE REPORTING 2021/2022 FY			SOURCE DOCUMENT		
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)			
					REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES						
W&S 01	NKPA 2 - BASIC SERVICE DELIVERY	WATER - NON REVENUE	Total Water Losses reduced to 28.3% in Wards 1 to 38 (in total) based on International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) based on International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2020	Total Water Losses reduced to 28.3% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	2 (70% - 99%)	Total Water Losses reduced to 29% on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022	2 (70% - 99%)	High number of mainline water bursts resulting in increased water losses	Bursts repaired as quickly as possible	N/A	IWA Water Balance	
W&S 02	NKPA 2 - BASIC SERVICE DELIVERY	WATER	Practical completion of reservoir, pump station and pipeline by 30th June 2020	100% of 5ML reservoir construction complete by 30th June 2020	Practical completion of reservoir, pump station and pipeline completed in Ward 39 by 30th of June 2021	R 8,000,000	R 17,044,312	N/A	N/A	N/A	N/A	N/A	N/A
W&S 03	Basic Service Delivery	Water	Site Establishment complete by 30th June 2020	Site Establishment complete by 30th June 2020	1 x Sanitation pump installation (Sobantu PS) completed by the 28th of February 2021	R 33,255,000	R 45,342,001	N/A	N/A	N/A	N/A	N/A	N/A
W&S 04	NKPA 2 - BASIC SERVICE DELIVERY	Water	Site Establishment complete by 30th June 2020	Site Establishment complete by 30th June 2020	2.6 km of new water pipeline constructed	R 1,000,000.00	R 1,181,264	N/A	N/A	N/A	N/A	N/A	N/A
W&S 05	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	Site Establishment complete by 30th June 2020	Site Establishment complete by 30th June 2020	1.35 km of new sewer pipeline installed	R 5,000,000.00	R 4,425,820	N/A	N/A	N/A	N/A	N/A	N/A
W&S 06	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	Site Establishment complete by 30th June 2020	Site Establishment complete by 30th June 2020	3 km of new sewer pipeline installed	R 11,500,000.00	R 14,634,712	N/A	N/A	N/A	N/A	N/A	N/A

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

PERFORMANCE REPORTING 2020/2021 FY - ANNUAL										PERFORMANCE REPORTING 2021/2022 FY				
SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	20/21 FY PROGRESS REPORT			ANNUAL PROGRESS REPORT						
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
R&T 04	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Sub-base for construction of 1.7 km road in Vulindlela Ward 8	Km road constructed	N/A	N/A	N/A	1 (69% & below)	Sub-base for construction of 1.7 km road in Vulindlela Ward 8 from gravel to concrete and asphalt surface with kerb & channel and associated stormwater NOT commenced by the 31st of June 2022	Contractor withdrew from project. Approximately 15% of subgrade completed only. Contractor terminated works by letter to SCM. Replacement contractor appointed in Mid-June 2022	Replacement contractor has been appointed.	4 July 2022.	Appointment letter for the new contractor.	
R&T 05	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.9 km road in Greater Edendale Ward 17 (Shepstone Ambleton road) from track road to concrete road with associated stormwater completed by the 30th of June 2021	Km road construction in Greater Edendale Ward 17 (PH3 Unit 13) from gravel to black top asphalt with associated stormwater completed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R&T 06	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 1.02 km road in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater completed by the 30th of May 2021	Km road construction in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater completed	R 1,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R&T 06	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 1.02 km road in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater NOT completed by the 30th of May 2021	Construction of 1.02 km road in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater NOT completed by the 30th of May 2021	N/A	N/A	N/A	2 (70% - 99%)	Construction of 1.02 km road in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater NOT completed by the 30th of May 2021	Contractor completed works by the 30th of May 2021	N/A	N/A	N/A	N/A
R&T 07	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Laying of G2 layer completed.	Laying of G2 layer completed.	R 1,700,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R&T 07	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.7 km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	Construction of 0.7 km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	N/A	N/A	N/A	3 (100% - 129%)	Construction of 200m of Causeway in Vulindlela ward 2 completed by the 28th of February 2022	Contractor completed 200m of Causeway in Vulindlela ward 2 by the 28th of February 2022	N/A	N/A	N/A	N/A
R&T 07	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.7 km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	Construction of 0.7 km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	R 3,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
R&T 07	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Draft detailed design Report and Road 3 km of road constructed	Draft detailed design Report and Road 3 km of road constructed	R 1,700,000	N/A	N/A	2 (70% - 99%)	Draft detailed design Report and Road 3 km of road submitted by the 30th of June 2022	Changes in requirements by Ingonyama Trust. Detailed design 98% complete. Documentation 50% complete. Wula application not submitted, process for submission is at 95%	EIA and WULA applications to be submitted	19 July 2022.	email from Environmentalist	

4.3 PROJECT MANAGEMENT OFFICE (HALLS)

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT									
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1.2.3.4.5, Not Applicable)						ANNUAL ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO 01	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction to foundation level for Madiba Community Hall	New	Commencement of construction to foundation level for Madiba Community Hall in ward 34 completed by the 30th of June 2021	1 (69% & below)	1 (69% & below)	PMO 01	NKPA 2 - BASIC SERVICE DELIVERY	Completion of Madiba community hall	Completion of Madiba community hall	Date Construction completed	1 (69% & below)	Slow progress on site from the contractor	The contractor submitted revised programme	31-Aug	Progress Report					
PMO 02	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction of foundation level for Elendoskop Community Hall	New	Construction of foundation level for Elendoskop Community Hall in ward 8 by the 30th of June 2021	1 (69% & below)	1 (69% & below)	PMO 02	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction of foundations	Date Construction completed	1 (69% & below)	Change in procurement strategy.	Provisional letter has been issued.	31-Jul-22	Provisional appointment letter					
PMO 03	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Final design for Ward 24 Community Hall	Final design for Ward 24 Community Hall completed by the 30th of June 2020	Site establishment and excavation for Orbi Community Hall in ward 24 by the 30th of April 2021	1 (69% & below)	1 (69% & below)	PMO 03	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Appointment of Contractor	Date Contractor Appointed	3 (100% - 129%)	N/A	N/A	N/A	N/A					
PMO 04	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site establishment and excavation for Orbi Community Hall	New	Construction of foundation level for Thembalihle Community Hall in ward 38 completed by the 30th of June 2021	1 (69% & below)	1 (69% & below)	PMO 04	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Complete the brickworks for Thembalihle Community Hall in ward 38 by the 30th of June 2022	Date of Completion	1 (69% & below)	Change in procurement strategy.	Provisional letter has been issued.	31-Aug-22	Tender Notice and attendance register					
PMO 05	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site establishment for France Community Hall	Final Design for Ward 13 Community Hall completed by the 30th of June 2020	Site Establishment for France Community Hall in Ward 13 completed by the 31st of May 2021	1 (69% & below)	1 (69% & below)	PMO 05	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction of Foundation level	Date Construction completed	1 (69% & below)	Progressive delay due to the social unrest.	Unrest were resolved and the contractor is on site.	4-Aug-23	Progress Report Emails from the Contractor					
PMO 06	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Foundation for Copesville Community Hall	NIL	Commencement of foundation for Copesville Community Hall in ward 29 by 30th of June 2021	N/A	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A					
PMO 07	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Contractor for Mbitane Community Hall	New	Contractor for Mbitane Community Hall in Ward 5 appointed by the 30th of June 2021	N/A	1 (69% & below)	PMO 05	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Roof Construction completed	Date Construction completed	3 (100% - 129%)	N/A	N/A	N/A	Practical Completion certificate					
PMO 08	Basic Service Delivery	PUBLIC FACILITY CONSTRUCTION	Mass Earthworks and Commencement of Foundations for Maturize Community Hall	New	Mass Earthworks and Commencement of Foundations for Maturize Community Hall in ward 7 completed by the 30th of June 2021	1 (69% & below)	1 (69% & below)	PMO 06	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Commencement of foundations	Date foundations commenced	1 (69% & below)	The project was changed from open tender to closed tender.	The contractor has been granted the final Appointment letter	30-Jul-22	Appointment letter					

4.4 MECHANICAL WORKSHOP

SDBP REFER-	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS quo	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			SDBP REFER-	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT									
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
MW 01	NKPA 1 - MUNICIPAL TRANSPORTATION & ORGANIZATIONAL DEVELOPMENT	Enhance Infrastructure services processes on council vehicles repairs	30 days turnaround time in the 20/21 FY achieved	30 days turnaround time not achieved	Target not met. Due to backlog, turnaround time for vehicles received for repairs is in excess of 30 days.	1 (69% & below)	Out of 360 vehicles repaired within 30 days. The main reason for deviation is the unavailability of departmental vehicles to complete the process of repairs and Services.	N/A	to seek advice from Finance on flow to assist Departments to make proper budgeting for their cars in order to avoid such incidents in the future.	Depending on the availability of funds, this could be completed within 1 month	Monthly reports and paid up invoices	30 days turnaround time in the 21/22 FY NOT achieved on council vehicles repairs completed by the 30th of June 2022 (Number of vehicles received vs number of vehicles serviced)	1 (69% & below)	Out of 360 vehicles repaired within 30 days. The main reason for deviation is the unavailability of departmental vehicles to complete the process of repairs and Services.	N/A	Monthly reports and paid up invoices						
MW 02	NKPA 1 - MUNICIPAL TRANSPORTATION & ORGANIZATIONAL DEVELOPMENT	Enhance Infrastructure services processes on council vehicles repairs	60 days turnaround time in the 20/21 FY achieved	NIL	Target not met. Due to backlog, turnaround time for plant vehicle repairs is in excess of 60 days.	2 (70% & below)	POE submitted insufficient. No invoice submitted.	N/A		60 days turnaround time achieved on council plant repairs completed by the 30th of June 2022 (Plant vehicles received vs Plant vehicles serviced)	2 (70% & below)	60 days turnaround time achieved on council plant repairs completed by the 30th of June 2022 (Plant vehicles received vs Plant vehicles serviced)	2 (70% & below)	POE submitted insufficient. No invoice submitted.	N/A	Monthly reports and paid up invoices						

5. ELECTRICITY SUPPLY SERVICES

SDBP REFER-	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT									
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ELEC 01	N/A	N/A	95	100% of faulty / defective electricity meters replaced as per technical exception table by the 30th of June 2021	72% OF FAULTY / DEFECTIVE ELECTRICITY METERS TENDED AS PER TECHNICAL EXCEPTION TABLE by the 31st January 2021	3 (100% - 129%)	ALIST OF 913 ESTIMATED METER INSTALLATIONS WAS RECEIVED, 913 HAS BEEN ATTENDED, 675 HAS BEEN REPLACED, BEING THE CAUSE OF FEW HAS BEEN RETURNED TO FINANCE DUE TO WHONG, INSUFFICIENT INFORMATION FOUND DISCONNECTED ETC.	N/A		Faulty / Defective Meter Replacement	100% of faulty / defective electricity meters replaced as per technical exception table and audits by the 30th of June 2022.	% of faulty / defective electricity meters replaced	103.5% (945/913) of faulty / defective electricity meters replaced as per technical exception table and audits by the 30th of June 2022.	3 (100% - 129%)	ALIST OF 913 ESTIMATED METER INSTALLATIONS WAS RECEIVED, 913 HAS BEEN ATTENDED, 675 HAS BEEN REPLACED, BEING THE CAUSE OF FEW HAS BEEN RETURNED TO FINANCE DUE TO WHONG, INSUFFICIENT INFORMATION FOUND DISCONNECTED ETC.	N/A	metros					
N/A	N/A	N/A	N/A	N/A	N/A	N/A	ELEC 02	NKPA 2 - BASIC SERVICE DELIVERY	Public Lighting	20 x high masts lights erected and commissioned	Number of high masts lights	R 250,000.00	N/A	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022.	2 (70% - 99%)	ESKOM delayed in connecting the electricity services to the meter box will be done in 22/23 financial year awaiting Eskom Electricity Connection	N/A	Handover Report and Close-Out Report				

SDBIP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT				
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	
																	ANNUAL TARGET
ELEC 02	NKPA 2 - BA- SIC SERVICE DELIVERY	Meter audits	N/A	Appointment of Service Provider and Generate Purchase Order by the 31st of December 2020	Letters of regret sent to unsuccessful service providers and there are objections.	NOT APPLICABLE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

6. SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES

HUMAN SETTLEMENTS (HOUSING)

SDBIP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT				
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	
																	ANNUAL TARGET
HS 02	NKPA 2 - BA- SIC SERVICE DELIVERY	Preparation and packaging of the Human Settlements Sector (Policy Document)	Inception Report in Place	Final Housing Sector Plan submitted to SMC for onwards transmission to Council for approval by the 30th of September 2020	Final Housing Sector Plan submitted to SMC for onwards transmission to Council for approval by the 30th of September 2020	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
HS 03	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	4 x new houses completed for Edendale Phase 8 Ext in the 19/20 FY by the 30th of June 2020	102 x new houses completed in the 20/21 FY for Edendale Unit S in the 19/20 FY by the 30th of June 2020	102 x new houses completed in the 20/21 FY for Edendale Unit S in the 19/20 FY by the 30th of June 2020	1 (69% & below)	HS 01	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	76 x new houses completed	Number of new houses completed R7,349,130.83	76 x new houses completed in the 21/22 FY for Edendale Unit S Phase 8 Ext by the 30th of June 2022	54 x new houses completed in the 21/22 FY for Edendale Unit S Phase 8 Ext by the 30th of June 2022	2 (70% - 99%)	N/A	N/A	N/A
HS 04	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	Construction of top structures to a value of R59 270 000 in ward 33 (Ilika Joe Community Residential Unit) completed in the 20/21 FY by the 30th of June 2021	Construction of top structures in Phase 1A to the value of R42 736 220.06 in ward 33 (Ilika Joe Community Residential Unit) completed in the 20/21 FY by the 30th of June 2021	Construction of top structures in Phase 1A to the value of R42 736 220.06 in ward 33 (Ilika Joe Community Residential Unit) completed in the 20/21 FY by the 30th of June 2021	1 (69% & below)	HS 02	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	Construction of external works in phase 1A to be completed	Date construction completed R13,188,544.66	Construction of external works in phase 1A to be completed to the value of R6 000 000 in the 21/22 FY for Jlika Joe by the 30th of June 2022	Construction of external works in phase 1A completed to the value of R6 127 075.87 in the 21/22 FY for Jlika Joe by the 30th of June 2022	1 (69% & below)	N/A	N/A	N/A
HS 05	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	220 x new houses completed for the Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020	220 x new houses completed for the Wirewall Rectification Project in the 20/21 FY by the 30th of June 2021	309 x new houses completed for the Wirewall Rectification Project in the 20/21 FY by the 30th of June 2021	4 (130% - 149%)	HS 03	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	187 x new houses completed for Wirewall Rectification N/A	Number of new houses completed N/A	187 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A
HS 07	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	180 x new houses completed for the Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020	180 x houses renovated for the Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020	370 x houses renovated for the Wirewall Rectification Project in the 20/21 FY by the 30th of June 2021	5 (150% - 167%)	HS 04	NKPA 2 - BA- SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	180 x houses renovated N/A	R47,305,960.89	180 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A

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SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT										
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 08	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	N/A	78 x new houses completed for the Site 11 Housing project	78 x new houses completed for the Site 11 Housing project (Ward 32) for the 20/21 FY by the 30th of June 2021	N/A	HS 06	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	60 x new houses completed	Number of new houses completed	R7,256,688.42	60 x new houses completed in the 21/22 FY for Site 11 Housing project - Woodlands by the 30th of June 2022	2 (70% - 99%)	There is slow progress on site due to delay of payments and amendment of the inpartite agreement	To facilitate the process of the agreement and engage with the IA to add more teams on site to make up or the time lost	2 months	D6					
HS 10	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	N/A	78 x new houses completed for the Site 11 Housing project	78 x new houses completed for the Site 11 Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	N/A	HS 07	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	60 x new houses completed	Number of new houses completed	R9,730,181.19	72 x new houses completed in the 21/22 FY for Thamboville Housing Project by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	D6					
HS 11	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	N/A	50 x new houses completed for the Glenwood Q-Section (Ward 38) for the 20/21 FY by the 30th of June 2021	50 x new houses completed for the Glenwood Q-Section (Ward 38) for the 20/21 FY by the 30th of June 2021	N/A	HS 08	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	30 x new houses completed	Number of new houses completed	R2,739,924.25	15 x new houses completed in the 21/22 FY for Glenwood Q-Section Housing Project by the 30th of June 2022	1 (69% & below)	Contract has been terminated due to non-performance	Finalisation of appointment of the new service provider	1 Months	N/A					
HS 12	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	N/A	78 x new houses completed for the Thembalhe Housing project	78 x new houses completed, 26 slabs and 6 wall plates for the Thembalhe Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	N/A	HS 09	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	55 x new houses completed	Number of new houses completed	R4,261,940.61	0 x new houses completed in the 21/22 FY for Thembalhe Housing Project by the 30th of June 2022	1 (69% & below)	Contract has been terminated due to non-performance	Finalization of appointment of the new service provider	1 Months	N/A					
HS 15	NKPA 2 - BA-SIC SERVICE DELIVERY	Municipal Rental Stock	N/A	50 x new houses completed for the Happy Valley Housing project	1 x new houses completed for the Happy Valley Housing project (Ward 32) for the 20/21 FY by the 30th of June 2021	N/A	HS 05	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	30 x new houses completed for Happy Valley Housing project	Number of new houses completed	R952,630.37	1 x new houses completed in the 21/22 FY for Happy Valley Housing project by the 30th of June 2022	1 (69% & below)	Contract has been terminated due to non-performance	Finalization of appointment of the new service provider	1 Months	N/A					
HS 16	NKPA 2 - BA-SIC SERVICE DELIVERY	Municipal Rental Stock	120 New Leases signed by 30 June 2020	180 x Leases prepared (1 July 2020 to 30 June 2021) for signature for verified tenancies by the 30th of June 2021	180 x Leases prepared (1 July 2020 to 30 June 2021) for signature for verified tenancies by the 30th of June 2021	N/A	HS 12	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Municipal Rental Stock	172 x Leases to be prepared for signature by the 30th of June 2022	Number N/A	N/A	172 x Leases to be prepared for signature by the 30th of June 2022	2 (70% - 99%)	Tenants resisting to follow and/or accept council resolution.	Follow up with the tenants that have not signed New Leases.	22/23 FY	Copy of signed lease					
HS 01	NKPA 2 - BA-SIC SERVICE DELIVERY	Undertaking of detailed studies for Human Settlements sites	Identified sites for Human Settlements purposes.	SPLUMA application prepared and submitted by the implementing agent to Msunduzi Municipality by the 30th of June 2021	SPLUMA Application has been Prepared and submitted by the IA on 1st June 2021 to the Msunduzi Municipality	N/A	HS 14	NKPA 2 - BA-SIC SERVICE DELIVERY	Undertaking of detailed studies for Human Settlements sites	SPLUMA Advertised on the Newspaper and 60 days observed	Date	N/A	The SPLUMA Application was amended and re-circulated to all Departments for Comments, due to changes in the proposed circulation, additional studies were required to be conducted and were completed. The final SPLUMA Application was completed and submitted to Town Planning.	2 (70% - 99%)	Upon circulation, additional studies were completed as required. The final SPLUMA Application was requested to complete the Amended SPLUMA Application.	Studies were conducted and completed as required. The final SPLUMA Application was submitted to Town Planning.	1 Month	- Project Progress Report dated June 2022. - Proof of SPLUMA Submission.					
HS 12	NKPA 2 - BA-SIC SERVICE DELIVERY	HUMAN SETTLEMENTS	N/A	50 x new houses completed for the Lot 182 project	50 x new houses completed for the Lot 182 project (Ward 11) for the 20/21 FY by the 30th of June 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0 x new houses completed for the Lot 182 project (Ward 11) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	NOT APPLICABLE	N/A	N/A						

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT															
SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	UNIT OF MEASURE	ANNUAL PROGRESS REPORT				SOURCE DOCUMENT					
						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION		CORRECTIVE MEASURE	TIME-TO-IMPLEMENT CORRECTIVE MEASURES			
TP & EM 03	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	1020 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY	1020 Water samples taken & analyzed for Water Quality Control (Potable water)	Number of water samples taken & analyzed for Water Quality Control	1020 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	1174 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	1174 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	N/A	N/A	Laboratory file
TP & EM 04	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	800 water samples taken & analyzed for Water Quality Control in 2019/2020 FY	800 Water samples taken & analyzed for Water Quality Control (Raw water)	Number of water samples taken & analyzed for Water Quality Control	800 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	807 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	807 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	N/A	N/A	Laboratory file
TP & EM 06	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	24 x real time (continuous) quantitative air quality reports produced and submitted to SMC in the 2020/2021 FY	36 x real time (continuous) quantitative air quality reports produced and submitted to SMC in the 2020/2021 FY by the 30th of June 2021	Number of real time (continuous) quantitative air quality reports	36 x real time (continuous) quantitative air quality reports produced and submitted to SMC in the 2020/2021 FY by the 30th of June 2021	39 x real time (continuous) quantitative air quality reports produced and submitted to SMC in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	36 x real time (continuous) quantitative air quality reports produced and submitted to SMC in the 2020/2021 FY by the 30th of June 2021	N/A	N/A	Air quality monitoring files
TP & EM 07	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	GEVDI	Approved Addendum and Land Acquisition on the 2020 Business Plan by Council	1 x report prepared and submitted to the Strategic Management Committee on the acquisition of land	N/A	R500 000	R500 001	3 (100% - 129%)	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A
TP & EM 08	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Neighbourhood Partnership Grant (NDPG)	Approved Urban Network Strategy by Council	1 x Inception Report and Baseline 0 Schedule prepared and submitted to National Treasury on the progress on planning of the Old Edendale and Town Center Roads by the 30th of September 2020	Date of Adoption Report to SMC on the Review & Update of Msunduzi Urban Network Strategy & Investment Plan for Prioritized Integration Zone submitted	N/A	N/A	3 (100% - 129%)	N/A	N/A	N/A	1 x Adoption Report on the Review & Update of the Msunduzi Urban Network Strategy & Investment Plan for Prioritized Integration Zone submitted to SMC by 31st of March 2022	N/A	N/A	1 x Adoption Report on the Review & Update of the Msunduzi Urban Network Strategy & Investment Plan for Prioritized Integration Zone submitted to SMC by 31st of March 2022
TP & EM 09	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Edendale Corridor Development Framework and Implementation Plan	Approved Urban Network Strategy and Network Elements Framework Plan	1 x Progress report on Status Quo of the Edendale Corridor Development Framework and Implementation Plan prepared and submitted to SMC by the 30th of June 2021	Date of Adoption Report to SMC on the Edendale Corridor & CBD Physical Development Framework Plan submitted to SMC by 30th June 2022	N/A	1,261,320	3 (100% - 129%)	N/A	N/A	N/A	1 x Adoption Report on the Edendale Corridor & CBD Physical Development Framework Plan submitted to SMC by 30th June 2022	N/A	N/A	1 x Adoption Report on the Edendale Corridor & CBD Physical Development Framework Plan submitted to SMC by 30th June 2022

SDBIP REFERENCE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT				PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT								
	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 21/22 FY PROGRESS REPORT						
					ANNUAL TARGET	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					
TP & EM 10	NKPA 6 - CROSS CUTTING	Hierarchy of Municipal Planning	Msunduzi Land Use scheme, Ashburton Land Use Scheme and Msunduzi Land Use Management Policy for areas outside the scheme	Single land use scheme for Msunduzi prepared and submitted to the Municipal Planning Tribunal for approval by the 30th of June 2021	Draft single Land Use Scheme Prepared and Forwarded to the Municipality by the 30th of June 2021	2 (70% - 99%)	3 (100% - 129%)	Final draft Single Land Use Scheme for Msunduzi Municipality prepared and submitted to SMC by the 31st of December 2021	Final draft Single Land Use Scheme for Msunduzi Municipality prepared and submitted to SMC by the 31st of December 2021	N/A	N/A	N/A	N/A
TP & EM 11	NKPA 6 - CROSS CUTTING	Hierarchy of Municipal Planning	Msunduzi Land Use Management Policy for areas outside the scheme	Municipal Spatial Planning and Land Use Management Bylaws prepared and submitted to Council for approval by the 28th of February 2021	Municipal Spatial Planning and Land Use Management Bylaws prepared and submitted to SMC for approval by the 28th of February 2021	N/A	3 (100% - 129%)	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A
TP & EM 12	NKPA 6 - CROSS CUTTING	Hierarchy of Municipal Planning	Approved Hierarchy of Planning Systems and the Spatial Development Framework 2015	Draft Local Area Plan for Scottsville/Pelham prepared and submitted to SMC by the 28th of February 2021	Draft Local Area Plan for Scottsville/Pelham prepared and submitted to SMC by the 28th of February 2021	R120 000	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A
						R600 000	N/A				N/A	N/A	N/A

6.4 CITY ENTITIES

SDBIP REFERENCE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT				PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT								
	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 21/22 FY PROGRESS REPORT						
					ANNUAL TARGET	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					
CE 01	NKPA 2 - BASIC SERVICE DELIVERY	Community Outreach Programme	10 Art Exhibitions	6 x new Msunduzi Art Exhibitions held by the 31st of May 2021	7 x new Msunduzi Art Exhibitions held by 31 May 2021	3 (100% - 129%)	3 (100% - 129%)	11 x Msunduzi Art Exhibitions held by the 30th of June 2022	12 x Msunduzi Art Exhibitions held by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A
CE 02	NKPA 2 - BASIC SERVICE DELIVERY	Exit roller doors	4 exit roller doors to be refurbished by June 2020	4 x Exit Roller Doors to be installed at PMB Market by the 31st of January 2021	4 x Exit Roller Doors to be installed at PMB Market in the 2021 FY by the 31st of January 2021	41604	N/A	5 500	5 500	NOT APPLICABLE	N/A	N/A	N/A
CE 04	NKPA 6 - CROSS CUTTING	Crime, Bylaw, Sub Station and Monitoring through CCTV Cameras	169 CCTV Cameras monitored 24 hours in all areas with coverage by the 30th of June 2020	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	918 000	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A
CE 05	NKPA 6 - CROSS CUTTING	Crime, Bylaw, Sub Station and Monitoring through CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after the 30th of June 2020	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after the 30th of June 2021	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after the 30th of June 2021	R11 203 383	N/A	N/A	N/A	3 (100% - 129%)	N/A	N/A	N/A

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT				UNIT OF MEASURE	INDICATOR	PROGRAMME	NATIONAL KEY PERFORMANCE AREA	OP REFERENCE	ANNUAL PROGRESS REPORT				SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION						CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT		
																ANNUAL TARGET	ANNUAL ACTUAL	
CE 14	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	TOURISM SUPPORT PROGRAMME	2019/20 KPAS	100% implementation of the tourism programmes as per Service Level Agreement	100% implementation of the tourism programmes as per SLA between the municipality and MPTA for the 2021 FY by the 30th of June 2021	3 (100% - 129%)	CE 21	3 - LOCAL ECONOMIC DEVELOPMENT	MPTA SLA KPI	100% Monitoring and reporting on execution of the MPTA activity plan according to the council approved SLA by the 30th of June 2022	100% Monitoring and reporting on execution of the MPTA activity plan according to the council approved SLA by the 30th of April 2022	SLA ended 01 April 2022	N/A	N/A	N/A	Submitted SLA Review report, Attendance register, pictures, invoices where applicable		
CE 15	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Tourism Sector Programme	Two sector events held	1 x Msunduzi tourism sector meeting facilitated	1 x Msunduzi tourism sector meeting facilitated by the 31st of May 2021	3 (100% - 129%)	CE 19	3 - LOCAL ECONOMIC DEVELOPMENT	Economic Development	2 x Tourism Stakeholder Forum meetings facilitated by the 31st of May 2022	2 x Tourism Stakeholder Forum meetings facilitated by the 31st of May 2022	N/A	N/A	N/A	Submitted Attendance Register, invite, pictures			
CE 16	NKPA 2 - BASIC SERVICE DELIVERY	Airport	N/A	3.9 km of Clearview perimeter fence installed at the Pietermaritzburg Airport	3.9 km of Clearview perimeter fence installed at the Pietermaritzburg Airport by the 28th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
CE 17	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	TOURISM RESEARCH PROGRAMME IN RESPONSE TO COVID-19	Findings of the research programme	Tourism research programme in response to Covid-19 completed	Tourism research programme in response to Covid-19 completed and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		

7. OFFICE OF THE CITY MANAGER (POLITICAL SUPPORT)

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT				UNIT OF MEASURE	INDICATOR	PROGRAMME	NATIONAL KEY PERFORMANCE AREA	SDBP REFERENCE	ANNUAL PROGRESS REPORT				SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION						CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	PERFORMANCE REPORTING 2021/2022 FY		
																ANNUAL TARGET	ANNUAL ACTUAL	
PS 01	GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	Annual calendar of events for Mayoral Special Projects 2021/2022 financial year submitted to SMC	Annual calendar of events for Mayoral Special Projects 2021/2022 financial year submitted to SMC for approval by the 31st of May 2021	3 (100% - 129%)	PS 01	5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Annual calendar of events for Mayoral Special Projects 2021/2022 financial year submitted to SMC	Annual calendar of events for Mayoral Special Projects 2022/2023 financial year Not submitted to SMC for approval by the 31st of May 2022	Annual calendar of events for Mayoral Special Projects 2022/2023 financial year Not submitted to SMC for approval by the 31st of May 2022	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted			
PS 02	GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	100% implementation of all Mayoral Special Programmes for 2020/2021 FY within budgeted amount	100% implementation of all Mayoral Special Programmes for 2020/2021 FY within available budget and stipulated timeframes as per the approved calendar of events by the 30th of June 2021	3 (100% - 129%)	PS 02	5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	No Submission from Business Unit	No Submission from Business Unit	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted			

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PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT										PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT								
SDBIP REFER-	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS quo	ANNUAL 20/21 FY PROGRESS REPORT		SDBIP REFER-	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1.2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL												
PS 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Monthly reports on Mayoral Special Projects submitted	Monthly report on Mayoral Special Projects submitted to the Operational Management Committee in the 2019/2020 FY	12 x Monthly reports on Mayoral Special Projects submitted to the Strategic Management Committee by the 30th of June 2021	12 x Monthly reports on Mayoral Special Projects submitted to the Strategic Management Committee by the 30th of June 2022	PS 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Monthly reports on Mayoral Special Projects submitted	Number	0 x Monthly reports on Mayoral Special Projects submitted to the Strategic Management Committee by the 30th of June 2022	No Submission from Business Unit	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted
PS 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Monthly Reports on the Back to Basics National CoGTA Template	12 x Monthly Reports on the Back to Basics National CoGTA Template 19/20 FY prepared and submitted to Council	12 x Monthly Reports on the Back to Basics National CoGTA Template 20/21 FY prepared and submitted to Council by the 30th of June 2021	4x Monthly Reports on the Back to Basics National CoGTA Template and submitted to Council by the 30th of June 2022	PS 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Monthly Reports on the Back to Basics National CoGTA Template	Number	N/A	No Submission from Business Unit	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted
PS 05	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Mayoral investment Facilitation meetings conducted during the 2019-2020 FY	2 x Mayoral investment Facilitation meetings conducted during the 2019-2020 FY	12 x Mayoral investment Facilitation meetings conducted by the 30th of June 2021	5 x Mayoral investment meetings conducted by the 30th of June 2022	PS 05	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Mayoral investment Facilitation meetings conducted	Number	N/A	5 x Mayoral investment meetings conducted by the 30th of June 2022	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted
PS 06	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Updates of the youth organization database completed during the 2019-2020 FY	0 x Updates of the youth organization database completed during the 2019-2020 FY	12 x Updates of the youth organization database completed by the 30th of June 2021	5 x Monthly Reports on the youth office capturing of register monthly completed by the 31st May 2022	PS 06	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Updates of the youth organization database completed	Number	N/A	0 x Monthly Reports on the youth office capturing of register monthly completed by the 31st May 2022	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted
PS 07	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	7 x Youth Month investment and promotion programmes facilitated during the 2019-2020 FY	0 x Youth Month investment and promotion programmes facilitated during the 2019-2020 FY	7 x Youth Month investment and promotion programmes facilitated by the 30th of June 2021	7 x Youth Month investment and promotion programmes facilitated by the 30th of June 2022	PS 07	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	7 x Youth Month investment and promotion programmes facilitated	Number	N/A	0 x Youth Month investment and promotion programmes facilitated by the 30th of June 2022	1 (69% & below)	N/A	N/A	N/A	No reasons and POE submitted
PS 08	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	1 x Oversight Process plan for the 2019/2020 FY prepared & submitted by the 31st of January 2020	1 x Oversight Process plan for the 2019/2020 FY prepared & submitted to Council by the 31st of January 2021	1 x Oversight Process plan for the 2019/2020 FY prepared & submitted to Council by the 31st of January 2021	1 x Oversight Process plan for the 2020/2021 FY not prepared & submitted to Council by the 31st of June 2022	PS 08	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	1 x Oversight Process plan for the 2019/2020 FY prepared & submitted	Date	N/A	1 x Oversight Process plan for the 2020/2021 FY not prepared & submitted to Council by the 31st of June 2022	2 (70% - 99%)	N/A	N/A	N/A	Oversight Report & SMC Resolutions
PS 09	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	1 x Oversight Report 19/20 FY tabled	1 x Oversight Report 19/20 FY tabled and adopted by Council by the 31st March 2020	1 x Oversight Report 19/20 FY tabled and adopted by Council by the 31st March 2021	1 x Oversight Report 20/21 FY NOT tabled and adopted by Council by the 31st March 2022	PS 09	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	1 x Oversight Report 19/20 FY tabled	Date	N/A	1 x Oversight Report 20/21 FY NOT tabled and adopted by Council by the 31st March 2022	2 (70% - 99%)	N/A	N/A	N/A	Delays due to the Internal Audit report submission from Audit General and Covid regulations
PS 10	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	Approved Oversight Report 19/20 FY made public	Approved Oversight Report 19/20 FY made public (published on municipal website) within seven days of approval of Oversight Report by the 7th of April 2021	Approved Oversight Report 19/20 FY made public (published on municipal website) within seven days of approval of Oversight Report by the 7th of April 2021	Approved Oversight Report 20/21 FY NOT made public (published on municipal website) within seven days of approval of Oversight Report by the 7th of April 2022	PS 10	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	Approved Oversight Report 19/20 FY made public	Date	N/A	Approved Oversight Report 20/21 FY NOT made public (published on municipal website) within seven days of approval of Oversight Report by the 7th of April 2022	2 (70% - 99%)	N/A	N/A	N/A	Delays due to the Internal Audit report submission from Audit General and Covid regulations
PS 11	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	12 x Monthly Reports prepared and submitted during the 2019-2020 FY	12 x Monthly Reports prepared and submitted during the 2019-2020 FY	12 x MPAC Monthly Reports 20/21 FY prepared and submitted to Full Council by the 30th of June 2021	3 x MPAC Monthly Reports 21/22 submitted to Full Council by the 30th of June 2022	PS 11	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	12 x Monthly Reports prepared and submitted	Number	N/A	3 x MPAC Monthly Reports 21/22 submitted to Full Council by the 30th of June 2022	1 (69% & below)	N/A	N/A	N/A	Resolution on the report on the report by MPAC, with recommendations

SDBP REFER- ENCE		NATIONAL KEY PERFORMANCE AREA		PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY							
SDBP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021/21 FY PROGRESS REPORT		
												ANNUAL TARGET	ANNUAL ACTUAL	
PS 12	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	100% of Adhoc MPAC reports for the 2021 FY prepared and submitted during the 2019-2020 FY	100% of Adhoc MPAC reports for the 2021 FY prepared and submitted	100% of Adhoc reports for the 2021 FY prepared and submitted	Percentage	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	100% of Adhoc MPAC reports for the 2021 FY prepared and submitted to Full Council by the 30th of June 2022	100% of Adhoc MPAC reports for the 2021 FY prepared and submitted to Full Council by the 30th of June 2022
PS 13	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	MPAC	MPAC Annual 21/22 FY Work plan prepared and submitted	MPAC Annual 21/22 FY Work plan prepared and submitted	MPAC Annual Work plan prepared and submitted	Date	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	MPAC Annual 21/22 FY Work plan prepared and submitted to Council for Approval by the 30th of June 2022	MPAC Annual 21/22 FY Work plan prepared and submitted to Council for Approval by the 30th of June 2022
PS 14	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	12 x Monthly Reports on the Back to Basics National CoGTA Template 2021 FY prepared and submitted during the 2019-2020 FY	12 x Monthly Reports on the Back to Basics National CoGTA Template 2021 FY prepared and submitted	12 x Monthly Reports on the Back to Basics National CoGTA Template 2021 FY prepared and submitted	Number	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	0 x Monthly Reports on the Back to Basics National CoGTA Template 21/22 FY prepared and submitted to Council by the 30th of June 2022	0 x Monthly Reports on the Back to Basics National CoGTA Template 21/22 FY prepared and submitted to Council by the 30th of June 2022
PS 15	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	Annual schedule of meetings 2021/2022 FY	Annual schedule of meetings 2021/2022 FY	Annual schedule of meetings 2021/2022 FY	Date	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	Annual schedule of meetings 2022/2023 FY (ward committees & community meetings) submitted to CoGTA by the 30th of June 2022	Annual schedule of meetings 2022/2023 FY (ward committees & community meetings) Not submitted to CoGTA by the 30th of June 2022
PS 16	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	468 x Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants during the 2019/2020 FY	468 x Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2021	482 x Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2022	Number	2 (70% - 99%)	N/A	N/A	N/A	N/A	N/A	482 x Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2022	482 x Monthly Reports on the functioning/status of ward committees received by the Office of the Speaker from Ward Assistants before the 21st of every month by the 30th of June 2022
PS 17	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	156 Minutes of community meetings from each of the 39 Ward assistants submitted to the Office of the Speaker during the 2019-2020 FY	235 x Minutes of community meetings from each of the 39 Ward assistants submitted to the Office of the Speaker during the 2019-2020 FY	164 x Minutes of community meetings from each of the 41 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2022	Number	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	164 x Minutes of community meetings from each of the 41 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2022	164 x Minutes of community meetings from each of the 41 Ward assistants submitted to the Office of the Speaker within 5 days after date of meeting by the 30th of June 2022
PS 18	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	468 x ward committee meetings held during the 2019-2020 FY	383x ward committee meetings held during the 2019-2020 FY	492 x ward committee meetings held by the 30th of June 2022	Number	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	492 x ward committee meetings held by the 30th of June 2022	492 x ward committee meetings held by the 30th of June 2022
PS 19	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	9 x monthly reports on the functioning of the Speaker's Office submitted to the Operational Management Committee during the 2019-2020 FY	12 x monthly reports on the functioning of the Speaker's Office submitted to the Strategic Management Committee by the 30th of June 2021	7 x monthly reports on the functioning of the Speaker's Office submitted to Full Council by the 30th of June 2022	Number	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	0 x monthly reports on the functioning of the Speaker's Office submitted to Full Council by the 30th of June 2022	0 x monthly reports on the functioning of the Speaker's Office submitted to Full Council by the 30th of June 2022

SDBIP REFER- ENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY						
					ANNUAL PROGRESS REPORT			REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)				
PS 20	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	6 x Whipery meetings facilitated for the 20/21 FY	Number of meetings facilitated for the 21/21 FY	6 x Whipery meetings facilitated for the 20/21 FY by the 30 June 2021	6 x Whipery meetings facilitated for the 21/22 FY by the 30th June 2022	N/A	N/A	No reasons and POE submitted		
PS 21	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	SPEAKERS OFFICE	12 x Public Place and Street Naming Committee Meetings facilitated for the 20/21 FY	Date of Establishment of the Public Place and Street Naming Committee	12 x Public Place and Street Naming Committee Meetings facilitated for the 20/21 FY by the 30th of June 2021	Establishment of the Public Place and Street Naming Committee by the 30th of June 2022	N/A	N/A	No reasons and POE submitted		

7.2 OFFICE OF THE CITY MANAGER (COMMUNICATION & IGR, OCP & KM)

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS	INDICATOR	PROGRAMME	NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	OP REFERENCE	PERFORMANCE REPORTING 2021/2022 FY						
									ANNUAL PROGRESS REPORT			REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME- FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
									ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)				
OCM 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Organizational Performance Management	SDBIP 2020/2021 submitted to the Mayor for approval within 28 days after the approval of the budget	Submission of SDBIP 2022/2023 to the Mayor after the approval of the budget	Organizational Performance Management	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	OCM 01	OCM 01	3 (100% - 129%)	SDBIP 2022/2023 submitted to the Mayor for approval within 28 days after the approval of the budget	3 (100% - 129%)	N/A	Approved SDBIP by Mayor		
OCM 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Organizational Performance Management	Annual organizational performance management framework 2021/2022 reviewed and submitted to SMC by the 31st of May 2021	Date of Review of the Performance Management Framework 2022/2023	Organizational Performance Management	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	OCM 03	OCM 03	N/A	Final Draft performance management framework 2022/2023 NOT reviewed and submitted to SMC by the 31st of May 2022	2 (70% - 99%)	Submitted in June additional information from the new staffing regulations had to be added	Draft Policy submitted to SMC		
OCM 03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Individual Performance Management	Annual individual performance management framework 2021/2022 reviewed and submitted to SMC by the 31st of May 2021	N/A	N/A	N/A	N/A	N/A	3 (100% - 129%)	N/A	N/A	N/A	N/A		
OCM 04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Organizational Performance Management	Approved SDBIP 2020/2021 made public on municipal website within 14 days after the approval by the mayor	Approved SDBIP 2021/2022 made public	Organizational Performance Management	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	OCM 04	OCM 04	3 (100% - 129%)	Approved SDBIP 2021/2022 made public on municipal website within 14 days after the approval by the mayor	3 (100% - 129%)	N/A	Website Link		
OCM 05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Organizational Performance Management	8 x SDBIP & OP 2020/2021 monthly reports submitted to the OMC (End July, August, October, November, January, April, May) by the 30th of June 2021	8 x SDBIP & OP 2021/2022 monthly reports submitted to the OMC (End July, August, October, November, January, April, May) by the 30th of June 2022	Organizational Performance Management	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	OCM 05	OCM 05	3 (100% - 129%)	8 x SDBIP & OP 2020/2021 monthly reports submitted to the OMC (End July, August, October, November, January, April, May) by the 30th of June 2022	3 (100% - 129%)	N/A	8 x monthly reports, SMC agenda and resolutions		
OCM 06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Organizational Performance Management	4 x SDBIP & OP 2020/2021 quarterly reports submitted to the OMC (Annual of 19/20 FY & Q1, Q2, Q3 of 20/21 FY) by the 30th of April 2021	4 x SDBIP & OP 2020/2021 quarterly reports submitted to the OMC (Annual of 19/20 FY & Q1, Q2, Q3 of 20/21 FY) by the 30th of April 2022	Organizational Performance Management	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	OCM 06	OCM 06	3 (100% - 129%)	4 x SDBIP & OP 2020/2021 quarterly reports submitted to the OMC (Annual of 19/20 FY & Q1, Q2, Q3 of 20/21 FY) by the 30th of April 2022	3 (100% - 129%)	N/A	4 x Quarterly SDBIP Reports SMC agenda and resolutions		
OCM 07	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management Reporting	Completed Annual Performance Report 2018/2019 submitted to the Auditor General on the 31st of August 2019	Date of submission of Annual Performance Report 2020/2021 submitted to the Auditor General by the 31st of August 2021	Performance Management Reporting	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	OCM 07	OCM 07	3 (100% - 129%)	Annual Performance Report 2020/2021 submitted to the Auditor General by the 31st of August 2021	3 (100% - 129%)	N/A	Letter of Receipt from AG		

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	ANNUAL PROGRESS REPORT					SOURCE DOCUMENT			
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)		REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES
OCM 08	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management Reporting	Mid-Year Performance Review 2020/2021 submitted to Council on the 23rd of January 2021	Mid-Year Performance Review 2020/2021 submitted to Council by the 25th of January 2021	3 (100% - 129%)	OCM 08	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management Reporting	Date of Mid-Year Performance Review 2021/2022 submitted	Mid-Year Performance Review 2021/2022 submitted to Council by the 25th of January 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Mid-Year Performance Review 2021/2022			
OCM 09	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management Reporting	Annual Report 2019/2020 tabled in Council by the 31st of March 2021	Annual Report 2019/2020 tabled in Council by the 31st of March 2021	3 (100% - 129%)	OCM 09	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management Reporting	Annual Report 2020/2021	Annual Report 2020/2021 NOT tabled in Council by the 31st of January 2021	2 (70% - 99%)	Delay in tabling report	Annual Report tabled by the 28th of April 2022	N/A	N/A	Annual Report, Full Council Agenda			
OCM 10	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Individual Performance Management	All 2020/2021 signed performance agreements for Managers up to level 3 by the 31st of August 2020	All 2020/2021 signed performance agreements for Managers up to level 3 by the 31st of August 2020	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 11	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Individual Performance Management	6 x signed performance agreements for S56/57 Managers on the 12th of July 2019	6 x signed 2020/2021 performance agreements for S56/57 Managers by the 10th of August 2020	3 (100% - 129%)	OCM 10	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Individual Performance Management	6 x signed 2020/2021 performance agreements	6 x signed 2021/2022 performance agreements for S56/57 Managers by the 10th of August 2021	2 (70% - 99%)	2 x Performance Agreements not submitted within deadline	Ensure timely submission in the 22/23 FY	N/A	N/A	6 x signed 2021/2022 performance agreements			
OCM 12	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Individual Performance Management	Individual Performance assessment schedule developed and submitted to SMC and approved in the 2020/2021 FY	An individual Performance Assessment schedule for the 2021/2022 FY developed and submitted to SMC for approval by the 31st of May 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 13	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2020	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 14	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Service Provider Performance Assessment	NI	2 x Service Provider Performance Assessments conducted by the 30th of April 2021	3 (100% - 129%)	OCM 11	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Service Provider Performance Assessment	2 x Service Provider Performance Assessments conducted	2 x Service Provider Performance Assessments conducted by the 28th of February 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	2x Service Provider Assessments			
OCM 15	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Municipal Publications	12 x Internal newsletters published in 2019/2020	13 x Internal Newsletters developed & published on Corporate Communications by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 16	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Municipal Publications	12 x monthly External Newspapers published in 2019/2020	5 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 17	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Communications and Marketing	Msunduzi Communications Strategy	Development and submission of the Communications Activity plan to the Strategic Management Committee (SMC) for approval completed by the 31st of July 2020	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 18	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Communications and Marketing	Approved communication activity plan	35% implementation of the approved communication activity plan by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
OCM 19	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Media Relations	Msunduzi Communications Strategy	12 x media monitoring and analysis conducted by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
					N/A						N/A	N/A	N/A	N/A	N/A	N/A			

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	ANNUAL PROGRESS REPORT				SOURCE DOCUMENT	
				ANNUAL TARGET	ANNUAL ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE		TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES
OCM 20	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase Performance and Efficiency Levels of Corporate Services	12 x Workshops on Customer Service Charters and Batho Pele Principles for Front line service delivery units (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) conducted by the Msunduzi Batho Pele Unit by the 30th of June 2020	3 (100% - 129%)	12 x Workshop on Customer Service Charters and Batho Pele Principles (CBU, Corporate Services, Infrastructure Services, Economic Development, Community Services, Financial Services) were conducted by the Msunduzi Batho Pele forum by the 30th of June 2022	N/A	N/A	Initiation, Agenda, Attendance Register and Minutes	
OCM 21	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase Performance and Efficiency Levels of Corporate Services	6 x bi-monthly meetings of the Msunduzi Batho Pele forum CONVENED to monitor the implementation of Batho Pele Principles and Customer Service Charter by the 30th of June 2021	N/A	6 x bi-monthly meetings of the Msunduzi Batho Pele forum to monitor the implementation of Batho Pele Principles and Customer Service Charter were conducted by the 30th of June 2022	N/A	N/A	Initiation, Agenda, Attendance Register and Minutes	
OCM 22	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase Performance and Efficiency Levels of Corporate Services	1 x Report on the reviewed Monitoring tool for Implementation of Batho Pele Principles developed and submitted to SMC for approval by the 31st of August 2020	3 (100% - 129%)	1 x Report on the reviewed Monitoring tool for Implementation of Batho Pele Principles developed and submitted to SMC for approval by the 31st of August 2021	N/A	N/A	SMC Report & Resolution	
OCM 23	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase Performance and Efficiency Levels of Call Centre Management Staff	2 x Customer Care / Batho Pele workshops or training for call centre and switchboard staff facilitated by the 30th of April 2021	N/A	2 x Customer Care / Batho Pele workshops or training for call centre and switchboard staff were facilitated by the Batho Pele Sub-Unit in the month of April 2022	N/A	N/A	Initiation, Agenda, Attendance Register and Minutes	
OCM 24	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Organizational Performance Management	1 x Msunduzi Municipality Customer Satisfaction Survey report prepared and submitted to SMC by the 31st of March 2021	3 (100% - 129%)	2 x Msunduzi Municipality External Advertisorials to Newspaper Publication submitted by the 31st of December 2021	N/A	N/A	copy of advertorials	

7.3 INTERNAL AUDIT

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT				SOURCE DOCUMENT	
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES			
														ANNUAL TARGET		ANNUAL ACTUAL
IA01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Services	Internal Audit assignments completed in the 19/20 FY	6 Audits have been completed of the 11 Audits which were planned for the 2020/2021 Financial Year. 1 X Audit is in progress: 1. Audit of Disconnection and Reconnection The 3 audits which could not be performed as a result of resource constraints are as follows: 1. AoPI- Mid-Term Performance 2. Audit of Section 72 for the 2020/2021 FY 3. Audit of the Draft Budget 1 X Audit that could not be finalized due to poor quality is as follows: 1. Audit of the SDBIP for 2020/2021 FY	2 (70% - 99%)	2 (70% - 99%)	100% Completion of internal audit assignments as per approved Annual Audit Plan 2020/21 by the 30th of June 2021	Assurance Services	100% Completion of internal audit assignments as per approved Annual Audit Plan 2020/21 by the 30th of June 2022	92% Completion of internal audit assignments as per approved Annual Audit Plan 2020/21 by the 30th of June 2022 23 audits could not be completed as the Unit had to prioritize adhoc requests by the CFO for consumer refunds & audit of leave for the GM as the ACM wanted to discuss the report with Council before 30 June 2022.	2 (70% - 99%)	23 audits could not be completed as the Unit had to prioritize adhoc requests by the CFO for consumer refunds & audit of leave for the GM as the ACM wanted to discuss the report with Council before 30 June 2022.	Two audits that could not be finalized by 30 June 2022 have been carried over to July 2022	31-Jul-22	Copies of reports	
IA02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Service	1 plan was approved	The Three Year Audit Plan was presented and approved by the Audit Committee on the 22nd of June 2021.	3 (100% - 129%)	3 (100% - 129%)	Development & submission of the Three Year Audit Rolling Plan for 2022/23, 2023/24 & 2024/5 to the Audit Committee for approval by the 30th of June 2021	Assurance Services	Development & submission of the Three Year Audit Rolling Plan for 2022/23, 2023/24 & 2024/5 to the Audit Committee for approval by the 30 June 2022	Developed & submitted the Three Year Audit Rolling Plan for 2022/23, 2023/24 & 2024/5 and Annual Audit Plan for 2022/23 FY to the Audit Committee for approval by the 30 June 2022	3 (100% - 129%)	3 (100% - 129%)	N/A	N/A	Report & Audit Committee resolution	
IA03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Services	1 plan was approved	The Annual Audit Plan for the 2021/2022 FY was presented and approved by the Audit Committee on the meeting of the 22nd of June 2021	3 (100% - 129%)	3 (100% - 129%)	Development & submission of an Annual Audit Rolling Plan for 2022/23, 2023/24 & 2024/5 to the Audit Committee for approval by the 30th of June 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IA04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Audit Committee	1 plan was approved	The Audit Committee Annual Work Plan & Calendar of activities for 2021/22 FY developed & submitted to the Audit Committee for approval by the 30th of June 2021	N/A	N/A	Development & submission of an Audit Committee Annual Work Plan & Calendar of activities for 2022/23 FY to the Audit Committee and Council for approval by the 30th of June 2021	Audit Committee	Development & submission of an Audit Committee Annual Work Plan & Calendar of activities for 2022/23 FY to the Audit Committee and Council for approval by the 30 June 2022	Developed & submitted Audit Committee Annual Work Plan & Calendar of activities for 2022/23 FY to the Audit Committee and Council for approval by the 30 June 2022	3 (100% - 129%)	3 (100% - 129%)	N/A	N/A	Report & Audit Committee resolution	
IA05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Audit Committee	7 in 2018/19	Audit Committee meetings were facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2021	N/A	3 (100% - 129%)	Facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IA06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Services	1 done in 2019/20	3 x Internal Audit quarterly reports prepared and submitted to the Audit Committee on its first meeting after the end of each quarter preceded by the Audit Committee meeting by the 30th of April 2021	N/A	2 (70% - 99%)	4 x Internal Audit quarterly reports prepared and submitted to the Audit Committee on its first meeting after the end of each quarter preceded by the Audit Committee meeting	Assurance Services	4 x Internal Audit quarterly reports prepared and submitted to the Audit Committee on its first meeting after the end of each quarter preceded by the Audit Committee meeting by the 30th of June 2022	4 x Internal Audit quarterly reports prepared and submitted to the Audit Committee on its first meeting after the end of each quarter preceded by the Audit Committee meeting by the 30th of June 2022	2 (70% - 99%)	2 (70% - 99%)	COVID 19 infections in the Unit during December 2021 & in January & February 2022 the Manager Assurance was overwhelmed by work as she had to hand over by 28 February 2022 as she had resigned.	Quarterly report for quarter ending 30 June 2022 will be done in August 2022	Quarterly reports will be done for the Audit Committee meetings	Quarterly status reports

7.4 STRATEGIC PLANNING

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT						
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1.2.3.4.5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT			
											UNIT OF MEASURE	INDICATOR	PROGRAMME
SP 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increased institutional capacity and promote transformation	MFWA compliance Requirement	5 x Strategic Planning sessions to guide municipal priorities and budget coordinated by the 30th of June 2021 (1. Mid-Year Strategic Planning session, 2. Mid-Year Assessment Treasury Visit, 3. Councilor project performance feedback session, 4. Strategic Planning Session for the new Financial Year, 5. National Treasury Budget benchmarking Exercise)	3 (100% - 129%)	3 (100% - 129%)	3 (100% - 129%)	N/A	N/A	5 x Strategic Planning sessions to guide municipal priorities and budget coordinated by the 30th of June 2022 (1. Strategic Planning session for SMC, 2. Mid-Year Assessment Treasury Visit, 3. Strategic Planning session for EXCO, 4. Strategic Planning Session for Full Council, 5. National Treasury Budget benchmarking Exercise)	N/A	N/A	Invites, Agendas, Minutes, Registers, Presentations
SP 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increased institutional capacity and promote transformation	Ad-hoc budget and project planning by business units	N/A	4 x Technical Budget Steering Committee meetings coordinated by the 30th of June 2021	N/A	3 (100% - 129%)	N/A	N/A	4 x Technical Budget Steering Committee meetings coordinated by the 30th of June 2022	N/A	N/A	Invites, Agendas, Minutes, Registers, Presentations
SP 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	1 x IDP Review conducted in 2020/2021	N/A	1 x IDP Review 2021/2022 FY completed by the 31st of May 2021	N/A	4 (130% - 149%)	N/A	N/A	1 x IDP Review 2022/2023 FY completed by the 30th of June 2022	N/A	N/A	Reviewed IDP Full Council Agenda, Resolution, Submission to CoGTA, Newspaper Advert
SP 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	1 x IDP/Budget/PMS Process plan developed and submitted to SMC for approval and submitted to CoGTA for approval and onwards submission to CoGTA in 2020/2021	250,000.00	Draft IDP/Budget/PMS Process plan 2021/2022 FY developed and submitted to SMC for approval and onwards submission to CoGTA by the 31st of August 2020	N/A	4 (130% - 149%)	N/A	N/A	Date of Development and Submission of Draft IDP/Budget/PMS Process plan 2021/2022 FY to SMC for approval and onwards submission to CoGTA by the 31st of September 2022	N/A	N/A	IDP/Budget/PMS Process plan 2021/2022 FY, SMC Agenda, SMC Minutes, Feedback response
SP 05	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	4 x Business units internal Alignment and working group sessions facilitated in 2020/2021	N/A	4 x Business units internal Alignment and working group sessions facilitated by the 31st of May 2021	N/A	4 (130% - 149%)	N/A	N/A	4 x Business units internal Alignment and working group sessions facilitated by the 30th of June 2022	N/A	N/A	Invites, Agendas, Minutes, Registers, Presentations
SP 06	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	3 x IDP Representatives forum meetings facilitated in 2020/2021	N/A	0 x IDP Representatives forum meetings facilitated by the 31st of May 2021	N/A	3 (100% & below)	N/A	N/A	4 x DDM Representatives forum meetings attended by the 30th of June 2022	N/A	N/A	Agendas, Minutes, Registers
SP 07	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	150,000.00	150,000.00	1 x IDP/Mayoral Roadshows facilitated by the 30th of June 2021	N/A	4 (130% - 149%)	N/A	N/A	6 x IDP/Mayoral Roadshows facilitated by the 30th of June 2022	N/A	N/A	Invites, Agendas, Minutes, Registers, Presentations
SP 08	NKPA 2 - BASIC SERVICE DELIVERY	Pietermaritzburg Urban Renewal Program	CBD Local Area Plan, CBD Regeneration Plan and various complaints on the lack of urban management in the CBD	N/A	182 x Bylaw infringement inspections within the CBD conducted by the 30th of June 2021	N/A	5 (150% - 167%)	N/A	N/A	502 x Bylaw infringement inspections within the CBD conducted by the 30th of June 2022	N/A	N/A	Bylaw infringement schedules for Q1, Q2, Q3 & Q4 signed by Co-ordinator

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OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT		OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT							
				ANNUAL TARGET	ANNUAL ACTUAL						ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT			
																ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)
SP 09	NKPA 2 - BASIC SERVICE DELIVERY	Pietermaritzburg Urban Renewal Program	CBD Local Area Plan, CBD Regeneration Plan and various complaints on the lack of urban management in the CBD.	3 x reports produced and submitted to SMC on Bylaw infringement inspections conducted by the 30th of April 2021	3 (100% - 129%)	SP 09	NKPA 2 - BASIC SERVICE DELIVERY	Pietermaritzburg Urban Renewal Program	4 x reports produced and submitted to SMC on Bylaw infringement inspections conducted by the 30th of June 2022	Number	4 x reports produced and submitted to SMC on Bylaw infringement inspections conducted by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	SMC Agendas, SMC Minutes and 4 x reports

8. BUDGET AND TREASURY OFFICE

8.1 FINANCIAL PERFORMANCE 2022

ANNEXURE A: ANNUAL PROJECTION OF REVENUE BY EACH SOURCE - BUDGET YEAR 2021 / 2022				
DESCRIPTION	REASON FOR DEVIATION		CORRECTIVE MEASURE	SOURCE DOCUMENT
	PROJECTED	ACTUAL		
Property rates				
Property rates - penalties & collection charges	110,115	81,737	N/A	SEC 71
Service charges - electricity revenue	246,825	230,345	N/A	SEC 71
Service charges - water revenue	64,435	50,867	N/A	SEC 71
Service charges - sanitation revenue	13,346	14,038	N/A	SEC 71
Service charges - refuse revenue	10,213	15,953	N/A	SEC 71
Service charges - other			N/A	SEC 71
Rental of facilities and equipment	2,553	4,336	N/A	SEC 71
Interest earned - external investments	1,340	1,557	N/A	SEC 71
Interest earned - outstanding debtors	17,774	14,304	N/A	SEC 71
Dividends received		-	N/A	SEC 71
Fines	158	264	N/A	SEC 71
Licenses and permits	98	196	N/A	SEC 71
Agency services	53	(370)	N/A	SEC 71
Transfers recognized - operational	60,496	12,825	N/A	SEC 71
Other revenue	12,857	(5,011)	N/A	SEC 71
Gains on disposal of PPE			-	
Total Revenue (excluding capital transfers and contributions)	540,263	421,042		

ANNEXURE B: ANNUAL PROJECTION OF REVENUE COLLECTED BY EACH VOTE - BUDGET YEAR 2021 / 2022				
DESCRIPTION	REASON FOR DEVIATION		CORRECTIVE MEASURE	SOURCE DOCUMENT
	PROJECTED	ACTUAL		
Revenue by Vote				
City Manager	5	-	N/A	SEC 71
City Finance	162,991	104,844	N/A	SEC 71
Community Services and Social Equity	17,961	29,271	N/A	SEC 71
Corporate Services	508	3	N/A	SEC 71
Infrastructure Services	397,515	300,522	N/A	SEC 71
Sustainable Development and City Enterprises	23,786	36,663	N/A	SEC 71
TOTAL	602,766	471,302		

ANNEXURE C: ANNUAL PROJECTION OF OPERATIONAL EXPENDITURE BY VOTE - BUDGET YEAR 2021 / 2022				
DESCRIPTION	REASON FOR DEVIATION		CORRECTIVE MEASURE	SOURCE DOCUMENT
	PROJECTED	ACTUAL		
Employee related costs	127,262	185,022	N/A	SEC 71

ANNEXURE C: ANNUAL PROJECTION OF OPERATIONAL EXPENDITURE BY VOTE - BUDGET YEAR 2021 / 2022					
DESCRIPTION	PROJECTED	ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	SOURCE DOCUMENT
Remuneration of Councilors	4,694	4,820	N/A	N/A	SEC 71
Debt impairment	12,500	55,653	N/A	N/A	SEC 71
Depreciation & asset impairment	35,077	32,545	N/A	N/A	SEC 71
Finance charges	2,894	1,973	N/A	N/A	SEC 71
Bulk purchases	182,116	285,548	N/A	N/A	SEC 71
Other materials	69,210	66,647	N/A	N/A	SEC 71
Contracted services	54,538	181,348	N/A	N/A	SEC 71
Transfers and grants	3,822	(21,080)	N/A	N/A	SEC 71
Other expenditure	15,416	31,469	N/A	N/A	SEC 71
Loss on disposal of PPE			N/A	N/A	SEC 71
Total Expenditure	507,528	823,946			

ANNEXURE D: ANNUAL 2021 PROJECTION OF CAPITAL EXPENDITURE BY VOTE - BUDGET YEAR 2021 / 2022					
DESCRIPTION	ANNUAL PROJECTED	ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	SOURCE DOCUMENT
Multi-year expenditure to be appropriated					
City Manager	753	2,956	N/A	N/A	SEC 71
City Finance	3,321	(3,933)	N/A	N/A	SEC 71
Community Services and Social Equity	5,256	20,785	N/A	N/A	SEC 71
Corporate Services	371	3,294	N/A	N/A	SEC 71
	28,887	69,872	N/A	N/A	SEC 71
Sustainable Development and City Enterprises	10,455	28,385	N/A	N/A	SEC 71
Total Capital Expenditure	49,044	121,359			SEC 71

8.2 BUDGET PLANNING, MONITORING & IMPLEMENTATION

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PROGRAMME	NATIONAL KEY PERFORMANCE AREA	OP REFERENCE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY PROGRESS REPORT			PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT						
								ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
B & T 01	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	IDP/Budget process plan	Date of Final Draft Budget for 2022/23 FY & two outer years prepared	Date	IDP/Budget process plan	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	B & T 01	Final Draft budget for 2021/22 FY & two outer years prepared & submitted to SMC by the 31st of March 2021	3 (100% - 129%)	Final Draft budget for 2022/23 FY & two outer years prepared & submitted to SMC by the 31st of March 2022	3 (100% - 129%)	N/A	N/A	N/A	Final Draft Budget		
B & T 02	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	IDP/Budget process plan	Date of Uploading of MSCOA Budget strings	Date	IDP/Budget process plan	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	B & T 02	MSCOA Budget data strings uploaded onto the National Treasury portal for the 2020/21 FY completed by the 31st of April 2021	3 (100% - 129%)	Date of Uploading of MSCOA Budget data strings (ORGB) into the NT portal for the 2022/23 FY completed by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Final Draft Budget		
B & T 03	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	IDP/Budget process plan	Summary of the approved budget and tariff of charges for the 2021/22 FY advertised by the 30th of June 2021	Date	IDP/Budget process plan	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	B & T 03	Summary of the approved budget and tariff of charges for the 2021/22 FY advertised by the 30th of June 2021	3 (100% - 129%)	Date of Summary of the approved budget and tariff of charges for the 2022/23 FY advertised by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Approved Budget		
B & T 04	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x S71 reports produced and submitted to SMC by the 30th of June 2021	Number	Financial reporting	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	B & T 04	12 x S71 reports produced and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	11 x S71 reports produced and submitted to SMC by the 30th of June 2022	2 (70% - 99%)	Schedule to be finalised around 22nd July 2022	N/A	N/A	S71 Monthly Reports & SMC Resolutions		
									N/A								

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OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY			SOURCE DOCUMENT	
				PROGRESS REPORT		PROGRESS REPORT						PROGRESS REPORT				
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)		REASON FOR DEVIATION
B & T 05	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	4 x Quarterly reports on Section 52(i) produced and submitted to SMC by the 30th of April 2021	4 x Quarterly reports on Section 52(i) produced and submitted to SMC by the 30th of April 2021	3 (100% - 129%)	B & T 05	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	4 x Quarterly report	Number	4 x Quarterly report on Section 52(i) produced and submitted to SMC by the 30th of June 2022	2 (70% - 99%)	end of June Schedule not done yet	Schedule to be finalised around 22nd July 2022	22 July 2022	Quarterly Report
B & T 06	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	2019/20 mid-year budget performance report tabled by 25 January 2020	Section 72 (mid-year) budget performance report for the 2020/21 FY prepared and submitted to Full Council by the 25th of January 2021	3 (100% - 129%)	B & T 06	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	Date of Section 72 (mid-year) budget performance report	Date	Date of Section 72 (mid-year) budget performance report for the 21/22 FY prepared and submitted to SMC by the 25th of January 2022	N/A	N/A	N/A	N/A	Mid-Year Budget
B & T 07	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly monitoring of grants reports prepared and submitted to SMC during the 2019/20 FY	10 x Monthly monitoring of grants reports for the 2021 FY prepared and submitted to SMC by the 30th of June 2021	N/A	B & T 07	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly monitoring of grants reports	Number	11 x Monthly monitoring of grants reports prepared and submitted to SMC by the 30th of June 2022	N/A	N/A	N/A	N/A	Monthly Monitoring Grant Report & SMC Resolution
B & T 08	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Section 66 reports prepared and submitted to SMC in the 2019/20 FY	12 x Monthly S66 reports for the 2021 FY produced and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	B & T 08	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly S66 report	Number	11 x Monthly S66 reports produced and submitted to SMC by the 30th of June 2022	N/A	N/A	end of June Schedule not done yet	C Schedule to be finalised around 22nd July 2022	Monthly S66 Report & SMC Resolutions
B & T 09	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Strengthen Governance	100% of Budget & Treasury policies reviewed and submitted to SMC along with standard operating procedures by the 28th of February 2021	100% of Budget & Treasury policies for the 21/22 FY reviewed and submitted to SMC along with standard operating procedures by the 28th of February 2021	N/A	B & T 09	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Strengthen Governance	100% of Budget & Treasury policies reviewed and submitted to SMC along with standard operating procedures	Percentage	100% of Budget & Treasury policies reviewed and submitted to SMC along with standard operating procedures by the 31st of May 2022	N/A	N/A	N/A	N/A	Report & SMC Resolutions
B & T 10	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	Quarterly reports uploaded into LG Data Base in pipe system in the 2019/20 FY	12 x monthly data strings progress reports produced and uploaded for the 2020/21 FY onto the LG Data Base by the 30th of June 2021	3 (100% - 129%)	B & T 10	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x monthly data strings reports	Number	11 x monthly data strings reports produced and uploaded for the 21/22 FY onto the LG Data Base by the 30th of June 2022	N/A	N/A	end of June Schedule not done yet	C Schedule to be finalised around 22nd July 2022	Monthly Data strings report & SMC Resolutions

8.2 EXPENDITURE MANAGEMENT

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY			SOURCE DOCUMENT	
				PROGRESS REPORT		PROGRESS REPORT						PROGRESS REPORT				
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)		REASON FOR DEVIATION
EXP 01	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	11 x Monthly reports on Fruilless and Wasteful Expenditure prepared and submitted to SMC by the 30th of June 2020	12 x monthly progress reports for the 2021 FY prepared and submitted to SMC by the 10th of the new month to SMC by the 30th of June 2021	3 (100% - 129%)	EXP 01	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	12 x monthly reports on Fruilless and Wasteful Expenditure	Number	12 x monthly reports on Fruilless and Wasteful Expenditure submitted to SMC by the 10th of June 2022	N/A	N/A	N/A	Monthly Report	
EXP 02	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	7 x Monthly reports on suppliers not paid within 30 days prepared for 19/20 FY prepared and submitted to SMC by the 30th of June 2020	12 x monthly progress reports for the 2021 FY on suppliers not paid within 30 days prepared submitted to SMC by the 30th of June 2021	3 (100% - 129%)	EXP 02	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	12 x Monthly reports on suppliers not paid within 30 days	Number	12 x Monthly reports on suppliers not paid within 30 days for 21/22 FY prepared submitted to SMC by the 30th of June 2022	N/A	N/A	N/A	Monthly Report	

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY		NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY					
				ANNUAL 20/21 FY PROGRESS REPORT						ANNUAL PROGRESS REPORT					
				ANNUAL TARGET	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	
REV 06	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Disconnections and reconnections	12 x monthly progress reports on disconnection and reconnection rates for the 2021 FY prepared & submitted to SMC by the 30th of June 2021	12 x monthly progress reports on disconnection and reconnection rates for the 2021 FY prepared & submitted to SMC by the 30th of June 2021	3 (100% - 129%)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Revenue Management	12 x monthly progress reports on disconnection and reconnection rates for the 21/22 FY prepared & submitted to SMC by the 30th of June 2022	Number	12 x monthly progress reports on disconnection and reconnection rates for the 21/22 FY prepared & submitted to SMC by the 30th of June 2022	2 (70% - 99%)	N/A	No Submission from the Business Unit	No Submission from the Business Unit	No Submission from the Business Unit
REV 07	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Billing management and reconnections	12 x monthly progress reports on Council rental stock for the 2021 FY prepared & submitted to SMC by the 30th of June 2021	12 x monthly progress reports on Council rental stock for the 2021 FY prepared & submitted to SMC by the 30th of June 2021	3 (100% - 129%)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Revenue Management	12 x monthly progress reports on Council rental stock for the 21/22 FY prepared & submitted to SMC by the 30th of June 2022	Number	11 x monthly progress reports on Council rental stock for the 21/22 FY prepared & submitted to SMC by the 30th of June 2022	2 (70% - 99%)	N/A	No Submission from the Business Unit	No Submission from the Business Unit	No Submission from the Business Unit
REV 08	NKPA 2 - BASIC SERVICE DELIVERY	Water disconnections and reconnections	100% of all Water disconnections and restrictions received from the Budget & Treasury business unit attended to and completed for the 2021 FY by the 30th of June 2021	100% of all Water disconnections and restrictions received from the Budget & Treasury business unit attended to and completed for the 2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
REV 09	NKPA 2 - BASIC SERVICE DELIVERY	Disconnections and reconnections	100% of Electricity Disconnections attended to as per directive received from the Budget & Treasury business unit by the 30th of June 2021	100% of Electricity Disconnections attended to as per directive received from the Budget & Treasury business unit by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
REV 10	NKPA 2 - BASIC SERVICE DELIVERY	Disconnections and reconnections	100% of Electricity Reconnections attended to as per directive received from the Budget & Treasury business unit by the 30th of June 2021	100% of Electricity Reconnections attended to as per directive received from the Budget & Treasury business unit by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
REV 11	NKPA 2 - BASIC SERVICE DELIVERY	Disconnections and reconnections	780 x electricity metering equipment installed by the 30th of June 2021	R1,585,845.42 760 x electricity metering equipment installed by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
				R8,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

8.5 SUPPLY CHAIN MANAGEMENT

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY		NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY					
				ANNUAL 20/21 FY PROGRESS REPORT						ANNUAL PROGRESS REPORT					
				ANNUAL TARGET	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME-FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	
SCM 01	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	SCM Policy 19/20 approved by SMC on 31/3/20	Supply chain management Policy 2021/2022 reviewed and submitted to SMC for approval by Council by the 31st of March 2021	3 (100% - 129%)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	Supply chain management Policy 2022/2023 reviewed and submitted to SMC for approval by Council by the 31st of March 2022	Date	Supply chain management Policy 2022/2023 reviewed	3 (100% - 129%)	N/A	N/A	N/A	SMC RESOLUTIONS
SCM 02	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	Procurement Plan for the 2021/2022 financial year circulated to business unit, there are delays in terms of response	Procurement Plan for the 2021/2022 financial year prepared and submitted to SMC for approval by Council by the 30th of June 2021	3 (100% - 129%)	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	Procurement Plan for the 2022/2023 financial year prepared and submitted to SMC for approval by Council by the 30th of June 2022	Date	Procurement Plan for the 2022/2023 financial year prepared	3 (100% - 129%)	N/A	N/A	N/A	SMC RESOLUTIONS

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT					PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT							
					ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 20/21 FY PROGRESS REPORT		REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 20/21 FY PROGRESS REPORT		
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	OP REFERENCE					NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET
SCM 03	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	4 x quarterly progress reports on procurement plan	Number	4 x quarterly progress reports on the implementation of the 2020/2021 approved procurement plan produced and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	SCM 03	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	4 x quarterly progress reports on procurement plan	Number	4 x quarterly progress reports on the implementation of the 2021/2022 approved procurement plan produced and submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	SMC RESOLUTIONS
SCM 04	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	12 x Monthly progress reports on Tenders awarded, deviations and inventory management for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	Number	12 x Monthly progress reports on Tenders awarded, deviations and inventory management for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	SCM 04	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	12 x Monthly progress reports on Tenders awarded, deviations and inventory management for the 20/21 FY prepared and submitted to SMC by the 30th of June 2022	Number	12 x Monthly progress reports on Tenders awarded, deviations and inventory management for the 20/21 FY prepared and submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	SMC RESOLUTIONS
SCM 05	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	12 x contract management monthly progress reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	Number	12 x contract management monthly progress reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	N/A	SCM 05	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	12 x contract management reports	Number	12 x contract management monthly progress reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	SMC RESOLUTIONS
SCM 06	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	4 x quarterly SCM progress reports on Irregular Expenditure in the 20/21 FY prepared and submitted to SMC by the 30th of June 2021 (as and when identified)	Number	4 x quarterly SCM progress reports on Irregular Expenditure in the 20/21 FY prepared and submitted to SMC by the 30th of June 2021 (as and when identified)	N/A	SCM 06	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	4 x quarterly SCM progress reports	Number	4 x quarterly SCM progress reports on Irregular Expenditure in the 21/22 FY prepared and submitted to SMC by the 30th of June 2022 (as and when identified)	3 (100% - 129%)	N/A	N/A	N/A	SMC RESOLUTIONS
SCM 07	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	Average of 90 days taken to award tenders as per the approved procurement plan for the 20/21 FY by the 31st of June 2021	Average number of days	Average of 90 days taken to award tenders as per the approved procurement plan for the 20/21 FY by the 31st of June 2021	2 (70% - 99%)	SCM 07	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	Average of 90 days taken to award tenders	Average number of days	Average of 120 days taken to award tenders as per the approved procurement plan for the 21/22 FY by the 30th of June 2022	2 (70% - 99%)	Deal with issues faced by Bid Committees	Quarter 1-2022/2023 Financial Year	N/A	Contract Register

8.6 ASSETS & LIABILITIES

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASIS LINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT					PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT								
				ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 20/21 FY PROGRESS REPORT		REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 20/21 FY PROGRESS REPORT			
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	OP REFERENCE					NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL
A & LM01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	Asset management Policy reviewed and submitted to SMC for approval 31st of March 2020	Asset Management Policy for the 2021/2022 Financial Year reviewed and submitted to SMC for approval by Council by the 31st of March 2021	3 (100% - 129%)	A & LM01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	Asset Management Policy for the 2021/2022 Financial Year reviewed and submitted to SMC for approval by Council by the 31st of March 2022	Asset Management Policy for the 2021/2022 Financial Year reviewed and submitted to SMC for approval by Council by the 31st of March 2022	Asset Management Policy for the 2021/2022 Financial Year reviewed and submitted to SMC for approval by Council by the 31st of March 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Reviewed Asset management policy and Council resolution

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PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY		PERFORMANCE REPORTING 2021/2022 FY								
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	ANNUAL PROGRESS REPORT						
				ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)				
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
A & LM03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100% valuation of all Council investment Property Assets at year end for the 20/21 FY prepared and submitted to SMC by the 30th of June 2020	1 x report on the valuation of all Council investment Property Assets at year end for the 21/22 FY prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	Investment Property Valuation report and SMC resolution
A & LM04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2020	1 x report on the assessment of the cost to rehabilitate the Land fill site prepared and submitted to SMC for the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	1 (69% & below)	N/A	N/A	N/A	Cost to rehabilitate the Land fill site report and SMC report
A & LM05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100% verification of all Council assets physically verified at year end by the 30th of June 2020	1 x progress report on the physical verification of all Council assets for the 20/21 FY prepared and submitted to SMC for onward transmission to council by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	Physical verification close out report and SMC resolution
A & LM06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100% assessment of all Council assets assessed for impairment at year end by the 30th of June 2020	1 x report prepared and submitted to SMC on the assessment of all Council assets assessed for impairment at year end by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	Conditional assessment close out report and SMC resolution
A & LM07	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Improve Assets and Liabilities	12 x monthly progress reports prepared and submitted to SMC on assets management for the 20/21 FY by the 30th of June 2021	12 x monthly progress reports prepared and submitted to SMC on assets management for the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	Monthly report and SMC resolution
A & LM08	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Improve Assets and Liabilities	12 x monthly progress reports on the management of insurance claims for the 20/21 FY submitted to SMC by the 30th of June 2021	12 x monthly progress reports on the management of insurance claims for the 20/22 FY submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Monthly Insurance report and SMC resolution
A & LM09	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Improve Assets and Liabilities	Msunduzi Municipality Insurance Policy for the 21/22 FY reviewed and submitted to SMC for approval by Council by the 31st of March 2021	Msunduzi Municipality Insurance Policy for the 21/22 FY reviewed and submitted to SMC for approval by Council by the 31st of March 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Reviewed Insurance report and Council resolution
A & LM10	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	23 x Council vehicles and 2021 FY to be branded in the month of June 2021	60 Council Vehicles branded 5/150% - 167%	N/A	N/A	N/A	N/A	N/A	N/A

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT		OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT				
				ANNUAL TARGET	ANNUAL ACTUAL					ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
A & LM11	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Vehicle corporate branding	50 x Council vehicles and plant branded by the end of June 2020	23 x Vehicles Purchased and Delivered for Msunduzi Municipality for the 20/21 FY by the 31st of May 2021	43 Vehicles procured and Delivered for Msunduzi Municipality for the 20/21 FY by the 31st of May 2021	A & LM11	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	New Plant and Vehicles	5 x Vehicles Purchased and Delivered for Msunduzi Municipality for the 21/22 FY by the 31st of May 2022	3 (100% - 129%)	N/A	N/A	Invoices	
A & LM12	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	New Plant and Vehicles	35 x Council vehicles and plant to be purchased by 30 June 2020	23 x new vehicles registered in the municipality's name/asset register by the 30th June 2021	43 vehicles eTatis documents received and added to the assets register.	A & LM12	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Fleet Licensing	5 x new vehicles registered in the municipality's name/asset register by the 30th June 2022	3 (100% - 129%)	N/A	N/A	Registration Documents.	
A & LM13	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Fleet Licensing	New	100% licensing of all vehicles that are due for licensing in the 20/21 FY by the 30th June 2021	100% of vehicles licensed for the month of June 2021	A & LM13	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Fleet Licensing	100% licensing of all vehicles that are due for licensing per Enatis printout in the 21/22 FY by the 30th June 2022	3 (100% - 129%)	N/A	N/A	N/A	
A & LM14	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Fleet Licensing	New	Average of 30 days taken to investigate valuation rolls queries for the 20/21 FY by the 30th of June 2021	Average of 30 days taken to investigate valuation rolls queries for the 20/21 FY 31st of May 2021	A & LM14	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	VALUATION ROLL MAINTENANCE	Average of 30 days taken to investigate valuation rolls queries for the 21/22 FY by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Register of queries	
A & LM15	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	VALUATION ROLL MAINTENANCE	New	1 x Supplementary valuation roll prepared and published in accordance with s78 of the MPRA for the 20/21 FY by the 31st of May 2021	1 x Supplementary valuation roll prepared and published in accordance with s78 of the MPRA for the 20/21 FY by the 31st of May 2021	A & LM15	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	VALUATION ROLL MAINTENANCE	1 x Supplementary valuation roll prepared and published in accordance with s78 of the MPRA for the 21/22 FY by the 31st of May 2022	3 (100% - 129%)	N/A	N/A	Advert	
A & LM16	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	GENERAL VALUATION APPEALS	New	450 x General valuations appeals concluded for the 20/21 FY by the 30th of September, 2020	450 x General valuations appeals concluded for the 20/21 FY by the 30th of September, 2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
A & LM17	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	RATES CLEARANCE APPLICATIONS	New	100% rates clearance applications processed with 3 days of receipt in the 20/21 FY by the 31st of June 2021	100% rates clearance applications processed within 3 days of receipt in the 20/21 FY by the 31st of May 2021	A & LM17	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	RATES CLEARANCE APPLICATIONS	95% rates clearance applications processed within 3 days of receipt in the 21/22 FY	3 (100% - 129%)	N/A	N/A	Register of clearance certificates	

8.7 FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT		OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	PERFORMANCE REPORTING 2021/2022 FY ANNUAL PROGRESS REPORT				
				ANNUAL TARGET	ANNUAL ACTUAL					ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
EG & PM 01	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Financial reporting	12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of July 2020	12 x Monthly Cash flow reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	12 x Monthly Cash flow reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	EG & PM 01	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Financial reporting	12 x Monthly Cash flow report for the 21/22 FY prepared and submitted to SMC by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Monthly Cash Flow Report	
EG & PM 02	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Financial reporting	12 x Monthly VAT returns for the 19/20 FY prepared and submitted to SARS	12 x Monthly VAT returns for the 20/21 FY prepared and submitted to SARS by the 31st of July 2021	12 x Monthly VAT returns for the 20/21 FY prepared and submitted to SARS by the 31st of July 2021	EG & PM 02	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Financial reporting	12 x Monthly VAT returns for the 21/22 FY prepared and submitted to SARS by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Vat Returns Report	

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PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY		PROGRESS REPORT		ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 20/21 FY		PERFORMANCE REPORTING 2021/2022 FY							
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS quo	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL PROGRESS REPORT			SOURCE DOCUMENT
												REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	
FG & PM 03	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly loans register reports for the 19/20 FY prepared and submitted to SMC	12 x Monthly loans register reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	12 x Monthly loans register reports for the 2021 FY prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	FG & PM 03	MUNICIPAL FINANCIAL VIABILITY	Financial reporting	12 x Monthly loans register reports	Number	12 x Monthly loans register reports for the 21/22 FY prepared and submitted to SMC by the 30th of June 2022	N/A	N/A	Monthly Loan Register Report
FG & PM 04	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	N/A	1 x reviewed financial delegations report prepared and submitted to SMC by 31st of May 2021	1 x reviewed financial delegations report prepared and submitted to SMC by 31st of May 2021	N/A	FG & PM 04	MUNICIPAL FINANCIAL VIABILITY	Financial reporting	1 x reviewed financial delegations report	Number	1 x reviewed financial delegations report prepared and submitted to SMC by 31st of May 2022	N/A	N/A	Annual 22/23 FY Budget Plan Report
FG & PM 05	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	3 x Reviewed policies (Cash management, Reserves and funding, Borrowings policy) completed and submitted to Council for approval by the 31st of May 2020	3 x Financial governance policies for the 21/22 FY (Cash management, Reserves and funding, Borrowings policy) reviewed and submitted to SMC for approval by Council by the 31st of May 2021	3 x Financial governance policies for the 21/22 FY (Cash management, Reserves and funding, Borrowings policy) reviewed and submitted to SMC for approval by Council by the 31st of May 2021	3 (100% - 129%)	FG & PM 05	MUNICIPAL FINANCIAL VIABILITY	Financial reporting	3 x Financial governance policies	Number	3 x Financial governance policies for the 22/23 FY (Cash management, Reserves and funding, Borrowings policy) reviewed and submitted to SMC for approval by Council by the 31st of May 2022	N/A	N/A	Annual 22/23 FY Budget Plan Report
FG & PM 06	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly ratios reports for the 19/20 FY prepared and submitted to SMC	12 x Monthly ratios reports for the 20/21 FY prepared and submitted to SMC by the 31st of June 2021	12 x Monthly ratios reports for the 20/21 FY prepared and submitted to SMC by the 31st of June 2021	3 (100% - 129%)	FG & PM 06	MUNICIPAL FINANCIAL VIABILITY	Financial reporting	12 x Monthly ratios reports	Number	12 x Monthly ratios reports for the 21/22 FY prepared and submitted to SMC by the 30th of June 2022	N/A	N/A	Monthly Financial Ratio Report
FG & PM 07	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	AG action monitoring	12 x Monthly AG audit action plan progress reports prepared and submitted to SMC	12 x Monthly AG audit action plan progress reports prepared and submitted to SMC by the 30th of June 2021	12 x Monthly AG audit action plan progress reports prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	FG & PM 07	MUNICIPAL FINANCIAL VIABILITY	Financial reporting	10 x AG audit action plan reports	Number	10 x Monthly AG audit action plan progress reports prepared and submitted to SMC by the 30th of June 2022	N/A	N/A	Monthly AG Audit Action Plan
FG & PM 08	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	AG action monitoring	1 x AG audit action plan for 2019/20 FY prepared and submitted after receiving signed AG reports	1 x AG audit action plan for the 19/20 FY prepared and submitted to SMC within 60 days after receiving signed AG reports by the 31st of March 2021	1 x AG audit action plan for the 19/20 FY prepared and submitted to SMC within 60 days after receiving signed AG reports by the 31st of March 2021	3 (100% - 129%)	FG & PM 08	MUNICIPAL FINANCIAL VIABILITY	Financial reporting	1 x AG audit action plan for the 19/20 FY	Number	1 x AG audit action plan for the 20/21 FY prepared and submitted to SMC within 60 days after receiving signed AG reports	N/A	N/A	AG Action Plan
FG & PM 09	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Compliance Checklist	12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC in 19/20 FY	12 x monthly MFMA Legislative compliance checklist reports for the 20/21 FY produced and submitted to SMC for onwards transmission to EXCO & Full Council by the 30th of June 2021	12 x monthly MFMA Legislative compliance checklist reports for the 20/21 FY produced and submitted to SMC for onwards transmission to EXCO & Full Council by the 30th of June 2021	3 (100% - 129%)	FG & PM 09	MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Compliance Checklist	12 x monthly MFMA compliance checklist reports	Number	12 x Monthly MFMA compliance checklist reports for the 21/22 FY prepared and submitted to SMC by the 30th of June 2022	N/A	N/A	Monthly MFMA Report

9. SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES (OPERATIONAL PLAN)

9.1 DEVELOPMENT SERVICES

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT					
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	ANNUAL PROGRESS REPORT	
																	ANNUAL TARGET	ANNUAL ACTUAL
DS 02	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	SMMES and Cooperative development	8 x Trainings and Work-shops for SMMEs and Cooperatives facilitated by the 30th June 2021.	8 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th June 2021	11 x Skills Development and Training Workshops facilitated for SMMEs and Co-ops by the 30th June 2021	4 (130% - 149%)	DS 07	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	8 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th June 2021	8 x Skills Development and Training workshops facilitated for SMMEs and Co-ops by the 30th June 2021	Number	3 (100% - 129%)	N/A	N/A	N/A	Attendance registers 12 May 2022, 30 March 2022, 21 February 2022, 06 January 2022, 15 December 2021, 25 October 2021, 14 October 2021, 13 September 2021		
DS 03	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	SMMES and Cooperative development	60 Cooperatives and SMMEs supported and visited by 30 June 2021	60 x Cooperatives and SMMEs supported and visited by 30 June 2021	60 x Cooperatives and SMMEs visited and supported by the 30th June 2021	3 (100% - 129%)	DS 08	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	80 Cooperatives and SMMEs supported and visited by the 30th of June 2022	80 Cooperatives and SMMEs supported and visited by the 30th of June 2022	Number	3 (100% - 129%)	N/A	N/A	N/A	Copy of Log sheets		
DS 04	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	SMMES and Cooperative development	30 Cooperatives and SMMEs assisted in mentorship programme by 30 June 2021	60 x Cooperatives and SMMEs assisted in mentorship programmes by the 30th June 2021	60 x Cooperatives and SMMEs assisted and formed part of mentorship programmes by the 30th June 2021	3 (100% - 129%)	DS 09	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	60 Cooperatives and SMMEs assisted and mentored by 30th of June 2022	60 Cooperatives and SMMEs assisted and mentored by 30th of June 2022	Number	3 (100% - 129%)	N/A	N/A	N/A	Spreadsheet of businesses assisted and mentored		
DS 05	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Business Development	Draft Incentives Policy (2019) and LED Reviewed Policy (2017)	Msunduzi Business Retention and Expansion Strategy submitted to SMC for approval by the 30th of June 2021	Msunduzi Business Retention and Expansion Strategy was adopted by the Council by the 05th of May 2021.	4 (130% - 149%)	N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A		
DS 06	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Business Development	Draft Incentives Policy (2019) and LED Reviewed Policy (2017)	Final Msunduzi Incentives Policy submitted to SMC for approval by the 30th of June 2021	Msunduzi Incentive Policy adopted by the Council by 05th of May 2021.	4 (130% - 149%)	N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A		
DS 07	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Business Development	Red Taps Reduction Report to Council	1 x report on the number of successful cases of reduced red tape for businesses prepared and submitted	1 x report on the number of successful cases of reduced red tape for businesses prepared and submitted by the 30th of June 2021.	3 (100% - 129%)	DS 20	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	4 x Red Taps Reduction Workshops conducted by the 30th of June 2022	4 x Red Taps Reduction Workshops conducted by the 30th of June 2022	Number	3 (100% - 129%)	N/A	N/A	N/A	SMC Report Conducted by the 21 September 2021, 17 November 2021, 23 February 2022 & 03 March 2022		
DS 09	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Economic Development	LED Reviewed Policy (2017)	4 x LED Forum meetings facilitated	4 x LED Forum meetings facilitated by the 30th of June 2021	3 (100% - 129%)	DS 15	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Economic Development	4 x LED Forum meetings held	Number	3 (100% - 129%)	N/A	N/A	N/A	Minutes Attendance Registers		
DS 10	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Business Development	Draft Database for Investment	Municipal Investment Directory submitted	Municipal Investment Directory submitted to SMC for approval by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A		
DS 11	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Informal Economy support	Home Based Policy & Informal Economy Database for Zone 2 (wards 20, 21, 22 & 23) prepared and submitted by June 2019	Final Database for Informal economy for Zone 2 (wards 20, 21, 22 & 23) prepared and submitted by the 30th of June 2021	Final database for Zone 2, wards 20, 21, 22 & 23 created and report submitted by the 25th of June 2021	3 (100% - 129%)	DS 10	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Informal Economy support	Final Database for Informal economy for zone 3, ward 17, 18 & 19 for SMC by the 30th of June 2022	Date	2 (70% - 99%)	Report submitted to the General Manager instead of to the SMC	To change the target at midterm review	Dec-22	Database and Report		

PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 21/22 FY PROGRESS REPORT		ANNUAL PROGRESS REPORT					ANNUAL PROGRESS REPORT											
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT		UNIT OF MEASURE	INDICATOR	PROGRAMME	NATIONAL KEY PERFORMANCE AREA	OP REFERENCE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAKE TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL												
DS 12	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Informal Economy support	LED Reviewed Policy (2017)	4 x Skills Development and training workshops facilitated	4 x Skills Development and Training workshops facilitated for the Informal economy by the 30th of June 2021	3 (100% - 129%)	Number	4 x Skills Development and Training workshops facilitated	Street Trading Support	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	DS 11	4 x Skills Development and Training workshops facilitated for Informal Traders by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Attendance registers
DS 13	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Informal Economy Policy	1st Draft of the Informal Economy Policy (2019)	Final Informal Economy Policy submitted	Final Informal Economy Policy submitted to SMC for approval by the 20th of January 2021	4 (130% - 149%)	N/A	N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A	N/A
DS 14	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Street Trading Support	Conducted 5 Street Trading Awareness Campaigns by 30 June 2020	6 x awareness campaigns (Covid-19) to be conducted for Street Traders by the 30 of June 2021	6 x awareness campaigns (Covid-19) to be conducted for Street Traders by the 30 of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A	N/A
DS 15	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Informal Economy Support & Development	Land Audit (2014)	1 x report on Hectares of land and buildings identified and secured	1 x report on Hectares of land and buildings identified and secured for the Informal Economy submitted to SMC by the 25 March 2021	4 (130% - 149%)	Number	1 x Report on the s identified potential sites for the Informal Economy submitted to the General Manager by the 30th of June 2022	Informal Economy Support & Development	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	DS 13	1 x Report on the s identified potential sites for the Informal Economy submitted to the General Manager by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Copy of report to GM
DS 16	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Development Facilitation	4 Development Facilitation Committee Meetings conducted by June 2020	4 x Development Facilitation meetings conducted	8 x Development Facilitation Committee Meetings conducted by 30 June 2021	5 (150% - 167%)	N/A	N/A	Business Development	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	DS 16	11 x Development Facilitation Committee meetings conducted by the 30th of June 2022	4 (130% - 149%)	N/A	N/A	N/A	N/A	SMC Report
DS 17	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Special Projects	Full Council Resolution (2016)	3 Strategic Land parcels disposed of	3 strategic land parcels were disposed by 30 June 2021	3 (100% - 129%)	Number	5 Strategic Land parcels disposed of	Special Projects	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	DS 25	6 x Strategic Land parcels prepared for disposal by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	3x SLAs & BSC Reports
DS 18	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Special Projects	Municipal Asset Disposal Committee Resolution (2019)	Advertisement of sites available for disposal published	Advertisement of sites available for disposal published by the SCM Unit NOT completed by the 30th of June 2021	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A	N/A
DS 22	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Business Licensing	520 Business Licenses issued and registered by 30 June 2020	500 x Businesses visited and registered	774 Businesses were visited and registered in the Business database by the 30th of June 2021	5 (150% - 167%)	Number	520 x Businesses visited and registered	Business Licensing	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	DS 21	763 x Businesses visited and registered in the Business database by the 30th of June 2022	5 (150% - 167%)	N/A	N/A	N/A	N/A	Schedule of business registration

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PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 21/22 FY PROGRESS REPORT											
ANNUAL PROGRESS REPORT											
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
TP&EM 16	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	2,600 inspections of food premises	Number	2,600 food premises inspected annually for Environmental Health compliance by the 30th of June 2021	2,857 food premises inspected annually for Environmental Health compliance by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Cyberfox - Environmental health information system
TP&EM 17	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	500 inspections of HCRW premises	Number	500 HCRW premises (pharmacies, surgeries, hospitals) inspected annually for Environmental Health compliance by the 30th of June 2021	616 HCRW premises (pharmacies, surgeries, hospitals) inspected annually for Environmental Health compliance by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Cyberfox - Environmental health information system
TP&EM 18	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	500 inspections of POC premises	Number	500 POC premises (crèches, old age homes, nursing facilities) inspected annually for Environmental Health compliance by the 30th of June 2021	557 POC premises (crèches, old age homes, nursing facilities) inspected annually for Environmental Health compliance by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Cyberfox - Environmental health information system
TP&EM 19	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	3,387 TOB premises inspected annually for Environmental Health compliance by the 30th of June 2021	Number	3,000 TOB premises inspected annually for Environmental Health compliance by the 30th of June 2021	4,063 TOB premises inspected annually for Environmental Health compliance by the 30th of June 2022	5 (150% - 167%)	The Unit has been undertaking more blitz meetings, hence they over-achieve during this financial year	N/A	N/A	Cyberfox - Environmental health information system
TP&EM 20	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	100% public complaints investigated/responded to within 5 working days of receipt of the complaint by the 30th of June 2021	Percentage	100% public complaints investigated/responded to within 5 working days of receipt of the complaint by the 30th of June 2021	100% public complaints (256) investigated/responded to within 5 working days of receipt of the complaint by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Complaints register and file
TP&EM 21	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	60% Compliance with Environmental Norms and Standards maintained	N/A	N/A	60% Compliance with Environmental Norms and Standards maintained in the 2021 FY as prescribed by the National Health Act (determined by the audit tool) by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A
TP&EM 22	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	228 Air Pollution industries/institutions inspected annually for air pollution compliance by the 31st of June 2021	Number	200 inspections of Air Pollution industries/institutions for air pollution compliance by the 30th of June 2021	225 Air Pollution industries/institutions inspected annually for air pollution compliance by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Cyberfox - Environmental health information system
TP&EM 23	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	100% No. of compliance notices and summons issued for environmental health contraventions by the 31st of June 2021	Percentage	100% No. of compliance notices and summons issued for environmental health contraventions by the 30th of June 2021	100% No. of compliance notices (531) and summons (196) issued for environmental health contraventions by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Cyberfox - Environmental health information system - Notice and summons files

PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY PROGRESS REPORT				PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT									
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL PROGRESS REPORT								
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT		
TP&EM 24	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	960 Health Education/Promotion sessions conducted annually by the stakeholders by the 30th of June 2021	Number	1400 Health Education/Promotion sessions conducted annually for external stakeholders by the 30th of June 2021	4 (130% - 149%)	TP&EM 36	1050 Health Education/Promotion sessions conducted annually for external stakeholders by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Health Education files	
TP&EM 25	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	100% Notifiable diseases responded to and investigated within 5 working days by the 31st of June 2020	Percentage	100% Notifiable diseases (22) responded to and investigated within 5 working days by the 30th of June 2022	3 (100% - 129%)	TP&EM 37	100% Notifiable diseases responded to and investigated within 5 working days by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Notifiable diseases files	
TP&EM 26	NKPA 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	1005 permit applications received and processed in terms of the Public Health Bylaws and other environmental health legislation by the 31st of June 2020	Number	642 permit applications received and processed in terms of the Public Health Bylaws and other environmental health legislation by the 30th of June 2021	3 (100% - 129%)	TP&EM 38	1146 permit applications received and processed in terms of the Public Health Bylaws and other environmental health legislation by the 30th of June 2022	5 (150% - 167%)	N/A	The Unit has been undertaking more blitz meeting, hence they over-achieve during this financial year	N/A	Cyberfox - Environmental health information system - Permit files
TP&EM 27	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Municipal Planning Tribunal Meetings facilitated in the 19/20 FY	20 x Municipal Planning Tribunal Meetings facilitated in the 20/21 FY by the 30th of June 2021	Number	21 x Municipal Planning Tribunal Meetings facilitated in the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	TP&EM 18	20 x Municipal Planning Tribunal Meetings facilitated in the 21/22 FY by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	MPT minutes	
TP&EM 28	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Building plans	100% of building plans assessed	Percentage	70 % of building plans assessed within 3 working days by the 30th of June 2021	2 (70% - 99%)	TP&EM 19	80% of building plans in the 21/22 FY assessed within 8 working days upon receipt by Town Planning by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Building plans register	
TP&EM 29	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Optimize system, procedures and processes for Infrastructure Planning & Survey	Assessment of development applications in terms of SPLUMA for the 20/21 FY processed	N/A	100% of development applications in terms of SPLUMA for the 20/21 FY processed by the 30th of June 2021	3 (100% - 99%)	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	
TP&EM 30	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Optimize system, procedures and processes for Infrastructure Planning & Survey	It took an average of 22 days to process applications in terms of SPLUMA by June 2020	Average of 30 days taken to process new way leave applications	Average of 30 days taken to process new way leave applications by the date of receipt of the application by the 30th June 2021	3 (100% - 129%)	TP&EM 39	Average of 19 days taken to process new way leave applications by the Wayleaves Panel from the date of receipt of the application by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	Wayleaves register	

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PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 21/22 FY PROGRESS REPORT										
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL PROGRESS REPORT					SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	
TP&EM 31	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Optimize system, procedures and processes for Infrastructure Planning & Survey	95% of Building Plan Applications to be cleared/declined by the 30th June 2021	Percentage	95% of Building Plan Applications to be cleared/declined by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	Building plans spreadsheet
TP&EM 32	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	PROFESSIONAL SERVICE TO DEVELOPMENTS	An average of 30 days taken in the 2021 FY to provide professional land survey advise related to property developments by the 30th June 2021	Average time	An average of 30 days taken in the 2021 FY to provide professional land survey advise related to property developments by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Sluma tracking register
TP&EM 35	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Baseline assessment report for City Hall to evaluate electrical, Energy, Waste And Water Data And Noting Areas For Increased Optimization	1 x Baseline assessment report for City Hall to evaluate electrical, Energy, Waste And Water Data And Noting Areas For Increased Optimization prepared and submitted by the 30th of June 2021	Number	1 x Baseline assessment report for City Hall to evaluate electrical, Energy, Waste And Water Data And Noting Areas For Increased Optimization prepared and submitted by the 30th of June 2022	4 (130% - 149%)	N/A	N/A	N/A	Full Council agenda
TP&EM 36	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Optimize system, procedures and processes for Infrastructure Planning & Survey	95% of Building Plan Applications to be cleared/declined by the 30th of June 2021	Percentage	95% of Building Plan Applications to be cleared/declined by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Building Plan Register
TP&EM 37	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Improve Infrastructure Planning & Survey compliance and reduce risk	600 x building contraventions inspections conducted for illegal building works by the 30th of June 2021	Number	600 building contraventions inspections conducted for illegal building works by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Contravention Notices
TP&EM 38	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Optimize system, procedures and processes for Outdoor Advertising Signage	Average of 3 days after receipt of applications taken to process (approve or decline) all Flag applications received by the 30th of June 2021	Average time	Average of 3 days after receipt of applications taken to process (approve or decline) all Posters, Banner or Flag applications received by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Signage Register

OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			UNIT OF MEASURE	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT						
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)		REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT			
													ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)
HS 30	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	Stage 1 funding in place	Environmental Authorization for Khatanyoni (Ward 12) obtained	Environmental Authorization for EDTEA was obtained in February 2021	EIA Authorization from EDTEA was obtained in 25 February 2021	3 (100% - 129%)	Date	SPLUMA MPT approval for Township Establishment obtained by the 30th of June 2022	SPLUMA MPT approval for Township Establishment obtained by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	MPT SPLUMA approval dated 13 June 2022

9.4 CITY ENTITIES

SDBP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			INDICATOR	PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT						
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)		REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT			
													ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)
CE 01	NKPA 2 - BASIC SERVICE DELIVERY	Community Outreach Programme	10 Art Exhibitions	Msunduzi Art Exhibitions held	7 x new Msunduzi Art Exhibitions held by the 31st of May 2021	4 x new Msunduzi Art Exhibitions held by 31 May 2021	3 (100% - 129%)	11 x Msunduzi Art Exhibitions held	12 x Msunduzi Art Exhibitions held by the 30th of June 2022	12 x Msunduzi Art Exhibitions held by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Outline, POES for exhibitions
CE 02	NKPA 2 - BASIC SERVICE DELIVERY	Exit roller doors	4 exit roller doors to be refurbished by June 2020	4 x Exit Roller Doors installed at PMB Market by the 31st of January 2021	4 x Exit Roller Doors installed at PMB Market in the 20/21 FY by the 31st of January 2021	4 x Exit Roller Doors installed at PMB Market in the 20/21 FY by the 31st of January 2021	3 (100% - 129%)	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A
CE 04	NKPA 6 - CROSS CUTTING	Crime, Bylaw, Sub Station and Monitoring through CCTV Cameras	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	169 x CCTV Cameras to be monitored	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A
CE 05	NKPA 6 - CROSS CUTTING	Crime, Bylaw, Sub Station and Monitoring through CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM; City Entities within 7 days after month end by the 30th June 2021	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM; City Entities within 7 days after month end by the 30th June 2021	3 (100% - 129%)	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM; City Entities within 7 days after month end by the 30th June 2022	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM; City Entities within 7 days after month end by the 30th June 2022	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM; City Entities within 7 days after month end by the 30th June 2022	3 (100% - 129%)	N/A	N/A	N/A	Monthly report to SM City Entities
CE 06	NKPA 6 - CROSS CUTTING	Crime, Bylaw, Sub Station and Monitoring through CCTV Camera	2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2020	2 Minutes Turn-around time of reporting to SAPS, Municipal Traffic Dept. or Security Dept. of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2021	Ave 1,3 Minutes Turn-around time of reporting to SAPS, Municipal Traffic Dept. or Security Dept. of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2021	Ave 1,3 Minutes Turn-around time of reporting to SAPS, Municipal Traffic Dept. or Security Dept. of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2021	3 (100% - 129%)	2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2022	2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2022	Ave 1,4 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Safe City Occurrence Book
CE 07	NKPA 6 - CROSS CUTTING	Crime, Bylaw, Sub Station and Monitoring through CCTV Camera	240 x CCTV inspections conducted by the 30th of June 2020	240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2021	242 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2021	242 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2021	3 (100% - 129%)	240 x CCTV inspections conducted	255 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2022	255 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Safe City Maintenance Schedules

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SDIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 2021 FY PROGRESS REPORT				PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT						
					OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 08	NKPA 6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	Average 3 days turn-around time to repair faulty CCTV equipment by the 30th of June 2020	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2021	CE 25	6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2021	Average 1 day turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Monthly report to SM City Entities
CE 09	NKPA 6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	To ensure that minimal CCTV cameras under control of Safe City be off the line by the 30th of June 2020	90% or more of all CCTV cameras under control of Safe City to be fully operational by the 30th of June 2021	CE 08	6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	90% or more of all CCTV cameras under control of Safe City to be fully operational by the 30th of June 2022	98% of all CCTV cameras under control of Safe City to be fully operational by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Technical Task forms and Fault Register
CE 10	NKPA 6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	To ensure that Safe City maintains its ISO accreditation to be valid and status at all times by the 30th of June 2020	100% Safe City ISO 9001 accreditation to be valid and maintained during the 20/21 FY by the 30th of June 2021	CE 26	6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	100% Safe City ISO 9001 accreditation to be valid and maintained during the 20/21 FY by the 30th of June 2022	100% Safe City ISO 9001 accreditation to be valid and maintained during the 20/21 FY by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Valid ISO 9001:2015 certificate
CE 11	NKPA 6 - CROSS CUTTING	Crimes, Bylaw, Sub Station and Monitoring through CCTV Camera	To ensure that Safe City operators detect all confirmed reported crime within camera visual area by the 30th of June 2020	Not more than an average of 10% of all confirmed crime reports within camera visual area missed in the 20/21 FY by the 30th of June 2021	N/A	N/A	N/A	Not more than an average of 10% of all confirmed crime reports within camera visual area missed in the 20/21 FY by the 30th of June 2021	N/A	NOT APPL- CABLE	N/A	N/A	N/A	N/A	N/A
CE 12	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Forestry Management	50% Provision of silviculture and harvesting activities	100% Forestry Management as per Annual Plan of Operations completed for the 20/21 FY by the 30th of June 2021	N/A	N/A	N/A	0% Forestry Management as per Annual Plan of Operations completed for the 20/21 FY by the 30th of June 2021	N/A	NOT APPL- CABLE	N/A	N/A	N/A	N/A	N/A
CE 14	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	TOURISM PROGRAMME	2019/20 KPAS	100% implementation of the tourism programmes as per Service Level Agreement	CE 21	3 - LOCAL ECONOMIC DEVELOPMENT	MPTA SLA KPI	100% Monitoring and reporting on execution of the MPTA activity plan according to the council approved SLA by the 30th of June 2022	100% Monitoring and reporting on execution of the MPTA activity plan according to the council approved SLA by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Submitted SLA Review report, Attendance Register, invites, invoices where applicable
CE 15	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Tourism Sector Programme	2019/20 KPAS	1 x Msunduzi tourism sector meeting facilitated by the 31st of May 2021	CE 19	3 - LOCAL ECONOMIC DEVELOPMENT	Economic Development	2 x Tourism Stakeholder Forum meetings facilitated by the 31st of May 2022	2 x Tourism Stakeholder Forum meetings facilitated by the 31st of May 2022	3 (100% - 129%)	N/A	N/A	N/A	N/A	Submitted Attendance Register, invites, pictures
CE 16	NKPA 2 - BASIC SERVICE DELIVERY	Airport	N/A	3.9 km of Clearau perimeter fence installed at the Pietermaritzburg Airport by the 30th of June 2021	N/A	N/A	N/A	3.9 km of Clearau perimeter fence installed at the Pietermaritzburg Airport by the 28th February 2021	N/A	NOT APPL- CABLE	N/A	N/A	N/A	N/A	N/A
CE 17	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	TOURISM RESEARCH PROGRAMME IN RESPONSE TO COVID-19	Findings of the research programme	Tourism research programme in response to Covid-19 completed submitted to Council by the 30th of June 2021	N/A	N/A	N/A	Tourism research programme in response to Covid-19 completed submitted to Council by the 30th of June 2021	N/A	NOT APPL- CABLE	N/A	N/A	N/A	N/A	N/A

10. CORPORATE SERVICES

10.1 LEGAL SERVICES

OP REFERENCE		NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	INDICATOR	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT			PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT						
						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIME FRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
LGL 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Governance	1 X BYLAW (Waste Management Bylaw) submitted to SMC for approval by the 30th of June 2021	1 X BYLAW (Waste Management Bylaw) submitted to SMC for approval by the 30th of June 2021	3 (100% - 129%)	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	COUNCIL RESOLUTIONS			
LGL 02	NKPA 6-CROSS CUTTING	Legal Representation	100% Legal representation provided in all civil matters in 2019/20	100% Legal representation provided in all civil matters as and when required by the 30th of June 2021	N/A	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	SUMMONS-ESLINT-REGISTER & PRESENTATION DOCUMENT			
LGL 03	NKPA 6-CROSS CUTTING	Legal Representation	80% legal briefs attended within 10 working days in accordance with the approved legal briefing procedure by 30 of June 2020	100% of legal briefs attended to within 10 working days in accordance with the approved legal briefing procedure by the 30th of June 2021	N/A	2 (70% - 99%)	N/A	N/A	N/A	N/A	N/A	LEGAL COMMENTS/WORKFLOW TEMPLATE			
LGL 04	NKPA 6-CROSS CUTTING	Legal Representation	80% Contracts attended within 15 working days	100% of all Contracts requiring Legal drafting and/or inputs attended to within 15 working days after the acknowledgement of brief and all applicable information required submitted to Legal Services by the 30th of June 2021	N/A	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	DRAFT CONTRACTS & WORKFLOW TEMPLATE			
LGL 05	NKPA 6-CROSS CUTTING	Legal Representation	100% Legal representation in Criminal Prosecutions relating to law enforcement in 2019/20	100% Legal representation provided in Criminal Prosecutions relating to law enforcement by the 30th of June 2021	N/A	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	COURT BOOK			
LGL 06	NKPA 6-CROSS CUTTING	Legal Representation	100% Legal representation provided in all Labour litigation matters in 2020/21	100% Legal representation provided in all labour litigation matters as and when required by the 30th of June 2021	N/A	3 (100% - 129%)	N/A	N/A	N/A	N/A	N/A	NOTICES OF ARBITRATION AWARD AND LITIGATION REGISTER			
LGL 07	NKPA 6-CROSS CUTTING	Legal Representation	100% provision of legal inputs into police finalised within 15 working days of receipt and all additional information requested by Legal Services by the 30th of June 2021	There were no policies for review during this period	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A	N/A	N/A			

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

10.2 SECRETARIAT & AUXILIARY SERVICES

PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21		PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22		PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT			
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	ANNUAL 20/21 FY PROGRESS REPORT		ANNUAL 21/22 FY PROGRESS REPORT	
				ANNUAL TARGET	ACTUAL (1,2,3,4,5, Not Applicable)	ANNUAL TARGET	ACTUAL (1,2,3,4,5, Not Applicable)
SAS 01	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services and Compliance and Risk Reduction	All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2021	2 (70% - 99%)	SAS 01	Some minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2022	2 (70% - 99%)
SAS 02	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services and Compliance and Risk Reduction	40 x weekly schedules of Portfolio Committee and other committee meetings prepared and published on every Friday by the 30th of June 2021	N/A	SAS 02	44 x weekly schedules of Portfolio Committee and other committee meetings prepared and published on every Friday by the 30th of June 2022	N/A
SAS 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services and Compliance and Risk Reduction	12x monthly schedules of Portfolio Committee and other committee meetings prepared and published on every Friday by the 30th of June 2021	N/A	SAS 03	12 x monthly schedules of Portfolio Committee and other committee meetings prepared and published on every Friday by the 30th of June 2022	N/A
SAS 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services and Compliance and Risk Reduction	All document requests printed within 2 days of receipt of the request by the 30th of June 2021	2 (70% - 99%)	SAS 04	Some book work and lithographic printing completed within 10 days of receipt of the request by the 30th of June 2022	2 (70% - 99%)
SAS 05	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services and Compliance and Risk Reduction	4 x quarterly reports on the implementation of EXCO & Full Council Resolutions prepared & submitted to Full Council by the 30th of June 2021	N/A	SAS 05	2 x quarterly reports on the implementation of EXCO & Full Council Resolutions prepared & submitted to SMC by the 30th of June 2022	N/A

REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
Due to Council sitting on the last Wednesday of the month	To ensure that minutes are compiled within the stipulated timeframe	22/23 FY	Signed minutes
N/A	N/A	N/A	N/A
N/A	N/A	N/A	Weekly Schedules
N/A	N/A	N/A	N/A
N/A	N/A	N/A	Monthly Schedules
N/A	N/A	N/A	N/A
Due to staff shortages experienced	Book work requested had been completed and submitted to the respective Business Units	22/23 FY	Incoming job register
N/A	N/A	N/A	N/A
Currently there is no employee to do the function	Employee seconded to carry out the function	1-Sep-22	SMC Reports
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

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PERFORMANCE REPORTING 2021/2022 FY - ANNUAL 21/22 FY PROGRESS REPORT											
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL PROGRESS REPORT			REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)				
PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT											
OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	UNIT OF MEASURE	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ICT02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT GOVERNANCE	4 x ICT Steering Committee Meetings facilitated by the 30th of June 2021	Number	4 x ICT Steering Committee Meetings conducted by the 30th of June 2022	3 x ICT Steering Committee Meetings conducted by the 30th of June 2022	2 (70% - 99%)	During the 3rd Quarter no ICT Steering Committee meeting was conducted	Steering Committee Meetings to be scheduled in advanced.	30-Sep	3 x ICT Steering Committee minutes
ICT03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT GOVERNANCE	100% REVIEWED ICT POLICIES PREPARED AND SUBMITTED TO SMC BY THE 30TH OF NOVEMBER 2020 AND SUBMITTED TO FULL COUNCIL FOR APPROVAL IN OCTOBER 2020	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A
ICT04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT GOVERNANCE	DISASTER RECOVERY PLAN DEVELOPED AND SUBMITTED TO SMC BY THE 31ST OF MAY 2021 FOR ONWARDS TRANSMISSION TO FULL COUNCIL FOR APPROVAL	Number	1 x Disaster Recovery Tests conducted and signed off by the 30th June 2022	1 x Disaster Recovery Test Plan signed and actual implementation test conducted, however the test failed	2 (70% - 99%)	The DR Test conducted failed due to stage 6 of load shedding which presented many challenges for ICT infrastructure. The generator was not maintained by Buildings unit at ASC and is completely broken	To implement Disaster Recovery Test in the first quarter of the new FY	30-Sep	Signed Disaster Recovery Test Plan, DR Test Change Control, DR Corp Comm
ICT05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT STRATEGY & GOVERNANCE	ICT STRATEGY & GOVERNANCE FRAMEWORK DEVELOPED AND SUBMITTED TO SMC BY THE 30TH OF NOVEMBER 2020 FOR ONWARDS TRANSMISSION TO FULL COUNCIL FOR APPROVAL	N/A	N/A	N/A	NOT APPLICABLE	N/A	N/A	N/A	N/A
ICT06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT OPERATIONS	100% UPGRADE OF MICROSOFT SHAREPOINT COMPLETED AND FULLY OPERATIONAL BY THE 31ST OF DECEMBER 2020	Percentage	100% of computers with Office 365 installed with OneDrive by the 30th of June 2022	100% of (licensed) computers with Office 365 installed with OneDrive by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Onedrive installation report
ICT07	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT OPERATIONS	100% E-FORMS (HR & ICT) DEVELOPED & FULLY FUNCTIONAL BY THE 31ST OF MAY 2021	Percentage	100% of Agendas and Minutes for Committee Meetings automated by the 31st of December 2021	NOT 100% of Agendas and Minutes for Committee Meetings automated by the 31st of December 2021	1 (69% & below)	Numerous issues between ICT and Secretariat have delayed this project. Adobe licenses purchased and deployed. Digitization Project Manager to continue with it	The Project has been handed over to another Project Manager to continue with it	30-Sep	Project Plan, Adobe licenses

REMOVED INDICATORS AS PER ADJUSTMENT BUDGET

SDBIP REFERENCE	INDICATOR	ANNUAL TARGET / OUTPUT	UNIT OF MEASURE	PERFORMANCE TARGET AND PROJECTED BUDGET PER QUARTER			MID-YEAR REVIEW			
				MONTHLY & QUARTERLY PROJECTIONS			PORTFOLIO OF EVIDENCE	PROPOSED BUDGET ADJUSTMENT	KPI: AMENDED OR NEW	REASON FOR AMENDMENT, REMOVAL OR NEW
				QUARTER 3	ANNUAL	QUARTER 4				
WM 03	Refuse collection completed weekly for wards (10 to 38)	Refuse collection completed weekly for Msunduzi households in wards (10 to 38) as per Waste collection schedule for the 21/22 Financial Year by the 30th of June 2022	Refuse Collection	Refuse collection completed weekly for Msunduzi households in wards (10 to 38) as per Waste collection schedule for the 21/22 Financial Year by the 31st of March 2022	Refuse collection completed weekly for Msunduzi households in wards (10 to 38) as per Waste collection schedule for the 30th of June 2022	Driver Returns	N/A	Removed	KPI cannot be defined	
OCM 20	Date of Updated and Reviewed of the Msunduzi Municipality Service Charter	Date of Approval of the Standard Operating Procedure for the Call Centre submitted to Full Council by the 31st of December 2021	Date	N/A	Date of Approval of the Standard Operating Procedure for the Call Centre submitted to Full Council by the 31st of December 2021	Standard Operating Procedure for the Call Centre Report and Council Resolutions	N/A	REMOVE	The SOP to be developed for approval as part of the process of the integration of the Call Centre and will be included in the 2022/2023 Operational Plan	
OCM 21	Date of Approval of the Operating Procedure for the Switch Board submitted	Date of Approval of the Operating Procedure for the Switch Board submitted to Full Council by the 31st of December 2021	Date	N/A	Date of Approval of the Operating Procedure for the Switch Board submitted to Full Council by the 31st of December 2021	Standard Operating Procedure for the Switch Board Report and Council Resolutions	N/A	REMOVE	The SOP to be developed for approval as part of the process of the integration of the Call Centre and will be included in the 2022/2023 Operational Plan	
TP & EM 02	Draft policies prepared and circulated to key stakeholders for comments	Draft policies prepared and circulated to key stakeholders for comments by the 30th of June 2022	Submission date for Draft policies.	Project inception report prepared and submitted to SMC by the 31st of March 2022	Draft policies prepared and circulated to key stakeholders for comments by the 30th of June 2022	Draft policies	R500 000	REMOVED	Due to unforeseen delays that have been incurred on the SCM process	
TP & EM 04	First Draft Synthesis of Issues, Vision & Spatial Concept Development Report submitted	First Draft Synthesis of Issues, Vision & Spatial Concept Development Report submitted to the Municipality by 30th of June 2022.	Date	Preliminary analysis and launch of field survey by 31st of March 2022.	First Draft Synthesis of Issues, Vision & Spatial Concept Development Report submitted to the Municipality by 30th of June 2022.	Draft Synthesis of Issues, Vision & Spatial Concept Development Report.	R1000 000	REMOVED	Due to unforeseen delays that have been incurred on the SCM process	
TP & EM 06	Service provider to remove illegal signage appointed	Service provider to remove illegal signage appointed by the 31st of October 2021	Date	N/A	Service provider to remove illegal signage appointed by the 31st of October 2021	Adverts & Appointment letter of Service Provider	N/A	REMOVED	The Business has opted to employ eight 8 General Workers to carry out the work required	
TP & EM 10	Phase 2: High-Level Strategic assessment and Conceptual Framework submitted	Phase 2: High-Level Strategic assessment and Conceptual Framework submitted to the Municipality by 30 June 2022	Date	Project introductory meeting held by 31st of March 20212	Phase 2: High-Level Strategic assessment and Conceptual Framework submitted to the Municipality by 30 June 2022	High-Level Strategic assessment and Conceptual Framework work.	R500 000	REMOVED	Due to unforeseen delays that have been incurred on the SCM process	
TP & EM 16	1 x Air Quality Monitoring Station purchased	1 x Air Quality Monitoring Station purchased in the 2021/2022 FY by the 30th of June 2022	Date	Award of tender in the 2021/2022 FY by the 31st March 2022	1 x Air Quality Monitoring Station purchased in the 2021/2022 FY by the 30th of June 2022	Invoice and Goods Received Note	N/A	REMOVED	Capital budget not provided - No re-allocation of capital funds during mid-year review	
TP & EM 17	100% Laboratory Equipment purchased and delivered	100% of Laboratory Equipment purchased and delivered in the 2021/2022 FY by the 30th June 2022	Percentage	50% of Laboratory Equipment purchased and delivered in the 2021/2022 FY by the 31st March 2022	100% of Laboratory Equipment purchased and delivered in the 2021/2022 FY by the 30th June 2022	Invoice and Goods Received Note	N/A	REMOVED	Capital budget not provided - No re-allocation of capital funds during mid-year review	
CE 04	Tourism website through ICT services launched	Tourism website through ICT services launched by the 30th June 2022	Date	Meeting with the ICT team to present the project and expectations held by the 31st of March 2022	Tourism website through ICT services launched by the 30th June 2022	Status and Milestone Report	REMOVE	REMOVE	BUDGET UNAVAILABILITY	
CE 05	100% Participation of Msunduzi Tourism in Virtual Tours, events and exhibitions	100% Participation of Msunduzi Tourism in Virtual Tours, events and exhibitions as per the approved Tourism Events Calendar 21/22 FY by the 30th of June 2022	Percentage	100% participation of Msunduzi Tourism in Virtual tours, events and exhibitions as per approved Tourism events calendar 21/22 FY by the 31st of March 2022	100% participation of Msunduzi Tourism in Virtual tours, events and exhibitions as per approved Tourism events calendar 21/22 FY by the 30th of June 2022	Invoices where applicable, pictures, posters, event report	REMOVE	REMOVE	BUDGET UNAVAILABILITY	
CE 06	Bi-weekly City's Health awareness campaign in response to Covid-19 held	Bi-weekly City's Health awareness campaign in response to Covid-19 held as per approved communication schedule by the 31st May 2022	Bi-weekly City's Health awareness Campaign in response to Covid-19	Establishing of Campaign Goals and campaign tracking mechanisms for the City's Health awareness Campaign in response to Covid-19 by the 31st of March 2022	Bi-weekly City's Health awareness campaign in response to Covid-19 held as per approved communication schedule by the 31st May 2022	Campaign Assets, Communication Schedule, Posters/ adverts	REMOVE	REMOVE	BUDGET UNAVAILABILITY	

SDBIP REFERENCE	INDICATOR	ANNUAL TARGET / OUTPUT	UNIT OF MEASURE	PERFORMANCE TARGET AND PROJECTED BUDGET PER QUARTER			MID-YEAR REVIEW		
				QUARTER 3	ANNUAL	PORTFOLIO OF EVIDENCE	PROPOSED BUDGET ADJUSTMENT	KPI: AMENDED OR NEW	REASON FOR AMENDMENT, REMOVAL OR NEW
CE 07	PIDS installed on the Airport perimeter fence	PIDS installed on the Airport perimeter fence by the 31st of March 2022	Date	PIDS installed on the Airport perimeter fence by the 31st of March 2022	PIDS installed on the Airport perimeter fence by the 31st of March 2022	Invoice and completion certificate.	R5 000 000-Cost too high-Item to be removed from SDBIP	Remove- Business unit equivalent substitution that will be accepted by regulator. The current funds were then used to purchase a Generator.	BUDGET RESTRICTIONS- Quotations were R5000 000 and above.
HS 21	SPLUMA MPT approval for Township Establishment obtained	SPLUMA MPT approval for Township Establishment obtained for Edendale J2 and Quarry by the 30th of June 2022	Date	Advertise on the Newspaper and observe (30 days) by the 31st March 2022	SPLUMA MPT approval for Township Establishment obtained for Edendale J2 and Quarry by the 30th of June 2022	SPLUMA MPT resolution	1018656	Remove	The project is affected by land use conflicts between the Wearne Quarry and the proposed Human Settlements project the two cannot coexist. There is a Council resolution that has approved that the project be closed due to not being feasible.
TP&EM 26	95% of all Billboards or Ground Signs applications on Council owned property processed	95% of all Billboards or Ground Signs applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2022	Percentage	95% of all Billboards or Ground Signs applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 31st of March 2022	95% of all Billboards or Ground Signs applications on Council owned property processed (approved or declined) within 60 days of receipt of applications by the 30th of June 2022	Applications register	-250000	REMOVED	The target has not been met the department opted to hire 8 general workers to assist the department in removing illegal Signage
TP&EM 27	12 x monthly reports prepared and submitted	12 x monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operative by the 30th of June 2022	Number	9 x monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operative by the 31st of March 2022	12 x monthly reports prepared and submitted to SMC on the removal of all illegal advertising signage on Council property, detailing results of the appointed clean-up Co-operative	Monthly reports, SMC Resolution	N/A	REMOVED	The target has not been met the department opted to hire 8 general workers to assist the department in removing illegal Signage
CE 27	Not more than an average of 10% of all confirmed crime reports within camera visual area missed	Not more than an average of 10% of all confirmed crime reports within camera visual area missed in the 21/22 FY by the 30th of June 2022	Percentage	Not more than an average of 10% of all confirmed crime reports within camera visual area missed in the 20/21 FY by the 31st of March 2022	Not more than an average of 10% of all confirmed crime reports within camera visual area missed in the 20/21 FY by the 30th of June 2022	South African Police Service Matrix Feedback Form	N/A	REMOVED	POE being a confidential report from SAPS setting of the target was also not smart
ICT04	Finance manual forms automated or converted	Finance manual forms automated or converted to electronic forms by the 31st of March 2022	Date Finance Manuals automated	Finance manual forms automated or converted to electronic forms by the 31st of March 2022	Finance manual forms automated or converted to electronic forms by the 31st of March 2022	Finance manual forms automated, Register of forms received and automated	N/A	REMOVED	This KPI is dependent on Office365 fully implemented and configured for the entire Misunduzi IT users. We had to revert back to the original setup due to congested network, email started to be unstable and not coming through and experienced a lot of downtime during the migration. Once the internet pipeline is upgraded, infrastructure replaced, this KPI will be added again.
ICT08	100% of All ICT Audit Communication findings resolved	100% of All ICT Audit Communication findings resolved by the 30th of June 2022	Percentage ICT findings resolved	90% of All ICT Audit Communication findings resolved by the 31st of March 2022	100% of All ICT Audit Communication findings resolved by the 30th of June 2022	Audit Tracking Tool, ICT Communication Findings addressed and resolved	N/A	REMOVED	The audit tracking tool is updated regularly as and when findings are made, and some ICT findings also require funding. Therefore this matter will be monitored via the tracking tool.

PERFORMANCE MANAGEMENT OF CONTRACTS

The contract management unit reviews and reports on how SCM, service providers and the department as a whole is performing against set standards and metrics, provides insight into how policies are followed, and identifies areas of opportunity to drive value through process efficiencies, and verification of variations requested by user departments. Regular site visits and attending progress meetings, which allows for systematic management of supplier performance and building of work relationships to optimize the value for money in agreed deliverables throughout the project execution. Monthly and quarterly reports are submitted at SMC and Full Council.

Contracts and Monitoring

The unit is not fully recognized as a functional office and often misunderstood by the rest of the organization as to its responsibility within Supplier Performance management context Inadequate SCM system to synchronize reporting and enhance performance indicators e.g. Coordination of information for the generation of monthly reports on Awarded Contracts is not automatically loaded at the point of letter of award during acquisitions process which normally cause distortions and rendering potential delays in the report generation at times.

Information management processes and procedures across functional structures are not aligned e.g. dissemination of resolutions regarding contract variations are delayed at times Project and Contract Management systems are not linked to mitigate risk of poor performance.

MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT – SERVICE PROVIDERS ANNUAL (2020/2021 & 2021/2022FY) MONITORING OF PERFORMANCE

NB – ACTUAL SCORING DESCRIPTION – (TARGET NOT MET – 1, PARTIALLY MET – 2, TARGET MET - 3, TARGET EXCEEDED – 4, TARGET SIGNIFICANTLY EXCEEDED - 5)

CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET MET CRITERIA	ANNUAL TARGET 21/22 FY	ACTUAL 21/22FY	TARGET MET CRITERIA	COMMENT
SS76R of 2020	Dusi Electrical CC	Rate Based	New Installation, maintenance and refurbishment of uninterrupted power systems in municipal facilities	Yes	5	2	2	5	4	4	No performance issues reported by the business unit.
SS 29 of 2020 (Section A)	Ubhaqa Air Conditioning	Rate Based	Installation, maintenance and refurbishment to mechanical equipment for council CBD	Yes	5	2	2	5	3	3	No new performance issue reported by the business unit.
SS 29 of 2020 (Section B)	Intathakusa Projects 11/07 Pty Ltd	Rate Based	Installation, maintenance and refurbishment to mechanical equipment for council- Northern Areas	Yes	5	3	3	5	3	3	No performance issues were reported by the business unit.
SS 29 of 2020 (Section C)	Intathakusa Projects 11/07 Pty Ltd	Rate Based	Installation, maintenance and refurbishment to mechanical equipment for council- Vulindlela areas	Yes	5	3	3	5	3	3	No performance issues were reported by the business unit.
SS70-2019	Njubisa Group Pty Ltd	Rate Based	Repairs And Maintain Fountains And Irrigation Systems Within the Municipal	Yes	5	3	3	5	3	3	No performance issues reported by the business unit.
SLA-KONE ELE	Kone Elevators Sa (Pty)Ltd	3,768,622.09	Maintain and Repair Of Service Lifts In Library, City Hall And Harry Gwala	Yes	5	3	3	5	3	3	No performance issues reported by the business unit.
SLA-SCHINDLE	Schindler Lifts (Sa) (Pty) Ltd	1,824,627.47	Maintenance and Repair Services for the Professor Nyembezi Building, The Tatham	Yes	5	3	3	5	3	3	No performance issues reported by the business unit.
OTIS SLA	Otis (Pty) Ltd	3,364,644.39	Maintain And Repair Services For Lifts Building And The City Hall Building	Yes	5	3	3	5	2	2	Otis in progress of replacing all the missing buttons on the lifts at A.S Chetty building. The business unit in consultation with the service provider to fast track the process and re-instate the original use of the lifts.
SS 9 of 2017	Med Pak Cc	200,000.00	Supply and Delivery of Medication		5	3	Adhoc contract	5	3	N/A	the deliverables are acceptable
E38 of 2017	Dusi Electrical CC	1,000,000.00	The Replacement of Lamps and Luminaires Maintenance of Outdoor Lighting Installation	Yes	5	3	5	5	3	5	The performance of the contractor is satisfactory
E38 of 2017	Mzungezwa Projects CC	1,514,761.13	The Replacement of Lamps and Luminaires Maintenance of Outdoor Lighting Installation	Yes	5	3	5	5	3	5	The performance of the contractor is satisfactory
SLA	IMQS Software (Pty) Ltd	1,427,100.76	Annual License and Software Maintenance	Yes	5	3	N/A	5	3	N/A	The Consultant meet all the contractual deliverables of the contract. However the contract has reached it end date and a report has been sent to BAC for extension of time

CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET MET CRITERIA	ANNUAL TARGET 21/22 FY	ACTUAL 21/22FY	TARGET MET CRITERIA	COMMENT
SC-M530f16/17	Akew Investments Cc	1,710,726.88	FABRICATION,INSTALLATION,REPLACEMENT ANDSTRUCTURAL STEEL PASSENGER SHELTERS AT V	YES	5	3	3	5	3	3	Contract expired 15th September 2020. Because of lack of funding business unit has not started the procurement process for new contract.
SCM41-16/17	Kerush'S Transport CC	1,391,570.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	First Works 119	485,460.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly but on the last rotation they absconded the site
SCM41-16/17	Blacks Transport and Logistics	1,000,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	NPN Somashp Enterprises	200,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly but on the last rotation they absconded the site
SCM41-16/17	Mkholwa IT Services	1,140,082.88	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Valamehlo Truck Sales CC	636,120.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Ekene Investments	639,525.84	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Multi Solution Trading	10,000,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	X-Moor Transport (Pty) Ltd	1,596,092.04	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Aqua Transport And Plant Hire	4,994,312.04	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Premier Attraction 217	1,467,540.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly but on the last rotation they absconded the site
SCM41-16/17	Sobuzi Investments Cc	698,549.04	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Marlisha Transport Cc	815,952.24	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Midmar Plant Hire Cc	775,620.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Ethos Transport and Road Services	2,000,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM40-16/17	Datacentrix Pty Ltd	6,183,731.96	Appointment of service provider for the servers, backup and storage hardware in	YES	5	3	N/A	5	3	N/A	The consultant meet all the contractual deliverables of the contract.

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SCM41-16/17	Hennox 170 t/a	2,165,040.00	Hire Of Water Tankers (Drinking Water) Msunduzi Municipality	YES	5	3	N/A	5	3	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SS80 of 2017	Kushj Traders CC	2,000,000.00	Supply and delivery of stationery, tools& equipment, cleaning detergents, weed ki	YES	5	3	4	5	3	4	Business unit satisfied with deliveries
SS80 of 2017	Sinohlase investments	2,000,000.00	Supply and delivery of stationery, tools& equipment, cleaning detergents, weed ki	YES	5	3	5	5	3	5	Business unit satisfied with deliveries
SS80 of 2017	citigas t/a	2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	5	3	4	5	3	4	Business unit satisfied with deliveries
SS80 of 2017	Olympus Enterprise Pty Ltd	2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	5	3	4	5	3	4	Business unit satisfied with deliveries
SS80 of 2017	Ilungelo Construction Cc	2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	5	3	4	5	3	4	Business unit satisfied with deliveries , Supplier is struggling with manufactures price change
SS80 of 2017	Ricky'S Electrical CC	2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	5	3	5	5	3	5	Business unit satisfied with deliveries
SLA4-11/12	Schindler Lifts (Sa) (Pty) Ltd	30,000,000.00	Maintenance and Repair Services for the Tatham Art	Yes	5	3	3	5	3	3	Service level agreement in place for 3 years. No maintenance issues received from the business unit.
SC-M25OF18/19	Conrite Walls (Pty) Ltd	12,000,000.00	Supply and delivery of VIP top structures	Yes	5	Budget constraints No new work done	Budget constraints No new work done	5	3	No new structures to base target on	No new developments on the utilization of the contract.
SCM52-17/18	ATC INDUSTRIES	1,000,000.00	Maintenance of Traffic signal	Yes	5	N/A	N/A	5	3	N/A	Rotational basis
SCM52-17/18	Imbawula Technical	1,000,000.00	Maintenance of Traffic signal	YES	5	N/A	N/A	5	3	N/A	Rotational basis
SCM52-17/18	SONKEM CONSTRUCTION	1,000,000.00	Maintenance of Traffic signal	YES	5	N/A	N/A	5	3	N/A	Rotational basis
SCM42-18/19	ACKIN INVESTMENTS 2108	14,481,909.50	Rehabilitation of water infrastructure Edendale and Northdale	YES	5	3	3	5	2	2	Contract was suspended by the contractor due to non-payment, the business unit was in arrangement to make payment and call a meeting to reassess and plan for the work on site towards completion. Project nearing completion but delayed by the ongoing suspensions by the contractor.
SCM 5-19/20	Makhubu Civils CC	17,112,582.21	Constr. of Shenstone Ambleton Sanitation Phase 2 Ward 18	yes	5	3	3	5	3	3	The contractor resumed operations in May 2022 with minimal issues on site. The contractor has excavated 2242m of trench for the 160mm Ø uPVC (82% of the total excavated length) and has laid 2242m of 160mm Ø uPVC of sewer pipeline (82% of the total excavated length). Due to high volumes of ground water seepage in the trench the contractor has also installed the subsoil drainage of equal length. The overall completion to date is still 82%
SCM 21 of 19/20	Wavhudi Business Trading	R480 000.00	Appointment of training service provider: in horticulture NQF Level 3 Learnerships Programme (Code: 66649)	No	5	3	3	5	3	3	Training continues human resources has not reported any performance issues.

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SCM 22 of 20/21	Rapid Recruiting Pty Ltd	Rate Based	Collection and delivery, sorting, drawing of matrix for advertised vacancies and reference checks of recommended candidates for Msunduzi Municipality	No	5	3	3	5	3	3	Work continuous as and when required by Human Resources. No performance issues have been noted from the business unit to date.
SCM 7R of 20/21	Wilson and Pass Incorporated	Rate Based	Appointment of Professional Environmental Management Consultant company specializing in landfill management and restoration for a period of 3 years	Yes	5	3	3	5	3	3	No performance issues noted from the custodians of the contract.
SCM 72 OF 20/21	Zimele ERP IT Services (Pty) Ltd	R3,440,500.00	The proposal call for service providers to provide a mobile meter reading application suitable for electricity and water meter readings	No	5	3	3	5	3	3	SLA concluded. Work continues and no performance issues reported by the business unit. Project nearing completion.
SCM 6 of 21/22	XB Construction cc	R4,959,665.00	Upgrade of 0,5 KM Long Makhathini Road from Dirt to Concrete Road Surfacing in Willow fountain (Ward 14)	Yes	5	3	3	5	4	4	Construction in progress as per Programme
SS 23-R of 2021	Magma Risk Solutions	Rate Based	Appointment of a Panel of Security Service Providers for the Provision of Security Services	Yes	5	3	3	5	3	3	Its supply and service contract and the service is as and when required. No complaints been received from user department therefore the deliverables are satisfactory.
SS 23-R of 2021	Thabzo Security Services	Rate Based	Appointment of a Panel of Security Service Providers for the Provision of Security Services	Yes	5	3	3	5	3	3	Its supply and service contract and the service is as and when required. No complaints been received from user department therefore the deliverables are satisfactory.
SS 23-R of 2021	AET Security Services	Rate Based	Appointment of a Panel of Security Service Providers for the Provision of Security Services	Yes	5	3	3	5	3	3	Its supply and service contract and the service is as and when required. No complaints been received from user department therefore the deliverables are satisfactory.
SS 23-R of 2021	Royal Security cc	Rate Based	Appointment of a Panel of Security Service Providers for the Provision of Security Services	Yes	5	3	3	5	3	3	Its supply and service contract and the service is as and when required. No complaints been received from user department therefore the deliverables are satisfactory.
SS 23-R of 2021	Wise Training Centre	Rate Based	Appointment of a Panel of Security Service Providers for the Provision of Security Services	Yes	5	3	3	5	3	3	Its supply and service contract and the service is as and when required. No complaints been received from user department therefore the deliverables are satisfactory.
SS 23-R of 2021	Unitrade 1047 (Pty) Ltd t/a Isidingo Security	Rate Based	Appointment of a Panel of Security Service Providers for the Provision of Security Services	Yes	5	3	3	5	3	3	Its supply and service contract and the service is as and when required. No complaints been received from user department therefore the deliverables are satisfactory.
SC-M66of12/13	Basfour 170 Cc	163,343,535.12	WIREWALL RETIFICATION PROJECT	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M49of15/16	SLB CONSULTING/ BMK CONSULTING	821,104,246.83	Signal Hill/Peace Valley 3 Integrated Residential Development Programme	Yes	5	3	3	5	3	3	PHASE 1 completed project closed out , balance of project to be done by DOHS.

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SC-M13of16/17	Makhaotse Narasimulu And	32,625,359.84	Appointment of an implementing agent site11	Yes	5	3	3	5	3	3	Project on going, however, the agreements has been changed from Bilateral to Tripartite Agreements therefore going forward all payments will be done by Dohs
SC-M16of17/18	Isikhungusethu Enviromental	1,937,837.48	Land prep for transf.-Military veterans	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M16of15/16	Makhaotse Narasimulu And	55,361,117.12	IMPLEMENTATING AGENT OF 416 LOW COST THAMBOVILLE HOUSING PROJECT	Yes	5	3	3	5	3	3	Project on going and as per programme but payment will be processed by DOHS
SC-M55of18/19	Isibuko Development Planners	1,394,022.10	Operation Sukuma sakhe Woodlands housing project	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M9of16/17	MASEKO HLONGWA AND ASSOCIATES	3,326,590.00	Implementing Agent for Harewood Human Settlement Project	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M62of13/14	MOSEGEDI AND ASSOCIATE	1,330,636.00	Implementing Agent for KWA 30 Housing Project	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M63of13/14	MOSEGEDI AND ASSOCIATE	3,326,590.00	Implementing Agent for Khalanyoni Housing Project	Yes	5	3	3	5	2	2	Project still on planning stage. GP registration still outstanding
SC-M51of20/21	NOBLE HOUSING ASSOCIATION	1,000,000.00	Msunduzi Municipality Social Housing	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No contract, agreement is being vetted by the municipal legal department
SCM51-20/21	LITADOX NPC	1,000,000.00	Rollout of the Msunduzi Municipality Social Housing Pipeline	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No contract, agreement is being vetted by the municipal legal department
SC-M51of20/21	LITADOX NPC	1,000,000.00	Msunduzi Municipality Social Housing	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No contract, agreement is being vetted by the municipal legal department
SC-M51of20/21	DANGALAZA CONSTRUCTION AND CIVILS	1,000,000.00	Msunduzi Municipality Social Housing	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No contract, agreement is being vetted by the municipal legal department
SC-M34of18/19	Mdali Projects	2,145,812.76	Implementing Agent for Human Settlements Projects	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M34of18/19	mabune consulting	536,453.19	Implementing Agent for Human Settlements Projects	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M34of18/19	ZAMAHLOBO TRADING	4,559,451.84	Construction of 80 jika joe Temporary Structures	Yes	5	3	3	5	3	3	Project on going and as per programme
sc-m66of12/13	Basfour 170 Cc	4,000,000.00	Implementing Project for Fairfield Housing Project	Yes	5	3	3	5	3	3	Project on going by DOHS however some parts to implemented by the Municipality
SC-M34OF18/19	SAM GCABA CONSULTING	6,430,425.82	Construction of approximately 2000 houses Ethembeni	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M12of16/17	mabune consulting	7,012,460.00	Feasible study & Planning for Bhobhonono 1400 low houses & 600 site for GAP	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M34OF18/19	Groundwork Project	337,983,166.40	Implementing Agent for the Construction of 760 CRU Housing Project	Yes	5	3	3	5	3	3	Project on going and as per programme
SS34of18/19	MN AFRICA CONSULTING ENGINEERS	537,753.20	Infrastructure Services of Break New Ground And Infrastructure Services	Yes	5	3	3	5	3	3	Project on going and as per programme
SC-M34of18/19	Map Africa Consulting Engineering	3,713,968.00	Planning services for Mantshaheni Township from contract SC-M34of18/19 AD-HOC	Yes	5	3	3	5	3	3	Project on going and as per programme

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SS80 of 2021	1. Platinum Medical & Surgical cc 2. Senzangakhona Industrial Supplies 3. Golden Touch Trading 59 cc 4. New Heights 1466 cc 5. High Voltage Trading 6. Actaforce cc 7. Kush J Traders cc 8. Bright Spark Electrical 9. Graeme Bertha Group 10. Ilungelo Construction 11. Thokozanobuntu Construction 12. OctuChem 13. GT Chemicals 14. Pascalina 15. QUI Trading cc 16. Iqola Trading 17. Waho Trading	RATE BASED	SUPPLY AND DELIVERY OF STATIONERY, TOOLS & EQUIPMENTS, CLEANING DETERGENTS, WEED KILLING & POOL CHEMICALS AND REFRESHMENTS, MOTOR SPARES & SUNDRY ITEMS	YES	5	4	4	5	4	4	new contract in place ,not all items have been awarded only few critical items awarded SUB SECTION F: PEN, PENCIL, HIGHLIGHTER, GLUE AND BOARDMARKER SUB SECTION A: DISINFECTING LIQUIDS SUB SECTION C: CLEANING DETERGENTS SUB SECTION D: TOILET PAPER AND WASTE RAGS SUB SECTION A: POOL CHEMICAL SUB SECTION B: CEMENT, WHEELBARROW, PAINT AND THINNERS SUB SECTION D: GARDEN TOOLS
SS80 of 2018	Pro-phalt	RATE BASED	Potholes repairs	YES	5	4	4	N/A	N/A	N/A	Contract suspended
SCM 6 of 19/20	Nhane trading	R39,000,000	construction of water bond sanitation system ward 16 Edendale	yes	5	3	3	5	4	4	no funds available Time percentage: 95% Overall progress: 73%
SCM 45 OF 18/19	SIBUSISO PROJECTS	R5,645,559.30	ERADICATION OF MID-BLOCK WATER SERVICES IN MSUNDUZI WARD 19 (PHASE II)	NO	5	3	3	5	4	4	main contractor completed the work on site and house connection are done
SCM 40 OF 18/19	Matthew Francis Incorporated	R518 400.00	PROVISION OF LEGAL SERVICES TO THE MSUNDUZI MUNICIPALITY	NO	5	3	3	5	5	5	business unit satisfied with project
SCM 40 OF 18/19	Matthew Francis Incorporated	R83,000,000.00	PROVISION OF LEGAL SERVICES TO THE MSUNDUZI MUNICIPALITY	NO	5	3	3	5	5	5	business unit satisfied with project
SCM 51 OF 20/21	Litadox NPC	N/A	APPOINTMENT OF AN ACCREDITED SOCIAL HOUSING INSTITUTION FOR A PERIOD OF 36 MONTHS AT THE FOX HILL EXTENTION ERF 174 SLANG SPRUIT COMPRISING OF APPROXIMATELY 250 UNITS	NO	N/A	N/A	N/A	N/A	N/A	N/A	project not yet started
SCM 51 OF 20/21	Khanyisampela Housing Development	N/A	APPOINTMENT OF AN ACCREDITED SOCIAL HOUSING INSTITUTION FOR A PERIOD OF 36 MONTHS AT THE BAVERSTOCKSITE COMPRISING OF APPROXIMATELY 300 UNITS	NO	N/A	N/A	N/A	N/A	N/A	N/A	project not yet started
SCM 51 OF 20/21	Litadox NPC	N/A	APPOINTMENT OF AN ACCREDITED SOCIAL HOUSING INSTITUTION FOR A PERIOD OF 36 MONTHS AT THE SIGNAL HILL IRDP PROJECT SITE COMPRISING OF APPROXIMATELY 450 UNITS	NO	N/A	N/A	N/A	N/A	N/A	N/A	project not yet started
SCM 51 OF 20/21	Khanyisampela Housing Development	N/A	APPOINTMENT OF AN ACCREDITED SOCIAL HOUSING INSTITUTION FOR A PERIOD OF 36 MONTHS AT THE ETHEMBENI IRDP PROJECT SITE COMPRISING OF APPROXIMATELY 300 UNITS	NO	5	3	3	5	N/A	N/A	project not yet started
SCM 51 OF 20/21	Dangalaza Construction & Civil (Pty)Ltd	N/A	APPOINTMENT OF AN ACCREDITED SOCIAL HOUSING INSTITUTION FOR A PERIOD OF 36 MONTHS AT THE BUNTINE PLACE PROJECT SITE COMPRISING OF APPROXIMATELY 300 UNITS	NO	5	3	3	5	N/A	N/A	project not yet started

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SCM 51 OF 20/21	Noble Housing Association	N/A	APPOINTMENT OF AN ACCREDITED SOCIAL HOUSING INSTITUTION FOR A PERIOD OF 36 MONTHS AT THE ORIB VILLAGE PROJECT SITE COMPRISING OF APPROXIMATELY 300 UNITS	NO	5	3	3	5	N/A	N/A	project not yet started
SCM 74 of 20-21	Property Search Facility for Deeds Office Records	RATE BASED	Provision of a Property Search Facility for Deeds Office Records		5	3	3	5	N/A	N/A	project not yet started
SCM 74 of 20/21	Ekhaya Search (Pty) Ltd	RATE BASED	Provision of a Property Search Facility for Deeds Office Records		5	3	3	5	N/A	N/A	project not yet started
SCM 8 of 2021	Ibusapha Trading (Pty) Ltd Senzangakhona Industrial supply Mphumelelo Dladla (Pty) Ltd Mboniseni Group (Pty) Ltd Sinawe medical and Surgical supply Sthenhla Investments Ntonkulu Trading Enterprise Springlight 1217 KUSH J Traders Seed of Life The Last Adam XQZ IT	RATE BASED	Panel of service providers for supply and delivery of PPE and related items of COVID-19 for Msunduzi Municipality		5	3	3	5	4	4	business unit satisfied with project
	KushJ traders	RATE BASED	supply and delivery of Protective clothing	YES	5	3	3	5	4	4	business unit satisfied with project
SCM 32 of 20/21	High End General Construction	R13 608 668,75	Upgrading of Mkhize road from track to concrete surface	NO	5	3	3	5	4	4	All services challenges have been accrued .project its complete only few items need to be ratified
SCM 36 OF 2019	Somphek Trading	RATE BASED	Appointment of panel of service provides to supply , deliver and assembling/ installation of furniture	YES	5	3	3	5	4	4	business unit satisfied with project
SCM 36 OF 2019	Regency Office furniture	RATE BASED	Appointment of panel of service provides to supply , deliver and assembling/ installation of furniture	YES	5	3	3	5	4	4	business unit satisfied with project
SCM 47 OF 21/22	Sihlahlasiya'hluma Construction	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 130
SCM 47 OF 21/22	National Brake Lift (Gravity Engineering)	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 160
SCM 47 OF 21/22	Mthombo Awushi Contactors (Pty)Ltd	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 96
SCM 47 OF 21/22	NCM Engineering Services	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 130
SCM 47 OF 21/22	uMngazi Group (Pty)Ltd	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 160
SCM 47 OF 21/22	Mthew and son Plant hire	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 111

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SCM 47 OF 21/22	Yabanathi Projects (Pty)Ltd	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE)	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 131
SCM 47 OF 21/22	Topzinto Trading cc	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE)	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 110
SCM 47 OF 21/22	KwaJ Investment	1. Standard unit R4 300 2. Disabled Unit R5 200	Appointment of service providers for the construction of VIP toilets within ward 1-39 Pietermaritzburg (CIDB Grade 2CE to 5CE)	YES	5	3	3	5	4	4	First set of toilets have been completed contractor busy completing the balance of 131
SLA	Department Of Transport Driving	R3,500,000.00	Agreement for the Performance of the Driving Functions at Msunduzi	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
Bulk Water	Umgeni Water	R30,756,985.41	Supply of Bulk Water to Msunduzi Municipality	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SLA W/water	umgeni water	R950,000,000.00	Interim waste Water Treatment Agreement	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
RT57-2016	Nissan South Africa (Pty) Ltd	R40,015,126.85	Supply And Delivery Of Vehicles Light An Busses And Motor Cycles To The State	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
RT57 - 2016	bidvest mccarthy isuzu trucks	R50,000,000.00	Supply & Delivery UD truck croner,Cube compactor body, Sedan vehicles	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
RT57-2016	Ford Motors Company Of Southern	R11,000,000.00	Supply & Delivery UD truck croner,Cube compactor body, Sedan vehicles	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
4/S36-17/18	Gibb (Pty) Ltd	R874,815.23	MSUNDUZI RAPID PUBLIC TRANSPORT NETWORK (IRPTN)-ENVIRONMENTAL IMPACT ASSESSMENT	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS5 of 2018	Dia champion trading	R150,000,000.00	Supply and Delivery of Fuel (Fuel and Diesel)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS5 of 2018	Dia champion trading	R10,000,000.00	SUPPLY AND DELIVERY OF TWO STROKE FUEL MIX	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	MARISWE	R1,711,400.00	Construction of Ward 7 Community Hall	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	Tis Infrastructure Projects	R605,065.20	Ward 4 Upgrade of Mkhize Road	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	Tis Infrastructure Projects	R3,578,800.76	Upgrading of Gravel Road Ward 7	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SCM48-16/17	Emzansi Engineers	R2,205,000.00	Upgrading of Gravel Rd Ward 6	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	MARISWE	R1,539,359.22	Construction of Ward 34 Madiba Hall	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	HN CONSULTING ENGINEERS (PTY) LTD	R4,312,412.05	Desilting of camps drift canal	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M8of18/19	Anzomode Pty Ltd	R2,000,000.00	Communication Services Dev & Impl Comprehensive Integrated communication	NO	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M8of18/19	Sawep Media CC	R2,000,000.00	Communication Services Dev & Impl Comprehensive Integrated communication	NO	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M8of18/19	Tuscan Mood 1113 CC t/a	R2,000,000.00	Communication Services Dev & Impl Comprehensive Integrated communication	NO	5	3	3	5	4	4	The contractor's performance is satisfactory
SS5 of 2018	Dia champion trading	R4,000,000.00	Section 4 supply and delivery of lubricant and oil	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E1 of 2019	Kushj Traders CC	R10,500,000.00	Supply & Del of Electrical Distribution Installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory

CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET MET CRITERIA	ANNUAL TARGET 21/22 FY	ACTUAL 21/22FY	TARGET MET CRITERIA	COMMENT
E1 of 2019	Arb Electrical Wholesalers Ptytd	R3,000,000.00	Supply & Del of Electrical Distribution Installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E1 of 2019	MEMOTEK TRADING	R1,000,000.00	Supply & Del of Electrical Distribution Installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E1 of 2019	Ricky'S Electrical CC	R1,000,000.00	Supply & Del of Electrical Distribution Installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E1 of 2019	High Voltage Trading (Pty) Ltd	R3,000,000.00	Supply & Del of Electrical Distribution Installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M11of19/20	PEGASYS	R8,260,000.00	IRPTN Business Planning and Financial	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E14 of 2019	ACTOM	R16,000,000.00	Supply & Del Offloading of Street light High Mast/Floodlight fitting & luminary	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M62R-17/18	Leomat Construction	R88,468,929.52	Upgrading of Moses Mabhida road From 6.5 to 7.5km	YES	5	3	3	5	4	4	Practical completion has been achieved contractor is busy with snug list
SC-M48of16/17	Emzansi Engineers	R1,388,563.79	UPGRADE OF CALUZA ROAD WARD 20	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M7of19/20	UDUMO TRADING 26	R45,983,040.47	Construction of Outfall sewer Ward 11	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of17/18	HN CONSULTING ENGINEERS (PTY) LTD	R1,022,093.10	Upgrade of Peace Valley III Greater Edendale	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M27of19/20	XB CONSTRUCTION	R6,184,103.09	Phase 1 of Youth Enterprise Park	YES	5	3	3	5	4	4	contract completed
E1 of 2019	MANVI ENTERPRISES	R3,000,000.00	Supply and delivery of electrical distribution & installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E1 of 2019	SOLTANY TRADING	R1,000,000.00	Supply and delivery of electrical distribution & installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
RT57-2016	MERAFI HOLDINGS	R15,000,000.00	Supply And Delivery Of Vehicles Light An Busses And Motor Cycles To The State	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E1 of 2019	Senzangakhona industrial supplies	R1,000,000.00	electrical distribution and installation materials	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2017	Sinothando Construction CC	R6,870,961.74	Upgrade Vulindlela Phase 1 Ward 8 Section 1	YES	5	3	3	5	4	4	contract completed
SS55 of 2017	Sinothando Construction CC	R7,338,026.29	Upgrade Vulindlela Phase 1 Ward 8 Section 2	YES	5	3	3	5	4	4	contract completed
SS26 of 2020	Olympus Enterprise Pty Ltd	R3,000,000.00	supply and deliver of specialized print, boards crafts and carbonless pap	N/A	5	3	N/A	5	N/A	N/A	The contract was suspended
SC-M48of16/17	Emzansi Engineers	R1,673,206.26	Community Hall Ward 5 Mbizana Hall	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	HN CONSULTING ENGINEERS (PTY) LTD	R1,676,321.92	Design & Supervision of Ward 13 Community Hall	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS45 of 2017	High End General And Construction	R7,815,979.00	Upgrade of Dump Site New England Road	YES	5	3	3	5	4	4	contract completed
SC-M48of16/17	Makhaotse Narasimulu And	R1,999,371.60	Consulting for the Sithole Road Ward 9	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	Tis Infrastructure Projects	R4,467,643.90	UPGRADE OF GRAVEL ROAD WARD 18 UNIT P	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS26 of 2020	Olympus Enterprise Pty Ltd	R2,000,000.00	supply and deliver of specialized print papers, boards, crafts and carbonless pap	N/A	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2017	Sinothando Construction CC	R3,337,327.07	Ward 13 - Rehab of Gravel Road Eplazini Section 1	YES	5	3	3	5	4	4	contract completed
SS55 of 2017	Sinothando Construction CC	R3,883,710.48	Ward 13 - Rehab of Gravel Road Eplazini SECTION 2	YES	5	3	3	5	4	4	contract completed
E19 of 2019	Ce Electrical Contracting & Enginee	R1,000,000.00	Supply and Delivery of Top Boxes and Domestic Power Distribution Units	YES	5	3	3	5	4	4	The contractor's performance is satisfactory

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RT57-2016	Barloworld South Africa t/a	R2,165,403.93	Supply And Delivery Of Vehicles Light An Busses And Motor Cycles To The State	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
RT57-2016	KOMATSU SOUTH AFRICA	R5,000,000.00	Supply And Delivery Of Vehicles Light An Busses And Motor Cycles To The State	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2020	Senzangakhona industrial supplies	R5,000,000.00	Supply & Delivery Of Uniforms (Fire, Safety, Emergency, Security)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2020	Sparks And Ellis (Pty) Ltd	R5,000,000.00	Supply & Delivery Of Uniforms (Fire, Safety, Emergency, Security)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2020	F G Uniforms Cc	R5,000,000.00	Supply & Delivery Of Uniforms (Fire, Safety, Emergency, Security)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2020	VANGUARD FIRE AND SAFETY	R5,000,000.00	Supply & Delivery Of Uniforms (Fire, Safety, Emergency, Security)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2020	IMVELO CENTRICS	R2,000,000.00	Supply & Delivery Of Uniforms (Fire, Safety, Emergency, Security)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	HN CONSULTING ENGINEERS (PTY) LTD	R958,555.99	Peacevalley Road upgrade	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M36of20/21	PHAKAMANO THAN-DO TRADING	R3,000,000.00	Prof Event management services to the Msunduzi Municipality	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	HN CONSULTING ENGINEERS (PTY) LTD	R708,617.39	Upgrade of Mbambo Road Ward 1	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS 1 of 2019	Diya Valves International Cc	R1,000,000.00	Supply & services of pressure pipe, flexi couplings, steel flanges for waterworks	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
RT57-2016	Volkswagen Of South Africa	R5,000,000.00	Supply And Delivery Of Vehicles Light An Busses And Motor Cycles To The State	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	Emzansi Engineers	R3,104,777.55	Upgrade of Ashdown/old Edendale Road	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M30of19/20	Olympus Enterprise Pty Ltd	R1,000,000.00	Provision of Event Management	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M35of2021	High End General And Construction	R48,448,412.70	Specialist Contractor for the Desilting of Camp Drift Canal	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M30of19/20	Olympus Enterprise Pty Ltd	R5,000,000.00	Panel of Event Management Services	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E32 of 2020	L N FORCE	R10,000,000.00	DESIGN, MANUFACTURE, SUPPLY, DELIVERY OF INSTAL COMM. OF HIGH MASTS LIGHTING	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS5 of 2021	Oti Petrosmart (Pty) Ltd	R2,012,523.74	Provision and Maintenance of Fuel Management System	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M36of2021	CLASSIC EVENTS SOUNDS & MARQUEE	R3,000,000.00	Provision of Event Management	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SCM 27 of 20/21	LETHOKUHLE INVESTMENTS	R7,518,977.50	Upgrade of Gravel Roads in Vulindlela Ward 7 Mthalane Road	NO	5	3	3	5	1	4	Contract has been terminated due to non-performance
SS28 of 2019	Tees Industrial Supplies	R6,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	Senzangakhona industrial supplies	R6,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	0	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	MEGAPHASE ROAD SIGNAGE	R3,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	Kushj Traders CC	R6,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	NEW HEIGHTS 1466	R7,500,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	Tough Work wear & Agencies	R3,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory

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SS28 of 2019	Safeway Safety And Industrial	R3,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	Uniforms and Safety Gear	R6,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	TEE'S INDUSTRIAL AND GENERAL SUPPLI	R10,500,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	MEGAPHASE TRADING 380	R3,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS28 of 2019	KwaLanga	R3,000,000.00	Supply and Delivery of Uniforms for Public Safety	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E15 of 2020	Pinnaculum Energy	R5,000,000.00	Supply and Delivery of Electricity meter Current Transformers and Test Blocks	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
E15 of 2020	MEMOTEK TRADING	R2,000,000.00	Supply and Delivery of Electrical Meters Transformers and Test Block	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M36of20/21	BONGA UDONGA	R3,000,000.00	Prof Event management services to the Msunduzi Municipality	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2020	High End General And Construction	R11,106,711.01	UPGRADING OF GRAVEL ROADS IN VULINDLELA WARD 6 (MPAMA ROAD)	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M40of20/21	Inkoka Civils CC	R8,227,038.60	Construction of Madiba Community Hall- Ward 24	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M36of20/21	Andimahle Trading Enterprise Cc	R3,000,000.00	Prof Event management services to the Msunduzi Municipality	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M50of20/21	MEGA ROADS AND CIVILS	R1,000,000.00	Application of Road Traffic Marking within the Msunduzi Area	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M61of20/21	Hi Glen Construction And Plant Hire	R7,649,000.00	Construction of Mbizane Community Hall in Ward 5	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SLA SITA	Sita (Pty) Ltd	R716,814.51	Renewal Of SITA Business Agreement	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M36of20/21	MAXODE TRADING AND PROJECTS	R10,000,000.00	Prof Event management services to the Msunduzi Municipality	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	MARISWE	R500,000.00	Consultant to do detailed design of Eastern ring road	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SC-M48of16/17	Makhaotse Narasimulu And	R2,242,292.25	Consulting for the Baleni Gravel Road	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
scm36of2021	Anzomode Pty Ltd	R6,000,000.00	Event management services	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2020	Sinothando Construction CC	R2,499,257.25	Heavy Rehabilitation Of Fairfield Avenue From Blackburn Road to Ridge Road	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2020	Sinothando Construction CC	R15,315,334.50	Rehab Grimthorpe RD form Murry to Msunduzi	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2020	Daleka Trading Enterprise CC	R6,607,528.90	Patchwork Call Centre CBD	YES	5	3	3	5	4	4	The contractor's performance is satisfactory
SS55 of 2020	CHASHAZA	R7,735,097.20	Patchwork Call Centre EDENDALE	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SS50 OF 2020	KHANGISWA TRADING ENTERPRISE	R2,000,000.00	Contractors For Replacement And Repair To Damaged Paving, Concrete, Kerbs, Channel	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SS50 OF 2020	Mza Building Contractors	R2,000,000.00	Replacement and Repairs to damaged Paving, Concrete, Kerbs and Chanells	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SC-M48of16/17	Makhaotse Narasimulu And	R500,000.00	Consulting Engineer for Upgrade of Canalization of Stream in Zone 4	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SC-M48of16/17	MARISWE	R1,453,597.00	Construction of Ward 34 Madiba Hall	YES	5	3	3	5	3	3	The contractor's performance is satisfactory

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RT57-2016	Toyota South Africa Motors	R10,000,000.00	Supply And Delivery Of Vehicles Light An Busses And Motor Cycles To The State	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SS55 of 2020	CHASHAZA	R2,396,693.45	Contractor to undertake maintenance of Gravel road in Zone 2 Ward 10,12,15& 16	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SC-M35OF21/22	HEIDELBERG GRAPHIC SYSTEMS	R1,166,272.00	Purchase of High Speed Cutter Machine	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SS55of2020	High End General And Construction	R780,839.94	SMOKEVILLE ROAD CALUZA	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SS55of2020	High End General And Construction	R651,919.00	Maintenance of Airport runway & Taxiway	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SS55 of 2020	Daleka Trading Enterprise CC	R6,162,000.00	PATCHWORK CALL CENTRE LIST WITHIN CBD SURROUNDINGS & EDENDALE	YES	5	3	3	5	3	3	The contractor's performance is satisfactory
SUPPLY AND SERVICES CONTRACT NO. 6 OF 2018 SECTION 3	EZ TRADE 536 CC	RATE BASED	SUPPLY AND SERVICE HYGIENE EQUIPMENT AT VARIOUS MUNICIPAL BUILDING WITHIN THE MSUNDUZI MUNICIPALITY'S AREA OF JURISDICTION	YES	5	3	3	5	3	3	Some end-user units still have not fully processed service details thus resulting in nonpayment. Msunduzi' s account is still in arrears.
SPECIALISED CONTRACT No. SCM 67 OF 20/21	MULTIPLE SUPPLIERS	RATE BASED	APPOINTMENT OF ELECTRICAL CONSULTANTS FOR INFRASTRUCTURE SERVICES	YES	N/A + G213:216	N/A	N/A	5	N/A	N/A	Service Level Agreement still in vetting phase.
CONTRACT No. SCM 03 OF 21/22	JBC MEDIA GROUP (PTY) LTD	RATE BASED	THE MANAGEMENT OF OUTDOOR ADVERTISING SIGNS WITHIN MSUNDUZI MUNICIPALITY PROPERTY	YES	N/A	N/A	N/A	5	N/A	N/A	Service Level Agreement Draft has been concluded, the end-user sought clarity on terminology found in the SLA. A meeting has sat and the end user has sighted desires to expand the scope of the engagement and they were advised to approach the BAC for authorization for the variation.
CONTRACT No. SCM 49 OF 21/22	SPEC COM	RATE BASED	SUPPORT & MAINTENANCE OF THE CURRENT ENTERPRISE VMWARE SERVERS, BACKUP & STORAGE HARDWARE INFRASTRUCTURE, IN ADDITION THE SUPPLY, INSTALLATION & COMMISSIONING OF NEW SOFTWARE & HARDWARE	YES	N/A	N/A	N/A	5	N/A	N/A	Service Level Agreement is being drafted.
CONTRACT No. SCM 27 (R) OF 21/22	Hi-Glen Construction	R11 230 385.95	APPOINTMENT OF A CONTRACTOR FOR THE CONSTRUCTION OF THE COMMUNITY HALL IN KWAMAFUNZE WARD 7	NO	N/A	N/A	N/A	5	N/A	N/A	The contractor was appointment and accepted the appointment. The appointed consultant managing the project picked up discrepancies in the bill with regards to the rates, summary and ultimately total contract amount. A meeting between the contractor, consultant, end-user and SCM has been conducted and the contractor has agreed to amend their rates in line with the summary amount in which they were evaluated on.

SECTION 1: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT

COMPONENT A: INFRASTRUCTURE SERVICES BUSINESS UNIT

1. INFRASTRUCTURE SERVICES

This component includes Water & Sanitation Services, Roads, Transportation Planning, and Storm Water & Mechanical Workshops.

1.1 WATER SERVICES

According to the Municipal Systems and Structures act and per legislation; Local Municipalities are empowered to provide delivery services so as not to compromise the dignity of communities. Amongst other delivery services, the provision of potable water is of paramount importance. The most basic provision of water are standpipes. It has to be borne in mind that Municipalities are the closest level of government to communities and all its citizens and as a result become responsible for the wellbeing of its citizens by ensuring a healthy and hygienic living

South Africa's Constitution and Bill of Rights enshrines it as a basic human right to have access to sufficient water and a safe and healthy environment. Government fulfils these rights by means of Legislation.

How do we protect this precious resource?

Water Planning and information Management Programs ensure that South African Water resources are protected, used diligently, and conserved, managed and controlled in a sustainable manner for the benefit of all communities. It is also imperative that we protect the integrity of water ecosystems. This is where the Water Master Plan is of primary importance.

WATER AND SANITATION EMPLOYEE STATISTICS

EMPLOYEE: WATER AND SANITATION SERVICES					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	215	398	201	197	49
T04-T08	29	78	24	54	69
T09-T13	47	123	52	71	58
T14-T18	7	18	7	11	61
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	299	618	285	333	54

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

TOTAL USE OF WATER BY SECTOR (CUBIC METER)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2020/2021	N/A	N/A	7348965	48375966	23626791
2021/2022	N/A	N/A	24 613 589	33 036 034	24 276567

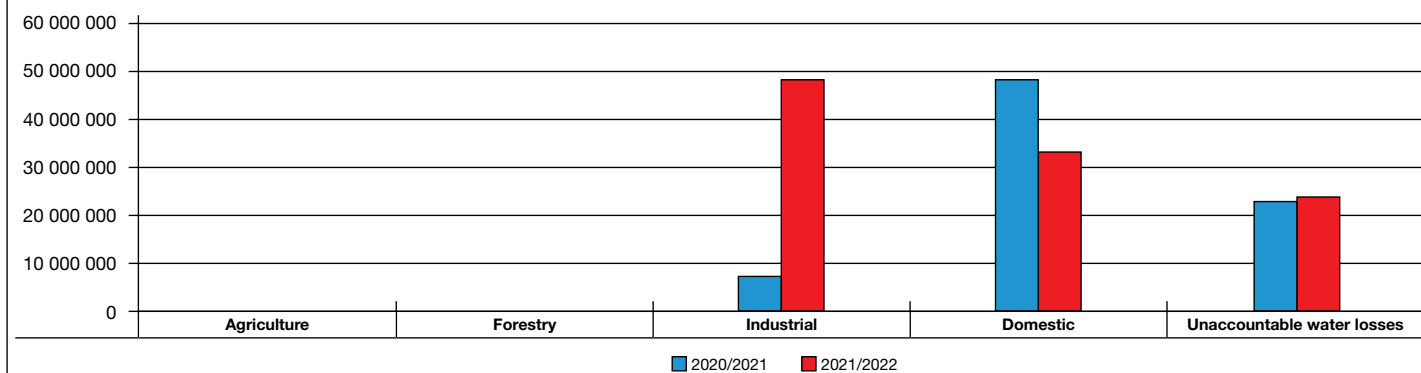
COMMENT ON WATER USE BY SECTOR:

The Labour Relations Act makes provision for the establishment of an Essential Services Committee, which ensures that Water Use is managed properly and that the supply of water takes precedence over any other service deliverables. The graph indicators:

1. Increase in Industrial Usage 334.93%
2. Decrease in Domestic Usage 68.3%
3. Increase in Water Losses 2% (bases on Volume)

It is noted that the year-on-year drastic changes in the industrial and domestic usage is due to changes in the categorization of domestic and non-domestic usage as per the billing data for the financial year. For the 2021/22 FY, only rate categories defined as domestic has been included under domestic usage, with all other categories noted as non-domestic being assigned to Industrial usage (which encompasses business, commercial, municipal usage, welfare, religious and transport).

WATER USE BY SECTOR



Financial Year	2021/2022 Figures	2020/2021
Units purchased - kl	81 746 217	79 351 722
Units sold- kl	(48 543 376)	(55 724 930)
Real losses - kl	19 518 241	19 137 701
Apparent losses - kl	4 578 353	4 489 090
Total water losses - kl	24 096 594	23 626 791
Total water loss as a percentage	29.5%	29.8%
Cost per kl in cents	R8.1210	R9.4543

It is noted that there has been a 2% increase in water losses for the Financial Year. Therefore, the reallocation has only significantly affected the domestic and industrial usage according to the Billing data for the financial year.

There has been an overall increase of total usage of 1 924 692 kl. It is still evident that Domestic and Industrial consumers are not adhering to water conservation efforts.

It should be noted that due to the fragile water infrastructure; the city was subjected to many mainline bursts. 2021/2022 saw the city dealing with 2108 mainline bursts. The increase in water losses is mainly due to these bursts. These combinations of factors will ultimately lead to an increase in bursts and subsequently an increase in water losses.

Factors that also can be attributed to an increase in usage and water losses.

1. Urbanization: People moving from rural areas to seek a better future in the city;
2. Theft of water via illegal connections on service and standpipe connections;
3. Aging infrastructure, contributing to leaking;
4. Vandalism of infrastructure leading to loss of water via leaks and subsequent bursts;
5. Age of consumer bulk meter leading to volume of water actually utilized by a consumer not being read.

The following are fundamental achievements for the 2021/2022 financial year :-

- (1) 1,3km of Water pipeline was replaced.
- (2) 7km of new pipeline was constructed.
- (3) A total of 1865 defective Water Meters were replaced for the 2021/2022 financial year in order to improve billing and revenue.

Currently the Catchment Management Program ensures that water storage and usage is effectively and efficiently undertaken to safeguard this natural resource. However, as per projections; the demand for water is on the increase. Communities are demanding any form of water supply from standpipe supply to tap supply inside dwelling. Over the 2021-2022 financial year, dams levels specific to Msunduzi Municipality all reached a 100% which was first time since 2016. Whilst this storage gave an assurance of raw water, we need to be cognizant that KwaZulu-Natal is still deemed a water scare province. Bulk Water treatment and supply is on a healthy level. However, this does not dismiss the fact that consumers should NOT adhere to the water conservation policies, strategies, and programs.

WATER SERVICE DELIVERY LEVELS
Households

Description	2018/2019	2019/2020	2020/2021	2021/2022
	Actual Number	Actual Number	Actual Number	Actual Number
Water: (above min level)				
Piped water inside dwelling	81 780	81 817	81 942	81 977
Piped water inside yard (but not in dwelling)	63 907	63 907	63 907	63 907
Using public tap (within 200m from dwelling)	9 468	9 468	9 468	6 663
Other water supply (within 200m)	N/A	N/A	N/A	N/A
Minimum Service Level and Above sub-total	155 155	155 192	155317	152 547
Minimum Service Level and Above Percentage	91.6%	94.6%	94.6 %	93,02%
Water: (below min level)				
Using public tap (more than 200m from dwelling)	6 396	6 396	6 396	6 396
Other water supply (more than 200m from dwelling)	N/A	N/A	N/A	N/A

WATER SERVICE DELIVERY LEVELS

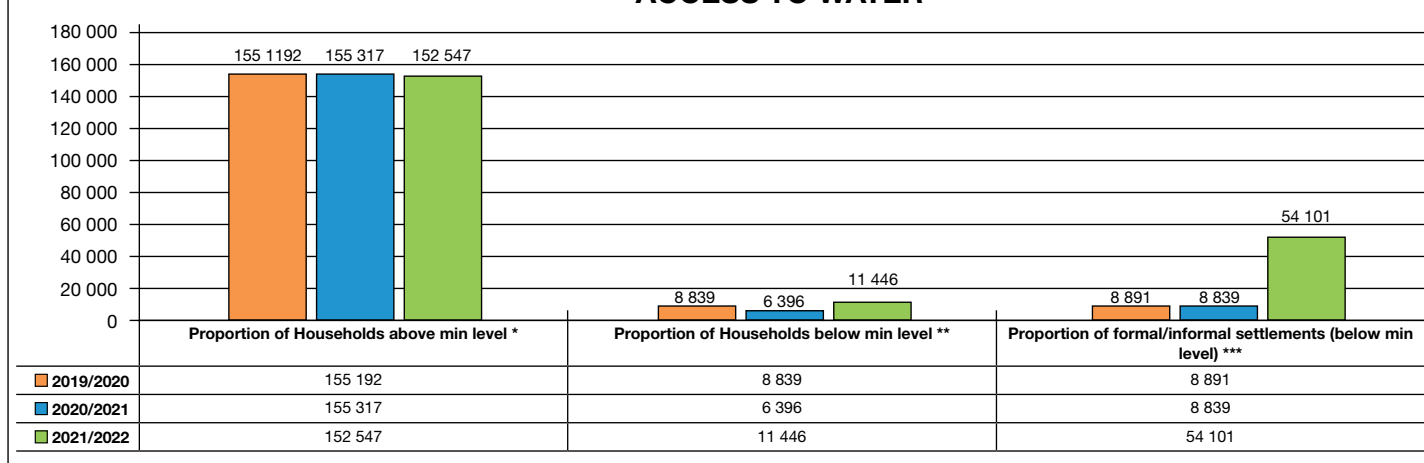
Households				
Description	2018/2019	2019/2020	2020/2021	2021/2022
	Actual Number	Actual Number	Actual Number	Actual Number
No water supply	2 443	2 443	2 443	5 050
Below Minimum Service Level sub-total	8 839	8 839	8 839	11 446
Below Minimum Service Level Percentage	5.4%	5.4%	5.4%	6,98%
Total number of households	163 994	164 031	164 156	163 993

*To include informal settlements

HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM

Households						
Description	2018/2019	2019/2020	2020/2021	2021/2022		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	6 396	6 396	6 396	6 396	6 396	6 396
Households below minimum service level	6 396	6 396	6 396	6 396	6 396	6 396
Proportion of households below minimum service level	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Informal Settlements						
Total Households	2 443	2 443	2 443	43 655	43 655	43 655
Households below minimum service level	2 443	2 443	2 443	43 655	43 655	43 655
Proportion of households below minimum service level	1.5%	1.5%	1.5%	26,62%	26,62%	26,62%

ACCESS TO WATER



(*) Includes Piped water inside dwelling, piped water inside yard (but not in dwelling), Using public tap (within 200m from dwelling)

(**) Includes using public tap (more than 200m from dwelling), other water supply (more than 200m from dwelling), No water supply

(***) Includes Formal and Informal supply

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

Water forms a very important part of ordinary life.

The Constitution and Bill of rights places a lot of emphasis on basic human rights and fundamentally the provision of clean water. The water services act of 1998 enforces the obligation that the Minister has to maintain a National Water Services Information System to monitor the performance of all water service institutions. The Local Government is the closest level of government to the communities, and they have been tasked to fulfill this obligation. The National Water Policy is based on three fundamental concepts:

1. Equity (Environmental)
2. Sustainability
3. Efficiency and cost effectiveness.

It should be borne in mind that lack of financial and personnel resources has hindered several potable water planned programs. The July 2021 unrest coupled with flooding events meant restructuring what the Water unit planned to undertake further noting we were still recovering of the effects of Covid-19. This also became evident when materials and project cost have increased significantly during the 2021 -2022 financial year.

The bulk water master plans will be used to guide the city in ensuring that certain short term, medium term and long-term projects are prioritized and the relevant funding is sourced.

The City will also need to undertake a complete meter audit, in order to ensure that all water connections are legal as well as billed.

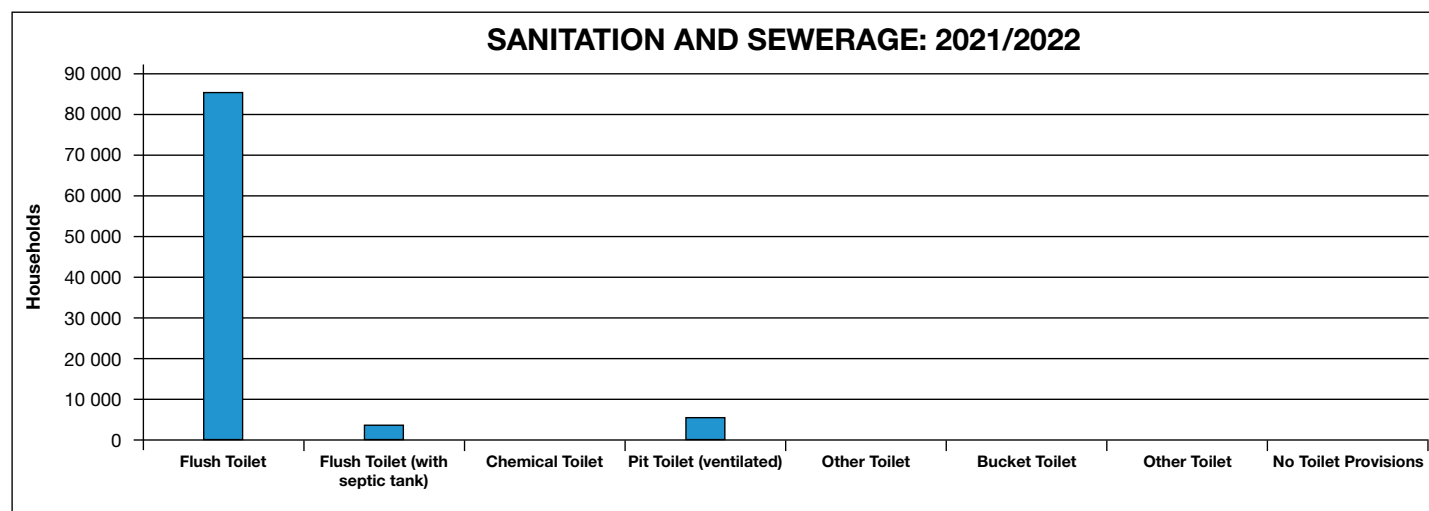
INTRODUCTION TO SANITATION PROVISION

The provision of an acceptable standard of sanitation (above minimum level) is most probably one of the most fundamental service delivery components that ensures healthy living conditions and maintains dignity within the communities concerned.

The priority is developed along the parameters of financial availability and other relevant resources aligned to short- and long-term objectives and programs. The economy at the moment is not robust and therefore it becomes difficult to achieve planned programs to achieve certain objectives. In the 2021-2022 financial year the following represents core activities: -

1. Reactively responded to 3804 mainline Blockages.
2. Planning commenced for the Darvill outfall sewer in order to replace the both pipes.
3. A total of 25,1km of sewer lines constructed in various wards.
4. 1180 Ventilated Improved pits (VIPs) where installed.

Improved pits (VIPs) where installed.

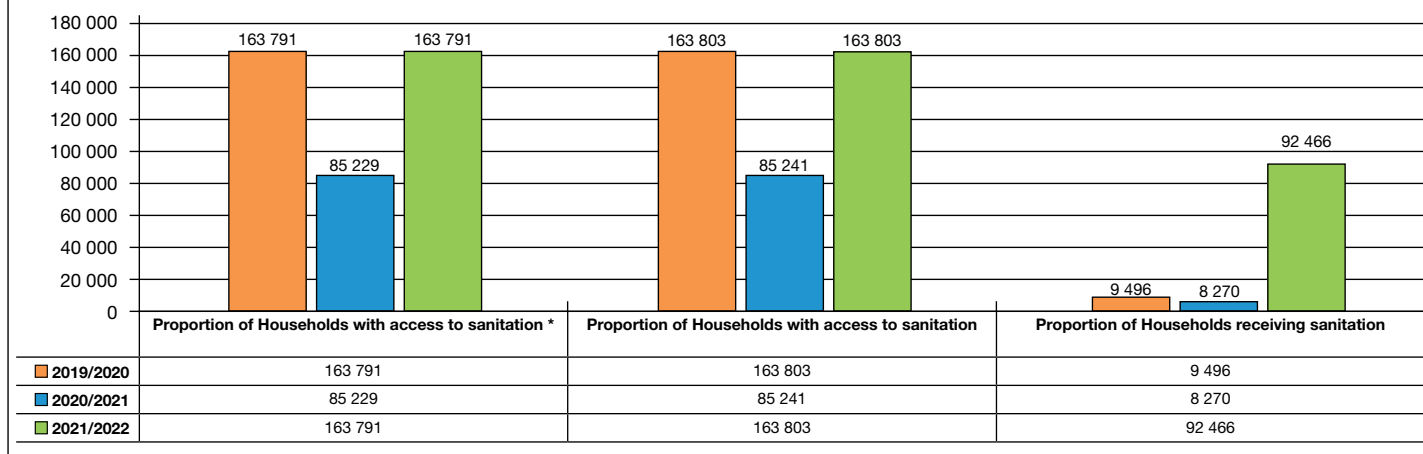


SANITATION SERVICE DELIVERY LEVELS				
Households				
Description	2018/2019	2019/2020	2020/2021	2021/2022
	Actual Number	Actual Number	Actual Number	Actual Number
Sanitation / Sewage (above min level)				
Flush Toilet (connected to sewerage)	85 211	85 229	85 241	82 970
Flush Toilet ((with septic tank)	8 319	8 319	8 319	3 160
Chemical Toilet	7 076	7 076	7 076	96
Pit Toilet	61 637	63 167	63 167	6 240
Other toilet provisions (above min service level)	N/A	N/A	N/A	N/A
Minimum Service Level and Above sub-total	162 243	163791	163 803	92466
Minimum Service Level and Above Percentage	98.29 %	99.2 %	99.8%	56,38%
Sanitation / Sewage (below min level)				
Budget toilet	N/A	N/A	N/A	N/A
Other toilet provisions (above min level)	-	-	-	-
No toilet provisions	2 799	1 269	1 269	71 527
Below Minimum Service Level sub-total	2 799	1 269	1 269	71 527
Below Minimum Service Level Percentage	1.71%	0.8%	0.2%	43,62%
Total number of households	163 993	165 060	165 060	163 993

*To include informal settlements

HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM						
Households						
Description	2018/2019	2019/2020	2020/2021	2021/2022		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	6 396	6 396	6 396	6 396	6 396	6 396
Households below minimum service level	6 396	6 396	6 396	6 396	6 396	6 396
Proportion of households below minimum service level	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Informal Settlements						
Total Households	2 799	1 269	1 269	43 655	43 655	43 655
Households below minimum service level	2 799	1 269	1 269	43 655	43 655	43 655
Proportion of households below minimum service level	1.71%	0.77%	0.77%	26,62%	26,62%	26,62%

ACCESS TO SANITATION



COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

Sanitation Service Objectives form an integral part in the Sanitation Services Performance overall. The primary objectives in Sanitation Service Deliverables include, inter alia:

1. Provision of toilets within standards
2. Basic Service Deliverables
3. Rehabilitation and refurbishment of existing sanitation infrastructure and services

1.2 ROADS & TRANSPORTATION DEPARTMENT

INTRODUCTION TO ROADS & TRANSPORTATION

This unit includes: Transportation Planning, Integrated Public Transport Network (IPTN), Roads design and Implementation, Roads and Drainage sections.

The comments below provide a brief on the strategy, priorities and provision regarding transportation planning services, roads design, implementation, Roads and drainage maintenance.

This component of the report falls under the Roads and Transportation (R&T) Sub Unit of the Infrastructure Business Unit. R&T deals with the following:

- Transportation Planning, Traffic Engineering Issues, Road Safety and Public Transport Issues;
- Planning, Development and Maintenance of Municipal roads and storm water infrastructure;
- Planning, Development and maintenance of Pedestrian and Vehicle Bridges.

EMPLOYEE STATISTICS FROM ROADS & TRANSPORTATION DEPARTMENT

EMPLOYEE: ROADS, TRANSPORTATION AND STORMWATER					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	228	405	220	185	46
T04-T08	13	47	11	36	77
T09-T13	31	114	30	84	74
T14-T18	5	18	4	14	78
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	278	585	266	319	55

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

INTRODUCTION TO ROADS

The Roads Section continues to address the backlog of Gravel Roads. An attempt is made yearly to upgrade 10-15km of gravel road into "all weather surfacing in order to render uninterrupted access and safety. (i.e. through geometric interventions).

The RAMP also informs the upgrading of gravel roads programme. The gravel roads and backlog is shown up to Ward level. Gravel roads backlog by the time of approval of the RAMP document was approximately 340 km and gravel roads that have been upgraded into tar since the approval of the RAMP document equates to 74 km, therefore the current known backlog is 266,27 km.

The current RAMP document is due for the review as this document has to be reviewed every 5 years. However, based on the current improvements achieved to date compared to the backlog, this document is still relevant up until there is a reviewed document in place. The process to review the RAMP document will commence during the 2022/23 financial year.

GRAVEL ROAD INFRASTRUCTURE Kilometres

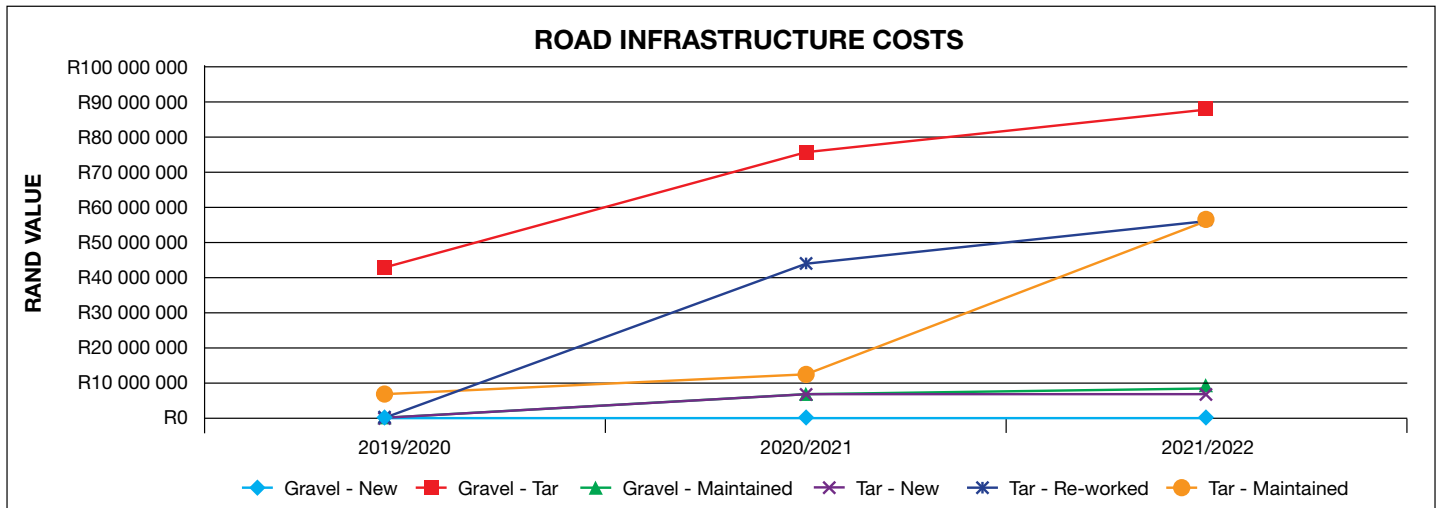
	Total gravel Roads	New Gravel Roads constructed	Gravel Roads upgraded to tar	Gravel Roads graded/ maintained
2019/2020	573.9	0	6.06	2
2020/2021	567.84	0	7.4	20
2021/2022	560.44	0	6.995 (7)	25.1

TARRED ROAD INFRASTRUCTURE Kilometres

	Total Tarred Roads	New Tar Roads	Existing Tar Roads re-tarred	Existing Tar Roads re-sheeted	Tar Roads Maintained
2019/2020	1536.75	6.06	24 000sqm	0	3 950 sqm
2020/2021	1 542.81	7.4	60 000sqm	0	16 190.9sqm
2021/2022	1 550.21	6.995	120 009sqm	0	137 578,59sqm

COST OF CONSTRUCTION / MAINTENANCE R'000

	Gravel			Tar		
	New	Gravel-Tar	Maintained	New	Reworked	Maintained
2019/2020	0	42 744 887	1 350 000	0	4 412 321	6 764 679
2020/2021	0	63 704 793	8 414 249	7.4	43 581 189	12 000 000
2021/2022	0	89 007 684	9 042 506	6.995	57 958 531	57 704 249



COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The department has continued with its programme of re-gravelling, maintenance of gravel roads and upgrading of gravel roads to all weather surface with a vision of reducing the high backlog of unsafe roads within the city.

Funds are slowly being made available by the Municipality towards the rehabilitation programme, which makes up the preventative maintenance of the department as a result, a total of 120 009m2 of surface roads were rehabilitated, 137 578,59 square meters of pothole were repaired and 6.995 km of gravel roads were upgraded to all weather surface roads during the 2021/2022 financial year.

T3.7.10

TRANSPORTATION PLANNING

Transportation Planning Section performs the following functions:

- Evaluation, assessment, and siting of transport facilities
- Planning, co-ordination, facilitation and provision of efficient and effective transport systems and infrastructure for all private and public transport.
- Planning, co-ordination, facilitation, provision, monitoring and regulation of efficient, effective public transport services and facilities within a balanced market demand and supply framework.
- Provides effective traffic management, control and safety through co-ordinated planning and maintenance programmes.

COMMENT ON THE PERFORMANCE OF TRANSPORTATION PLANNING OVERALL:

In the 2021/22 financial year, Non-Motorized Transport (NMT) and Bus Stop Shelter projects were not implemented due to no Budget constraints. Transportation Section was able to achieve 85 km of road markings, replacement of 474 traffic signs & replace and installed 12 meters of guardrails at various wards within the municipality. The department had plan to purchase two spray painting machines in the 2021/22 financial year, unfortunately there were no responsive bidders, hence most of the work was done by hand. Therefore, target for Road markings was not achieved in 2021/22.

STORMWATER DRAINAGE

INTRODUCTION TO STORMWATER DRAINAGE

The Storm water division is primarily responsible for the maintenance and construction of storm water infrastructure within Msunduzi Municipality, such as:

- Unblocking of storm water drainage system
- Replacement of missing manhole covers
- Maintaining the entire infrastructure (storm water)
- Cleaning and rehabilitation of the storm water system and culverts
- Replacing broken pipes and catch pit inlets and manhole slabs and covers.
- Installing new storm water systems, construction of open channels and sub-soil drains etc. The need to protect the health, welfare and safety of the public, and to protect property from flooding hazards by safely routing and discharging storm water from developments

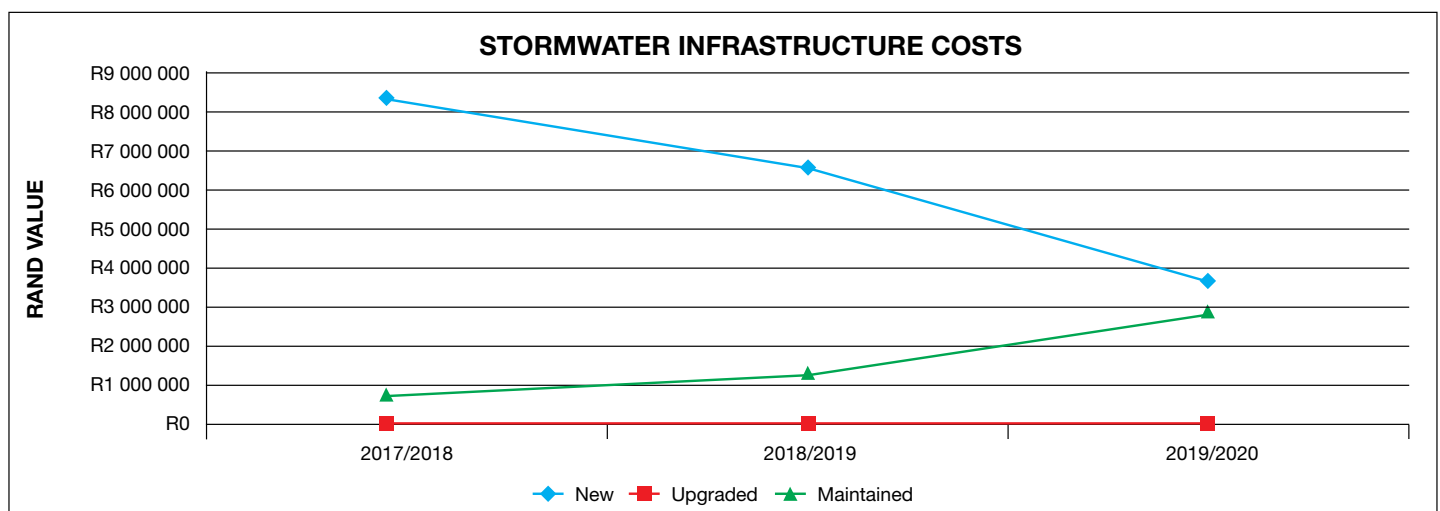
The municipality constructed 4.04km of storm water channel in various roads in the Greater Edendale and Vulindlela Area. This was to prevent or minimise flooding of Municipal Roads. Other new systems are constructed in association with road network upgrade. However, this service is still under funded in terms of new or upgrade and maintenance of existing system. 28km of storm water was maintained during the 2020/21 financial year. Maintaining the stormwater infrastructure is important to ensure that properties and roads in particular are not damaged due to undrained run-off causing traffic delays and inconveniences, and minimizing danger to vehicles and people.

The main challenges that this Unit is faced with including insufficient funding are as follows:

- Illegal dumping of refuse in storm water outlets/inlets, open channels and manholes
- Damages to infrastructure e.g. broken manhole lids, kerb inlets damaged by vehicles etc.
- Ill-informed community on the importance of storm water infrastructure
- Theft of manhole covers

STORMWATER INFRASTRUCTURE				
Kilometre				
	Total Stormwater measures	New Stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2019/2020	0	2.1	0	21 KM
2020/2021	32,04	4.04	0	28 KM
2021/2022	37	3km	0	31KM

COST OF CONSTRUCTION / MAINTENANCE			
R'000			
	Stormwater Measures		
	New	Upgraded	Maintained
2019/2020	R 8 327 550	-	R 662 905.91
2020/2021	R6 598 935.00	-	R 1 400 000.00
2021/2022	R3 690 665,6	-	R 2 865 000.00



COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The Municipality continues with the maintenance of stormwater program which is clearing of blocked stormwater drains and cleaning of catch pits. The new stormwater that was constructed it was implemented as part of new roads that were constructed and stormwater infrastructure consisted of kerb and channels, stormwater pipes and pipe culverts.

INTEGRATED RAPID PUBLIC TRANSPORT NETWORK

The infrastructure implementation component entailed the widening of the trunk route along Moses Mabhida Road from Crossing junction to top of Church Street. Skills transfers were implemented through employment of local labours and 30% of the project value was subcontracted to local subcontractors and SMME's.

Other components of the project have been affected by the suspension decision and are pending until the grant has been resuscitated.

COMMENT ON THE PERFORMANCE OF INTEGRATED RAPID PUBLIC TRANSPORT NETWORK

The 4.8km IRPTN road widening along Moses Mabhida Road was to accommodate the dedicated bus lanes, station and NMT facilities and was divided into four construction Work Packages.

Work Package 1 was completed during the 2018/19 financial year.

Work Package 4 was completed in February 2021.

Work Package 2 was completed in June 2022.

Work Package 3 was practically completed in February 2022.

Although the infrastructure component of the project is completed but operations as per the objective of the project will only be implemented once the Municipality has been reaccepted into the grant. Engagements regarding re-admission into the grant with National Department of Transport, National Treasury and National Parliament Committees are ongoing. Traffic management plan to open the additional new lanes to general traffic whilst engaging on the readmission of the municipality into the grant will be finalized by July 2022

1.3 PROJECT MANAGEMENT

INTRODUCTION TO PROJECT MANAGEMENT OFFICE

The Municipal Infrastructure Grant (MIG) is a grant issued by National Treasury to Public Bodies, mainly Municipalities and major government department to fund infrastructure projects and programmes implemented for the sole purpose of improving service delivery.

The grant is facilitated by COGTA and is mainly spent on delivering basic infrastructure services to poor communities in order address the backlog which exists in roads, electricity lighting, water and sanitation.

COMMENT ON THE PERFORMANCE OF PROJECT MANAGEMENT OFFICE OVERALL

The Project Management Office is established to:

- Facilitate the strategic, integrated planning of infrastructure development in the municipality in terms of conditions applicable to a variety of funding sources, plans and programmes of other spheres of government
- Administer and coordinate the MIG and EPWP programmes in terms of the GRANT agreement for the EPWP integrated grant to Municipalities
- Meet the expenditure and other requirements of the Municipal Infrastructure Grant
- Meet the job creation, training, development and empowerment objectives of the Expanded Public Works Programme

The projects executed within the 2020/2021 financial year where service delivery projects ranging from the upgrade of gravel roads to asphalt and concrete, installation of High mast lighting, Rehabilitation of sanitation infrastructure and Construction of Community Halls.

The total Municipal Infrastructure Grant (MIG) allocation inclusive of the MIG Capital Budget and the MIG Administrative costs was R209 331 000. A total MIG expenditure of R209 331 000 was totally spent.

Out of the total of R209 331 000 an amount of R6 530 996, 50 was utilized for operating cost which represent 3.12%.

REPORT ON THE MUNICIPAL INFRASTRUCTURE GRANT (MIG)

The Municipality in the 2021/2022 financial year ensured that MIG is monitored through weekly CAPEX and MIG meetings that track and help accelerate MIG expenditure in the Municipality for the 2021/2022 financial year. The total Municipal Infrastructure Grant (MIG) allocation inclusive of the MIG Capital Budget and the MIG Administrative costs was R209 331 000. A total MIG expenditure of R209 331 000 was totally spent.

SERVICE BACKLOGS AS AT 30 JUNE 2022				
	*Service level above minimum std		*Service level below minimum std	
	No. HHs	%HHs	No. HHs	%HHs
Water	152 547	93,02	11 466	7
Sanitation	92 466	56	71 527	43
Electricity	2 000	25	1 500	75
Waste Management	120 000	73	43 000	27
Housing	-	-	-	-

% HHs are the service above/below the minimum standard as a proportion of total HHs
Housing refers to * formal and ** Informal

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2021/22 ON SERVICE BACKLOGS R'000						
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure – Road transport	N/A	N/A	N/A	N/A	N/A	
Roads, Pavements & Bridges	69 626 280	85 273 154	85 273 154	69 626 280	85 273 154	
Stormwater	N/A	N/A	N/A	N/A	N/A	
Transmission & reticulation	N/A	N/A	N/A	N/A	N/A	
Street Lighting	7 423 227	7 423 227	7 423 227	7 423 227	7 423 227	
Infrastructure – water	15 463 343	-	15 463 343	15 463 343	-	
Dams & Reservoirs	12 885 005	9 502 711	9 502 711	12 885 005	9 502 711	

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2021/22 ON SERVICE BACKLOGS R'000

Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Water Purification	N/A	N/A	N/A	N/A	N/A	
Reticulation	22 064 870	12 463 343	12 463 343	22 064 870	12 463 343	
Infrastructure – Sanitation	51 301 787	-	51 301 787	51 301 787	-	
Reticulation	N/A	N/A	N/A	N/A	N/A	
Infrastructure – Other	44 126 016	18 250 170.50	18250 170.50	44 126016	18 250 170.50	
Waste Management	5 443 984	6 516 881	6 516 881	5443 984	6 516 881	
Transportation	N/A	1802000	1802000	N/A	1802000	
PMU Operating	10 034 418	6 530 996.50	6 530 996.50	10 034 418	6 530 996.50	
Housing	5 911 945	3 159 557	3 159 557	5 911 945	3 159 557	
Total	184 192 257	150 916 040	203 770 161	1 841 922 570	150 922 040	

COMMENT ON MIG:

There was delays in appointment of the contractors in a panel of Contractors for Construction of Community Halls (SCM 23 of 19 of 20) due to change in procurement strategy. It was further noted that the circular 2 of 2022; exclusion of institutional social development (ISD) from Municipal Infrastructure Grant funding contributed to delays in securing funding for other projects. The programme was also faced with challenge of slow progress in few projects due to the performance of the Contractors, this lead to not meeting set targets as well. The MIG performance remained 37.92% in December 2021. In terms of the way forward and avoiding the challenges experienced in the last financial year the following measures have been put in place:

A comprehensive Procurement Plan was drafted to ensure projects proceeding according to planned timeframes in accordance with required SCM process. The MIG Implementation plan has been revised accordingly with MIG time-frames.

SEVEN LARGEST CAPITAL PROJECTS PER WARD 2021/2022 FINANCIAL YEAR

Seven Largest Capital Projects Per Ward 2021/2022 Financial Year R'000						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
1	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	ELECTRIFICATION OF SWEETWATERS RURAL SETTLEMENTS-INFILLS	1-Jul-21	30-Jun-22	60 x service connections achieved by the 30th of June 2022.	1,428
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
2	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER			Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	5	MIG: Rehabilitation of Roads - Vulindlela Ward 2	1-Jul-21	30-Jun-22	Construction of 200m of Mabane Causeway in Vulindlela ward 2 completed by the 28th of February 2022	2,910
	6	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494

Seven Largest Capital Projects Per Ward 2021/2022 Financial Year
R'000

Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
3	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:ZA:BASIC WATER SUPPLY	1-Jul-21	30-Jun-22	7km of new water pipeline installed in Ward 3 & 6 cumulatively by the 30th of June 2022.	20,107
	3	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	6	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	7	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 3	1-Jul-21	30-Jun-22	Draft detailed design Baleni Road Ward 3 and WULA and EIA NOT submitted by the 30th of June 2022	1,955
4	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	N/A	N/A	N/A	N/A	N/A
5	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	COMMUNITY HALL WARD 5	1-Jul-21	30-Jun-22	Roof Construction completed for Ward 5 community hall by the 30th of June 2022	9,354
	5	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	N/A	N/A	N/A	N/A	N/A
6	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:ZA:BASIC WATER SUPPLY	1-Jul-21	30-Jun-22	7km of new water pipeline installed in Ward 3 & 6 cumulatively by the 30th of June 2022.	20,107
	3	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	4	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 6 (Thokozani)	1-Jul-21	30-Jun-22	Construction of 1.5 km road in Vulindlela Ward 6 from gravel to concrete and asphalt surface with kerb & channel and associated stormwater, by the 30th of June 2022	13,070
	5	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	6	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
7	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	5	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 7	1-Jul-21	30-Jun-22	NOT commenced with sub-base for Construction of 1 km road in Vulindlela Ward 7 from gravel to concrete and asphalt surface with kerb & channel and associated stormwater by the 30th of June 2022	1,457
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	MIG:Z5: WARD 7 COMMUNITY HALL	1-Jul-21	30-Jun-22	Foundations level for Mafunze community hall Ward 7 NOT commenced by the 30th of June 2022.	250
8	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	5	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 8	1-Jul-21	30-Jun-22	Sub-base for Construction of 1.7 km road in Vulindlela Ward 8 from gravel to concrete and asphalt surface with kerb & channel and associated stormwater NOT commenced by the 31st of June 2022	2,441
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	COMMUNITY HALL		30-Jun-22	Foundations of Ward 8 Community hall NOT constructed by the 30th of June 2022.	474
9	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	Foundations of Ward 8 Community hall NOT constructed by the 30th of June 2022.	474
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
10	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	4	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	5	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	6	Edendale S Phase 8 Extension	1-Jul-21	30-Jun-22	54 x new houses completed in the 21/22 FY for Edendale Unit S Phase 8 Ext by the 30th of June 2022	7,349
	7	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
11	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:Z2:VULINDLELA HOUSEHOLD SANITATION - Ward 10 (Phase 2)	1-Jul-21	30-Jun-22	4.279 km of new sewer pipeline installed in Ward 11 by the 30th of June 2022.	19,473
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	6	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
12	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	WSIG:Z1:ERADICATION OF GREATER MSUNDUZI SANITATION BACKLOG - VIP TOILETS	1-Jul-21	30-Jun-22	Installation of 1158 VIP units cumulatively by 30th June 2022	19,972
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	5	MIG:Z2: UPGR GRV RD- GEORGETOWN / ESIGODINI	1-Jul-18	30-Jun-19	Contractor NOT appointed for construction of 0.6km of Mission Road in Ward 12 from Gravel to Black top with associated stormwater by the 30th of June 2022	597
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	N/A	N/A	N/A	N/A	N/A
13	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	4	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	MIG:Z3: WARD 13 COMMUNITY HALL	1-Jul-21	30-Jun-22	Construction of Foundation level NOT complete for Community hall Ward 13 by the 30th June 2022.	89
14	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	6	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	7	MIG:Z2:UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN	1-Jul-21	30-Jun-22	Complete Layer works for Construction of 0.50 km of Makhathini road in Willowfountain from gravel to concrete surface with associated stormwater completed by the 30th of June 2022	2,934

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
15	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	6	MIG:ZA:MIDBLOCK SEWER ERADICATION	1-Jul-21	30-Jun-22	6.522 km (completion) of new sewer pipeline installed in Ward 15 by the 30th of June 2022.	6,597
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
16	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	4	MIG:Z2:EDENDALE - SEWER RETICULATION - Ward 16	1-Jul-21	30-Jun-22	8.127 km of new sewer pipeline installed in Ward 16 by the 30th of June 2022.	15,089
	5	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	6	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	7	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
17	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	N/A	N/A	N/A	N/A	N/A
18	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:Z3:SLANGSPRUIT AMBLETON SANITATION SYSTEM	1-Jul-21	30-Jun-22	2.242 km of new sewer pipeline installed in Ward 18 by the 30th May 2022	11,086
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	MIG:Z3:UPGRADING OF GRAVEL ROADS - EDN- Roads in Unit 14/ WARD 18	1-Jul-21	30-Jun-22	Construction of 1.5 km road Mkhize Road in Edendale Unit 14/ Ward 18 from gravel to concrete surface with associated stormwater completed by the 31st of May 2022.	9,920
	5	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	6	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
19	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	4	N/A	N/A	N/A	N/A	N/A
	5	N/A	N/A	N/A	N/A	N/A
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
20	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	MIG:Z2:UPGR GRV RD-GREATER EDN-CALUZA	1-Jul-21	30-Jun-22	Complete 0,695km Concrete road with drainage, surfacing and retaining walls by the 31st of May 2022	5,855
	4	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	5	N/A	N/A	N/A	N/A	N/A
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
21	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:Z2:EDENDALE - SEWER RETICULATION - Ward 16	1-Jul-21	30-Jun-22	8.127 km of new sewer pipeline installed in Ward 16 by the 30th of June 2022.	15,089
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	MIG:ZA:ELIM OF CONSERV TANKS:SEWER	1-Jul-21	30-Jun-22	3.9 km (completion) of new sewer pipeline installed in Ward 21 by the 30th of September 2021.	8,316
	5	MIG:Z2:UPG GRV RD-EDN-DAMBUZA MJ SWD UPG	1-Jul-21	30-Jun-22	Completed detailed design Dambuza Main Road Ward 21 by the 30th of June 2022	1,845
21	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
22	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	4	N/A	N/A	N/A	N/A	N/A
	5	N/A	N/A	N/A	N/A	N/A
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
23	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	Infrastructure Implementation	1-Jul-21	30-Jun-22	30% of Work Package 2 completed (Construction of earthworks, layer works, surfacing and ancillary works for road widening in Moses Mabhidia Road between km 6.5 to km 7.5), by the 28th of February 2022	45,407
	4	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	5	UPGRADE OF MASON'S PRIMARY SUBSTATION & LAYING OF APPROXIMATELY 26KM OF 630MM 1/C CABLES	1-Jul-21	30-Jun-22	Purchase and delivery of 630mm 1/c cables was achieved by 30 June 2022, however Switchgear Panels were not delivered	21,979
	6	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	7	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
24	1	Infrastructure Implementation	1-Jul-21	30-Jun-22	6% of Work Package 3 completed. (Construction of earthworks, layer works, surfacing and ancillary works for road widening in Moses Mabhida Road between km 7.5 to km 8.8) by the 28th of February 2022	22,725
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	COMMUNITY HALL	1-Jul-21	30-Jun-22	Appointment of Contractor for Ward 24 Community hall by the 30th of June 2022.	1,076
	4	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	5	Infrastructure Implementation	1-Jul-21	30-Jun-22	6% of Work Package 3 completed. (Construction of earthworks, layer works, surfacing and ancillary works for road widening in Moses Mabhida Road between km 7.5 to km 8.8) by the 28th of February 2022	22,725
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
25	1	CNL - ROAD REHABILITATION - PMS	1-Jul-21	30-Jun-22	129 009m2 of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of May 2022	57,959
	2	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
26	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	UPGRADE OF MASON'S PRIMARY SUBSTATION & LAYING OF APPROXIMATELY 26KM OF 630MM 1/C CABLES	1-Jul-21	30-Jun-22	Purchase and delivery of 630mm 1/c cables was achieved by 30 June 2022, however Switchgear Panels were not delivered	21,979
	3	MIG:Z2:UPGR RD IN PEACE VALLEY-10KM	1-Jul-21	30-Jun-22	Construction of 2,1 km length of road in Peace Valley III Ward 26 ,from gravel to black top asphalt with associated stormwater by the 28th of February 2022.	10,791
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	Eastern Ring Road Final detailed design	1-Jul-21	30-Jun-22	Draft Detailed design for Eastern ring Road Completed by the 30th of June 2022	500
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
27	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	Infrastructure Implementation	1-Jul-21	30-Jun-22	6% of Work Package 3 completed. (Construction of earthworks, layer works, surfacing and ancillary works for road widening in Moses Mabhida Road between km 7.5 to km 8.8) by the 28th of February 2022	22,725
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	5	Purchase of steel containers for toilets	1-Jul-21	30-Jun-22	2 steel containers for toilets for 3 taxi ranks NOT delivered by the 30th of June 2022.	638
	6	Renovation to Building for Roads and Drainage Standby Rooms at the Doull Road Depot	1-Jul-21	30-Jun-22	Design and modify the existing laboratory building to new staff standby rooms using the Annual Supplies and Services Contract 72 of 2019 completed by the 30th of June 2022.	613
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
28	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	4	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	5	N/A	N/A	N/A	N/A	N/A
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
29	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	MIG:Z5:COPEVILLE RESERVOIR	1-Jul-21	30-Jun-22	1.345km of new water pipeline installed in Ward 30 and first lift for reservoir walls NOT completed by the 30th of June 2022.	5,872
	4	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	5	ELECTRIFICATION OF EZINKETHENI INFORMAL SETTLEMENTS-INFILLS	1-Jul-21	30-Jun-22	168 x service connections were achieved by the 30th of June 2022.	2,934
	6	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
30	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	MIG:Z5:COPEVILLE RESERVOIR	1-Jul-21	30-Jun-22	1.345km of new water pipeline installed in Ward 30 and first lift for reservoir walls NOT completed by the 30th of June 2022.	5,872
	4	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	ELECTRIFICATION OF SWAPO INFORMAL SETTLEMENTS-INFILLS	1-Jul-21	30-Jun-22	43 x service connections were achieved by the 30th of June 2022.	389
	7	Upgrade of canalisation of streams/bank protection in Zone 4	1-Jul-21	30-Jun-22	Conceptual design for the stream canalization/bank protection project completed by the 30th of June 2022 and 41m3 of gabions for No. 80 Kingstone completed by the 30th of June 2022	312
31	1	CNL - ROAD REHABILITATION - PMS	1-Jul-21	30-Jun-22	129 009m2 of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of May 2022	57,959
	2	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
32	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Site 11 Housing project - Woodlands	1-Jul-21	30-Jun-22	53 x new houses completed in the 21/22 FY for Site 11 Housing project - Woodlands by the 30th of June 2022	7,257
	4	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	Happy Valley Housing project - Woodlands	1-Jul-21	30-Jun-22	1 x new houses completed in the 21/22 FY for Happy Valley Housing project by the 30th of June 2022	953
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
33	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	Jika Joe Community Residential Unit	1-Jul-21	30-Jun-22	Construction of external works in phase 1A completed to the value of R3 127 075.87 in the 21/22 FY for Jika Joe by the 30th of June 2022	13,189
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	ELECTRIFICATION OF JIKA JOE CRU'S PHASE 1 ELECTRIFICATION	1-Jul-21	30-Jun-22	0 x House service Connections achieved by the 30th of June 2022.	8,770
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	N/A	N/A	N/A	N/A	N/A
34	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	4	MIG:Z3:WARD 34 MADIBA COMMUNITY HALL	1-Jul-21	30-Jun-22	Community hall NOT completed by the 30th of June 2022.	2,370
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
35	1	CNL - ROAD REHABILITATION - PMS	1-Jul-21	30-Jun-22	129 009m2 of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of May 2022	57,959
	2	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	UMgungundlovu Rectification Project	1-Jul-21	30-Jun-22	33 x new houses completed in the 21/22 FY for UMgungundlovu Rectification Project by the 31st of May 2022	3,358
	5	Development of Ethembeni Cemetery	1-Jul-21	30-Jun-22	Fencing and ablution facilities completed.	3,000
	6	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	7	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
36	1	CNL - ROAD REHABILITATION - PMS	1-Jul-21	30-Jun-22	129 009m2 of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of May 2022	57,959
	2	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	3	UPGRADE OF MASON'S PRIMARY SUBSTATION & LAYING OF APPROXIMATELY 26KM OF 630MM 1/C CABLES	1-Jul-21	30-Jun-22	Purchase and delivery of 630mm 1/c cables was achieved by 30 June 2022, however Switchgear Panels were not delivered	21,979
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	6	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	7	N/A	N/A	N/A	N/A	N/A
37	1	CNL - ROAD REHABILITATION - PMS	1-Jul-21	30-Jun-22	129 009m2 of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted emulsion) by the 31st of May 2022	57,959
	2	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	3	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	4	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
38	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Thamboville Housing project	1-Jul-21	30-Jun-22	72 x new houses completed in the 21/22 FY for Thamboville Housing Project by the 30th of June 2022	9,730
	4	Thembalihle Housing project	1-Jul-21	30-Jun-22	0 x new houses completed in the 21/22 FY for Thembalihle Housing Project by the 30th of June 2022	4,262
	5	ELECTRIFICATION OF THEMBALIHLE INFORMAL SETTLEMENTS	1-Jul-21	30-Jun-22	216 x service connections were achieved by the 30th of June 2022.	3,535
	6	ELECTRIFICATION OF ZAMOKUHLE INFORMAL SETTLEMENTS	1-Jul-21	30-Jun-22	210 x service connections achieved by the 30th of June 2022.	2,940
	7	Faulty / Defective Meter Replacement	1-Jul-21	30-Jun-22	103.5% (945/913) of faulty / defective electricity meters replaced as per received technical exception table and audits by the 30th of June 2022.	2,874
39	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	High Masts Lights Installation	1-Jul-21	30-Jun-22	All 20 x High Masts Lights have been erected, Only 2 x High Masts have been Commissioned by the 30th of June 2022	7,012
	4	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 39	1-Jul-21	30-Jun-22	Construction of 1 km length of Masoyi Road in Vulindlela Ward 39, from gravel to asphalt surface with associated stormwater by the 31st of August 2021	4,228
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	7	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579

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Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2019/2020	Total Value
40	1	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	2	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	3	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	4	N/A	N/A	N/A	N/A	N/A
	5	N/A	N/A	N/A	N/A	N/A
	6	N/A	N/A	N/A	N/A	N/A
	7	N/A	N/A	N/A	N/A	N/A
41	1	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	2	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-21	30-Jun-22	125 x 11kV equipment purchased and delivered by the 30th of June 2022	31,624
	4	MIG:ZA:REDUCTION OF NON REVENUE WATER	1-Jul-21	30-Jun-22	Total Water Losses reduced to 31.3% based on the International Water Association Balance in Wards 1 to 41 (in total) by the 30th of June 2022.	10,579
	5	Construction of 40 traffic calming measures	1-Jul-21	30-Jun-22	40x traffic calming measure installed in various sites as per approved traffic calming implementation schedule by the 31st of May 2022	494
	6	Wirewall Rectification Project	1-Jul-21	30-Jun-22	195 x new houses completed in the 21/22 FY for Wirewall Rectification by the 30th of June 2022	47,306
	7	Wirewall Rectification Project Renovations	1-Jul-21	30-Jun-22	215 x houses renovated for the Wirewall Rectification Project in the 21/22 FY by the 30th of June 2022	47,306

1.4 MECHANICAL WORKSHOPS

INTRODUCTION TO MECHANICAL WORKSHOPS

Mechanical Workshop is a sub-unit of the Infrastructure Services Unit. The Manager Mechanical Workshops reports directly to the General Manager Infrastructure Services.

Mechanical Workshops is responsible for the repairs and maintenance of Councils vehicle and plant. There are six workshops situated strategically around the City. Facilitates the process with Supply Chain Management (SCM) to outsource major components engines gearboxes differentials and C.O.F. (certificate of fitness) to service providers that are compliant on the SCM database.

MECHANICAL WORKSHOPS EMPLOYEE STATISTICS

EMPLOYEE: MECHANICAL WORKSHOPS					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	13	51	13	38	75
T04-T08	5	14	6	8	57
T09-T13	19	25	19	6	24
T14-T18	0	1	0	1	100
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	37	91	38	53	58

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

STRATEGIC OBJECTIVES OF THESE SUB-SECTIONS ARE:

The Manager: Mechanical Workshops is responsible for managing the repairs and maintenance to the five mechanical workshops. Excluded from the mechanical workshops is Fire and Emergency services workshops which reports directly to the Chief Fire Officer. The five workshops are situated at the following locations and caters for the following departments:

1. DOULL ROAD WORKSHOPS

Situated at 150 Mayors Walk, the workshop is split in two. The one half caters for Waste Management department and the other for the following departments, Water, Sanitation, Plant Pool, Transportation, Roads, and Drainage. Waste Management refuse compactor repairs are done on an urgent base in conjunction with the SCM policy.

2. AUXILIARY WORKSHOP

Situated at 150 Mayors Walk, the workshop is responsible for welding and fabrication, tyre and battery replacements. The scrapping of all tyres replaced in the fleet is checked and managed with the service provider and the Foreman: Auxiliary.

3. ELECTRICITY WORKSHOP

Electricity workshop is situated at 111 Havelock Road. The workshop foreman manages and controls Electricity and Traffic workshops. The workshops caters for the following departments, Electricity Supply Services, Head Office Pool, the Mayor's and Speaker's offices.

4. TRAFFIC WORKSHOP

This workshop is situated at 21 Washington Road. The workshops caters for the following departments Traffic, Security and Airport quad bikes.

5. PARKS WORKSHOP

This workshop is situated in Alexandra Park. The workshop is split in two, a mechanical workshop for plant and vehicles and a small plant workshops for brush cutter repairs.

COMMENT ON THE PERFORMANCE OF MECHANICAL WORKSHOPS OVERALL:

Mechanical Workshops serviced 642 of the 768 vehicles owned by the Municipality for the financial year 17/18. Fleet Management submit a monthly service plan to the Business units for vehicles due for service. This receives a very poor response from the Business Units in bringing in the vehicles for service.

Also a contributing factor to slow turn around time on repairs is the high vacancy rate in the Mechanical Workshops and turn around times on procuring spares with SCM.

1.5 ELECTRICAL SUPPLY SERVICES

INTRODUCTION TO ELECTRICAL SUPPLY SERVICES

Installation of High Masts Lights, especially in Edendale, Imbali and Vulindlela areas was achieved as part of improvement to public lighting where 20 High Masts Lights were installed.

There has been a huge street light maintenance backlog in the Edendale, Imbali and Vulindlela areas due to Eskom indicating their intention to stop the street light maintenance and hand it back to the Municipality for future maintenance. A process to take over the maintenance of street lights in the Eskom Area of Supply was eventually started and is in progress where in the near future, Msunduzi Electricity Supply Services Business Unit will be maintaining all the street lights under Msunduzi Municipality's geographic area upon Council Approval.

Lastly due to the challenges of illegal connections, meter tampering, faulty meters amongst other challenges, the Electricity Losses are ever increasing to unacceptable levels which eventually affects Municipal Revenue negatively which may soon result in the unsustainable provision of Electricity Supply.

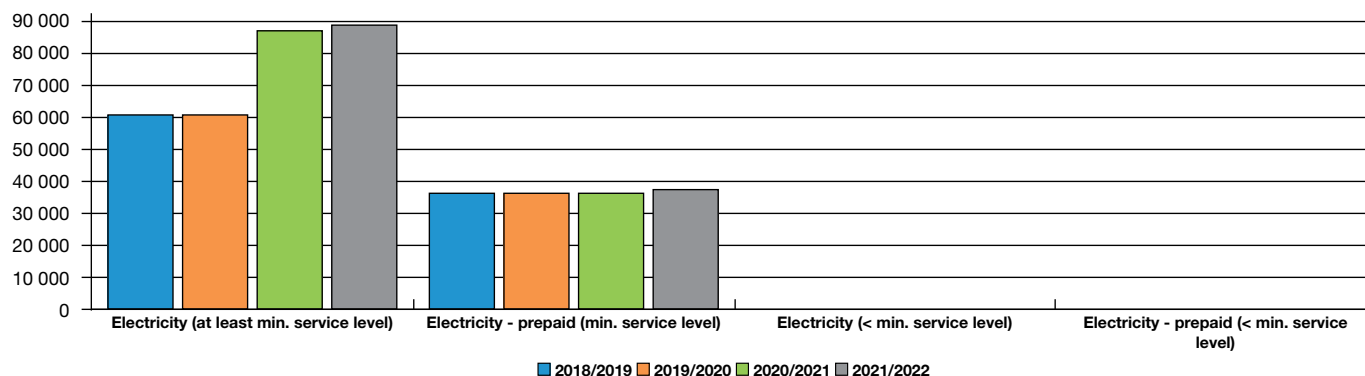
As part of addressing these challenges, the appointment of service providers is ongoing for the auditing of electricity meters on top of the daily auditing conducted by the internal personnel. This will have a huge impact in the improvement of revenue collection.

EMPLOYEE STATISTICS FOR ELECTRICITY SUPPLY SERVICES

EMPLOYEE: ELECTRICITY SERVICES					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	113	373	104	269	72
T04-T08	26	106	26	80	75
T09-T13	74	222	73	149	67
T14-T18	9	29	9	20	69
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	223	731	213	518	71

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

ACCESS TO ELECTRICITY



ELECTRICITY SERVICE DELIVERY LEVELS

Description	2018/2019	2019/2020	2020/2021	2021/2022
	Actual Number	Actual Number	Actual Number	Actual Number
Electricity (above min level)				
Electricity (at least min service level)	60 963	60 981	87 570	89025
Electricity – prepaid (at least min service level)	36 000	36 161	36 449	37904
Minimum Service Level and Above sub-total	N/A	N/A	N/A	N/A
Minimum Service Level and Above Percentage	N/A	N/A	N/A	N/A
Electricity (below min level)				
Electricity (< min service level)	N/A	N/A	N/A	N/A
Electricity – prepaid (< min service level)	N/A	N/A	N/A	N/A
Other energy sources	N/A	N/A	N/A	N/A
Below Minimum Service Level sub-total	N/A	N/A	N/A	N/A
Below Minimum Service Level Percentage	N/A	N/A	N/A	N/A
Total number of households	N/A	N/A	N/A	N/A

HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM

Description	2018/2019	2019/2020	2020/2021	2021/2022		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	N/A	N/A	N/A	N/A	N/A	N/A
Households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Proportion of households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Informal Settlements						
Total Households	-	-	-	-	-	-
Households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Proportion of households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A

COMMENT ON ELECTRICITY SUPPLY SERVICES

In the 2021/2022 Financial Year the Electricity unit faced serious threats and challenges in terms of vandalism of electrical infrastructure which affected the supply of electricity in the Municipality, measures have been put in place to ensure that such vandalism does not hamper the services being rendered by the Electricity Department. The Electricity department as a stand-alone, away from Infrastructure services unit still faces issues of high vacancy rate at the senior management level as well as other specialist positions, in order to ensure service delivery the department will have to ensure it prioritises filling vacant positions.

COMPONENT B: COMMUNITY SERVICES

2. COMMUNITY SERVICES

2.1 PUBLIC SAFETY, ENFORCEMENT & DISASTER MANAGEMENT

INTRODUCTION TO PUBLIC SAFETY, ENFORCEMENT & DISASTER MANAGEMENT

ORGANIZATIONAL UNITS WITHIN PUBLIC SAFETY ENFORCEMENT & DISASTER MANAGEMENT

The units under this component consists of

- Fire,
- Disaster Management,
- Traffic and
- Security

EMPLOYEE STATISTICS

EMPLOYEE: PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES					
DISASTER MANAGEMENT, FIRE SERVICES, TRAFFIC & SECURITY					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T04-T08	262	424	233	191	45
T09-T13	177	322	190	132	41
T14-T18	22	36	21	15	42
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	467	792	450	342	43

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

DISASTER MANAGEMENT

INTRODUCTION TO DISASTER MANAGEMENT

Disaster Management falls under the Disaster Management Act 57 of 2002. The Act requires an integrated and effective response to disasters. Disaster Management aims to reduce the risk of disasters, mitigate the severity of disasters, plan and prepare for emerging crisis, events or disasters, respond rapidly and effectively to disasters and to implement post disasters recovery and rehabilitation by monitoring, integrating, co-ordinating the disaster risk management activities of all role-players. The overall implementation of Disaster Risk management initiatives is a shared responsibility of all employees, department, relevant external role-players and the participation of the community.

During the 2021/2022 period, 12 Disaster Awareness programmes and 12 M.H.R visits were done totalling to 24 visits per year as per S.D.B.I.P. This was undertaken in various wards of Msunduzi Municipality. These programmes are effective and help in Disaster risk reduction within the various wards. With the advent of Covid 19 it did interrupt our programme to an extent. We however worked around it in order to meet our set out targets.

Relief supplies and assistance were given to those who were affected by storms, fires, winds and other disasters. Relief provided in the form of temporary accommodation (tents), food parcels, mattresses and blankets, and in many instances plastic sheeting used as waterproofing. Assistance is sometimes offered by other parties eg NGOs.

Disaster Management is also involved in event safety and forms part of the safety and security cluster that oversees and monitors all events within the Msunduzi area of jurisdiction. Also participates in planning meetings prior to various types of events. During the lockdown all events have been postponed.

Disaster Management is also responsible for the Emergency Communications Centre (ECC). The Emergency Communications Centre (ECC) is charged with the responsibility within Public Safety of providing prompt, courteous, and professional handling of all emergency calls from the public and subsequent dispatch of appropriate emergency service responders.

SERVICE STATISTICS FOR DISASTER MANAGEMENT

During the 2021/2022 financial year, a number of incidents of various types of disasters was attended to and as per below:

Total number of incidents: 159
 Total number of People affected: 6044
 Total number of Families affected: 1466
 Total number of homeless: 247
 Cost of relief in relation to emergency supplies: R 910 277.00
 Total Number of Events attended: 15

DISASTER MANAGEMENT SERVICE DATA

	Details	2021/2022
1	Total incidents attended in the year	159
2	Total number of events standby attended in the year	15
3	Total fire related incidents	124
4	Total weather (rain hail, strong winds) related incidents attended in the year	35
5	Total Disaster Staff in post at year end	7

FIRE & RESCUE SERVICES

INTRODUCTION TO FIRE SERVICES

Fight or extinguish a fire and rescue of life or property from a fire or other danger:

Early and timeous response to fire and rescue incidents is critical for life and property saving measures to be effective. In order to improve turnout times to incidents the Municipality has started the process which should see two more fire stations opened in the vast Vulindlela area and Northdale suburb of the City, however due to financial constraints these projects have been placed on hold. Whilst staff shortages are a challenge this is combated by a constant attempt to ensure that a minimum manning standard is complied with on a daily basis, even at the expense of overtime costs.

Prevent the outbreak and spread of fire and the protection of life or property from fire or other threatening danger:

The dedicated Fire Prevention officers ensure that all new building development applications are in compliance with the City by-laws, National Building Regulations and SANS 0400 codes of practice for fire safety in buildings. Existing infrastructure is also subject of daily scheduled and ad-hoc inspections for fire safety compliance.

Basic fire and life safety training:

The Fire Prevention Officers undertake regular scheduled training with hospitals, commerce and industry in order to impart basic fire safety training in the use of first aid firefighting equipment.

The Public Education Section engages schools and communities in a drive to ensure basic fire and life safety awareness and skills are imparted at a rudimentary scale, mostly by meetings, attendance to community structures and visitations to schools, and, of schools to fire stations. Whilst this basic intervention is still not enough it is imperative that communities are aware of the fire service and services it offers, how to access these services, and what it is that they can do to provide basic first aid fire safety protection to themselves.

Our Training Academy is registered as an accredited LGSETA training institution. During 2021/2022 financial year we were responsible for NARYSEC Training Programme for Fire Fighters which was spearheaded and funded by the National Agriculture, Land Reform & Rural Development Ministry. Thirty-Three (33) students participated in this year- long program and all students successfully passed. Msunduzi then offered 16 students a two (2) year Firefighter Learnerships program. They will now have the opportunity to grasp the practical skills of firefighting.

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The lack of fire stations servicing the extreme areas of the municipality is a cause for concern due to the risks attached to the delayed response times from fire stations which are a fair distance from these areas. This is further exacerbated by the time of day response (peak periods etc.), and could have an impact on the ability to effectively protect life and property.

The severe staff shortage has a direct impact on the morale of the fire staff, safety, and overtime budget implications in order to maintain an effective service. Vehicles repair and maintenance is negatively impacted by poor supply chain processes which fail to recognize emergency fire vehicle repairs as emergency/urgent in terms of MFMA Supply Chain Management(SCM)

FIRE SERVICE DATA

	Details	2019/2020	2021/2022	2022/2023
		Actual No.	Actual No.	Estimate No.
1	Total fires attended in the year	1441	1441	1114
2	Total of other incidents attended in the year	306	306	278
3	Average turnout time – urban areas	16	16	16
4	Average turnout time – rural areas	35	35	35
5	Fire fighters in post at year end	79	79	79
6	Total fire appliances at year end	12	12	12
7	Average number fire appliances off the road at year end	4	4	4

TRAFFIC DEPARTMENT

Msunduzi Traffic Police

In 2021/2022 the business unit has reinforce the specialised units such as Public Transport and speed law enforcement units to intensify the enforcement in this areas of law enforcement.

Traffic department Priorities

By-law enforcement Officers:

- School learner's road crossing (Morning, Midday and Afternoon)
- Traffic flow, Traffic Violation and Municipal By-Laws enforcement
- Social responsibility (Funeral escort and Public Road Safety education and Training)
- Accident scene traffic control

Traffic Wardens:

Free flow of Traffic to alleviate Traffic congestion
On Street Parking and By-Laws enforcement
Accident scene traffic control
Police visibility

Traffic Officers:

Ensure the safe and free flow of traffic and to prevent road crashes
Traffic Law enforcement
Traffic bylaw enforcement
Accident scene traffic control
Free flow of Traffic to alleviate Traffic congestion
Education and training

Measures taken to improve performance

Submission of operational plans
Sector patrols
Joint operational road blocks with other law enforcement agencies
Public Safety Education and training (Schools, Taxi Ranks and Shopping Malls)

Major efficiencies achieved by the Business Unit during the year

Acknowledgements responses from public regarding police visibility
Traffic gridlock intersections receiving attention
The establishment of a Public Transport Unit dealing Public Transport enforcement.
Public Education at Public Schools and Public spaces such as Taxi Ranks, Shopping Malls and any Public Gatherings while also identifying skill gaps within the department and addressing such through internal Training.
Participant in Police Community Forums addressing community needs through such forums

Member of the Urban Safety Reference Group addressing Urban Safety and Violence Prevention through peer to peer learning and knowledge sharing.
Vetted as a member in the Transnet Pipeline Forum which is a ket Point installation.
Vetted as a member of the Airport Security in line with Airports Company South Africa
Vetted as a member with State Security South Africa
Participating in Joint Operations with SAPS and other Law Enforcement agencies
Member of the Provincial Disaster Management Forum
Participating in the CBD Regeneration Programme

TRAFFIC**CO-Functions and Responsibilities**

To provide a free flow of Traffic, relieve congestions at gridlock intersections and minimise occurrences of vehicular accidents in hotspots locations through visible policing and road traffic law enforcement.

The Public Road Safety Education and training targets programmes were achieved.

SERVICE STATISTICS FOR TRAFFIC

	Details	2020/2021	2021/2022		2021/2022
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	Total: 349 (219 with injuries and 130 without injuries)	+/-349	Total: 299 (97 with injuries and 202 without injuries)	
2	Number of by-law infringements attended	226	+/-226	226	
3	Number of police officers in the field on an average day	26 Traffic Officers	+/-26 T/O	24 Traffic Officers	
		24 Traffic Wardens	+/-24 T/W	18 Traffic Wardens	
4	Number of police officers on duty on an average day	28 Traffic Officers	+/-28 T/O	28 Traffic Officers	
		26 Traffic Wardens	+/-26 T/W	16 Traffic Wardens	

MUNICIPAL SECURITY

The Security Unit serves as a Reactionary Unit that is deployed to defuse potential volatile situations. The Unit is responsible for stabilizing situations when normal law enforcement is insufficient. For example, To counter land invasions and relocations, Human Settlement – Occupation of prescribed land, The safeguarding of Municipal buildings in situations that may be volatile, Illegal Dumping/ Trading, Nuisance Bylaws – invited to assist all Municipal Departments with forced removals, escorting staff members, Protest marches / crowd management during public gathering and demonstrations and Monitoring town and removing homeless people in the CBD.

SERVICE STATISTICS FOR SECURITY

	Details	2020/2021	2021/2022		2022/2023
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of SECURITY INCIDENTS during the year	230	250	275	225
2	Number of by-law infringements attended	1352	1400	1800	1900
3	Number of SECURITY officers in the field on an average day	115	200	110	200
4	Number of SECURITY officers on duty on an average day	115	200	110	200

FINANCIAL PERFORMANCE 2021/2022: PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES R'000

DISASTER MANAGEMENT, FIRE SERVICES, TRAFFIC & SECURITY

Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					
Employees	241 974	277 465	277 465	246 590	89
Repairs and Maintenance	1 502	4 823	4 823	3 497	73
Other	128 231	63 216	63 216	111 857	176
Total Operational Expenditure	371 707	345 504	345 504	361 944	
Net operational (Service) Expenditure					

Variations are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES R'000

DISASTER MANAGEMENT, FIRE SERVICES, TRAFFIC & SECURITY

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All					
Project A	Computer equipment	250	250	94	37
Project B	Machinery	340	340	0	0
Project C	Shooting range	600	200	0	0
Project D	Transport Assets	2 260	2 260	1 253	55

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
Variations are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENT ON THE PERFORMANCE OF MUNICIPAL SECURITY OVERALL:

Performance of Municipal Security personnel is anticipated to improve steadily in terms of Service Delivery & Budget Implementation Plan. The lack of Municipal Security Stations servicing the remote areas of the municipality is a cause for concern due to the risks attached to the delayed response to non-compliance and or transgression with the Municipal Bylaws, noting well the ever increasing number of informal settlement as a result of land grabs as well as the consolidation of Ward 39, 40 and 41 under Msunduzi Municipality as per pronounced by the demarcation board.

The growth and development of the City of Choice suggest that more resources in terms of vehicle x 50 (30 4x4 vehicles, and 12 Light delivery vehicles 2 Trucks and 1 TLB's) and personnel (100 Security Officers and 10 Admin personnel) must be introduced. The realization of the above will enable effective and efficient protection of Council property and enforcement of Bylaws thus improving service delivery.

INTRODUCTION TO WASTE MANAGEMENT

Msunduzi Municipality as a local sphere of government is entrusted with a responsibility to provide a basic refuse collection service by means of a kerb side waste collection service provision. This can be by means of an indigent service provision as well a normal service provision which is paid for in terms of refuse collection charges to our customers.

The waste management section has an objective of providing 100% service to all its wards in terms of long term strategic planning. It is against this background that the municipality will be looking into procuring addition bulk waste collection containers for coming Financial year in order to achieve this objective.

In terms of Street cleansing of the Central Business District and small hubs (Northdale and Edendale) the section has improved a lot in terms of this practice. The improvements come about as again we have enhanced the operation through detailed allocation of duties and streamlined this managerial tool with intensified supervision of operations. With these plans and checklists we are able to measure input in terms of the output which is clean Central Business District with emphasis on consistency. In terms of waste minimisation it is work in progress but the section through its Business waste section has existing programmes of office recycling within some of its buildings but these can be developed further as waste minimisation and diversion has to be emphasized more that the disposal as per the waste management hierarchy.

The three top service delivery priorities are 100% waste collection service provision, Waste Minimisation and diversion and lastly New England Landfill rehabilitation and management. There is significant impact on these three service delivery priorities as we have ensured that plans and systems developed are functional and sustainable. This is in terms of compliance to the relevant waste legislative framework and also ensure that the municipality as the service authority runs a service that is sustainable and does not harm the well being of human beings and the environment.

In terms of informal settlements the municipality has identified areas through management by cleaning up illegal dumping hot spot within the informal settlements as well as a planning on terms of the outer year capital budget to procure equipment that will aid in the provision of waste collection services.

EMPLOYEE DATA WASTE MANAGEMENT

EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	219	359	205	154	43
T04-T08	44	72	41	31	43
T09-T13	8	14	8	6	43
T14-T18	2	2	2	0	0
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	274	448	257	191	43

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

FINANCIAL PERFORMANCE – WASTE MANAGEMENT

WASTE MANAGEMENT FINANCIAL PERFORMANCE

FINANCIAL PERFORMANCE 2021/2022: SOLID WASTE MANAGEMENT SERVICES					
R'000					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:	90 769	93 819	93 819	90 907	97
Employees	6 086	3 073	3 073	1 967	64
Repairs and Maintenance	26 631	17 179	17 179	14 309	83
Other	123 486	114 071	114 071	107 183	
Total Operational Expenditure	90 769	93 819	93 819	90 907	97
Net operational (Service) Expenditure					

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE – WASTE MANAGEMENT SERVICE

CAPITAL EXPENDITURE 2021/2022: SOLID WASTE MANAGEMENT SERVICES					
R'000					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All					
Project A	60	60	47	78	
Project B	7 691	7 691	6 644	86	
Project C					
Project D					

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

SOLID WASTE SERVICE DELIVERY LEVELS				
Households				
Description	2018/2019	2019/2020	2020/2021	2021/2022
	Actual Number	Actual Number	Actual Number	Actual Number
Solid Waste Removal (above min level)				
Removed at least once a week	120 000	120 000	120 000	120 000
Minimum Service Level and Above sub-total	120 000	120 000	120 000	120 000
Minimum Service Level and Above Percentage	73.6%	73.6%	73.6%	73.6 %
Solid Waste Removal (below min level)				
Removed less frequently than once a week	43 000	43 000	43 000	43 000
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Own Rubbish Disposal	0	0	0	0
No Rubbish Disposal	43 000	43 000	43 000	43 000
Below Minimum Service Level sub-total	43 000	43 000	43 000	43 000
Below Minimum Service Level Percentage	23.4 %	23.4 %	23.4 %	23.4 %
Total number of households	163 000	163 000	163 000	163 000

HOUSEHOLDS – SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM

Description	Households					
	2017/2018	2019/2020	2020/2021	2021/2022		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	120 000	120 000	120 000	120 000	120 000	120 000
Households below minimum service level	43 000	43 000	43 000	43 000	43 000	43 000
Proportion of households below minimum service level	26.4 %	26.4 %	26.4 %	26.4 %	26.4 %	26.4 %
Informal Settlements						
Total Households	43 000	43 000	43 000	43 000	43 000	43 000
Households below minimum service level	43 000	43 000	43 000	43 000	43 000	43 000
Proportion of households below minimum service level	26 %	26 %	26 %	26 %	26 %	26 %

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

The priority largest capital projects are around the procurement of Refuse collection compactor trucks to enhance waste collection as well as the Procurement of yellow earth moving plant for the New England Landfill as part of the 2020/2021 Financial year. Additionally, the waste management section is also as part of the 2020/2021 financial year will be procuring waste collection equipment which are bulk refuse collection containers which will utilized for the collection of waste in semi-rural areas as well as for bulk waste minimization operations at the landfills recycling plant. This also includes the maintenance of an aesthetical Central Business District through intensified supervision as well as the implementation of operational tools like schedules and supervisory systems for improved operations around the whole municipal jurisdiction. We do not foresee variations in this regard as the procurement plan is in place and it is the guiding document in which all the procurement processes and time frames will be adhered to.

2.2 WASTE MANAGEMENT (LANDFILL SITE)

INTRODUCTION TO WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

The New England Road Landfill Site is permitted to continue operating until it reaches a maximum height of 652 meters above sea level. The current height of the landfill site is approximately within 5% of that limit. The life span is estimated to be at 6 to 10 years at the current rate of waste disposal. The volume that we still need to fill is approximately 1.3 million M3.

We aim to fulfil compliance on the National Environmental Management Waste Act 59 of 2008. The National Environmental Management Act 107 of 1998. The revised compliance notice dated 18 February 2020 issued to Msunduzi Municipality under section 31L of the National Environmental Management Act 107 of 1998. The weigh bridge is now functional and the site has start generating revenue. The municipality has started have started stock piling cover material Reinforce the cover material Plant Team and covering is being adhered to on a daily basis. The plant is that this financial year we will develop or Review the Landfill Emergency or Disaster Management Plan. Including Fire Breaks Plan by the resident landfill manager.

The main considerations include:

Settlement Management, landfill gas Management, Leachate Management System, Elevated temperature Monitoring Systems, Shallow soils and soil compaction and Surface and groundwater flow patterns.

Step 1: Immediate requirement to establish the Landfill Site Recycling Committee; and expand this to address recycling within the Landfill and waste diversion opportunities for the city.

Step 2: Sustain the appointment of a qualified and competent Landfill Manager, or alternatively a civil engineer.

Step 3: Sustain operation of the Weighbridge and the accounting system.

Step 4: Sustain the Landfill management operations at the landfill as per the permit conditions.

Step 5: Establish basic recycling facilities on site.

Step 6: Secure funding for the implements and plant for recycling. Secure stipend for E.P. W.P

Step 7: Once we have the facility running properly then we can start to manage other issues such as air emission monitoring and leachate management

FINANCIAL PERFORMANCE – WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE)

FINANCIAL PERFORMANCE 2021/2022: LANDFILL SITE - WASTE DISPOSAL SERVICES R'000

Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					
Employees	248	272	272	80	29
Repairs and Maintenance	2 500	3 920	3 920	3 065	78
Other	7 675	2 332	2 332	2 590	111
Total Operational Expenditure					
Net operational (Service) Expenditure					

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE – WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE)

CAPITAL EXPENDITURE 2021/2022: LANDFILL SITE - WASTE DISPOSAL SERVICES					
R'000					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All					
Project A	60	60	49	81	60
Project B	2 600	2 600	2 269	87	2 600
Project C					
Project D					

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
 Variances are calculated as follows:
 Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

EMPLOYEE STATISTICS LANDFILL SITE

EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	219	359	205	154	43
T04-T08	44	72	41	31	43
T09-T13	8	14	8	6	43
T14-T18	2	2	2	0	0
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	274	448	257	191	43

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

The Waste Management sub-unit provides refuse collection services to domestic residents (once per week) and to other institutions such as businesses, government schools, and so forth. The unit also provides street cleaning services, provision of public toilets services in the main central business districts, garden refuse collection, clearing of illegal dumping and a landfill site.

A new division focussing on waste minimisation and diversion of waste is being set up and will commence operations early in the new financial year. The provision of services to Vulindlela and other non-serviced areas is in the pipeline. In time waste to landfill will be reduced and other value added opportunities created.

Major challenges face by the unit include the lack of integration between waste management and other services such as water, sanitation, informal and formal trading, traffic and security, the homeless, and so forth. Plans are currently being implemented by the relevant senior management within the business units.

The top three priorities remain the Landfill Site (allied with the waste minimisation and diversion programme), improved refuse collection and the central business district cleaning and cleansing in the quest to revive Pietermaritzburg in terms of strategic waste management.

COMMENT ON WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE) PERFORMANCE OVERALL:

The New England Road Landfill Site is permitted to continue operating until it reaches a maximum height of 652 meters above sea level. The current height of the landfill site is approximately within 5% of that limit. The life span is estimated to be at 6 to 10 years at the current rate of waste disposal. The volume that we still need to fill is approximately 1.3 million M3.

The Capital projects are operational around the operational budget in terms of the outsourced consultancy services which deals directly with the landfill restoration and rehabilitation and also not forgetting the important issue around the daily disposal rates which will now be sourced as the New England Landfill weigh bridge is functional and also generating revenue for the Landfill site and the municipality.

2.3 RECREATION & FACILITIES**INTRODUCTION TO RECREATION AND FACILITIES**

- Recreation and Facilities comprises of the following core functional areas:
- Parks Management (Horticulture, flora and fauna and arboriculture)
- Sports & Recreation Management
- Cemeteries & Crematoria
- Conservation & Environment
- Library Services-Community Outreach Programmes
- Maintenance of Council Buildings and Facilities
- Expanded Public Works programme (EPWP)

EMPLOYEE STATISTICS RECREATION AND FACILITIES

EMPLOYEE: RECREATION & FACILITIES					
ART GALLERY, BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIALS, LIBRARIES & SPORT AND RECREATION					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	360	653	345	308	47
T04-T08	168	302	168	134	44
T09-T13	49	70	48	22	31
T14-T18	8	13	8	5	38
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	586	1039	570	469	45

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

SERVICE DELIVERY PRIORITIES

Libraries

- Internet – assistance to matriculants and community members
- Mobile Library – Services respective communities (including seniors)
- Partnership with AfriSam to build a new Library in Copesville

Horticulture

- Grass cutting
- Landscaping
- Tree felling

Cemeteries

- Identification of new burial space
- Cremations
- Fencing of cemeteries

Buildings & Facilities

- Maintenance of council buildings and facilities

ORGANIZATIONAL UNITS WITHIN RECREATION AND FACILITIES

BIO-DIVERSITY & NATURE CONSERVATION

This unit is responsible for the management and maintenance of the Msunduzi owned Protected environments, Nature Reserves, Conservation area's and Public open spaces through enforcing and compliance as per requirement from the National Environmental Management Biodiversity [Act 10 of 2004], Nature Conservation Ordinance 15 of 1974 and the Msunduzi Municipality regulations and bylaws. It is also responsible for the management and control of the Invasive Alien Plants within the Msunduzi jurisdictions as per legislative requirements and the management and control of Human Wildlife Conflicts in the communities.

HORTICULTURE, ABORTICULTURE AND LANDSCAPING

Management, maintenance and development of Parks, open spaces, play lots, verges. Horticultural practices which includes, beautifying, landscaping of cities islands, city entrances, maintenance of surrounds and gardens at council buildings e.g. halls and libraries. Develops new parks. Provides plant material for the entire city by operating a nursery. Manage grass cutting in parks, public open spaces and verges.

CEMETERIES & CREMATORIA

Manage, administer and develop Cemeteries and Crematoria. Plans and implements the development of new cemeteries and crematoria. Prepares burial sites for burial. Manage the pauper burials (public health funeral and indigent) within Msunduzi municipality. Maintains the cemeteries by cutting grass. Enforces the cemeteries and crematoria by-laws.

LIBRARIES

There are eleven libraries within the Msunduzi Municipal Library services which include the main Bessie Head Library, eleven branch libraries and three mobile library services. The Bessie Head Library offers a wide range of resources which includes books, large print books, newspapers, periodicals, audio books, DVD's, music CD's, scores and CD-ROM's for all age groups. We offer specialized services to the visually impaired.

Within the Branch Libraries, three large libraries are identified which includes the Northdale, Georgetown and Eastwood Libraries and eight smaller libraries which include, Woodlands, Sobantu, Ashdown, Ashburton, Alexandra, Mafunze, Slangspruit and Elandskop. The Branch libraries offer a smaller range of materials than is available at the main library, however, they make every effort to meet the needs of the communities that they serve. A limited Adult Reference service is available at Northdale, Georgetown, and Eastwood Libraries. These libraries also offer a study space for tertiary learners and free internet access.

During the last financial year, all 11 libraries were adequately maintained with some maintenance still to be completed. In the current financial year, minimal books were purchased due to the lack of adequate funds. No vacant, funded posts were filled. The tender processes towards building a new library in Imbali are carried through by the SCM of the Department of Sports, Arts and Culture. To date no work on the Imbali Library project has commenced. AfriSam, a manufacturer and supplier of cement and construction materials, entered into a collaboration with Msunduzi Municipal Library Services to build a community library in Copesville (Ward 29). Procurement processes have commenced and the project is underway.

SPORT AND RECREATION

Manage maintenance and development of all municipal sports facilities and swimming pools plus the promotion and development of sports and recreation. Coordination of major sporting events. Development of new sporting facilities. Prepares sports venues for major events. Coordinators sports development.

BUILDINGS AND FACILITIES

This unit is responsible for the maintenance and upgrades of council's buildings as well as for new building related projects, planned and reactive maintenance work to Council owned buildings. There is a call center that filters down urgent/high priority building maintenance related work; requested from different departments; to our administrative personnel who commissions the work to relevant officials and provides progress reports on work logged via the call centre. The requesting departments have the obligation of providing this Unit with appropriate budget information i.e.: WBS, GL numbers & cost centers to ensure that the execution of maintenance work is carried out efficiently with minimal delays. We have qualified staff employed to carry out the following:

MAINTENANCE	FOCUS AREAS
Electrical Maintenance	Repairs/installations to lights, plug points, distribution boards, etc.
Mechanical Maintenance	Repairs/installations of Air-conditioners, Lifts, water pumps, generators, etc.
Quantity Surveying	Preparation of estimates, Bill of Quantities, etc.
Works Inspectors	Project monitoring, site and building inspections
Architectural Technologist	Preparing drawings/sketches for minor maintenance work.
Project Manager	Managing of all building related projects.
Plumbers, carpenters, General workers (located at the Depot)	Attending to all reactive in house work at a rate & standard.

SERVICE STATISTICS FOR RECREATION AND FACILITIES

BIO-DIVERSITY & NATURE CONSERVATION

Invasive alien plant management through identification and eradication plant species. Working in collaboration with Working on Fire (WOF) during fire season to prepare and burn fire breaks and fire blocks. Maintenance of public open spaces within townlands areas. Management and maintainer of Protected Environments and Nature Reserves. Human Wildlife Conflict Management in partnership with Ezemvelo KZN Wildlife.

Service Delivery Priorities:

- Proclamation of Bisley Valley Nature Reserve as a Nature Reserve under the National Environmental management Act.
- Proclamation of the Ferncliffe Nature Reserve as a Protected Environment under the National
- Ketelfontein Establishment as a Conservancy Area
- Partnership with Ezemvelo KZN Wildlife for the upgrading of Alex Park and Bisley Nature Reserve
- Partnership with Department of Economic Development, Tourism and Environmental Affairs on the Eradication of Alien Invasive Species
- Partnership with Ezemvelo KZN Wildlife for the Human Wildlife Management Purposes.
- Fire break preparation and burning of fire blocks.

Challenges at the Bisley Nature Reserve:

- Security in the reserve is an issue
- Poaching of animals
- Overstocking of game species
- Escaping of game animals outside the reserves boundaries
- Burglary at the reserves resource center
- Fencing requirements and standards
- Alien plant species

Corrective measures include:

- Overbreeding- one of two options include, the sale of animals to potential buyers; alternately animals will be donated to interested farms.
- Fencing- so far the contractor has completed approximately 500 meters.
- Alien plants- 20 temporal workers will be tasked with the eradication of alien invasive plants in the nature reserve.
- Employment of field rangers as per the new organizational structure.

HORTICULTURE, ABORICULTURE AND LANDSCAPING

DESCRIPTION	NUMBER	AREA (M2)
PARKS	16	1 319 800
OPEN SPACES	133	4 002 000
TOWNLANDS AREA	-	730 000
PLAYLOTS	14	931 600
TRAFFIC ISLANDS	21	321 780
MAIN ARTERIAL ROUTES	30	4 588 400

DESCRIPTION	NUMBER	AREA (M2)
VERGES TOTAL	-	12 456 749
CENTRAL	-	3 424 329
NORTH	-	6 882 420
WEST	-	2 150 000

CEMETERIES & CREMATORIA

CLOSED CEMETERIES

- Commercial Road Cemetery
- Roberts Road Cemetery
- Georgetown Cemetery
- Slangspruit Cemetery
- Moses Mabhida (Heroes Acre)
- Dambuza (Madlelengileni)
- Azalea Cemetery

OPERATING CEMETERIES

- Ethembeni Cemetery
- Sinathingi Cemetery
- Mountain Rise Cemetery (Re-openings and pauper burials)
- Willowfontein Community Cemetery

LIBRARIES

	BESSIE HEAD	MOBILE SERVICES	NORTHDALE	WOODLANDS	EASTWOOD	SOBANTU	ALEXANDRA	ASHDOWN	GEORGETOWN	ASHBURTON	MAFUNZE	SLANGSPRUIT	ELANDSKOP
Membership Statistics	552 670	398	22 758	9 246	11 530	6 493	5 224	3 750	3 984	2 085	413	322	2 305
Issue statistics	43 719	15 018	64 335	16 119	25 564	9 421	20 421	7 461	7 326	8 793	-	6 653	2 933
Adult reference user statistics	6 228	-	4 077	1 768	2 895	1 342	1 504	2 794	1 796	1 536	-	694	866
Children's reference user statistics	16 386	-	6 174	1 723	3 391	2 605	622	3 148	2 005	1 007	-	680	1 012
Internet café/study centre	14 674	-	2 796		5 517	174	890	4 348	2 543			172	77
Cataloguing statistic	19 075												
Outreach programmes	Library Services conducted outreach programmes from July 2021 until June 2022. These included flagship storytelling sessions on a weekly basis, outreach programmes to schools and outreach programmes where schools visited libraries. Special days were celebrated which included SA Library Week, Human Rights Awareness, World Read Aloud Day and World Play Day. Local Authors launched their books at the Bessie Head, Georgetown, Sobantu Eastwood, Northdale and Woodlands' Libraries.												

RECREATION

Total number of Sports Facilities – 65

Total number of pools – 7

BUILDINGS AND FACILITIES

COMPLETED PROJECTS			
PROJECT	FUNDING SOURCE	PROJECT COST	ACTUAL PROGRESS
Development of Ethembeni Cemetery (Ablution facility and Fencing)	MIG	R 3 Million	Project completed
Planning and design for Copesville library	Arts & Culture grant and Council	R 10.5 Million	Planning Stage
Electricity Department Roof Upgrades	Council	R4.5 Million	Project completed
Fencing of Commercial Road Cemetery	Council	R 1.1 Million	Project completed

EMPLOYEE INFORMATION – RECREATION AND FACILITIES

EMPLOYEE: RECREATION & FACILITIES					
BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIIUMS, LIBRARIES & SPORT AND RECREATION					
Job Level	2019/2020	2021/2022			
TASK GRADE LEVELS	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	358	653	350	303	46.40
T04-T08	185	302	175	127	42.05
T09-T13	49	70	47	23	32.86
T14-T18	11	13	10	3	23.08
T19-T22	1	1	1	-	0.00

EMPLOYEE: RECREATION & FACILITIES					
BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIUMS, LIBRARIES & SPORT AND RECREATION					
Job Level	2019/2020	2021/2022			
TASK GRADE LEVELS	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T23-T25	-	-	-	-	-
Total	604	1 039	583	456	43.89

FINANCIAL PERFORMANCE – RECREATION AND FACILITIES

FINANCIAL PERFORMANCE 2021/2022: RECREATION & FACILITIES					
R'000					
ART GALLERY, BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIUMS, LIBRARIES & SPORT AND RECREATION					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					
Employees	206 393	199 517	199 715	183 730	92
Repairs and Maintenance	5 294	10 074	10 074	6 511	65
Other	124 453	63 219	63 219	34 643	55
Total Operational Expenditure	336 140	252 860	252 860	224 884	
Net operational (Service) Expenditure					
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – RECREATION AND FACILITIES

CAPITAL EXPENDITURE 2021/2022: RECREATION & FACILITIES					
R'000					
ART GALLERY, BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIUMS, LIBRARIES & SPORT AND RECREATION					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All					
Computer	70	70	47	67	
Machinery	275	275	214	77	
Buildings upgrade	380	380	-	-	
Transport assets	-	-	780	780	
Development of Cemetery	3 000	3 000	5 290	176	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

COMMENTS ON THE PERFORMANCE OF RECREATION AND FACILITIES OVERALL

BIO-DIVERSITY & NATURE CONSERVATION

The sub-unit within Bio-diversity and nature conservation has achieved 40% based on the following:

- Process of the Proclamation of Bisley Nature Reserve
- Appointment of an Administration Officer
- Implementation of EPWP in the eradication of alien plants.

HORTICULTURE, ABORICULTURE AND LANDSCAPING

Beautification projects have been initiated on all council gardens, islands, and city entrance to enhance the aesthetics of the city and is ongoing. Grass cutting program and tree felling program is ongoing. In the process of purchasing new slasher mowers and 50 Brush cutters.

CEMETERIES & CREMATORIA

Development of Ethembeni Cemetery has been achieved with the following milestones:

- Construction of permanent ablution facility
- Supply and installation of perimeter fencing
- Demarcation and formalizing parking area

The dispute regarding land in Hollingwood needs to be resolved. One cremator is operational however Council is in the process of leasing out both crematoria.

LIBRARIES

Book buying and renovations are ongoing library projects. The Library embarked on the digitization and preservation of library material. These major projects are essential for the preservation of Legal Deposit collection in adhering to the Generally Recognized Accounting Practice 103 (GRAP 103) that is of heritage value of the country. Currently the library is focusing on building the Copesville Library in partnership with AfriSam. The fire protection of the legal deposit material is still an essential project.

SPORT AND RECREATION

There as being a lack of maintenance due to the lack of funding only preventative maintenance has been conducted. Grading and Categorization of Venues is ongoing. Maintenance of swimming pools pertaining to mechanical and electrical infrastructure was conducted.

BUILDINGS AND FACILITIES

The unit has been performing relatively well on all new building projects. There is a challenge on most maintenance work due insufficient funds from requesting business units hence delays in executing maintenance work efficiently and processing purchase orders.

2.4 AREA BASED MANAGEMENT

INTRODUCTION TO AREA BASED MANAGEMENT

Thus, Area Based Management ensures that all community complaints received are referred to the relevant departments and/ or Customer services within two (2) working days and community member receives assistance from the municipal departments. The War Room functionality, responds to community disputes and interact between department and communities.

EMPLOYEE SERVICE DATA AREA BASED MANAGEMENT

EMPLOYEE: AREA BASED MANAGEMENT					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	15	55	21	34	62
T04-T08	13	54	22	32	59
T09-T13	27	48	29	19	40
T14-T18	6	6	5	1	17
T19-T22	0	1	1	0	0
T23-T25	0	0	0	0	0
Total	61	164	78	86	52

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

ZONE 1 VULINDLELA AREA

Vulindlela is a rural area situated in the west of Msunduzi Municipality. It has six traditional councils namely, Mpumuza, Inadi, Ximba, Nxamalala, Amaqadi and Mafunze. There are eleven Wards and all of them form part of Msunduzi Municipality.

There are 33 community halls in the area but most of them are in bad condition because of vandalism. The cause of this vandalism is because some halls do not have security and criminals are always taking advantage.

There are four full time facilitators and one acting facilitator. Each one of them is allocated two wards to service. Each ward has a functional war room and our facilitators have to ensure that war room meetings are taking place on monthly basis.

All issues arising from war room meetings are referred to relevant government departments for interventions. Queries and complaints brought to the office are either dealt with by staff or referred to relevant sections of the municipality or government departments.

Challenges

The main challenge affecting the ABM office as well as the community of Vulindlela is lack of water. This has been going on for a number of years and it affects both staff and the community at large.

The looting that took place in July last year affected the work of ABM very badly. Furniture was stolen, walls were broken and our network system was dismantled. Lack of network in Vulindlela main office is affecting the smooth running of the office as we sometimes fail to meet deadlines.

SERVICE STATISTICS FOR AREA BASED MANAGEMENT

NUMBER OF WARD BASED PLANS DEVELOPED IN 21/22 FY	WARDS IN WHICH PLANS WERE DEVELOPED IN 21/22 FY	NUMBER OF WARD BASED PLANS REVIEWED IN 21/22 FY	WARDS IN WHICH PLANS WERE REVIEWED IN 21/22 FY
11	1-9, 39 & 40	None	None

ZONE 2 EDENDALE AREA

Edendale ABM falls under zone 2 of the Msunduzi Municipality inner Demarcation which is constituted by eight (8) wards. It covers the following areas Grater Edendale, Ashdown, Dambuza, Caluza, Sgodini, and Smero, KwaPata amongst others. It is an area that is both urban and rural fishers. It has got high levels of poverty and unemployment most people survive on social security.

EDENDALE AREA OFFICE:

As Edendale we interlink the community and government departments. We also monitor service delivery making sure that government does what is supposed to do in terms of improving the lives of the community and bringing service closer to the people.

Targets: As Edendale we targeted our self on ten referrals per month inclusive of departmental referrals within this 10 targeted referrals five should be resolved within the month. Our turnaround time of referrals is within of three days and completion in three weeks.

Challenges: As a referral department, we do constant follow-ups however if we have referred the matter to the relevant department, it is out of our control to speed up the process. We rely on that relevant department to resolve the matter.

SERVICE STATISTICS FOR AREA BASED MANAGEMENT

NUMBER OF WARD BASED PLANS DEVELOPED IN 21/22 FY	WARDS IN WHICH PLANS WHERE DEVELOPED IN 21/22 FY	NUMBER OF WARD BASED PLANS REVIEWED IN 21/22 FY	WARDS IN WHICH PLANS WHERE REVIEWED IN 21/22 FY
8	8	NONE	NONE

ZONE 3 IMBALI AREA

Zone 3 is a Township area surrounded by informal and rural areas; it is made out of seven wards, 13, 14, 15, 17, 18, 19 & 41

The large part of this area is used for residential purposes even though is largely under service.

There is no tribal authorities in this area.

There is industrial activities in the area.

The majority of people are unemployed and relatively poor.

This area has been identified as one city's areas priority spending with initiative already underway, to support this e.g. GEVDI, Edendale development corridor.

This area is also home to DUT, UMgungundlovu Tvet, Railway depo & Imbali lodge (DUT student village)

80% of the population of zone 3 survives on social grants.

Most of Zone 3 youth are high school dropouts because of substance abuse and teenage pregnancy.

The biggest challenge that zone 3 is facing, there's quite a number of a child headed household.

What has also affected badly to the unemployment rate of Zone 3 is the looting of the malls during the unrest.

Urgent intervention by the Municipality/stakeholders

Young people should be provided by skills training in order to form their job opportunities.

Municipality should also speed up the process of utilizing Youth hub center

Rehabilitation center must be prioritized at zone 3

SERVICE STATISTICS FOR AREA BASED MANAGEMENT

NUMBER OF WARD BASED PLANS DEVELOPED IN 21/22 FY	WARDS IN WHICH PLANS WHERE DEVELOPED IN 21/22 FY	NUMBER OF WARD BASED PLANS REVIEWED IN 21/22 FY	WARDS IN WHICH PLANS WHERE REVIEWED IN 21/22 FY
6 done	Ward 13, 14, 17, 18, 19 & 41	N/A	N/A

ZONE 4 ASHBURTON AREA

What Central- ABM does, if targets were met and challenges

Msunduzi departments do not attend to complaints timeously

It is hard to monitor when the work is completed or not. ABM is required to check themselves. There is no report from the departments.

High number of free use of the Halls deprives the Municipality of generating income

Miss-use of halls by community members resulting in damages to Halls

SERVICE STATISTICS FOR AREA BASED MANAGEMENT

NUMBER OF WARD BASED PLANS DEVELOPED IN 21/22 FY	WARDS IN WHICH PLANS WHERE DEVELOPED IN 21/22 FY	NUMBER OF WARD BASED PLANS REVIEWED IN 21/22 FY	WARDS IN WHICH PLANS WHERE REVIEWED IN 21/22 FY
8	24, 26, 27, 33, 35, 36, 37 & 38	NONE	NONE

ZONE 5 NORTHERN AREA OFFICE**INTRODUCTION TO AREA BASED MANAGEMENT****Northern Areas**

There are seven wards which make up the Northern Areas. Mostly have residential communities with a mini CBD in Raisethorpe and a portion of the municipal CBD. Almost all the informal settlements are located in this management area, the most known being 'Swapo', Nhlalakashle and Nkululeku. The Units top 3 service area is;

Provision of complaint Civic hall for hire and community halls for community meetings and projects. All halls are now complaint and in a condition to hire. They are being constantly renovated, repaired and maintained.

The facilitation, monitoring and evaluating of community services to the wards via the war rooms, ABM offices and community organization & structures. All wards have operational war rooms with facilitators servicing the community organizations and structures in their respective wards.

Reporting and monitoring of service delivery queries & complaints, ward audit infrastructure and OSS (war room) issues. ABM is providing an up to date report to the senior management structures and a ten (10) day turn around on a comprehensive evaluation of a query and complaint response.

Challenges:

Complete breakdown on services provided to our unit by other departments. Our area offices are without telephones and reliable connectivity for going on to 24 months. Now that we have resumed full operational functioning post Covid, this retards our effectiveness. Receiving vehicle support from our workshop is most stressful. Our car battery are swapped for dysfunctional ones and our vehicles can park for periods beyond 3 months for a simple service.

SERVICE STATISTICS FOR AREA BASED MANAGEMENT

NUMBER OF WARD BASED PLANS DEVELOPED IN 21/22 FY	WARDS IN WHICH PLANS WERE DEVELOPED IN 21/22 FY	NUMBER OF WARD BASED PLANS REVIEWED IN 21/22 FY	WARDS IN WHICH PLANS WERE REVIEWED IN 21/22 FY
Seven (7)	25,28,29,30,31,32,34	None	None

HIV/AIDS AND SOCIAL SERVICE REPORT

Msunduzi Ward Strategy Facilitation

Msunduzi Municipality in intervening in HIV/AIDS and related issues came up with its own HIV/AIDS strategy in the wards. Msunduzi ward AIDS strategy facilitator facilitates and implement the Municipal planned strategy.

The programme recruit and support Msunduzi Community Health Workers who educate and assist community members that are affected and infected by HIV/AIDS and other related health issues.

Achievements

Most of Home Based Cares (HBC) have been trained on Peer Education and Ten days HIV/AIDS and counselling course by the unit training team. Some of the HBC groups managed to apply and get NPO certificates from Pretoria. The unit help them to write proposals so they can be able to apply for funding to start income generating projects.

Most of the groups have started community gardens with the help of Department of Agriculture and the Unit.

Department of Health, Health Systems Trust (HST) and TB HIV Care to be their community health workers (CHW) often recruit the trained groups because our Municipality does not provide stipend for them. This results in Msunduzi Municipality losing dedicated CHW.

Challenges

Trained CHW recruited by other departments who are able to give them a stipend and the unit ends up having a burden of recruiting and training new ones, leading to a gradual decrease in CHW.

CHW need identification when doing home visits such as name tags or golf t-shirts in order for them to be recognized as health workers.

Some of the wards does not have Home Based Care anymore, and some are now very few because they get discouraged along the way as they are not getting any recognition from Municipality as it used to be before.

Education and Training

HIV/AIDS had been and still a major health problem that is taking lives of innocent individuals.

Education and training on HIV&AIDS was viewed as an effective way to prevent it from spreading.

The unit conduct Ten Days Counselling Course and Four Days Peer Education Programme to educate communities on HIV&AIDS.

Achievements

The unit had recruited individuals to assist participants on how:

To construct a workable CV.

To address issues of Gender inequalities and embracing different sexualities.

The unit received an agreement with officials from Labour Department to be part of our Ten Days Counselling Course where they will unpack business opportunities for the youth.

Our participants continue to secure job opportunities from Non-Governmental Organization such as Health Systems Trust (HST), TB HIV Care and other departments.

The Unit has arranged and coordinated a few Men's Health workshops in wards such as ward 6; 8; 10 and ward 11.

The Unit had established a good working relationship with DUT where the unit provide Peer Education Programme for the fourth year students every year during the month of June.

Challenges

Shortage of training equipment for example, projector, laptops and printing machine.

Staff shortage such that the staff are over stretched and as such, the Unit is unable to conduct other main programmers.

Social Work Services

HIV/AIDS is classified as one of the major social ills that cut across gender, color and race and could be associated with every health and social problem such as abuse. Social Workers deal with cases that are affected and infected with HIV/AIDS and other social ills and refer them accordingly.

Achievements

More homeless were placed in a shelter and some were taken to their homes during the intense Covid-19 period.

Others recovered from substance abuse through education and few are still free today.

More education on prevention of Covid-19 and regulations.

Social Workers continued to conduct counselling telephonically and even from their own vehicle during the intense Covid-19 period.

Improvement of psychosocial and physical well-being of our clients.

Assisted communities by accessing birth certificates and ID's in order for them to get social relief grant.

More people are educated and are practicing one home one garden.

They are also educated on budget; diet of high nutritional value, food preservation and how to prepare food to ensure it does not lose nutritional value; as a result, more people are valuing quality health.

Good relationship with Home Affairs as a result clients are effectively assisted with ID's and Birth Certificates.

Challenges

Social Workers from department of Social Development is having a challenge with transport thus Msunduzi Social Workers has to deal with their cases.

Social worker adding to their existing extended workload also have to chair some War Rooms.

Shortage of staff resulting in over stretched and working long hours.

Msunduzi Local Municipality is vast and that result the 1000km allocated for locomotion allowance being always exceeded.

Capital Expenditure for 2020/2021 Financial year			
Description of Project	Amount allocated	Amount spent/ used	Percentage end of the year (%)
PPE- Furniture	R500 000.00	R433 003.75	80
Computer equipment	R100 000.00	R78 725.00	79
Machinery	R40 000.00	R19 842.02	50
Office Renovations	R1 389 000.00	R814 652.63	59
PPE – only procured on demand. Computer - Additional material were refused by the expenditure committee to reach 100% Machinery - Additional machinery were refused by the expenditure committee to reach 100%. Office Renovations – the delay was caused by the Building Section for our projects.			

FINANCIAL PERFORMANCE – AREA BASED MANAGEMENT

FINANCIAL PERFORMANCE 2020/2021: AREA BASED MANAGEMENT					
R'000					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	(5 884)	(1 038)	(1 038)	(2 887)	(278)
Expenditure:					
Employees	30 611	29 377	29 377	24 717	84
Repairs and Maintenance	47	308	308	130	42
Other	11 178	2 692	2 670	2 217	83
Total Operational Expenditure	41 836	32 377	32 355	27 064	84
Net operational (Service) Expenditure	35 952	31 339	31 317	24 177	77

CAPITAL EXPENDITURE – AREA BASED MANAGEMENT

CAPITAL EXPENDITURE 2020/2021: AREA BASED MANAGEMENT					
R'000					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Project A					
Project B	NIL	NIL	NIL	NIL	NIL
Project C					
Project D					

COMMENT ON THE PERFORMANCE OF AREA BASED MANAGEMENT

Area Based Management performed in the 20/21 financial year, of the 9 SIDBP programs only the 10 days Counselling Course were we did not achieve 100% due to the regulation on the gatherings.

1. This financial year added 3 critical fixtures which took most of the time, namely the establishment of Ward Committees and the 39 Ward Plans for the New Councillors and the Management of City Hall. We proud ourselves with the above mentioned programs.
2. ABM procured about 4 vehicles which assisted in the shortage of Motor Vehicles.
3. We could not utilize the whole budget mainly because to our reliance on the Building Business and the Expenditure Committee declining some of the expenditure items.
4. All our priority positions were advertised however a concerned is raised with the process of verification form HR. Such a process must be given tight deadline as it affects filing of position and ultimately service delivery.

COMPONENT C: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES BUSINESS UNIT

3. SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

This component includes Development Services, Town Planning and Environmental Management, Human Settlements and City Enterprises.

3.1 DEVELOPMENT SERVICES

INTRODUCTION TO DEVELOPMENT SERVICES

The sub-unit deals with the promotion of Business Development by supporting new businesses, promotes investment in the city and support business retention and expansion. Contrary to Business Development, the sub-unit also regulates Business Licensing through facilitation of licensing applications, licensing inspections and business registrations. Development Services has introduced a sub-function, refers to as Special Projects that deals with planning and implementing Local Economic Development infrastructure projects through external funding from Treasury the Neighbourhood Development Partnership Grant (NDPG) and KwaZulu-Natal Cooperative Governance and Traditional Affairs (COGTA), the corridor development and others.

ORGANIZATIONAL UNITS WITHIN DEVELOPMENT SERVICES

The Development Services Business Unit under Sustainable Development and City Enterprises consist of the following sub units:

1. Business Development
2. Economic Development
3. Economic Planning and Infrastructure
4. Business Licensing

BUSINESS DEVELOPMENT

Business Retention and Expansion Visitations

Business Retention & Expansion (BR&E) is an economic development strategy of proactively connecting with existing businesses to understand and respond to their needs. The Business Retention & Expansion (BR&E) strategy is to help businesses with expansion of current sites and facilities.

To identify opportunities to help business grow/expand, assist businesses in overcoming difficulties and challenges, provide general assistance, track trends, and make sure the city remains a viable place to do business.

The purpose of conducting business visitations is:

- To discover the concerns and issues perceived by local businesses
- To encourage new ideas with respect to economic development and job creation
- To respond to immediate business concerns
- To offer possible assistance to businesses

Operational plan target

This target was met as per the operational plan. The unit successfully conducted 12 business retention and expansion visitations in the financial year 2021/22.

Challenges

The challenges that Business Development encountered is the poor attendance of the business units which delays us addressing issues.

Red Tape Reduction

This is an ongoing project that aims to improve developments in the city and fast track applications for investments in the city, Business Development works with business units that contributes to red tape in the Municipality to try and reduce the red tape by reducing the process flow for applications, reduce turnaround time for applications and try and find ways for a quicker service delivery. The below table outlines the Red Tape Guidelines and action plan for the Red Tape.

Operational plan Target

COGTA presented 7 red tape indicators to Msunduzi Municipality (listed on the table below) and in the last 2 financial years we have been working departments to implement the recommended action activity to Businesses in reducing the red tape. Business Development met the target and we have addressed all the 7 red tape with business units in the financial 2021/22.

Challenges

Businesses unit encountered slow participation from business units however with consistency that we have we have managed to address all 7 indicators.

The table below outlines the Red Tape Reduction Plan

REDTAPE ACTION PLAN				
Objective	Red tape Challenge	Root Cause	Expected Outcome	Action Plan
				Action /Activity
To improve Supply Chain Management processes for better service delivery	Municipality procumbent procedure does not include SMMEs into SCM policy.	No procurement process that accommodate local SMMEs.	An effective process which details the Municipality's procurement procedure.	Development of process flow for procurement processes
INDICATOR 1	Lengthy and inefficient supply chain management processes (which ultimately affects the 30-day payment system to SMMEs).			
Key Challenge	Ineffective and inefficient supply chain management processes and controls which result in municipal under-expenditure, which undermines service delivery. This results in irregular, wasteful expenditure and corruption. Ultimately the time stipulated to pay service providers is more than the legislated 30-day maximum period which impacts on business cash flow, sustainability and unemployment.			
To improve the functioning of the Building Inspectorate for better service delivery	Minimal enforcement of building regulation in the town	Insufficient staff has resulted in the inefficiency as there is only one staff in the Building Inspectorate who is responsible for all work.	Improved enforcement and compliance with Building regulation in the Town	Council decision to recruit additional Staff within the Building Inspectorate
		No publicized process with timeframes for each unit to assist with working towards achieving the legislated turnaround timeframes.	Improved communication on Building Plan Approval process with all business units involved in the approval process	
To improve Supply Chain Management processes for better service delivery	Municipality procumbent procedure does not include SMMEs into SCM policy.	No procurement process that accommodate local SMMEs.	An effective process which details the Municipality's procurement procedure.	Development of process flow for procurement processes
INDICATOR 3	Municipal Building Plan Approvals			
Key Challenge	The national building regulations regarding building plan approval time frames are not being adhered to in municipalities.			
INDICATOR 4	Business Registrations and Permits			
Key Challenge	The timeframe of 21 days to approve applications and permits are not adhered to in many municipalities.			
To improve the functioning of the Licensing for better service delivery.	License and permits issued within 21 days. However, there is no system in place to track applications.	No document tracking or management system in place. Insufficient staff has resulted in the inefficiency LED Manager is also responsible for business licensing.	Efficient management of Business Licensing and permit applications	Development of a register and tracking system for all applications received. Document application process and associated timelines
INDICATOR 5	Enforcement of Municipal Bylaws			
Key Challenge	Several municipal policies, regulations and by-laws are often outdated, and/or their costs exceed their benefits because of the unintended impacts they have on businesses or because of the way in which they are, or are not, implemented and enforced, resulting in unnecessary costs, delays, lost business and job losses			
To improve Public's compliance with Municipal By-laws through efficient and effective enforcement	Insufficient capacity to enforce by-laws within the municipality. No bylaws adopted by council.	Insufficient staff to enforce compliance with by-laws	Effective and efficient compliance and enforcement of Municipal by-laws	Council decision to recruit Peace Officers
				Council approve and adopt bylaws
INDICATOR 6	Complaints Notifications System			
Key Challenge	There is either no known channel or means for residents or businesses to submit service delivery complaints to the municipality, OR when complaints are submitted, the municipality does not provide service-specific time frames by which complainants can expect a response from the municipality.			
To improve the handling and response time of complaints made to the Municipality for better service deliver	Complaints are not managed effectively and efficiently, coupled with no turn-around times for addressing them	The Municipality does not implements a policy by which complaints are dealt with effectively and efficiently	An effective and efficient Complaints Management System towards better service delivery	Establish Committee to develop the Complaints Management System
				Implement a Complaints Management Strategy
INDICATOR 7	Communication of Information			
Key Challenge	Lack of or poor communication systems, processes and channels resulting in difficulty in accessing municipal information relevant to residents and/or businesses.			
To improve communication to formal and informal businesses along with the public to assist with information dissemination and create awareness.	Communication with public is limited to notice boards and public meetings. There is no communication plan to effectively communication urgent information.	No singular source of communication channel.	Improved communication to assist with service delivery and information dissemination.	Establish more than one channel of communication. Consideration of forums and committees is suggested.

DEVELOPMENT FACILITATION COMMITTEE

The Development Facilitation Committee is designed to assist potential investors in making informed investment decisions related to possible projects within the municipality by identifying and packaging it to implementable projects.

Development Facilitation Committee is a multi-discipline of municipal official including Infrastructure Planning and Survey, Roads, Transportation, Environment, Town Planning and Development Management, Fire and Disaster Management, Local Economic Development and Water Services where projects are presented and discussed with prospective developers.

Development Facilitation Committee meetings are meant to create an enable environment and motivate business people, traders and investors to invest in the city or undertake diverse economic activities within a specific area of activity or industry.

Operational plan target

Target for the 2021/22 financial year was to facilitate 8x Development Facilitation Committee meetings and we facilitated 11 Development Facilitation Committee meetings.

Challenges

Challenges for DFC is decrease of attendance from the units and lengthy turnaround time from units to assist the proposals.

INCENTIVES SCHEME

The intention of this policy is to Identify the package of incentives required to effectively attract investors to the city, create conditions suitable to the attraction and retention of investment, like reducing the cost of doing business and expediting approvals and appointment within the prescripts of legislation.

The main objectives of Incentives are to:

- Identify the package of incentives required to effectively attract investors and business to the city.
- Create conditions suitable to the attraction and retention of investment, like reducing the cost of doing business and speed up approvals and appointment within the regulations of legislation.
- Establish mechanisms to speed up implementation of innovative, environment friendly, economic and social infrastructure investment in a cost effective and efficient manner.
- Promote inclusive economic growth;
- Provide financial incentives to encourage investment that is critical for driving economic growth and job creation;
- Provide non-financial incentives to encourage ease of doing business for investors

Challenges

The advert was published and we received a total number of 11 applications, however we have not been able to implement incentives as we are experiencing delays in consultations with the relevant departments and the budget was loaded towards the end of financial year which did not allow us enough time to implement. Currently we are consulting with Finance and SAP to create short codes for implementation of the incentives

INVESTMENT PROMOTION (INVESTMENT DIRECTORY)

Business and investment projects on Msunduzi Municipality Investment Directory creates suitable conditions for locals including Small Medium and Micro Enterprises, to participate in the implementation of catalytic projects and major development programmes.

Marketing of the city allows for the placement of unlimited business and investment opportunities on the platform. These opportunities will be actively promoted to well-established network of domestic and international investors, and allows Msunduzi Municipality to engage directly with the private sector, business and investment community, and receive direct responses and enquiries.

Business Development has developed and Investment Directory with all the Catalytic Projects, Investment Opportunities and all the incentives that the Municipality is offering to businesses who are new in the city, expanding and those businesses who were affected by July 2021 Civil Unrest.

Operational plan Target

The Target for the financial year 2021/22 was to present the investment directory to SMC and we have met the target.

Challenges

The Challenges that Business Development is there is no budget to advertise the investment Directory on business platforms like slow lounges and international platforms to attract investment in to the city.

LOCAL ECONOMIC DEVELOPMENT

The main focus of the Unit was to finalize Informal Economy policy which will be used as a guideline to develop and grow street traders and informal economy businesses with the municipality. The other main priority is to provide business support services to existing and potential businesses within Msunduzi jurisdiction in enabling them to undertake income-generated activities resulting in job creation and economic growth.

THE LOCAL ECONOMIC DEVELOPMENT UNIT STRUCTURE

- SMME Development and Support
- Informal Trade and Street Trading
- Informal Economy

SMME DEVELOPMENT AND SUPPORT

The SMME Development and Support is a section of the Local Economic Development Unit that deals with facilitating the development of SMME's and Cooperatives within the jurisdiction of the Municipality. Our mandate as a Unit is to assist aspirant and existing entrepreneurs to start/grow and expand their business.

The functions of the Business Unit are to facilitate:

- Business registration for SMMEs and Cooperatives
- Business compliance in terms of SARS, CSD, CIDB etc.
- Development and support to SMMEs and Cooperatives
- Access to finance

- Business linkages and markets
- Training and mentorship
- Poverty alleviation programmes
- Site visits on various projects to check progress and challenges
- Local Economic Development Forum

The Development Services Unit and its staff are committed to providing to its clients and stakeholders an innovative efficient and professional service. The main objective of the Unit is to provide a conducive environment for distributive economic growth and development. The Unit is guided by both SMME Development and Cooperative Development strategies to implement small businesses programmes and projects.

For 2021/22 financial year, the SMME Development Sub Unit had the following targets:

The Sub Unit also facilitated the following activities successfully:

- 8 x Skills Development and Training workshops facilitated for SMMEs and Cooperatives
- 80 x SMMEs and Cooperatives successfully supported and visited
- 60 x SMMEs and Cooperatives assisted and mentored
- 4 x LED Forum meetings successfully facilitated
- 50 x Illegal Street Traders removed
- Successfully facilitated PPPFA Act of 2017 (sub-contracting) on some of capital projects within the municipality
- Ongoing maintenance of Informal Economy and SMME Database

INFORMAL TRADE AND STREET TRADING

The Msunduzi Municipality as the City recognizes the objective of its existence in terms of the Constitution, which includes –

- To promote social and economic development
- To promote a safe and healthy environment and
- Municipal planning, trading regulations, licensing and control of undertakings that sell food to the public, markets, public places, municipal roads and street trading.

The City therefore recognizes the need to adopt a developmental approach to enable access to job and entrepreneurial opportunities within the Informal Trading sector, to harmonize the relationship between the Informal Trading sector and the formal trading sector and to facilitate the migration of Informal Trading into the formal trading sector (Upward Migration Programme).

In order to achieve and fulfil the abovementioned constitutional objective and responsibility, and after an extensive consultation process with the relevant stakeholders, the City has successfully reviewed an Informal Economy policy, which aims at creating opportunities for the Informal Trading sector to share in the benefits of, and further contribute to, the City's economic growth.

Forms of Informal Trading

Informal Trading may include any of the following forms of trading –

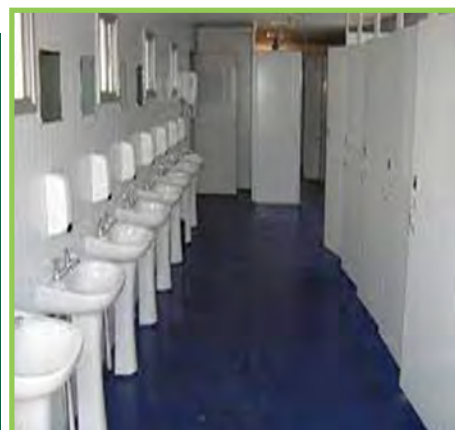
- Street trading, which comprises the selling of goods or supply of services for reward in a Public Road;
- Place;
- Mobile trading such as from caravans, and light Motor Vehicles;
- Selling of Goods in stalls or kiosks; and (f) Selling of Goods at Special Events;
- Selling of Goods in Linear Market

For 2021/22 financial year, the Informal Trade and Street Trading Sub Unit had the following targets:

- 4 x Skills Development and Training workshops successfully facilitated for Informal Traders
- 40 x Street Traders in the CBD precinct formalized (facilitated and registered)
- Successfully sourced funding for the establishment of Informal Trade Stalls, Refuse Bins, Ablution and Storage facilities.

ALLOCATION OF TRADING STALLS: THWALA ROAD STALLS.

The Development Services Sub-unit took the initiative to seek funding from the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) for the erection and refurbishment of the following:



INFORMAL ECONOMY

The following are the duties of the informal economy Unit:

The Unit undertake the following tasks:

- The preparation of the policy that will focus on the development needs of the Informal sector, and identify opportunities within the economy of the Municipality.
- To look both externally at the broader economic situation of the region, as well as internally at its procurement processes.
- Capture an Informal Economy development vision for the Msunduzi Municipality in consultation with key stakeholder organizations.
- Provide an analysis of the Informal Economy environment, including strengths, weaknesses, opportunities and threats within the economy in general and municipality in particular.
- Review the key economic sectors in the municipality and analyse the potential development opportunities in each sector and the most recent trends.
- Analyse the latest Provincial Growth and Development Plan, the Municipal IDP, and the LED strategy together with the various plans of other national and provincial government departments in respect of promotion of Informal Economy growth and development, to identify possible opportunities.
- Support progression from the informal sector to formal small businesses, and enabling SMMEs to expand, diversify and develop a profile beyond the Municipal boundaries.
- Make recommendations on the creation of an enabling environment which is conducive to promote Informal Economy development.

For 2021/22 financial year, the Informal Economy Sub Unit had the following targets:

- Finalized database for Informal Economy for Zone 3
- 4 x Skills Development and Support workshop facilitated for Informal Economy
- Successfully facilitated meetings of Sub Committee Liaison and Informal Chamber

KwaZulu-Natal – RGDP by activity			
Constant 2015 prices - Rand million			
Industry	2019	2020	2021
Primary Industries			
Agriculture, forestry and fishing	29 701	34 412	37 604
Mining and quarrying	6 747	7 127	6 711
Secondary Industries			
Manufacturing	119 282	104 245	110 667
Electricity, gas and water	17 934	17 147	17 465
Construction	25 485	21 516	21 096
Tertiary industries			
Wholesale and retail trade: hotels and restaurants	90 778	78 594	84 261
Transport and communication	82 755	67 032	70 392
Finance, real estate and business services	138 349	138 847	143 195
Community, social and other personal services	103 319	101 274	107 518
General government services	61 734	62 176	62 511
All industries at basic prices			
Taxes less subsidies on products	70 146	62 655	66 863
GDPR at market prices	746 231	695 026	728 284

COMMENT ON LOCAL JOB OPPORTUNITIES

These are Department of Cooperative Governance (COGTA) poverty alleviation and part time job creation projects that are administered at municipal level by both Community Services and Development Services Units. The table below illustrate number of jobs created by both projects in Msunduzi Municipality:

JOB CREATION THROUGH EPWP* PROJECTS		
Details	EPWP Number of Projects	Jobs created through EPWP* Projects No.
2019/2020	29	821
2020/2021	29	821
Extended Public Works Programme		

JOB CREATION THROUGH CWP* PROJECTS		
Details	CWP Number of Projects	Jobs created through CWP*Projects No.
2019/2020	25	970
2020/2021	18	940
2021/2022	20	1 033
Community Works Programme		

COMMENT ON LOCAL JOB OPPORTUNITIES:

For 2021/22 financial year the Development Services Unit successfully facilitated the Preferential Procurement Regulations of 2017 in ensuring that historical disadvantaged Individuals (HDI). The business unit emphasises on awarded tenders to commit to sub-contracting at least 30% of the rand value of the contract to EMEs or QSEs with at least 51% ownership by black people, including those with disabilities and those living in rural or underdeveloped areas or townships, black youth, black women, black military veterans and, co-operatives owned by black people. This was successfully facilitated with internal departments such as Water and Sanitation, Economic Planning and Infrastructure where skills transfer and jobs were created through wards where projects were implemented.

LICENSING

BUSINESS LICENSING

The Business Licensing is a section within the Development Services Unit responsible for issuing and the regulation of business licences within the Msunduzi Municipality area of jurisdiction. The powers to issue the business licence is in terms of the Business Act 71 of 1991, which provides that no person may carry on certain services related businesses unless he holds a licence issued by the local council where the business premises are situated and from which the business activity is operated.

In terms of the Act, the below activities can only be offered and provided once a licence is obtained, if one operates a business which; -

- Makes or sells perishable foods, (item 1)
- Provides health services, entertainment related activities (item 2)
- Trades in food stuffs in respect of informal trade (item 3)

Powers and functions of Local Municipalities

- To issue or refuse a business license
- Refusal, if business premises do not comply with relevant departments
- Can refuse if there is conviction against the applicant
- Can amend a condition on a license
- Can withdraw/suspend license
- Business license cannot be issued on the category previously refused
- Make By-laws that talk to the Act
- Random inspection by inspectors for compliance

Automated Licensing System

The business licensing unit has implemented the online system which is designed to provide economic data and to allow customers easy access to apply for their business license online.

Annual Renewal of Business Licenses

Section 15 of the business regulations in terms of the Business Act 71 of 1991 requires that every license holder must every year confirm that the business for which the license was issued is continuing to be conducted from the premises specified in the license and that no structural changes have been made to the property.

Businesses who fail to comply with the legislation, by trading without a license and by contravening their license conditions will be prosecuted"

CHALLENGES:

The critical shortage of tools of trade (computers, colour printer for printing business licenses, vehicles for inspectorate to carry out the regulatory functions)

The challenges of the unit are the critical staff shortage, the unit desperately requires admin clerks, and the shortage of clerical staff is hampering the roll out the E-licensing program.

BUSINESS VISITS FOR COMPLIANCE

The business licensing unit has exceeded all the set target albeit the Covid-19 challenges

ANNUAL TARGET	ANNUAL ACTUAL (accumulated)
580	868

Business visited for registration and creation of database achieved

ANNUAL TARGET	ANNUAL ACTUAL (accumulated)
520	763

SPECIAL PROJECTS (NDPG): ECONOMIC PLANNING AND INFRASTRUCTURE

- The Unit is responsible for the planning, implementation and management of the Neighbourhood Development Partnership Programme [NDPG] that is intended for public investment. The funding is used to attract private, and community investment to unlock the social and economic potential within targeted neglected townships and neighbourhoods. The Unit is also responsible for administering the implementation of CoGTA and EDTEA grant funding intended for LED initiatives.

- The Unit was successful in sourcing funding to undertake the Dredging of Camps drift which is a canal that had not been maintained over the past ten years due to the unavailability of funds. To date the dredging exercise has reached about 50% of the overall scope of work. The Business Unit has been successful in extending the footprint of NDPG programme through the adoption of Integration Zone to cover the CBD and Northern Areas. In the 2021/2022 financial year, the Business Unit made a consolidated submission for funding to National Treasury through NDPG to undertake the CBD Regeneration programme.
- The challenge has been that the majority of land parcels intended for the Edendale Town Centre development are privately owned and highly invaded with informal settlements. This resulted in the Municipality having to undergo the Land Expropriation process, which lead to a major setback on the development. The land acquisition exercise has contributed to major delays in the construction of some of the roads and other infrastructure in the Edendale town center.
- The unit was also successful in the implementation of 200 street trading stalls as well as provision informal street trading storage and ablution facilities as well as bins within the CBD.
- The unit was successful in sourcing funding from CoGTA towards the refurbishment and development of Heroes Acre Memorial Park located in Imbali Township, which is undertaken to honour liberation struggles. The scope of work involves the installation of fencing, construction of ablution facility and beautification.
- The Unit is also accountable for the planning and implementation of CoGTA funded projects. These are Special LED projects where the unit manage the planning & implementation, SMME space allocation and capacity building.
- The Sub-unit is responsible for the facilitation of spatial planning, land identification and premises access for development. To date, this sub-unit has disposed three properties within 21/22 financial year. Two properties are located in Edendale and proposed for a student accommodation and fuel station. One property is situated in Willowton for the development of a light industry land use.

PROJECT NAME	BUDGET APPROVED	FUNDER	EXPENDITURE	STATUS
Camps Drift Desilting [ISF Project]	R69 373 368	National Treasury	R23 000 000	Construction stage
Promenade 1 [Road R1 & R2]	R18 600 000	National Treasury	R10 395 432.75	Construction stage
Re-establishment of Manaye Hall	R5 355 402	CoGTA	R 5 355 402	Construction stage
Youth Enterprise Park	R9 415 000	CoGTA	R 9 415 000	Construction stage
Old Edendale Road Upgrade	R3 570 494	National Treasury	R 3 570 494	Planning & Design
Informal Economy Infrastructure Project	R4 000 000 R1 000 000	EDTEA Council	R 1 293 750	Construction stage
Refurbishment of Heroes Acre Memorial Park	R6 600 000	CoGTA	- [2022/23]	Planning & Design

EMPLOYEE INFORMATION – DEVELOPMENT SERVICES

EMPLOYEE: DEVELOPMENT SERVICES					
BUSINESS DEVELOPMENT, ECONOMIC DEVELOPMENT & LICENSING					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	-	-	-	-	-
T04-T08	3	5	4	1	20
T09-T13	17	25	16	9	36
T14-T18	2	3	3	-	-
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	23	34	24	10	29

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

FINANCIAL PERFORMANCE – DEVELOPMENT SERVICES

FINANCIAL PERFORMANCE 2021/2022: DEVELOPMENT SERVICES					
R'000					
BUSINESS DEVELOPMENT, ECONOMIC DEVELOPMENT & LICENSING					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	(2 932)	(465)	(4 152)	(37 976)	815
Expenditure:					
Employees	5 320	6 254	6 364	7 228	14
Repairs and Maintenance	10	493	-	-	-
Other	1 660	5 083	4 490	5 533	23
Total Operational Expenditure	6 990	11 830	10 854	12 761	18
Net operational (Service) Expenditure	4 058	11 365	6 702	(25 215)	(476)

Variances are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE – DEVELOPMENT SERVICES

CAPITAL EXPENDITURE 2021/2022: DEVELOPMENT SERVICES					
R'000					
BUSINESS DEVELOPMENT, ECONOMIC DEVELOPMENT & LICENSING					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variance to Adjusted Budget %	Total Project Value
Total All					
EDTEA:Z4:INFORMAL ECONOMY INFRASTRUCTURE	-	1 719 951	1 700 456	(1)	
LEVS:AH:NEW:FURNITURE & OFFICE EQUIP	-	400 000	342 252	(14)	
LEVS:Z4:INFORMAL ECONOMY INFRASTRUCTURE	-	1 000 000	857 501	(14)	
MSE:AH:INSTALLATION OF DRY WALL	-	199 000	-	(100)	
NDPG:Z2:CIVIC ZONE PHASE 1:SKY BRIDGE	3 000 000	-	-	-	
NDPG:Z2:Edendale Town Centre: Promenade1	26 138 268	34 999 999	30 434 387	(13)	
NDPG:Z2:OLD EDENDALE ROAD UPGRADE	1 861 732	1		(100)	
NDPG:Z4:CIVIC ZONE PHASE 1:MARKET STALLS	3 000 000	-	-	-	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
 Variances are calculated as follows:
 Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENT ON THE PERFORMANCE OF DEVELOPMENT SERVICES

The sub-unit has performed exceptionally considering the human capital strength being unobtainable and the tools of trade unattainable due to budget constraints. The novel corona virus (covid-19) has taught us the new normal in terms of working smart and making impact without necessarily occupying the office space.

The Development Services has much more room to improve in terms of high impact Local Economic Development programmes and infrastructure projects.

The challenge of not filling the critical post in management is affecting the performance capability of the sub-unit and the propensity to do well in all areas. Especially the key strategic objective of the sub-unit that is to reduce unemployment, increase the economic activity and utilize land optimally. This can be achieved through proper business attraction, retention and expansion strategy and as well as a supportive Business incentives policy.

In order to perform better in the new financial year, the Municipality must adopt a high impact and low usage strategy, meaning work with what we can have in order to achieve better. The Municipality must provide suitable candidate to fill in critical vacancies and employees must have all the necessary tools of trade like laptops, internet and vehicles to produce work. There must be consequence management in all levels in order to be held accountable always. In the Development Services there are cases that are due for consequence management because of failing to their work dismally and unapologetic.

3.2 HUMAN SETTLEMENTS

INTRODUCTION TO HUMAN SETTLEMENTS

The Human Settlements Sector Plan sets out human settlements delivery goals, targets for the municipality, and provides an approach to human settlements delivery and spatial transformation. The Human Settlements Sector Plan is reviewed annually together with the Integrated Development Plan of the Municipality. Msunduzi Municipality developed its first Human Settlements Sector Plan in 2011. The Human Settlements Sub-Unit reviewed its 2011 Human Settlements Sector Plan during the 2014/15 financial year and was approved by Council in 2015. The review of the Human Settlements Sector Plan is underway and will be completed by end of December 2020.

Like other secondary cities in South Africa, the Municipal spatial character depicts the legacy of apartheid planning and high levels of urbanisation. There are currently seventy identified informal settlements located in different parts of the city with limited basic services.

SOME OF THE KEY OBJECTIVES OF THE HUMAN SETTLEMENTS SECTOR PLAN IS TO:

- Upgrade the existing well located informal settlements to improve land tenure and access to basic services
- Accelerate development and consolidate human settlements development in line with the National Policy directives and the IDP of the Municipality
- Contribute towards spatial transformation and creation of an efficient settlements and spatial pattern.

The Municipality is currently acting as a developer and has delivered several Human Settlements projects through funding from the Department of Human Settlements. Since 2004, the Municipality has delivered over 13000 Human Settlements units with access to basic services (water, electricity, roads, storm water, etc.).

We currently have some 40 Projects in various stages of implementation. The total project pipeline will yield over 30 000 units in the next 10 years. The Human Settlements Sub Unit is made up of four (4) Sections with each focusing on key programmes of human settlements.

EMPLOYEE INFORMATION

EMPLOYEE: HUMAN SETTLEMENTS SERVICES					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	-	1	-	1	100

EMPLOYEE: HUMAN SETTLEMENTS SERVICES

Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T04-T08	11	15	10	5	33
T09-T13	28	43	31	12	28
T14-T18	10	10	9	1	10
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	50	70	51	19	27

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

INFORMAL SETTLEMENT

The Section is responsible for the social facilitation/ community participation in all Human Settlements projects within the Municipality including setting up of Project Steering Committees and report back to communities. The Section also manages Beneficiary Administration in all Human Settlements projects and provide Human Settlements Consumer Education (training to beneficiaries of Human Settlements projects). The Section also monitors the growth of informal settlements and keeping records of informal dwellers by profiling and annually updating the profiles. The Section further facilitate relocations of informal households to projects. The section further administers the National Upgrading Support Programme (NUSP) which produces upgrading plans and livelihood strategies for informal settlements.

PLANNING

This Section identifies and facilitates the acquisition of well-located land to implement the relevant national Human Settlements subsidy programmes. Ensure the alignment between the Human Settlements Sector Plan, Spatial Development Framework Plan and Infrastructure Development Sector Plan. Prepare and package human settlements projects business plans to secure funding from relevant sources. Develop strategic policies to enhance the development of integrated human settlement within the Municipal area.

There are currently fifteen Human Settlements projects that are in various phases of the planning stage (Pre-feasibility and Detailed Planning), there are currently six projects that have been submitted to the Department of Human Settlements for funding approval these are in the project initiation stage the yield will be determined through. These projects are expected to deliver a combined yield of 26 840 units in different financial years.

PROJECT IMPLEMENTATION

The Section deals with project management of human settlements projects at the implementation to deliver the infrastructure services and mixed typology Human Settlements at scale. Ensuring that infrastructure services in all Human Settlements projects meet the Municipal standards. Section is properly capacitated to play its role as the development arm of Human Settlement effectively.

There are currently nine Human Settlements projects that are in various phases of the implementation stage. These projects are expected to deliver a combined yield of 30202 units in different financial years which is inclusive of Operation Sukuma Sakhe Phase 1 and 2 interventions. During the 2018/19 financial year the municipality was able to deliver 3085 units to low income qualifying beneficiaries of the Msunduzi Municipality.

The Municipality is currently undertaking rectification programmes which include the rectification of 2086 Wire-walled houses. The Municipality has also experienced a challenge whereby most of projects that were undertaken post 1994 were never completed and closed out, about 11 000 units have never been transferred to the beneficiaries. In rectifying this situation, the Municipality had appointed a Conveyancer to verify and transfer the 5685 units.

HUMAN SETTLEMENTS ADMINISTRATION

Human Settlements Administration sections of Human Settlements that deals with Council Rental Stock. Council Rental Stock consists of Flats and Odd properties. Human Settlements Admin also deals with Files that belong to Edendale/ Imbali Township properties.

The Municipality currently owns 248 rental flats and 40 state funded properties and 58 odd/ freestanding properties (houses) that are being leased out to tenants. The unit is also in the process of disposing of the approximately +- 800 ex-state owned pre-1994 properties within the Edendale area by application of the Extended Enhanced Discount Benefit Scheme (EEDBS).

In an attempt to arrest the escalating debt to council, Human Settlements Admin unit undertook an eviction process on tenants that have not verified their occupancy, that are not paying their rentals and those that have illegal electricity connections.

To date we have successfully obtained and implemented 14 evictions, with more cases still in court.

CHALLENGES

There are challenges relating to the management of Informal Settlement due to massive land invasions and mushrooming of more informal settlements, and the Municipality is having a challenge in fighting this phenomenon. What is even more challenging about land invasions is that they are targeting land that has already been identified for human settlements.

Challenges with regards to the time taken on the appointment of service providers, leading to delays on the implementation of Human Settlement projects. Delays in funding approval through the Municipal Infrastructure Grant for Human Settlement Projects. Some of the challenges that are facing the administration of the Human Settlements Rental stock, has been a long history of poor payment of rentals and services.

The other challenges are lack of qualified data that both Human Settlements Administration and Finance work from in terms of rental collection and also the systems being used by the sections to perform property management activities. There has also been minimal maintenance of the rental stock due to lack of funding resulting from non-payment of rentals. However; the Human settlement has appointed the service provider that will be doing maintenance and repairs of rental stock, and the legal that will be dealing with non-payment of rentals (evictions).

PERFORMANCE ENHANCEMENTS

The Municipality is level 1 accredited by the Provincial Department of Human Settlement to perform Human Settlement activities on behalf of the Province. As part of the accreditation, the Municipality is provided with Grant Funding for operational purposes; due to that the Municipality has filled all critical positions, and that has drastically improved the performance of Human Settlement and Service Delivery as whole. The Unit is constantly engaging on staff training through internal bursaries and trainings requested from Provincial and National Department of Human Settlements to improve efficiency.

HOUSING NEED IDENTIFICATION

There are various ways that Human Settlements Unit use to identify Housing Needs, these include; IDP Izimbizo, from Communities from Ward Councillors. Through the Municipal Spatial Development Framework in terms the identification of land suitable for human Settlement, as well as other internal strategic plans e.g Human Settlement Sector and National Upgrading Support Programme. Our communities have recently affected by floods in April 2022 and before that the community of Edendale ward 14/10 and 17 have also become the victims of storms during December – Msunduzi Human settlements were part of the team who were assessing and verifying floods/storms victims. All wards and communities that were affected by floods/storms were visited and the assessment and the comprehensive list submitted to all relevant departments.

HUMAN SETTLEMENT DELIVERY AGENTS

Human Settlement is working together or have a relationship with a Social Housing Institution called Capital City Housing (accredited by the Social Housing Regulatory Authority as per the Rental Housing Act). This Agent is responsible for the provision of the subsidised rental accommodation. The Municipality is currently investigating the establishment of a Municipal entity to deal with the provision and management of rental housing accommodation.

PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING

Year End	Total Households (incl. formal and informal Settlements)	Houses in formal settlements	Percentage of HHs in formal settlements
2018/2019	195 913	183 863	93,85
2019/2020	201 790	191 217	94,76
2020/2021	207 667	196 954	95,64
2021/2022	213 897	202 862	96,53

* Based on population projections with average annual growth rate of 3% per annum.

* Source: Based on the StatsSa General Household Survey data and Global Insight data.

* Source: Based on the StatsSa General Household Survey data and Global Insight data.

HUMAN SETTLEMENTS FINANCIAL INFORMATION

FINANCIAL PERFORMANCE 2021/2022: HUMAN SETTLEMENTS SERVICES

R'000

Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					
Employees	29 303	38 442	38 232	38 067	-
Repairs and Maintenance	4 419	1 000	1 294	1 028	(21)
Other	11 593	27 663	26 836	29 113	8
Total Operational Expenditure	45 315	67 105	66 362	68 208	3
Net operational (Service) Expenditure	(45 369)	(47 343)	(101 755)	20 398	(120)

Variances are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: HUMAN SETTLEMENTS SERVICES

R'000

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
ACRDC: AH:INSTALL ACCESS CONTROL	-	150	49	(67)	
ACRDC:AH:NEW:NEW:COMPUTER EQUIPMENT	-	1 000	418	(58)	
ACRDC:AH:NEW:NEW:TRANSPORT ASSETS	1 500	300	-	(100)	
HSE:Z4:DOHS JIKA JOE HOUSING DEVELOPM	78 500	71 777	11 266	(84)	
HSE:Z4:DOHS JIKA JOE HOUSING DEVELOPM	-	2 753	2 753	-	
LEVS:AH:NEW:FURNITURE & OFFICE EQUIP	-	630	300	(52)	
LEVS:AH:NEW:FURNITURE & OFFICE EQUIP	-	1 550	1 019	(34)	
LEVS:Z2:INSTAL WATER METERS AND MANHOLES	-	4 388	3 269	(26)	
MIG:Z4:JIKA JOE CRU	5 912	3 160	2 749	-13	

CAPITAL EXPENDITURE 2021/2022: HUMAN SETTLEMENTS SERVICES
R'000

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value

Total All

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENTS ON THE PERFORMANCE OF THE HUMAN SETTLEMENTS SERVICE OVERALL:

Our four priorities amongst others are; Jika Joe Community Residential Units, Wirewall Rectification Project, Ethembeni and Glenwood South East Sector Housing Projects.

Jika Joe is aimed at providing rental accommodation for low income residents within Jika Joe informal settlement and its surroundings. The project is current under the construction of top structures on Phase 1 of the project which will yield 404 Units. The project performed very well and exceeded the projected expenditure in the financial year 2021/22.

Wirewall Rectification Program is focused on rectifying the houses that were built in late 1990's using the wirewall technology. There are 2086 houses to be rectified in this project, 673 houses have been rectified under this program with 410 units being rectified on financial year 2021/22. The project performed very well and exceeded the projected expenditure in the financial year 2021/22.

Ethembeni Housing project an Integrated Residential Project comprising of multiple housing typologies from BNG, site and services and rental housing units. The project is anticipating approximately 3000 units but it is subjected to final Environmental Approval. The project is currently in the preliminary planning stage with a number of studies already been undertaken namely engineering, geo-technical and preliminary environmental screening. Upon environmental approval the project will move to detailed feasibility which will finalize the layout of the project and undertake township establishment related activities.

Glenwood 2 South East Sector Integrated Residential Development Programme Housing Project comprises of 3000 units of different Housing Typologies. Project Inception, Implementing Agent is appointed to Undertake Detailed Planning Studies to Obtain Environmental Authorization and MPT Approval and Register General Plan of the Approved Layout. Project Commenced in May 2022 Ending May 2025.

Security of tenure has already been attained by multitudes of citizens across the city, through the transfer of ownership to citizens and the handing over of title deeds. Msunduzi is equally at an advanced stage of concluding the Jika Joe Community Residential Units. These will see low income earners being able to live in the dignified dwellings.

3.3 TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT
INTRODUCTION TO TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

This component includes Building Control; Town Planning, Environmental Health, Environmental Management, Land Survey and the Greater Edendale and Vulindlela Development Initiative (GEVDI).

The Unit have various Sections which focus on the enforcement of bylaws, creating a livelihood in which people can live, work and play in an environment which is suitable for human settlement.

The other focus is to provide services to the residents of the City by purchasing land for the provision of services, which include services like the provision of houses, roads and others together with proper land tenure rights like the provision of the ownership by resolving land legal issues. The Unit also monitors the followings:

Water quality monitoring, Food control, Waste management, Surveillance of premises, Communicable diseases control, Vector control, Environmental pollution control, Disposal of the dead, chemical safety, and noise control.

EMPLOYEE INFORMATION

EMPLOYEE: TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT					
BUILDING CONTROL, ENVIRONMENTAL HEALTH, ENVIRONMENTAL MANAGEMENT, GEDVI, LAND SURVEY & TOWN PLANNING					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	23	34	23	11	32
T04-T08	11	18	11	7	39
T09-T13	65	150	62	88	59
T14-T18	15	28	19	9	32
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	115	231	116	115	50

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

BUILDING CONTROL

The Building Control Section monitors building construction in the Msunduzi Municipality boundaries. This is achieved by compliance with the National Building Regulations and Building Standards Act, 1977, the SANS 10400 and Problem Building by-law.

In accordance with our SDBIP targets, building control has to adhere to the below:

95% of Building Plan Applications <500m2 to be processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application by the 30th of June 2022.

95% of (621) Building Plan Application <500m2 processed for approval by the plan Approval Committee within an average of 18 days from date of receipt of the application by the 30th of June 2022.

603 x building contraventions inspections conducted for illegal building works by the 30th of June 2022.

Unit Challenges

- Unit has no Building Enforcement Officer and thus cannot issue summons which are revenue generating to council if issued.
- Shortage of Building Inspectors in the last 2 financial years we have lost 4 inspectors and none of the positions have been filled.

Month	APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2021 TO 30 JUNE 2022														
	1			3			2		4			5		6	
	Residential Dwelling Houses Passed		Cost	Other Residential-Flats, Hotels Etc.		Cost	RPD Passed	Non Residential- Private Sector		Non Residential- Public Sector		Alteration & Additions-All Buildings			
No.	Area		No	Area			No.	Area	Cost	No.	Area	Cost	No.	Area	Cost
JULY	5	2011	R 13 200 000,00	-	-	-	1	1538	R 7 600 000,00	-	-	-	48	3236	R 17 789 000,00
AUGUST	5	2055	R 10 100 000,00	-	-	-	1	707	R 7 000 000,00	-	-	-	39	2853	R 1 316 500,00
SEPTEMBER	23	2899	R 15 764 000,00	-	-	-	3	1039	R 5 000 000,00	-	-	-	56	3934	R 18 070 000,00
OCTOBER	6	1728	R 9 350 000,00	242	24700	R 138 000 000,00	-	-	-	-	-	-	46	3226	R 14 849 500,00
NOVEMBER	9	1154	R 8 530 000,00	-	-	-	3	3454	R 18 000 000,00	-	-	-	53	11624	R 68 761 500,00
DECEMBER	3	1606	R 14 277 000,00	10	909	R 6 500 000,00	-	-	-	-	-	-	23	1661	R 7 798 400,00
JANUARY	6	1048	R 6 650 000,00	60	4608	R 36 000 000,00	-	-	-	-	-	-	32	1933	R 32 428 000,00
FEBRUARY	5	2091	R 13 600 000,00	-	-	-	2	4141	R 19 000 000,00	-	-	-	40	3299	R 19 640 000,00
MARCH	20	3125	R 20 460 000,00	8	936	R 6 000 000,00	-	-	-	-	-	-	41	5727	R 29 810 000,00
APRIL	1	63	R 500 000,00	29	1548	R 10 500 000,00	-	1	12230	R 113 000 000,00	-	-	40	3502	R 12 642 000,00
MAY	2	707	R 5 000 000,00	-	-	-	2	509	R 2 385 500,00	-	-	-	35	2859	R 10 731 500,00
JUNE	4	304	R 1 800 000,00	6	453	R 4 500 000,00	-	6	5527	R 49 100 000,00	-	-	50	3566	R 24 365 000,00
TOTAL	89	18791	R 119 231 000,00	355	33154	R 201 500 000,00	-	19	29145	R 221 085 500,00	-	-	503	47420	R 258 201 400,00

SIGNAGE CONTROL

The Signage Department is responsible for monitoring, controlling and regulation of outdoor advertising signs, promoting and maintaining an acceptable visual environment by creating equal opportunities for advertising for all businesses within the municipality using SAMOAC (South African Manual for Outdoor Advertising Control) and By-laws. Furthermore, the department is responsible for the enforcement of by-laws on both private and Council land including the removal of illegal signs.

The department could not reach its target due to cost containment that the Municipality is facing currently. And the department opted to hire 8 General Assistant to assist the department in removing all illegal Signage. Report was submitted to Human Resource department for implementation.

Challenges

The main challenges are as:

- Staff Capacity: -
- The department cannot issue fine/ summons on illegal signage because we do not have the Law Enforcement Officer, working with Signage Department.
- Shortage of Office equipment Laptop to attend crucial meetings
- Signage Inspector cannot issue fines/summons using section 56 and 54 without peace officer training.

ENVIRONMENTAL HEALTH

INTRODUCTION TO ENVIRONMENTAL HEALTH

Environmental Health encompasses those aspects of human health, including quality of life that is determined by physical, chemical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing those factors in the environment that can potentially affect adversely the health of present and future generations. Environmental Health Services includes:

Water Quality monitoring, Food control, Waste management, Surveillance of premises, Communicable diseases control, Vector control, Environmental pollution control, Disposal of the Dead, Chemical safety and Noise Control.

The service delivery priorities focused on water quality monitoring, food quality and safety, and air quality monitoring.

SERVICE DELIVERY PRIORITY (1): WATER MONITORING

Monitoring water quality of potable, surface and ground water, ensuring water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use. This was achieved by sampling and testing water in the field and examining and analysing it in the Unit's laboratory, as well as advocating for proper and safe water usage and wastewater disposal.

SERVICE DELIVERY PRIORITY (2): FOOD CONTROL

Ensuring food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption. This was achieved by inspecting food production, distribution and consumption areas; monitoring informal food trading; inspecting food premises and any nuisances emanating there-from; by applying food quality monitoring programmes and principles through various techniques, e.g. Hazard Analysis and Critical Control Points System (HACCP System) audits; and promoting the safe transportation, handling, storage and preparation of foodstuffs, including meat, milk and their products.

SERVICE DELIVERY PRIORITY (3): ENVIRONMENTAL POLLUTION CONTROL

Ensuring hygienic working, living and recreational environments; identifying the polluting agents and sources of water, air and soil pollution; ensuring clean and safe air externally (ambient and point sources) through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations; and taking the required preventative measures to ensure that the general environment is free from health risks. This was further achieved by ensuring the registration, permitting, monitoring and auditing of all industries, activities, trade, etc., which involves controlling the internal effects of pollution on the worker, and the external effects of pollution on the community and the environment.

SERVICE STATISTICS FOR ENVIRONMENTAL HEALTH

DESCRIPTION	TARGET	ACHIEVED
No. of Complaints investigated	Dependent on no. received	256
No. of Trade Licence application processed	Dependent on no. received	393
No. of Water samples from rivers/streams	800	801
No. of Water samples from reservoirs, consumer points	1020 samples	1167 samples
<ul style="list-style-type: none"> Percentage compliance with SANS 241:2015 NB: SANS are national standards that replaced SABS(South African Bureau of Standards) 241: 2015 relates to drinking water	100%	99.7 %
Swabbing: No of swabs and food samples	960 food samples and swabs	960 food samples and swabs
<ul style="list-style-type: none"> Percentage compliance with microbiological standards: 	100%	75 %
No. of Inspections and Registrations of Funeral Undertakers in terms of the Funeral Undertakers' Regulations:	60 premises	71 premises
No. of Food premises inspected and registered in terms of R962 (Food Regulations):	2600	2857
No. of Vector Control investigations, treatment and baiting	17000 sites	9227 sites
No. of Premises inspected for compliance with Tobacco Legislation:	3000 premises	4063 premises
No. of Places of care inspected:	500 premises	557 premises inspected
No. of Health Care Waste generators inspected:	500 premises	616 premises
No. of Commercial, industrial and residential premises inspected	8200 premises	8971 premises
No. of Schedule processes/listed activities:	192 premises	225 premises
No. of Health Education sessions conducted	960	1050
Permit Applications Processed	560	1146
No. of Notices issued	Dependent on contraventions	531 notices
No. of Prosecutions instituted	Dependent on contraventions	196 prosecutions

COMMENT ON THE PERFORMANCE OF ENVIRONMENTAL HEALTH OVERALL:

Environmental Health Services continued to be provided without funding from National Treasury. With a limited budget and diminishing resources the nine functional areas relating to environmental health services as defined in the National Health Act, No. 61 of 2003 were carried out to ensure effective and efficient service delivery within the areas of Msunduzi. One of the service delivery priorities focusing on, viz. water quality monitoring, continued for the purposes of Blue Drop status accreditation. The departmental laboratory was used for the monitoring of water and food quality, as well as swabbing to determine standards of hygiene at food premises.

Despite the many challenges experienced, three (3) of the four (4) Air Quality Monitoring Stations of the City's Air Quality Monitoring Network was functional, and data on criteria pollutants monitored is available for the 2021/22 financial year. The Edendale Station was replaced during 2018, and the acquisition of an additional station for the Taylors Halt area had to be put on hold, due to the implementation of cost containment measures. The Edendale station was broken into in 2021, resulting in one of the analysers being stolen. Due to insufficient funding, the insurance claim could not be processed. The Central station incurred damage to the single air conditioning unit during one of the severe hailstorms experienced during the reporting period. The analysers were switched off in order to prevent further damage due to overheating. The Unit awaits the processing of the insurance claim.

ENVIRONMENTAL MANAGEMENT

The purpose of the Environmental Management Unit is to guide development in a Sustainable manner and promote compliance within the municipal area, in alignment with Environmental Legislation, policies, plans and guidelines.

Biodiversity and Open Space Planning Services

- Conduct assessments / investigations and ensure compliance with all environmental legislation, by-laws and statutory legislation
- Coordinate the implementation of and revising the biodiversity component Environmental Management Framework (EMF) and Strategic Environmental Assessment for the Municipality.
- Oversee the preparation of environmental plans and offset agreements related to Biodiversity.
- Provide input into, and comment on Biodiversity specialist reports associated with environmental impact assessments (including Basic Assessment Report (BAR); Scoping Reports & Environmental Impact Assessment (EIA)) and policies such as the Msunduzi EMF
- Compile Rehabilitation plans.
- Coordinate specific administrative and reporting requirements associated with the key performance and result indicators of the functionality
- Provide Geographic Information System (GIS) services

Planning Policy Implementation and Review services

- Contribute towards the preparation and implementation of an Environmental Management System (EMS) for Service Delivery activities.
- Develop practical, implementable, and measurable Standard Operating Procedure (SOPs) for municipal line functions e.g., Electricity/Engineering.
- Coordinate the Tender Process by compiling terms of reference.
- Revise EMF documentation and Strategic Environmental Assessment for the City.
- Oversee the preparation of environmental plans for specific areas or activities in the City.
- Undertake sustainability appraisals of all municipal plans, policies and programs

Environmental Management Impact Mitigation Assessment, Compliance Monitoring and Enforcement Services

- Conduct assessments / investigations and ensures compliance with all environmental legislation, by-laws and statutory legislation.
- Review and evaluate all development proposals and applications against environmental legislation and municipal plans and policies.
- Interacts internally and externally on specific issues related to Environmental projects
- Conduct Investigations and research on respective Standard Operating Procedure Topics and Environmental Management.
- Attending compliance promotions with external departments.

Climate Change Planning, Mitigation and Adaptation Services

- Develop practical, implementable, and measurable mitigation and adaption strategies for climate change risks and opportunities, which can be mainstreamed into all municipal planning and functions.
- Create spatial carbon emissions inventory for the City using GIS based data.
- Develop a municipal Climate Change policy and mainstream climate change strategies into all municipal planning and functions.
- Report on national and international platforms with regards to projects being implemented /proposed that relate to climate change and greenhouse gas reduction

Compliance promotions undertaken in the 21/22 financial year, by the EMIs in Environmental Management:

1. Eston follow-up
2. Eco Cycle
3. Truda Snacks
4. Hulamin
5. Illovo Nerdsberg
6. Birmingham Road

Greater Edendale and Vulindlela Development Initiative (GEVDI)

GEVDI is a subunit that deals with a myriad of developmental issues. GEVDI deals with the acquisition of private land for the redevelopment of the greater Edendale area and the GEVDI area is confronted by many land legal impediments that the subunit is also tasked with addressing. The other facet of GEVDI is to drive planning in the GEVDI area through the formulation of strategic plans, technical advice and planning individual projects. GEVDI is also responsible for the planning of NDPG projects in the Edendale area and implementing the urban network approach as defined in various policy documents within the GEVDI region.

GEVDI dealt with many projects and other service delivery initiatives, below are some of the key projects on Infrastructure Delivery, Service Delivery and Economic development objectives:

Challenges.

- The finalisation of the appointment process for service providers was one of the major challenges encountered for land acquisition
- Delayed starting of project made targets very difficult to meet
- The Civic Zone project was affected by a lot of factors and unresponsiveness to tenancy letters from department

- Getting tenants and commitment for the Civic Zone has been a challenge and this has affected the completion of reports and meeting of project deliverables
- The land acquisition programme was affected by the rollover of funds and has been momentarily halted which affects the momentum that has been built up on the programme.
- Responding to audit requests from the AG's Office limited GEVDI in terms of output
- Limited capacity and high staff vacancy affects GEVDI's ability to function.

LAND SURVEY

Land Survey department deals with the survey of municipality, acquisition of aerial imagery, provision of cadastral information internal departments, public and provide survey related guidance to land development matters.

Main projects conducted by this Unit:

1. Cadastral Data Management – this included the acquisition and cleaning of the cadastral data within the City. This data is used by various departments, such as Valuations department for incorporation into their Valuation Roll, which subsequently gets used as basis for billing in a financial system (SAP).
2. Title Deed Restoration Programme – more than 500 clearance certificates were processed and issued by this department to various conveyancers for transfer.
3. Building Plans Assessments – More than 800 building plan applications were received and processed by this department.
4. Human Settlements Projects – Draft township establishment conditions were done for various human settlements projects including three military veteran projects, Khalanyoni, Kwa-30, Site 11, Signal Hill.
5. Private developments – Various amendments were attended to approvals on Hesketh Development. More than 30 clearances (in terms of SPLUMA) were issued to the Surrey Park development located opposite Beacon Hill.
6. Provision of handplan or survey plans – about 100 survey plans were prepared for various departments including Real Estate, Gevdi.
7. Setting out and as-built surveys for the eThembeni cemetery
8. Monitoring the contractor by doing surveys to confirm if the contractor is constructing internal roads of the cemetery as per the design.
9. Various beacon relocation surveys for Human Settlements low-cost houses
10. Wayleaves co-ordination - this includes processing of Wayleaves applications and doing inspections of the work conducted.

Challenges

The main challenges are as:

1. Lack of survey equipment for most surveyors, which compromises efficiency.
2. No competency and resources within the unit to adequately deal with Wayleaves contraventions
3. There is no GIS structure – these compromises how the city stores and manages all its land data and affects decision related thereto.
4. Not enough budget is allocated in order to acquire various survey related software.
5. Theft in open spaces of the office, as some interns and other workers work in common areas.

TOWN PLANNING

The role of the Town Planning department is to ensure the implementation of the Spatial Planning and Land Use Management Act No.16 of 2013, Municipal Systems Act and other relevant planning legislations through spatial planning and land use management. The Town Planning department is also responsible for planning and preparation of a Land Use Scheme, Spatial Development Framework (SDF), planning policies, planning By-laws, development projects in terms of the IDP, strategies associated with the formulation of a Spatial Development Framework (SDF), and other spatial framework plans.

Town Planning comprises of Spatial Planning with the focus on developing strategies and policies for future land usage and land allocation, Development Management focusing land use management and statutory control and lastly, the Town Planning Inspectorate mandated to perform a regulatory function by enforcing the municipality's land use scheme.

In the 2021/2022 financial year, the unit prepared and reviewed numerous plans and policies, which formed part of the key Town Planning projects within the Service Delivery & Budget Implementation Plan. The table below provides service objectives and outlines the service target for all town planning projects undertaken within the Development Management Sub-Section.

During the 2021/22 financial year, Town planning received numerous development planning applications, most of which were considered within the legislated timeframe. The table below, provides the exact figures of various development applications received and processed within the 2021/22 financial year.

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built environment	
	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022
Planning application received	18	19	58	48	35	49
Determination made in year of receipt	18	19	35	45	32	46
Determination made in following year	-	-	15	03	03	03
Applications withdrawn	-	-	02	03	-	03
Applications outstanding at year end	-	-	05	-	-	-

Spatial Planning

The spatial planning unit functions involves the facilitation of municipal forward planning through the development of spatial plans and implementation projects for targeted focus areas. The spatial plans articulate the overall spatial vision intended for municipal configuration and further provide guidance to development through coordinated integrated planning. Below are some of the projects undertaken in the financial year.

Town Planning Inspectorate

The regulation and enforcement of land uses within the jurisdiction of the Msunduzi Municipality is the responsibility of the Town Planning Business unit. The Town Planning unit has a dedicated team consisting of 5 Town Planning Inspectors. The functions and powers of the Inspectors are expressly defined under Section 32 of the Spatial Planning and Land Use Management Act 2013 read with the Msunduzi Municipality's Spatial Planning and Land Use Management Bylaw 2021.

During the 2021/2022 financial year the Town Planning Enforcement unit conducted the following;

- Land use inspections in the region of 573 (both complaints based and randomly);
- Issued SPLUMA Notices more than 140.
- Summons and Written Notices totalled 54.
- Written Notices yielded a total amount of R33 300.00 in Admission of Guilt fines.

Comments on Town Planning's Performance:

The 2021/2022 financial year was a recovery year for the unit following the challenges brought by the Covid-19 pandemic. The unit managed to facilitate the review and adoption of the municipal Spatial Development Framework, review and adoption of the municipal Spatial Planning and Land Use Management Bylaws as well as the review and extension of the land use schemes to cover the entire municipal area. These are enormous milestones aimed at driving and guiding development as well as compliance with national legislation.

Financially there was also an improvement in the revenue generated by the unit through development applications from R302 454.58 in the 2020/2021 financial year to R 568 452.07 in the 2021/2022 financial year. Also, through prosecutions the unit generated R 33 300 in revenue.

The unit is faced with capacity challenges, the high vacancy rate as well as the misalignment of the current organogram and legislative requirements poses as a threat in the effectiveness of the unit. There is reliance on Acting and Secondment appointments for carrying out of duties which is not sustainable and hinders continuity.

The appointment of the Chief Town Planner: Spatial Planning on permanent basis is welcomed, anticipating a swift finalisation of all recruitment processes as per the submission made to Human Resources especially that of the Manager: Town Planning as the post is a priority and has been vacant for a while.

TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

FINANCIAL PERFORMANCE 2021/2022: TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT R'000

BUILDING CONTROL, ENVIRONMENTAL HEALTH, ENVIRONMENTAL MANAGEMENT, GEDVI, LAND SURVEY & TOWN PLANNING

Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	(119 856)	(38 412)	(39 554)	(9 482)	(76)
Expenditure:					
Employees	62 676	64 151	64 151	67 141	5
Repairs and Maintenance	344	604	121	40	(67)
Other	7195	18 230	32 988	13 942	(58)
Total Operational Expenditure	70 215	82 985	97 260	81 123	(17)
Net operational (Service) Expenditure	(49 641)	44 573	57 706	71 641	24

Variances are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT R'000

BUILDING CONTROL, ENVIRONMENTAL HEALTH, ENVIRONMENTAL MANAGEMENT, GEDVI, LAND SURVEY & TOWN PLANNING

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
CGTAC:Z3:YOUTH ENTERPRISE PARK	-	141	140	(1)	
LEVS:AH:NEW:COMPUTER EQUIPMENT	-	253	253	-	
LEVS:AH:NEW:FURNITURE & OFFICE EQUIP	-	300	299	-	
LEVS:AH:NEW:MACHINERY & EQUIPM	-	400	161	(60)	
PGCAP:Z2:GREATER EDENDALE PROJECTS	-	84 834	2 546	(97)	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variances are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENT ON THE PERFORMANCE OF TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

- In terms of the Grant funding, the Unit did not perform well as the grant was sent late to the Municipality, there were also challenges which faced the non-expenditure because of the complex nature on the acquisition of land.
- With results to other projects as reflected in the SDBIP & OP, the Unit performed well as except on projects where budget was removed.

- (c) Pertaining to the staff vacancy, the Unit has a staff vacancy of 50%, which really affected the performance of the Unit. Lastly, the Unit finalized the adoption of a Single Wall to Wall Scheme and the Spatial Development Framework (SDF) which was a concern raised by Cogta during the pe

3.4 CITY ENTITIES

INTRODUCTION TO CITY ENTITIES

City entities is a sub-unit of Sustainable Development and City Enterprises Business unit and is made up of six sections as listed below:

- Airport
- Market
- Tourism
- Tatham Art Gallery
- Forestry
- Safe City

The Airport, Market and Forestry are income generating business units. Tourism and Tatham Art Gallery enhance the income generation of the municipality through attraction into the city. Safe City is the only established entity within City Entities and aids in revenue enhancement as a support function other departments within the municipality.

EMPLOYEE INFORMATION

EMPLOYEE: CITY ENTITIES					
AIRPORT, GALLERY AND THEATRE, MARKET & TOURISM					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	13	22	13	9	41
T04-T08	30	42	28	14	33
T09-T13	12	19	13	6	32
T14-T18	3	4	4	0	0
T19-T22	0	1	1	0	0
T23-T25	0	0	0	0	0
Total	58	88	59	29	33

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

ORGANIZATIONAL UNITS WITHIN CITY ENTITIES

AIRPORT

Pietermaritzburg airport is a licensed Class 3, category 6 Airfield Rescue and Fire Fighting aerodrome. Civil aviation authorities provide the mechanism by which nations ensure the safety of their skies and operations through safety and security regulation. It is the airport's key role to sell aeronautical services and facilities (i.e. the provision of runways, taxiways, aprons and terminals) to airlines. The airlines then sell their own product onto the passengers. The airport also sells services such as shops and car parks, usually through concessionaires, direct to the passengers, local residents and other customers.

In 21/22 the business unit sought to purchase a bigger generator to ensure uninterrupted power supply during load shedding and power disruptions. The business units also sought to install PIDS [perimeter intrusion detection system] throughout the parameter fence. This did not materialise as there was no capital allocation for this project.

MARKET

The Pietermaritzburg Fresh Produce Market operates through a system of market agents acting as the link between sellers and buyers. The main products traded are potatoes, onions, tomatoes, vegetables, bananas and fruit. The crucial variable determining the economic viability of the market is the volume of business, or the tonnage throughput.

Pietermaritzburg Fresh produce market is the facility management unit which makes it possible for agents to communicate with farmers across the country to send their produce in order to be sold. This arrangement is very much beneficial to Msunduzi as the municipality because it receive 5% commission for the sales made and also it is beneficial to uMgungundlovu as the district in terms of food security and also to informal business for fruit and vegetables.

The challenges that the unit is facing is that one of fuel hikes that are recently taking place which create a problem in term of price hikes which results on people being un able to buy produce.

In the 2021/22 year the market had a project to repair roof leaks and the target was met on time.

TOURISM

Programs to increase community awareness on employment and career advancement opportunities available within the Tourism industry

Advocating for development of new and existing tourism sites, products, services etc.

Creating a conducive Environment for tourism development – through entrepreneur development programs, Quality assurance programs etc. Licensing of establishments in accordance with National framework

Implement industry Capacity Building programmes

Encourage stakeholder participation in tourism planning and development of offering

Challenges

Insufficient Tourism Budget allocation for Tourism run Programmers.

Only activities not requiring funding were executed, other were executed in Partnership with the local Community Tourism Organization (CTO).

Successes

Imbali /Edendale Tourism sites audit in partnership with District Municipality and local CTO, EDITO

Project to repackage Edendale Imbali Tourism Route

Kwa Caluza Amakhosi / Traditional Council engagement with regards to community Tourism Awareness and upcoming Tourism Projects in the area.

- Supported the DluIsUmlando Project
- Successful execution of the All in African Walk led by the municipal Mayor
- Manaye Hall interior upkeep: painting and history banner display

TATHAM ART GALLERY

The Tatham Art Gallery is an Art Museum that serves the visual arts needs of people of KwaZulu-Natal generally and the Msunduzi municipal area in particular. Its core functions are collecting art works of suitable quality to grow the permanent collection; documenting and researching the collections in order to establish a database of relevant information for research purposes; caring for the permanent collection in order that it will be available for the benefit and enjoyment of future generations; displaying exhibitions of quality, based on art works in the permanent collection, and identifying quality exhibitions from further afield and presenting visual arts educational and outreach programmes based on the permanent collections and temporary exhibitions.

The Gallery's top service delivery priority is presenting regular art exhibitions of high quality. The target for 2021/22 was 12 exhibitions hence we were still under pandemic restrictions, the Gallery managed to meet its target by presenting temporary exhibitions this year.

The Education department at the Gallery focused on a teaching programme based on the temporary exhibitions and community awareness campaigns that display inclusivity. The Outreach programme during 2021/22 included art classes for youth who do not have access to art tuition at school. Recognition of important days in our national calendar. Visiting schools for expanding foot prints and recognising youth as part of our stakeholder.

SERVICE STATISTICS FOR ART GALLERY 21/22

Exhibitions- temporary	8
Exhibitions- permanent	4
Physical Walkabouts	1
Online Walkabouts	1
Films	0
Lectures	2
Workshops and Master Classes	3
Online workshops	4
Artist-in-residence programmes	0
Art Class	5
Artist Forum	3
School visits	25
Outreach Events	0
Concerts	3

FORESTRY

The municipality owns and manages the Pietermaritzburg Forestry. Msunduzi Municipality owns a forestry plantation. The extent of the plantation is 2130 hectares. The primary activities are:

- Silviculture - site preparation, mark and pitting, planting, blanking, chemical and manual weeding.
- Harvesting - felling, extraction, staking, loading, short and long hauling.
- Fire management - hoeing and burning of firebreaks, fire standby and firefighting.
- Conservation - chemical and manual weeding of open areas and areas of special interest.
- Road maintenance - Gravelling, grading and drainage.

In 2021/22 year, the department went through a competitive bidding process appoint a management company to oversee the primary activities and deliverables of the plantation. This award was made in March 2022. The business unit is still concluding the service level agreement.

SAFE CITY

Safe City Msunduzi NPC is an entity of the Msunduzi Municipality and its primary objective is to prevent and detect crime and bylaw infringements in camera surveillance areas under the jurisdiction of the Msunduzi Municipality, to encourage a crime free environment for the benefit of the Municipality's communities and to attract investors and assist to promote development, tourism and job creation.

Detection, Prevention or Apprehension and Conviction of persons responsible for criminal or bylaw infringements. In this regard we enjoy a healthy working relationship with the local South African Police Service (SAPS), National Prosecuting Authority (NPA) and Msunduzi Traffic Department. The SAPS has provided us with a rapid response motor bike unit which acts promptly on requests from our Control Room, whilst the NPA has provided us with a dedicated court where all footage relating to Safe City cases are displayed for prosecuting purposes. Safe City also facilitates the Joint Operational Centre (JOC) which is situated in the Disaster Board Room. The JOC monitors important events such as High Court cases, gatherings and protest actions. Another very important aspect of our services is the monitoring of eight primary electrical sub stations. As these sub stations performs as vital role in the economy of Msunduzi a dedicated work station has been created for the sole purpose of the monitoring and detection of possible vandalism or theft of electrical equipment acts from these sites. Since the start of monitoring these sites during 2016 no electrical site under surveillance has been out of commission due to theft or vandalism. In order to maintain this healthy interaction with our operational partners we have regular meetings with them whereby any shortcomings are identified and dealt with immediately. Such meetings are the SAPS Station Crime Combat Forum and the NPA monthly meetings.

The maintenance of our surveillance system is of paramount importance. For this purpose, Safe City is conducting in house repairs on all its CCTV cameras, recorders and fibre optic lines. As our system has been in operation 24/7 since January 2003 it is necessary to conduct scheduled maintenance work in order to ensure that all cameras are fully operational at all times. For this purpose, we have set a very high target which is that no less than 10% of all cameras may be off line at any given time. We have achieved and maintained a 99% operational capacity throughout 2021/22. In order to continue with our operational capacity, we carry spares to repair cameras and our technicians are suitably qualified to maintain the system.

CITY ENTITIES FINANCIAL INFORMATION

FINANCIAL PERFORMANCE 2021/2022: CITY ENTITIES					
R'000					
AIRPORT, GALLERY AND THEATRE, MARKET & TOURISM					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	(14 583)	(64 805)	(65 142)	(26 660)	(59)
Expenditure:					
Employees	17 711	19 198	19 298	20 306	5
Repairs and Maintenance	6 735	4 603	3 053	2 601	(15)
Other	18 887	53 361	51 185	57 543	12
Total Operational Expenditure	43 333	77 162	73 536	80 450	9
Net operational (Service) Expenditure	28 750	12 357	8 394	53 790	541

Variations are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: CITY ENTITIES					
R'000					
AIRPORT, GALLERY AND THEATRE, MARKET & TOURISM					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
ART:AH:NEW:COMPUTER EQUIPMENT	230	220	138	(37)	
ART:Z4:NEW:FURNITURE & EQUIPMENT	300	200	193	(4)	
LEVS:AH:NEW:MACHINERY & EQUIPM	785	1 124	597	(47)	
LEVS:AH:REFURBISHMNT PRESBYTERIAN CHURCH	1 100 000	1 100 000	949 601	(14)	
LEVS:AH:REFURBISHMT TAG EXTERIOR BUILDIN	1 000 000	1 000 000	994 807	(1)	
LEVS:Z4:BOX QUTTER REPAIR	500 000	500 000	433 792	(13)	
LEVS:Z4:NEW DEBI PLACE OFFICE BUILDING	500 000	300 000	295 455	(2)	
LEVS:Z4:NEW:NEW:TRANSPORT ASSETS	50 000	800 000	196 075	(75)	
PRVOT:Z4:NEW:MACHINERY & EQUIP	-	363 000	326 219	(10)	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
Variations are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENT ON THE PERFORMANCE OF CITY ENTITIES:

Projects planned for 21/21 were partially achieved.

The PIDS [Perimeter Intrusion Detection System] could not be installed due to nil capital funding allocated.

The Pietermaritzburg market manage to keep position 5 in overall standing when comparing with other 21 markets across the country.

The Fresh produce market is working closely with our local wholesalers and street vendors in order to keep them buying in our market, also we are working together with UMgungundlovu Development agency in order to assist small scale farmers with the alternative market.

The Tatham Art Gallery has met all their objectives for the 21.22 financial year. The ongoing issue of the roof repairs were also attended to in the 21/22 financial year including works commenced on the church. A manager has also been appointed on a full time basis.

The forest lagged behind on all the activities as there were no contracts in place. A competitive bidding process for the appointment of a 3-year management company was awarded in March 2022. The SLA is still being concluded. This has extensively compromised the quality of timber which directly contributes to increased risk exposure to runaway fires, forfeiture of our conservation membership and forestry insurance.

COMPONENT D: CORPORATE SERVICES BUSINESS UNIT

4. CORPORATE SERVICES

This component includes Legal Services, Secretariat & Auxiliary Services, and Information Communication Technology & Human Resources.

4.1 LEGAL SERVICES

Legal Services provides legal support to the Municipality in providing legal comments, opinions and advice to all Business Units. In addition, thereto, the unit undertakes the management of civil litigation in the High and Magistrates' Courts including interdicts and criminal prosecutions relating to the contravention of bylaws and other laws governing local governance. The unit is also responsible for the review, drafting and promulgation of new and existing bylaws, as well as providing input on policies. Labour relations related advice and representation is also provided.

Furthermore, the legal advisors sit on Bid Committees as ex officio members, are alternate Municipal Manager's Representatives at Full Council and Executive Committee, as well as various other forums established for the efficient operations in the Municipality.

THE 3 TOP SERVICE DELIVERY PRIORITIES ARE:

1. Bylaws
2. Legal representation for Civil Litigation, Labour and criminal litigation
3. Provision of legal advice, opinions and the review of contracts

EMPLOYEE INFORMATION

EMPLOYEE: LEGAL SERVICES					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	1	1	1	0	0
T04-T08	1	1	1	0	0
T09-T13	2	6	3	3	50
T14-T18	5	11	5	6	55
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	10	20	11	9	45

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and; funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

IMPACT:

- Four revenue related bylaws were reviewed, namely the Electricity Supply Bylaw, the Indigent Bylaw, the Tariff Bylaw and the Property Rates Bylaw, ahead of schedule.
- The unit achieved 100% legal representation in civil, labour and criminal matters.
- With regard to legal advice, comments and opinions our impact has been less than 100%, having achieved a score of 2 on the SDBIP. Our target was to provide legal advice opinions and comments within 10 days from receiving a request. Whilst all requests were met, some were provided outside the 10-day period due to the following:
 - Staffing Constraints and vacancies in the unit,
 - Disruption of operations due illnesses,
 - Other urgent priorities;
 - Work distribution not optimal;
 - Legal briefs not containing all relevant information.

MEASURES TAKEN TO IMPROVE PERFORMANCE AND MAJOR EFFICIENCIES:

1. The Standard Operating Procedures for accessing legal services were approved in July 2020 and have been in implementation since.
2. Improved the legal brief process to ensure all relevant information contained in brief.
3. Reviewed and improved work distribution.
4. Recruitment processes to fill vacant posts commenced.
5. Three panels of attorneys were appointed, in respect of Public Law, Labour Relations and Conveyancing.
6. Refreshed staff and service providers on the process for the payment of service providers.
7. Maintained compulsory meetings with the attorneys for monthly reports and issues relating to performance.

SERVICE STATISTICS FOR LEGAL SERVICES

1. The review of four Revenue related Bylaws was completed, ahead of the targeted date.
2. Achieved 100% legal representation on all civil labour and criminal matters.
3. No briefs for policies were received, but Legal Services reviewed the PAIA manual and drafted the Code of Conduct for POPIA on its own initiative.
4. Provided legal input and made recommendations on insurance claims against the municipality.
5. Reported on contingent liabilities, particularly the steady reduction of same, on a quarterly basis.
6. Reviewed fines were submitted to the Chief Magistrate for approval.

LEGAL SERVICES FINANCIAL INFORMATION

FINANCIAL PERFORMANCE 2021/2022: LEGAL SERVICES					
R'000					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-	(271)	(271)	-	(100)
Expenditure:					
Employees	8 904	13 090	13 090	8 308	(36.53)
Repairs and Maintenance	-	50	27	27	-
Other	4 406	2 645	5 874	2 127	(63.79)
Total Operational Expenditure	13 310	15 785	18 991	10 463	(44.91)
Net operational (Service) Expenditure	13 310	15 514	18 720	10 463	(44.11)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2020/2021: LEGAL SERVICES					
R'000					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All	-	18	16	(11.11)	
FURNITURE	-	18	16	(11.11)	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

BY-LAWS

The Property Rates Bylaws, Tariff Policy Bylaws, Indigent Bylaws and Electricity Supply Bylaws were reviewed, and public participation undertaken.

BY-LAWS INTRODUCED DURING 2021/22					
Newly Developed	Revised	Public Participation adopted prior to adoption of By-laws (Yes/No)	Dates of Public Participation	By-laws gazette (Yes/No)	Date of Publication
	Property Rates Bylaws	Yes	17 June 2022	No	N/A
	Tariff Policy Bylaws	Yes	17 June 2022	No	N/A
	Indigent Bylaws	Yes	17 June 2022	No	N/A
	Electricity Supply Bylaws	Yes	17 June 2022	No	N/A

Bylaw Review Project: The project seeks to address the longstanding list of Municipal Bylaws in order to bring them up to date. A call for submissions on the required amendments was made to business units. Pursuant to submissions received, as well as based on the consideration of other relevant factors, such as legislative changes and compliance requirements. The outcome was that revenue related Bylaws were prioritised. The Electricity Bylaws, Water Services Bylaws, Tariff Bylaws and Indigent Bylaws were reviewed, and public participation undertaken. In addition, the review of the Credit Control and Debt Collection Bylaws and Water Services Bylaws were review, but which review was only completed in July 2022. The review of for the 22/23 FY, Legal Services has committed to reviewing the Rules of Order Bylaws, Cemeteries and Crematoria, General Bylaws, Street Trading Bylaws, Public Health Bylaws. Limited capacity dictates that a limited number of bylaws is reviewed at a time, and the selection process is through consultation with management.

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL:

The SDBIP provides an indication of what has been achieved and the deficiencies. For the sake of brevity, same will not be repeated as the information is contained in the tables above.

Initially the target was to provide legal advice, opinions and comments within 10 days from receiving a request. Whilst all requests were met, some were provided outside the 10-day period due to the reasons stated above. For this reason, this target was amended to increase the number of days to 15 days, for it to be realistic and for consistency with other targets. Ultimately, this target together with the review/drafting of contracts, were not met, however performance was above 80%.

Consistent and competent legal representation was provided in respect of civil matters, labour relations matters and criminal prosecutions. These targets were met at 100%. No policies were recorded as reviewed in the FY, as no briefs were received from Business Units. However, Legal Services did initiate and complete the review of the Promotion of Access to Information Act Manual. Furthermore, Legal Services facilitated the Municipality's compliance with the Protection of Personal Information Act, by developing the roadmap towards compliance and drafting the POPIA Code of Conduct for the Municipality.

4.2 SECRETARIAT AND AUXILIARY SERVICES

INTRODUCTION TO SECRETARIAT & AUXILIARY SERVICES

The purpose of the Secretariat and Auxiliary Services Unit is to provide secretariat support, interpretation and translation, printing and registry services to the Municipality.

The top three service delivery priorities are:

- 1) Provision of secretariat support services: provision of secretariat support services to Council, its committees, administrative committees and community participation engagements (izimbizo) has been compromised by a high vacancy rate of Committee Officer and Language Practitioner positions. Some positions have been filled, some are in process of being filled and those that were not budgeted for are now funded in the 2022/2023 financial year. Also the process of digitization of the preparation of agenda process to improve efficiency is under way.
- 2) Provision of printing services: this service has been hampered by the breakdown of printing machines and other machinery that is old. The stitching and cutting machines have been budgeted for and the procurement processes are under way. The ICT will soon be undertaking the procurement of printing machines.
- 3) Archives, Registry and Information Services: this service has been having a challenge of in that the records/documents cannot be processed and stored electronically but only in paper form. The digitization process that is being put in place will also cater for an electronic document management and storage system.

EMPLOYEE INFORMATION

EMPLOYEE: SECRETARIAT & AUXILIARY SERVICES					
Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	-	4	1	3	75
T04-T08	7	10	7	3	30
T09-T13	32	42	31	11	26
T14-T18	2	3	3	-	-
T19-T22	-	-	-	-	-
T23-T25	-	-	-	-	-
Total	41	59	42	17	29

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

ORGANIZATIONAL UNITS WITHIN SECRETARIAT & AUXILIARY SERVICES

Secretariat Services

This Sub-Unit is responsible to render secretariat, translation and interpretation services to the meetings of Council, Council structures, administrative structures and community engagements. The secretariat services entail issuing out of notices and agendas as well as taking of minutes of meetings. It also includes translation of agendas and minutes and rendering of interpretation services to some of the meetings.

Printing Services

This Sub-Unit renders organization-wide printing services which entail high volume printing and binding of standard municipal documents and registers through lithographic and high speed copying.

Archives, Registry and Information

This Sub-Unit is responsible for the keeping of all records generated by the Municipality and those received from outside the Municipality in accordance with the Council's Records Management Policy, to archive the old and obsolete records and to distribute agendas for the meetings of Council and Council structures.

PORTFOLIO MEETING STATISTICS FOR THE 2021/2022 FY

SERVICE STATISTICS FOR COUNCIL & EXECUTIVE 2021 /2022			
NUMBER AND TYPE OF COUNCIL COMMITTEE MEETINGS:			
ITEM	NUMBER OF MEETINGS FOR THE 2021 2022 FY	NUMBER OF MEETINGS AT WHERE COMMITTEE OFFICER SERVICES WHERE PROVIDED	NUMBER OF MEETINGS AT WHERE TRANSLATION SERVICES WHERE PROVIDED
Full Council	17	17	14
Executive Committee	22	22	17
Corporate Services	8	8	8
Financial Services	11	11	11
Infrastructure Services	8	8	8
Community Services	6	6	6
Sustainable Development & City Enterprises Services	8	8	8
Municipal Public Accounts Committee	13	13	13

COMMENT ON THE PERFORMANCE OF SECRETARIAT & AUXILIARY SERVICES

The Unit experienced a high rate of vacancies. Some are now in process of being filled and those that were not budgeted for have now been budgeted for. Some of the capital projects like the purchase of recorders could not be done due to prolonged procurement processes. The purchase of the stitching and cutting machines did not take place since they are manufactured abroad and could not be dispatched on time. They are however provided for in the current financial year and the process for their procurement has commenced. The tracking of the implementation of Council and EXCO resolutions on a quarterly basis could not be done as per plan since there is no position for a person to perform this function. The Acting City Manager has been approached with a request for secondment of an employee to undertake this function.

4.3 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The top three service delivery priorities for human resources were;

- The development and review of job descriptions,
- The launching of the EAP unit getting
- The approval of reviewed HR policies which will give rise to an updated policy manual.

EMPLOYEE INFORMATION

EMPLOYEE: HUMAN RESOURCES SERVICES					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	1	6	1	5	83
T04-T08	36	58	33	25	43
T09-T13	33	58	36	22	38
T14-T18	5	11	9	2	18
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	76	134	80	54	40

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

JOB DESCRIPTIONS

During the 2021/2022 financial year, the Municipality undertook the process of job writing to the 2021 organogram that was approved by the City Manager and noted by the Municipal Council.

Due to the absence of a national collective agreement, SALGA resolved that job evaluation must be handled as a human resources process as opposed to a bargaining process. The Job Evaluation section with the human resources unit thus embarked on the job writing process from August 2021.

EMPLOYEE WELLNESS

The Employee Assistance Programme is a work-based programme designed to assist employees and councillors in identifying how to deal with personal, social and work related challenges that may have a negative effect on their job performance and well-being.

Implemented programmes include;

1. EAP COVID 19 PLANNED PROGRAMMES: Continuation.
During the pandemic from the beginning of 2020 till current EAP has provided free confidential counselling service to individuals who were overwhelmed by fear, stress and anxiety about COVID-19.
2. Employee Wellness Policy DRAFT: Approved by OD & Legal department has reviewed the policy.
3. EAP FRAMEWORK: completed.
It has been generated to underline guidelines and responsibilities of role-players towards preventing the psycho-social stress of its employees.
4. The EAP Framework English & IsiZulu version Booklet was generated and completed
5. EAP ADVISORY COMMITTEE NOMINATION Mandated BY EAPA-SA Standards 2002 was completed.
6. Bereavement/Grief & loss SOP was generated and it was submitted to OD for alignment.
7. Reconciliation SOP was generated and will be submitted to OD for alignment
8. EWP Policy has been reviewed by HRD
9. Financial Education
10. Financial training was workshopped for Electricity employees by December 2020.
11. EAP guideline was also presented to the Electricity employees
12. EAP Framework presentation to SAWMU Union
13. EAP Core functions & EAP Projects in October 2020
14. EAP Covid 19 Planned interventions were presented to SAWMU UNION in October 2020 and interventions are in continuation.

POLICY MANUAL:

The following policies were approved and included in a policy manual for ease of reference;

Acting Policy, Standby Policy & Procedure, Shift and Night Work Policy, Employment Equity Alcohol and Drug Abuse Policy, Smoking Policy, Career Path & Succession Planning Policy, Adult Education and Training (AET), External Bursary Policy, Internship Policy, Professional Membership, Recognition of Prior Learning (RPL), Training & Development Policy, Work Exposure Policy, Study Assistance Policy

4.4 ORGANISATIONAL DEVELOPMENT

INTRODUCTION ON ORGANISATIONAL DEVELOPMENT PERFORMANCE

ORGANISATIONAL DEVELOPMENT PERFORMANCE

HR Services Required by Line Management:

The HR Leadership Team listed the items below as HR needs commonly stated by internal clients:

- Competent staff
- Accurate statistics from HR: staff attendance data, overtime data, vacancy data
- Motivation of staff
- Skill gaps bridged where they exist in order to improve employee performance
- Correct remuneration - correct grading and salary bands
- Harmonization of the work environment
- Information to be available – more communication expected
- Recognition of high performers
- Policy compliance and consistent policy application
- Incentives to perform
- Benchmarking of information

Based on the feedback drawn from the HR Survey, a gap is obvious between what the employees expect and what the HR team presently delivers, and this mismatch appears to be the primary cause for the lack of confidence in HR.

The items above indicate a need for HR to address not only administrative needs, but also facilitate solutions spearheading thought leadership for attainment of meaningful organizational solutions.

EMPLOYEE TOTALS, TURNOVERS & VACANCIES

Description	EMPLOYEES				
	2020/2021	2021/2022			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Solid Waste Management Services	274	448	257	191	43
Landfill Site	21	30	20	10	33
Area Based Management	61	164	78	86	52
Public Safety Enforcement & Emergency Services	467	792	450	342	43
Recreation & Facilities	586	1 039	570	469	45
Human Resources Services	76	134	80	54	40
ICT Services	23	29	21	8	28
Legal Services	10	20	11	9	45
Secretariat & Auxiliary Services	41	59	42	17	29
Electricity	223	731	213	518	71
Water And Sanitation Services	299	618	285	333	54
Roads, Transportation And Stormwater	278	585	266	319	55
Mechanical Workshops	37	91	38	53	58
Human Settlements Services	50	70	51	19	27
City Entities	58	88	59	29	33
Development Services	23	34	24	10	29
Town Planning And Environmental Management	115	231	116	115	50
Assets & Liability Management	50	110	47	63	57
Supply Chain Management	55	81	66	15	19
Budget Planning Implementation & Monitoring	15	27	18	9	33
Expenditure Management	32	43	31	12	28
Finance Governance & Performance	13	23	18	5	22
Revenue Management	266	345	258	87	25
Internal Audit	13	22	10	12	55
Office Of The City Manager	39	63	49	14	22
Political Support	102	104	81	23	22
Strategic Planning	12	42	13	29	69
Totals	3 239	6 023	3 172	2 851	47
Other	5	16	10	6	31
Totals:	3 244	6 039	3 176	2 857	47

VACANCY RATE 2021/2022			
Designations	*Total approved posts No.	Vacancies (Total time that vacancies exist using full-time equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	1	100
CFO	1	0	0
Other S57 Managers (Excl. Finance Posts)	4	0	0
Other S57 Managers (Finance Posts)	0	0	0

VACANCY RATE 2021/2022

Designations	*Total approved posts No.	Vacancies (Total time that vacancies exist using full-time equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Traffic Officers	85	20	24
Fire Fighters	139	73	53
Senior Managers: Levels DU (excl. Finance Posts)	58	18	31
Senior Managers: Levels DU (Finance Posts)	9	3	33
Highly skilled supervision: Levels D1 – D3 (excl. Finance)	208	104	50
Highly skilled supervision: Levels D1 – D3 (Finance Posts)	30	12	40
TOTAL:	535	231	43

TURN-OVER RATE

Details	Total appointments as of the beginning of financial year No.	Terminations during the financial year No.	Turn-over rate* %
2019/2020	190	233	10
2020/2021	22	177	5.4
2021/2022	108	120	3.7

COMMENT ON VACANCIES AND TURNOVER:

The General Manager's: Community and Infrastructure Services posts were filled in the 2021/2022 Financial Year. City Managers post was vacated in April 2022.

The 2013 structure, implemented in June 2015 has a higher post compliment which further translated into a higher vacancy rate and while the Human Resources Unit has embarked on a concerted recruitment drive the Organization is still challenged by a relative high staff turn-over.

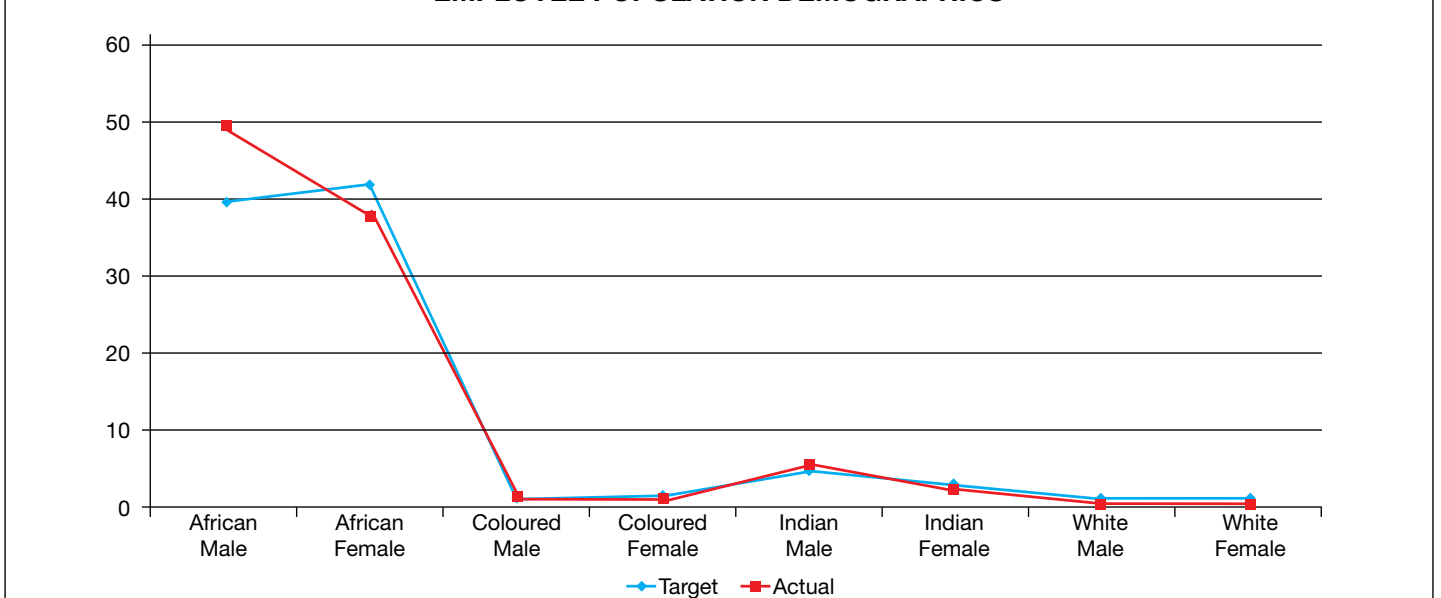
MANAGING THE MUNICIPAL WORKFORCE**INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE**

An assessment of workforce requirements for the current and future organisation needs is to be periodically conducted, balancing stability of the approved organisational structure and changing demand and supply dynamics.

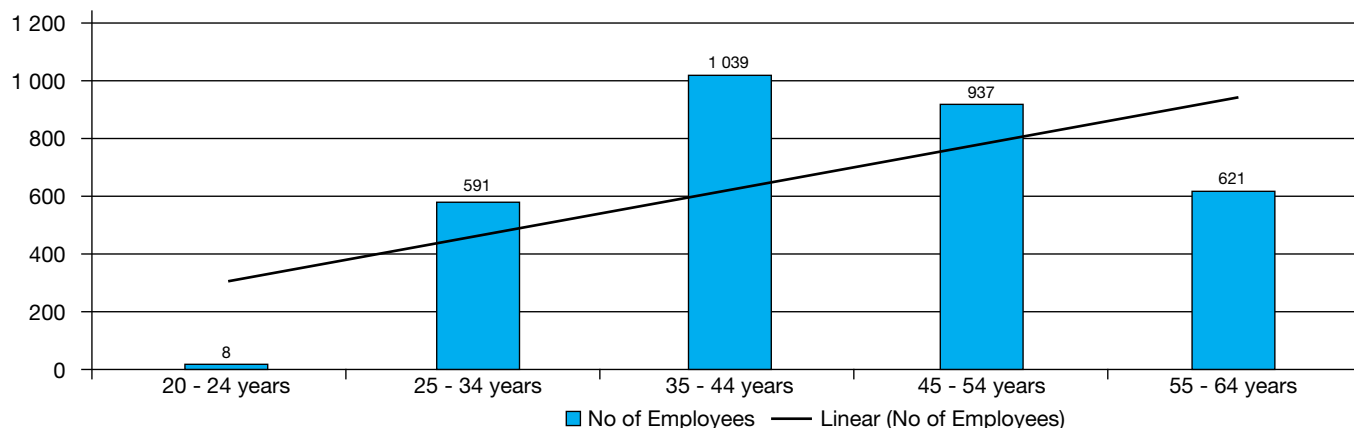
There is an urgent need for Msunduzi Management and HR senior management to give attention to attraction of younger recruits in order to bolster the talent pipeline which is presently very weak. Should nothing be done in this regard, the organization will face the risk of business continuity and loss of institutional knowledge as older employees retire. Specific recruitment targets and conscious interventions aimed at turning the age distribution curve around are considered as essential and urgent.

The Municipality pursues the equitable representation of designated groups in all occupational categories and levels in the workforce and actively supports an organizational culture and climate based on diversity, equality, mutual respect and dignity for all.

Currently in the organization, African males are over represented at lower Occupational levels (A Grade) while other demographic groups are minimally or not represented at all. People with disabilities are critically under-represented. Of a workforce of 3176 permanent employees, the municipality has facilitated the formal declaration of only two employees with disabilities.

EMPLOYEE POPULATION DEMOGRAPHICS

EMPLOYEE DISTRIBUTION: AGE GROUP



MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE

Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

Delete Directive note once comment is complete – Discuss the range and emphasis of workforce management at your municipality and briefly mention progress made with the development of workforce policies and management practices during the year.

T4.2.0

POLICIES 21/22 FINANCIAL YEAR

	Name of Policy	Completed %	Date adopted by council
1	Acting Policy	100%	2021/22
2	Standby Policy & Procedure	100%	2021/22
3	Shift and Night Work Policy	100%	2021/22
4	Employment Equity	100%	2021/22
5	Alcohol and Drug Abuse Policy	100%	2021/22
6	Smoking Policy	100%	2021/22
7	Career Path & Succession Planning Policy	100%	2021/22
8	Adult Education and Training (AET)	100%	2021/22
9	External Bursary Policy	100%	2021/22
10	Internship Policy	100%	2021/22
11	Professional Membership	100%	2021/22
12	Recognition of Prior Learning (RPL)	100%	2021/22
13	Training & Development Policy	100%	2021/22
14	Work Exposure Policy	100%	2021/22
15	Study Assistance Policy	100%	2021/22

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Policies for 21 22 have been compiled into a manual, easy for reference. The following policies have been reviewed in alignment with the Municipal Staff Regulations (Recruitment selection and appointment, Training and development, Change management, Induction, TASK Job description, Staff establishment). Human Resources has also reviewed the overtime policy in line with the BCEA.

INJURIES, SICKNESS AND SUSPENSIONS

NUMBER AND COST OF INJURIES ON DUTY					
Type of Injury	Injury Leave taken Days	Employees using injury leave No.	Employees using sick leave No.	*Average sick leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	-	-	-	-	-
Temporary total disablement	166	38	-	13	1 752 856.31
Permanent Disablement	-	-	-	-	-
Fatal	-	-	-	-	-
TOTAL					

Temporary Total DISABLEMENT	
MONTHS	TOTAL AMOUNT PAID FOR MEDICAL EXPENSES
JULY 2021	R354 060.34
AUGUST 2021	-

Temporary Total DISABLEMENT	
MONTHS	TOTAL AMOUNT PAID FOR MEDICAL EXPENSES
SEPTEMBER 2021	R526 056.31
OCTOBER 2021	R46 195.25
NOVEMBER 2021	R0.00
DECEMBER 2021	R120 991.87
JANUARY 2022	-
FEBRUARY 2022	-
MARCH 2022	R111 762.05
APRIL 2022	R228 444.15
MAY 2022	-
JUNE 2022	R365 346.34
TOTAL	R1 752 856.31

NUMBER OF DAYS AND COST OF SICK LEAVE (EXCL. INJURIES ON DUTY)						
Designations	Total Sick Leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post* No.	Average sick leave per employees Days	Estimated Cost R'000
T01-T03	1 088	695	399	1 177	2.73	1 379 320
T04-T08	989	576	298	1 058	3.32	2 007 599
T09-T13	904	549	351	788	2.58	3 501 583
T14-T18	209	117	72	145	2.90	1 672 647
T19-T22	43	26	11	23	3.91	737 116.6
T23-T25	2	2	1	5	2.00	21 754.22
TOTAL	3 232	1 965	1 132	3 196	2.86	9 320 019

COMMENT ON INJURY AND SICK LEAVE:

A total of 38 employees were injured and cumulatively 166 injury leave days were taken.

All employees that are injured on duty are assessed by the Medical Practitioners and Occupational Health Practitioners. Sick leave is given to the injured employees by a Medical Practitioner and the leave is monitored based on the nature of injury, by the Occupational Health Practitioners. The Municipality strives to ensure that the injured employees are given the necessary medical care so that the injured can return to work timeously.

The Occupational Safety Unit core function is to develop, monitor and implement health and safety systems and procedures within the Municipality. This monitoring and reporting is undertaken to ensure compliance with the occupational Health and Safety Act. In order to ensure compliance to the Act, an operational plan was developed in accordance to the SDBIP to conduct occupational health and safety workshops. A total of 6 workshops were held in the various Business Units, to ensure that personnel understand their roles and responsibilities in relation to compliance to health and safety and to reduce injuries.

NUMBER AND PERIOD OF SUSPENSIONS			
Position	Allegation	Date Suspended	Suspension Uplifted
Senior Groundsman	Assault and Verbal Abuse	Suspended 31.07.2020	27.09.2021
General Assistant	Malicious damage to the Employers property	Suspended 29.05.2021	23.08.2021
General Assistant	Direct connection (Electricity Meter)	Suspended 10.06.2021	26.08.2021
Senior Clerk	Fraud and corruption	Suspended 20.08.2021	30.11.2021
Artisan (Welder)	Unauthorised use of Municipal vehicle	Suspended 12.08.2021	23.09.2021
Manager (Administration)	Olympus Enterprises account	Suspended 10.12.2021	10.01.2022
Administration Officer	Standby Fraud	Suspended 09.03.2022	Resigned 30.04.2022

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

In the 2021/2022 financial year, no suspensions extended beyond the 6 months' threshold for wasteful expenditure. The cost of the man hours lost due to suspensions for 2021/2022 amounts to R464,856.56.

PERFORMANCE REWARDS

The Municipality has implemented Performance Management to level 3 within the organization it is not currently linked to reward.

Performance management is currently not being cascaded to the employees beyond the third level of management.

PERFORMANCE REWARD BY GENDER					
Designation	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 20011/12 R'000s	Proportion of beneficiaries within group %
Lower Skilled (Levels 1-2)	Female	-	-	-	-
	Male	-	-	-	-
Skilled (Levels 3-5)	Female	-	-	-	-
	Male	-	-	-	-
Highly skilled production (Levels 6-8)	Female	-	-	-	-
	Male	-	-	-	-

PERFORMANCE REWARD BY GENDER

Designation	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 20011/12 R'000s	Proportion of beneficiaries within group %
Highly skilled supervision (Levels 9-12)	Female	-	-	-	-
	Male	-	-	-	-
Senior Management (Levels 13-15)	Female	8	-	-	-
	Male	16	-	-	-
MM and S57	Female	2	-	-	-
	Male	3	-	-	-
Total:		29	-	-	-

THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Note: MSA 2000 S68(1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

During the 2021/2022 Financial Year the Skills Development reviewed 8 of its policies which were approved by the Full Council on the 04 October 2021. These policies have a direct bearing on the various Skills Development interventions that the Unit has on offer to Councillors, Employees and Community Members. The policies are;

- Training and Development Policy
- Adult Education and Training Policy
- Recognition of Prior Learning
- Internship Policy
- Work Exposure Policies
- Professional Membership Policy
- Study Assistance Policy
- External Bursary Policy

During the 2021 / 2022 Financial Year only 243 Employees were trained based on the 2021/2022 Workplace Skills Plan (WSP) due to the delay in the appointment of the Panel of Training Providers. The appointment process was delayed which impacted on the implementation of the training for Employees based on the 2021/2022 WSP. A number of LGSETA Discretionary Grant funded skills development interventions could not be implemented due to this and the funding was lost. One of the criteria used by the LGSETA is to use the accredited panel of providers that the Municipality has appointed to implement skills development interventions as they no longer appoint training providers.

In November 2021 MISA opened a window for the recognition of prior learning opportunities for employees within the Msunduzi Municipality. The Skills Development Unit submitted 55 applications to MISA from interested Candidates from the Electrical, Bricklaying and Plumbing trades. A total of 33 candidates were selected to undergo the initial assessment in May and June 2022.

During the 2021/2022 Financial year the newly elected Councillors were trained through SALGA and COGTA. The National School of Government, SALGA and COGTA have provided funded training opportunities for the Councillors and Employees of the Msunduzi Municipality.

SKILLS DEVELOPMENT & TRAINING

SKILLS MATRIX											
Management Level	Gender	Employees in post as at 30 June 2022 No.	Number of skilled employees required and actual as at 30 June 2022								
			Learnerships			Skills programmes and other short courses			Other forms of training		
			Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2120 FY)	Target 2022 (2021/2022 FY)	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2120 FY)	Target 2022 (2021/2022 FY)	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2120 FY)	Target 2022 (2021/2022 FY)
MM and S57	Female		-	-	-	-	-	-	-	-	-
	Male		-	-	-	-	-	-	-	-	-
Councillors, Senior Officials & managers	Female		-	-	5	13	17	7	-	-	-
	Male		-	-	5	19	32	20	-	-	-
Technicians and associate professionals	Female		-	-	-	6	5	39	-	-	-
	Male		-	-	-	5	4	38	-	-	-
Professionals	Female		-	-	-	29	25	9	-	-	-
	Male		-	-	-	63	55	12	-	-	-
Sub-totals	Female		-	-	5	48	47	55	-	-	-
	Male		-	-	5	87	91	70	-	-	-
Totals			-	-	10	135	138	125	-	-	-

FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT*

Description	A Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total A and B	Consolidated; Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: total number of officials whose performance agreements comply with regulation 16 (Regulation 14(4)(f))	Consolidated: Total Number of officials that meet the prescribed competency levels (Regulation 14(4)(e))
Financial Officials	378	2	380	-	-	42
Accounting Officer	1	1	2	2	1	2
Chief Financial Officer	1	-	1	1	1	1
Senior Managers	4	-	4	3	4	3
Any other financial officials	-	-	-	-	-	-
Supply Chain Management Officials	61	-	61	1	-	1
Heads of supply chain management units	3	-	3	2	3	1
Supply chain management senior managers	1	-	1	1	1	1
TOTAL	449	3	452	10	10	51

This is a statutory report under the national treasury: LG MFMA Regulations

SKILLS DEVELOPMENT EXPENDITURE
'000

Management Level	Gender	Employees as at the beginning of the year No.	Number of skilled employees required and actual as at 30 June 2022								
			Learnerships		Skills programmes and other short courses		Other forms of training		Total		
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	
MM and S57	Female		-	-	-	-	-	-	-	-	-
	Male		-	-	-	-	-	-	-	-	-
legislators, Senior Officials & managers	Female		-	-	-	-	-	-	-	-	-
	Male		-	-	-	-	-	-	-	-	-
Professionals	Female		-	-	-	-	-	-	-	-	-
	Male		-	-	-	-	-	-	-	-	-
Technicians and associate professionals	Female		-	-	R3 071	R3 071	-	-	R3 071	R3 071	
	Male		-	-	R13306	R13306	-	-	R13 306	R13 306	
Clerks	Female		-	-	-	-	-	-	-	-	
	Male		-	-	-	-	-	-	-	-	
Service and sales workers	Female		-	-	R11822	R11822	-	-	R11 822	R11 822	
	Male		-	-	R18915	R18915	-	-	R18 915	R18 915	
Plant and machine operators & assemblers	Female		-	-	R6 150	R6 150	-	-	R6 150	R6 150	
	Male		-	-	R4 100	R4 100	-	-	R4 100	R4 100	
Elementary occupations	Female		R312 000	R312 000	-	-	-	-	R312 000	R312 000	
	Male		R168 000	R168 000	-	-	-	-	R168 000	R168 000	
Sub-totals	Female		R312 000	R312 000	-	-	-	-	R312 000	R312 000	
	Male		R168 000	R168 000	-	-	-	-	R168 000	R168 000	
Totals			R480 000	R480 000	R57 364	R57 364	-	-	R537 364	R537 364	

*% AND *R VALUE OF MUNICIPAL SALARIES (ORIGINAL BUDGET) ALLOCATED FOR WORKPLACE SKILLS PLAN

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The Skills Development Unit has submitted the 2021/2022 Workplace Skills Plan(WSP) and the 2020/2021 Annual Training Report to the LGSETA on the 30 April 2021. During the 2021 2022 Financial year the Skills Development Unit facilitated the implementation of the 2021/2022 WSP and 243 Employees were trained. Over the past few years the training budget budgeted by the Units have decreased which impacts on the implementation of training. Business Units are failing to undertake training needs identification and failing to budget for staff development within their various Business Units.

During the 2021 2022 Financial Year 4 Officials and 6 Interns attended a MFMA Training Programme funded through the Municipal Finance Management Grant. In total, the Msunduzi Municipality has trained 113 individuals in the MFMA Competency Regulations since the implementation of the National Treasury Regulations. The funding for the training has been from the Msunduzi Municipality, LGSETA Discretionary grant funding and the National Treasury Municipal Finance Management Grant.

The Skills Development Unit has submitted the Workplace Skills Plan for the 2022/2023 FY and the 2021/2022 Annual Training Report to the LGSETA on the 30 April 2022.

INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality has made a concerted effort to manage workforce expenditure by improving the management and control of overtime.

This included the centralisation of the processing of leave and overtime to ensure conformity, and the introduction of standardised pre-approval and overtime claim forms to address such issues as the necessity for work to be carried out after hours, verification that the time claimed was justified in relation to the work done, location of work, vehicle usage, compliance with policy and availability of funding amongst others.

The overtime policy and procedures are also being reviewed to improve the management and control of overtime. HRM ensures that the posts that are advertised are budgeted for with Budget and treasury confirming this. An overtime analysis report is also submitted to the Strategic Management Committee and Council structures who play an oversight Role and ensure that respective General Managers are accountable if there has been excessive spending

EMPLOYEE EXPENDITURE

In the 2021/2022 Financial Year no employee's salaries were increased due to their positions being upgraded.

NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED 2021/2022

Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	
	Male	
Skilled (Levels 3-5)	Female	
	Male	
Highly skilled production (Levels 6-8)	Female	
	Male	
Highly skilled production (Levels 9-12)	Female	
	Male	
Senior management (Levels 13-16)	Female	
	Male	
MM and S57	Female	
	Male	

FINANCIAL INFORMATION HUMAN RESOURCES

HUMAN RESOURCES

FINANCIAL PERFORMANCE 2021/2022: HUMAN RESOURCES SERVICES R'000

Details	20/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	(1 967)	(2 305)	(2 305)	(1 300)	(44)
Expenditure:					
Employees	48 042	47 892	47 888	48 445	1.16
Repairs and Maintenance	12	150	97	53	(45.36)
Other	22 126	26 097	24 588	22 515	(8.43)
Total Operational Expenditure	70 180	74 139	72 573	71 013	(2.15)
Net operational (Service) Expenditure	68 213	71 834	70 268	69 713	(0.79)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: HUMAN RESOURCES SERVICES R'000

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All	470	485	389	(19.79)	
OCCUPATIONAL HEALTH - 5 X LAPTOPS	125	133	110	(17.29)	
PERSONNEL - FURNITURE	109	110	107	(2.73)	
PERSONNEL – 5X RECORDER	7	7	3	(5.71)	
EMPLOYEE RELATIONS – 1 X LAPTOP	22	18	16	(11.11)	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION

Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Accountant	4	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Accounts Officer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administration Officer	5	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administrator	3	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Advisor	2	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Archives, Registry & Information Manage	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Area Manager	3	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Artisan	24	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Benefits Administrator	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Building Inspector	4	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Business Analyst	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Cable Layer	1	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
CAD / GIS Operator	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Call Centre Agent	3	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Caretaker	4	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Caretaker (Halls)	2	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Cashier	13	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Administration Officer	2	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Building Inspector	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Co-ordinator (Education & Training)	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Legal Advisor	1	T17	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Cleansing Officer	2	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Clerk of Works	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Committee Officer	9	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Community Development Facilitator	5	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Conservation Supervisor	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Control Officer	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Co-ordinator	3	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Crematoria Operators	2	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Data Base Support Officer	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Data Capturer	2	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Desktop Publisher	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Desktop Support Technician	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
District Horticulturalist	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
District Horticulturist	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Driver	6	T04	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Driver / Supervisor	5	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
EAP Practitioner	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
ECC Controller	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Economist	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Education Officer (Art)	2	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Education, Development & Training Pract	4	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Exit Controller	2	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Facilitator (Ward Strategy)	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Field Hygiene Worker	6	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION

Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Financial Controller	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Financial Manager	2	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Fire Fighter	21	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Foreman	3	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
General Assistant	452	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
GIS Operator	2	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Handyman	3	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Heavy Plant Operator	1	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
High Speed Copier Operator	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
HIV / AIDS Counsellor & Trainer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Human Resources Manager	2	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Human Resources Officer	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Hydrant Maintenance Inspector	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
ICT Projects Administrator	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
ICT Support Officer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Inspector	6	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Installation Inspector	2	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Interpreter / Translator	6	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Landfill Officer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Liaison Officer (Informal Settlements)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Librarian	12	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Library Assistant	30	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Licensing Inspector	3	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager	4	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager	6	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager	4	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Petrol Attendant	3	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Pool Supervisors	2	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Administration Officer	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk	16	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Printing Assistant	1	T04	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Project Co-ordinator	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Project Manager (Implementation)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Public Works Manager	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Receptionist	3	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Revenue Clearance Officer	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Secretary	15	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Security Officers	67	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Admin Officer (Beneficiary)	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Administration Officer	3	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Auditor	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Clerk	77	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Contracts Officer	4	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Co-ordinator (Batho Pele)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Engineer	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Fleet Controller	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Groundsman	1	T08	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Librarian	7	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Library Assistant	15	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Manager (Secretariat & Auxiliary)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Technical Town Planner	4	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Technician	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Technologist (Project Implementation)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Serviceman	2	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Signs Inspector	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Social Worker	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Storekeeper	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Supervisor	2	T08	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Survey Technician	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Systems & Remunerations Officer	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Team Leader	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Technical Officer (Art)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Technician	12	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Telephonist	3	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Tractor Driver	12	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Traffic Officer	27	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Traffic Warden	4	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Truck Driver	2	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Tyre Fitter	1	T04	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Valuer	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
VIP Protector	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Ward Profiler	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Water Services Authority Manager	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS

BUSINESS UNIT	POST TITLE	COMMENTS
Budget & Treasury Office	UN_Finance Support Manager	Employee unallocated to approved structure – Close match not identified
Budget & Treasury Office	UN_Principal Clerk	Employee unallocated to approved structure – Close match not identified
Community Services	UN_Project Manager	Employee unallocated to approved structure – Close match not identified
Community Services	UN_Senior Library Assistant	Employee unallocated to approved structure – Close match not identified
Community Services	UN_Senior Manager: Waste	Employee unallocated to approved structure – Close match not identified
Corporate Services	UN_Personnel Manager	Employee unallocated to approved structure – Close match not identified
Infrastructure Services	UN_Clerk 1	Employee unallocated to approved structure – Close match not identified
Infrastructure Services	UN_Clerk 1	Employee unallocated to approved structure – Close match not identified
Infrastructure Services	UN_Clerk 2	Employee unallocated to approved structure – Close match not identified

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

The approval of the 2013 Structure saw the allocation of employees from the 2004 structure with perceived grades, to the approved task grades aligned to a written Job Description - Where offers of allocation were accepted and are at a lower level, the allocation will be done on Personal to Holder until the post is filled by a new incumbent.

Deficiencies in the current Job Descriptions are currently under review and it is anticipated that this exercise will narrow the gap of perceived and actual. The allocation of the employees was done by matching the job content/requirement of the post per the structure with the skills/competencies, qualifications, experience of the employees, omissions on the new structure, coupled with the provision that an employee may not be allocated into a higher level post without the post having being duly advertised, resulted in 9 employees remaining unallocated to the 2013 structure. Structure Review has commenced into the 21/22 financial year.

4.5 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Msunduzi ICT department's vision is "Supporting service delivery excellence through the provision and maintenance of state-of-the-art ICT systems and infrastructure".

During the 2021/22 financial year, ICT business unit focused on the ICT Governance related functions. This saw the unit developing a new ICT Strategy and Governance Framework, which will guide Msunduzi ICT department for the next 3 years. The two important Strategy plans documents will see ICT unit focusing on enabling the effective operation of critical business operations through the provision of business applications and provide the robust ICT infrastructure which will form the basis of service delivery.

ICT unit also revived the Risk Management function and at least two risk management workshops were held during the 2021/22 financial year which assisted in updating the ICT risk management register.

The two main critical ICT risks are related to ageing ICT infrastructure and lack of or limited ICT funding. Although ICT received R5 million capital injection at the beginning of March 2022 during the midterm process, this is not enough to deal with the long list of old and legacy hardware infrastructure that is long overdue for replacement.

EMPLOYEE INFORMATION

Job Level	EMPLOYEE: ICT SERVICES				
	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	0	0	0	0	0
T04-T08	1	1	1	0	0
T09-T13	18	22	17	5	23
T14-T18	3	5	2	3	60
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	23	29	21	8	28

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

ORGANIZATIONAL UNITS WITHIN INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT INFRASTRUCTURE

Information technology (IT) infrastructure is critical to maintaining and improving the overall employee performance and productivity in the organisation. A strong network of IT infrastructure components, such as hardware, software, and data storage, makes business operations run better and faster. A weak one, on the other hand, slows down work processes or leads to inefficiency.

With more organisations becoming increasingly digital, the need for strong IT infrastructure management has become critical in providing a coherent IT infrastructure.

5 Components of IT Infrastructure

1

Hardware

The physical components that can be touched. Some examples are computers, laptops, servers and storage devices.

2

Software

A set of instructions that enables hardware devices to function. Software is of two types: system software and application software.

3

Network

Network is a combination of hardware and software and allows communication between users, apps and work processes.

4

Data center

Data center is a physical or virtual space used to store, analyse and manage business information and application.

5

Remote connectivity

Remote connectivity tools help virtually connect, share and manage IT assets and resources in a digital workspace.

The unit is responsible for upholding standards relating to all aspects of the Service desk, User Support, Datacenters, Server, Storage, PABX, Networks and Technology Architecture.

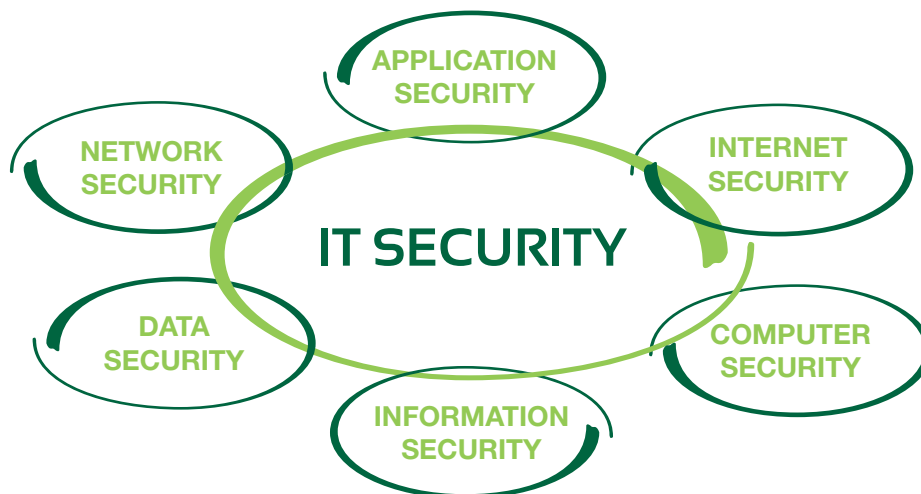
During this financial year, the unit delivered on two priorities;

Fibre connectivity: Two critical sites (Traffic and Galloway buildings), fibre secondary links were commissioned and connected to high-speed for redundancy purposes.

The current Alcatel PABX Telephony system, the Management and monitoring Rampage software have been successfully upgraded during May 2022. The upgrade has added and extended the systems capabilities in terms of functionality and adding more capacity.

ICT SECURITY

The ICT Governance and Security manager will be responsible for all ICT governance and development of cybersecurity strategies that prevents unauthorized access to organizational assets such as computers, networks, and data. Also maintains the integrity and confidentiality of sensitive information, blocking the access of sophisticated hackers. This function will also ensure that audit findings will be addressed timeously. Functional areas:

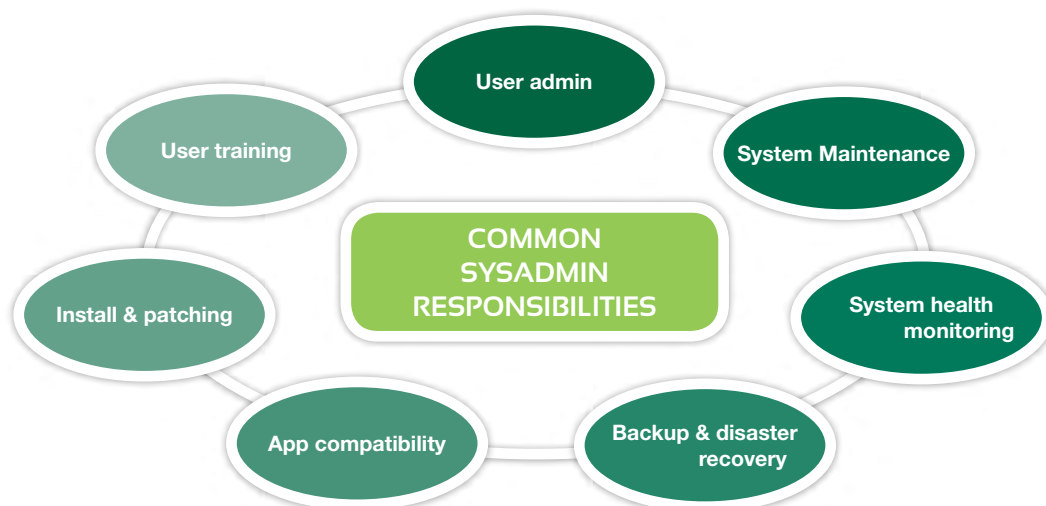


One of the challenges within ICT is in that the position of Security Manager remain unfilled and vacant, however, it was advertised internally and no suitable candidate was appointed. Recommendations were made to HR to also advertise externally. Short listing and interviews for the vacant position of the ICT Security Officer were conducted internally and recommendation for the suitable candidate forwarded to HR. Network tender was evaluation by SCM and awarded.

Procurement and delivery of four new Firewall equipment (SOPHOS XGS 4500 Security Appliance with integrated WEB Filtering) was concluded by June 2022. The equipment will assist in phasing the current outdated Firewall Technology.

SYSTEM ADMINISTRATION

This function focuses on maintaining and administrating various systems, as well as providing first line support for these systems. The average server uptime is greater than 90% for the period 01 July 2021 to 30 June 2022. The day-to-day administering of the IT systems are mainly used by ICT staff to keep the ICT system landscape operating at a premium. Most of the ICT operational work as depicted below falls within this unit.



PROJECT MANAGEMENT

This function ensures that all ICT projects are managed in a structured fashion using a chosen methodology. Priority ICT projects are driven by this unit. During this 2021/22 financial year, the following projects were registered

1. Automation of all Msunduzi committee agenda meetings
2. Conversion of manual forms into electronic forms and workflows
3. Upgrading of PABX Telephony System

The first two projects were not completed due to various issues encountered during implementation. These projects have been moved over to the next financial year.

The current Alcatex PABX system and Management and monitoring Rampage software have been successfully upgraded during May 2022. The upgrade has added and extended the systems capabilities in terms of functionality and adding more capacity.

BUSINESS OPTIMIZATION

The Business Optimisation section together with the respective Business Units has facilitated and achieved signed Business System SLAs for the following systems:

1. SCADA-Water System
2. SCADA- Electricity System
3. FRESHMARK Market System
4. PETROPORT Fuel Management System
5. METGOVIS Rates/Evaluation System
6. Traffic Contravention System

Due various technology dependencies and challenges, the following KPA's were not achieved but is ongoing in the 2022/2023 financial year:

1. Manual forms Automation

Msunduzi Website Re-Development

SERVICE STATISTICS FOR ICT SERVICES

ASSIGNEE SUMMARY REPORT

Group Name	Assignee	Logged	Open	Resolved	Closed	Average Resolve (Days)
External Vendor	Bytes Communication Systems	107	10	97	-	38,14
	Fujitsu	1	-	1	-	20
	SBD MFPs	468	6	462	-	14,98
	Telkom	9	-	9	-	55,67
	Total	585	16	569	-	19,85

Group Name	Assignee	Logged	Open	Resolved	Closed	Average Resolve (Days)
Internal	Andrew Odell	214	26	188	0	46,68
	Devlin Naidoo	9	-	9	-	38,11
	ICT Loans	2	2	-	-	101
	Lumumba Jijana	213	7	206	-	20,79
	Mbulelo Mbedu	137	3	134	-	13,99
	Nazareth Shelembe	350	4	346	-	10,16
	Nkosinathi Dube	636	22	614	-	15,12
	Nompilo Mthimkhulu	363	5	358	-	4,66
	Nontobeko Sithole	32	-	32	-	4,78
	Nothando Mshengu	129	-	129	-	2,33
	Philile Sibiya	86	-	86	-	3
	Sibusiso Ndelela	92	4	88	-	15,67
	Siphehile Madlala	58	2	56	-	31,36
	Siyabonga Dlamini	282	5	277	-	9,18
	Zinhle Mncwabe	3	-	3	-	34,33
Total		2 606	80	2 526	-	14,74
Interns	Andiswa Sithole	177	8	169	-	14,68
	Daryl Naidoo	111	1	110	-	5,4
	Dashni Pillay	161	3	158	-	9,6
	gugu Madlala	283	10	273	-	13,1
	Khumbulani	126	3	123	-	12,6
	LindokuhleM	436	16	420	-	4,95
	Londeka Msomi	1	-	1	-	3
	Mondli Shoba	61	5	56	-	22,72
	NickeelB	337	12	325	-	8,98
	Nokwazi Kheswa	539	6	533	-	2
	Nomakhwezi	180	4	176	-	2,81
	Nomathemba	307	22	285	-	17,36
	Sibonelo	396	20	376	-	24,41
	Sindisiwe	177	7	170	-	10,68
	Thandiwe	59	4	55	-	25,14
	Zaahid Essop	19	-	19	-	0,16
	Total		3 370	121	3 249	-

CALLTYPE & CATEGORY SUMMARY REPORT

Call type	Category	Sub Category	Logged	Open	Solved	Closed	Average Resolve (Days)
Hardware	Hardware Fault	Desktop	307	1	306	-	7,69
		Device not turning on	28	1	27	-	9,93
		HDD	1	-	1	-	0,00
		Keyboard	11	-	11	-	1,36
		Laptop	182	2	180	-	6,46
		Mouse	10	-	10	-	1,00
		Power Supply	3	-	3	-	14,00
		Printer	987	8	979	-	10,43
		Projector	18	-	18	-	14,83
		Ram	4	-	4	-	2,50
		Scanner	11	-	11	-	14,09
		Screen	41	-	41	-	2,56
		Speaker	4	-	4	-	0,75
	Hardware Request	Assist with PC movement	2	-	2	-	2,00
		Change Computer Name	13	-	13	-	3,85
		Set printer code	8	-	8	-	1,50
Setup PC		179	2	177	-	11,31	
Setup Printer		69	2	67	-	14,51	
	Transfer Data	65	-	65	-	13,03	
Internet/Intranet	Internet / Intranet Down	Primary Internet link	1	-	1	-	1,00
	Internet / Intranet Faults	Browser	11	-	11	-	1,45
		Proxy Settings	2	-	2	-	5,00
		Slow Internet Response	7	-	7	-	5,71
	Internet / Intranet Requests	Download data	2	-	2	-	4,50
		Drop box	1	-	1	-	10,00
		Unblock Site	1	-	1	-	13,00
Upload data		128	-	128	-	13,16	

Call type	Category	Sub Category	Logged	Open	Solved	Closed	Average Resolve (Days)
Network	Drive Mapping	Add	63	-	63	-	4,73
		Remove	1	-	1	-	4,00
	Fibre	Repair	1	-	1	-	11,00
		Network Cable	Add	24	-	24	-
	Network Connectivity	Move	2	-	2	-	1,50
		Remove	2	-	2	-	0,50
		IP Conflict	22	-	22	-	5,50
		No Network	16	-	16	-	3,44
		Out of Domain	79	1	78	-	5,39
	Network Fault	Set Static IP	24	2	22	-	31,75
		Slow Network Response	241	3	238	-	7,19
		Dignet	13	1	12	-	59,15
		Fibre	6	-	6	-	12,00
		LAN	91	-	91	-	6,52
		Network Cable	11	-	11	-	10,55
		Network Point	41	-	41	-	8,63
		Router	2	1	1	-	59,00
		Switch	2	-	2	-	15,00
		VPN	55	-	55	-	2,64
	Wifi	55	-	55	-	9,78	
	Network Request	New Network Point	41	4	37	-	31,00
	Site Down	CBD	5	-	5	-	1,00
		DR	1	-	1	-	0,00
Remote		18	-	18	-	3,50	
Access card		Disable	5	-	5	-	1,40
	Enable	28	-	28	-	0,93	
Delete / Uninstall / Revoke	Access Card	10	-	10	-	0,30	
	AD User Account	11	-	11	-	7,82	
	Heat User Account	1	-	1	-	0,00	
	Shared Drive Permissions	1	-	1	-	0,00	
Install / Create / Grant	Access Card	12	-	12	-	1,08	
	AD User Account	219	4	215	-	4,60	
	Antivirus	1	-	1	-	0,00	
	Corp Comms Permissions	1	-	1	-	21,00	
	Heat Permissions	1	-	1	-	0,00	
	Heat User Account	4	-	4	-	0,25	
	Local Permissions	15	1	14	-	37,13	
	Shared Drive Permissions	89	13	76	-	40,74	
	VPN	90	-	90	-	8,68	
	Password Reset	Active Directory	187	-	187	-	2,61
Heat		3	-	3	-	42,33	
VPN		5	-	5	-	4,60	
Security Fault	Access Card	1	-	1	-	7,00	
	Desktop Virus Infection	4	-	4	-	24,25	
	Recover User Data	10	-	10	-	5,50	
	User Account	7	-	7	-	1,57	
Unable to log in	Active Directory	59	1	58	-	9,39	
	Heat	1	-	1	-	0,00	
Unlock account	Active Directory	397	-	397	-	0,48	
Update / Modify	Access Card	6	1	5	-	17,67	
	AD User Account	248	1	247	-	2,90	
	Antivirus	1	-	1	-	20,00	
	Impro	1	-	1	-	4,00	
	Internet Permissions	3	-	3	-	42,33	
	Shared Drive Permissions	2	-	2	-	13,00	
	Veeam	1	-	1	-	0,00	
User Account	Enable	1	-	1	-	13,00	
	Unlock	2	-	2	-	1,50	
Server	Request	Group Policy	11	-	11	-	86,36
	Server Down	Exchange	2	-	2	-	8,50
		Host Server	2	-	2	-	4,00
		SharePoint	1	-	1	-	37,00
	Server Fault	Active Directory	3	-	3	-	0,00
		SAP	4	-	4	-	0,50
		Terminal Server	1	-	1	-	0,00

Call type	Category	Sub Category	Logged	Open	Solved	Closed	Average Resolve (Days)
Software	Installation	Accuglobe	1	-	1	-	1,00
		Adobe	20	-	20	-	2,85
		Browser	3	-	3	-	6,33
		Cisco VPN	1	-	1	-	0,00
		Contour	2	-	2	-	66,00
		Engage	1	-	1	-	3,00
		GIS	2	-	2	-	2,50
		Google Earth	7	-	7	-	5,14
		Heat	9	-	9	-	2,22
		Inspired Interface - Electricity	1	-	1	-	0,00
		Metval	2	-	2	-	33,00
		Microsoft Office	376	3	373	-	5,11
		Microsoft Project	15	-	15	-	11,40
		Mimecast	1	-	1	-	1,00
		Model Maker	2	-	2	-	1,00
		Open project	4	-	4	-	11,75
		Operating System	26	-	26	-	11,12
		Payday	2	-	2	-	0,00
		Promis Expenditure	3	-	3	-	2,33
		SAP GUI	69	-	69	-	8,04
		SCCM	1	-	1	-	3,00
		Slims	1	-	1	-	11,00
		Software Updates	4	-	4	-	4,50
	Traffic Contravention System (TCS)	3	-	3	-	13,33	
	Requests	Heat	7	-	7	-	4,43
	Software Fault	Adobe	81	-	81	-	4,35
		Arcview	1	-	1	-	1,00
		Browser	2	-	2	-	0,50
		Contour	1	-	1	-	1,00
		DocuSoft	2	1	1	-	73,00
		Email	400	5	395	-	9,34
		Engage	3	-	3	-	2,00
		Google Earth	2	-	2	-	11,50
		Heat	64	-	64	-	7,47
		Java	1	-	1	-	2,00
		Meter management	1	-	1	-	4,00
		Metval	5	-	5	-	7,80
		Microsoft Access	2	-	2	-	2,00
		Microsoft Excel	24	-	24	-	2,08
		Microsoft Office	304	4	300	-	7,32
		Microsoft Outlook	110	3	107	-	9,00
		Microsoft Project	3	-	3	-	7,00
		Microsoft word	9	-	9	-	3,56
Mimecast		5	-	5	-	4,20	
Operating System		12	-	12	-	30,58	
Promis Expenditure		1	-	1	-	158,00	
ReAct		1	-	1	-	2,00	
SAP		74	-	74	-	5,49	
Services 2000		1	1	-	-	153,00	
Slims		3	-	3	-	30,00	
Traffic Contravention System (TCS)		4	-	4	-	5,75	
Value Assist		2	-	2	-	0,50	
Weighbridge		4	1	3	-	63,50	
Telephony		Telephone Fault	Analogue Line	70	3	67	-
	Crackling		11	1	10	-	15,64
	Fax		1	-	1	-	2,00
	No Sound		18	2	16	-	52,94
	Not dialing out		35	1	34	-	21,20
	Not ringing		60	-	60	-	5,62
	Padlocked		1	-	1	-	7,00
	Telephone Requests		Airtime	9	-	9	-
	Bulk SMS	1	-	1	-	12,00	
	Call barring	1	-	1	-	0,00	
	Change phone details	53	-	53	-	9,75	
	Clear extension	18	-	18	-	12,33	
	Connect phone	46	1	45	-	12,85	

Call type	Category	Sub Category	Logged	Open	Solved	Closed	Average Resolve (Days)
Telephony	Telephone Requests	New extension	3	-	3	-	5,00
		Reset code	38	-	38	-	9,11
		Speed dials	24	-	24	-	15,04
		Telephone line	3	-	3	-	15,00
Total			6 440	75	6 365	-	8,76

The ICT Helpdesk is the single point of contact for Internal Municipal employees to obtain assistance in IT related Service requests and queries through telephone and email. The helpdesk is currently composed of two Service desk consultants and 4 IT Technicians which is insufficient to cope with the workload on both Incident handling and service provisions. Our service delivery priority is to improve the turnaround time to resolve Incidents, however ICT is understaffed to meet the service delivery standard expected. ICT hired 5 additional Interns to assist in projects and Incident handling. Analysis in reducing Incidents was noted and budget to upgrade ICT equipment and infrastructure has been requested.

Call type Summary Report- Gives an overview of Incidents/Requests logged per Call type, Category and Subcategory. The total Incidents received for FY 2021/2022 is: 6,440 Open: 75, Solved: 5,558 and average days to resolve Incidents is 8.76. In the past year ICT have implemented projects that were urgently required to adhere to Covid regulations that were new laptop deployment to various departments, MS Teams application rollout and providing ICT support to Committee meetings.

Assignee Summary Report – Illustrate the total number of Incidents/Requests logged, Open, solved and the average days taken to resolve Incidents for each ICT officers in the 2021/2022 Financial year. Some service requests take longer to accomplish such as Computer deployment, Asset loans and system faults, these Incidents are categorized as projects, but the call ticket billing would still count.

INFORMATION COMMUNICATION TECHNOLOGY FINANCIAL INFORMATION

FINANCIAL PERFORMANCE 2021/2022: INFORMATION COMMUNICATION TECHNOLOGY					
R'000					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variates to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	30	(2)	(2)	-	(100)
Expenditure:					
Employees	12 042	16 326	16 326	14 958	(8.37)
Repairs and Maintenance	4 648	5 000	5 950	5 344	(10.18)
Other	11 109	14 467	18 407	3 067	(83.34)
Total Operational Expenditure	27 799	35 793	40 683	23 369	(42.56)
Net operational (Service) Expenditure	27 829	35 791	40 681	23 369	(42.56)

Variates are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2020/2021: INFORMATION COMMUNICATION TECHNOLOGY					
R'000					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variates to Adjusted Budget %	Total Project Value
Total All	1 946	6 236	4 745		
Project A : NETWORK REFRESH	750	641	0	(100)	
Project B: LAN/WAN	846	2 241	1 890	(15.66)	
Project C :COMPUTER EQUIPMENT	350	3 354	2 855	(14.88)	
Total All	1 946	6 236	4 745		

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
Variates are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

During the 2021/22 financial year, ICT focused on the Governance functions affecting the department. We were able to finalize the development of the ICT Strategy and the Governance Framework, the facilitation and concluding of the Service Level Agreement for business systems, the advertising, adjudicating and the awarding of various ICT support contracts for the support and maintenance of ICT infrastructure. This enabled ICT department to function without encountering various hindrances and also to address some of the Audit findings that were raised for the same.

INTRODUCTION TO MUNICIPAL WEBSITE CONTENT AND ACCESS:

Communication: To begin with, these sites are a powerful tool for towns to communicate with their citizens, and they allow site visitors to get quick answers to easy questions.

Participation: In addition, these websites expand opportunities for citizens to participate in and be informed by local government. In many smaller towns, town offices are only open at certain times of day, which may be inconvenient for many of those towns' residents. By offering more information online, a town is offering an opportunity for more of its residents to be well informed, and to participate in the process of keeping the community running smoothly.

Access: As more and more people become accustomed to finding the information they need online; municipal website can enable towns to communicate with visitors and residents in a way they are accustomed to.

MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL FOR THE 2021/22 FY

MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL FOR THE 2021/22 FY			
DOCUMENTS PUBLISHED ON THE MUNICIPALITY'S / ENTITY'S WEBSITE	YES/ NO	PUBLISHING DATE	DESCRIPTION
Current annual and adjustments budgets and all budget-related documents	YES	NOT AVAILABLE	
All current budget-related policies	YES	2021-09-15	Msunduzi 2021-2022
The previous annual report (2020/21)	YES	2021-03-28	Msunduzi Annual Report
The annual report (2021/22) published/to be published	NO	NOT AVAILABLE	To be published
All performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2021/22) and resulting scorecards	YES	2021-08-23	Msunduzi Performance Agreements
All service delivery agreements (2021/22)	NO	NOT AVAILABLE	
All long-term borrowing contracts (2021/22)	NO	NOT AVAILABLE	
All supply chain management contracts above a prescribed value (3) for (2021/22)	NO	NOT AVAILABLE	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during (2021/22)	YES	2021-11-04	Msunduzi Finance
Contracts agreed in (2021/22 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	NO	NOT AVAILABLE	
Public-private partnership agreements referred to in section 120 made in (2021/22)	NO	NOT AVAILABLE	

COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS OVERALL:

Information is uploaded almost daily. This is done by formatting documents where necessary, logging onto the website, customizing areas if necessary and uploading data. Publishing dates are indicated below the information or file download. The Public can access information on www.msunduzi.gov.za 24hrs a day by viewing some information on respective pages whereas other information is available as downloads viz. PDFs (Readable with Acrobat Reader). Information not up to date is usually due to respective Units not providing them timeously or when prompted about this report or not at all. Most compliance documentation is only made available by respective Units close to or on the due date and usually require further updating a few days later as original info is either incorrect or incomplete. Most information provided is uploaded and available within a few hours.

COMPONENT E: BUDGET & TREASURY BUSINESS UNIT

5. BUDGET & TREASURY BUSINESS UNIT

5.1 SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

1. SERVICE DELIVERY

Revenue Management involves all procedures necessary to ensure that all income is fully accounted for. The service delivery objectives of the department is the collection of revenue, the accounting of all revenue streams and the management of indigent residents in the City.

ORGANIZATIONAL UNITS WITHIN REVENUE MANAGEMENT UNIT

COMPLIANCE DATA ANALYSIS & REPORTING

The compliance data and analysis and reporting section manages the Tariff Review and Approval Process by ensuring that the tariffs follow legislative compliance for billing for each financial year, especially in terms of Section 75A of the Systems Act. The approval of the Tariff Policy is also a deliverable in terms of the Systems Act. The section also supports the Annual Financial Statement Process through the finalization of monthly reconciliations relating to the Subsidiary Ledger, General Ledger and Trial Balance. Short and long-term service delivery objectives are monitored as required by the section. The compliance data analysis unit met all the targets set for the 2021/22 period.

CUSTOMER CARE

Customer Care Section is responsible for new service application, application for service alteration, application for property transfers, prepaid electricity sales, receipting and handling of customer queries. Customer Care consists of five sub-sections as listed below: Counter Enquiries Section, Receipting Section, Service Application Section, Correspondence Section and Prepaid Electricity administration Section

DEBT MANAGEMENT MONITORING

The Municipality conducted an analysis of its processes to recover its revenue and well as the processes followed in outstanding debt recovery. This value chain was thoroughly analysed with intention to revamp, augment or restructure the processes and the organogram. The analysis revealed amongst others that the application of the credit control and debt collection policy does not yield the expected outcomes due to the fact that when services are disconnected/restricted for debt recovery, customers reconnect themselves, hence a low outstanding debt payment. This could be clearly

Revenue management must insert information pertaining to the Indigent Policy for 2021/2022 FY and the implementation thereof. Explain the application process – date opened for applications and closure as well as number of indigent consumers.

2. INDIGENT POPULATION

That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is R 4 560.00

That the prescribed application forms be completed annually.

Qualification for concessions – Indigent policy 2021/22

The municipality has an approved indigent policy which specifies the criteria to be met to qualify for the indigent beneficiary. The criteria also include the income threshold that is reviewed on an annual basis. The following benefits are provided to approved indigent customers:

COMMENT ON ACCESS TO BASIC SERVICES:

The municipality has been experiencing challenges in terms of customers that are making false declarations and submitting false documents to qualify for indigent benefits whilst they are employed. The municipality conducted a vetting of the indigent register where all the indigent beneficiaries that are working for the state were identified and removed from the register and their indigent beneficiary as well previous write-offs reversed

5.2 REVENUE MANAGEMENT

ORGANIZATIONAL UNITS WITHIN REVENUE MANAGEMENT

- Compliance Data Analysis & Reporting
- Customer Care
- Debtors Management
- Rates and Auxiliary services
- Utility Services

ORGANIZATIONAL UNITS WITHIN REVENUE MANAGEMENT

COMPLIANCE DATA ANALYSIS & REPORTING

Reviews the Tariff Policy annually and ensures that all revenue-generating departments adhere to policy imperatives during the process of the review of tariffs and charges. Responsible for ensuring that the tariffs are approved in accordance with the relevant legislation. Ensures that the tariffs are applied correctly on the SAP ISU Module by analysing and evaluating the billed tariffs to be approved tariffs.

The draft budget process began in January 2021 for the approval of the 2021/22 tariffs. The 2022/23 tariff setting that was done during 2021/22 noting that the process was finalised before the end of the financial year. Each department was advised on the guidelines received from the Budget Office and requested to provide their tariff increase submissions. Each Business Unit undertook a cost reflective tariff review process, implementation thereof will follow in the next year's budget. The Draft Register of Tariffs and Charges was finalized in line with Council's approval.

The Public Participation process took place as per the following timelines:

DATE	TIME	STAKEHOLDERS
10 March 2021	2PM	Public Consultation with Business
13 March 2021	5PM	Public Consultation with Wards 21 - 27
14 March 2021	5PM	Public Consultation with Wards 28 - 39
17 March 2021	2PM	Public Consultation with Rate Payers & Civic Associations
19 March 2021	5PM	Public Consultation with Wards 1 - 9
20 March 2021	5PM	Public Consultation with Wards 10 - 20

Adverts advising of the virtual meetings were published in the Witness (05/03/2021), Public Eye (12/03/2021), Eyethu (12/03/2021) and Maritzburg Sun (12/03/2021). ICT created a Public Consultation e-mail address for the purposes of this process. The link for the virtual meetings were supplied as per the advert and virtual meetings took place as scheduled. Verbal queries raised during the consultation meetings were dealt with during the meeting. These meetings were recorded and minutes for each meeting were finalised. Written comments received during the consultation process was collated and submitted to all Senior Managers for their response to formulate an action plan to attend to the concerns raised.

The final percentage increases were captured into the Register of Tariffs and Charges 2021/22 and submitted to the Budget and Treasury Office for inclusion with the Budget Approval within the stipulated timelines. The recommendations relating to the increases contained in the Register of Tariffs and Charges 2021/22 was approved by Full Council on 31 May 2021. The Full Council Resolution and the final document followed the legislative requirements for Section 75A of the Systems Act.

The Full Council Resolution and the Approved Register of Tariffs and Charges 2021/22 was displayed at all the relevant Municipal Offices on 01 June 2021 as required. The advert advising of the approved tariffs were published in the Natal Witness on 24 June 2021, whilst the adverts appearing in the Eyethu, Public Eye and Maritzburg Sun was published on 25 June 2021. All relevant documents were hand delivered to the MEC's office on 29 June 2021 and proof of delivery obtained.

The Tariff Policy is reviewed annually and submitted for approval to Council and that the tariffs are annually reviewed in line with the National Treasury guidelines and prevailing legislation.

All reconciliations are submitted monthly, and all audit queries are addressed timeously. No challenges have been experienced.

CUSTOMER CARE

Customer Care Section is responsible for attending to face-to-face/ telephonic and emailed customer queries and offering assistance to customers to ensure they find the right service. The customer care purpose is to ensure that all customer questions/queries received from customers are answered and resolved while ensuring high standard of customer satisfaction.

Customer Services provides a "one stop shop" for customers requiring new electricity services, upgrades/downgrades to supply, tariff changes, conversion of conventional metering to prepaid and vice versa, subsidized (low cost housing) connections, temporary disconnection/isolation of supply, reconnections and meter tests. In addition to these processes, the section also handles the prepaid vending processes, including customer support and advisory functions.

Our aim is to resolve 100% of queries received within 10 days and we have improved in the turnaround time.

Customer care department has improved turnaround time in resolving queries received in June 2021 82% of queries were resolved and in June 2022 96% of queries were resolved.

	Jun-21	Jun-22
Total number of Queries	1894	4377
Resolved	1546	4185
In Progress	348	189
	82%	96%

Challenges are some queries are received by other departments and not communicated to customer care while other queries are resolved by other departments and not communicated to customer care to clear.

	Jun-21	Jun-22
Total number of Statements emailed to consumers	53 970	62034
Total email addresses that had error when sending statements	1 811	12

Customer care has also improved in the number consumer email addresses used to send statements every month. In June 2021 only 53 970 customer email addresses were recorded and sent statements while in June 2022 62 034 emails were sent at month end.

Our plan is to send all customer invoices via email to customers that have email addresses to ensure it delivered on time and consumer will have a copy anytime they require to make payment and we have improved in ensuring we have the correct email address captured on the system compare to June 2021. The customers with email addresses that had errors were subsequently contacted and statements manually sent to them.

Statements are now also sent via WhatsApp to consumers that do not have access to emails but who are using WhatsApp.

RATES AND AUXILIARY SERVICES

The Rates department is responsible of the raising of property rates on all rateable property as per the Municipal Property Rates Act and ensuring that this is aligned with the Municipality's valuation roll. Monthly reconciliations are conducted between the valuation roll and the billing files to ensure that all discrepancies are realised and corrected. The rates policy, which is aligned to the MPRA is reviewed annually and submitted for approval to Council. Rates randages are reviewed annually and in line with the National Treasury guidelines and prevailing legislation. All reconciliations are submitted monthly and all audit queries are addressed timeously.

The municipality has been issuing electronic rates clearance certificates from 01 September 2019. The e4 system had significantly contributed towards revenue collection by reducing the number of days it takes to issue a rates clearance certificate. The system has proven to be very effective with regard to document tracking and retrieval, audit trails and electronic storage of application and related documents. The system is free to Council.

Rates clearance certificates

2021 2022	Applications Received	Assessments Issued	RCC's	Low Cost Housing	Total RCC's
TOTAL	5347	4522	3258	336	3594

5347 rates applications were received for the 2021/22 financial year. 4522 (85%) rates assessments were generated which met the stipulated targets as per the SDBIP. Each assessment has a 60-day validity period, of the 4522 assessments issued, 72% were paid. 3594 rates clearance certificates were issued: 3258 (90.6%) for conventional transfers and 336 (9.4%) for low cost housing.

Financial year	2018/19	2019/20	2020/21	2021/22
Assessment	31	31	25	14
RCC	48	47	41	31
Total Days	79	78	66	45

The average around times have significantly improved since the rates clearance process has been made electronic. 14 days - average turnaround time from acknowledgement of the application to the assessment being issued. 25 days - average time in which the conveyancer has made the payment. Six days - average turnaround time for cost paid to issuing of the clearance certificate where there are no queries or shortfalls in payment.

Forty-five days annual average turnaround time from acknowledgement of the application to the issuing of the RCC, compared to 2018/2019 which was 79 days, 2019/2020 which was 78 days and 2020/2021 which was 66 days.

Revenue collected for rates clearances 2021 / 2022

2021/2022	Qty	Amount
APPLICATIONS FEES	5347	R2 398 129,50
ASSESSMENTS PAID	3379	R147 220 489,05
TOTAL		R149 618 618,55

Revenue collected for rates clearances for the 21/22 financial year: R149 618 618.55 made up of: R2 398 129.50 for application fees and R147 220 489.05 for payment of rates assessments

UTILITY SERVICES

Utility section key functions are; to ensure that Water and electricity meters are read with regularity and accuracy so that the correct consumption information is recorded on the billing system; meter reading estimates are also minimized or at least carried in accordance with the municipality's Credit Control Policy. Utility section is tasked with ensuring that all services provided to customers are billed for accurate and complete information on billing system, to avoid loss of revenue and overstated revenue where customers are billed in correctly. Utility section encompasses of 4 sub section.

- Meter reading / Bulk
- Validation
- Document Processing
- Memo section
- Refund Section

Utility section has developed a Task team that attends to all estimated accounts for the purpose of ensuring correct billing. Meters that faulty are prompt attend to, as a result the stats of read meters is now increasing which will also restore trust to communities. The section is still facing a challenge in reading meters informal settlement areas where there are no street names, data cleansing is still in progress. Furthermore, the section is in process of introducing handheld devices, the meter reading app has already been developed and tested. Interviews were also held for Vulindlela meter readers, the meter readers will read the area and able to identify any water leaks within the area.

A pilot project was started in month of July where Municipality officials are visiting communities to address all billing issues, this will also assist communities to have a one-on-one section with officials.

REVENUE ENHANCEMENT

Revenue enhancement section's key focus areas currently are monitoring of lights to the properties disconnected by electricity business unit, conducting installation audits as requested by revenue on matters under investigation for account processing or adjustments, adjudication of accounts disputes that could not be resolved by the relevant departments due to unavailability of policy, bylaws and legal frameworks to guide the resolution process.

During the year under review, the Revenue enhancement unit monitored disconnections done during the months of July & August 2021, March to June 2022. There were financial reasons that resulted in the halting of the work during the months of September 2021 to February 2022. Twenty- four property's installations were audited and their respective installation Audit reports were produced during the year. There were 10 accounts disputes that were resolved during the financial under review. These disputes were then ratified by the accounting officer as the apex arbiter of the Municipality.

DEBTORS MANAGEMENT

The debtors section is responsible for the implementation of the credit control policy and ensuring that all monies due to the municipality are collected in accordance with the policy. The municipality has a challenge in terms of debtors that are not paying their accounts of a regular basis and this has resulted in the debtors book increasing to R5,39 billion with 70% of debtors in arrears of more than 365 days. The municipality has implemented various strategies in an attempt to recover the arrear debt, the revenue enhancement plan was implemented during the year with monitoring and regular reporting to Council structures. The following debt collection strategies were implemented:

- Daily electricity disconnections
- Daily water restrictions
- Consolidation of accounts
- Transfer of accounts to surviving spouses for deceased
- Issue of letter of final demands, default judgements, summons and warrants for sale in execution
- Review of credit control policy for the arrangements to be affordable to the customers
- Meter audits
- Improved turnaround time for meter changes
- Monitoring of disconnected properties
- Extensive verification and reconciliation of Government accounts
- Stop landfill services for customers with arrears

The following challenges have been experienced and the municipality has developing strategies to eliminate these challenges:

- Rampant Tampering
- Illegal establishments
- Access to properties
- By Law enforcement
- Vacant/Abandoned Buildings in the City
- Customers have easy access to the water and electricity infrastructure
- Access to the meter boxes and substations that are inside houses, back yards, T-jointed, Looped services and midblock
- Unable to disconnect individuals in shared meter rooms e.g. flats (since the cables are alive and supplying electricity to other flats, the occupier of the flat being disconnected still has access to power and can reconnect them self)
- High number of old meters that need to be changed and their technology cannot be integrated to the new technologies and require immediate change.
- Support from other stakeholders (SAPS, Political Parties, Government Departments)
- Resources (tools of trade and human resources)

The following proposed solutions are being investigated by the municipality for implementation:

- Automation of debtors related functions
- Meters and electricity network that inside properties etc. to be moved to the road frontage boundaries in order to be easily accessed by the municipal staff for ease of meter reading, maintenance, disconnecting, reconnecting.
- Places that have shared meter rooms (e.g. flats, complexes, mini-factories, office blocks etc) must be meters by one bulk electricity meter but the municipality should monitor that all individuals are charged the same tariffs that the municipality has and approved
- Customers found to have tampered with electricity must be disconnected immediately and charged a tamper fee and energy consumed be backed charged as indicated in the credit control policy (actual time from tamper or 3 years, depending on which comes first)
- Funding to relocate services to the road frontage boundary to be made available as this will improve revenue when municipality has full access to its property
- Community must be engaged by all stakeholders involved (political, municipality, provincial and national offices) in order to teach them that paying bills or paying for municipal services helps to get better services (quality electricity, quality water, roads without potholes etc.).
- Funding to be provided to move to new technologies of remote meter reading, disconnections, remote fault detection etc.
- Constant communication within all municipal departments to understand each other and needs
- Government departments to reduce renting from private property owners
- With the demand of work to be done (meter changes, disconnections, auditing etc.), more electricians and tools of trade are required. Currently resources are shared among sections
- SAPS and other stakeholder must come together to assist municipality to bring those people breaking the municipal by-laws to book
- Constant communication within all municipal departments to understand each other and needs
- Government departments to reduce renting from private property owners that stealing from the municipality.
- Meter Audit – Council Wide
- Implementation of smart meters.
- Council wide data cleansing.

DEBT RECOVERY R'000 000

Details of the types of account raised and recovered	2019/2020		2020/2021			2021/2022		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for billed that was collected in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for billed that was collected in year	Proportion of accounts value billed that were collected in the year %
Property Rates	1 090	83	1 232	1 108	90	1 211	1 150	95
Electricity	2 169	95	2 153	2 038	95	2 550	2 481	97
Water	767	58	773	322	42	774	442	57

DEBT RECOVERY R'000 000								
Details of the types of account raised and recovered	2019/2020		2020/2021			2021/2022		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for billed that was collected in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for billed that was collected in year	Proportion of accounts value billed that were collected in the year %
Sanitation	166	76	167	129	77	182	139	76
Refuse	109	79	114	99	87	114	90	79
Other	423	38	262	277	106	304	277	91

B- Basic; C- Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them

5.3 FINANCIAL HEALTH OVERVIEW

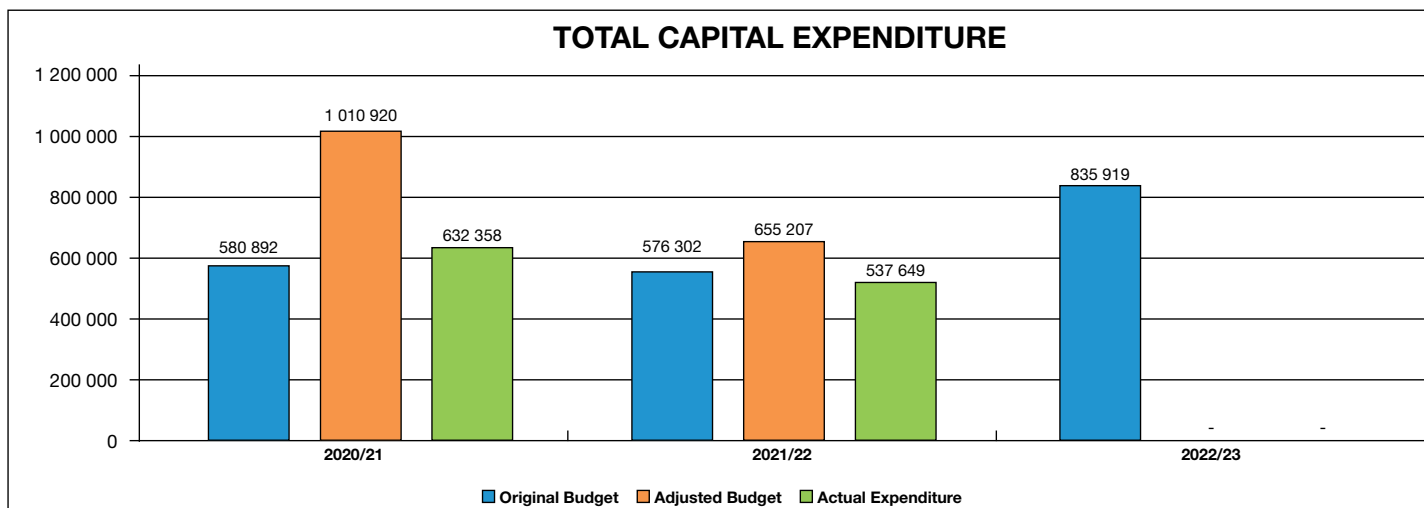
The average debtor's collection rate is 86% the same is confirmed by the gradual growth of debtors unfortunately the expenditure rate is at a normal pattern. The non-correlation of the two will result into serious cash flow challenges and high creditors balance. As at the end of June 2022 Council is sitting at a deficit which can be attributed to low collection rate while expenditure is happening at a normal rate

FINANCIAL OVERVIEW 2021/2022 R'000			
Details	Original Budget	Adjustment Budget	Actual
Income			
Grants	661 216	725 957	681 678
Taxes, Levies and Tariffs	5 602 911	5 602 911	5 078 152
Other	217 539	154 287	57 442
Subtotal	6 481 666	6 483 155	5 817 271
Less Expenditure	6 103 181	6 240 523	5 929 412
Net Total*	378 485	242 632	(112 141)
* Note: Surplus/ (deficit)	661 216	725 957	681 678

Operating Ratios		%
Details		
Employee Cost		25%
Repairs and Maintenance		5,3%
Finance Charges and Depreciation		5,7%

Repairs & Maintenance budget is below the norm of 8% this may have negative impact to sustainability of existing infrastructure in that not enough budget is provided to undertake planned and unplanned maintenance. In the coming budget years provision for Repairs & Maintenance must surpass the norm.

TOTAL CAPITAL EXPENDITURE 2020/21- 2022/23			
Detail	2020/21	2021/22	2022/23
Original Budget	580 892	576 302	835 918
Adjustment Budget	1 010 920	655 207	-
Actual	632 358	537 648	-



COMMENT ON CAPITAL EXPENDITURE:

Actual spending for 2021/22 is 82% which is a slight improvement when compared with 2020/21 expenditure of 63%. When cash flow projections are done for the original budget Capital budget is often projected to be 100% therefore any expenditure below 100% has negative ripple effect on municipal property plant and equipment

5.4 BUDGET PLANNING IMPLEMENTATION & MONITORING

EMPLOYEE INFORMATION

EMPLOYEE: BUDGET PLANNING IMPLEMENTATION & MONITORING					
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	0	0	0	0	0
T04-T08	2	9	3	6	67
T09-T13	6	9	7	2	22
T14-T18	6	8	7	1	13
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	15	27	18	9	33

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

PERFORMANCE OF GRANTS

GRANT PERFORMANCE R'000					
Description	2020/2021	2021/2022	2022/2023 Variance		
	Actual	Actual	Original Budget	Adjustments Budget	Actual
OPERATING TRANSFER & GRANTS	60 963	60 981	87 570	89025	60 963
National Government	36 000	36 161	36 449	37904	36 000
Equitable Share	N/A	N/A	N/A	N/A	N/A
Municipal Systems Improvement	N/A	N/A	N/A	N/A	N/A
Department of water Affairs	N/A	N/A	N/A	N/A	N/A
Levy replacement	N/A	N/A	N/A	N/A	N/A
Other transfers/grants: Insert	N/A	N/A	N/A	N/A	N/A
Provincial Government	N/A	N/A	N/A	N/A	N/A
Health Subsidy	N/A	N/A	N/A	N/A	N/A
Housing	N/A	N/A	N/A	N/A	N/A
Ambulance Subsidy	N/A	N/A	N/A	N/A	N/A
Sports and Recreation Protection	60 963	60 981	87 570	89025	60 963
Other transfers/grants: Insert	36 000	36 161	36 449	37904	36 000
District Municipality	N/A	N/A	N/A	N/A	N/A
Insert Description	N/A	N/A	N/A	N/A	N/A
Other grant providers					
TOTAL	N/A	N/A	N/A	N/A	N/A

GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT (DORA)

GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT (DORA)						
Details of Donor	Actual Grant 2020/2021	Actual Grant 2021/2022	2021/2022 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, inc description of any contributions in kind
Parastatals						
A - Project 1	N/A	N/A	N/A	N/A	N/A	N/A
A - Project 2	N/A	N/A	N/A	N/A	N/A	N/A
B - Project 1	N/A	N/A	N/A	N/A	N/A	N/A
B - Project 2	N/A	N/A	N/A	N/A	N/A	N/A
Foreign Government / Development Aid Agencies						
A - Project 1	-	-	-	-	-	-
A - Project 2	N/A	N/A	N/A	N/A	N/A	N/A
B - Project 1	N/A	N/A	N/A	N/A	N/A	N/A
B - Project 2	N/A	N/A	N/A	N/A	N/A	N/A
Private Sector / Organizations						
A - Project 1						
A - Project 2						
B - Project 1						
B - Project 2						

5.5 EXPENDITURE MANAGEMENT

INTRODUCTION TO EXPENDITURE MANAGEMENT

Expenditure Management is a sub-unit within Budget and Treasury Business Unit responsible for the management of payments to creditors of the municipality, payments of salaries and allowances to municipal staff and reporting. The service that we provide is a support service to the municipality and there is no direct impact on service delivery.

ORGANIZATIONAL UNITS WITHIN EXPENDITURE MANAGEMENT

- Creditors, responsible for the management and controlling of payments to creditors
- Internal Controls, responsible for the review and improvement of internal controls within the organisation
- Pay Office, responsible for the management and controlling of payments salaries and allowances

The targets for creditors section was to pay all service provider within 30 days from date of receipt of invoice or statement as per the MFMA. The target could not be met due to delays caused by internal processes and low cash flow.

EMPLOYEE: EXPENDITURE MANAGEMENT					
CREDITORS, INTERNAL CONTROLS, PAY OFFICE					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	-	-	-	-	-
T04-T08	19	23	17	6	26
T09-T13	10	16	11	5	31
T14-T18	2	3	2	1	33
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	32	43	31	12	28

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

FINANCIAL PERFORMANCE 2021/2022: EXPENDITURE MANAGEMENT					
R'000					
CREDITORS, INTERNAL CONTROLS, PAY OFFICE					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net operational (Service) Expenditure	-	-	-	-	-

Variations are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: EXPENDITURE MANAGEMENT					
R'000					
CREDITORS, INTERNAL CONTROLS, PAY OFFICE					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variations to Adjusted Budget %	Total Project Value
Total All	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
Variations are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

5.6 SUPPLY CHAIN MANAGEMENT

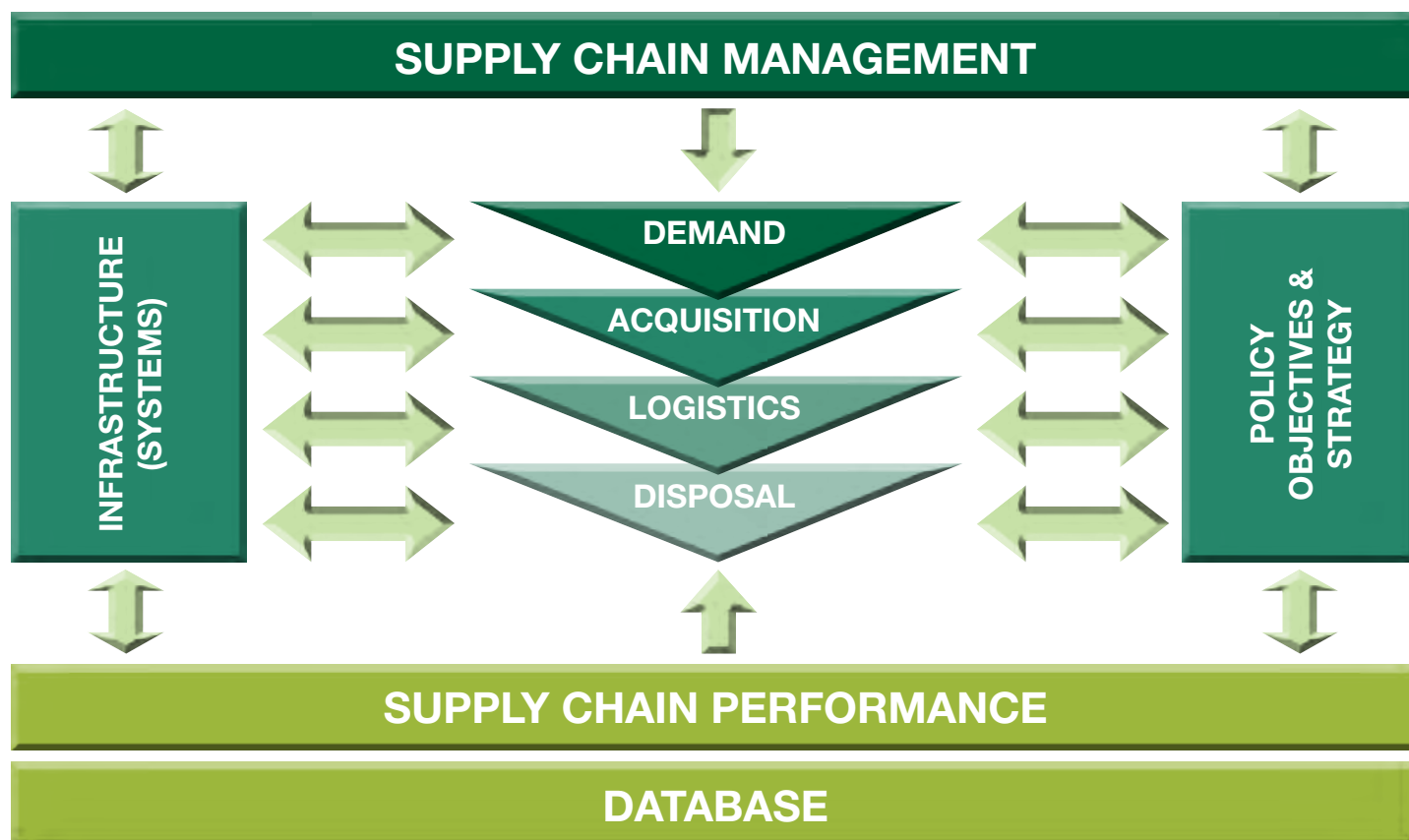
OVERVIEW OF SUPPLY CHAIN MANAGEMENT

The Msunduzi Municipality's Supply Chain Management unit is a support function for all business units within the council to ensure provision of efficient, transparent, fair, equitable and cost-effective procurement services hence assisting the business units to implement their service delivery priorities.

The supply chain management policy for the year 21/22 Financial year (FY) was adopted by Council on 30 May 2021 FY in term of SCM Regulation 3 (1) (a) and implemented immediately thereafter. The main change made to the policy was to bring it in line with the 2017 PPFA regulations and necessary legislative requirements.

An SCM implementation plan was development and implemented throughout the year and quarterly reports on implementation were submitted to Council.

In terms of the MFMA SCM regulations and relevant legislative provisions regulating local government procurement, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and thus the Msunduzi SCM policy has been aligned accordingly. The following is a brief overview of the processes that have been established and implemented within the Supply Chain Management system as drawn from the SCM model below.



DEMAND MANAGEMENT

The Procurement Plan defines the Supply Chain Management needs of the organization, aligned to the municipality's IDP, Budget and Departmental SDBIP. The plan is for a minimum of one year but aligned to the IDP three year period, this is especially critical in the case of capital projects requiring the issuing of bids for multiyear projects, as well as in order to obtain cost savings through longer term goods and service contracts (limited to a three-year period in terms of the MFMA)

The main objective of the plan is to assist the service deliver business units to achieve their service delivery mandates and to meet their service delivery requirements without any SCM processes delays and this forms the integral component of the entire process to ensure effectiveness, efficient and economical SCM processes.

The preferential policy objectives were identified at a global level hence during the 2015/2016 financial year a procurement plan was established and implemented.

ACQUISITION MANAGEMENT

Bid committee structures were established and implemented in accordance with section 27, 28 and 29 of the Supply Chain Management regulations, as well as Infrastructure policy. Details of SCM committees during 2021/2022 financial year:

The SCM unit in collaboration with the relevant secretariat support will continually strive to ensure that the three (3) tier Bid Committee structures are fully functional and well trained to execute their functions, it be note that tier 1 which is Bid specification Committee has two committees i.e. BSC technical and general in line with infrastructure model likewise on the tier 2 which is the evaluation committees.

Bid Committee members

Bid Specification Committee Technical (7)	Membership Status	Business Unit	Position
Sibusiso Mkhize	Chairperson	Finance: SCM	Manager: Stores
Mandla Zuma	Member	Community Services	Senior Manager: Recreation and Facilities
Thamsanqa Makhanya	Chairperson	ISF: WnS	Chief Engineer: Planning, Design & Construction Monitoring
Thabani Madlala	Member	ISF: Electricity	Manager: Electricity

Bid Specification Committee Technical (7)	Membership Status	Business Unit	Position
Sikelela Ndzalela	Member	SCM	Manager: Demand and Acquisition
Kethiwe P Mvelase	Member	ISF: Roads and Transportation	Manager: Transportation Planning
Wilson P Mhlongo	Member	Community Services: waste	Senior Manager: Waste
Phumzile Muthwa	Ex Officio Member	Corporate Services : Legal	Legal Advisor
Nomfundo Hlophe	Ex Officio Member	Corporate Services : Legal	Legal Advisor

Bid Evaluation Committee Good and Services (7)	Membership Status	Business unit	Position
Mthobisi Khumalo	Chairperson	Sustainable Dev	Senior Manager: Development Services
Zoleka Bhomoyi	Member	Finance :SCM	Manager contract management (A)
Nosipho Mngadi	Member	Community Services: Building	Snr. Architectural Technologist
Radha Gaunden	Member	Sustainable Dev: Planning and Human Settlements	Manager - Planning and Human Settlements
Bekamangwane Kanyile	Member	Electricity	Chief Engineer :Revenue
Sibonelo Xaba	Member	Sustainable Dev: Building Control	Building Inspector
Kass Thaver	Ex Officio Member	Corporate Services : Legal	Legal Advisor

Bid Adjudication Committee(7)	Membership Status	Business unit	Position
Nelisiwe Ngcobo	Chairperson	Finance	CFO
Dudu Gambu	Member	Finance	Senior: manager SCM
Brendon Sivpasad	Member	ISF	Acting: GM ISF
Ngangenkosi Mpisi	Member	ISF (Electricity)	SM Electricity
Felix Nxumalo	Member	Sustainable Dev	GM: Sustainable Development
Mbongeni Mathe	Member	Community Services	Acting GM :Sd
Mduduzi Mbokazi	Ex Officio Member	Corporate Services	Legal Advisor

Bid Specification Committee Technical(7)	Membership Status	Business Unit	Position
Mr. Njabulo Mthembu	Chairperson	Sustainable Dev: Human Settlement	Project Manager: Human Settlement
Mxolisi Dladla	Member	Budget and treasury: SCm	Contract Officer
Ntuthukho Phungula	Member	Community Services: Building	Manager Logis Technician: Buildings tics
Mzovelile.Qwabe	Member	ISF: WnS	Technician: Water and Sanitation
Bheki Sosibo	Member	ISF: Roads and Transportation	Manager: Operations
SL. Thabethe	Member	ISF: Electricity	Manager: Electricity
Ms L Mngenela	Member	ISF: Roads and Transportation	Senior Manager: Roads and Transportation
Xolie Ndzingi	Ex Officio Member	Corporate Services: Legal	Legal Advisor

5.7 ASSETS & LIABILITIES MANAGEMENT UNIT

The Assets and Liabilities unit is responsible for Assets, Fleet Management, Insurance Management, Loss Control and Real Estate and Valuations.

EMPLOYEE INFORMATION

EMPLOYEE: ASSETS & LIABILITY MANAGEMENT					
ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	1	1	1	-	-
T04-T08	30	86	28	58	67
T09-T13	15	16	14	2	13
T14-T18	3	6	3	3	50
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	50	110	47	63	57

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

ORGANIZATIONAL UNITS WITHIN ASSETS & LIABILITIES MANAGEMENT UNIT

ASSETS

The Assets Management Unit is responsible for the management of the municipality's assets, ensuring that the municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality in accordance with Generally Recognized Accounting Practice.

FLEET MANAGEMENT

Strategic planning: continuous evaluation of fleet management within the Municipality as well as external organizations in order to formulate plans to improve the efficiency, effectiveness and economy of fleet assets available to the Municipality in the short, medium and long term. Develop policies and procedures for the economic acquisition, operation, disposal and administration of the fleet.

INSURANCE MANAGEMENT

Insurance Management is aimed at ensuring that all assets, Councilors, employees and third parties are insured economically and adequately at all times. In terms of the approved Insurance policy and procedures staff manages litigated and non-litigated claims both internally and externally (third party). Claims are settled either through the internal insurance Fund or external insurance cover depending on the nature and value of the claim as outlined in the insurance policy and external insurance cover procured. Tracking and recording of claims is done through a loss register.

Loss Control: Loss control seeks to reduce the possibility that a loss will occur and reduce the severity of those that do occur. Its aim is to reduce claims, through loss management information (policy and procedure) and services.

*NB: Loss control at the moment provides admin support to insurance due to the unit not been fully established therefore service objectives are as per insurance management.

REAL ESTATE & VALUATIONS

The Real Estate and Valuations Unit is responsible for the compilation of the valuation roll and supplementary valuations of all registered properties that fall within the boundaries of the Municipality, in line with the Municipal property rates Act. The unit is also responsible for facilitating the valuation of properties for acquisition and disposal purposes. The Real Estate section also administers and manages lease agreements for municipal owned properties. In terms of the Municipal Property Rates Act, The Municipality is required to compile a General Valuation roll at least once in Five years and also maintain the roll through supplementary valuations which must be published at least once a year.

SERVICE STATISTICS FOR ASSETS & LIABILITIES MANAGEMENT UNIT

SERVICE OBJECTIVE	TARGET	MET /NOT MET	CHALLENGES
Valuation of investment property	Yearly	Met	None
Conduct annual asset verification	Yearly	Met	None
Monthly assets reconciliations	Yearly	Met	None
New Plant and Vehicles	Yearly	Met	None
Branding of Council vehicles and plant	Yearly	Met	None
Annual review of policies	Yearly	Met	None
Create, maintain loss (claims) register	Yearly	Met	None
Adequate and cost-effective Insurance Cover	Yearly	Met	None
Process and settle insurance claims timeously	Within 30 days of receiving claims	Met	Due to dependencies on department for incident reports, legal for legal opinion, SCM for procurement and fleet for vehicle information and the delays on getting the necessary information, the target of 30 days on most claims could not be met.
Compile supplementary valuation roll	Yearly	Met	High vacancy rate. This is currently being addressed as interviews have been conducted. The HR verification processes are underway, and appointments will be made in the 2022/23 financial year.

ASSETS & LIABILITY MANAGEMENT FINANCIAL INFORMATION

FINANCIAL PERFORMANCE 2021/2022: ASSETS & LIABILITY MANAGEMENT					
R'000					
ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	50	-	-	3 311	-
Expenditure:					
Employees	23 638	27 215	27 445	24 728	(9,90)
Repairs and Maintenance	1 851	2 894	2 894	1 816	(37,25)
Other	34 888	43 723	43 836	37 652	(14,11)
Total Operational Expenditure	60 377	73 832	74 175	64 196	(13,45)
Net operational (Service) Expenditure	60 327	73 832	74 175	60 885	(17,92)

Variances are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: ASSETS & LIABILITY MANAGEMENT					
R'000					
ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	4 895	5 505	4 382	(20,40)	

CAPITAL EXPENDITURE 2021/2022: ASSETS & LIABILITY MANAGEMENT R'000

ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Plant and Equipment	20	100	-	(100)	
Furniture & Office Equip	1 020	790	40	(94,94)	40

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENT ON THE PERFORMANCE OF ASSETS & LIABILITIES MANAGEMENT UNIT OVERALL

The Asset Management unit in the 2021/2022 financial year was able to meet all the targets in terms of the Operational plan. There are however areas of improvement that have been identified in the operating procedures and controls that need to be implemented for the units to function optimally.

5.8 FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT

The Finance Governance & Performance management unit is responsible for preparation of Annual Financial Statements in terms of section 122 of MFMA, Developing and monitoring audit action plan, Managing and monitoring municipal bank accounts in terms of section 10 of MFMA, Cash and investment Management in terms of section 13 of MFMA and managing long term loans in terms of section 46 of MFMA.

ORGANIZATIONAL UNITS WITHIN FINANCE GOVERNANCE & PERFORMANCE

FINANCE AND CASH MANAGEMENT

- Managing and monitoring the administration of the Municipality's bank accounts, enforcing compliance with sections 7, 8 and 11 of the MFMA
- Preparation of a quarterly consolidated report of all withdrawals made in terms of section 11(1)(b) to (j) of the MFMA from the Municipality's bank accounts
- Managing cash and investment management in terms of section 13 of MFMA.
- Interacting with Financial Institutions on the status of markets against returns on short term investments and, allocating funds to specific call accounts.
- Updating and maintaining all information, transactional records and investment documentation and registers.
- Managing long term loans in terms of section 46 of MFMA

EMPLOYEE INFORMATION

EMPLOYEE: FINANCE GOVERNANCE & PERFORMANCE					
FINANCE AND CASH MANAGEMENT & FINANCIAL PERFORMANCE					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	-	-	-	-	-
T04-T08	9	13	9	4	31
T09-T13	1	6	5	1	17
T14-T18	2	3	3	-	-
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	13	23	18	5	22

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

FINANCIAL PERFORMANCE

- Preparation of Annual Financial Statements and Consolidated Financial Statements and ensure that they are submitted to the Auditor General as legislated
- Developing, Co-ordinate and monitor Audit action plan in terms of section 131 of MFMA.
- Managing and Co-ordinating and guiding specific deadline and financial reporting sequences associated with audit and legal compliance exercises, checking and verifying information / records submitted satisfies the scope of requirements
- Managing and monitoring accounting procedures related to General Ledger reconciliations, posting, updating and adjustment of entries

FINANCE GOVERNANCE & PERFORMANCE

FINANCIAL PERFORMANCE 2021/2022: FINANCE GOVERNANCE & CFO PERFORMANCE					
R'000					
FINANCE AND CASH MANAGEMENT & FINANCIAL PERFORMANCE					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	693	16 077	16 077	8 089	(49,69)
Expenditure:					
Employees	41 871	76 545	66 653	40 445	(39,32)
Repairs and Maintenance	1 046	1 300	1 300	800	-
Other	31 838	43 798	52 598	35 994	(31,57)
Total Operational Expenditure	74 755	121 643	120 551	77 239	(35,93)
Net operational (Service) Expenditure	74 062	105 566	104 474	69 150	(33,81)

Variances are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: FINANCE GOVERNANCE & CFO PERFORMANCE					
R'000					
FINANCE AND CASH MANAGEMENT & FINANCIAL PERFORMANCE					
Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	31 162	9 865	974	(90,13)	
Financial System	29 000	7 662	-	(100)	
Furniture	46	197	151	(23,35)	151
Water Metering	1 000	1 000	-	(100)	
Electricity Metering	1 000	1 000	823	(17,70)	823

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)
Variances are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENTS

The Finance Governance and Performance Management Section has vacancy rate of 13% as 3 posts are vacant as of 30 June 2022 from the total posts of 23. However, Human Resources Department has since advertised the posts.

COMPONENT F: OFFICE OF THE CITY MANAGER

6. CITY MANAGERS OFFICE

6.1 INTERNAL AUDIT

INTRODUCTION TO INTERNAL AUDIT

The primary objective of the Internal Audit Unit is to provide an independent and objective assurance and consulting activity services designed to add value and improve Msunduzi Municipality's operations through a systematic, disciplined approach to evaluate and improve the effectiveness of the system of internal control, risk management and governance processes.

The definition of internal auditing has many facets that, if unpacked, gives a very good understanding of what an internal auditor is expected to do.

Internal audit as a philosophy is a sounding board to management and designed to apprise and advise the Council, Accounting Officer and management on governance, risk management and internal controls process. This affirms the attitude of the internal auditor's role in internal audit activity that by its nature, Internal Audit Unit is a governance structure which facilitates improvement on service delivery vehicle by reviewing the design and effectiveness of the system of internal controls around the core mandate and support functions of the municipality. Its role is critical in promoting and enhancing control environment through auditing and recommending solutions to management.

The King 4 Report on Governance underpins the need for Audit Committees in the pursuit of good governance. It aligns the function of internal and external audit directly with the oversight by the Audit Committee. In a municipal environment, there are oversight committees of Council who are role-players to advocate for the combined assurance model. The Audit Committee's primary focus is on financial reporting, risk management, governance, performance information and system of internal control space which the universal organization space.

A balance between assurance function and consulting activity is required based on risk assessment exercise and report of the Auditor General. The areas with high risks and strong controls in terms of their design against the risks exposures as per the assessment by management are considered when developing the Internal Audit Plan to provide an independent assurance on the adequacy and effectiveness of the systems of internal control implemented by management. In instances where controls are found to be ineffective and/ or inadequate, recommendations are provided to management to mitigate against the identified risk exposures. Consulting Activities are undertaken in instances where significant risk exposures have no mitigating controls and management has requested assistance in the development of the control activities, Internal Audit treads carefully in its involvement with this process as to not create a conflict in its independence at a later stage.

EMPLOYEE INFORMATION

Job Level	EMPLOYEE: INTERNAL AUDIT				
	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	-	-	-	-	-
T04-T08	1	2	1	1	50
T09-T13	8	16	7	9	56
T14-T18	3	3	1	2	67
T19-T22	1	1	1	-	-
T23-T25	-	-	-	-	-
Total	13	22	10	12	55

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

SERVICE STATISTICS FOR INTERNAL AUDIT

As South Africa was still impacted by the COVID-19 pandemic and was under lock down in terms of the Disaster Management Regulations, so is the Internal Audit Unit in achieving its KPI's as dictated by the Annual Audit Plan.

The flexible working arrangement adopted by the Municipality as dictated by the Disaster Management Regulations in trying to curb the spread of the virus exacerbated the untimeliness of the deliverables expected from the Internal Audit Unit. Delays were experienced in securing meetings with the relevant officials, receiving audit evidence and obtaining clarity when necessary due to some officials testing positive to COVID-19 and various buildings having to close for disinfection; however, the unit strived in ensuring minimal delays on the overall deliverables. Internal Audit staff itself were not spared from being infected as half of the unit was affected in December 2021 resulting to shut down of the office.

The organogram of the entire municipality was reviewed, and a new structure of the unit was approved by the City Manager in 2022. The 2013 structure had 21 posts compared to the 50 posts in the new organogram. No new staff members were appointed during the period under review and 2 X Managers for assurance and forensic investigations and 1 X Forensic Investigator resigned in February and March 2022 respectively. This increased the vacancy rate drastically, new job description had to be compiled and a special dispensation was made to the SALGA Job evaluation team to prioritize internal audit new structure.

The contract of Service Providers a new panel of Service Providers was appointed on 19 May 2021, effective 1 July 2021 to assist in bridging the gap created by the vacant posts in the unit. This had its own challenges which had to be managed as they affected the implementation of the Annual Audit Plan for 2021/22.

Twenty-three (23) audits were planned for 2021/22 FY as per the approved annual plan. Twenty-one (21) audits were completed & 5 adhoc audit requests, audit on debt arrangements, 3 consumer refunds & audit of leave for GM: Corporate Services were completed. There was an audit which were scheduled to be completed during the 2020/2021 financial year that were rolled over to the 2021/2022 due to complexity.

RISK MANAGEMENT

Despite the legal requirement in terms of the Section 62 (1) (c) (i) of the Municipal Financial Management Act. Act 56 of 2003 (MFMA) which requires the accounting officer to take all reasonable steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of financial, risk management and internal control, and the best practice in the King VI report, principle 11, which recommends that the Council should govern risk in a way that supports the municipality in setting and achieving its strategic objectives.

Risk management processes focused on the identification and assessment of risk followed by response, monitoring, and reporting. These processes form part of Msunduzi risk management framework that is applied municipal-wide. As both the environment (internal and external) and municipal objectives are subject to change over time, it is necessary to make regular checks to ensure that the responses to risk and control remain effective and continue to serve the needs of the municipality.

Risk management activity efforts are aimed in providing numerous benefits to the municipality, such as improved decision making, development of plans to minimize the likelihood and the negative impact of risk, protection of resources and for the municipality to be fiscally prudent.

Strategic Risks

Management identified six strategic risks for the municipality. The recent risk assessment conducted arrived at the similar outcome as that of the previous financial periods as presented below.

Strategic Risks	Likelihood	Impact	Risk Rating
Financial Viability	Likely	Critical	High
Inadequate infrastructure development and Maintenance	Likely	Critical	High
Poor Service Delivery	Likely	Critical	High
Poor Administration	Likely	Major	Medium
Unstimulated Municipal Economy	Likely	Major	Medium
Exposure of Community to Health and Safety Hazards	Likely	Critical	High

The assessment of strategic risk by management rated the risks as either critical or high. Both ratings are indicative of undesirable risky state of affairs in the municipality. The current risky environment in which the municipality seeks to fulfil its mandate requires management to employ all means necessary to ameliorate the severity of risks.

Financial Viability

The Municipality continues to be under extreme financial pressure, and unable to deliver fully on its mandate. The financial resources are inadequate to the extent that it is unable to implement some of the risk responses.

Management employed numerous mitigation strategies in an effort arrest the worsening financial crisis and bring about healthy financial climate in the municipality. Other stakeholders such as the National Treasury and COGTA are also involved in assisting the municipality to be financially viable. Some of the mitigation strategies are:

Stringent cost containment measures.

Expenditure committee in place to support strict adherence to policies and budget.

Revenue enhancement measures

Revenue enhancement committee in place

Revenue enhancement plan monitored on a weekly basis

COGTA and Provincial treasury assisting on collections relating to Government departments

Water and Electricity auditing

Financial recovery plan activated.

Inadequate infrastructure development and maintenance.

The enduring infrastructure remain a foundation for any municipality that seeks to achieve its objectives. The assessment outcome for infrastructure depicted rather a worrying picture which entails that less is spent in development and maintenance of infrastructure. Inadequate infrastructure points to the possible total collapse of the Municipality which can present all sought of challenges to the public the Municipality serves.

In response to the risk, management committed themselves to ensure 100 percent implantation of all awarded capital projects and effective project management and stricter contractor performance management. Other risk mitigation processes by management amongst others are:

1. Alignment of maintenance budget with NERSA and National Treasury recommendations
2. Filling of all funded posts
3. Purchasing of critical vehicle, plant and machinery
4. Alignment of operating budget with repairs and maintenance plans

Poor Service delivery

Poor service delivery emanates from the failure by municipality to provide basic services to the community. Service delivery by municipalities find expression in the Constitution of the Republic of South Africa, to ensure all citizens are provided with services. These services have a direct and immediate effect on the quality of life of the people in Msunduzi community. Poor service delivery renders the municipality unattractive to investors, thereby impacting negatively to the economy, job opportunities and wellbeing of citizens.

To address the challenge of poor service delivery, management devised a number of strategies in line with all the arms of the municipality on service delivery. These plans are monitored regularly by relevant structures to improve chances of fulfilling the municipal mandate on service delivery. The few management interventions are mentioned below.

1. Creating awareness of indigent support offered by municipality.
2. Strict implementation of indigent policy.
3. Improving the number of residents with access to free basic services.
4. Electrification of all planned households' connections.
5. Construction of planned all-weather surface roads.
6. Adherence to the planned maintenance of existing roads infrastructure

Poor Administration

The municipality has to manage a risk of a poorly administered city in its service delivery mandate. This, if left unmanaged in the public service, has serious political undertones and can compromise the community's confidence in the management of the city.

The poor administration strategic risk has a negative effect on numerous strategic objectives and can worsen severity of other strategic risks. It is imperative for management to manage the risk properly. It can also be reasonable argued that the risk is seen to be within management's reach of control.

In the financial period ended in June 2021, the municipality managed a slight improvement in the risk tolerance of audit outcomes by obtaining a disqualified opinion from Auditor General.

In the quest of alleviating the risk of poor service delivery, management introduced the following strategies amongst other many efforts.

1. Improvement of internal controls
2. Ensure compliance with all legislative requirements, municipal policies and processes
3. Implementation of the Organisational performance management framework.
4. Implementation of individual performance management framework
5. Strengthen internal controls to reduce fruitless and wasteful expenditure.

Unstimulated Municipal Economy

Vibrant economy is of a crucial importance to lure more business investments to the City and creating employment opportunities. The current state of the City does not entice prospective investors. The City is bound to create conducive environments for businesses to thrive and prosper.

1. Mitigation measures employed by the City includes:
2. Strategic release of land for industrial and commercial business
3. Implementation of business licensing Act.

The Municipality partnered with National Treasury neighbourhood partnership development program to encourage public private partnership on infrastructure investment within the City.

Health and Safety Hazards

This risk was determined in order to respond to the municipality's mandate of making the city safe, healthy and inhabitable.

Various mitigation strategies have been adopted by municipal management. Hereunder the few strategies are mentioned.

1. Water quality control
2. Air quality control
3. City cleansing programs
4. Crime reduction

Although the management has planned and implemented some of the mitigation strategies, the progress is slow. Rigorous monitoring and review of mitigation strategies need to be invoked to improve and ensure reasonable progress timeously.

A comprehensive program of action by management to mitigate the impact and the likelihood of strategic risks is noticeable and provide a glimpse of hope that in the long run the municipality will attain what is envisaged in its strategic objectives if there are no disruptions to current programmes.

INTERNAL AUDIT FINANCIAL INFORMATION

FINANCIAL PERFORMANCE 2021/2022: INTERNAL AUDIT					
R'000					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variations to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					

FINANCIAL PERFORMANCE 2021/2022: INTERNAL AUDIT
R'000

Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Employees	8 573	10 289	-	10 065	-
Repairs and Maintenance					
Other	6 561	14 599	(2 200)	9 540	653.1
Total Operational Expenditure					
Net operational (Service) Expenditure					

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: INTERNAL AUDIT
R'000

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
	-	-	N/A	-	-
Project A	-	-	N/A	-	-
Project B	-	-	N/A	-	-
Project C	-	-	N/A	-	-
Project D	-	-	N/A	-	-

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

6.2 OFFICE OF THE CITY MANAGER

ORGANIZATIONAL UNITS WITHIN OFFICE OF THE CITY MANAGER

- Communications and IGR
- Organisational Compliance and PMS

EMPLOYEE INFORMATION

EMPLOYEE: OFFICE OF THE CITY MANAGER

COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS

Job Level	2020/2021	2021/2022			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	-	2	-	2	100
T04–T08	28	44	39	5	11
T09–T13	5	7	4	3	43
T14–T18	5	9	5	4	44
T19–T22	1	1	1	-	-
T23–T25	-	-	-	-	-
Total	39	63	49	14	22

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

Communications and IGR

Communications is a key strategic service to ensure that information is widely accessible within the public space to engage citizens in conversation around critical issues and to empower citizens to participate in not only shaping municipal policies but also in taking up opportunities that affect their lives.

Effective communication can also contribute positively to municipal endeavours – leading to good governance, improved internal staff and external citizen/ and contributing towards meeting the Municipality's aims and objectives.

The key communication functions are media liaison and social media, internal and external communications, corporate image and identity of the organisation, branding, publications and exhibitions.

IMPLEMENTATION OF THE COMMUNICATION STRATEGY ACTION PLAN FOR 2021/2022 FINANCIAL YEAR

PRIORITY ISSUE:	ACTIVITIES:	DESIRED OUTCOME:	FEEDBACK
Corporate Image and Brand Identity	<ul style="list-style-type: none"> Display of correct official portraits at strategic municipal entrances and boardrooms 	Compliance with State protocol	Achieved.
	<ul style="list-style-type: none"> Improvement of exterior signage for Municipal buildings as per signage audit and designs conducted in the 2019/2020 financial year. Ark banner Pull up banners 	A clear and consistent visual identity to assist the public in recognizing the municipality	Not implemented due to financial implications.
Communication, education and awareness campaign on the following: <ol style="list-style-type: none"> Covid-19 Keep the City Clean Revenue enhancement Electricity, water and land invasion 	<ul style="list-style-type: none"> Radio talk shows and interviews Promotions and activations Product development and distribution Social media campaign 		Achieved
Know your Councillor campaign	<ul style="list-style-type: none"> Develop one poster with all Councillors and contact details Place advert in local newspapers Social media campaign to introduce Councillors through individual posters Councillor to engage with public via uMgungundlovu Radio Slot 	Expand on communication platforms in which Councillors can engage with the community within their ward and these are regarded as effective means of communication between the Municipality and the community it serves.	Achieved.
Establishment of Msunduzi Communicators Forum	<ul style="list-style-type: none"> Representatives from media, government departments and Msunduzi Business Units. 	Expanding of communication platforms and stakeholder relations	Achieved
Development of Standard Operating Procedures for Communications and submission to the SMC for approval.		Provision of clear and consistent guidelines for Communications.	Achieved

ORGANISATIONAL COMPLIANCE, PERFORMANCE & KNOWLEDGE MANAGEMENT

The Organizational Compliance, Performance and Knowledge Management Unit is based with the Office of the Senior Manager: Office of the City Managers with the City Managers Business unit. The OC, P & KM unit is predominantly responsible for the following as per the approved Operational Plan for the unit on an annual basis.

- Collation and Development of the Annual SDBIP & OP for approval of the Mayor as well as publication on the Municipal Website,
- Monthly, Quarterly and Annual Monitoring and Evaluation of the SDBIP and preparation of reports to all committees of Council,
- Collation and Development of the Mid-Year Performance review submission to Council for Approval,
- Collation and Development of the Annual Report submission to Council for approval and publication on the website as well as submission to the Sector Departments
- Collation and development of the Annual Performance report annual submission to the Auditor General.
- The Organizational and Individual Performance Management Policies were combined into one Framework in the 21/22 Financial year.
- The Unit also introduced Electronic POE after the Covid 19 pandemic would restrict human interactions, the OC, P & KM unit developed a system where business units were requested to submit POE to the unit electronically, this change management continues to be work in progress.
- Annual Review of the Standard Operating Procedure for the Compilation of the Portfolios of Evidence on the SDBIP
- Development of a performance assessment schedule annually
- The unit is required to prepare the Annual Performance agreements of the City Manager, General Managers, Senior Managers and Senior Managers reporting directly to the City Manager as well as publishing on the website and submission to the MEC KZN CoGTA.
- The unit is also responsible for the continuous publication of performance related articles on corporate communications to allow staff to understand the concept of performance management and the related aspects thereof.
- Knowledge Management Framework was developed for the Municipality to assist the municipality with the functions and benefits of Knowledge Management in the Municipality.
- The unit is responsible for the PMS turnaround strategy and the submission of Monthly reports to portfolio committees of Council.
- The unit is also required to respond monthly on the Back to Basics Report to National CoGTA and Quarterly to the KZN Department of COGTA having collated the information from the business units.
- The unit is responsible for the Quarterly SDBIP submission to National Treasury.

The OC, P & KM unit is responsible for the following on an AD-HOC basis:

- The OC, P & KM unit on an ad-hoc basis is responsible for preparing and submitting the STATS SA Questionnaire to STATS SA having consolidated all responses received.
- The unit is responsible for any monitoring and evaluation report requiring responses from any business unit of Council from any Sector Department, Stakeholder and the Auditor General.
- The Unit is required to provide the necessary performance management responses to Internal Audit and the Auditor General.
- The unit is also required at times to conduct research on various topics for the Office of the City Manager

OFFICE OF THE CITY MANAGER

FINANCIAL PERFORMANCE 2021/2022: OFFICE OF THE CITY MANAGER					
R'000					
COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					

FINANCIAL PERFORMANCE 2021/2022: OFFICE OF THE CITY MANAGER
R'000
COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS

Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Employees					
Repairs and Maintenance		22 141 578	-	23 751 173	-
Other					
Total Operational Expenditure		3 210	2 545	5 233	105,6
Net operational (Service) Expenditure					

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE 2021/2022: OFFICE OF THE CITY MANAGER
R'000
COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS

Details	2021/2022				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Project A Out sourced Infrastructure cap projects	3 800 000	(3 800 000)	-	100	
Project B : Computer Equip		910 000	274 174,98	(69,9)	
Project C Furniture		150 000	-	(100)	
Project D Machinery		250 000	-	(100)	
Project A Out sourced Infrastructure cap projects	3 800 000	(3 800 000)	-	100	

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)

Variations are calculated as follows:

Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

COMMENT ON THE ANNUAL REPORT PROCESS

The Municipal Manager requested that the Draft Annual Report be prepared by no later than the 31st of August 2022.

The Draft report will be produced by the 31st of August and submitted to the Auditor General.

In terms of the MFMA a draft Report must be submitted to the AG on the 31st of October Annually. The report will continue to be in draft format until tabled at Council on the 31st of January 2023.

COMMENT ON ORGANIZATIONAL COMPLIANCE, PERFORMANCE & KNOWLEDGE MANAGEMENT AND COMMUNICATIONS AND IGR

The unit continues to put measure into place for improving performance management in the Municipality. It was unfortunate to receive a qualified audit opinion on Performance in the 20/21 Financial Year because of two indicators that were deemed to be not smart. Those indicators were rectified during the financial year so as to ensure they do not affect the unit in future audits.

Cascading of Individual Performance to lower levels went up to level 4 in the current financial year, there is a plan to further cascade the performance to all levels of employees.

Tools of trade for communications – the delays in assets numbers and supply management processes resulted in the unit being unable to procure the required tools of trade.

There are critical functions of the unit being carried out by Interns, which indicates that should the contracts for these Interns come to an end; the Unit will not be able to carry out all its functions due to capacity matters. There are currently no posts within the current structure for these functions secured.

6.3 STRATEGIC PLANNING
INTRODUCTION TO STRATEGIC PLANNING

The purpose of strategic planning is to facilitate and manage the strategic direction of the organisation. The functions of the unit is to develop of a long-term roadmap comprised of a set of specific goals, objectives and action; to establish a vision that sets a clear path to the future of the city with the flexibility to adapt the vision as time passes and as needs require; to facilitate and manage the strategic sessions of the municipality and monitor implementation and adherence to the strategic goals thereof and to promote and facilitate inter and intra-governmental relations.

The three priority areas for the 2021/2022 financial year were reviewing the City Development Strategy (CDS). The City Development Strategy (CDS) was approved in 2015. The process of reviewing the strategy began in December 2021. Internal consultation was conducted during the 2021/2022 financial year to produce a draft reviewed strategy and a workshop was held to ensure that the reviewed strategy is aligned to the National Development Plan, Provincial Growth & Development Strategy and District Development Model (One Plan – One Budget). Further, the document was aligned to the Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plan (SDBIP).

The second priority area was the fundraising initiative instituted by the Pietermaritzburg Urban Renewal Programme (PURP) unit. A tender was put out to appoint a consortium of service providers for fundraising. The municipality has successfully appointed service providers for fundraising who have presented their proposals to the municipality regarding assistance with infrastructure development, economic development and various other ambits.

The third priority was the IDP process to ensure that a credible IDP was produced through consultation with the community and all other relevant stakeholders. The backbone of the municipality is the Integrated Development Plan, devised to constructively implement the different programmes aimed at guiding future growth. This new focus on the future of the city, has led to several key catalytic and strategic projects that can leverage the city's economic and social potential. The city is re-positioning itself for a new set of challenges and is aggressively implementing new game changers, which are visible large-scale catalytic projects with a huge impact. The timing and sequencing of these projects require balanced implementation with an emphasis on economic development and employment creation.

EMPLOYEE INFORMATION

EMPLOYEE: STRATEGIC PLANNING					
CITY DEVELOPMENT, PURP & IDP					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	-	-	-	-	-
T04-T08	9	31	9	22	71
T09-T13	-	5	1	4	80
T14-T18	3	5	2	3	60
T19-T22	-	1	1	-	-
T23-T25	-	-	-	-	-
Total	12	42	13	29	69

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays)

ORGANIZATIONAL UNITS WITHIN STRATEGIC PLANNING

CITY DEVELOPMENT

To help the city to harness the potential of growth and development with the view to improve the quality of life for all citizens by formulating a City Development strategy; analysing economic, social, and environmental trends to maintain sustainability. The City Development unit facilitated and monitored the Municipal Support and Intervention Plan (MSIP). The MSIP was part of an intervention from KZN CoGTA. Msunduzi was classified as one of the dysfunctional municipalities in the province, therefore the challenges were identified, and the municipality is required to provide monthly progress reports to CoGTA regarding the progress of addressing the challenges. The following are the 2022 /2023 Plans for the City Development unit:

- Internal Sector Plans should be aligned with the City Development Strategy. Therefore, the unit will have to engage Business Units on the reviewed strategy.
- The unit will conduct quarterly meetings with IDP and PMS sections to ensure alignment.
- The unit will monitor the implementation of the CDS.
- Participate in various strategic forums (DDM, PMCB, IDP Forum, etc)

PIETERMARITZBURG URBAN RENEWAL PROGRAMME

To revitalize the city, stimulate economic growth, restore economic vitality, increase investor confidence in the city by relieving social problems through the maintenance, rehabilitation and rebuilding of the physical environment to create a safe and well-maintained city to improve investor confidence. Develop a coordinated institutional framework for the city and to ensure that infrastructure and service delivery imperatives meets the demands of future growth within the city.

During the 2021/2022 financial year, the unit dealt with the City Revitalization Project through the Pietermaritzburg Midlands Chamber of Business (PMCB). The PMCB undertook the project through funding received from EDTEA. The objective of the project is the rejuvenation of the city centre mall, namely physical improvements to the road and sidewalk infrastructure, aesthetically and functionally upgrading the existing elements: paving, trading kiosks, bins, bollards, lighting, parking layout, stormwater management. The project commenced in July 2021 and is a work in progress.

The unit is responsible for the Fundraising project whereby, service providers present their proposals to the Fundraising Task Team for consideration. Fundraising is a fundamental part of assisting municipalities to add to their grant pool or support service delivery imperatives through infrastructure projects. The unit facilitates such processes.

The section targets Bylaw infringement inspections within the CBD or service delivery matters that needs attention to ensure the municipality is maintaining its Infrastructure and the by-laws are being enforced. The Enforcement Officers daily patrol the Pietermaritzburg Central Business District (CBD) in order to identify any by-law infringements and/or service delivery matters.

All targets for the unit set out in the Operational plan for the 2021/2022 financial year have been met. The plans for the 2022/2023 financial year are:

- To ensure the Fundraising Initiative Project continues by adding different streams such as Public Private Partnerships.
- Regarding the City Revitalization Project, a memorandum of understanding will be concluded, and the project will be completed within this financial year.
- The target for identifying by-law infringements and service delivery challenges was increased from 160 in the last financial year to 600 within this financial year.
- Prevent urban decay and promote and enforce projects that contribute.

INTEGRATED DEVELOPMENT PLAN

To facilitate the development of a single, inclusive and strategic plan for the municipality by preparing a process set out in writing to guide the planning, drafting, adoption and review of the integrated development plan; facilitate the establishment of a vision for the long term development of the municipality; prepare an assessment of the existing level of development in the municipality; identify the council's development priorities and objectives for its elected term, facilitate the development of the council's development strategies and develop appropriate mechanisms, processes and procedures to consult the local community before adopting the IDP. This section targets include ensuring Budget Steering Committee meetings take place, the IDP Review process, draft IDP /Budget /PMS process plan is developed and adopted for the financial year. Attending the DDM forums and facilitating Mayoral Roadshows.

IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMMUNICATION, PARTICIPATION AND FORUMS

Every year around the end of August, Msunduzi Municipality finalizes a Process Plan which is approved by Full Council, once approved a public notice is posted to our website and various newspapers inviting members of public as well as various stakeholders to make submissions with regards to developmental priority needs. The very same Process Plan is posted to the Msunduzi website where different activities and milestones are reflected in terms of the IDP review and PMS and Budget implementation and monitoring.

The Msunduzi Municipality has a structured program or public participation. This program is reflected in the Process Plan and forms the basis for citizenry engagement framework.

The following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution and review of the IDP, Budget and PMS processes:

- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on PMS Progress/SDBIP and IDP)
- Community Meetings by Councilors
- Project Based Meetings
- Sector Plan Based Engagements
- Executive committee – Public Gallery
- Full Council Meeting – Public Gallery
- Integrated Development Planning Meetings:
- Izimbizo: Public Meetings for IDP and Budget.
- Municipal Property Rates Act (MPRA) (Tariff Consultations)
- Service Standard or Charter
- Community Based Planning
- Complaints Register: Customer Care and Batho Pele Engagements
- Sukuma Sakhe – Premier's Flagship Tool for Accelerated Service Delivery at a Ward Base Level
- Attendance to invitations by Interest groups
- Partnerships and MOUs: MIDI, etc
- District Development Model forums

Some of the above various forms of public participation engagements are conducted throughout the year specifically at an operational level and then some are organized on a monthly, quarterly, and annually as reflected in our Process Plan, the intergovernmental relations and citizenry participation system is adopted by the Full Council as part of the Process plan. With the introduction of the District Development Model, we did have a temporal hold on the IDP forums since the discussions and official attending were the same. Over time the IDP forum was revitalised, and sector departments and organised stakeholders were invited to discuss Msunduzi specific issues that feed into the DDM technical meetings. The IDP Mayoral Izimbizo were held during the month of April and May 2022 at the following venues in Ward 24 Grange community Hall, Ward 38 Tamboville sports field, Ward 39 Ncwadi sports field, Ward 14 Williofountain sports field and Ward 40 Blackburn sports field.

COMMUNICATION, PARTICIPATION AND FORUMS

Every year around the end of August, Msunduzi Municipality finalizes a Process Plan which is approved by Full Council, once approved a public notice is posted to our website and various newspapers inviting members of public as well as various stakeholders to make submissions with regards to developmental priority needs. The very same Process Plan is posted to the Msunduzi website where different activities and milestones are reflected in terms of the IDP review and PMS and Budget implementation and monitoring.

The Msunduzi Municipality has a structured program or public participation. This program is reflected in the Process Plan and forms the basis for citizenry engagement framework which is currently mooted in a form of a public participation policy.

The following are forms of citizenry participation that are utilized by the Municipality to ensure the citizen and stakeholders voice are accommodated in the planning, execution and review of the IDP, Budget and PMS processes:

- Ward Committee Monthly Meetings
- Stakeholders Quarterly Meeting (Reporting on PMS Progress/SDBIP and IDP)
- Monthly Community Meetings by Councilors (due to financial constrains-are held once in two months /6 meetings per annum per ward)
- Project Based Meetings
- Sector Plan Based Engagements
- Executive committee – Public Gallery
- Full Council Meeting – Public Gallery
- Integrated Development Planning Meetings:
- Izimbizo: Public Meetings for Budget, IDP etc
- Municipal Property Rates Act (MPRA)
- Service Standard or Charter
- Community Based Planning
- Complaints Register: Customer Care and Batho Pele Engagements
- Sukuma Sakhe – Premier’s Flagship Tool for Accelerated Service Delivery at a Ward Base Level
- Attendance to invitations by Interest groups
- Partnerships and MOUs: MIDI, etc

Recently the Msunduzi Municipality has developed a communication strategy which embraces the need for responsiveness towards members of public complaints and ensuring the implementation of Batho Pele Principles, this communication strategy is about to be adopted by Full Council.

The above various forms of public participation engagements some of them are conducted throughout the year specifically at an operational level and then some of them are organized on a fortnightly, monthly, quarterly and annually as reflected in our Process Plan, the intergovernmental relations and citizenry participation system model is mooted for adoption by Full Council which forms the basis for Public Participation Policy.

TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD 2021/2022 FINANCIAL YEAR (HIGHEST PRIORITY FIRST)

Top Four Service Delivery Priorities Per Ward 2021/2022 Financial Year (Highest Priority First)			
Ward Name (No)	No	Priority Name and Details	Progress 2021/2022
1	1	Tarring of roads	Rehabilitation of Roads - Vulindlela Ward 1
	2	Water pipes	NIL
	3	Revamping of Community Halls	NIL
	4	Sporting Facilities	NIL
2	1	Mabane road	Planning
	2	Ngcoya road	Planning
	3	Nsika road and other roads	Rehabilitation of Roads - Vulindlela Ward 2
	4	Extension of Soul city	NIL
3	1	Tarring of Mbongwa Road at Msunduzi area	NIL
	2	Upgrading of roads in all VDs of the Ward	Rehabilitation of Roads - Vulindlela Ward 3
	3	Upgrading of access roads in all Areas that constitute a Ward	Rehabilitation of Roads - Vulindlela Ward 3
	4	Construction of RDP houses	Vulindlela housing project
4	1	D 1138 Road at KwaShange	NIL
	2	Water extension pipe at Ndeleshane, Eshowe and Shange	In progress
	3	Rehabilitation of D2341 Mvundlweni	NIL
	4	Henley Dam bridge	NIL
5	1	Upgrade Mbuzemhlope Road (D2344)	NIL
	2	Upgrade D1134	NIL
	3	Phase 2 Concrete Jakalase Road	NIL
	4	Phase 2 Concrete Ngqemane Road	NIL
6	1	Reconstruction of Mbhekeni Road	NIL
	2	Construction of KwaDeda Community Hall	NIL
	3	Ntembeni and Qanda Network Ariel	In progress
	4	High Mastlight	Vulindlela High Mast programme
7	1	Nomo Nkabini road tarring.	NIL
	2	Zinqamu paving and Market stalls.	NIL
	3	VA Ngcobo multi- purpose centre.	NIL
	4	Mbabane hall	Pre-Planning
8	1	Tar Road (D1122)	In progress
	2	Upgrade access at road:	Rehabilitation of Roads - Vulindlela Ward 8
	3	Upgrade access road: Gogo Zondi road up to Ngubane road: Mncwabe and Mbense road	Rehabilitation of Roads - Vulindlela Ward 8
	4	Upgrade access road: Zimu road and Ntuli road	NIL
9	1	Hlela road needs to be upgraded	NIL
	2	Community Hall	Pre-Planning
	3	Manqeleni road needs to be upgraded	NIL
	4	Community Hall	NIL
10	1	Sewer Pipe	Midblock water & sewer eradication
	2	Road Construction and Upgrade of Access Roads	Nil
	3	Establishment of High School	Planning
	4	High Master Light	High mast lights-vul & great edn

Top Four Service Delivery Priorities Per Ward 2021/2022 Financial Year (Highest Priority First)

Ward Name (No)	No	Priority Name and Details	Progress 2021/2022
11	1	Installation of high mast light. Unit H, Tafuleni and Mahlathini	High mast lights-vul & great edn
	2	Construction of Multipurpose centre- unit H	Planning
	3	Construction of Access roads: Mahlathini	NIL
	4	Water –upper snathing Tafuleni	Basic Water supply
12	1	Streetlights maintenance	In progress
	2	Rehabilitation of Sports facilities	NIL
	3	Wadley Stadium	NIL
	4	Esigodini Sports Field	NIL
13	1	Maintenance of gravel roads in Kwa Nyamazane	Mig: z3: rehabilitation of roads - France ward 13 Edendale
	2	Resurfacing of Main Road in France area	Mig: z3: rehabilitation of roads - France ward 13 Edendale
	3	Fixing of Street Lights in Slangspruit, France, Westgate, and Buffer area	NIL
	4	Construction of Community Hall in Westgate	In Progress
14	1	Roads to be tarred	NIL
	2	10 Master lights	High mast lights-vul & great edn
	3	Steady supply of water and Sanitation	WSIG:ZA: BASIC WATER SUPPLY
	4	RDP housing	Willowfontein in progress
15	1	Intage Project at Maqeleni	NIL
	2	Housing Slabs and Roofing in Unit 18, T1,T2 and T3	NIL
	3	Construction of outside gym at Chakide Road open space	NIL
	4	Speed Humps (Unit 18, Mlahlankosi Road) and construction of walkway in	NIL
16	1	Damaged Roads	In progress
	2	Kwa-Pata Main Road needs to be reconstructed.	In progress
	3	Construction of speed humps	NIL
	4	Bongudunga Road for Tollgate to Sportsfield Road Dambuza needs to be reconstructed.	NIL
17	1	Construction of sanitation facilities/ sewer lines	Midblock water & sewer eradication
	2	Construction of roads - access roads	NIL
	3	Construction Park with Swimming pool	NIL
	4	Fixing of roads which are severe damaged	In Progress
18	1	Construction of France Main Community Hall	Pre-Planning
	2	Sanitation (Sewage pipe)	Midblock water & sewer eradication
	3	Tarred/Concrete Road (Thornville area main roads)	NIL
	4	Mpumelelo Multi-purpose and Skills	NIL
19	1	Clinic (Funulwazi)	NIL
	2	Installation of Street lights and master lights (on all roads that has broken streetlights)	High mast lights-vul & great edn
	3	Construction of Roads (Sangspruit access road)	NIL
	4	Agricultural Assistance (Slangspruit)	NIL
20	1	Roads to be fixed	Harewood road construction
	2	Construction of Bridge	NIL
	3	Installation of High master lights	High mast lights-vul & great edn
	4	Housing of 1000 Units in Harewood, Semero and Caluza	In progress
21	1	Clinic	NIL
	2	Library	NIL
	3	Roads	NIL
	4	Buying of Land	In progress
22	1	Construction of library in Imbali Unit 3	Planning
	2	Installation of high master lights in strategic areas of the Ward	High mast lights-vul & great edn
	3	Tar road in Ndawonde Road in Machibisa , John Mabulala near the hall, Tehuis area, Mfokeng road, Madamini Area	NIL
	4	Construction of Community Hall in Imbali unit 3 and CC	NIL
23	1	Ashdown Sports Arena (Ashdown Hall and Ashdown Stadium Upgrade)	NIL
	2	Peace Valley 2 Community Hall	NIL
	3	Transit Area Sewer and Storm-water Upgrade	Midblock water & sewer eradication
	4	Ashdown Storm-water Upgrade	In progress
24	1	Railway line to be fenced by Transnet at Southlands, Bisley and Fairmead.	NIL
	2	Sports Facilities at.	NIL
	3	Upgrading, Renovation and Furnishing of Orib and Grange Hall	Planning
	4	Railway line to be fenced by Transnet at Southlands, Bisley and Fairmead.	NIL
25	1	Electricity System Replacement And Upgrade	Substation Upgrades
	2	Water And Sanitation Upgrade	NIL
	3	Roads Resurfacing	In progress
	4	Upgrading Of Streetlights To Rechargeable Solar LED	In progress
26	1	RDP Houses in Peace valley 3 for the existing approved housing list.	Planning
	2	Upgrade and widening of Mayors Walk/Zwartkop Rds.	Preplanning
	3	Upgrade, replacement and maintenance of current water and electricity	On-going
	4	Community Hall	NIL

Top Four Service Delivery Priorities Per Ward 2021/2022 Financial Year (Highest Priority First)

Ward Name (No)	No	Priority Name and Details	Progress 2021/2022
27	1	Community centre at 128/130 Pine Street including old taxi rank on the corner of Havelock Road.	NIL
	2	Multi-purpose disaster and community Centre.	NIL
	3	Social housing on Havelock Road.	NIL
	4	Extension of tarred surfaces to the gutters	NIL
28	1	SUBSTATIONS	In progress
	2	SPEED HUMPS	In progress
	3	RESURFACING OF THE FOLLOWING ROADS	In progress
	4	SEWERS /STORM WATER DRAINS	NIL
29	1	Housing Project of 3000 units for Pakisi Area	NIL
	2	The underground electricity cable from Northdale Substation to Amethyst Alabaster Substation in Copesville.	NIL
	3	Upgrading of Copesville Sports Ground	NIL
	4	Copesville Old Age Home /Rehab Center	NIL
30	1	Canalization – Linum road to Baijoo Road	NIL
	2	Refurbishment and Maintenance of Sports Facilities – Protea Grounds	NIL
	3	Relocation of Informal Settlement at Khan Road	NIL
	4	New Fencing with a gate at Sohan	NIL
31	1	Electricity Upgrade- There is an urgent need for electricity Infrastructure upgrade residents are without electricity for days and days	In progress
	2	Water Upgrade- Common areas affected are: Cora Rd, Nerina,Olympia, Kingston, Balhambra, Innes	
	3	Widening of Bangalore Road and Mysore Road	NIL
	4	Resurfacing of roads- Dahlia Road, Munireddy Road, Mysore Road, Tajoodeen Rd, Aintree Avenue	NIL
32	1	Housing	NIL
	2	Second road exit from woodlands	Pre-Planning
	3	Roads Resurfacing	In progress
	4	Upgrade Northdale sewer & water systems	NIL
33	1	Manor Flats - Transfer of ownership	NIL
	2	Extension of the Ward Office to include a community hall.	NIL
	3	Installation of Solar Street Lights	In Progress
	4	Central - Scottsville bowling club to be allocated to Scottsville Primary School	NIL
34	1	4 high mast lights	NIL
	2	Making an area called Slaphin in Cinderella A as a Sport Centre for Kids with fencing around.	NIL
	3	Panorama Entrance Park for Kids	NIL
	4	Turning the Eastwood Tennis Court into an Indoor Soccer Ground.	NIL
35	1	Sobantu Hall	NIL
	2	Administration Office	NIL
	3	Construction of computer hub at Sobantu Council Chamber	NIL
	4	Sewer Pipes expansion	Midblock water & sewer eradication
36	1	Road Resurfacing:	In progress
	2	Road Widening:	NIL
	3	Alexandria Road	NIL
	4	Upgrade and increase capacity all electrical sub-stations to prevent frequent outages.	NIL
37	1	SACCA Informal Settlement (Mkondeni/Shorts Retreat Road)	Preplanning
	2	Ashburton and Lynnfield PARK Upgrading of water pipes	Nil
	3	Ashburton/Lynnfield Park- Rehabilitation of roads and storm water drains.	Nil
	4	HAYFIELDS Speed calming interventions	In progress
38	1	Northeast Sector Tar Road	NIL
	2	Sports ground grass planting and fencing.	In progress
	3	High Master Light in Glenwood	NIL
	4	Thembalihle Community Hall	NIL
39	1	Upgrade of Access Roads into concrete/tar surface	Mig: z1: upgr grv roads-vulindlela-ward 39
	2	OSS Housing Project	In progress
	3	Upgrade of Ncwadi Water Scheme Booster Pumps	MIG: Z1: NCWADI PHASE 2A
	4	Renovations of Halls	NIL
40	1	Hall	NIL
	2	High mast lights	High mast lights-vul & great edn
	3	Roads	MIG: Z1: UPGR GRV ROADS-VUL-WARD 40
	4	Houses	VDA Housing project
41	1	Museum completion in Georgetown	NIL
	2	Pedestrian Bridge in Esigodini/Emgodini to Smero	NIL
	3	Satellite police station	NL
	4	Outdoor Gymnasium in Georgetown	NIL

COMMENT ON THE PERFORMANCE OF STRATEGIC PLANNING OVERALL

The Strategic planning unit has undertaken various initiatives to support increased institutional capacity and promote transformation. The unit is responsible for submitting the Msunduzi Turn Around Strategy and Implementation Plan, the Municipal Support and Intervention Plan as well as the Audit Action Plan to CoGTA for monitoring the progress of the municipality and ensuring the municipality is on the road to recovery. In addition, the unit held Strategic Planning sessions and workshops. These workshops were held with the political and the administrative ambit. A portion of the capital budget was used to purchase furniture for the Strategic Planning unit. There are vacancies within the unit however, only the priority posts are being considered at this stage due to financial constraints.

6.4 POLITICAL SUPPORT**INTRODUCTION TO POLITICAL SUPPORT**

The political Support Office Provide support to the Political team to ensure smooth day to day running of the office. Its Consist of four Sub- Unit Mayoralty, Office of the MPAC Chair, Office of the Speaker and Chief Whip, VIP Protection and Youth Development. Managing political team related resources and information to ensure delivery

Manages the key performance areas and associated outcomes of the Council Programs for the Mayor's, MPAC Chair, Speaker and Chief Whip's Office, and controls the administration, facilitation, development and promotion of Special Projects & Programmes, Intergovernmental Relations & Communications, Youth development, VIP operations and Events Coordination, and attends to the development/ review of specific policies, procedures, applications, systems and controls.

Aligns and promotes Council's mandates/resolutions via Councillors, Ward Committees etc. and developing and facilitating Programs (Public Participation Programs, People's Assembly etc.) maintaining compliance of Rules of Order in Council and Portfolio meetings and the Code of Conduct for Councillors and directing the Administrative Policies and Procedures. Prepares and manages the budget of the section

ORGANIZATIONAL UNITS WITHIN POLITICAL SUPPORT

- Mayoralty
- Office of the MPAC Chair
- Office of the Speaker and Chief Whip
- VIP Protection
- Youth Development

EMPLOYEE INFORMATION

EMPLOYEE: POLITICAL SUPPORT					
MAYORALTY, OFFICE OF THE MPAC CHAIR, OFFICE OF THE SPEAKER AND CHIEF WHIP, VIP PROTECTION & YOUTH DEVELOPMENT					
Job Level	2020/2021		2021/2022		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	4	6	5	1	17
T04-T08	72	72	59	13	18
T09-T13	20	20	15	5	25
T14-T18	6	6	2	4	67
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	102	104	81	23	22

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains

Ward Councillors By Political Party (2021 – 2022)

WARD COUNCILLORS LIST		
WARD NO.	NAME	POLITICAL PARTY
1.	Msomi Khulekani	ANC
2.	Gabuza Phumlani Emmanuel	ANC
3.	Makhaye Skhanyiso Cyril	ANC
4.	Zondi Hamilton Mlungisi	ANC
5.	Mbanjwa Nkosinathi Maxwell	ANC
6.	Madonda Kwazikwakhe Emmanuel	ANC
7.	Zuma Bukelani Ephram	ANC
8.	Ngubane Mshushisi Aubrey	ANC
9.	Mshengu Mduduzi Caswell	ANC
10.	Ngubane Themba Cyril	ANC
11.	Zuma Sanele Russell	ANC
12.	Masoeu Nkosinathi Patrick	ANC
13.	Mncwango Gladness Sibongile	ANC
14.	Mkhize Sibusiso Alfred	ANC
15.	Bhengu Msawenkosi	ANC
16.	Zuma Micheal Bhekabantu	ANC

WARD COUNCILLORS LIST		
WARD NO.	NAME	POLITICAL PARTY
17.	Ndlou Mphilisi Instance	ANC
18.	Buthelezi Simphiwe Samuel	ANC
19.	Ngwenya Percival Vusi	ANC
20.	Phungula Siphwe	ANC
21.	Zuma Sbongumusa	ANC
22.	Zondi Thembinkosi	ANC
23.	Phungula Dumisani Bernard	ANC
24.	Nkabini Sinothi Jerome	ANC
25.	Bond Michael Steven	DA
26.	Strachan Ross Bryan (EXCO)	DA
27.	Kemp Haroon Daniel	DA
28.	Naicker Mangalingem	DA
29.	Madlala Sphamandla Sydney	ANC
30.	Soobiah Rachel	DA
31.	Ahmed Rooksana	DA
32.	Middleton Garth Frederick Wesley	DA
33.	Reddy Suraya	DA
34.	Ram Roy	ANC
35.	Dlamini Sandile Wellington (The Chief Whip)	ANC
36.	Roberts Douglas Leslie	DA
37.	Elliot Edith	DA
38.	Dlamini Godman Nkosivelile	ANC
39.	Mkhize Mbusiswa Hencefort	ANC
40.	Ngubo Jabulisile Joyce	ANC
41.	Mkhize Mabhungu Moses	ANC

Proportional Representation Councillors By Political Party (2021 – 2022)

MSUNDUZI MUNICIPALITY PR COUNCILLORS LIST		
	Name	POLITICAL PARTY
	Thebolla Mzimkhulu Meshack (The Mayor)	ANC
	Mkhize Mxolisi Theophilus (Deputy Mayor)	ANC
	Ngcobo Zanele Princess	ANC
	Msimang Nokuthula Prudence	ANC
	Sokhela Ntombizethu Precious	ANC
	Nhlabathi Bongumusa Cyril	DA
	Ntombela Thinasonke Dennis	IFP
	Madlala Hlelelwa Kholeka	ABC
	Mbona Bongani Dum'sani	EFF
	Majola Nomagugu Eunice (The Speaker)	ANC
	Magubane Zwelinjani Henry	ANC
	Dlamini Tholakele Ignatia	ANC
	Mkhize Dorcas Sibongile	ANC
	Sithole Philisiwe	ANC
	Phungula Victoria Mavie	ANC
	Mkhize Thandiwe	ANC
	Lyne Sandra Patricia	DA
	Mgaga Lungile	DA
	Ngubo Zinhle	DA
	Chonco Sibusiso Desmond	DA
	Phungula Nomathemba	DA
	Maphanga Pretty Nelisiwe	IFP
	Ntombela Thandanam Desmond	IFP
	Ndlovu Nomfundo	IFP
	Shezi Mbongeni Jetro	IFP
	Mkhize Bhekukwenza Allison	IFP
	Gcabashe Sandile	ABC
	Niemand Reinus	ACDP
	Dlela Nomalady	AIC
	Ndlovu Sinenhlanhla Love-Joy	JEP
	Adams Randal John	PA
	Mkize Beatrice Nombuyiselo	EFF
	Mncwabe Stanley Ntuthuko	EFF
	Cele Tholakele Nelisiwe	EFF
	Mpulo Mthetho Ephraim	EFF
	Nduli Mduduzi	EFF

MSUNDUZI MUNICIPALITY PR COUNCILLORS LIST

	Name	POLITICAL PARTY
	Mncube Nomusa Wendy	EFF
	Mbuto Mysie Sindisiwe	EFF
	Mpulo Sanele Protas	EFF
	Mzila Thembile Precious Memory	EFF

COMMITTEE ALLOCATIONS – JULY 2021 – JUNE 2022

COMMITTEE ALLOCATIONS – JULY 2021 – JUNE 2022

PORTFOLIO COMMITTEE	CHAIRPERSON	MEMBERS
Executive Committee	Councillor Mzimkhulu Meshack Thebolla (The Mayor)	Councillor Mxolisi Theophilus Mkhize Councillor Ntombizethu Precious Sokhela Councillor Zanele Princess Ngcobo Councillor Nokuthula Prudence Msimang Councillor Bongani Dumisani Mbona Councillor Thinasonke Dennis Ntombela Councillor Ross Bryan Strachan Councillor Bongumusa Cyril Nhlabathi Councillor Hlelelwa Kholeka Madlala
Sustainable Development & City Enterprise	Councillor Ntombizethu Precious Sokhela	Councillor Sinothi Jerome Nkabini Councillor Dumisani Bernard Phungula Councillor Dorcas Sibongile Mkhize Councillor Godman Nkosivelile Dlamini Councillor Kwazikwakhe Emmanuel Madonda Councillor Rooksana Ahmed Councillor Edith Elliot Councillor Mysie Sindisiwe Mbutho Councillor Thinasonke Dennis Ntombela Councillor Hlelelwa Kholeka Madlala
Corporate Services	Councillor Zanele Princess Ngcobo	Councillor Nkosinathi Maxwell Mbanjwa Councillor Sipiwe Phungula Councillor Sibusiso Alfred Mkhize Councillor Sphamandla Sydney Madlala Councillor Nkosinathi Patrick Masoeu Councillor Sibusiso Desmond Chonco Councillor Haroon Daniel Kemp Councillor Bongani Dumisani Mbona Councillor Pretty Nelisiwe Maphanga Councillor Sanenhlahlala Love-joy Ndlovu
Infrastructure Services	Councillor Mxolisi Theophilus Mkhize (Deputy Mayor)	Councillor Sbogumusa Zuma Councillor Hamilton Mlungisi Zondi Councillor Msawenkosi Bhengu Councillor Percival Vusi Ngwenya Councillor Gladness Sibongile Mncwango Councillor Mduduzi Caswell Mshengu Councillor Bongumusa Nhlabathi Councillor Magalingem Lucky Naicker Councillor Rachel Soobiah Councillor Mduduzi Clive Nduli Councillor Mthetho Ephraim Mpulo Councillor Mshushisi Aubrey Ngubane Councillor Bukelani Ephaim Zuma Councillor Nomalady Eleanor Dlela
Community Services	Councillor Nokuthula Prudence Msimang	Councillor Cyril Sikhanyiso Makhaye Councillor Tholakele Ignatia Dlamini Councillor Mphilisi Instance Ndlovu Councillor Simphiwe Samuel Buthelezi Councillor Thandiwe Mkhize Councillor Victoria Mavie Phungula Councillor Zinhle Regina Ngubo Councillor Sandra Patricia Lyne Councillor Garth Middleton Councillor Nomusa Wendy Mncube Councillor Thembile Precious Memory Mzila Councillor Thandanani Desmond Ntombela Councillor Mbongeni Jetro Shezi Councillor Sandile Gcabashe Councillor Randall John Adams
Financial Services	Councillor Mzimkhulu Meshack Thebolla (The Mayor)	Councillor Roy Ram Councillor Hencefort Mbusiswa Mkhize Councillor Khulekani Msomi Councillor Phumulani Emmanuel Gabuza Councillor Mabhungu Moses Mkhize Councillor Ross Bryan Strachan Councillor Douglas Leslie Roberts Councillor Noma Autrin Phungula Councillor Tholakele Nelisiwe Cele Councillor Sanele Protas Mpulo Councillor Bhekithemba Alison Mkhize Councillor Nomfundo Ndlovu

COUNCILLOR	MEETING DATES																Total	
	Keys: P=Present; LG=Leave Granted; AWOL=Absent Without Leave, N/A (As they were not yet Cllrs during that term)																	
	07/7/21	28/7/21	25/8/21	30/9/21	04/10/21	01/12/21	14/12/21	25/1/22	24/2/22	16/3/22	31/3/22	06/4/22	26/4/22	25/5/22	30/5/22	01/6/22		29/6/22
Zuma MB (ANC)	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	16/17
Zuma S (ANC)	N/A	N/A	N/A	N/A	N/A	P	P	P	P	P	P	P	P	P	P	P	P	11/12
Zuma SR (ANC)	N/A	N/A	N/A	N/A	N/A	P	P	P	P	P	P	P	P	P	P	P	P	12/12

NUMBER	SURNAME	NAME	DESIGNATION	DATE OF DISCLOSURE & DECLARATION	SHARES & SECURITIES IN ANY COMPANY (YES/NIL)	MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL)	INTERESTS IN ANY TRUST (YES/NIL)	DIRECTORSHIPS (YES/NIL)	PARTNERSHIPS (YES/NIL)	FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL)	ADDITIONAL INTERESTS			SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)				
											EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)					
															2021/2022	2022	FINANCIAL YEAR	
1	Adams	Ramdall John	PR Councillor	08/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	Ahmed	Rooksana	Ward Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	Bhengu	Msawenkosi	Ward Councillor	24/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4	Bond	Michael Steven	Ward Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5	Buthelezi	Simpthwe Samuel	Ward Councillor	22/12/2021	YES	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6	Cele	Tholakele Nelisiwe	PR Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7	Chonco	Sibusiso Desmond	PR Councillor	22/12/2021	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
8	Dlamini	Tholakele Ignatia	PR Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
9	Dlamini	Sandile Wellington	Ward Councillor	26/11/2021	YES	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
10	Dlamini	Godman Nkosivelile	Ward Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
11	Diela	Nomalady Eleanor	PR Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
12	Elliott	Edith	Ward Councillor	08/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
13	Gabuza	Phumlani Emmanuel	Ward Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
14	Gcabashe	Sandile	PR Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
15	Kemp	Haroon Daniel	Ward Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
16	Lyne	Sandra Patricia	PR Councillor	24/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
17	Madlala	Hleliwa Kholeka	PR Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
18	Madlala	Sphamandla Sydney	Ward Councillor	26/12/2021	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
19	Madonda	Kwazikwakhe Emmanuel	Ward Councillor	08/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
20	Magubane	Zwelinjani Henry	PR Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
21	Majola	Nomagugu Eunice	PR Councillor	24/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
22	Makhaye	Skhanyiso Cyril	Ward Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
23	Maphanga	Pretty Nelisiwe	PR Councillor	24/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
24	Masoeu	Nkosinathi Patrick	Ward Councillor	26/11/2121	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
25	Mbanjwa	Nkosinathi Maxwell	Ward Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
26	Mbona	Bongani Dumisani	PR Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
27	Mbutho	Mysie Sindisiwe	PR Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
28	Mgaga	Lungile Ruth	PR Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
29	Middleton	Garth	Ward Councillor	26/11/2021	YES	NIL	NIL	YES	NIL	NIL	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL
30	Mkhize	Bhekukwenza Allison	PR Councillor	24/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL
31	Mkhize	Mxolisi Theophilus	PR Councillor	22/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
32	Mkhize	Mabhangu Moses	Ward Councillor	26/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
33	Mkhize	Thandiwe	PR Councillor	24/11/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
34	Mkhize	Mbusiswa Hencefoth	PR Councillor	22/12/2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
35	Mkhize	Sibusiso Alfred	Ward Councillor	22/12/2021	NIL	NIL	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

MSUNDUZI MUNICIPALITY COUNCILLOR'S DISCLOSURE & DECLARATION OF INTERESTS

Council & Executive Support

SERVICE STATISTICS FOR COUNCIL & EXECUTIVE	
ITEM	NUMBER
Total number of Councillors	81
Total number of Executive Committee Members	08
Total number of wards	41
Total number of ward committee meetings	66
Number and Type of Council Committee Meetings:	
Full Council	18
Executive Committee	22
Good Governance	08
Financial Services	11
Infrastructure Services	09
Community Services	06
Development Services	07
Oversight Committee	18
Municipal Public Accounts Committee	22

COMPONENT G: SAFE CITY – MUNICIPAL ENTITY – MSUNDUZI MUNICIPALITY

SAFE CITY MSUNDUZI NPC

(Registration number 2010/024562/08)

Annual Financial Statements for the year ended 30 June 2022

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provide camera surveillance under the jurisdiction of the Msunduzi Municipality.
Directors	D Sokhela K Basson V Biggs G Moody R Singh S Ako-Nai
Registered office	1st Floor Pietermaritzburg Fire Department Pietermaritz Street Pietermaritzburg 3201
Business address	1st Floor Pietermaritzburg Fire Department Pietermaritz Street Pietermaritzburg 3201
Postal address	PO Box 3110 Pietermaritzburg 3200
Bankers	First National Bank Limited
Tax reference number	9101/228/18/8
Auditors	Auditor General of South Africa
Value Added Taxation reference number	4550261145
Pay As You Earn (PAYE) reference number	7490770601
Skills Development Levy (SDF) reference number	L490770601
Unemployment Insurance Fund (UIF) reference number	U490770601

MISSION

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

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ANNUAL REPORT

2021/22 DRAFT

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DIRECTOR'S RESPONSIBILITIES AND APPROVAL

The directors are required by the requirements of the Municipal Finance Management Act 56 of 2003 and the requirements of the Companies Act of South Africa (Act No.71 of 2008), to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the Standards of Generally Recognised Accounting Practices and the requirements of the Municipal Finance Management Act 56 of 2003. The directors are responsible for preparing the directors' report.

The financial statements are prepared in accordance with Generally Recognised Accounting Practices and the requirements of the MFMA and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment.

To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 4 to 25 which have been prepared on the going concern basis, were approved by the Board on 24th August 2022 and were signed on its behalf by:



D Sokhela
Chairperson of the Board



L Holtzhausen
General Manager

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note(s)	2022 R	2021 R
Assets			
Non - current assets			
Property, plant and equipment	3	8 590 320	9 579 554
Current assets			
Trade and other receivables from exchange transactions	4	2 500	2 500
Trade and other receivables from non-exchange transactions	5	3 569 856	3 390 727
Cash and cash equivalents	6	1 280 359	1 801 179
		4 852 715	5 194 406
Total assets		13 443 035	14 773 960
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	7	430 982	419 060
Provisions	8	1 064 385	1 003 748
		1 495 367	1 422 808
Total liabilities		1 495 367	1 422 808
Net assets		11 947 668	13 351 152
Reserves			
Accumulated surplus		11 947 668	13 351 152
Total net assets		11 947 668	13 351 152

STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2022	2021
		R	Restated*
		R	R
Revenue			
Revenue from exchange transactions			
Interest received - bank, call and investment account		89 956	74 517
Operational revenue		840	300
Total revenue from exchange transactions		90 796	74 817
Revenue from non-exchange transactions			
Income from non-exchange transactions - Msunduzi Municipality	9	12 416 889	11 793 834
Service in-kind - rental income	10	286 824	263 568
Total revenue from non - exchange transactions		12 703 713	12 057 402
Total revenue		12 794 509	12 132 219
Expenditure			
Consumables	11	(45 794)	(45 298)
Deemed rental expenses - service in-kind	10	(286 824)	(263 568)
Depreciation	3	(925 755)	(1 003 096)
Employee related costs	12	(11 449 782)	(9 853 688)
General expenses	13	(196 158)	(213 734)
Operating leases		(18 676)	(11 214)
Operational costs	14	(1 106 875)	(1 085 635)
Total expenditure		(14 029 864)	(12 476 233)
Deficit for the year from operations		(1 235 355)	(344 014)
Loss on disposal of asset		(168 129)	(323 878)
Deficit for the year		(1 403 484)	(667 892)

STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus R	Total net assets R
Balance at 01 July 2020	14 019 044	14 019 044
Deficit for the year	(667 892)	(667 892)
Balance at 01 July 2021	13 351 152	13 351 152
Deficit for the year	(1 403 484)	(1 403 484)
Balance at 30 June 2022	11 947 668	11 947 668

CASH FLOW STATEMENT

	Note(s)	2022 R	2021 R
Cash flows from operating activities			
Receipts			
Transfer from Msunduzi Municipality		14 100 294	13 443 702
Interest		89 956	74 517
Operational revenue		840	300
		14 191 090	13 518 519
Payments			
Employee costs		(11 389 146)	(9 684 184)
Suppliers		(3 218 114)	(3 049 957)
		(14 607 260)	(12 734 141)
Net cash flows from operating activities	15	(416 170)	784 378
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(165 871)	(339 981)
Proceeds from disposal of assets		61 221	35 955
Net cash flows from investing activities		(104 650)	(304 026)
Net increase/(decrease) in cash and cash equivalents		(520 820)	480 352
Cash and cash equivalents at the beginning of the year		1 801 179	1 320 827
Cash and cash equivalents at the end of the year	6	1 280 359	1 801 179

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Notes
	R	R	R	R	R	
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Interest received	150 000	-	150 000	89 956	(60 044)	23.1
Operational revenue	-	-	-	840	840	
Total revenue from exchange transactions	150 000	-	150 000	90 796	(59 204)	
Revenue from non- exchange transactions						
Transfer revenue						
Income from non-exchange transactions- Msunduzi Municipality	14 279 000	-	14 279 000	12 416 889	(1 862 111)	23.2
Deemed rental expenses – service in-kind	-	-	-	286 824	286 824	
Total revenue from non - exchange transactions	14 279 000	-	14 279 000	12 703 713	(1 575 287)	
Total revenue	14 429 000	-	14 429 000	12 794 509	(1 634 491)	
Expenditure						
Employee related costs	(11 518 000)	-	(11 518 000)	(11 449 782)	68 218	
Deemed rental expenses - service in-kind	-	-	-	(286 824)	(286 824)	
Depreciation	(954 000)	-	(954 000)	(925 755)	28 245	
General expenses	(976 000)	-	(976 000)	(196 158)	779 842	23.3
Operational costs, Consumables and leases	(1 785 000)	-	(1 785 000)	(1 171 345)	613 655	23.4
Total expenditure	(15 233 000)	-	(15 233 000)	(14 029 864)	1 203 136	
Deficit for the year from continuing operations	(804 000)	-	(804 000)	(1 235 355)	(431 355)	
Loss on disposal of asset	-	-	-	(168 129)	(168 129)	
Deficit for the year	(804 000)	-	(804 000)	(1 403 484)	(599 484)	

Kindly refer to notes 23.1 to 23.4 for an explanation of the material variances.

ACCOUNTING POLICIES

1. Presentation of financial statements

The financial statements have been prepared on a going concern basis in accordance with Standards of Generally Recognised Accounting Practices with the requirements of the Municipal Finance Management Act 56 of 2003. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgments and sources of estimation uncertainty

In preparing the 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 judgment are 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant judgments include the following:

Impairment and useful life review of property plant and equipment and intangible assets.

The company determines the estimated useful lives and related depreciation for property, plant and equipment. This estimate is based on the condition and use of the individual assets in order to determine the remaining period over which the asset can and will be used. The impairment of assets is estimated in line with accounting policy 1.3 below.

Provisions

The company assesses its provisions at each reporting date in determining whether an adjustment should be recorded in surplus or deficit. Provisions are estimated in line with accounting policy 1.9 below.

1.2 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	15
Motor vehicles	Straight line	10
Office equipment	Straight line	15
Computer equipment	Straight line	15
Video and data equipment	Straight line	20

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each component is depreciated separately over its useful life. The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

1.3 Impairment of assets

The company assesses at each reporting date whether there is any indication that assets may be impaired. If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.4 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction. At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.5 Trade and other receivables

Trade and other receivables are stated at the nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying value of these receivables approximate fair value due to the short period to maturity of these instruments. Trade and other receivables from non-exchange transactions are disclosed separately from trade and other receivables from exchange transactions. Trade and other receivables in exchange for which the entity gives approximately equal to another entity are recognised as trade and other receivables from exchange transactions. Trade and other receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from non exchange transactions.

1.6 Taxes - value added tax (VAT)

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of value added tax recoverable from, or payable to, the taxation authority is incurred as part of receivables or payables in the statement of financial position.

1.7 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

1.8 Trade and other payables

Trade and other payables are stated at their nominal value. The carrying amount of these payables approximates fair value due to the short period to maturity of these instruments.

1.9 Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

1.10 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, after sales taxes and discounts. Interest is recognised, in profit or loss, using the effective interest rate method.

1.11 Revenue from non-exchange transactions

Refers to transactions where the entity received revenue from the Msunduzi Municipality without giving approximately equal value in exchange. Revenue from non exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

1.12 Expenditure

Expenditure is recognised using the accrual basis and are recorded in the period in which they are incurred.

1.13 Capital commitments

A capital commitment is a binding agreement to undertake capital expenditure at some set time in the future which has not yet become an actual liability. Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

1.14 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

Employees contribute to defined contribution retirement fund and benefits are provided to all eligible employees. Contributions are charged as an expense as the fall due and the fund is externally managed.

1.15 Tax

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.16 Related parties

The entity operated in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a constitutional independence of the three spheres of government in South Africa, only entities within the national, provisional and local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions. Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that member of management in their dealings with the entity.

Directors' contributions consist of items that meet the definition of equity, being any contract that evidences a residual interest in the net assets of the company. The entity is directly controlled by the Msunduzi Municipality.

1.17 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the statement of financial performance and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Irregular expenditure is disclosed inclusive of VAT. Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority is recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the municipal council may write off the amount as debt impairment and disclose such in the relevant note to the financial statements.

The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.18 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expenses, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.19 Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation for the current year.

1.20 Events after the reporting date

Subsequent events that are both favourable and unfavourable which occurred between the reporting date and the date when the financial statements are authorised for issue, are included as a disclosure note to the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. New standards and interpretations

Standards and interpretations issued, but not yet effective year

The following Standards and interpretations of GRAP have been approved, but are not yet effective:

Standard/ Interpretation:	Effective Date: Years beginning on or after:	Expected impact:
• GRAP 104: Financial instruments	Not yet determined	The adoption of this Standard of GRAP, when it becomes effective, is not expected to have a significant impact on the financial statements because it is currently being applied.
• GRAP 25 (R): Employee benefits	Not yet determined	The adoption of this Standard of GRAP, when it becomes effective, is not expected to have a significant impact on the financial statements because it is currently being applied.

3. Property, plant and equipment

	2022			2021		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
	R	R	R	R	R	R
Furniture and fixtures	215 848	(76 664)	139 184	125 343	(72 129)	53 214
Motor vehicles	210 000	(133 000)	77 000	210 000	(116 773)	93 227
Office equipment	11 850	(5 265)	6 585	8 480	(4 589)	3 891
Computer equipment	165 772	(47 053)	118 719	130 752	(38 263)	92 489
Video and data equipment	18 427 792	(10 178 960)	8 248 832	18 893 011	(9 556 278)	9 336 733
Total	19 031 262	(10 440 942)	8 590 320	19 367 586	(9 788 032)	9 579 554

4. Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
	R	R	R	R	R
Furniture and fixtures	53 214	90 505	-	(4 535)	139 184
Motor vehicles	93 227	-	-	(16 227)	77 000
Office equipment	3 891	3 370	-	(676)	6 585
Computer equipment	92 489	35 019	-	(8 789)	118 719
Video and data equipment	9 336 733	36 977	(229 350)	(895 528)	8 248 832
Total	9 579 554	165 871	(229 350)	(925 755)	8 590 320

5. Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Depreciation	Total
	R	R	R	R	R
Furniture and fixtures	36 486	20 000	-	(3 272)	53 214
Motor vehicles	111 025	-	-	(17 798)	93 227
Office equipment	8 659	-	(3 866)	(902)	3 891
Computer equipment	56 733	50 925	(9 274)	(5 895)	92 489
Video and data equipment	10 389 599	269 056	(346 693)	(975 229)	9 336 733
Total	10 602 502	339 981	(359 833)	(1 003 096)	9 579 554

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 entity.

There are no restrictions on title and disposal of property, plant and equipment. Property, plant and equipment are not allowed to be pledged as securities for liabilities.

	2022 R	2021 R
4. Trade and other receivables from exchange transactions		
Trade receivables	2 500	2 500
5. Trade and other receivables from non-exchange transactions		
Accrued Income	3 569 856	3 390 727
This relates to amounts due from the Msunduzi Municipality.		
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
First National Bank Limited- current account	77 540	81 885
First National Bank Limited- money market account	1 194 837	1 718 804
Petty cash	7 982	490
	1 280 359	1 801 179
7. Trade and other payables from exchange transactions		
South African Revenue Services – VAT	411 498	404 032
Accrued expenses	19 484	15 028
	430 982	419 060
8. Provisions		

Reconciliation of provisions - 2022	Opening Balance	Additions	Utilized during the year	Total
	R	R	R	R
Provision for leave pay	347 811	4 279	-	352 090
Provision for annual bonus - 13th cheque	655 937	712 295	(655 937)	712 295
	1 003 748	716 574	(655 937)	1 064 385

Reconciliation of provisions - 2021	Opening Balance	Additions	Utilized during the year	Total
	R	R	R	R
Provision for leave pay	290 423	57 388	-	347 811
Provision for performance bonus	49 568	-	(49 568)	-
Provision for annual bonus - 13th cheque	494 254	655 937	(494 254)	655 937
	834 245	713 325	(543 822)	1 003 748

Provision for leave pay

The leave pay provision is based on the maximum leave available for staff to use during the 2023 financial year.

Provisions for performance bonus

The performance bonus is based on assessments made by management of the staff performance for the prior year.

Provision for annual bonus (13th cheque)

The 13th cheque annual bonus is based on one month's cost to company for all employees in the company's payroll.

9. Revenue from non-exchange transactions

Income from non-exchange transactions – Msunduzi Municipality	12 416 889	11 793 834
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Revenue from non-exchange transactions relates to income received from the Msunduzi Municipality.

	2022 R	2021 R
10. Services in-kind		
Rental of office premises		
Deemed rental income	286 824	263 568
Less: deemed rental expense	(286 824)	(263 568)
	<u>-</u>	<u>-</u>
The entity is occupying office space owned by the Msunduzi Municipality. The amount of the rental has been quantified by an external valuator.		
Other services in-kind		
<ul style="list-style-type: none"> The company's management attended four (4) Municipal Audit Committee meetings in the current year under review and 4 Municipal Audit Committee meetings in the prior year. Safe City Msunduzi NPC makes use of the Msunduzi Municipality's audit committee and internal audit services, these services in kind were also considered not significant. Safe City Msunduzi NPC makes use of the Msunduzi Municipality's accounting system - SAP. This is deemed a service-in-kind. 		
11. Consumables		
Consumables - standard rated	16 831	18 324
Consumables - zero rated	28 963	26 974
	<u>45 794</u>	<u>45 298</u>
12. Employee related costs		
Basic	8 046 309	6 562 089
Overtime	375 761	764 355
Bonus	712 962	655 937
Medical aid - company contributions	1 065 045	842 591
UIF	80 768	72 739
WCA	54 547	32 844
SDL	97 629	84 557
Travel or motor vehicle allowance	132 000	129 000
Cellphone allowance	97 800	69 250
Board member fees	232 305	185 741
Pension fund	554 656	454 585
	<u>11 449 782</u>	<u>9 853 688</u>
13. General expenses		
Accounting fees	64 167	60 117
Employee wellness	32 647	48 319
Legal fees	5 500	-
External repairs and maintenance	71 240	87 083
Quality control	22 604	18 215
	<u>196 158</u>	<u>213 734</u>
14. Operational Costs		
External audit fees	462 903	454 624
Bank charges	20 477	28 227
Courier and delivery services	1 040	802
Communication	54 341	54 977
Electricity	201 395	169 006
Insurance	357 112	354 362
Motor vehicle licence	-	934
Parking fees	2 779	2 779
Registration fees - seminars	4 087	-
Uniform	-	17 335
Vehicle tracking	2 741	2 589
	<u>1 106 875</u>	<u>1 085 635</u>

	2022 R	2021 R
15. Cash (used in)/ generated from operations		
Deficit for the year	(1 403 484)	(667 892)
Adjustments for:		
Depreciation	925 755	1 003 096
Loss on disposal of asset	168 129	323 878
Movements in provisions	60 637	169 503
Changes in working capital:		
Trade and other receivables from exchange transactions	-	91 792
Trade and other receivables from non-exchange transactions	(179 129)	(119 207)
Trade and other payables from exchange transactions	11 922	(16 792)
	(416 170)	784 378
16. Related parties		
Relationships		
Shareholder	Msunduzi Municipality	
Chairperson	D Sokhela	
Vice Chairperson	G Moody	
Director	V Biggs	
Director	K Basson	
Director	R Singh	
Director	S Ako-Nai	
General manager	L Holtzhausen	
Technical manager	R Holtzhausen	
Administrative assistant	C Holtzhausen	
Related party transactions		
Contribution received - Msunduzi Municipality	12 416 889	11 793 834
Accrued income - Msunduzi Municipality	3 569 856	3 390 727
Electricity and water paid to Msunduzi Municipality	201 395	169 006
	16 188 140	15 353 567
Remuneration of management		
Board members – basic salary		
Chairperson- D Sokhela	73 974	39 241
Vice chairperson- G Moody	41 971	38 158
Director- V Biggs	15 871	13 226
Director- R Singh	31 742	26 452
Director - S Ako-Nai	31 742	21 162
Director- K Basson	37 005	47 502
	232 305	185 741
General Manager - L Holtzhausen		
Basic salary	709 448	663 717
Bonus	61 697	56 811
Cellular allowance	10 000	8 000
Medical aid	28 649	27 048
Travel/ Motor vehicle allowance	30 000	30 000
UIF	2 040	1 898
	841 834	787 474
Technical Manager - R Holtzhausen		
Basic salary	413 654	371 695
Bonus	33 510	29 707
Cellular allowance	8 600	6 600
Medical aid	28 649	27 048
Pension fund	31 023	27 877
Travel/ motor vehicle allowance	24 000	24 000
UIF	2 040	1 898
	541 476	488 825

	2022 R	2021 R
Administrative assistant - C Holtzhausen		
Basic salary	205 365	183 850
Bonus	16 696	14 633
Cellular allowance	6 400	5 200
Medical aid	28 649	21 226
Pension fund	15 402	13 789
Travel/ Motor vehicle allowance	18 000	18 000
UIF	2 040	1 898
	292 552	258 596

Service in-kind

The company received services in-kind from related parties as detailed in note (8) to the these annual financial statements.

17. Prior period errors

During the prior year, the company recognised receipts in respect of insurance claims on damaged property, plant and equipment as revenue from exchange transactions instead of considering the receipts against the net carrying value of the asset in recognising the loss on disposal of asset.

The correction of the error(s) results in adjustments as follows:

Statement of financial performance

Decrease in revenue from exchange transaction -Insurance claim	(35 955)
Decrease in loss on disposal of asset	35 955

18. Going concern

We draw attention to the fact that at 30 June 2022, the entity had an accumulated surplus of R11 947 668 and that the entity's total assets exceed its liabilities by R11 947 668.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

19. Events after the reporting date

The directors are not aware of any other matter or circumstance arising at the end of the financial period that has a material impact on the financial statements.

20. Fruitless and wasteful expenditure

Opening balance	13 716	13 716
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21. Irregular expenditure

Opening balance	1 760 544	1 199 498
Add: current year expenses	-	561 046
Balance at year-end	1 760 544	1 760 544

Details of irregular expenditure

Insufficient quotations received as required by the procurement process.	-	48 531
Bidding process not followed	-	354 362
Preference point system not followed	-	96 618
Supplier bid declaration form not attached		61 535
	-	561 046

Cases under investigation

Procurement processes not followed	1 199 498	1 199 498
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In the case of the irregular, fruitless and wasteful expenditure, it is only after an investigation has been conducted that the expenditure can be certified as irrecoverable and written off by the board.

The investigation is still open and as soon as it is closed the board will write-off or condone the expenditure.

	2022 R	2021 R
22. Deviation from supply chain management regulations		
Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to dispense with official procurement processes established by the policy and to procure any required goods and services through any convenient process". This would typically include urgent and emergency cases, single source goods, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the Chief Executive Officer is required to report this to the next Board meeting for noting.		
Various suppliers	-	7 604

23. Budget variances

Explanations of variances between budget and actual amounts is provided below for all variances in excess of 10%.

23.1 Interest Received

The variance is as a result of the decrease in interest rates on investments, coupled with the timing of cash deposited.

23.2 Income Received from non-exchange transactions - Msunduzi Municipality

The variance is due to the VAT portion.

23.3 General Expenses

The variance is due to the entity following strict cost containment measures.

23.4 Operational Costs and leases

The variance is due to the entity following strict cost containment measures.

SAFE CITY MSUNDUZI NPC

Reg. No. 2010/024562/08

CHAIRPERSON'S ANNUAL REPORT FOR THE YEAR ENDING 30TH JUNE 2022

1: BACKGROUND:

Safe City Pietermaritzburg was formally constituted as an Association incorporated under section 21 of the Companies Act on 28 March 2002.

The need for street surveillance arose when the various South African Police Services amalgamated in 1994 and a moratorium was placed on the recruitment of police officers. The late Mr Des Winship, retired Managing Director of Hulett Aluminium and then chairperson of Business Against Crime (BAC) in Pietermaritzburg realised additional methods for the prevention and detection of crime had to be found and he started with a research process of establishing a CCTV surveillance capability in the Pietermaritzburg. He approached the Pietermaritzburg Chamber of Business who agreed to provide capital funding to install the first phase of surveillance cameras in the city. Detailed crime statistics was then obtained from the South African Police Services to determine crime hot spots where CCTV cameras had to be installed. The South African Police Services also gave their full commitment in supporting the project by undertaking to post a SAPS member on a 24/7 basis in the Control Room and to provide response units to all crime incidents detected on camera. Mr. Winship then approached the Msunduzi Municipality who undertook to fund the project by means of operational and capital funding and the first agreement was signed on the 18th of May 2002. Subsequent addendums to the agreement were signed on the 12th of September 2003, 28th July 2004, 20th July 2005, and 26th July 2006.

The original Board of Directors of Safe City consisted of the mayor as chairperson, two nominated councillors, representatives from the SAPS, NPA and Business.

Mr Winship also approached the National Prosecuting Authority who undertook to provide a dedicated court for all cases detected on CCTV. A TV monitor and DVD player was then donated by BAC to court for the purpose of leading CCTV evidence during court cases.

The first fifteen CCTV cameras started to operate on the 1st of January 2003 on a 24/7 basis with the Control Room situated on the 1st Floor at the Fire Department.

Safe City Pietermaritzburg was registered as a Section 21 company in accordance with the Companies Act: Act 1973 but upon advice from the Intervention Team that took over Msunduzi Municipality administration in 2010 Safe City was compelled to register as a (Pty) LTD company.

Due to the prohibition placed on Municipal Councillors and Government employees in accordance with the Municipal Finance Management Act to serve as directors of boards the mayor, nominated councillors and government employees had to stand down as directors. The remaining Board directors continued to function without any remuneration for their duties.

During 2013 the then Municipal Manager Mr Mxolisi Nkosi advised the Board to register as a Non-For-Profit Company due to tax complications and provided a letter of support from Msunduzi Municipality who was the then sole shareholder of Safe City. The application was approved by the Companies Intellectual Properties Commission (CIPC) on the 18th of September 2015 and an NPC certificate was issued accordingly.

The Safe City project is a partnership which is governed by an agreement by which the Municipality would make the necessary financial resources available for the operation of the organisation as well as the capital expenditure required to extend the CCTV surveillance to other parts of the city. The Service Level Agreement (SLA) for the financial years 2021 to 2024 has been agreed upon and signed by the Municipal Manager and the Safe City Chairperson on the 24th of November 2020.

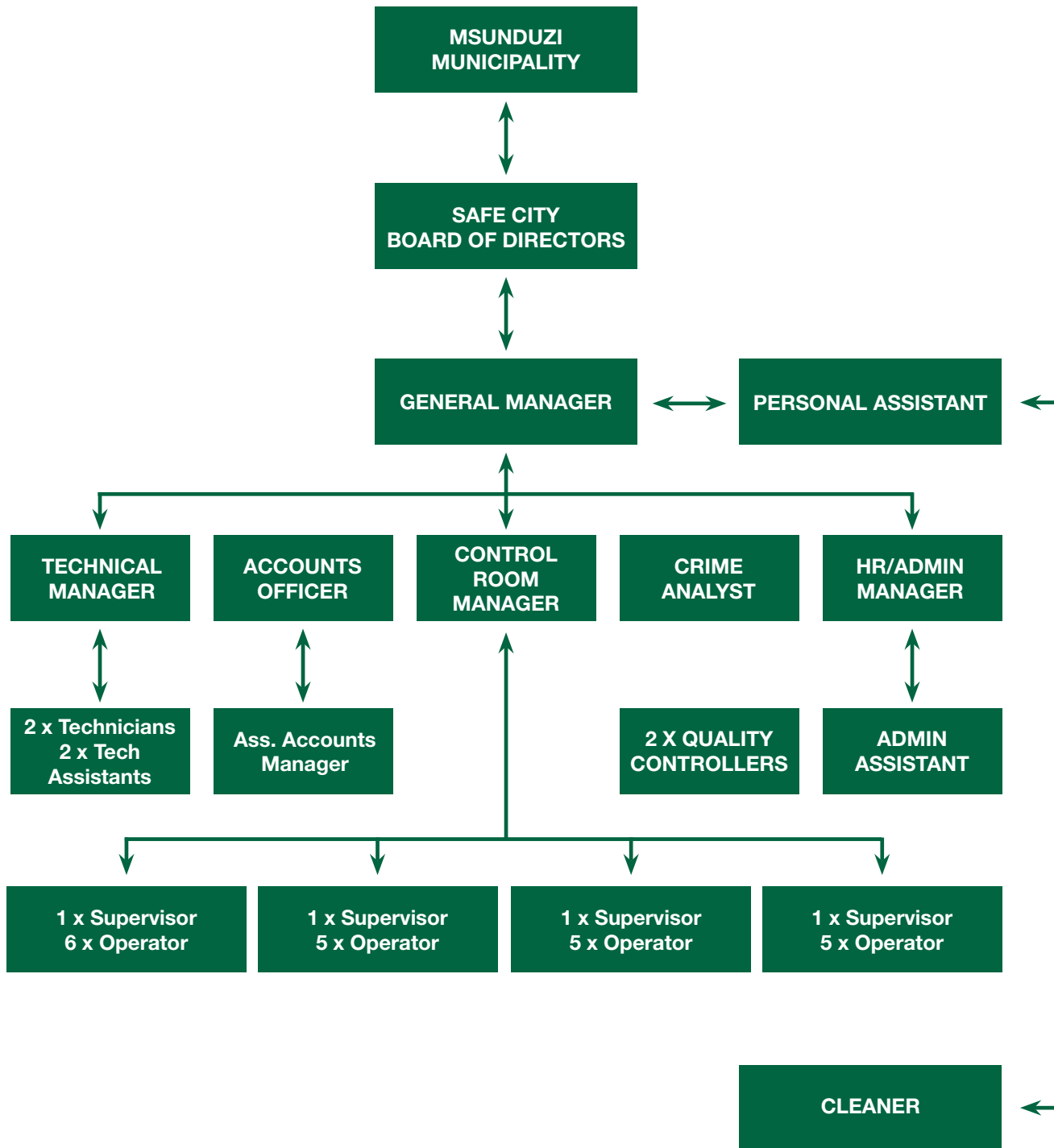
2: MEMBERS OF THE BOARD:

The current Board of Directors has, since the inception of Safe City in 2003, performed its duties diligently in accordance with the Municipal Finance Management Act and other requirements as per the Company's Act. For most of this period, board members provided their expertise and time on a free and voluntarily basis. It is only lately that directors are receiving directors' fees in accordance with Treasury guidelines for the work they perform in respect of governance matters. As Safe City is a Municipal entity performing a vital service to the community and the municipality of Msunduzi, directors serving on the Board need to have a sound knowledge and understanding of the following important aspects:

- Municipal Finance Management
- Municipal Systems Act
- Company's Act and in particular the provisions of the King IV document
- Information Technology
- Human Resource Management
- Criminal and Civil Law requirements and in particular the provisions of the Criminal Procedure Act: Act 51 of 1977
- CCTV street surveillance systems. The basic principles applied in the compilation of Operational Requirements, the Design of Street Surveillance systems and estimate costing of such systems.
- Project Management.
- ISO 9001 Accreditation
- Municipal Supply Chain Management
- Private Security Regulatory Act (PSIRA)
- Basic Conditions of Employment and Sectorial Determination 6 provisions
- General Recognized Accounting Practice (GRAP) Standard practices
- Preparation of Budgets in accordance with Municipal Standard Chart of Accounts (MSCOA)

Name of Director	Background Details	Number of Board Meetings Attended No. of meetings held: 9
Ms. Z Sokhela	<ol style="list-style-type: none"> Trustee of BP Cascades Service Station/BP Edendale. Former President and current Director of PCB Former Deputy Chairperson of uMgungundlovu TVET College Served as UKZN Council member, Served as Deputy Chair of UMDM Economic and Development Agency. Board Member of Comrades Marathon, Chairperson of CMA Corporate Governance Committee Member UKZN Foundation Board of Trustees. Serves in various UKZN Committees and Currently the Chairperson of the Safe City Board of Directors. 	9
Mr. G Moody	<ol style="list-style-type: none"> Managing Executive. Aluminum Foil Converters: Bidvest Group. Currently vice chairperson of the Safe City Board of Directors 	8
Mr V C Biggs	<ol style="list-style-type: none"> Retired Director: McCarthy Motors, Managing member of Allison Homes, Managing member of SAVS/NCVV, Former member of BFC and Founder member of Safe City. 	4
Ms. R Singh	<ol style="list-style-type: none"> Senior Legal Admin Officer Department of Human Settlements (Legal Services) Admitted attorney since 2005 Bachelor of Law Degree (UKZN) Post Grad Diploma - Compliance Management (UJ) Master of Law (UKZN) 	9
Dr. S Ako- Nai	<ol style="list-style-type: none"> Academic: Lecturer, University of Kwazulu-Natal, PMB – Information Technology. Executive Consultant: Dydx Business Technologies. Academic Advocate: Institute of Directors KZN Branch and ISACA: 	9
K Basson.	<ol style="list-style-type: none"> Currently Director at Bastro Group (Pty) Ltd (Technology & Financial Systems Consultancy & Support) Previously with Legal Practice Council / Natal Law Society for 20 Years in Finance and IT (Former Finance Manager) Currently hold Bachelor of Commerce (Management Accounting) (UNISA) Post Graduate Diploma in Management Accounting. (UNISA) A+ / N+ / Security+ (IT Schooling) Sat on the following School Boards (JC Joshua Pre-Primary / Eastwood Primary / Longmarket Girls School (Current treasurer) On the executive for Pirates Football Club Pietermaritzburg. 	9

3: SAFE CITY ORGANOGRAM:



4: PARTNERS:

Safe City considers its partnership with the following Government, Business and Community based institutions as its notable strengths.

4.1 Msunduzi Municipality:

Msunduzi Municipality is the parent entity of Safe City and provides Operational as well as Capital funding.

A Traffic Officer as well as an official from Waste Management performs duty in the Control Room on weekdays between 07:00 and 16:00. A dedicated operational desk has been made available solely for the purpose of detecting bylaw infringements such as littering and to monitor traffic flow during peak traffic hours. Requests for Waste Management to remove litter are directed and controlled by the official from Waste Management whilst the Traffic Officer directs Traffic Department responses to motor vehicle accidents, traffic congestions and traffic violations. There remains a dire need for a dedicated Municipal Response team to respond timeously to all bylaw infringements detected by Safe City. Incidents such as the posting of illegal abortions posters and littering which defaces our beautiful city are being detected daily but the response from Municipal Law Enforcement officials is not efficient to combat this menace.

Safe City also manages and facilitates the Disaster Management Joint Operational Centre (JOC) when it is in operation during events such as gatherings, marches, and ongoing high profile High Court cases.

4.2 South African Police Service:

Safe City has a SAPS representative present in the Control Room on a 24/7 basis, The SAPS provides Safe City with daily, weekly, and monthly crime reports which enables us to monitor our own performance as well as to compile Control Room Operational plans directing staff to focus on problematic areas. SAPS also provides a rapid response capability in the form of the Pietermaritzburg Police Motor Bike unit to deal with all criminal incidents detected on camera. Safe City also attends the daily Pietermaritzburg Station Crime Combat Forum (SCCF) meetings where operational matters are discussed. At these forums Safe City is also informed of forthcoming events such as gatherings and marches. This information enables us to plan the Control Room operations effectively.

4.3 National Prosecuting Authority:

A dedicated court has been made available to facilitate all video evidence emanating from Safe City arrests. For this purpose, Business Fighting Crime (BFC) donated a big screen and laptop to project video images during trials. It is expected from the Safe City surveillance staff to testify in all cases in which they detected and recorded criminal incidents. In this regard our staff have been complying diligently to appear in court despite the fear of intimidation.

4.4 Business Fighting Crime: (BFC):

Safe City has a permanent representative attending BFC meetings. These meetings also include the Banking Task Team. Safe City retains its efficient communication with the Pietermaritzburg business sector such as the Pietermaritzburg Midlands Chamber of Business and its stakeholders. Safe City on a regular basis is invited to present crime prevention presentations to these institutions.

4.5 Community and Sector Police Forums:

Safe City also has a representative attending CPF and Sector Police meetings. We are regularly invited to present crime prevention presentations to community-based organizations. Through the institutions we continue interacting with the various communities.

5: PARTICULAR MATTERS RELATING TO THE YEAR 2021/22:**5.1 Safeguarding of Priority Primary Electrical Sub Stations:**

On 18 February 2022 at 00:47 two suspects were detected breaking through the perimeter of the Retief Sub Station. SAPS were dispatched and the suspects arrested on scene, admitting that they wanted to steal electrical cables. On 12th May 2022 both the accused Xolani Mbeje and Mzwandile Mnyaka were found guilty of Damage to Municipal Infrastructure and sentenced to eighteen months imprisonment. Should the suspects have managed to steal electrical cables extensive damaged could have been caused to electrical equipment such as transformers.

5.2 Control Room Performance: July unrest and Covid 19 periods:

It is with great appreciation that it can be reported that the Control Room remained fully functional during unrest period which occurred from the 11th of July 2022 up until 15th of July 2022 and during the various Covid 19 variants which we had to endure during the year. It was then also due to the vigilance of a Safe City operator who detected the first act of unrest in the city centre when a gang was detected braking into a store and trying to set it alight. The SAPS responded and apprehended the suspects but unfortunately the unrest situation thereafter escalated to being out of control. Despite the disruption in public transport our staff members still managed to come to work using private transport and Safe City managers using their private vehicles to transport staff to and from work.

5.3 Revenue Generating Capacity:

During the 4th quarter of the 2021/22 financial year the deputy mayor Councillor M Mkhize paid a number of visits to Safe City. During his visit on the 1st of June 2022, he was met by the Chairperson of the Board Ms. Sokhela as well as two Board members, Dr. Sonny Ako-Nai, and Mr Kerwin Basson. The chairperson gave a presentation on the functionality of Safe City and the delegation viewed the operational capability of the Automatic Number Plate Recognition (ANPR) system. It was agreed during the visit that Safe City will assist the municipality in the generation of revenue by detecting Traffic and Bylaw infringements and then to dispatch a Traffic or Security official to deal with the matter. As can be seen in para 6.3.3 in the below significant revenue has already been generated in this regard. To further enhance Safe City's capabilities to generate revenue the re-introduction of ANPR operations is urgently needed. It is estimated that more than R11 000 000 is outstanding in traffic warrant revenue. The ANPR operations which were conducted between 2010/11 and 2013/14 recovered R 4 378 915. Unfortunately, the ANPR operations were stopped due to Traffic Department labour constraints.

6. CONTROL ROOM PERFORMANCE:**6.1 Core Functions:**

Safe City operates on a 24/7 surveillance basis and all the Control Room functions are ISO 9001:2015 certified. The Safe City Control Room is the only street surveillance Control Room in South Africa which can boast such an accreditation. Safe City is also registered with the Information Regulator and is adhering to the provisions of Section 14 the Promotion of Access to Information Act 2 of 2000 as well as the provisions of the Protection of Personal Information in terms of Act 4 of 2013.

Primary Function:

The monitoring of traffic and Municipal Bylaws such as littering, street gambling and illegal trading.

Facilitating the Automatic Number Plate Recognition (ANPR) system for the execution of outstanding traffic warrants and the recovery of outstanding revenue.

- The prevention, detection, and investigation of crime.
- The maintenance of the existing CCTV system. Advising Msunduzi Municipality on expansion of the CCTV system and
- Oversee the design, specification, and installation of new CCTV equipment.

Secondary Function:

- Facilitating the Disaster Management JOC during marches and gatherings.
- The monitoring of gatherings, marches, and events of public interest within camera visual area.
- Attend meetings with the Municipality to determine possible additional services.
- Liaise with Community Policing Forums, Bank Task Group and Non-Ferrous Metal Forum.
- Informing the public and business community regarding current crime tendencies and advise them on crime prevention strategies.

6.2 Monitoring of Priority Primary Sub Stations:

In the past Msunduzi Municipality was plagued with continuous power outages whereby primary substations would be vandalized for copper and other critical electrical gear. These outages had a crippling effect on the business and manufacturing sectors especially in the Mkodeni and Willtowton Road areas. Several businesses indicated that they intended closing down if the municipality did not take appropriate steps to curtail these power outages. During 2016/17 the amount of R6,5 million rand was allocated to Safe City whereby 98 CCTV cameras were installed as in the table below. A dedicated desk has been assigned to only monitor the eight primary electrical substations 24/7. It needs, however, to be emphasized that the above installation is only phase 1 of 3 phases to ensure that all Msunduzi Priority substations are effectively safe guarded against vandalism and theft of equipment. Since the installation of CCTV cameras at these sub stations no cases of theft or vandalism have been reported which led to power outages. Ninety-eight (98) CCTV cameras were installed at the following priority primary electrical substations:

Sub Station	Number of CCTV cameras
Riverside	19
Retief Street	17
Prince Alfred	13
Mkodeni	15
Hesketh	7
Woodburn	8
Northdale	8
Pine Street	11

6.3 Street Surveillance Cameras:

Safe City have 71 street surveillance cameras located in the following areas and monitored 24/7.

Area	Number of CCTV cameras
Alan Paton	1
Northdale	4
CBD	56
Freedom Square Taxi	10

Except for the Freedom Square Taxi rank cameras, the street surveillance system can be regarded as antiquated and with the inclusion of the recording equipment needs to be upgraded as soon as possible as its operational capacity has diminished drastically. The system has been in operation on a 24/7 basis since the 1st of January 2003 and spares can no longer be obtained at reasonable prices to repair or replace crucial components.

6.3.1 Summary of Crime and General Incidents Detected:

As a result of an increase in business robberies in the CBD the Pietermaritzburg Business Robbery Task Team was established by Brigadier Gwala to address this tendency. The Task Team is being coordinated from the Safe City Control Room and includes members from the SAPS Highway Patrol, SAPS Motorbike Unit as well as the local Private Security Companies. All the units report their daily labour allocation and area of deployment to Safe City. On 28th June 2022 at about 15:38 a local business was robbed by three suspects who then fled in a vehicle. The dedicated response team was informed, and one suspect was shot and killed in a shootout with the SAPS near Signal Hill in the Prestbury area. Two suspects managed to escape but one was later shot and killed during a failed business robbery attempt in the Frans area.

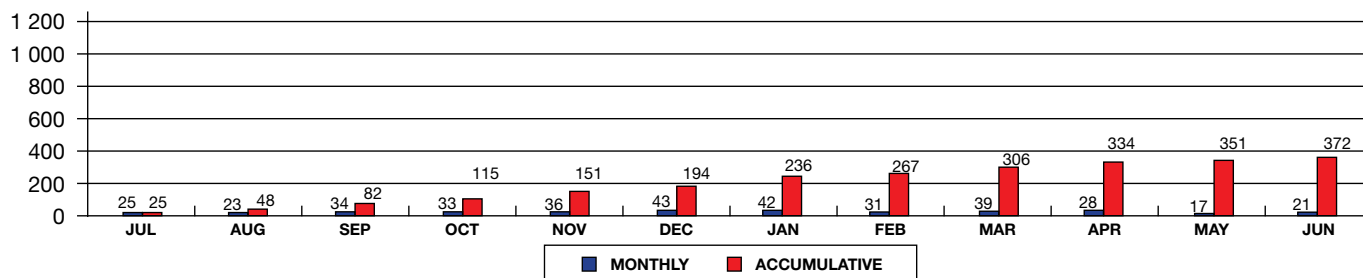
Description	2020/21	2021/22
No of Incidents Detected	1028	4447
Response by SAPS Units	310	372
No Response by SAPS	40	48
SAPS Response Time	Ave 8.3 min	Ave 9 min
Number of Arrests made, and Preventative actions taken	81	185
Dockets send to Court	61	48

6.3.2 SAPS Response:

The SAPS provides rapid response to all crime and general incidents detected. For this purpose, the SAPS Motor Bike unit is utilised extensively. See Para 3.2 in the above.

The SAPS responded to 372 incidents detected:

SAPS RESPONSES 2021/2022



6.3.3 Traffic Bylaws:

As mentioned in para 5.3 Safe City in conjunction with the Traffic and Security Department has since March 2022 embarked on an extensive project to generate revenue for the Municipality from Traffic infringements detected on camera. For the 2021/22 Financial Year the Traffic Department dealt with 66% of dispatches required. There is an urgent need for a traffic officer to be present on a continuous basis in the Control Room especially on Friday afternoons as we experience gridlocks at busy intersections. Currently there is only one traffic officer working on a shift basis in the control room. When she is off duty there is no traffic officer to assist control room staff in dispatching traffic officers to traffic infringements and traffic congestion.

Description	2020/21	2021/22
Road Traffic Ordinance	100	1062
Double Parking/ No Parking Zone		
Obstruction		
Traffic Congestion/Gridlocks		
MVA		
Traffic Signals		
Traffic Dept. Dispatch Required	100	1062
No Traffic Response	32	360
Response by Traffic Dept.	68	702
Ave Traffic Dept. response Time	14 min	21 min

SUMMARY:	Dispatch	Response	No Response	YTD Rev. Gen	YTD Rev Lost
Redline	398	310	88	R589 500	R31 800
Double Parking	178	86	92	R253 000	R95 000
Obstruction	39	12	27	R21 000	R14 000
Vehicle on Pavement	49	27	22	R30 500	R11 000
Washing Taxi/Cars	102	61	41	R13 800	R14 800
Traffic Signals	108	108	0	0	0
MVA's	62	33	29	0	0
Protest Actions	26	20	6	0	0
Traffic Congestion/Gridlock	100	45	55	0	0
TOTAL	1062	702	360	R907 800	R166 600

6.3.4 Municipal Bylaws:

For the 2021/22 Financial Year the Security Department dealt with 43% of dispatches required. Unfortunately, Safe City is unable to obtain any feedback on the results of the responses from the Security Unit. It is therefore at this stage not possible to attach any monetary value to these responses. If the response by Municipal Security can be improved, it will significantly contribute to addressing the disregard of bylaw regulations such as the posting of posters and illegal trading on the sidewalks.

Description	2020/21	2021/22
Bylaw Infringements	226	866
Selling of DVD's		
Illegal Trading		
Littering/Dumping		
Public Nuisance		
Posters		
Illegal Connections		
Security Dept. Dispatch Required	189	866
No Security Dept. Response	168	584
Security Dept. Response	21	282
Ave. Security response time	25 min	30 min

6.3.5 General Municipal Matters:

All these incidents were dealt with by the relevant Municipal Units.

Description	2020/21	2021/22
Fires	17	34
Water leaks	15	35
Traffic Signals		535
Total	32	604

6.3.6 The Public Announcement System as a Law Enforcement Tool:

The PA system has been used with immense success since its inception during 2013/14.

During 2021/22 the PA system has been utilised on 607 occasions.

The system is used in the following instances:

- When suspects are detected in an area, pedestrians or the public will be warned to be on the alert to secure their valuables as they might become victims of crime.
- When known suspects are observed they will be warned that they are under surveillance which in turn will reduce their opportunities to commit a crime.
- When pedestrians are observed who are not complying with Covid 19 protocols they are warned to comply with the regulations.
- When bylaw infringements such as posting of posters and illegal trading are detected the culprits will be warned to cease their activities.

Type of Incident	2020/21	2021/22
Public Warnings at ATM's	82	54
Public Warnings for Suspicious Behaviour	640	376
Covid 19	369	177
Total	1091	607

6.3.7 CBD Regeneration:

A Peace Officer from Waste Department performs duties in the Control Room from Monday to Friday and over alternative weekends. He monitors the CBD which is under camera surveillance and coordinates with the Waste Department to collect waste detected in camera view.

	2020/21	2021/22
Waste Dept. Required		205
Waste Dept Response		163

6.4 Maintenance of Surveillance System:

The average camera downtime was 1.5% of all cameras. Safe City's target is 10%. Power outages and load shedding wreaked havoc on our aging analogue equipment. In this regard the Technical Manager and his team have excelled in restoring the functionality of some of these cameras. Unfortunately, several analogue cameras could not be re commissioned and had to be replaced with IP cameras. The cost of these replacements was funded through Operational funds.

	2020/21	2021/22
Camera Downtime	1.3%	1.5%
Maintenance Trips Conducted	244	255

7: FINANCE:

Safe City Banking Accounts: First National Bank: Boom Street Branch:

Current Acc No 62035467978

Money Market: 62035942392

7.1 Safe City Capital Budget:

7.1.1 2021/22 Financial Year:

The amount of **R3 500 000** has been applied for to upgrade the existing CCTV system. Unfortunately, no capital budget was allocated for this purpose. As highlighted in para.6.3 there is an urgent need to upgrade to a digital system which will assist surveillance staff in the further detection of crime and bylaw infringements. This matter has again been highlighted in the Safe City multi-year business plan which has been submitted with the 2022/2023 budget application.

7.1.2 2022/23 Financial Year:

The amount of **R2 431 965.65** (incl vat), has been applied for to upgrade the existing CCTV system over a three-year period. We are incredibly grateful that the amount of **R650 000:00** (incl vat) has been allocated for the expansion of the surveillance footprint. It is envisaged that cctv cameras will be placed at all entrance and exit routes leading into the city and that these cameras will be linked to the ANPR system. It will therefore enable the Control Room to detect any suspicious or stolen vehicles entering or leaving the city centre.

7.2 Safe City Operating Budget:

7.2.1 2021/22 Financial Year:

Safe City applied for **R14 279 422.44** (incl vat) for the financial year to maintain its high level of service excellence. We would like to thank the Municipality for allocating the said amount to us. This increase was used to maintain the ageing CCTV infrastructure and to accommodate staff salary increases and benefits in accordance with PSIRA guidelines.

Comment:

Safe City experienced delays in receiving its quarterly funding payments. These delays had a negative impact on the cashflow management of the monthly operational budget. The operational budget had to be managed in such a manner that there were always sufficient funds available for staff salaries therefore reflecting a positive variance in expenditure. This positive variance created an impression of overfunding but in the process, expenditure in respect of maintenance had to be reduced which negatively impacted the life cycle of our ageing equipment.

For the past three years Safe City has received unqualified audit reports from the Auditor General which clearly indicates that Municipal funds are well administered and utilized correctly.

7.2.2. 2022/23 Financial Year:

For the financial year 2022/23 Safe City has applied for **R14 809 576.34** (incl. vat). The increase in budget allocation is to accommodate inter alia the estimate cost of: **R795 000.00** to be paid to the Auditor General and **R530 000.00** to be paid for insurance of our assets.

The allocation will also be used to ensure that:

- staff salaries are as per the Sectorial 6 determination
- staff benefits such as medical aid and pension fund is maintained.
- maintenance is conducted on the expanded CCTV system as per the SDBIP for 2022/23

8. KPA's/KPI's Indicators for 2021/22:

PROGRAMME	PROJECT	MEASURABLE OBJECTIVE	ACTUAL 2020/21
Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	24 Hour crime watch through CCTV Cameras in areas with CCTV coverage	169 x CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2022
Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	Reporting	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end	12 x Monthly Reports of criminal incidents detected by CCTV Cameras were prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2022
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Reporting to SAPS, Municipal Traffic or Security Dept. of every detected criminal or suspicious incidents or bylaws violation	Ave 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaw's violations taking place in all areas with CCTV Camera coverage	Ave 1.4 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaw's violations taking place in all areas with CCTV Camera coverage achieved by the end of 30th June 2022
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Inspection of CCTV equipment's	240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians	255 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the end of 30th June 2022
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Turn-around to repair of faulty CCTV equipment's as per the Faults Register/Book	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2022	Average 1 - day turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the by the end of 30th June 2022
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Reporting of camera downtime	100% Monitoring of Camera Downtime to ensure no less than 90% of Cameras are operational in all CCTV cameras under control of Safe City by the 30th of June 2022	98% Monitoring of Camera Downtime achieved by the by the end of 30th June 2022
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Reporting on Safe City ISO accreditation status	100% Safe City ISO 9001 accreditation to be valid and maintained during the 2021/22 FY	100% Safe City ISO 9001 accreditation still valid and maintained during the 19/20 FY by the by the end of 30th June 2022

Safe City's KPA Safe City's KPA's and KPI's for 2021/22 were aligned with the Service Delivery and Budget Implementation Plan.

9. SAFE CITY ANNUAL PERFORMANCE:

Please see Annexure A

10. SUSTAINABILITY AND GOVERNANCE:

The Safe City Board Members remain committed in maintaining strict ethical standards in the operations of Safe City, and accordingly undertake from time-to-time reviews of its business practices and governance responsibilities. In this regard, several important new policies have been implemented whilst existing policies were reviewed and approved.

11. CONCLUSION:

Safe City enjoyed a very fruitful relationship with the city's administration during 2021/22 and we would like to thank the Mayor, Councillor Mzimkhulu Thebolla, the Councillors, the Municipal Manager, Mr Madoda Khathide, and other senior officials for their constructive support towards the Safe City project and for supporting our belief that Safe City is performing a valuable community service.

As the Chairperson of the Board, the Board of Directors, Safe City Management and Staff, allow me to confirm without any doubt that Safe City Msunduzi NPC can be regarded as an asset to the Msunduzi Municipality and its communities. Without the presence of Safe City's CCTV Control Room and its operators, crime would have been rampant in the city. It always remains an important objective for Safe City to be a centre of excellence to ensure the safety of the public when visiting the Msunduzi precinct and to provide an acceptable service to the Municipality, SAPS, National Prosecuting Authority, and other stakeholders.

Safe City has seen it is equally important to get involved in assisting the Msunduzi Municipality in the enforcement of relevant bylaws and to generate revenue in the form of detecting Traffic and Bylaw infringements and the implementation of the ANPR system to generate much needed revenue for the municipality. I am also pleased to report that the re-introduction of ANPR operations can commence during the 2022/23 financial year as the system is now fully operational in the control room. The lack of bylaw enforcement contributes to crime and grime in our city, and we would like to appeal to the Municipality to establish a dedicated Municipal Re-Action Unit who can operate in conjunction with Safe City to effectively address bylaw infringements. This action will also reduce the opportunities for serious crime to take place especially in congested areas.

Our ageing surveillance system is starting to have a negative impact on our operating capability. Continuous power outages and load shedding wreaked havoc on our fragile analogue system and in this regard, we would like to appeal to the municipality to allocate capital funding to Safe City to undertake projects such as the upgrading of the surveillance system, the completion of the safeguarding of the remaining electrical primary sub stations against theft and vandalism and to expand the surveillance footprint to areas such as Edendale Business Centre. These projects have been included in our three (3) year Business Plan. As the capital city of KwaZulu Natal, it is of vital importance that our city has a fully functional and updated surveillance system. Therefore, the allocation of **R650 000:00** (incl vat) to expand the existing cctv footprint is appreciated and we will ensure that the allocated funds will be appropriately utilised.

I would also like to thank all our partners including BFC, SAPS, NPA and several others who are, to a lesser or greater extent stakeholders in our operation.

In conclusion as the Chairperson of Safe City, I would like to extend my greatest appreciation to the members of the board for their undivided and united support in consistently contributing strategically to the good governance of the organisation and to ensure that as a Board we act in good faith and in the best interest of Safe City at all times. The Board further wants to thank the management and staff of Safe City for their commitment in ensuring that Safe City remains a centre of excellence despite numerous operational as well as financial challenges. As the Board of Safe City, the Management, and all staff, we extend our gratitude to our parent municipality, Msunduzi Municipality as our main funder.

SAFE CITY ANNUAL PERFORMANCE

Annex A

2020/21		2021/22					2022/23						
SDBIP / OP REFERENCE	ANNUAL TARGET	ANNUAL PROGRESS - ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	SDBIP / OP REFERENCE	ANNUAL TARGET	ANNUAL PROGRESS - ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	SDBIP / OP REFERENCE	ANNUAL TARGET
CE 05	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	169 CCTV Cameras has been monitored 24 hours in all areas with CCTV coverage at the 30th of June 2021	3 (100% - 129%)	CE 22	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2022	12 x Monthly Reports of criminal incidents detected by CCTV Cameras and submitted to the SM: City Entities within 7 days after month end at the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Monthly Report to SM City Entities	CE 04	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2023
CE 6	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2021	12 x Monthly Reports of criminal incidents detected by CCTV Cameras was prepared and submitted to the SM: City Entities within 7 days after month end at the 30th of June 2021	3 (100% - 129%)	CE 23	Ave. 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th June 2022	Ave of 1.4 Minutes Turn-around time was achieved of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage at the 30th June 2022	3 (100% - 129%)	N/A	N/A	N/A	Safe City Occurrence Book	CE 05	4 x Quarterly Reports of operational and financial performance submitted to the Audit Committee by the 30th of June 2023
CE 07	Ave. 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th June 2021	Ave of 1.5 Minutes Turn-around time was achieved of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage at the 30th June 2021	3 (100% - 129%)	CE 24	240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2022	255 x CCTV inspections was conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2022	3 (100% - 129%)	N/A	N/A	N/A	Safe City Technical Maintenance Schedules	CE 06	12 x Monthly meetings with internal stakeholders by the 30th June 2023

CHAPTER 4 – REPORT OF THE AUDITOR GENERAL 2021/2022 FY

REPORT OF THE AUDITOR-GENERAL TO KWAZULU-NATAL PROVINCIAL LEGISLATURE AND THE COUNCIL ON MSUNDUZI LOCAL MUNICIPALITY

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Msunduzi Local Municipality set out on pages XXX to XXX, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, 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, except for the effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Msunduzi Local Municipality as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2021 (Act No. 9 of 2021) (Dora).

Basis for qualified opinion

Service charges and consumer debtors

3. The municipality did not correctly recognise service charges from the sale of water as required by GRAP 9, Revenue from exchange transactions. Discrepancies were identified between the meter readings and the billing reports used to calculate the consumption and revenue charged to consumers. I was unable to determine the full extent of the misstatement of the service charges revenue from the sale of water stated at R773,66 million in note 36 to the financial statements, as it was impracticable to do so. There was a resultant impact on consumer debtors, distribution losses, impairment, accumulated surplus and surplus for the period.

Context for the opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAS). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
5. 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.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

I draw attention to note 79 to the financial statements, which includes indicators of doubt as to the appropriateness of the going concern basis of accounting. As stated in note 79, these indicators include the impact of the Covid-19 pandemic on municipal finance and operations, adverse liquidity ratios, below norm cash cost coverage ratio, the outstanding gross debtors balance that has increased significantly and the majority of the debtors have been outstanding for over 365 days, the dwindling of reserves over the recent years, deteriorating creditors days, the increase in net debtors balances and successive deficits. As stated note 79, these events or conditions, along with the other matters as set forth in note 79, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material impairment statutory receivables and consumer debtors

9. As disclosed in note 6 to the financial statements, the municipality recognised a provision for impairment amounting to R943,904 million (2020-21: R785,58 million) on statutory receivables as the recoverability of these amounts was doubtful.
10. As disclosed in note 7 to the financial statements, the municipality recognised provision for impairment amounting to R2,95 billion (2020-21 : R2,10 billion) on consumer debtors as the recoverability of these amounts was doubtful.

Material losses - electricity

11. As disclosed in note 68 to the financial statements the municipality incurred material electricity losses of R362,59 million (2020-21 : R321 million) which represents 25% (2020-21 : 22%) of total electricity purchased. This was mainly due to illegal connections, infrastructure vandalism, metering inaccuracies (due to faulty meters), unmetered energy (meter tempering or bypassing the meter at the customer meter), revenue collection as well as ageing infrastructure that results in increased power dissipation during transmission and distribution on lines, cables and transformers in the system and overloading.

Restatement of corresponding figures

12. As disclosed in note 73 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Other matter

13. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure note

14. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
16. 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.

Auditor-general's responsibilities for the audit of the financial statements

17. 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.
18. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report**Introduction and scope**

19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priority presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
20. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the basic service delivery development priority presented in pages' XXX to XXX in the annual performance report of the municipality for the year ended 30 June 2022.
22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
23. The material findings on the usefulness and reliability of the performance information of the selected development priority are as follows:

Various indicators

24. I was unable to obtain sufficient appropriate audit evidence that systems and processes were established to enable consistent measurement and reliable reporting of the actual achievement of the indicators listed below against the predetermined indicator definitions. This was due to a lack of measurement definitions and processes. I was unable to confirm the reported achievement by alternative means. .

Indicator description	Planned output	Reported achievement
Percentage of households with access to water	100% of households with access to basic level of water by the 30th of June 2022	93.02% of households with access to basic level of water by the 30th of June 2022.
Percentage of households with sanitation	60% Percentage of households with access to basic level of by the 30th of June 2022	55.66% of households with access to basic level of sanitation by the 30th of June 2022.

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

26. The annual performance report on pages XXX to XXX sets out information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 26 of this report.

Adjustment of material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of basic service delivery development priority. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

28. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipalities compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

29. The material findings on compliance with specific matters in key legislation are as follows:

Financial statements

30. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

Strategic planning

31. The performance management system and related controls were inadequate as it did not describe how the performance measurement, review and reporting processes should be conducted, organised and managed, as required by municipal planning and performance management regulation 7(1).

Expenditure management

32. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R510,13 million, as disclosed in note 66 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the approved budget.

33. Reasonable steps were not taken to prevent irregular expenditure amounting to R1 06130 million as disclosed in note 63 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulations.

34. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

Revenue management

35. An effective system of internal control for debtors and revenue was not in place, as required by section of the MFMA.

36. An adequate management, accounting and information system which accounts for revenue, debtors and receipt of revenue was not in place, as required by section 64(2)(e) of the MFMA.

Consequence management

37. Appropriate action was not taken against officials of the municipality where investigations proved financial misconduct, as required by section 171(4)(b) of the MFMA and municipal regulations on financial misconduct procedures and criminal proceedings 6(8).

Procurement and contract management

38. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).

39. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43.
40. Some of the contracts were awarded to bidders based on preference points that were not allocated or calculated in accordance with the requirements of section 2(1)(a) of the Preferential Procurement Policy Framework Act and its regulations.

Other information

41. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
42. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
43. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
44. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

45. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation, however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the performance report and the findings on compliance with legislation included in this report.
46. Management did not ensure that systems of internal control were adequately implemented and monitored to ensure compliance with key legislation relating to strategic planning, annual financial statements, expenditure management, revenue management, procurement and contract management and consequence management.
47. Management did not adequately review the annual financial statements and annual performance report before submitting for audit. In addition, management did not validate achievements against supporting documents. As a result, material findings were raised during the audit.

Material irregularities

48. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

Material irregularities identified during the audit

49. The material irregularities identified are as follows:

Poor management of the New England landfill site

50. The Municipality did not take reasonable measures at the New England landfill site to prevent pollution or degradation of the environment from occurring, continuing or recurring as required by section 28(1) of the National Environmental Management Act 107 of 1998 (NEMA), read with section 16(1)(c) and (d) of the National Environmental Management Waste Act 59 of 2008 (NEMWA), as well as section 19(1) of the National Water Act 36 of 1998 (NWA).
51. The New England landfill site is not operated in terms of the minimum requirements and its waste management license of 2017. This is evidenced by:
 - poor access control and inadequate separation of waste disposed at the site;
 - lack of compacting and cover to limit gas emission impacting on air quality;
 - spontaneous combustions and other fires resulting in accidents, other safety risks and air pollution; and
 - lack of / poor leachate and storm water management to prevent continued contamination of the soil and water resources.
52. This state of affairs has been ongoing for several years as noted in compliance notices by the Department of Economic Development, Tourism and Environmental Affairs dating back to 2015 and February 2020, as well as the court ruling of 17 June 2021. A subsequent waste management license (WML) audit report issued July 2021 by engineers contracted by the municipality, and the site visit observations by the AGSA on 28 March 2022, confirmed continued non-compliance with the requirements and little or no progress on the action plan drafted in response to the court ruling or the WML requirements. There was further no gas or water quality monitoring since 2017.
53. Inadequately disposed or untreated waste may cause serious health problems for populations surrounding the area of disposal or safety risks for those exposed to it. It contaminates the soil, surface- and groundwater supplies due to untreated leachate and storm water run-off. Uncontrolled burning and improper landfilling also contributes significantly to air pollution. Greenhouse gasses are generated from the decomposition of organic waste landfills, with untreated leachate or storm water run-off polluting the surrounding soil and water resources (i.e. groundwater, stream or extended water networks).

54. Continued untreated leachate seeping and unmanaged storm water run-off into the adjacent environment and streams are contaminating the soil, ground water, streams and extended water course which may affect the communities in the surrounding environment and along the extended water course. Uncontrolled fires may endanger the lives of the surrounding community, schools and motorists on the N3 highway, posing serious safety and health risks due to air pollution. Health and safety risks for all workers and public accessing and using the site, including waste pickers inhabiting the site may be affected. This non-compliance is likely to cause substantial harm to the communities as it has combined adverse impact on the health, safety and livelihoods of the general public exposed to these environmental risks.
55. The accounting officer was notified of the material irregularity on 14 April 2022.
56. The following are the actions taken and/or planned to resolve the material irregularity:
- An internal waste management licence audit report dated 21 September 2022 was prepared on the management of the landfill site to assess progress and identify deficiencies.
 - An approved action plan with implementation time frames is in place to address the issues detailed in the compliance notices. The National Department of Water and Sanitation and the National Department of Forestry, Fisheries and the Environment has been consulted with regard to this action plan. The majority of planned corrective actions are targeted for completion by 31 July 2023.
 - The municipality will establish and maintain the landfill gas monitoring points by 31 July 2023 in terms of the approved action plan.
 - A storm water and leachate management system will be upgraded/constructed by 31 July 2023 in terms of the approved action plan. Interim measures are being implemented to prevent pollution in the interim.
 - A new compactor was bought and in operation, together with two dozers, a front-end loader and excavator.
57. I will follow-up on the implementation of the actions being taken during my next audit.

Material irregularities in progress

58. I identified a material irregularity during the audit and notified the accounting officer of this, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the responses from the accounting officer. This material irregularity will be included in the next year's auditor's report.

Status of previously reported material irregularities

Revenue not billed at the landfill site

59. Revenue earned from the municipal operated landfill site for waste deposits was not recognised as the weighbridge digitiser was not working for a period of six months in the 2019/2020 financial year. Vehicles entering the site were not weighed and there was no record of tonnage deposited. The non-compliance with section 64(2)(e)(i) of the MFMA is likely to result in a material financial loss for the Msunduzi Local Municipality.
60. The accounting officer was notified of the material irregularity on 1 April 2021 and I included recommendations in the audit report of 2020-21 on the steps that the accounting officer should take to address the MI because the accounting officer had not taken appropriate action in response to being notified of the material irregularity. The accounting officer was required to implement these recommendations by 29 April 2022. However, these were not adequately implemented.
61. On 17 August 2022, I issued a notification to the accounting officer advising him of the following remedial actions, that should be implemented by 17 November 2022, to address the material irregularity:
- The non-compliance must be investigated to determine if any official might have committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA. Where applicable, the financial loss must be quantified;
 - Disciplinary or, when appropriate, criminal proceeding must commence against any official who has allegedly committed an act of financial misconduct or an offence, as required by section 62(1)(e) of the MFMA and in the manner prescribed by the Municipal Regulations on Financial misconduct procedures and Criminal Proceedings; and
 - Any person(s) liable for the losses must be identified and appropriate action must commence to recover the financial loss.
62. I am in the processes of assessing whether the accounting officer has implemented the remedial actions.

Salary payments to a manager that never reported for duty

63. Salary payments were made by the municipality from 1 December 2016 to 31 July 2019 to an employee who never reported for duty since their appointment date. The municipality received no services in return for the payments made. This is evident of a non-compliance with section 65(2)(a) of the MFMA. The non-compliance is likely to result in a material financial loss for the Msunduzi Local Municipality.
64. The accounting officer was notified of the material irregularity on 15 April 2021.
65. The following actions have been taken by the accounting officer to resolve the material irregularity:
- A forensic investigation was conducted by the municipality's internal audit unit and a report was tabled in council.
 - The Head: Legal services was issued with an instruction by the accounting officer on 24 March 2021 to institute the recovery of the financial loss and the appointed attorney has since instituted the process with the matter having been presented at the High court for personal service to be effected by the sheriff on the defendant.
66. I will follow up on the implementation of the actions being taken during my next audit.

Failure to recover revenue from the sale of timber

67. The municipality failed to collect revenue from a service provider as per the agreement between the service provider and the municipality for the disposal of timber. The resulted in non-compliance with section 64(2)(a) of the MFMA and is likely to result in a material financial loss for the Msunduzi Local Municipality.

68. The accounting officer was notified of the material irregularity on 3 May 2021.
69. The following are the actions taken and planned to resolve the material irregularity:
- An independent expert was appointed to conduct a verification of the plantation was noted to be inconclusive. The accounting officer then instructed internal audit to investigate the matter which was in progress.
 - A new organogram has been compiled and approved for the forestry business unit and a forester has been appointed on a contractual basis.
 - A tender notice was issued on 19 August 2021 for the appointment of a suitable service provider for total management of the municipal forestry plantation and this was not successful. The process has since been re-initiated and the tender was still to be advertised.
 - The Head: Legal services was issued with an instruction by the accounting officer on 10 May 2021 to institute the recovery of the financial loss. The appointed attorney has since instituted the process and a letter of demand has been sent out, however the delays has been experienced as the pursuance of this matter is dependent on the outcome of the investigation that is still in progress.
70. I will follow-up on the implementation of the actions being taken during my next audit.

Other reports

71. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
72. At the request of the accounting officer and senior management, the internal audit unit performed investigations into allegations of fraud, corruption, theft, recruitment, mismanagement and supply chain management irregularities, covering the period 1 August 2020 to 30 June 2022. Thirty two investigations were conducted of which twenty one were concluded and reported to council. Eleven investigations were still in progress at the date of this report. Seventeen of these investigations resulted in disciplinary action against certain officials of the municipality. These proceedings were in progress at the date of this report.

Auditor - General

Pietermaritzburg
15 December 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. 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 the reported performance information for the selected development priority and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer.
 - conclude on the appropriateness of the accounting officer's 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 Msunduzi Local Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditors report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. 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.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to 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.

CHAPTER 5 – RESPONSE TO THE REPORT OF THE AUDITOR GENERAL 2021/2022 FY

RESPONSE TO THE REPORT OF THE AUDITOR-GENERAL ON CONSOLIDATED FINANCIAL STATEMENTS OF THE MSUNDUZI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2022

The Municipality received a qualified audit opinion for the 2021/2022 financial year.

In line with section 131 of MFMA, a corrective audit action plan has been developed to address the matters raised by the Auditor General. The audit action plan includes detailed audit findings, the root causes, planned corrective measures to address the findings, target dates/timeframes and progress to date.

The audit action plan will be monitored on a monthly/regular basis by the Operational Management Committee and structures of Council including MPAC and Audit Committee.

Further strategies on improving the system of internal control are being employed to deal with matters of emphasis, material irregularities and all audit findings on the management report.

CHAPTER 6 – RECOMMENDATIONS OF THE AUDIT COMMITTEE 2021/2022

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
24 AUGUST 2021	<p>UPDATE BY THE OFFICE OF THE AUDITOR GENERAL(REF: 3.10.1.1)</p> <p>NOTED.</p> <p>REVIEW OF AUDIT COMMITTEE AND INTERNAL AUDIT CHARTERS(REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the Audit Committee Charter and the Internal Audit Charters as contained in the report dated 2 July 2021, be approved and be adopted.</p> <p>CONSOLIDATED AUDIT COMMITTEE REPORT (01 JUNE 2021 TO 31 JULY 2021)(REF:3.10.1.1)</p> <p>AGREED</p> <p>(a) That the Consolidated Audit Committee for the period ending 31 July 2021 dated 16 August 2021 by the City Manager, be NOTED.</p> <p>(b) That the City Manager submit an action plan to the next meeting of the Audit Committee to resolve all AGSA issues together with a plan to find funding to filling the relevant priority posts including those posts within the Internal Audit Sub-Unit.</p> <p>(c) That the Chief Audit Executive must validate and ensure that all items reflected on the Audit Committee Decision Tracker which was being tracked by the Office of the City Manager were closed off.</p> <p>(d) That the City Manager submit a detailed report to the next meeting of the Audit Committee detailing plans to reduce electricity and water losses for residential / commercial and industrial, detailing all strategies that must be implemented in order to do so, together with a detailed list of the history on the respective electricity and water losses for the past 3 financial years, along with the total amount of funding invested in addressing these losses, and including figures on the total amount of funds recouped.</p> <p>(e) The City Manager requested to report on the waste management strategies and the grass cutting programs in place within the City as part of his next report to the Audit Committee on Tuesday, 26 October 2021.</p> <p>(f) That the City Manager include in the next quarterly report to the Audit Committee, the relevant initiatives in place to control expenditure within without jeopardizing service delivery.</p> <p>REPORT BY THE CITY MANAGER ON EXHORBITANT OVERTIME FOR QUARTER 3 AND QUARTER 4 ENDING 31 JULY 2021: FOR ALL BUSINESS UNITS (REF:3.10.1.1)</p> <p>AGREED</p> <p>That the report 17 June 2021 by the City Manager on the exorbitant overtime for Quarter 3 for all business units, be DEFERRED to the next meeting of the Audit Committee</p> <p>RISK MANAGEMENT REVISED REPORT ON MUNICIPAL FRAUD AND CORRUPTION RISKS (REF: 3.10.1.1)</p> <p>That the item considering the Risk Management Revised Report on Municipal Fraud and Corruption Risks be DEFERRED to the next meeting of the Audit Committee.</p> <p>DATE FOR AUDIT COMMITTEE STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE: (FOR DISCUSSION)</p> <p>AGREED</p> <p>That the item considering the date for the Audit Committee Strategic Session with the Strategic Management Committee be DEFERRED to the next meeting of the Audit Committee.</p> <p>REPORT ON THE TRACKING OF ALL HISTORICAL UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (UIFW) (REF:.....)</p> <p>AGREED</p> <p>That the item considering the report on the Tracking of all Historical Unauthorised, Irregular, Fruitless and Wasteful Expenditure by the Manager: MPAC be DEFERRED to the next meeting of the Audit Committee.</p> <p>DATE FOR AUDIT COMMITTEE STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE: (FOR DISCUSSION)</p> <p>AGREED</p> <p>That the item considering the date for the Audit Committee Strategic Session with the Strategic Management Committee be DEFERRED to the next meeting of the Audit Committee.</p> <p>REPORT ON THE TRACKING OF ALL HISTORICAL UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (UIFW) (REF:.....)</p> <p>AGREED</p> <p>That the item considering the report on the Tracking of all Historical Unauthorised, Irregular, Fruitless and Wasteful Expenditure by the Manager: MPAC be DEFERRED to the next meeting of the Audit Committee.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
24 AUGUST 2021	<p><u>OUTSTANDING REPORTS FOR THE QUARRY: REASONS WHY THIS REPORT HAS NOT BEEN SUBMITTED TO THE AUDIT COMMITTEE</u></p> <p>AGREED</p> <p>That the item considering the outstanding management response to the Internal Audit Findings on the Quarry be DEFERRED to the next meeting of the Audit Committee.</p> <p><u>FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021 : SAFE CITY MSUNDUZI NPC</u></p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That Council consider the findings around the Final Internal Audit Report on the Review of the Annual Financial Statements: Safe City Msunduzi NPC for the year ended 30 June 2021 as detailed in the report dated 20 August 2021 by the Manager: Assurance (Ref:A2-2021/2022).</p> <p><u>FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021</u></p> <p>AGREED</p> <p>That the item considering the Final Internal Audit Report on the Review of the Annual Financial Statements for the year ended 30 June 2021, be DEFERRED to the special meeting of the Audit Committee on Monday, 30 August 2021.</p> <p><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></p> <p><u>3. REQUEST WHEN THE AUDIT COMMITTEE WOULD BE CONSIDERING THE RECONCILIATION OF THE 3 YEAR ROLLING AUDIT PLAN</u></p> <p>AGREED</p> <p>That the item considering the review of the reconciliation of the 3 year rolling Audit Plan be DEFERRED to the next meeting of the Audit Committee.</p> <p><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></p> <p><u>PROGRESS REPORT ON RESOLUTIONS OF THE AUDIT COMMITTEE IN THE RECOVER OF LOSSES (REF: 3.10.1.1)</u></p> <p>AGREED</p> <p>That the progress on the Recovery of Losses as contained in the report dated 7 July 2021 by the Senior Manager: Legal Services, be noted.</p> <p><u>FORENSIC INVESTIGATIONS INTO UNAUTHORISED EXPENDITURE INCURRED IN 2016/17, 2017/18 AND 2019/2020 FINANCIAL YEARS (REF: 3.7.1(20/21)</u></p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That Council certify the following reported unauthorized expenditure which includes debt impairment, inventory losses, fair value adjustment on investment on property and employee costs (actuarial), all non-cash items disclosed in the adjusted audited financial statements for 2016/2017, 2017/2018, 2018/2019 and 2019/2020 financial years as irrecoverable and be written off in terms of Section 32 (2)(b) of the MFMA:-</p> <ul style="list-style-type: none"> (i) R5 234 379 for 2016/2017 financial year, (ii) R361 222 670 for 2017/2018 financial year, (iii) R170 002 042 for 2018/2019 financial year, (iv) R564 658 354 for 2019/2020 financial year. <p><u>REPORT ON THE PROGRESS ON FORENSIC INVESTIGATIONS, CRIMINAL INVESTIGATIONS AND PROSECUTIONS INTO ALLEGATIONS OF FRAUD, CORRUPTION, THEFT, ETC (3.10.1.1)</u></p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the progress report in the investigation conducted by the Unit, Criminal Investigations by the South African Police Services and the prosecutions by the National Prosecuting Authority of significant cases of fraud and criminal investigations by the Directorate of Priority Crimes Investigations ("Hawks") and the Commercial Crimes Unit for Quarter 4 of 2020/2021 financial year be noted. 2. That Council note with concern the incidents of fraud on overtime, vehicle abuse and absenteeism of staff that are continuing unabated which is indicative of a lack of supervision and management of staff. 3. That Council note with concern the lack of progress on cases reported to the South African Police Service. 4. That the effort of Internal Audit Unit to fight the scourge of fraud, corruption, theft and other gross irregularity be supported. 5. That Council note that criminal and other irregular conduct in the organs of state and private bodies are detrimental to good, effective, accountable and transparent governance and can endanger the economic stability of the Republic of South Africa and have the potential to cause social damage. 6. That Council must play a vigorous oversight on disciplinary cases and recovery process of losses incurred by the Municipality during the Commission of Misconduct or Criminal Act by employees and service provider to ensure that the City Manager implements the resolutions emanating from forensic investigation reports. 7. That the City Manager should hold the relevant Management accountable for serious transgressions identified in the forensic investigation reports, including but not limited to incidents of fraud on overtime, vehicle abuse and absenteeism of staff as these incidents are happening under their watch on a daily basis. 8. That the City Manager implement consequence management in cases where the prosecutors and presiding officers are causing unreasonable long delays in drafting and serving charges as well as setting down disciplinary proceedings.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
30 AUGUST 2021	<p>3. REVIEW OF THE DRAFT ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021</p>
3.1	<p>Audit Committee member (Mr T Maphumulo) indicated that the issues of electricity and water losses indicated on the Draft Annual Financial Statements were a substantial amount. He expressed concern that the Strategies to address these problem areas had insufficient budget. He reminded the Committee that electricity and water services generated the core income for the municipality and that these sub-units required sufficient investment in order for the municipality to receive good returns on its investment.</p>
3.2	<p>Audit Committee member (Mr L Quayle) sought clarity on the Undefined Difference of R 345 million and what this amount related to.</p>
3.3	<p>The Chairperson advised that many of her comments were of a qualitative nature and that comment by the Audit Committee would be forwarded to the Management Team via electronic mail. With respect to the Budget Statement, the Chairperson pointed out that there supposed to be a Note 82 for the variance analysis comparison.</p>
3.4	<p>There was concern over the Note on Timber on Page 60: which did not have an impairment cost for Timber. This query followed through to Page 140 which showed an amount of R 850 000 as income for timber. Therefore, clarity was sought on whether this amount for the segment accounting was correct.</p>
3.5	<p>The Chairperson thereafter queried the Forestry / Plantation specifically on the valuation of the agricultural assets, as it was difficult to explain from the financial statements as to what was exactly taken into account, or whether this reporting was purely qualitative. She pointed out that it made sense that the agricultural assets would have had an increase in the fair value when there were reports about the bad state of the forests. This would indicate possibly at impairments of the fair value, not only payment adjustments or decreases in the fair value rather than an increase. She indicated that Management should focus in valuing the actual timber and not the land. However, there was no certainty on what extent, as well as the risk. It was reported that the firebreaks at the forests were overgrown, and the invasive species were not cut out to transition. Clarity was sought on what extent this was being taken into account when the timber was valued; as it was a known fact that there was a growth factor that must be taken into account when considering that all the timber was filed last year and the revenue was for that has been recognized. So possibly that was done over the past two years. Furthermore, it was noted that the forestry was rented out. In consideration of this, it was queried how did this potentially affect the classification of the timber plantations as agricultural assets?</p>
3.6	<p>Audit Committee Member (Mr L Quayle) also pointed out that when the plantation was difficult to access and there were expected problems which resulted in increases in the felling and transport costs, which automatically reduced the value of the timber.</p>
3.7	<p>In respect of Heritage Assets, it was suggested that Management should have expanded on this as the item speaks to the valuation of artworks, jewellery and various other items but the note failed to elaborate on the museums, art gallery, parks and stadiums.</p>
3.8	<p>Heritage Assets: The Chairperson brought to the attention of the Committee that the last valuation on artworks and jewelry were undertaken during the 2018/2019 financial year. However, there have been revaluations on artworks this year. This item was not considered to be material. However, it was pointed out that this did not make any sense to have such errors on the Financial Statements.</p>
3.9	<p>With regard to Servitudes on Page 65, it was queried whether the municipality revalued these Rights.</p>
3.10	<p>The Chairperson reported that there was a gap in the accounting policy for intangible assets which could be seen as an inconsistency with the accounting policies and how they were described.</p>
3.11	<p>Page 67: Illegally occupied land: Noting that the issue of land was addressed by the rapid urbanization management within the parameters of the approved Land Use Scheme, it was queried why illegally occupied land was not impairable.</p>
3.12	<p>The Chairperson reported that there needed to be a specific discussion on land in respect of the issue of control and illegal land invasion. Such issues relating to land within the City must be specified in a file to the AGSA.</p>
3.13	<p>Page 68: Living Resource: It was pointed out that Msunduzi Municipality did not have responsibility over the living resources. In view of this, clarity was sought on how this was considered to be an asset of the municipality.</p>
3.14	<p>Page 73: Note 14: The Chief Financial Officer was requested to review the opening and closing balances which had small rounding differences.</p>
3.15	<p>Investment property and PPE: The Chairperson reported that it was difficult to track the movement between transfers and additions to investment properties. The Business Unit was questioned whether this movement was correct. Concern was expressed over the decrease in rental income despite there being a fair value increase on investment property.</p>
3.16	<p>Page 77: Sin Tax: The Business Unit was requested to the correct the spelling errors.</p>
3.17	<p>Page 80: Reconciliation of Landfill Site Provisions: There was concern over the how the High Court Ruling affected the municipality's obligations in managing the New England Road Landfill Site. It was noted that no other evaluations of the Landfill Site had been undertaken. Concern was raised over the adjustment of the remaining life span of the Landfill Site from 4 years to now being extended to 7 years. The Committee needed an explanation to the change in the remaining life span of the Landfill Site.</p>
3.18	<p>Page 70: Accumulated Surplus: Under the 2020 figures, it was noted that there was a surplus deficit of R 261 million. However, the figure on the Statement of Financial Performance differed from the SFP. The Business Unit was requested to review these figures.</p>
3.19	<p>Page 102: External Accounting and Internal Audit: There was some concern that the Nil figure for External Accounting and Internal Audit was not factual, as it must be reflected as an Outsourced Item. (It was mentioned that the issue of utilising external staff must be addressed as this was a cost to the municipality, and it would be more beneficial to filling the vacant posts instead).</p>
3.20	<p>Page 136: Note 78: Risk Management Credit Assessment: Clarity was sought on whether consumer deposits were withheld to settle outstanding debts. On this same page there is a note that the municipality had entered into derivative contracts to manage the risk of a decline in milk prices; which should have reflected timber prices / timber sales instead. The Business Unit was requested to include an expansion of the explanation on this note and to explain how the yield was derived at.</p>
3.21	<p>The note on the formation of the Expenditure Committee to monitor the implementation of the Cost Containment Strategy and to ensure economically efficient spending, was briefly mentioned. It was queried whether the Expenditure Committee had any input and weight on the decision that caused public uproar on the sponsoring of the football club. The effectiveness of the Expenditure Committee was queried.</p>
3.22	<p>The Business Unit was requested to amend the note on Government Grants whereby the municipality was not funded by Government Grants. This was considered to be a misstatement. The municipality budget was in actual fact funded by service charges and tariffs paid by its rate payers.</p>
3.23	<p>Page 53: Property Rates Interest Rate: The Business Unit was requested to review and confirm if the property rates of 11,25 % was correct.</p>
3.24	<p>Note 21: Employee Benefit Obligations: The Chairperson requested confirmation from the Business Unit that the benchmark used accurate. She mentioned that the figure was low in comparison to the previous year.</p>
3.25	<p>There was some concern expressed over the lack of transparency over the information provided on the fully funded maintenance budget. It was preferred that the Business Unit included on the note that some strategies to improve service delivery could not be delivered as a result of the financial constraints within the municipality. The Business Unit was urged to prepare the Financial Statements in a manner that addressed all possible answers and explanations to any possible questions that could be raised by the Auditor General and the rate payers.</p>
3.26	<p>Page 90: Note 24: 2020 Surplus: It was reported that the surplus deficit under the Accumulated Surplus Deficit for the year was different to the amount reflected under the Statement of Financial Performance.</p>
	<p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p>
	<p>That Council note the internal audit considerations on the Review of the Annual Financial Statements for the year ended 30 June 2021 as detailed in the report dated 30 August 2021 by the Manager: Assurance (Ref: A1-2021/2022).</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
26 OCTOBER 2021	VERBAL UPDATE BY THE OFFICE OF THE AUDITOR GENERAL
	<p>(Item 6 on agenda)</p>
	<p>6.1 It was reported that the audit for the Safe City Entity was on track and that it was anticipated to be completed by the end of the current week.</p> <p>6.2 The Audit Committee was advised that the AGSA was ensuring that there were sufficient teams available to complete the Audit. It was reported that these teams were working overtime to ensure completion of the audit. It was also indicated that the flow of information requested from municipal officials was flowing smoothly with the assistance of Mr Odwa Langa and Mr Khulekani Ngcobo.</p> <p>6.3 National Treasury Representative (Ms Joanne Savari) sought clarity on what the 50% of the CATS Procedure related to, as well as the impact of the Audit on the municipal budget in lieu of overtime by AGSA Teams.</p> <p>6.4 In terms of the CAT Exception, it was confirmed that the exceptions were selected and validated. The Senior Manager: AGSA reported that the procedure related to Revenue, Debtors, Debtors Write-off, Expenditure, PPE and Employee Costs. In response to a query, he advised that the overtime worked by the AGSA Teams to complete the audit would not impact on the municipal budget, as this was done to assist AGSA staff members who were busy writing exams that coincided with the auditing process. He thereafter advised that 2 communications had been issued to the municipality that were control-related findings which were repeat findings from 2 years ago that did not impact on the findings on the current audit.</p>
	<p>7. FINAL INTERNAL AUDIT REPORT ON CONSUMER REFUNDS (REF:3.10.1.1)</p>
	<p>Management was urged to effect the findings of the Internal Audit Sub-Unit to usher in a positive culture of sound governance within the Organization. Officials were requested to deliberate on these findings prior to consideration by the Audit Committee.</p>
	<p>In addition to this, Audit Committee member (Mr Vukani Dlamini) sought clarity on the reasons why there was no consensus between Management and the Internal Audit. Sub-Unit.</p>
	<p>The Chief Financial Officer requested that the audit on Consumer Refunds must continue to form part of the Internal Audit Annual Plan.</p>
	<p>The Chief Audit Executive explained that refunds must be transferred into the bank accounts that they originated from to prevent any possible money laundering activities, and to ensure that the municipality was not supporting such activities.</p>
	<p>The Business Unit was urged to report such transactions to National Treasury and to the FICA and the Cyber Crimes Unit. The City Manager was urged to instruct officials to not proceed with such suspicious refund transactions until the relevant source documents and original bank account could be verified for the refund deposit.</p>
	<p>AGREED</p>
	<p>(a) That the City Manager issue a directive to finance staff to ensure that the issue of Consumer Refunds must be flagged as a possible fraud risk / or money laundering on transactions that have a different bank account for the refund. Such refunds must be stalled until all the relevant source documents, confirmation on the total balance on the relevant municipal consolidated bill and the original bank account can be verified for the refund.</p> <p>(b) That the Chief Audit Executive ensure that all Internal Audit Reports are deliberated on with Management prior to submission for consideration by the Audit Committee.</p>
	<p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p>
	<ol style="list-style-type: none"> 1. That the Refunds Supervisor should review all applications and supporting documentation accompanying the applications thoroughly to ensure accuracy and completeness of information received. No applications should be approved and processed for payment where incomplete are received. 2. That the Senior Manager: Revenue and Manager: Utility Services should review the Refund Application Form against the checklist to ensure that all necessary processes were followed and supporting documents are attached; and should sign the form as evidence. 3. That the Senior Manager: Revenue and Manager: Utility Services should ensure that all the transactions processed on the customer's account are supported by relevant documents. 4. That the Manager: Utilities Services should ensure that supporting documentation are maintained for proper audit trail. 5. That the Chief Financial Officer and the Senior Manager: Revenue Management should ensure that accurate tariffs uploaded on the system as approved by Council by reviewing the Tariff Register against Council approval. 6. That the Chief Financial Officer and the Senior Manager: Revenue Management should ensure that system parameters were restricted as soon as the approved Tariff Register had been uploaded to avoid unapproved amendments. 7. That the Manager: Consolidated Billing should ensure that all the transactions processed on the customer's account be supported by the relevant documents and the supporting documents maintained for proper audit trail. 8. That the Refunds Supervisor should review all applications and supporting documentation accompanying the applications thoroughly to ensure accuracy and completeness of information received. No applications should be approved and processed for payment where incomplete applications are received. 9. That the Senior Manager: Revenue Management and the Manager: Consolidated Billing should review the Refund Application Form against the checklist to ensure that all necessary processes were followed and supporting documents attached; and should sign the form as evidence thereof.
	<p>8. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION FOR QUARTER 4 AND ANNUAL PERFORMANCE REPORT FOR 2020/2021 (REF: 3.10.1.1)</p>
	<p>Report dated 19 October 2021 by the Manager: Assurance (Ref: AoPI 2020/2021).</p>
	<p>Clarity was sought on the actual root cause of the root cause, as it appeared that Management was not in agreement with the recommendations of the Internal Audit Sub-Unit.</p>
	<p>National Treasury Representatives offered assistance in improving the relationship between Management and the Internal Audit Sub-Unit in order to provide value added services should the relationship continue to be remain strained.</p>
	<p>The Chairperson emphasized the importance of the proposed strategic session with the Strategic Management Committee which would address such issues.</p>
	<p>The Senior Manager: Office of the City Manager agreed that the biggest challenge was the quality of Management responses. She reported that the lack of stability within the Performance Management Unit, coupled with the high vacancy rate and acting appointments by members of staff that did not have the competency requirements within the Unit had proven to be challenging. Another major challenge facing the Performance Management Unit was the unavailability of certain managers due to other work commitments which impacted negatively on concluding the performance assessments.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
26 OCTOBER 2021	<p>Concern was further expressed over the lack of consequence management for Senior Managers that failed to submit their Portfolio of Evidence Files, as well as ongoing late submissions.</p> <p>The Audit Committee expressed concern that there was no control over the issue of Acting Appointments which were not linked to performance monitoring or performance assessment.</p> <p>AGREED</p> <p>(a) That a special meeting of the Audit Committee be scheduled before the next Audit Committee meeting to focus specifically on Performance Management which shall include the report dated 19 October 2021 by the Manager: Assurance (Ref: AoPI 2020/2021) and other legislated requirements etc for members with pre-reading.</p> <p>(b) That the Chief Audit Executive ensure that the Chief Financial Officer's requirements for the budget and expenditure for the special meeting referred to in (a) above are met.</p> <p>(c) That the City Manager ensure that all Acting Appointments for Senior Managers and General Managers are linked to performance monitoring / assessment as a matter of priority to ensure that there was accountability of incumbents acting in senior posts.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the findings around the Final Internal Audit Report on the Audit Performance Information for Quarter 4 of 2020/2021 and Annual Performance Report be considered. 2. That on an annual basis, the Mayor should discuss with the City Manager performance in relation to the input indicators, output indicators; and corrective action and measures provided for areas of poor performance and/or when the key performance indicator target was not met. 3. That the City Manager's reporting to the Mayor should be supported with verifiable consumer / customer survey in relation to the municipality's performance for that reporting year. 4. That this information should be considered when populating the SDBIP for the ensuing financial year, including but not limited to the input indicators, output indicators and outcome indicators for the identified key performance areas. 5. That the City Managers performance agreement should be concluded between himself and the Mayor once the SDBIP for the ensuing financial year has been approved, key performance areas developed and agreed upon in relation to the municipal development objectives and priorities evidenced by their signatures. 6. That the City Manager should delegate but retain accountability to his General Managers in respect of their relevant portfolios the key performance areas, including but not limited to the input indicators, output indicators and outcome indicators of that financial year. 7. That the General Managers should also delegate but retain accountability to their Senior Managers in respect of their relevant portfolios the key performance areas, including but not limited to the input indicators, output indicators and outcome indicators of that financial year. 8. That Organizational Compliance, Performance and Knowledge Management unit should assist with facilitating and ensuring that the above activities are undertaken within the regulated timeframes and following a process that will improve performance as opposed to a mere compliance process. 9. That Performance in relation to the input indicators, output and outcome indicators should be assessed independently by the Organizational Compliance, Performance and Knowledge Management unit and reported at least quarterly to Council as an early warning measure. 10. That consequence management should be implemented promptly on areas of deliberate poor performance and failure to implement corrective measures timely. 11. That the City Manager should ensure the implementation of the Performance Assessment schedule and report any deviations to Council timely. 12. That the Performance Assessments should be used to enforce consequence management for consistent poor performance and failure to address and implement corrective measures timely. 13. That the Manager: Organizational Compliance, Performance and Knowledge Management should ensure that performance terms are developed for the poor performing incumbents to be monitored more frequently (at least monthly) to ensure that their performance gaps are addressed timely. 14. That the Performance Assessment should also be utilized to identify performance gaps and training needs of the incumbents. 15. That the City Manager should ensure that performance agreements are entered into timely to ensure adequate planning regarding service delivery and catching up on areas of slow and / or poor performance. 16. That the Performance Assessments should be used to enforce consequence management for consistent poor performance and failure to address and implement corrective measures timely. 17. That the City Manager should ensure that officials are not moved and / or rotated between functions as a result of poor performance without involving the Organizational Compliance, Performance and Knowledge Management Unit. The identified poor performance and reasons thereof should be recorded and placed on the relevant file for future references. 18. That Performance Agreements should be entered into for all acting positions in the General and Senior Management level for a period of 3 months and above; and a formal handover process enforced until a permanent appointment is made. 19. That the Senior Manager: Office of the City Manager and the Manager: Organizational Compliance, Performance and Knowledge Management should ensure that the OPMS Policy and Standard Operating Procedures are adequately updated on the function of the Organizational Compliance, Performance and Knowledge Management Unit in the performance management process. 20. That the OPMS Policy and Standard Operating Procedures should also detail the extent of the verification of portfolio of evidence that will be undertaken by the Organizational Compliance, Performance and Knowledge Management Unit. 21. That the Senior Manager: Office of the City Manager and the Manager: Organizational Compliance, Performance and Knowledge Management should develop a POW verification calendar to ensure and avoid the conflicting of activities between Internal Audit and the Organizational Compliance, Performance and Knowledge Management Unit. 22. That Senior Manager: Office of the City Manager and the Manager: Organizational Compliance, Performance and Knowledge Management should ensure that an independent report is prepared for Council reporting regarding the credibility and completeness on the quarterly portfolio of evidence as opposed to reporting on unverified information. This will assist in identifying and addressing poor and or slow performance timely. 23. That evidence of the verification of the portfolio of evidence files and the independent Quarterly report to Council by the Organizational Compliance, Performance and Knowledge Management Unit should be provided to the Internal Audit Unit and the Auditor General at the commencement of their audits as evidence of the unit performing their function regarding the performance management process. 24. That every quarterly report must be cross-referenced to the portfolio of evidence file to ensure that reported performance is adequately supported. 25. That General Managers when assessing Senior Managers should verify that all portfolio of evidence has been submitted and placed on file. 26. That General Managers ensure that there is sufficient evidence to support achieved targets reported in the report; and 27. Consequence Management be enforced in instances where the achievement / non achievement of targets is not supported by adequate evidence. 28. That the proof of evidence files should be updated as and when a particular target is achieved and this information should inform the report on the monthly and quarterly SDBIP and not at the end of the quarter upon Internal Audit's request. 29. That proof of evidence files should be reviewed by the General Manager and signed as evidence of review. 30. That proof of evidence should be provided to Internal Audit within the stipulated deadlines and failure thereof should be reported to the City Manager as it is expected that these files are provide for auditing after the General Managers have performed their reviews. 31. That Senior Managers should ensure that all performance reported is accompanied by supporting documentation that is valid, verifiable and relevant; and 32. That Consequence Management be enforced in instances where the evidence is not provided for audit purposes.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
26 OCTOBER 2021	<p>33. That the reported achievements relating to targets should be assessed by Management against the portfolio of evidence to ensure that the reported performance is accurate, valid and reliable.</p> <p>34. That the quarterly departmental reports should be signed as evidence of review for completeness and accuracy; and</p> <p>35. That Consequence Management should be enforced in instances where there is a lack of evidence of review of POE Files.</p> <p>36. That the quarterly targets should be specific for example where a target is a report submission, it should indicate whom the report will be submitted to,</p> <p>9. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF THE SERVICE DELIVERY AND BUDGET AND IMPLEMENTATION PLAN (SDBIP) FOR THE 2021/2022 FINANCIAL YEAR (REF:3.10.1.1)</p> <p>Report dated 25 October 2021 by the Chief Audit Executive (Ref: AoPI 2021/2022).</p> <p>Following discussion, Audit Committee members mentioned that the Committee was not an arbitrator between Management and the Internal Audit Unit. It was emphasized that the Audit Committee considered issues that had a weakness of controls that could cause problems. Therefore, Management was urged to work with the Internal Audit Sub-Unit to address and resolve findings.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That Management should ensure that the IDP is reviewed to confirm that it contains outcome indicators linked to output indicators. In achieving this imperative, Management should consider the requirements enshrined in Section MSA, 32 of 2000 as well as the definition and purpose of outcome indicators explicated in the OPMS Policy of the municipality. The difference between the output and outcome indicators should also be appreciated, that, the outcome indicators (OPMS, 2020) entail the quality and impact of programs and / or projects implemented by the municipality in pursuance of the strategic objectives of the municipality encapsulated in the IDP. The next cycle of the IDP Review Process for the 2022/23 financial should prioritize the inclusion of the outcome indicators in the IDP.</p> <p>2. Management is also urged to consider improving the manner in which the strategic objectives of the municipality are crafted (see above extracts of the IDP) to ensure that they conform to the SMART Principle in the sense that they are "time bound", an example is "improved customer experience and public participation by 2022, or improved budgeting, reporting and audit opinion by 2023" (IDP, 2021-2022). Time bound objectives communicate the timeline of the objectives, thus providing guidance with respect to the timing (medium or long term) on which data to measure outcome indicators in terms of the impact and / or quality of the output indicators shall be collected. In this way, it will be possible for the municipality to achieve a practical perspective to measure the outcomes and inform future strategic planning.</p> <p>3. That a refresher conceptual training or workshopping of the OPMS Policy should also be prioritized to impart knowledge with regard to the output versus outcome indicators in contrast to the strategic objective of the Municipality.</p> <p>4. That Management should ensure that technical indicator descriptions are defined for all KPI's included in the SDBIP. This suggested review should take effect as part of the mid-year SDBIP and Budget review for adoption by Council on or before 25 January 2022.</p> <p>5. That Management should ensure that all Key Performance Indicators recorded in the technical indicator descriptions are adequately and comprehensively defined to provide clear understanding of the indicator.</p> <p>6. That Management should ensure that all aspects of the TIDs are adequately provided for, such as the short definition, purpose / importance of the KPI, calculation method and reporting cycle, etc.</p> <p>7. That the SDBIP with TDI's should be reviewed by the Internal Audit Unit for compliance and SMARTness before approval by the Council.</p> <p>8. That Management should ensure that all Key Performance Indicators conform to the SMART principle criteria as defined in the Municipal Systems Act, Municipal Planning, Performance Management Regulations and other applicable legislation such as FMPP. This suggested review should take effect as part of the mid-year SDBIP and budget review for adoption by Council on or before 25 January 2022.</p> <p>9. That Management should consider reviewing the system of internal control around the process of developing the SDBIP and OP for the municipality. In that, control measures should be put in place to provide for comprehensive management review of the SDBIP and OP's to ensure that performing planning documents conform to Section 41 of the Municipal Systems Act, Section 9 of the Municipal Planning, Performance Management Regulations and other applicable legislation.</p> <p>10. That each KPI included in the SDBIP and the OP should be measurable, even the qualitative KPI's ones, as they can be measured by date.</p> <p>11. That Management should ensure that the IDP reference is correctly aligned with the national key performance are, thus ensuring alignment of strategic objectives.</p> <p>12. That Management should ensure that the compilation of the three-year Infrastructure Capital Works Plan complies with the requirements of the National Treasury MFMA Circular 13 and includes the following information:-</p> <ol style="list-style-type: none"> Project planned start date; Actual start dates; Planned completion date; Actual completion date; Capital costs timed per month; Reasons for variances including if the project was completed but did not deliver to specification; and The responsible Senior Manager. <p>13. That Management should ensure that the capital work plan is adequately reviewed to ensure complete and accuracy if information.</p> <p>14. That Management should ensure that the capital work plan is supported with a summary of Capital Projects for each responsible manager clearly indicating quarterly projections for performance in relation to the implementation of capital projects.</p> <p>15. That Management should ensure that performance agreements of the Chief Financial Officer, General Managers and Senior Managers include the KPIs as per the OP.</p> <p>16. That Management should perform adequate review of the performance agreements to ensure that the performance plan (attached to the performance agreement) incorporates all key performance indicators and targets impacting the department i.e. key performance indicators and targets enshrined in the OP also appear in the performance agreements. This suggested review should take effect as part of the mid-year SDBIP and Budget Review for adoption by Council on or before 25 February 2022.</p> <p>17. That Management should ensure that the PAs are adequately reviewed and that the planned targets as per the OP are aligned to the planned targets in the respective performance agreements.</p> <p>18. That Management should ensure that performance agreements are signed within the timeframes stipulated in the Municipal Systems Act, Section 57 (2) – 31 July each year.</p> <p>19. That a checklist should be considered by the PMS unit as part of the standard operating procedures for sign-off (by the PMS unit) to conform that all compliance requirements and qualitative aspects of the performance planning information (i.e. alignment between all planning documents and SMARTness thereof) have been ensured.</p> <p>10. CONSOLIDATED AUDIT COMMITTEE REPORT ENDING SEPTEMBER 2021 (REF:3.10.1.1)</p> <p>Report dated 19 October 2021 by the City Manager.</p> <p>10.1 The Committee was pleased with the presentation of the Audit Committee Decision Tracker. The Senior Manager: Office of the Municipal Manager was requested to reflect realistic timeframes to have items closed out on the Tracker.</p> <p>10.2 Audit Committee members concurred that they would deliberate amongst themselves via email on the way forward with regards to the Audit Committee Decision Tracker.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
26 OCTOBER 2021	<p>10.3 The City Manager was reminded that the request for the Strategy Document on the Reduction of Electricity and Water Losses was outstanding from the previous meeting.</p> <p>10.4 National Treasury Representative (Mr Leslie Holland) was pleased with Management's response to the audit queries raised by the AGSA. However, he pointed out that the respective target dates were not reflected in the report. He sought clarity on the budget outcomes and dependencies to implement the action plans. He further queried what controls were in place in regard to the daily practices.</p> <p>10.5 The Budget and Treasury Business Unit was encouraged to ensure that daily, weekly and monthly disciplines were undertaken so that this ensured that all the respective accounting procedures were conducted regularly.</p> <p>10.6 In relation to the Financial Recovery Plan, it was noted that many of the action items have been marked as achieved. However, it was stressed that the financial position of Msunduzi Municipality did not improve. The Business Unit was requested to track as well as measure the improvements the improvements. It was noted that the Financial Recovery Plan would be assessed during the Mid-Year Budget Assessment Process.</p> <p>10.7 Responding to a query, the Chief Financial Officer reported that there were improvements in the collection rates upon introducing the Covid Relief Program. However, the July 2021 Civil unrest resulted in a loss of revenue of approximately R 788 million, which affected 51 businesses within the City.</p> <p>10.8 The Chief Financial Officer and her Team were commended for the improvement in the revenue collection rates. It was mentioned that the interventions which were introduced to improve the collection rates were having a positive effect.</p> <p>10.9 The improvement in the domestic revenue collection rates were noted. The City Manager was urged to ensure that new Councillors take political responsibility in assisting with improving revenue collection rates within their respective wards.</p> <p>10.10 Clarity was sought on how the City Manager was addressing the outstanding debt by the outgoing Councillors.</p> <p>10.11 The National Treasury Representative supported that the incoming Council must take responsibility for assisting in the reduction of ward debt.</p> <p>10.12 The Audit Committee queried the excessive 50% increase in bulk services in regard to Eskom and Umgeni.</p> <p>10.13 In response, the Chief Financial Officer advised that she had requested an audit of the Eskom and Umgeni billing, which was in excess of R 78 million. Audit Committee Member (Mr T Maphumulo offered his assistance with auditing the Eskom Billing).</p> <p>10.14. The Chief Financial Officer was urged to make every effort to recoup the monies that were overpaid to Eskom and Umgeni as this would be catastrophic on the strained Budget.</p> <p>10.15 The Committee was advised that the UIFW Reduction Plan was approved by Council.</p> <p>10.16 Concern was expressed that not enough effort had been made to identify fruitless and wasteful expenditure.</p> <p>10.17 Responding to a query regarding the delay in the Strip and Quote Contract, the Chief Financial Officer undertook to report back on this matter at the next meeting, as this matter fell under the delegation of the user department (Fleet Management).</p> <p>10.18 The Chairperson cautioned Management against using Covid as a delay in closing out matters. In addition to this, National Treasury Representative (Mr Leslie Holland) emphasized that there must be valid reasons for deviations.</p> <p>10.19 Management was reminded to reconcile the budget expended on vehicle repairs to an ageing fleet in comparison to a new fleet. Therefore, clarity was sought on whether the level of repairs and maintenance was justifiable based on the age of the fleet.</p> <p>10.20 Audit Committee member (Mr Leo Quayle) pointed out that the reporting on Vehicle repairs was confusing in terms of the pricing for certain item eg. R 20 000.00 for a Washer.</p> <p>10.21 The City Manager was urged to ensure that the Municipal Stores was well stocked with all the relevant spares thus ensuring that there were no delays in service delivery.</p> <p>10.22 In response to a query, the Manager: Safe City Entity reported that he did not receive any correspondence regarding the Camera System for the automated vehicle registration identification. Therefore, there was no system in place that would pick up outstanding traffic fines issued to the respective vehicle registration number.</p> <p>10.23 Audit Committee Member (Mr Mazwi Shongwe indicated that as a result of a lack of funding, there was no movement on expenditure for ICT Ageing Infrastructure.</p> <p>10.24 Noting the presentation made on SAP, the Audit Committee expressed concern over the Consultants performance on the implementation of SAP. The Audit Committee reminded Management that there were numerous failed modules on SAP, and that there must be accountability and close monitoring on this Project.</p> <p>AGREED</p> <p>(a) That the Consolidated Audit Committee for the period ending September 2021 dated 19 October 2021 by the City Manager, be NOTED.</p> <p>(b) That the City Manager must ensure that Revenue Collection Reporting is broken up into all wards to ensure that the new council take political responsibility to improve revenue collection in their respective wards.</p> <p>(c) That the City Manager provide the Audit Committee with a progress report on the roll out of prepaid meters as part of the consolidated report to the next meeting of the Audit Committee.</p> <p>(d) That the Senior Manager: Office of the City Manager facilitate a meeting with the leadership on consider reduction in the UIFW Expenditure, and the Handover to new the Municipal Public Accounts Committee; as well as to determine and whether support is needed for the Disciplinary Board.</p> <p>(e) That the City Manager submit a copy of the Action Plan to reduce Electricity and Water Losses to the next meeting of the Audit Committee.</p> <p>(f) That the issue of consequence management against senior managers for lack of performance that impacts on service delivery be flagged for consideration at the Strategic Session with the Strategic Management Committee.</p> <p>(g) That the City Manager must take full accountability for the SAP Project and ensure that the Project is carefully monitored to ensure that the municipality did not find itself making repeated mistakes regarding the SAP Project.</p> <p>(h) That the City Manager make the relevant arrangements to appoint a consultant to provide assurance on the SAP Project and to consider the SAP Project Plan, Deliverables by the Consultant and any possible variation so that the Consultant can be held accountable.</p> <p>11. <u>REPORT BY THE CITY MANAGER ON EXHORBITANT OVERTIME FOR QUARTER 3 AND QUARTER 4 ENDING 31 JULY 2021: FOR ALL BUSINESS UNITS (REF:3.10.1.1)</u></p> <p>Report dated 17 June 2021 by the City Manager.</p> <p>AGREED</p> <p>That the item considering exorbitant overtime was DEFERRED to the next meeting of the Audit Committee.</p> <p>12. <u>RISK MANAGEMENT REPORT ON RISK MANAGEMENT MATURITY (REF: 3.10.1.1)</u></p> <p>Audit Committee members concurred that the Chairperson of the Risk Management Committee must be an independent person.</p> <p>AGREED</p> <p>That the item considering the date for the Audit Committee Strategic Session with the Strategic Management Committee be DEFERRED to the next meeting of the Audit Committee.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
26 OCTOBER 2021	<p>13. <u>DATE FOR AUDIT COMMITTEE STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE: (FOR DISCUSSION)</u></p> <p>AGREED</p> <p>That the item considering the date for the Audit Committee Strategic Session with the Strategic Management Committee be DEFERRED to the next meeting of the Audit Committee.</p> <p>14. <u>REPORT ON THE TRACKING OF ALL HISTORICAL UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (UIFW)(REF:3.10.1.1)</u></p> <p>AGREED</p> <p>That the item considering the report on the Tracking of all Historical Unauthorised, Irregular, Fruitless and Wasteful Expenditure by the Manager: MPAC be DEFERRED to the next meeting of the Audit Committee.</p> <p>15. <u>OUTSTANDING REPORTS FOR THE QUARRY: REASONS WHY THIS REPORT HAS NOT BEEN SUBMITTED TO THE AUDIT COMMITTEE</u></p> <p>AGREED</p> <p>That the item considering the outstanding management response to the Internal Audit Findings on the Quarry be DEFERRED to the next meeting of the Audit Committee.</p> <p>16. <u>EVALUATION OF THE NEW CONSOLIDATED AUDIT COMMITTEE REPORT TEMPLATE</u></p> <p>AGREED</p> <p>That the item considering the evaluation of the new consolidated Audit Committee Quarterly Report be DEFERRED to the next meeting of the Audit Committee.</p> <p>17. <u>OUTSTANDING MATTERS REPORT</u></p> <p>AGREED</p> <p>That the Outstanding Matters Report dated 2 June 2021 by the General Manager: Corporate Services be DEFERRED to the next meeting of the Audit Committee.</p> <p><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></p> <p>19. <u>FORENSIC INVESTIGATION INTO ALLEGED CORRUPTION AS A RESULT OF ISSUING FORGED BUSINESS LICENCES BY MUNICIPAL OFFICIAL : MR S MSANE: EMPLOYEE NUMBER: 220789: SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES (REF: 3.10.1.1)</u></p> <p>AGREED</p> <p>That the report dated 21 October 2021 by the Chief Audit Executive (Ref: FI23-2020/21) considering the Forensic Investigation into alleged corruption as a result of issuing forged business licenses be DEFERRED to the next meeting of the Audit Committee.</p> <p>20. <u>FORENSIC INVESTIGATION INTO IRREGULAR EXPENDITURE INCURRED IN THE 2015/16, 2016/17, 2017/18, 2018/19 AND 2019/20 FINANCIAL YEARS: SAFE CITY MSUNDUZI NPC (REF: 3.10.1.1)</u></p> <p>AGREED</p> <p>That the report dated 21 October 2021 by the Chief Audit Executive (Ref: FI17-2020/21) considering the Forensic Investigation into irregular expenditure incurred in the 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 financial years: Safe City Msunduzi NPC be DEFERRED to the next meeting of the Audit Committee.</p> <p>21. <u>CONSOLIDATED AUDIT COMMITTEE REPORT ENDING SEPTEMBER 2021 CONSEQUENCE MANAGEMENT (REF:3.10.1.1)</u></p> <p>AGREED</p> <p>That the report dated 19 October 2021 by the City Manager considering Consequence Management be DEFERRED to the next meeting of the Audit Committee.</p>
09 NOVEMBER 2021	<p><u>REPORT BY THE CITY MANAGER ON EXORBITANT OVERTIME FOR ALL BUSINESS UNITS (REF:3.10.1.1)</u></p> <p>AGREED</p> <p>That the City Manager incorporate the Quarterly Breakdown for Overtime Expenditure for all Business Units as part of the Consolidated Report to the Audit Committee together with a detailed analysis to determine if overtime expenditure by all business units were in line with the Budget, as well as to identify those business units that were over spending.</p> <p>4. <u>REPORT ON THE TRACKING OF ALL HISTORICAL UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (UIFW)(REF:3.10.1.1)</u></p> <p>Mr Leslie Holland (National Treasury Representative) expressed concern over the incomplete information received from the Municipality in regard to the allocation of the 2nd tranche of the Equitable Share.</p> <p>It was thereafter</p> <p>AGREED</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
09 NOVEMBER 2021	<p>(a) That the Manager: MPAC arrange for a special in-committee meeting with the newly appointed Municipal Public Accounts Committee and the Audit Committee as soon as the new members have been sworn into Council.</p> <p>(b) That the City Manager provides feedback to the next Audit Committee meeting on the outstanding information regarding the allocation of the second tranche of the Equitable Share.</p> <p>5. <u>OUTSTANDING REPORTS FOR THE QUARRY: REASONS WHY THIS REPORT HAS NOT BEEN SUBMITTED TO THE AUDIT COMMITTEE</u></p> <p>The Manager: Assets apologized to the Committee for the non-submission of the report, and explained that the delay was as a result of the confusion over which business unit the Quarry was structured to report to. He undertook to submit the outstanding report for the Quarry to the next meeting.</p> <p>At the request of the Business Unit Representative, it was</p> <p>AGREED</p> <p>That the item considering the outstanding management response to the Internal Audit Findings on the Quarry be DEFERRED to the next meeting of the Audit Committee.</p> <p>6. <u>EVALUATION OF THE NEW CONSOLIDATED AUDIT COMMITTEE REPORT TEMPLATE</u></p> <p>AGREED</p> <p>That the item considering the evaluation of the new consolidated Audit Committee Quarterly Report be DEFERRED to the next meeting of the Audit Committee to allow Audit Committee members to their relevant submissions for comments on the template.</p> <p>7. <u>RISK MANAGEMENT REPORT ON RISK MANAGEMENT MATURITY (REF: 3.10.1.1)</u></p> <p>Report dated 7 September 2021 by the Chief Risk Officer.</p> <p>(Page 43 of the agenda)</p> <p>The Chief Risk Officer explained his challenge over the differing views on risk management expressed by representatives of both National Treasury and the Provincial Treasury.</p> <p>The Audit Committee concurred that more discussion was required to determine whether the role of Risk Management should be operational or oversight. Members were in support of there being an Internal Committee to deal with Risk Management to be chaired by the Accounting Officer as opposed to having one Audit and Risk Committee. The Audit Committee expressed their support for and Operational Risk Committee to implement issues outlined in the report by the Chief Risk Officer.</p> <p>Clarity was sought on the structure of the Risk Management Sub-Unit. In consideration of this, the Chief Risk Officer was requested to provide the Audit Committee with this information, together with a copy of the Charter for Risk Management and the Terms of Reference.</p> <p>Mr Leslie Holland (National Treasury Representative) reported that National Treasury supported a Risk Committee that would act in an oversight and advisory role but that this Committee must remain independent. He advised that he was not certain whether National Treasury and the Provincial Treasury had conversed on the issue of Risk Management, and that this needed to take place to ensure consistency on Risk Management.</p> <p>The Chairperson advised that the Audit Committee would play its oversight role, notwithstanding the existing Audit Committee agendas which although had been streamlined, still resulted in lengthy meetings.</p> <p>AGREED</p> <p>That the report dated 7 September 2021 by the Chief Risk Officer considering Risk Management Maturity be STOOD DOWN to allow for the Chief Risk Officer to provide the details on the Structure for Risk Management Sub-Unit, the Terms of Reference, together with the Charter for the Risk Committee.</p> <p>8. <u>DATE FOR AUDIT COMMITTEE STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE: (FOR DISCUSSION)</u></p> <p>AGREED</p> <p>That as a matter of priority, the Senior Manager: Office of the City Manager secure a date for a strategic session at the Strategic Management Committee for January 2022, which must include Mr Leslie Holland and the relevant officials of the Office of the Auditor General; the focus areas to include the following:-</p> <ul style="list-style-type: none"> (i) Management's relationship with Internal Audit, (ii) Objective and value of Internal Audit, (iii) Scope of Internal Audit, (iv) How to respond to Internal Audit, (v) Objective and value of External Audit, (vi) MFMA provisions relating to responses to findings raised by AGSA and (vii) How to respond. <p>9. <u>OUTSTANDING MATTERS REPORT</u></p> <p>AGREED</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
09 NOVEMBER 2021	<p>That the Outstanding Matters Report dated 14 October 2021 by the General Manager: Corporate Services be NOTED subject to the removal of the following items:-</p> <ul style="list-style-type: none"> • Item 1: Progress reporting on the SAP Steering Committee, • Item 4: Technical Findings on PPE, • Item 5: Quarterly Tracking of the Use of Consultants for cost containment, • Item 6: Progress on plans to implement a Shift System, • Item 7 and 21: Progress on Appointment of Service Provider for ICT Stabilization, • Item 11: Handover of SAP to ICT and MSCOA Alignment and • Item 18: Risk Management Report on Municipal Risks. <p>10. QUARTERLY STATUS UPDATE ON THE 2021/2022 FINANCIAL YEAR ANNUAL AUDIT PLAN FOR QUARTER 1 OF 2021/2022 (REF: 3.10.1.1)</p> <p>AGREED</p> <p>That the report dated 19 October 2021 by the Chief Audit Executive (Ref: 3.10.1.1) considering the Quarter 1 status update on the 2021/2022 Annual Audit Plan be DEFERRED to the Audit Committee meeting on 14 December 2021.</p> <p>11. AUDIT COMMITTEE CONCERNS</p> <p>(Raised verbally)</p> <p>It was pointed out that the Audit Committee needed to redirect its agenda to deal with the core items such as the Review of the 3 Year Audit Rolling Plan and Performance Management. Instead, the Audit Committee was spending majority of its allocated time considering items that were more of an administrative nature. It was stressed that the Committee must focus on reports that required decisions. Items that needed to be noted and tracked by the Audit Committee would still need to be submitted for the Committee for noting purposes. However, the Committee would only raise any pertinent matters on such items thereby maximizing its time and focus on the items that required deliberation and decision.</p> <p>NOTED.</p> <p>CONFIDENTIAL: NOT FOR PUBLICATION</p> <p>12. CONFIRMATION OF CONFIDENTIAL MINUTES</p> <p>AGREED</p> <p>That the confidential minutes of the Audit Committee meeting held on 24 August 2021, be CONFIRMED.</p> <p>13. FORENSIC INVESTIGATION INTO IRREGULARITIES IN UTILIZATION OF PERCY TOWING SERVICES TO REMOVE VEHICLES FROM PUBLIC ROADS BY THE TRAFFIC DEPARTMENT DURING THE NATIONAL LOCKDOWN: COMMUNITY SERVICES (3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. The Municipal Manager institute disciplinary action be instituted against Mr Sabelo Mbanjwa within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended), Code of Conduct for Municipal Staff members read with read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council for breach of:</p> <p>1.1.1 General Conduct</p> <p>Section 2 (a) in that he did not loyally execute the lawful Supply Chain Management Policy of the municipal council. Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised. Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.</p> <p>1.1.2 He also breached Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles: -</p> <p>(a) a high standard of professional ethics must be promoted and maintained. (b) public administration must be accountable.</p> <p>1.2 The Municipal Manager the system of issuing business licences be revised.</p> <p>1.3 It is recommended that disciplinary action be instituted against Mr S Msane within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (As amended), Code of Conduct for Municipal Staff members read with Schedule 8 of the Labour Relations Act, Act 66 of 1995 (as amended), Section 78 and 171(3) of the MFMA for breach of: -</p> <p>1.3.1 General Conduct:</p> <p>1.3.1.1 Section 2 (a) in that he did not loyally execute the lawful polices of the municipal council; 1.3.1.2 Section 2 (b) in that he did not perform the functions of office in good faith, diligently, honestly and in transparent manner; 1.3.1.3 Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised;</p> <p>1.3.2 Commitment to serving the public interest</p> <p>1.3.2.1 Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.</p> <p>1.3.3 Personal gain</p> <p>1.3.3.1 Section 4 (1) (a) in that he used his position or privileges for private gain and/or to improperly benefit himself.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
09 NOVEMBER 2021	<p>1.4 Financial Misconduct</p> <p>1.4.1 That financial misconduct be instituted against Mr S Msane in terms of Section 171 (3)(a) and (b) in that he failed to carry out the delegated duty and contravened or failed to comply with a condition of the delegated power or duty and in doing so deliberately caused the municipality name to be tarnished and put it in disrepute.</p> <p>1.5 Disciplinary Board on Financial Misconduct</p> <p>1.5.2 Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.</p> <p>1.5.3 The City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where there were officials implicated in our forensic investigation reports.</p> <p>14. FORENSIC INVESTIGATION INTO ALLEGED CORRUPTION AS A RESULT OF ISSUING FORGED BUSINESS LICENCES BY MUNICIPAL OFFICIAL : MR S MSANE: EMPLOYEE NUMBER: 220789: SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES (REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. The Municipal Manager the system of issuing business licenses be revised.</p> <p>1.2 It is recommended that disciplinary action be instituted against Mr S Msane within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (As amended), Code of Conduct for Municipal Staff members read with Schedule 8 of the Labour Relations Act, Act 66 of 1995 (as amended), Section 78 and 171(3) of the MFMA for breach of: -</p> <p>General Conduct</p> <p>1.2.1 Section 2 (a) in that he did not loyally execute the lawful polices of the municipal council;</p> <p>1.2.2 Section 2 (b) in that he did not perform the functions of office in good faith, diligently, honestly and in transparent manner;</p> <p>1.2.3 Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised;</p> <p>1.3 Commitment to serving the public interest</p> <p>1.3.1 Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.</p> <p>1.4 Personal gain</p> <p>1.4.1 Section 4 (1) (a) in that he used his position or privileges for private gain and/or to improperly benefit himself.</p> <p>1.5 Financial Misconduct</p> <p>1.5.1 That financial misconduct be instituted against Mr S Msane in terms of Section 171 (3)(a) and (b) in that he failed to carry out the delegated duty and contravened or failed to comply with a condition of the delegated power or duty and in doing so deliberately caused the municipality name to be tarnished and put it in disrepute.</p> <p>1.6 Disciplinary Board on Financial Misconduct</p> <p>1.6.1 Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.</p> <p>1.6.2 The City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where there were officials implicated in our forensic investigation reports.</p> <p>15. FORENSIC INVESTIGATION INTO IRREGULAR EXPENDITURE INCURRED IN THE 2015/16, 2016/17, 2017/18, 2018/19 AND 2019/20 FINANCIAL YEARS: SAFE CITY MSUNDUZI NPC (REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. It is recommended that the Board of Directors institute disciplinary action against Mr Lucas Haltzhausen in terms of Section 172 (1)(a) and (b) alternatively Section 172 (2)(c) of the MFMA within a period of 3 months from the date of the Council resolution for breach of :</p> <p>Financial Misconduct</p> <p>(i) That financial misconduct be instituted against Mr Lucas Haltzhausen in terms of Section 172 (1)(a) and (b) alternately Section 172 (2) (c) of the MFMA.</p> <p>2. That the Board of Directors should request Council in writing to write-off the expenditure of R 305 798.00 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA</p> <p>3. That the Board of Directors should request Council in writing to write-off the expenditure of R 45 702.00 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA.</p> <p>4. That the Board of Directors should request Council in writing to write-off the expenditure of R 11 191.00 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA.</p> <p>5. That the Board of Directors should request Council in writing to write-off the expenditure of R 77 781.00 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA.</p> <p>6. That the Board of Directors should request Council in writing to write-off the expenditure of R 346 214.91 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA.</p> <p>7. That the Board of Directors should request Council in writing to write-off the expenditure of R 318 644.00 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA.</p> <p>8. That the Board of Directors should request Council in writing to write-off the expenditure of R 13 708.00 of irregular expenditure as irrecoverable in terms of Section 32(2) (b) of the MFMA.</p> <p>9. It is further recommended that Safe City utilize the CSD prior to awarding any contract for service providers.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
09 NOVEMBER 2021	<p>16. CONSOLIDATED AUDIT COMMITTEE REPORT ENDING SEPTEMBER 2021 CONSEQUENCE MANAGEMENT (REF:3.10.1.1)</p> <p>AGREED</p> <p>That the Consolidated Audit Committee for the period ending September 2021 : Consequence Management dated 19 October 2021 by the City Manager, be NOTED.</p>
07 DECEMBER 2021	<p>FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION QUARTER 4 AND ANNUAL PERFORMANCE REPORT 2020/21 (REF: 3.10.1.1)</p> <p>National Treasury Representative (Mr Leslie Holland) pointed out that Management only noted the Internal Audit Findings and had not indicated the remedial or corrective measures that would be implemented. Clarity was sought on how the Internal Audit Sub-Unit would follow up on the action when Management had not provided any indication on the how the corrective measures will be addressed.</p> <p>The Chief Audit Executive and the Manager: Assurance reported that the Internal Audit Unit followed up on the timelines and action that Management had committed. It was advised that the outcome indicators were outlined in the IDP Document. Therefore, it was advised that the Internal Audit Unit was required to subject Management to compile action plans for the respective findings together with implementation timelines. In view of the findings, it was emphasised that Management was compelled to either "note or "accept and implement" an Action Plan for the findings.</p> <p>Audit Committee members sought clarity from Management on the challenges in implementing the action plans, as well as clarity on which strategies were problematic. Concern was expressed that certain management responses did not address the findings and actual root causes. It was pointed out that this was a qualitative trend in the manner in which management responses were being prepared. Members of the Audit Committee extended their assistance to Management to ensure that there were no repeat findings in future.</p> <p>The Chairperson of the Audit Committee queried the actions that Management had planned to address the root causes in a sustainable manner to prevent further root causes in the future. She also sought clarity from Management on where there were bottlenecks. Management was encouraged to monitor key internal controls.</p> <p>The Committee was advised that the Internal Audit Tracking Tool by the Chief Audit Executive were addressed at the weekly Strategic Management Committee meetings, and that reports were also submitted to the Executive Committee. Management confirmed that there was a lack of implementation, and thereafter undertook to provide a status update at the next meeting of the Audit Committee.</p> <p>RESOLVED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the findings around the Final Internal Audit Report on the Audit of Performance Information – Annual 2020/21 be considered. 1.1 That on an annual basis, the Mayor should discuss with the City Manager performance in relation to the input indicators, output indicators and outcome indicators; and corrective action and measures provided for areas of poor performance and/ or when the key performance indicator target was not met; 1.2 That the City Manager's reporting to the Mayor should be supported with verifiable consumer/ customer survey in relation to the municipality's performance for that reporting year; 1.3 That this information should be considered when populating the SDBIP for the ensuing financial year, including but not limited to the input indicators, output indicators and outcome indicators for the identified key performance areas; 1.4 That the City Manager's performance agreement should be concluded between himself and the Mayor once the SDBIP for the ensuing financial year has been approved, key performance areas developed and agreed upon in relation to the municipal development objectives and priorities evidenced by their signatures. 1.5 That the City Manager should delegate but retain accountability to his General Managers in respect of their relevant portfolios the key performance areas, including but not limited to the input indicators, output indicators and outcome indicators of that financial year. 1.6 That the General Managers should also delegate but retain accountability to their Senior Managers in respect of their relevant portfolios the key performance areas, including but not limited to the input indicators, output indicators and outcome indicators of that financial year. 1.7 That the Organizational Compliance, Performance and Knowledge Management unit should assist with facilitating and ensuring that the above activities are undertaken within the regulated timeframes and following a process that will improve performance as opposed to a mere compliance process. 1.8 That the Performance in relation to the input indicators, output indicators and outcome indicators should be assessed independently by the Organizational Compliance, Performance and Knowledge Management unit and reported at least quarterly to council as an early warning measure. 1.9 That consequence management should be implemented promptly on areas of deliberate poor performance and failure to implement corrective measures timely. 1.10 That the City Manager should ensure on the implementation of the Performance Assessment schedule and report on any deviations to Council timely. 1.11 That the Performance Assessments should be used to enforce consequence management for consistent poor performance and failure to address and implement corrective measures timely. 1.12 That the Manager: Organizational Compliance, Performance and Knowledge Management should ensure that performance terms are developed for the poor performing incumbents to be monitored more frequently (at least monthly) to ensure that their performance gaps are addressed timely. 1.13 That the Performance Assessment should also be utilized to identify performance gaps and training needs of the incumbents. 1.14 That the City Manager should ensure that performance agreements are entered into timely to ensure adequate planning regarding service delivery and catching up on areas of slow and/ or poor performance. 1.15 That the Performance Assessments should be used to enforce consequence management for consistent poor performance and failure to address and implement corrective measures timely. 1.16 That the City Manager should ensure that officials are not moved and/ or rotated between functions as a result of poor performance without involving the Organizational Compliance, Performance and Knowledge Management unit. The identified poor performance and reasons thereof should be recorded and place on file for future references 1.17 That performance agreements should be entered into for all acting positions in the General and Senior Management level for a period of 3 months and above; and a formal hand over process enforced until a permanent appointment is made. 1.18 That the Senior Manager: Office of the City Manager and the Manager: Organizational Compliance, Performance and Knowledge Management should ensure that the OPMS Policy and Standard Operating Procedures are adequately updated on the function of the Organizational Compliance, Performance and Knowledge Management unit in the performance management process. 1.19 That the OPMS Policy and Standard Operating Procedures should also detail the extent of the verification of portfolio of evidence that will be undertaken by the Organizational Compliance, Performance and Knowledge Management Unit. 1.20 That the Senior Manager: Office of the City Manager and the Manager: Organizational Compliance, Performance and Knowledge Management should develop a POE verification calendar to ensure and avoid the conflicting of activities between Internal Audit Unit and the Organization Compliance, Performance and Knowledge Management Unit.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
<p>07 DECEMBER 2021</p>	<p>1.21 That the Senior Manager: Office of the City Manager and the Manager: Organizational Compliance, Performance and Knowledge Management should ensure that an independent report is prepared for Council reporting regarding the credibility and completeness on the quarterly portfolio of evidence as opposed to reporting on unverified information. This will assist in identifying and addressing poor and or slow performance timely.</p> <p>1.22 Evidence of the verification of the portfolio of evidence files and the independent Quarterly report to Council by the Organizational Compliance, Performance and Knowledge Management Unit should be provided to the Internal Audit Unit and the Auditor General at the commencement of their audits as evidence of the unit performing their function regarding the performance management process.</p> <p>1.23 Every quarterly report must be cross-referenced to the portfolio of evidence file to ensure that reported performance is adequately supported;</p> <p>1.24 General Managers when assessing Senior Managers should verify that all portfolio of evidence has been submitted and placed on file;</p> <p>1.25 General Managers should ensure that there is sufficient evidence to support achieved targets reported in the report; and</p> <p>1.26 Consequence Management should be enforced in instances where the achievement/non-achievement of targets is not supported by adequate evidence</p> <p>1.27 Proof of evidence files should be updated as and when a particular target is achieved and this information should inform the report on the monthly and quarterly SDBIP and not at the end of the quarter upon Internal Audit's request;</p> <p>1.28 Proof of evidence files should be reviewed by the General Manager and signed as evidence of review;</p> <p>1.29 Proof of evidence files should be provided to internal audit within the stipulated deadlines and failure thereof should be reported to the City Manager as it is expected that these files are provided for auditing after the General Managers have performed their reviews;</p> <p>1.30 Senior Managers should ensure that all performance reported is accompanied by supporting documentation that is valid, verifiable and relevant; and</p> <p>1.31 Consequence Management should be enforced in instances where the evidence is not provided for audit purposes.</p> <p>1.32 Reported achievements relating to targets should be assessed by Management against portfolio of evidence to ensure that the reported performance is accurate, valid and reliable;</p> <p>1.33 The quarterly departmental reports should be signed as evidence of review for completeness and accuracy; and</p> <p>1.34 Consequence Management should be enforced in instances where there is a lack of evidence of review of POE files.</p> <p>1.35 The quarterly targets should be specific for example where a target is a report submission; it should indicate whom the report will be submitted to.</p>
	<p>5. UPDATE BY THE AUDITOR GENERAL ON THE AUDIT PROCESS</p>
	<p>(Raised verbally)</p>
	<p>The Senior Manager: AGSA explained that as a result of delays, it was anticipated that the Audit Report would be signed by 31 January 2022. He explained that due to staff being affected by Covid-19 (with one member of staff testing positive, 7 members of audit team were required to isolate and quarantine accordingly). Therefore; an action plan had been implemented to accommodate for this resultant delay. In addition to this, committee members were advised that the Office of the Auditor General would close on 17 December 2021 for the festive season and open on 10 January 2022.</p>
	<p>Management was given the assurance by the Senior Manager: AGSA, that there was sufficient time for management to address all areas of the Audit Report that still required major work.</p>
	<p>National Treasury Representative (Mr Leslie Holland) pointed out that in the Internal Audit's Final Report on the Annual Report, it was noted that Senior Manager's performance was not assessed. In view of this, Mr Holland sought clarity whether bonuses were paid to Senior Managers for the this financial period.</p>
	<p>Mr Holland also queried whether the collapse in governance was limited to the Community Services Business Unit, or whether there was an overall collapse in governance throughout the Municipality.</p>
	<p>Noting that there was no performance management undertaken on contracts within the Supply Chain Management Unit, National Treasury Representative (Mr Leslie Holland) sought confirmation on the Status of Remedial Action and the Status of Irregular Expenditure.</p>
	<p>Document Management within the municipality was another area of concern. Mr Holland noted that Portfolio of Evidence files were not submitted for assessments. He therefore sought clarity on how this was being addressed by management, noting the limitations on the Audit.</p>
	<p>Mr Holland made note of the number of acting appointments that were still occurring without Performance Management Agreements in place.</p>
	<p>The City Manager confirmed that in terms of the Performance Assessments, no Senior Manager qualified for bonuses. The City Manager confirmed that Contract Management was monitored by the Supply Chain Management Unit, and that the Performance Management Unit monitored performance on contracts. He assured the Committee that reports by the Supply Chain Management Unit were submitted to the Full Council on a monthly basis, and on a quarterly basis to the Audit Committee.</p>
	<p>The City Manager requested that the terminology of "collapse in governance" be amended, as this term implied that politicians were not doing the jobs.</p>
	<p>AGREED</p>
	<p>That the update by the Senior Manager: AGSA on the Audit Report for the 2019/2020 Financial Year be noted, and that the term "collapse in governance" be amended.</p>
	<p>6. GOVERNMENT NOTICE 29089 1 AUGUST 2006: LOCAL GOVERNMENT MUNICIPAL PERFORMANCE REGULATIONS FOR MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS, 2006 (REF: 3.10.1.1)</p>
	<p>AGREED</p>
	<p>That the Government Notice 29089: 1 August 2006 of the Local Government Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006, be NOTED.</p>
	<p>7. MFMA CIRCULAR NO.56 OF 2003: INTERNAL AUDIT AND AUDIT COMMITTEE (REF: 3.10.1.1)</p>
	<p>AGREED</p>
	<p>That the Municipal Finance Management Act Circular No.2003: Internal Audit and Audit Committee, be NOTED.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
07 DECEMBER 2021	<p>8. <u>REPORT BY THE CITY MANAGER ON THE FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION QUARTER 4 AND ANNUAL PERFORMANCE REPORT 2020/21 (REF: 3.10.1.1)</u></p> <p>AGREED</p> <p>(a) That the report dated 3 December 2021 by the Senior Manager: Office of the City Manager on the Final Internal Audit Report on the Audit of Performance Information for Quarter 4 and Annual Performance Report for the 2020/2021 Financial Year, be NOTED.</p> <p>(b) That the findings that were not yet resolved be added to the Internal Audit Tracking Tool for the 2020/2021 Financial Year.</p> <p>9. <u>AUDIT COMMITTEE CONCERNS: LENGTH OF AUDIT COMMITTEE MEETINGS</u></p> <p>NOTED.</p> <p>The National Treasury Representative (Mr Leslie Holland) indicated that the Audit Committee of the Msunduzi Municipality was one of the better committee's that he was allocated to work with. He commended members of the Audit Committee for their professionalism, and the excellent execution of the mandate of the Audit Committee. He pointed out that it was evident that members of the Audit Committee were sincerely concerned about the financial well-being of the Municipality. He pointed out that despite the lengthy duration of the Audit Committee meetings, the length of the meetings were justified in terms of all the issues that were considered by the Audit Committee. He noted that members of the Audit Committee often spoke to matters of completeness and accuracy of reports, together with clarity seeking matters. However, management was not always forthcoming with these requests.</p> <p>He emphasized that the state of internal controls at Msunduzi Municipality was not at the desired level. In addition to this, Mr Holland indicated that the speed at which management dealt with responses to the Committee warranted long meetings. Mr Holland appreciated that Audit Committee members took sufficient time to prepare for these meetings given the fullness of the agendas. Therefore, he pointed out that he was of the view that insufficient time was observed by the Committee to address core matters of the Audit Committee.</p> <p>Mr Holland informed members that there was currently no limit on the rates for Audit Committee members prescribed by National Treasury. He reported that there was a new project underway for the Remuneration Guidelines. Committee members were therefore encouraged to submit their comments to the National Treasury Help Desk.</p> <p>Members concurred that the number of management presentations must be minimized.</p> <p>NOTED.</p>
22 FEBRUARY 2022	<p><u>VERBAL UPDATE BY THE OFFICE OF THE AUDITOR GENERAL</u></p> <p>(Item 6 on agenda)</p> <p>The Senior Manager: AGSA thanked members of the Audit Committee for their support during the auditing process.</p> <p>Audit Committee members congratulated the Management Team and encouraged them to keep up these efforts into the next auditing cycle.</p> <p>National Treasury Representative (Mr L Holland) acknowledged the professional manner in which Management dealt with the Audit. He stated that a clean audit created public confidence in the Municipality.</p> <p>NOTED.</p> <p>6. <u>CONSOLIDATED AUDIT COMMITTEE REPORT (REF:3.10.1.1)</u></p> <p>6.1 <u>Audit Committee Decision Tracker</u></p> <p>Audit Committee members expressed concern over the reporting gap between the City Manager's Consolidated report to that of queries raised by the Auditor General. There was concern that the ITC matters reported in the consolidated report appeared as resolved. However, these items were reflected as unresolved by the AGSA.</p> <p>Audit Committee members emphasized that the City Manager was responsible for all reports that were submitted to the Audit Committee, and should therefore ensure accuracy of the information put to the Committee. It was concerning for the Audit Committee that the Auditor General had indicated that information was not forth-coming, which gave an indication that the Audit Committee was being misled by the submissions contained in the consolidated report by the City Manager.</p> <p>The Management Team were urged to ensure that all action plans were vetted for accuracy.</p> <p>The Manager: Assurance indicated that Follow-up Audits undertaken by the Internal Audit Sub-Unit did not yield the desired results. She indicated that the Office of the City Manager must verify the Portfolio of Evidence prior to the updating of the Audit Committee Decision Tracker.</p> <p>The Management Team undertook to ensure that there was adequate control.</p> <p>The National Treasury Representative informed the Committee that National Treasury had a new online tool for access and monitoring at different levels of governance namely, National Treasury, COGTA, the Municipal Public Accounts Committee and the Audit Committee, which allowed for remote monitoring by the relevant oversight bodies. He notified the Committee that the Tool would be able to address root causes in an effective and sustainable manner. Management was urged to utilize this monitoring tool.</p> <p>AGREED</p> <p>(a) That the consolidated report by the City Manager dated 10 February 2022, be NOTED.</p> <p>(b) That the City Manager reports on the process of how reports and action plans are improved for factual correctness, vetted and validated for accuracy, with a clear guideline of actions that would be implemented by the City Manager on managers who are not complying accordingly for the next meeting of the Audit Committee on 19 April 2022.</p> <p>(c) That the City Manager provides feedback on progress of the Water Loss Plan at the next meeting of the Audit Committee.</p> <p>(d) That in view of the current financial constraints, the City Manager report to the next meeting of the Audit Committee on measures that are in place to increase the City's income.</p> <p>(d) That the City Manager submits a copy of the report on the Impact of the July 2021 Unrest on the City Revenue Collection to the next meeting of the Audit Committee for information.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
22 FEBRUARY 2022	<p>(e) That in regard to Item 5.3 of the report dated 7 January 2022 on Irregular Expenditure incurred for the second quarter of the 2021/2022 financial year, the City Manager was request to clarify and if necessary correct the following statement and report back to the next meeting of the Audit Committee:-</p> <p>"Expenditure in the amount of R 100 093,84 was recorded as irregular during the second quarter of the 2021/2022 financial year for Contract 16/S36 of 17/18 for the hire of chemical toilets. The contract has been awarded and no expenditure will be incurred".</p> <p>(f) That the City Manager must ensure that in terms of reporting on deviations to the AGSA, management must ensure that there are supporting documentation as appropriate evidence for the relevant deviations.</p> <p>(g) That the City Manager provides the Audit Committee with an update on the process of procuring the Assurance Provider for the SAP Project.</p> <p>(h) That the City Manager that the ICT Report must be signed and submitted timeously.</p> <p>(i) That the City Manager ensures that the root causes to the Media Report are detailed in the next consolidated submission, it being noted that root causes will help in resolving all complaints.</p> <p>(j) That the City Manager provides the Audit Committee with an update on the Eskom and Umgeni Debt in the next consolidated report to the Audit Committee.</p> <p>7. <u>QUARTERLY STATUS UPDATE ON THE 2021/2022 FINANCIAL YEAR ANNUAL AUDIT PLAN FOR QUARTER 1 OF 2021/2022 (REF: 3.10.1.1)</u></p> <p>AGREED</p> <p>That the Quarterly Status Update on the 2021/2022 Financial Year on the Annual Audit Plan for Quarter 1 of the 2021/2022 financial year dated 19 October 2021 by the Chief Audit Executive (Ref:3.10.1.1), be NOTED.</p> <p>8. <u>FINAL INTERNAL AUDIT REPORT ON SECTION 52, 66 AND 71 AUDIT QUARTER FOUR OF THE 2021/2022 FINANCIAL YEAR (REF: 3.10.1.1)</u></p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That management should institute measures to ensure that financial reporting processes with respect to the preparation and review of Section 71 reports are free from any anomalies that could compromise the credibility of the financial information reported on the Section 71 reports presented to Council. 2. Section 71 reports should be adequately reviewed by the Manager: Budget Planning to ensure that the financial information contained on the Section 71 reports are valid, accurate and complete. This may be achieved through comprehensive peer reviews before the reports are submitted to the Manager: Budget Planning for final review. 3. That the Manager: Budget Planning should ensure that the final prior year audited amounts as per the audited financial statements are utilized for reporting "prior year actual outcome" amounts are based on unaudited figures. 4. That Management should put measures in place to ensure that the financial reporting processes with respect to preparation and review of Section 71 reports presented to Council. 5. That Schedule C reports should be adequately reviewed by the Manager: Budget Planning to ensure that the explanations for the significant variances recorded on the Schedule C reports are valid and complete. 6. That the Budget and Planning Section should set a deadline for submission of explanations for the reported significant variances for the department. The deadline should be communicated accordingly to the departments and non-adherence should be escalated to the relevant General Managers and where applicable consequence management should be implemented in line with the municipal internal policies. 7. That Management should ensure that the SAP financial system is adequately configured to comply with MSCOA segment reporting. A Plan with timeframes should be approved by management to ensure the process is monitored effectively. <p>9. <u>FINAL INTERNAL AUDIT REPORT ON CONSUMER REFUNDS (REF: 3.10.1.1)</u></p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the following be performed on Account Number: 02120720:- <ol style="list-style-type: none"> 1.1. That the Indigent Support Beneficiaries be reviewed by the Senior Manager: Revenue Management (Acting) and Manager: Debtors based on Clause 7.3 of the Indigent Policy. 1.2. That the customer should have been ceased to be an indigent Support Beneficiary on 4 August 2022 upon receipt of payment from the Road Accident Fund. 1.3. That consumption of services should have been billed at a regular rate from 4 August 2021, thus the retrospective calculation of how much this consumer should have been paying for these services based on approved tariffs. 1.4. That the consumer should only be refunded the difference between the calculated bills and overpayment amount. 1.5. That the Chief Financial Officer should perform an investigation of the consumers account and verify that the write-off of R 128 542,56 was warranted for this consumer. 2. That the Accounts Officer review all applications and supporting documentation accompanying the applications thoroughly to ensure accuracy and completeness of information received. No application should be approved and processed for payment where incomplete applications are received. 3. That the Senior Manager: Revenue (Acting), Manager: Customer Care and the Accountant review the Refund Application Form against the checklist to ensure that all the necessary processes were followed and supporting documents attached; and should sign as the form as evidence thereof. 4. That the Senior Manager: Revenue (Acting) should ensure that all Refund requests submitted to Internal Audit are verified and signed off as evidence that they have been checked for accuracy and completeness. 5. That the Manager: Consumer Billings should ensure that all the transactions processed on the customer's account are adequately supported by relevant documents, and that the supporting documents are maintained for proper audit trail and record keeping. 6. That the Manager: Consumer Billing and the Senior Manager: Revenue Management (Acting) ensure proper checks and balances and adequate verifications are performed prior to processing payment for refunds due to consumers. 7. That adjustments possessed on the system should be adequately supported by accurate, relevant and complete documentation. <p>10. <u>RISK MANAGEMENT REPORT ON RISK MANAGEMENT MATURITY (REF: 3.10.1.1)</u></p> <p>The Committee was advised that submission was a revised report as a result of the request of the Audit Committee at its meeting held on 22 August 2021. The Chief Risk Officer indicated that the City Manager had indicated that there were funding constrains for the Risk Committee.</p> <p>Audit Committee members emphasized that Risk Management was a management process. Therefore, it was stressed that the oversight of this Committee must be undertaken by an independent committee.</p>

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22 FEBRUARY 2022	<p>Audit Committee members cautioned that the Municipality must be weary to end up with a committee that had no real impact on the risk processes. The important of strong risk management was explained.</p> <p>There was concern that this matter has been delayed as a result of the confusion over the Provincial Guidelines of having the City Manager as the Chairperson of the Risk Committee.</p> <p>Management were urged to continue with the Risk Committee until this clarity has been obtained from National Treasury.</p> <p>The Chief Risk Officer requested that the Recommendation 7.8 of the report dated 7 September 2021 on the request of Effective System of Combined Risk Assurance to be Developed and Maintained must come from the Chief Audit Executive.</p> <p>AGREED</p> <p>(a) That the City Manager ensures that the Risk Committee continues to operate under its current constrains until the Chief Risk Officer receives the National Treasury Guidelines on the functioning of this Committee.</p> <p>(b) That the City Manager ensures that the report dated 7 September 2021 by the Chief Risk Officer is discussed at the Strategic Management Committee and be implemented by the Management Team.</p> <p>11. <u>RISK SURROUNDING THE CONTROLS TO PREVENT MONEY LAUNDERING ACTIVITIES THROUGH THE MUNICIPAL BANK ACCOUNTS: FEEDBACK FROM THE CITY MANAGER</u></p> <p>AGREED</p> <p>That the item considering the risk surrounding the controls to prevent money laundering activities through the municipal bank accounts be added to the Outstanding Matters List.</p> <p>12. <u>SPECIAL MEETING FOR A STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE IN EARLY 2022: FOR DISCUSSION</u></p> <p>AGREED</p> <p>That proposed dates for a special meeting with the Strategic Management to focus on strategic matters raised by the Audit Committee be communicated by the Committee Officer to the Senior Manager: Office of the City Manager.</p> <p>13. <u>SPECIAL MEETING TO DEAL WITH PERFORMANCE MANAGEMENT AND THE STRATEGIC MANAGEMENT COMMITTEE FOR DISCUSSION</u></p> <p>AGREED</p> <p>That proposed dates for a special meeting with the Strategic Management to focus on Performance Management be communicated by the Committee Officer to the Senior Manager: Office of the City Manager.</p> <p>14. <u>UPDATE ON THE AUDIT OF OVER EXPENDITURE TO ESKOM AND UMGENI</u></p> <p>AGREED</p> <p>That the City Manager provide the Audit Committee with an update on the Audit of the over-payments made to Eskom and Umgeni, and that this matter be carried forward to the Outstanding Matters List.</p> <p>15. <u>FEEDBACK ON MEETING WITH NATIONAL TREASURY</u></p> <p>AGREED</p> <p>That the City Manager provide the Audit Committee with the Feedback Report from the National Treasury at its next meeting.</p> <p>16. <u>PROGRESS UPDATE ON THE ISSUE OF THE STRIP AND QUOTE CONTRACT AND VERIFICATION OF COSTING OF LINE ITEMS ON FLEET INVOICES SUCH AS EXORBITANT PRICING FOR ON WASHER BEING R 20 000.00</u></p> <p>The Manager: Logistics reported that the Acquisition of the Motor Spares Contract had been awarded, and that a Plan would be put in place to acquire spares. He explained that this contract would mitigate delays and would address the issue of exorbitant prices of spares.</p> <p>NOTED.</p> <p>17. <u>UPDATE ON THE APPOINTMENT OF AN ASSURANCE CONSULTANT FOR SAP VERIFICATION</u></p> <p>The issue of the appointment of the Assurance provider for the SAP Verification was discussed and contained under Item 6 (g) above.</p> <p>NOTED.</p> <p>18. <u>STATUS UPDATE ON THE INTERNAL FINDINGS ON THE QUARRY (REF: 3.10.1.1)</u></p> <p>AGREED</p> <p>That the report dated 2 December 2021 by the Senior Manager: Assets and Liabilities (Acting) on the status update on the implementation of the findings by Internal Audit on the Quarry, be NOTED.</p> <p>19. <u>INTEGRATION OF THE FLEET AND WORKSHOP DEPARTMENTS (REF: 5.1.2.5)</u></p> <p>AGREED</p> <p>(a) That the report dated 2 December 2021 by the Senior Manager: Assets and Liabilities (Acting) on the update for the Integration of the Fleet and Workshop Departments be NOTED.</p> <p>(b) That the Senior Manager: Assets and Liabilities (Acting) ensures that the report dated 2 December 2021 is submitted to the Strategic Management Committee and other council committees and structures for consultation, consideration, approval and adoption.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
22 FEBRUARY 2022	<p>20. OUTSTANDING MATTERS REPORTS</p> <p>AGREED</p> <p>That the report dated 9 February 2022 by the General Manager: Corporate Services Business, be NOTED.</p> <p>CONFIDENTIAL: NOT FOR PUBLICATION</p> <p>22. CONSOLIDATED AUDIT COMMITTEE REPORT: CONSEQUENCE MANAGEMENT (REF:3.10.1.1)</p> <p>The General Manager: Corporate Services and her team were complemented for compiling a detailed and concise report.</p> <p>AGREED</p> <p>That the report dated 10 February 2022 by the City Manager incorporating the confidential matter on Consequence Management, be NOTED.</p> <p>23. REPORT ON THE PROGRESS ON FORENSIC INVESTIGATIONS, CRIMINAL INVESTIGATION AND PROSECUTION INTO ALLEGATIONS OF FRAUD, CORRUPTION, THEFT, ETC. FOR QUARTER ENDING 30 SEPTEMBER 2021 (REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the progress report dated 27 October 2021 by the Chief Audit Executive (Ref: 02/2021/22) in the investigation conducted by the Unit, Criminal Investigations by the South African Police Services and the prosecutions by the National Prosecuting Authority of significant cases of fraud and criminal investigations by the Directorate of Priority Crimes Investigations ("Hawks") and the Commercial Crimes Unit for Quarter ending 30 September 2021 be noted. 2. That the effort of Internal Audit Unit to fight the scourge of fraud, corruption, theft and other gross irregularity be supported. 3. That Council note that criminal and other irregular conduct in the organs of state and private bodies are detrimental to good, effective, accountable and transparent governance and can endanger the economic stability of the Republic of South Africa and have the potential to cause social damage. 4. That Council must play a vigorous oversight on disciplinary cases and recovery process of losses incurred by the Municipality during the Commission of Misconduct or Criminal Act by employees and service providers to ensure that the City Manager implements the resolutions emanating from forensic investigation reports. 5. That the City Manager should hold the relevant Management accountable for serious transgressions identified in the forensic investigation reports, including but not limited to incidents of fraud on overtime, vehicle abuse and absenteeism of staff as these incidents are happening under their watch on a daily basis. <p>24. OVERTIME ANALYSIS: JULY 2021 TO DECEMBER 2021 (2021/2022 FINANCIAL YEAR) (REF:4.3.4)</p> <p>Report dated 5 January 2022 by the Manager Compensation Management.</p> <p>(Page 55 of Confidential Committee Circular No. 8)</p> <p>The Committee was advised that the Overtime Analysis would be reported to the Audit Committee on a quarterly basis. Audit Committee members were given the assurance that mandatory pre-approval processes were in place prior to overtime work being undertaken. In addition to this, it was indicated that the total number of hours for all overtime work had to be agreed upon and in line with the hours stipulated in the Basic Conditions of Employment Act. Furthermore, it was pointed out that the onus was upon the General Managers to ensure that such overtime worked had the supporting evidence.</p> <p>It was thereafter</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> (a) That the Overtime Analysis for the months of July 2021 to December 2021, as contained in the report dated 5 January 2022 by the Manager: Compensation Management, be NOTED. (b) That the affected General Managers report back to the Audit Committee on the reasons for excessive overtime being worked in respect of the employees, and what are the corrective measures planned to curb excessive overtime:- <ol style="list-style-type: none"> (i) Office of the City Manager, (ii) Budget and Treasury Office, (iii) Community Services and (iv) Infrastructure Services. <p>25. REPORT ON THE PROGRESS ON FORENSIC INVESTIGATIONS, CRIMINAL INVESTIGATIONS AND PROSECUTIONS INTO ALLEGATIONS OF FRAUD, CORRUPTION, THEFT, ETC FOR THE QUARTER ENDING 31 DECEMBER 2021 (REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the progress report dated 18 January 2022 by the Chief Audit Executive (Ref: 03/2021/22) in the investigation conducted by the Unit, Criminal Investigations by the South African Police Services and the prosecutions by the National Prosecuting Authority of significant cases of fraud and criminal investigations by the Directorate of Priority Crimes Investigations ("Hawks") and the Commercial Crimes Unit for Quarter ending 31 December 2021 be noted. 2. That the effort of Internal Audit Unit to fight the scourge of fraud, corruption, theft and other gross irregularity be supported. 3. That Council note that criminal and other irregular conduct in the organs of state and private bodies are detrimental to good, effective, accountable and transparent governance and can endanger the economic stability of the Republic of South Africa and have the potential to cause social damage. 4. That Council must play a vigorous oversight on disciplinary cases and recovery process of losses incurred by the Municipality during the Commission of Misconduct or Criminal Act by employees and service providers to ensure that the City Manager implements the resolutions emanating from forensic investigation reports. 5. That the City Manager should hold the relevant Management accountable for serious transgressions identified in the forensic investigation reports, including but not limited to incidents of fraud on overtime, vehicle abuse and absenteeism of staff as these incidents are happening under their watch on a daily basis.

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22 FEBRUARY 2022	<p>26. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES IN THE APPOINTMENT OF A SECURITY SUPERINTENDENT WITHOUT RELEVANT QUALIFICATIONS THROUGH HEAD HUNTING BY COMMUNITY SERVICES (3.10.1.1)</p> <p>AGREED</p> <p>That consideration of the report dated 3 December 2021 by the Chief Audit Executive (Ref: FI 34-2019/2020) on the Forensic Investigation into alleged irregularities in the appointment of a security superintendent without the relevant qualifications through head hunting by Community Services be STOOD DOWN to allow for the report to be revised ensuring that the background to the report speak to all parties mentioned in the recommendations.</p> <p>27. ANNOUNCEMENT: RESIGNATION OF THE MANAGER: ASSURANCE MS S MSOMI(REF: 3.10.1.1)</p> <p>On behalf of the Chief Audit Executive, the Chief Financial Officer notified members of the resignation of the Manager: Assurance (Ms S Msomi).</p> <p>Members of the Audit Committee expressed their well wishes to Ms Msomi for her future endeavors, and extended their gratitude and appreciation for her commitment and valuable work at Msunduzi Municipality and support to the Audit Committee.</p> <p>NOTED.</p>
19 APRIL 2022	<p>CONFIDENTIAL: NOT FOR PUBLICATION</p> <p>12. CONSOLIDATED AUDIT COMMITTEE REPORT: CONSEQUENCE MANAGEMENT (REF:3.10.1.1)</p> <p>The Committee noted the slow progress in finalizing the disciplinary cases, along with the problem of the victimization of the presiding officers.</p> <p>The City Manager was requested to look into the situation as to why full council reports were not being submitted to the Disciplinary Board over the past few months despite the Audit Committee having considered and recommended numerous forensic reports.</p> <p>AGREED</p> <p>(b) That the report dated 8 April 2022 by the City Manager (Acting) considering the Consequence Management Report annexed to the consolidated Audit Committee Report, be NOTED.</p> <p>(b) That the City Manager to look into the situation as to why full council reports of the Audit Committee were not being submitted to the Disciplinary Board over the past few months despite the Audit Committee having considered and recommended numerous forensic reports, and ensure that all outstanding forensic reports are submitted to the Disciplinary Board for consideration as a matter of priority; with a report back and list of all these outstanding reports to be provided to the next meeting of the Audit Committee.</p> <p>13. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF DISCONNECTIONS AND RECONNECTION OF ELECTRICITY METERS (REF:3.10.1.1)</p> <p>Audit Committee Member (Mr T Maphumulo) indicated that third party tampering was involved in the disconnections, and that the probability of paying bribes was high. This was followed by a query on what performance monitoring measures were in place by the business unit, as there was a clear lack of monitoring on the control of the systems that Council was trying to control.</p> <p>It was emphasized that there was a fixed consumption for electricity from Eskom. However, Council was paying a debt to Eskom, yet there was no commitment for all consumers to pay for these services.</p> <p>It was suggested that consideration should be given to introducing incentives to employees that work with the disconnections and reconnections, as in the current form the system was open to sabotage by staff and contractors.</p> <p>Audit Committee members reiterated to management that the reality of the situation facing Msunduzi was that there was a large percentage of consumers that were enjoying municipal services but were not paying for these services. It was pointed out that there were too few disciplinary actions in managements response and recommendations on this matter. The Committee stressed that the internal controls must be corrected in order to see management empowered and authorized to take back control.</p> <p>It was noted that corruption amongst the contractors and staff within the Electricity and Revenue Units were rife.</p> <p>The City Manager (Acting) was requested to submit an action plan to the Audit Committee on the follow up of the actions set out in the report.</p> <p>AGREED</p> <p>That the City Manager (Acting) submit a detailed action plan with timeframes to the Audit Committee on the follow up of the actions set out in the report dated 13 April 2022 by the Chief Audit Executive (Ref: A4-2021/22) on the Audit of Disconnections and Reconnections of Electricity Meters.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> That the findings around the Final Internal Audit Report on Audit of Disconnections and Reconnections of Electricity Meters as set out in the report dated 13 April 2022 by the Chief Audit Executive (Ref: A4-2021/2022). That the Manager: Debtors Management and the SAP Stream Lead: Revenue should exercise adequate oversight over processes and systems relevant to the execution of his task. That the Manager: Debtors Management and the SAP Stream Lead: Revenue should diligently perform regular reviews over Revenue Management processes and the customer billing database to confirm validity, accuracy and completeness of records. That the consumer database should be updated at least annually or when necessary upon inviting consumers to update their personal records supported with sufficient supporting documents. That System parameters should be set on the debtors book to only allow permitted fields on the database in order to ensure credibility, i.e. numerical values must not be permitted under name or surname, etc. That the physical address and the billing address should be clearly recorded in order to minimize efforts of locating premises to be disconnected. That the Manager: Debtors Management and the SAP Stream Lead: Revenue should ensure that all system errors that were created during to the Migration from ProMis legacy system to the SAP ERP are investigated and corrected. That the Manager: Debtors Management should ensure that customer errors identified by Electricity Services during disconnections are verified with the customer, and are adequately and timeously corrected on the SAP ERP system. That ongoing monitoring and supervision should be undertaken by the Manager: Debtors Management and the SAP Stream Lead: Revenue on all the revenue processes, to ensure that disconnections are performed according to accurate and valid Debt lists.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
19 APRIL 2022	<ol style="list-style-type: none"> 10. That the Chief Financial Officer should ensure that all write offs are processed according to the approved procedures and hierarchy of authority, and should ensure that consequence management is implemented for any deviations. 11. That the system should be configured to generate a Debt Write Off report for review on a monthly basis by the Chief Financial Officer, Senior Manager: Revenue Management and the Manager: Debtors Management and should be signed and dated as evidence of review thereof. 12. That the Senior Manager: Revenue Management and the Senior Manager: Electricity Services should devise a plan and develop a procedure manual that will provide guidance how to identify meter tampering and implementing back charges for those found to be tampering. 13. That the Chief Engineer: Revenue Management should report all meter tampering to the Senior Manager: Electricity Services, Senior Manager: Revenue Management and Manager: Debtors Management as and when identified in order to proceed with the collection process. 14. That the Meter tampering reconciliation should be performed between Revenue Management and Electricity Services on a monthly basis to ensure accuracy and completeness of reporting. This reconciliation should be signed and dated by the Senior Manager: Revenue Management and Senior Manager: Electricity Services as evidence thereof and should be followed up on as part of the Revenue Enhancement process. 15. Consider performing 100% auditing of meters every 3 years. 16. That a list of all bridged meters should be reported to the Chief Financial Officer, Senior Manager: Revenue Management and Manager: Debtors Management as and when they occur and this list should also form part of the Revenue Enhancement process for tracking purposes. 17. Monitoring team to monitor all bridged meters as part of the Revenue Enhancement process. 18. That daily and weekly status updates/ reporting should be made to the Chief Financial Officer, Senior Manager: Revenue Management and Manager: Debtors Management by the Senior Manager: Electricity and Chief Engineer: Revenue Management to ensure timeliness in addressing challenges with the meters. 19. That a report should also be written to Council and the Audit Committee for all meters bridged for a period exceeding 30 days (1 month) with a clear explanation and evidence that customers are billed accordingly and there is no revenue forgone by the municipality. 20. That the Senior Manager: Revenue Management, Manager: Debtors Management and Senior Manager: Electricity Services should review and update the Credit Control and Debt Collection policy, Credit Control and Debt Collection Bylaws and Electricity Supply Bylaws to ensure alignment and seamless operations 21. That the Chief Financial Officer and General Manager: Electricity Services should jointly workshop all their staff in Revenue and Revenue Management (Electricity) on the Electricity and Credit Control Bylaws as well as Credit Control and Debt Collection Policy. 22. That the Senior Manager: Revenue Management and Senior Manager: Electricity Services should ensure that the Credit Control and Debt Collection Policy, Credit Control and Debt Collection Bylaws, Electricity Supply Bylaws, and the notice of intention to disconnect sent to the Customers is aligned and published on the municipal intranet and internet. 23. That the Chief Financial Officer, Senior Manager: Revenue Management and Manager: Debtors Management should ensure adequate retention of documents in line with the National Treasury guidelines. 24. The Msunduzi Municipality's Records Management Policy should be updated to include the duration of the retention of records, the Treasury Regulation can be used as a guide. 25. The draft Debt Recovery Plan should be reviewed by the Chief Financial Officer, Senior Manager: Revenue Management and Manager: Debtors Management to ensure that it addresses the status quo of the municipality and aligned to the current economic climate prior to submitting to Council for approval. 26. Once approved by Council, the Debt Recovery Plan should be workshopped to all the relevant in the Revenue Management section. 27. The approved Debt Recovery Plan should be uploaded on the intranet for ease of future reference. 28. The Senior Manager: Revenue Management and Manager: Debtors Management should ensure that an analysis of the municipality's top debtors is performed and reported timeously to Council to ensure that appropriate action and measures are implemented to reduce the increasing debtors' book. 29. The Credit Control and Debt Collection policy should be updated to include the following: 30. Identify all outstanding/ overdue accounts after 7 days from the due date and follow up by making contact with the customers more especially those with a good payment record. The monitoring of debtors age analysis should start from 7 days of being overdue in order to improve on the collections. 31. Document the reasons for non-payment, including payment arrangements/ commitments. 32. Follow up to ensure that payment is made on the committed date. 33. The Senior Manager: Revenue Management and Manager: Debtors Management should ensure that follow up on overdue accounts is performed on a monthly basis and evidence of review is maintained for future references. 34. Acknowledgement of debt forms should be approved by the City Manager or his/her delegated authority as per the delegation of authority stipulated in the process manual. 35. Acknowledgment of debt forms should be reviewed by the Manager: Debtors Management to ensure that all mandatory fields are completed prior to acceptance and adequately signed and dated as evidence thereof. 36. The Senior Manager: Revenue Management should ensure that stringent measures are implemented when approving the payment arrangement process, i.e. payment of the 50 % outstanding balance with the remaining balance payable in two (2) equal payments. 37. The Chief Financial Officer and the Senior Manager: Revenue Management should review the Credit Control and Debt Collection policy (payment arrangement section) and ensure that it is aligned with the current economic conditions and also encourages customers to honor their payment arrangements. 38. All payment arrangements should be reviewed by the Manager: Debtors Management to ensure commitment and compliance by the customers and follow up made with defaulting customers immediately, i.e. 7 days after payment due date. 39. All other debtors with escalating debt but have not made a payment arrangement should be contacted to effect the same and those not honouring the payment arrangement should be handed over to the Debt Collectors. 40. The Debt Collectors should be placed on performance terms to ensure that they actively following up on all outstanding debts. 41. The Manager: Debtors Management should ensure that the payment arrangement database is timeously updated with customer payments, and that an independent person other than the one capturing performs a review of the records captured on the database against the source documents. 42. The Manager: Debtors Management should ensure that any anomalies reported based on the independent review are verified and corrected timeously by Revenue Management section. 43. Controls should be put in place to ensure that periodical reviews and verifications, updates and monitoring of the payment arrangement database is being performed and the Credit Control and Debt Collection policy should be updated to reflect such. 44. The Senior Manager: Revenue Management and the Manager: Debtors Management should ensure oversight on all Revenue Management processes. 45. Debtors Manager should review and sign the Debt List and confirm validity and completeness of the Debt list prior to submitting to Electricity Sen/ices in order to effect disconnections. 46. The Senior Manager: Revenue Management and Manager: Debtors Management should ensure that a disconnection/ visitation fee is charged consistently for all consumers appearing on the Debt List used to effect disconnections. 47. Disconnection/ visitation fee charged for a particular month should be reconciled to disconnection/ visitation fee on the Debt List. This reconciliation should be signed and dated as evidence thereof by the Manager: Debtors Management. 48. The Chief Financial Officer and the Senior Manager: Revenue Management should ensure that the Tariff Register is accurate, valid and complete at all times by performing the following: 49. Updating/ and or uploading the Tariff Register on an annual basis as approved by Council. 50. System parameters for updating the Tariff Register should be restricted to prevent updates by unauthorized officials. 51. The Masterfile amendment/ audit trail of the adjustments on the Tariff Register should be reviewed by the Manager: Debtors Management and the Senior Manager: Revenue Management before the final sign off by the Chief Financial Officer. 52. The Manager: Debtors Management, Senior Manager: Revenue Management and the Chief Financial Officer should review the Masterfile amendment/ audit trail at least on a quarterly basis to ensure that unauthorized amendments are not effected on the system.

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19 APRIL 2022	<p>53. The Senior Manager: Revenue Management and the Manager: Debtors Management should review and sign the Debt List and confirm validity and completeness of the Debt list and Master spreadsheet.</p> <p>54. The Chief Financial Officer should perform spot checks/ reviews of the Debt List and Master Spreadsheet on a monthly basis.</p> <p>55. The Senior Manager: Revenue Management should ensure that all the reconnection schedules are reviewed and signed as evidence thereof to ensure accuracy and validity of payment, and accuracy and completeness of customer information that is submitted to Electricity.</p> <p>56. The Manager: Debtors Management should ensure oversight over the reconnection process prior to submission to Electricity, and ensure accuracy and completeness of documentation prior to handover to other units and signed as evidence thereof.</p> <p>57. The Manager: Debtors Management should ensure that all the reconnection schedules are reviewed and signed as evidence thereof to ensure accuracy and validity of payment, and accuracy and completeness of customer information that is submitted to Electricity Services.</p> <p>58. Senior Manager: Revenue Management should ensure oversight over the reconnection process prior to submission to Electricity, and ensure accuracy and completeness of documentation and compliance with policies, prior to handover to other units evidenced by their signature.</p> <p>59. The disconnection and reconnection workflow should be created on the system to ensure compliance and deviations should be approved by the Chief Financial Officer.</p> <p>60. The Senior Manager: Revenue Management and the Manager: Debtors Management should ensure that all approved tariffs are uploaded on the system at the beginning of each financial year.</p> <p>61. Access to effect amendments on the system should be restricted to the Chief Financial Officer supported with an appropriate supporting documentation, i.e. approved tariff register when rectifying an error, approved Council Resolution when revising the approved tariffs, etc.</p> <p>62. System access profiles should be reviewed on a monthly basis by the Chief Financial Officer and Senior Manager: Revenue Management on a monthly basis and should be signed and dated as evidence thereof.</p> <p>63. The Chief Financial Officer and the General Manager; Infrastructure Services should ensure that clear roles and responsibilities are developed for the debtors' management, monitoring and disconnection and reconnection teams to ensure that the process is seamless.</p> <p>64. A workflow should be developed on the process to be followed in compliance with the approved policies and Bylaws.</p> <p>65. The Senior Manager: Revenue Management and the Manager: Debtors Management should ensure the accuracy of the Debt List prior to submitting to electricity for disconnection/ and or reconnection purposes and should be signed and dated as evidence thereof.</p> <p>66. Monitoring section should be provided with a report of all disconnections at least weekly from electricity services which should be reconciled with an independent Debt List from the debtor's management section, any discrepancies should be reported formally to the Chief Financial Officer and the General Manager: Electricity Services and through the Revenue Enhancement process.</p> <p>67. A monthly Monitoring Report should be developed by the Manager- Financial Control, monthly for Council and Audit Committee reporting.</p> <p>68. The Chief Financial Officer and the General Manager; Electricity Services should ensure that clear roles and responsibilities are developed for the debtors' management, monitoring and disconnection and reconnection teams to ensure seamless operations.</p> <p>69. A workflow should be developed on the process to be followed in compliance with the approved policies and Bylaws.</p> <p>70. The Senior Manager: Revenue Management and the Manager: Debtors Management should ensure the accuracy of the Debt List prior to submitting to electricity for disconnection/ and or reconnection purposes and should be signed and dated as evidence thereof.</p> <p>71. Monitoring section should be provided with a report of all disconnections at least weekly from electricity services which should be reconciled with an independent Debt List from the debtors' management section, any discrepancies should be reported formally to the Chief Financial Officer and the General Manager: Electricity Services and through the Revenue Enhancement process.</p> <p>72. A monthly Monitoring Report should be developed by the Manager- Financial Control for Council and Audit Committee reporting.</p> <p>73. The Chief Engineer: Revenue Management should ensure that disconnected properties are communicated timeously to ensure that monitoring is effective and efficient to reduce the chances of illegal reconnections by customers.</p> <p>74. The Debtors Manager should submit the same list of disconnections to be done by Electricity to both Monitoring and Electricity Services. Monitoring should compare disconnected properties received from Electricity Services against this list and report on discrepancies of the monitored properties.</p> <p>75. The Senior Manager: Electricity Services and the Chief Engineer: Revenue Management should implement Clause 16.2 and 20.3 of the Credit Control and Debt Collection Bylaw against all customers who are repeat tampering offenders by disconnecting their services and register criminal cases for criminal prosecution in terms of the Bylaw read with the Criminal Matters Amendment Act 18 of 2015.</p> <p>76. The Chief Engineer: Revenue Management should if need be request from the Chief Audit Executive an assistance on collecting of evidence when they have discovered tampering of services as well preserving such evidence and registration of a criminal cases.</p> <p>77. The Senior Manager: Revenue Management, Manager: Debtors Management and Senior Manager: Electricity Services should review and update the Credit Control and Debt Collection policy, Credit Control and Debt Collection Bylaws and Electricity Supply Bylaws to ensure alignment and seamless operations.</p> <p>78. The Chief Financial Officer and General Manager: Infrastructure Services should jointly workshop all their staff in Revenue and Revenue Management (Electricity) on the Electricity and Credit Control Bylaws as well as Credit Control and Debt Collection Policy.</p> <p>79. Senior Manager: Revenue Management and Senior Manager: Electricity should ensure that the Credit Control and Debt Collection Policy, Credit Control and Debt Collection Bylaws, Electricity Supply Bylaws, and the notice of intention to disconnect sent to the Customers is aligned and published on the municipal intranet and internet.</p> <p>80. The Chief Financial Officer, Senior Manager: Revenue Management and Manager: Debtors Management should ensure adequate retention of documents in line with the National Treasury guidelines.</p> <p>81. The Msunduzi Municipality's Records Management Policy should be updated to include the duration for the retention of records and the Treasury Regulations can be used as a guideline.</p> <p>82. The Senior Manager: Electricity Services should ensure that a procedure manual is developed and articulates clearly the process objectives and controls and also provide consistent and proper guidance on the operations.</p> <p>83. The procedure manual should detail the process flow of operations in Revenue Management (Electricity) and the administration thereof.</p> <p>84. The procedure manual should detail health practices, safety standards, security measures, risk and emergency management measures, levels of service, etc.</p> <p>85. The procedure manual should clearly articulate all administrative internal control mechanisms e.g. source documents, related information system/technology, frequency and turnaround times for each process.</p> <p>86. The procedure manual should be aligned to legislation as well as the By-laws adopted by Council.</p> <p>87. That the processes outlined in the procedure manual should specifically state who the responsible (and accountable) official is/are for each process defined.</p> <p>88. That after having developed the procedure manual (operational and administrative), the job profiles would need to be reviewed and aligned to these procedures and work-shopped to the staff to ensure that they understand their duties.</p> <p>89. This this procedure manual should be regularly reviewed for relevance and adopted by Council prior to implementation and ensure enforcement of consequence management in instances of a deviation.</p> <p>90. That a record of all customers who refuse to grant access to their premises for any reason should be maintained by the Revenue and Electricity Services and provided to the Chief Financial Officer on a monthly basis for review and submitted to Council for reporting.</p> <p>91. That the Senior Manager: Electricity should ensure that first, second and third notices are served on customers who are refusing to give access for disconnection of electricity supply and disciplinary action implemented in areas of non- compliance.</p> <p>92. That the Senior Manager: Electricity should compile a list of all customers who have been served with first, second and third notices and submit it to the Senior Manager: Legal Services to bring an application to an appropriate court to obtain a court order to compel relevant customers to provide access to premises.</p> <p>. That the Senior Manager: Legal Services should submit a report on the progress achieved in all matters referred to her to the SMC on a monthly basis and on a quarterly basis to Council and the Audit Committee.</p> <p>94. That the Senior Manager: Electricity Services to apprise the SMC regarding the report and support the positive outcomes it may bring for the Municipality regarding improving revenue collection and other benefits of the project should the budget be approved.</p>

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19 APRIL 2022	<p>9395. That the Senior Manager: Electricity Services should develop a clear plan to address T-joint and looped electricity connections including realistic timeframes for implementation as the municipality is losing significant revenue from these problematic electricity connections.</p> <p>96. That the Debt list should include all the items necessary for the contractors to perform consumer disconnections. Customers with no meters, proof of payment and those customers where the contractor could not locate the meter in the prior month should be removed from the disconnection list before it is given to the contractor to perform the disconnections.</p> <p>97. That Customers with no meters and meters that could not be located on the premises should be followed up by Revenue Management section timeously.</p> <p>98. That Revenue Management Section should ensure that consumer information and profiles are up to date and corrected on SAP system.</p> <p>99. That the Chief Engineer: Revenue Management should ensure that the Disconnection List is created using the disconnection notices.</p> <p>100. That the Independent review of the Disconnection list against the Daily disconnection report and disconnection notices should be performed by the Chief Engineer: Revenue Management and Senior Manager: Electricity Services on a spot/ surprise basis to ensure accuracy of consumer data between Electricity and Revenue Management services.</p> <p>101. That the consumer database on the billing system should be reviewed by the Manager: Debtors Management or delegated official against the Debt List to ensure that it contains accurate, complete and valid consumer records prior to submission to Electricity services. Any anomalies noted should be rectified as a matter of urgency.</p> <p>102. That the Manager: Debtor's Management should ensure that the debt list drawn from the billing system contains accurate, complete and valid records and this should be attested to by the delegated official's signature.</p> <p>103. That the signed Disconnection List should be submitted to the Monitoring Section in order for the monitoring function to proceed.</p> <p>104. That the Manager: Monitoring Section should formally acknowledge receipt of the Disconnection List evidenced by his signature.</p> <p>105. That Daily disconnection submissions received from Contractors should be reviewed by the Chief Engineer: Revenue Enhancement to ensure validity of work performed and accuracy of disconnections done before payments are effected to the contractors.</p> <p>106. That Electricity Services should consider reporting formally on the disconnections effected rather than re-creating the Disconnection List which is a timely exercise. This will assist in ensuring timeliness of reporting and effectiveness of the Monitoring Section as they will be able to perform the monitoring function timely and avoid monitoring customers who may already have settled their accounts when the monitoring is performed a month or more after disconnections.</p> <p>107. That the Chief Engineer: Revenue Management should ensure that all disconnection notices are adequately completed and signed off as evidence of review.</p> <p>108. That Staff and contractors to be workshopped by the Chief Engineer: Revenue Management regarding requirements of adequately completing documentation for customers.</p> <p>109. That Fields that are not applicable should be completed or stated as such, ie. N/A.</p> <p>110. That Management should ensure compliance with the policies by ensuring adequate oversight over processes.</p> <p>111. That supervisors should review the work of junior staff and contractors and implement disciplinary measures.</p> <p>112. That Contractor daily timesheets should be reviewed by Supervisors and Chief Engineer: Revenue Management and any anomalies raised and cleared prior to payment.</p> <p>113. That the Manager: Revenue Enhancement and Chief Engineer: Revenue Management should ensure oversight on all Electricity processes pertaining to disconnections and reconnections, and payment of contractors.</p> <p>114. That all jumpers returned by the contractors should be clearly marked and maintained separately for an independent verification by the Electricity Supervisor and Chief Engineer: Revenue Management at the end of each shift.</p> <p>115. That the Stock register of jumpers should be maintained by the Chief Engineer: Revenue Management and reconciled at the end of the month against the activities performed in that month and anomalies addressed timely.</p> <p>116. That the Senior Manager: Revenue Management and the Manager: Debtors Management should ensure that the Disconnection List is reviewed and signed as evidence of review prior to submission to Electricity to effect disconnections.</p> <p>117. That the Chief Engineer: Revenue Management or delegated authority to review and confirm all disconnections received from Revenue prior to allocating to contractors and internal Electricity staff, and report on all duplicates received to the Chief Engineer: Revenue Management and Manager: Debtors Management and Senior Manager: Revenue Management.</p> <p>118. That a list of all bridged meters should be reported to the Chief Financial Officer, Senior Manager: Risk Management and Manager: Debtors Management as and when they occur and this list should also form part of the Revenue Enhancement process for tracking purposes.</p> <p>119. That daily and weekly status updates/ reporting should be made to the Chief Financial Officer, Senior Manager: Revenue Management and Manager: Debtors Management by the Senior Manager: Electricity and Chief Engineer: Revenue Management to ensure timeliness in addressing challenges with the meters.</p> <p>120. That a report should also be written to Council and the Audit Committee for all meters bridged for a period exceeding 20 days (1 month) with a clear justification and evidence that customers are billed accordingly and there is no revenue forgone by the municipality.</p> <p>121. That the Chief Engineer: Revenue Management should ensure appropriate controls exist to ensure that proper records are maintained for customers who tamper, and to ensure that repeat offenders are correctly recorded and charged as per approved register of tariffs.</p> <p>122. That the Chief Engineer: Revenue Management should report all repeat meter tampering offenders to the Senior Manager: Electricity and the Tampering Committee as and when identified in order to proceed with charging the offender and collections thereof, and seeking necessary remedial action against the offender.</p> <p>123. That the Chief Engineer: Revenue Management should ensure that a follow up is performed on all customers who were charged with tampering to identify repeat offenders and to ensure they have paid, failing which a disconnection should be performed.</p> <p>124. That the Senior Manager: Electricity Services should ensure that illegal electricity connections are disconnected immediately upon identification.</p> <p>125. That the Senior Manager: Electricity Services should ensure that all identified illegal electricity connections are reported to the Audit Committee and Council at least on a quarterly basis.</p> <p>126. That the Chief Engineer: Revenue Management should ensure that installation audits are performed on all possible and reported tampering / illegally reconnected properties that are reported by Monitoring and provide feedback to Revenue to raise charges against the customer.</p> <p>127. That the Senior Manager: Electricity Services should ensure that illegal electricity connections are disconnected immediately upon identification.</p> <p>128. That the Senior Manager: Electricity Services should ensure that all identified illegal electricity connections are reported to the Audit Committee and Council at least on a quarterly basis.</p> <p>129. That the Chief Engineer: Revenue Management should ensure that Electricity Auditors are workshopped on the different notices issued for non-compliance with the by-laws and Credit Control and Debt Management policy.</p> <p>130. That all notices issued by the Electricity Auditors should be reviewed and verified by the Chief Engineer: Revenue Management at least weekly and disciplinary measures implemented for continued errors as each notice has a different fine attached to it.</p> <p>131. That the Senior Manager: Revenue Management and Manager: Debtors Management should ensure that the Data cleansing process is completed and all customer information corrected.</p> <p>132. That the Chief Engineer: Revenue Management should ensure that Meter audits are conducted to ensure correct meter numbers and MCB size etc. are obtained and submitted to Revenue to update on the SAP system.</p> <p>133. That the Senior Manager: Revenue Management and Manager: Debtors Management should report to the Audit Committee and Council at least quarterly on the Data Cleansing progress and update of the consumer database.</p> <p>134. That the City Manager and the Chief Financial Officer should have a defined timeline for the completion of the data cleansing exercise and updates made as and when necessary.</p> <p>135. That the Chief Engineer: Revenue Management should ensure compliance with regards to documentation to be completed by internal staff and contractors at Electricity Services.</p> <p>136. That the Electricity Auditors and relevant staff should be workshopped on the completion of the various notices correctly with the emphasis of completing each field in the notice correctly.</p>

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19 APRIL 2022	<p>137. That the Chief Engineer: Revenue Management to provide oversight on all functions at electricity by ensuring that adequate measures of review and approval are implemented, to ensure previous issues are not repeated.</p> <p>138. That the Chief Engineer: Revenue Management should ensure that a spreadsheet is maintained for installation audits conducted by the Electricity Auditors.</p> <p>139. That the Chief Engineer: Revenue Management should ensure that spreadsheets are protected to track any amendments done, and are reviewed on a regular basis for updates made and to ensure accuracy and validity of recorded information and signed as evidence thereof.</p> <p>140. That the Tampering Committee should be a formalised body established in the same manner that every committee follows within the Municipality as per Council Rules Book.</p> <p>141. That members of the committee should be appointed by the Executive Committee of Council and should have formal terms of reference guiding them on how to perform their duties with due diligence and professional care.</p> <p>142. That all committee members should be formally appointed and be provided with an appointment letter, sign a confidentiality clause and be workshopped on how the committee members should conduct themselves when performing their duties and engaging with customers where necessary.</p> <p>143. That the Chief Engineer: Revenue Management should ensure that compliance with the Credit Control and Debt Collection policy is observed by exercising adequate oversight over processes.</p> <p>144. That ongoing monitoring and supervision should be undertaken by the Manager: Revenue Enhancement on work performed by Contractors and internal staff to ensure that a process is implemented to track and deal with erroneous disconnections and reconnections.</p> <p>145. That the Manager: Revenue Enhancement should ensure that all information recorded on the daily reconnection sheet submitted by service providers is reviewed against the approved reconnection schedule received from Revenue section and signed and dated as evidence thereof.</p> <p>146. That the Manager: Revenue Enhancement should ensure that the daily reconnection sheets are signed by the municipal official as confirmation of review and accuracy of the work performed by the service providers.</p> <p>147. That the Chief Engineer: Revenue Management should ensure compliance with the policies by exercising adequate oversight over processes.</p> <p>148. Staff and contractors to be workshopped by Electricity management regarding the requirements of adequately completing documentation for customers.</p> <p>149. That the Chief Engineer: Revenue Management should ensure that all information recorded on the daily reconnection sheet submitted by service providers is reviewed against the approved reconnection schedule received from Revenue section and address anomalies timely.</p> <p>150. That the Chief Engineer: Revenue Management should ensure that the daily reconnection sheets are signed by the municipal official as evidence of review and accuracy of the work performed by the contractor.</p> <p>14. FINAL INTERNAL AUDIT OF RATES FOR THE 2021/22 FINANCIAL YEAR (REF:3.10.1.)</p> <p>AGREED</p> <p>That as a matter of priority, the City Manager (Acting) submit a detailed report reconciling every single property that consumes services which are not being billed and which are not included on the General Valuation Roll, together with timelines on rectifying this matter as this was a critical loss revenue stream to Council.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>(a) That the Monthly and Annual rates should be applied on properties with market values exceeding R 15 000,00 at the appropriate tariff in terms of the Municipal Property Rates Act: Section 6.1 [7] which states that Rates to be levied on all rateable property, Subsection (d) which states that:</p> <p>"When levying rates, a municipality must, subject to subsection (2), levy rates on all rateable property in its area. (Amended by Section 5 of Act 29 of 2014)".</p> <p>(b) That Management should review and sign off on the Billing Reports to identify errors and omissions of crucial information and action corrective measures timeously where anomalies are identified:-</p> <p>Accordingly to the Municipal Approved Policy; Page 11, Section 5, Clause 5.1.1: which states that the municipality will not levy a rate on any municipal owned roads, streams or other municipal property where the market value of the property is equal to or less than R 10 000 or such other amount as determined by Council from time to time, provided that there is no occupant on the property.</p> <p>(c) That Management should ensure that the Classification of properties across the Billing and Reporting Systems are consistent.</p>
	<p>15. FORENSIC INVESTIGATION INTO ALLEGED CONTINUOUS ABUSE OF MSUNDUZI NPC 764: OVERTIME FRAUD AND ABSENTEESIM BY MSUNDUZI MUNICIPAL EMPLOYEE: NP MEMELA (EMPLOYEE NUMBER: 55104800 AND DERELICTION OF DUTY BY HIS MANAGEMENT IN ALLOWING AND CONDONING THE VEHICLE ABUSE: COMMUNITY SERVICES BUSINESS UNIT: PARKS, RECREATION AND CEMETERIES (REF:3.10.1.1)</p> <p>The Audit Committee requested that Management must look at the Collective Agreement together with the respective Labour Unions in terms of the Code of Conduct of all employees sending a clear directive that such forms of overtime fraud, absenteeism and misuse of municipal vehicles etc. would not be tolerated and that every action available would be instituted against culprits.</p> <p>AGREED</p> <p>That the City Manager (Acting) ensure that the Collective Agreement must be made available to employees, as certain employees were not taking the Employer seriously and that a don't-care culture had deep rooted within the municipality.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That the City Manager should withdraw EWCop Touch Key, OTI Fuel Tag and authority to drive Msunduzi Municipal vehicles in respect of N P Memela with immediate effect in order to fulfil his responsibilities as an Accounting Officer in terms of Section 61 (1)(a) & (b) read with 62(1)(d) of the MFMA which requires that he act with fidelity, honesty, integrity and in the best interest of the municipality in managing its financial affairs and to take all reasonable steps to ensure the resources of the municipality are used effectively, efficiently and economically and that fruitless and wasteful expenditure and other losses are prevented.</p> <p>2. That disciplinary action be instituted against N P Memela, J T Mbambo and Mandla Zuma within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended), Code of Conduct for Municipal Staff members read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council for breach of:</p>

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19 APRIL 2022	<p>3. General Conduct</p> <p>3.1 Section 2 (a) in that he did not loyally execute the lawful polices of the municipal council;</p> <p>3.2 Section 2 (b) in that he did not perform the functions of office in good faith, diligently, honestly and in transparent manner;</p> <p>3.3 Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised</p> <p>Commitment to serving the public interest</p> <p>4. Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.</p> <p>Personal gain</p> <p>5. Section 4 (1) (a) in that N P Memela used his position or privileges for private gain and/or to improperly benefit himself.</p> <p>Financial Misconduct</p> <p>6.1 That financial misconduct be instituted against Mr N P Memela terms of Section 171 (3) (a) and (b) in that he in terms of Section 171 (3) (c) for breach of Section 78 of the MFMA in that he deliberately caused the municipality to incur fruitless and wasteful expenditure in respect of the actual hours of overtime that he did not work (fraud), absenteeism and abuse of a municipal vehicle.</p> <p>6.2 That financial misconduct be instituted against Mr T J Mbambo in terms of Section 171 (3) (c) in that he in terms of Section 171(3) (c) for breach of Section 78 of the MFMA in that he deliberately or negligently caused the municipality to incur fruitless and wasteful expenditure in respect of the actual hours of overtime that Memela did not work, absenteeism and abuse of a municipal vehicle.</p> <p>6.3 That financial misconduct be instituted against Mr Mandla Zuma in terms of Section 171 (3) (c) in that he in terms of Section 171(3) (c) for breach of Section 78 of the MFMA in that he deliberately or negligently caused the municipality to incur fruitless and wasteful expenditure in respect of the absenteeism and abuse of a municipal vehicle by N P Memela.</p> <p>Recovery of the Fruitless and Wasteful Expenditure or Losses</p> <p>7.1 That the Accounting Officer should institute recovery processes of against Mr N P Memela to recover the amounts paid out against the fraudulent overtime claims, absenteeism and abuse of municipal vehicle NP764 totaling R 103 961.39 within a month from the date of the resolution of the Audit Committee.</p> <p>7.2 That the Accounting Officer should submit progress report on the recovery process instituted to the Audit Committee on quarterly basis.</p> <p>7.3 That the Accounting Officer must promptly inform the Mayor, the MEC for CoGTA and Auditor General, in writing about R 103 961.39 which is fruitless and wasteful expenditure in terms of Section 32(4)(a) of the MFMA.</p> <p>16. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES AND THEFT OF STOCK AT MUNICIPALITY GENERAL STORES BY MSUNDUZI MUNICIPALITY EMPLOYEES (REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That disciplinary action be instituted against Messrs Mnembe Mngadi, Sefali and Ms Malinga within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended), Code of Conduct for Municipal Staff members read with read with Disciplinary Procedure and Code Collective Agreement issued by South African Local Government Bargaining Council for breach of:</p> <p>1.1 General Conduct</p> <p>1.1 Section 2 (a) in that he did not loyally execute the lawful polices of the municipal council; (b) Section 2 (b) in that he did not perform the functions of office in good faith, diligently, honestly and in transparent manner; (c) Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised</p> <p>1.2 Commitment to serving the public interest</p> <p>1.2 Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.</p> <p>1.3 Personal gain</p> <p>1.3 Section 4 (1) (a) in that he used his position or privileges for private gain and/or to improperly benefit themselves.</p> <p>1.4 Disciplinary Procedures Collective Agreement</p> <p>Did not conduct himself with honesty and integrity. Committed an act of gross dishonesty.</p> <p>1.5 Breach of the Constitution of the Republic of South Africa Breached Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:</p> <p>(a) a high standard of professional ethics must be promoted and maintained.</p> <p>(b) efficient, economic and effective use of resources must be promoted.</p> <p>(c) public administration must be accountable.</p> <p>1.6 Financial Misconduct</p> <p>That financial misconduct be instituted against Mr Mnembe in terms of Section 171 (3) (a) and (b) in that he failed to carry out the delegated duty and contravened or failed to comply with a condition of the delegated power or duty and in doing so deliberately caused or could have caused the municipality to incur fruitless and wasteful expenditure in respect of the actual stock stolen.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
19 APRIL 2022	<p>1.7 Recovery of the Fruitless and Wasteful Expenditure or Losses</p> <p>1.7.1 That the Accounting Officer should institute recovery processes against Messrs Nmembe, Mr Mngadi, Mr Sefali and Ms Malinga to recover R 1 729,00 which is a loss incurred by Msunduzi Municipality as a result of theft.</p> <p>1.7.2 That the Accounting Office should submit progress report on the recovery process instituted to the Audit Committee on quarterly basis.</p> <p>1.7.3 That the vehicles and bags of staff members as well as all people visiting General Stores be search when entering and leaving the premises.</p> <p>1.8 Internal Controls</p> <p>1.8.1 That the Head of Supply Chain Management Unit should ensure that the vehicles and bags of staff members as well as all people visiting General Stores be search when entering and leaving the premises.</p> <p>1.8.2 That the Head of Supply Chain Management Unit should consider putting an additional security that will monitor the cameras on daily basis from 07h30 to 16h00 so that theft can be identified as it takes place.</p> <p>17. FORENSIC INVESTIGATION INTO ALLEGED FRAUDULENT ACTING ALLOWANCE AS SECURITY INSPECTOR AND SECURITY SUPERINTENDENT BY MS FL NGCOBO: EMPLOYMENT NUMBER 2208830: COMMUNITY SERVICES UNIT: PUBLIC SAFETY AND DISASTER MANAGEMENT (REF: 3.10.1.1)</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That a case of fraud be reported with the South African Police Service (Directorate of Priority Crime Investigations).</p> <p>2. Since Ms FL Ngcobo has resigned from the Municipality no recommendation can be made regarding disciplinary action against Ms FL Ngcobo.</p> <p>3. Recovery of the Fruitless and Wasteful Expenditure or Losses</p> <p>3.1 The Accounting Officer should institute recovery processes from Ms FL Ngcobo to recover the losses suffered by the Msunduzi Municipality due to fraud.</p> <p>3.2 The Accounting Officer should submit progress report on the recovery process instituted to the Audit Committee on quarterly basis.</p> <p>18. FORENSIC INVESTIGATION INTO ALLEGED MATERIAL IRREGULARITIES ON THE APPOINTMENT OF YESHUA AQUATIC JETC AS PER CONTRACT NUMBER13 SECTION 36 OF 19/20 FOR THE FUMIGATION OF TAXI RANKS, HALLS AND AMENITIES: COMMUNITY SERVICES (REF:3.10.1.1)</p> <p>The Ministerial Representative pointed out that Msunduzi Municipality was captured by its own employees, and that failure by its management and political leadership to not address this corruption would see the Municipality further deteriorate at the expense of the rate payers of Msunduzi.</p> <p>The Ministerial Representative urged the Audit Committee to highlight these sentiments to the Council strongly, as no one was prepared to take any action at Msunduzi.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. Disciplinary action be instituted against Mr Mbongeni Mathe within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended), Code of Conduct for Municipal Staff members read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council for breach of:</p> <p>1.1 General Conduct:</p> <p>1.1.1 Section 2 (a) in that he did not loyally execute the lawful polices of the municipal council;</p> <p>1.1.2 Section 2 (b) in that he did not perform the functions of office in good faith, diligently, honestly and in transparent manner;</p> <p>1.1.3 Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.</p> <p>1.2 Commitment to serving the public interest</p> <p>1.2.1 Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.</p> <p>1.3 Disciplinary Procedure Code Collective Agreement</p> <p>1.3.1 Did not conduct himself with honesty and integrity.</p> <p>1.3.2 Committed an act of gross dishonesty.</p> <p>1.4 Breach of the Constitution of the Republic of South Africa</p> <p>1.4.1 Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles: (a) a high standard of professional ethics must be promoted and maintained. (b) efficient, economic and effective use of resources must be promoted. (c) public administration must be accountable.</p> <p>1.5 Financial Misconduct</p> <p>1.5.1 That financial misconduct be instituted against Mr Mbongeni Mathe within a period of three months for an act of financial misconduct in terms of Section 171 (3) (c) for breach of Section 78 of the MFMA in that he failed to take all reasonable steps within his respective areas of responsibility to ensure that the system of financial management and internal control established for the municipality is carried out diligently.</p> <p>1.6 Disciplinary Board on Financial Misconduct</p> <p>1.6.1 That Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.</p> <p>1.6.2 That the City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where there were officials implicated in our forensic investigation reports.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
19 APRIL 2022	<p>1.7 Irregular Expenditure</p> <p>1.7.1 In accordance with the recommendation by the Auditor General the entire expenditure of R5 100 250.00 which is inclusive of VAT be declared irregular and be disclosed in the financial statements of 2021/22 by the Chief Financial Officer and be reported to the MEC for CoGTA and Auditor General in terms of Section 32(4)(a) of the MFMA.</p> <p>1.8 Recovery of the Fruitless and Wasteful Expenditure or Losses</p> <p>1.8.1 That the Accounting Officer should institute recovery processes and hold Mr Mbongeni Mathe, Siphon Dubazana and Yeshua Aquajet jointly and severally responsible, one paying the other one to be absolved to recover the amount of R2 215 164.56 plus VAT paid out to Yeshua Aquajet being financial loss as determined by Auditor General in his report of Management report within a month from the date of the resolution of the Audit Committee.</p> <p>1.8.2 That the Accounting Officer should submit progress report on the recovery process instituted to the Audit Committee on quarterly basis.</p> <p>1.8.3 That the Accounting Officer must promptly inform the Mayor, the MEC for CoGTA and Auditor General, in writing about R2 215 164.56 which is fruitless and wasteful expenditure in terms of Section 32(4)(a) of the MFMA.</p> <p>1.8.4 That the Chief Financial Officer should make the necessary disclosure of the fruitless and wasteful expenditure of R2 215 164.56 in the annual financial statements of 2021/22 financial year.</p> <p>19. ANNOUNCEMENT BY THE MINISTERIAL REPRESENTATIVE (MR S DUMA)</p> <p>The Ministerial Representative (Mr S Duma) reported he was withdrawing his duties at Msunduzi Municipality in order to continue with his full time duties at COGTA. He thanked the Audit Committee for their dedication to their work and contribution to Council over the year that he had been assigned to Msunduzi and wished the Audit Committee and Management well.</p> <p>The Audit Committee extended their well wishes to Mr S Duma and thanked him for his contributions at Msunduzi Municipality.</p> <p>NOTED.</p>
	<p>4. OUTSTANDING MATTERS REPORTS: 2021</p> <p>AGREED</p> <p>That the report dated 7 February 2022 by the General Manager: Corporate Services Business considering the Audit Committee Outstanding Matters: 2021, be NOTED and be consolidated into the Audit Committee Decision Tracker.</p> <p>5. OUTSTANDING MATTERS REPORTS: JUNE 2022</p> <p>AGREED</p> <p>(a) That the report dated 23 May 2022 by the General Manager: Corporate Services Business considering the Audit Committee Outstanding Matters: June 2022, be NOTED.</p> <p>(b) The Acting City Manager was requested to ensure that all relevant General Managers close out and provide the Audit Committee with progress reports on all remaining outstanding matters.</p> <p>6. VERBAL UPDATE BY THE OFFICE OF THE AUDITOR GENERAL</p> <p>It was indicated that there were no urgent matters from the AGSA to report on.</p> <p>NOTED.</p> <p>7. FINAL FOLLOW UP INTERNAL AUDIT REPORT ON SAFE CITY (REF: 3.10.1.1)</p> <p>The Manager: Safe City explained the challenges with Prosecutors being constantly changed at the courts. He reported that a Docket Tracker was in place in order to track the progress of all crime dockets with the Investigation Officers from the South African Police Services.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That Senior Management and the Board should pursue entering a memorandum of understanding with the South African Police Service to ensure the roles and responsibilities of the SAPS is clearly outlined as well as the expected support in terms of responding to reported incidents. 2. That Senior Management should also explore areas of alignments and collaboration with other security forums and entities within the same areas that Safe City operate in. This shall increase the security consciousness of the community and potentially broaden the resources available to respond to incidents. 3. That on-going meetings should be held to monitor and evaluate the operations of Safe City with SAPS. 4. That Senior Management and the Board should ensure that the crime statistics, specifically the statistics regarding the out of camera areas with the highest crime rates, are identified and form the basis of the expansion plan in the Safe City Strategic Business Plan. 5. That Senior Management and the Board should ensure that the expansion of camera surveillance is included in the Annual Performance Plan as well as the annual budget to ensure this is prioritized. 6. That Senior Management and the Board should engage SAPS and other key stakeholders to ensure there is a coordinated effort to preventing and responding to crime, especially in areas that are out of the camera surveillance. 7. That Senior Management and the Board should ensure that the service level agreement signed covers at least a three-year period, with the budget being reviewed and approved annually. 8. That Senior Management and the Board must assume responsibility for the governance of stakeholder relationships by setting the direction for how stakeholder relationships should be approached and conducted in the organization. 9. That the Municipality must assist in facilitating engagement and collaboration between its stakeholders. 10. That Senior Management and the Board must pursue the signing of a memorandum of understanding in order to clarify the working relationship with key stakeholder (especially where entering into a Service Level Agreement is not possibility). 11. That Senior Management and the Board should review whether the amount meets the definition of irregular expenditure. Should this be determined to be the case, the expenditure on this contract must be included in the Irregular Expenditure Register and an investigation must be undertaken. 12. That Senior Management and the Board should ensure that all procurement undertaken by Safe City is compliance with SCM regulations. 13. That Senior Management and the Board should ensure that all contracts are reviewed so as they meet the strict contract management standards, specifically regarding their start and end dates. 14. That Senior Management and the Board should ensure a multi-year service level agreement is signed with Msunduzi Municipality to avoid gaps in funding. 15. That Senior Management and the Board should ensure the Service Level Agreement is complied with and the invoice is sent timeously to the municipality.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<p>16. That Msunduzi Municipality should ensure compliance with Treasury Regulations and settle all invoices submitted within 30 days.</p> <p>17. That Senior Management and the Board should engage SAPS regarding putting in place processes for managing the SAPS official on duty as well as any absenteeism that may occur.</p> <p>18. That Senior Management must ensure that all Masterfile amendments are supported by sufficient and appropriate evidence before being approved.</p> <p>19. That Senior Management and the Board should ensure the position of Data (CI) Analyst is included in the Succession Plan and suitable employees should be identified for development and training in this position.</p> <p>20. That Senior Management and the Board should review the succession plan to ensure all key positions are included in the plan (not only positions that are traditionally seen as management positions).</p> <p>21. That Senior Management and the board must ensure that all policies are reviewed periodically and signed with the date of when the review occurred.</p> <p>22. That Senior Management and the Board should prioritize entering a memorandum of understanding with the NPA. The MOU must include an outline of how feedback will be provided to Safe City regarding the progress of the dockets within the courts.</p> <p>23. That Managers and Supervisors should ensure the Occurrence Book, Evidence Register, and Docket Tracker are reviewed periodically to ensure the details of incidents are fully captured and the references between these documents align.</p> <p>24. That Senior Management should ensure that evidence is collected and maintained to support the development undertaken for the identified personnel.</p> <p>25. That Senior Management must ensure that training and development of personnel must also include recognized courses with certifications so as the quality of training and competence may be better supported.</p>
	<p>8. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF SAP PROJECT: RISK ASSURANCE PREPARATION PHASE (REF: 3.10.1.1)</p> <p>It was pointed out to the Committee that there will be a legal challenge on this matter, and that Council should not pay for the blue prints, as Council did not receive value for money from this Contract. It was stressed to Committee that Nambiti committed an offense of fraud by utilising the blue prints of another municipality.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That based on the assessed possible scenarios that may materialize within the SAP project and the failures of Nambiti on numerous occasions to meet its deadlines and kept on changing the project plan and go lives dates should consider the following:</p> <p>1.1 the revised project plan of Nambiti be not accepted</p> <p>1.2 the current SAP reimplementation project be cancelled.</p> <p>1.3 through an upfront negotiation with National Treasury to accept manual reporting for the current financial year in so far as mSCOA.</p> <p>1.4 Management should ensure that supplementary plans are in place to ensure mSCOA reporting. This should be informed by a report which summarizes the impacted municipal areas that would be in a position to provide the expected National Treasury reports. Management should consider revising the terms of reference for the project as mitigation control where the focus on the implementation will be adjusted to the upgrade of the existing SAP ECC6 to SAP Nana with customization to enable mSCOA compliance. This ensures that:</p> <p>1.4.1 Management avoid going through another implementation iteration as SAP ECC6 support will be ending in 2027 and the SAP Hana upgrade will be mandatory.</p> <p>1.4.2 That the licensing fees paid accommodate a future product.</p> <p>1.4.3 A number of Metropolitan Municipalities are currently going through the upgrade or have recently completed one and learnings can be leveraged from these Metropolitan Municipalities;</p> <p>1.5 That the implementation approach for the later (SAP Hana) be advertised through a panel of service providers to ensure a faster delivery timeline with the following key roles:</p> <p>1.6 That SAP implementers which specialize in the various modules of SAP be appointed service providers will each have their modular specific project plans and will be responsible for the delivery and reporting on their respective modules. This will remove the dependency on a sole service provider and ensure simultaneous streams running concurrently to ensure quicker delivery of the solution;</p> <p>1.7 That the Project Managers be responsible for overall oversight and reporting on the project, consolidating the modular specific project plans and establishing a SAP Hana upgrade and mSCOA compliance project plan.</p>
	<p>9. FINAL INTERNAL AUDIT REPORT ON FLEET MANAGEMENT (REF:3.10.1.1)</p> <p>Committee expressed concern that this was not a good idea for Msunduzi Municipality to use the vehicles of Mpofana, as these vehicles needed to be returned to Mpofana municipality in the same condition that they were donated / loaned.</p> <p>It was confirmed that Mpofana Municipality donated these vehicles to Msunduzi Municipality.</p> <p>The Acting City Manager was requested to resolve the matters outlined in the report as a matter of urgency.</p> <p>Members stressed that there was a clear lack of supervision and explained that management must ensure that the municipal fleet was managed effectively.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That the General Manager: Corporate Services verify the approval of Fleet Management Policy to the minutes and/or recording of Council meeting held and correct the resolution accordingly.</p> <p>2. That if the Policy was not approved by the Council, Fleet Management Unit to have the policy represented and approved by Council.</p> <p>3. That the Fleet Management Policy to be circulated to all municipal employees.</p> <p>4. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers.</p> <p>5. That the Accounting Officer should implement consequence management against municipal employees violating the provisions of Fleet Management Policy.</p> <p>6. That a Fleet Master Plan should be developed and conditional assessment done on the municipality's fleet.</p> <p>7. That a Fleet Maintenance Plan should be developed, monitored on regular basis and strictly implemented.</p> <p>8. That the Accounting Officer fast track the development of the module within SAP for fleet management (including repairs and maintenance).</p> <p>9. That the General Managers of business units to be advised by Fleet and/or Mechanical Workshops Units on areas of non-compliance/ vehicle abuse/negligence.</p> <p>10. That the Accounting Officer and General Managers of respective business units to implement consequence management against employees (from Drivers to General Managers where relevant) should the cause of breakdown be assessed as driver negligence and abuse.</p> <p>11. That in cases where Accounting Officer and General Managers of respective business units fail to implement consequence management against employees the Council should implement disciplinary proceedings against the Accounting Officer and the General Managers respectively in terms of the Local Government: Disciplinary Regulations for Senior Managers of 2010.</p> <p>12. That conduct workshops on Fleet Management Policy with all employees who are authorized to drive municipal vehicles and should sign an attendance register as proof of their attendance.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<ol style="list-style-type: none"> 13. That the Accounting Officer and General Managers of respective business units to implement consequence management against employees (from Drivers to General Managers where relevant) should the accident reporting procedures not be adhered to. 14. That the positions of the Fleet Officer in various Business Units should be prioritized for evaluation and to be filled. 15. That workshops on Fleet Management Policy be conducted. 16. That General Managers of relevant business units to submit a schedule in terms of Section 3.5.2 of the Fleet Management Policy to Fleet Management. Updated schedule should also be submitted to the Fleet Management Unit whenever there is a change in vehicle allocation. 17. That an exercise to ensure fleet register is complete, accurate and valid be performed. 18. That the Accounting Officer ensure that fleet that are not in use is de-registered from e-Natis. 19. Fast track the development of the module within SAP for fleet management (including license renewal, COF and COR). 20. That the Fleet Management Unit should ensure that there is an effective record keeping system in place. 21. That Control measures should be reinforced for strict adherence to ensure that adequate and reliable supporting documentation is maintained for all fleet management matters. 22. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers. 23. That the Accounting Officer should implement consequence management against drivers/custodians who fail to ensure vehicles have a valid license disc that is displayed at all times. 24. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers. 25. That the Accounting Officer should implement consequence management against drivers/custodians who fail to ensure vehicles are sent in for COR/COF. 26. Conduct workshops on Fleet Management Policy. 27. That Heads of business units and drivers/custodians must ensure that logbooks and trip authority sheets are completed in terms of the Fleet Management Policy. 28. That employees who are required by virtue of their job description to drive a municipal vehicle must undergo the LMV and HMV (where applicable) driving assessment with the Municipal Traffic Unit before appointment is finalized. 29. That Heads of business units and drivers/custodians must ensure that an ID tag is obtained and only used by whom the tag was issued for. If a driver did not pass the driving assessment, he/she must be booked in for a re-test. 30. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers, to conduct random check on drivers. 31. That the Accounting Officer and General Managers of the respective business units to implement consequence management against employees (from Drivers to General Managers where relevant) for non-compliance with Fleet Management Policy. 32. That an investigation to be carried out by the Accounting Officer to establish whether the transaction entered into with Mpfana Municipality constituted unauthorized, irregular and/or fruitless and wasteful expenditure. <p>10. FINAL INTERNAL AUDIT OF THE MID-TERM PERFORMANCE INFORMATION FOR 2021/2022 (REF:3.10.1.1)</p> <p>It was noted with disappointment that there was no improvement to this report each year. There was concern that the performance management contracts were not signed. In addition to this, it was pointed out that there was a lack of smartness. Concern was expressed that management was not paying great attention in this area.</p> <p>The Ministerial Representative (Mr M Sithole) indicated that there should not be any repeat findings, and that in terms of findings of this nature it was disappointing that no improvements were in place to change the status.</p> <p>The Acting City Manager was requested to ensure that General Managers be held accountable for the non-submission of Portfolio of Evidence Files, and that consequence management must be applied for any failure in this regard.</p> <p>The Audit Committee stressed that Management must be committed to the respective Action Plans.</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the Manager: Organizational Performance, Knowledge Management and Compliance should ensure that all Senior Management Performance Agreements are signed and dated by both the employee and the City Manager. 2. That the General Managers should review the monthly and quarterly SDBIP reports before submission to the OC, P & KM unit/ audit purposes. 3. That in instances where the monthly and quarterly SDBIP reports are submitted to the OC, P & KM unit without the GM's review, a note should be made and considered during the GM's performance assessment. 4. That the City Manager should ensure consequence management for failure to comply with the SOP on the monthly and quarterly reports. 5. That the City Manager, General Managers, Chief Financial Officer and Senior Managers should ensure that all SMART principles are adhered to when compiling the SDBIP & OP. 6. By adhering to the SMART principles, City Manager, General Managers, Chief Financial Officer and Senior Managers should ensure that performance targets set should be aligned to available resources (e.g. timing, budget, personnel etc). 7. That the Manager: Organizational Performance, Knowledge Management and Compliance should ensure that all performance agreements have performance plans attached to them and appropriately filed. 8. That a checklist should be implemented and completed to assist the Manager: Organizational Performance, Knowledge Management and Compliance in review of performance agreements and supporting documentation, to ensure the completeness of required documentation is verified. 9. That the City Manager should ensure that a review and verification of the actual achievements should be performed to ensure accurate reporting; 10. Furthermore, the PMS unit should perform physical verification to validate the reported information; 11. That Every Quarterly Report must be cross-referenced to the portfolio of evidence file to ensure that reported performance is adequately supported; 12. That General Managers when assessing Senior Managers should verify that all portfolio of evidence has been submitted and placed on file; 13. That General Managers should ensure that there is sufficient evidence to support achieved targets reported in the report; and 14. That the Accounting Officer ensure that Consequence Management should be enforced in instances where the achievement/non-achievement of targets is not supported by adequate evidence. 15. That the Manager: Organizational Performance, Knowledge Management and Compliance should ensure that all documentation pertaining to performance management system should be properly maintained, and filed, and submitted for audit to the Internal Audit Unit. <p>11. STATUS UPDATE ON THE 2021/2022 FY ANNUAL AUDIT PLAN (REF: 3.10.1.1)</p> <p>AGREED</p> <p>That the status update on the 2021/2022 Financial Year Annual Audit Plan as contained in the Report dated 7 June 2022 by the Chief Audit Executive (Ref: 3.10.1.1) be NOTED.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<p>12. FINAL INTERNAL AUDIT REPORT ON HIGH LEVEL REVIEW OF THE 2020/2021 ANNUAL REPORT (REF: 3.10.1.1)</p>
	<p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p>
	<p>That the findings around the Final Internal Audit Report on the High Level Review of the 2020/21 Annual Report dated 7 June 2022 by the Chief Audit Executive (Ref: A12-2021/2022), be considered.</p>
	<p>13. AUDIT COMMITTEE ANNUAL PLAN AND CALENDAR OF ACTIVITIES FOR 2022/23 FINANCIAL YEAR (REF: 3.10.1.1)</p>
	<p>AGREED</p>
	<p>That the Audit Committee Annual Plan and Calendar of Activities for the 2022/2023 financial year, be APPROVED.</p>
	<p>14. CONSOLIDATED AUDIT COMMITTEE REPORT (REF:3.10.1.1)</p>
	<p>14.1 Audit Committee Decision Tracker</p>
	<p>14.1.1 In regard to the Audit Committee Decision Tracker, Audit Committee members expressed disappointment that many items on the AC Tracker remained unresolved. Clarity was sought from the Acting City Manager on the reasonable timeframe for these matters to achieve resolution.</p>
	<p>14.1.2 Committee noted the issues regarding the problem with burial sites.</p>
	<p>14.1.3 Concern was also raised over the unresolved findings on Water and Sanitation as well as Bulk Meters.</p>
	<p>14.1.4 It was reported that the Audit Committee Tracker was addressed at the weekly Strategic Management Committee meetings. In view of this, members queried how management was planning on resolving these findings. It was pointed out that management needed to put in a concerted effort to resolve this ever growing list of findings. However, it was mentioned that a lot of this findings could be resolved if there was the willingness to resolve them.</p>
	<p>14.2 AG Audit Findings</p>
	<p>14.2.1 Clarity was sought on whether the Benchmarking Exercise Report with National Treasury was shared with the Audit Committee, as well as whether the Budget was funded.</p>
	<p>14.2.2 In addition, it was queried whether the funding for the Financial Recovery Plan was reflected in the Budget. National Treasury Representative (Mr L Holland) queried the total costing of the Financial Recovery Plan for this financial year as well as for the following years.</p>
	<p>14.2.3 The Acting City Manager undertook to have the revised Financial Recovery Plan circulated to the Audit Committee. In response to a query, she confirmed that she would also submit the Diagnostic Report on the FRP to the National Treasury Representative.</p>
	<p>14.3 Revenue Collection</p>
	<p>14.3.1 In response to a query regarding the impact of the closure of post offices on the distribution of municipal accounts, it was confirmed that municipal bills were sent to consumers via electronic mail.</p>
	<p>14.4 Section 71</p>
	<p>14.4.1 It was mentioned that the Audit Committee was anticipating that a reduction in overtime expenditure would bear dividends in time. However, overtime expenditure remained high.</p>
	<p>14.4.2 The Acting City Manager indicated that the reduction in expenditure must be advocated as requested by the Interim Finance Committee and the Expenditure Committee.</p>
	<p>14.4.3 Committee was advised that follow up meetings would be convened with Eskom and Umgeni for a Catch Up Strategy, which would be utilized from the equitable share. Members took note that the revenue collection rate improved for the month of May 2022.</p>
	<p>14.4.4 It was indicated that in regard to overtime and acting allowance expenditure, there was a combination of negligence and abuse.</p>
	<p>14.5 Conditional Grants</p>
	<p>14.5.1 The Senior Manager: Revenue was requested to include the comments of the respective business units in regard to Conditional Grant Expenditure.</p>
	<p>14.6 Irregular Expenditure</p>
	<p>14.6.1 National Treasury Representative (Mr L Holland) queried the status of Historical Irregular Expenditure over the past few financial years in terms of Section 32 of which has possible cases of financial misconduct that could have led to the irregular expenditure of the R 470 million. He stressed that in instances where officials were found to be negligent, irregular expenditure must be recovered from such officials.</p>
	<p>14.6.2 The Acting City Manager confirmed that management was engaging COGTA on how to address this amount of a ballooning figure on Historical Irregular Expenditure. She undertook to also discuss this matter with National Treasury. In addition, she confirmed that the UIFW Strategy was approved for adoption by the Full Council.</p>
	<p>14.7 Fruitless and Wasteful Expenditure</p>
	<p>14.7.1 National Treasury Representative (Mr L Holland) sought clarity on the status of fruitless and wasteful expenditure in the amount of approximately R 45 million reflected on the 2020/2021 Financial Statement.</p>
	<p>14.8 ICT Governance</p>
	<p>14.8.1 The ICT Business Unit was commended on upgrading the PABX Box Infrastructure. The Senior Manager: ICT was urged to ensure that provide the Audit Committee with assurances at its next meeting that certain AG Findings would not resurface.</p>
	<p>14.9 Media and Communications</p>
	<p>14.9.1 The Acting City Manager was requested to ensure that the report also included positive reporting about the work being undertaken by the City, which did not have any political undertones. It was stressed that ratepayers needed to that their complaints were being addressed by the Municipality. It was suggested that more media coverage was needed with the complainants to show that the Municipality was committed in resolving complaints.</p>
	<p>AGREED</p>
	<p>That the Consolidated Report by the City Manager dated 15 June 2022 by the Senior Manager: Office of the Municipal Manager, NOTED.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
21 JUNE 2022	<p>4. <u>OUTSTANDING MATTERS REPORTS: 2021</u></p> <p>Report dated as at 7 February 2022 by the General Manager: Corporate Services Business.</p> <p>It was</p> <p>AGREED</p> <p>That the report dated 7 February 2022 by the General Manager: Corporate Services Business considering the Audit Committee Outstanding Matters: 2021, be NOTED and be consolidated into the Audit Committee Decision Tracker.</p> <p>5. <u>OUTSTANDING MATTERS REPORTS: JUNE 2022</u></p> <p>Report dated 23 May 2022 by the General Manager: Corporate Services Business.</p> <p>It was</p> <p>AGREED</p> <p>(a) That the report dated 23 May 2022 by the General Manager: Corporate Services Business considering the Audit Committee Outstanding Matters: June 2022, be NOTED.</p> <p>(b) The Acting City Manager was requested to ensure that all relevant General Managers close out and provide the Audit Committee with progress reports on all remaining outstanding matters.</p> <p>6. <u>VERBAL UPDATE BY THE OFFICE OF THE AUDITOR GENERAL</u></p> <p>It was indicated that there were no urgent matters from the AGSA to report on.</p> <p>NOTED.</p> <p>7. <u>FINAL FOLLOW UP INTERNAL AUDIT REPORT ON SAFE CITY (REF: 3.10.1.1)</u></p> <p>Report dated 26 April 2022 by the Chief Audit Executive (Ref: FuA1-2021/2022).</p> <p>The Manager: Safe City explained the challenges with Prosecutors being constantly changed at the courts. He reported that a Docket Tracker was in place in order to track the progress of all crime dockets with the Investigation Officers from the South African Police Services.</p> <p>Following brief discussion, it was</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That Senior Management and the Board should pursue entering a memorandum of understanding with the South African Police Service to ensure the roles and responsibilities of the SAPS is clearly outlined as well as the expected support in terms of responding to reported incidents. 2. That Senior Management should also explore areas of alignments and collaboration with other security forums and entities within the same areas that Safe City operate in. This shall increase the security consciousness of the community and potentially broaden the resources available to respond to incidents. 3. That on-going meetings should be held to monitor and evaluate the operations of Safe City with SAPS. 4. That Senior Management and the Board should ensure that the crime statistics, specifically the statistics regarding the out of camera areas with the highest crime rates, are identified and form the basis of the expansion plan in the Safe City Strategic Business Plan. 5. That Senior Management and the Board should ensure that the expansion of camera surveillance is included in the Annual Performance Plan as well as the annual budget to ensure this is prioritized. 6. That Senior Management and the Board should engage SAPS and other key stakeholders to ensure there is a coordinated effort to preventing and responding to crime, especially in areas that are out of the camera surveillance. 7. That Senior Management and the Board should ensure that the service level agreement signed covers at least a three-year period, with the budget being reviewed and approved annually. 8. That Senior Management and the Board must assume responsibility for the governance of stakeholder relationships by setting the direction for how stakeholder relationships should be approached and conducted in the organization. 9. That the Municipality must assist in facilitating engagement and collaboration between its stakeholders. 10. That Senior Management and the Board must pursue the signing of a memorandum of understanding in order to clarify the working relationship with key stakeholder (especially where entering into a Service Level Agreement is not possibility). 11. That Senior Management and the Board should review whether the amount meets the definition of irregular expenditure. Should this be determined to be the case, the expenditure on this contract must be included in the Irregular Expenditure Register and an investigation must be undertaken. 12. That Senior Management and the Board should ensure that all procurement undertaken by Safe City is compliance with SCM regulations. 13. That Senior Management and the Board should ensure that all contracts are reviewed so as they meet the strict contract management standards, specifically regarding their start and end dates. 14. That Senior Management and the Board should ensure a multi-year service level agreement is signed with Msunduzi Municipality to avoid gaps in funding. 15. That Senior Management and the Board should ensure the Service Level Agreement is complied with and the invoice is sent timeously to the municipality. 16. That Msunduzi Municipality should ensure compliance with Treasury Regulations and settle all invoices submitted within 30 days. 17. That Senior Management and the Board should engage SAPS regarding putting in place processes for managing the SAPS official on duty as well as any absenteeism that may occur. 18. That Senior Management must ensure that all Masterfile amendments are supported by sufficient and appropriate evidence before being approved. 19. That Senior Management and the Board should ensure the position of Data (CI) Analyst is included in the Succession Plan and suitable employees should be identified for development and training in this position. 20. That Senior Management and the Board should review the succession plan to ensure all key positions are included in the plan (not only positions that are traditionally seen as management positions). 21. That Senior Management and the board must ensure that all policies are reviewed periodically and signed with the date of when the review occurred. 22. That Senior Management and the Board should prioritize entering a memorandum of understanding with the NPA. The MOU must include an outline of how feedback will be provided to Safe City regarding the progress of the dockets within the courts.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<p>23. That Managers and Supervisors should ensure the Occurrence Book, Evidence Register, and Docket Tracker are reviewed periodically to ensure the details of incidents are fully captured and the references between these documents align.</p> <p>24. That Senior Management should ensure that evidence is collected and maintained to support the development undertaken for the identified personnel.</p> <p>25. That Senior Management must ensure that training and development of personnel must also include recognized courses with certifications so as the quality of training and competence may be better supported.</p>
	<p>8. FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF SAP PROJECT: RISK ASSURANCE PREPARATION PHASE (REF: 3.10.1.1)</p> <p>Report dated 24 May 2022 by the Chief Audit Executive (Ref: RA 1 of 2021/22).</p> <p>It was pointed out to the Committee that there will be a legal challenge on this matter, and that Council should not pay for the blue prints, as Council did not receive value for money from this Contract. It was stressed to Committee that Nambiti committed an offense of fraud by utilising the blue prints of another municipality.</p> <p>It was subsequently</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That based on the assessed possible scenarios that may materialize within the SAP project and the failures of Nambiti on numerous occasions to meet its deadlines and kept on changing the project plan and go lives dates should consider the following:</p> <p>1.1 the revised project plan of Nambiti be not accepted</p> <p>1.2 the current SAP reimplementation project be cancelled.</p> <p>1.3 through an upfront negotiation with National Treasury to accept manual reporting for the current financial year in so far as mSCOA.</p> <p>1.4 Management should ensure that supplementary plans are in place to ensure mSCOA reporting. This should be informed by a report which summarizes the impacted municipal areas that would be in a position to provide the expected National Treasury reports. Management should consider revising the terms of reference for the project as mitigation control where the focus on the implementation will be adjusted to the upgrade of the existing SAP ECC6 to SAP Nana with customization to enable mSCOA compliance. This ensures that:</p> <p>1.4.1 Management avoid going through another implementation iteration as SAP ECC6 support will be ending in 2027 and the SAP Hana upgrade will be mandatory.</p> <p>1.4.2 That the licensing fees paid accommodate a future product.</p> <p>1.4.3 A number of Metropolitan Municipalities are currently going through the upgrade or have recently completed one and learnings can be leveraged from these Metropolitan Municipalities;</p> <p>1.5 That the implementation approach for the later (SAP Hana) be advertised through a panel of service providers to ensure a faster delivery timeline with the following key roles:</p> <p>1.6 That SAP implementers which specialize in the various modules of SAP be appointed service providers will each have their modular specific project plans and will be responsible for the delivery and reporting on their respective modules. This will remove the dependency on a sole service provider and ensure simultaneous streams running concurrently to ensure quicker delivery of the solution;</p> <p>1.7 That the Project Managers be responsible for overall oversight and reporting on the project, consolidating the modular specific project plans and establishing a SAP Hana upgrade and mSCOA compliance project plan.</p>
	<p>9. FINAL INTERNAL AUDIT REPORT ON FLEET MANAGEMENT (REF:3.10.1.1)</p> <p>Report dated 3 June 2022 by the Chief Audit Executive (Ref:A8-2021/2022).</p> <p>Committee expressed concern that this was not a good idea for Msunduzi Municipality to use the vehicles of Mpfana, as these vehicles needed to be returned to Mpfana municipality in the same condition that they were donated / loaned.</p> <p>It was confirmed that Mpfana Municipality donated these vehicles to Msunduzi Municipality.</p> <p>The Acting City Manager was requested to resolve the matters outlined in the report as a matter of urgency.</p> <p>Members stressed that there was a clear lack of supervision and explained that management must ensure that the municipal fleet was managed effectively.</p> <p>It was subsequently</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>1. That the General Manager: Corporate Services verify the approval of Fleet Management Policy to the minutes and/or recording of Council meeting held and correct the resolution accordingly.</p> <p>2. That if the Policy was not approved by the Council, Fleet Management Unit to have the policy represented and approved by Council.</p> <p>3. That the Fleet Management Policy to be circulated to all municipal employees.</p> <p>4. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers.</p> <p>5. That the Accounting Officer should implement consequence management against municipal employees violating the provisions of Fleet Management Policy.</p> <p>6. That a Fleet Master Plan should be developed and conditional assessment done on the municipality's fleet.</p> <p>7. That a Fleet Maintenance Plan should be developed, monitored on regular basis and strictly implemented.</p> <p>8. That the Accounting Officer fast track the development of the module within SAP for fleet management (including repairs and maintenance).</p> <p>9. That the General Managers of business units to be advised by Fleet and/or Mechanical Workshops Units on areas of non-compliance/ vehicle abuse/negligence.</p> <p>10. That the Accounting Officer and General Managers of respective business units to implement consequence management against employees (from Drivers to General Managers where relevant) should the cause of breakdown be assessed as driver negligence and abuse.</p> <p>11. That in cases where Accounting Officer and General Managers of respective business units fail to implement consequence management against employees the Council should implement disciplinary proceedings against the Accounting Officer and the General Managers respectively in terms of the Local Government: Disciplinary Regulations for Senior Managers of 2010.</p> <p>12. That conduct workshops on Fleet Management Policy with all employees who are authorized to drive municipal vehicles and should sign an attendance register as proof of their attendance.</p> <p>13. That the Accounting Officer and General Managers of respective business units to implement consequence management against employees (from Drivers to General Managers where relevant) should the accident reporting procedures not be adhered to.</p> <p>14. That the positions of the Fleet Officer in various Business Units should be prioritized for evaluation and to be filled.</p> <p>15. That workshops on Fleet Management Policy be conducted.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<ol style="list-style-type: none"> 16. That General Managers of relevant business units to submit a schedule in terms of Section 3.5.2 of the Fleet Management Policy to Fleet Management. Updated schedule should also be submitted to the Fleet Management Unit whenever there is a change in vehicle allocation. 17. That an exercise to ensure fleet register is complete, accurate and valid be performed. 18. That the Accounting Officer ensure that fleet that are not in use is de-registered from e-Natis. 19. Fast track the development of the module within SAP for fleet management (including license renewal, COF and COR). 20. That the Fleet Management Unit should ensure that there is an effective record keeping system in place. 21. That Control measures should be reinforced for strict adherence to ensure that adequate and reliable supporting documentation is maintained for all fleet management matters. 22. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers. 23. That the Accounting Officer should implement consequence management against drivers/custodians who fail to ensure vehicles have a valid license disc that is displayed at all times. 24. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers. 25. That the Accounting Officer should implement consequence management against drivers/custodians who fail to ensure vehicles are sent in for COR/COF. 26. Conduct workshops on Fleet Management Policy. 27. That Heads of business units and drivers/custodians must ensure that logbooks and trip authority sheets are completed in terms of the Fleet Management Policy. 28. That employees who are required by virtue of their job description to drive a municipal vehicle must undergo the LMV and HMV (where applicable) driving assessment with the Municipal Traffic Unit before appointment is finalized. 29. That Heads of business units and drivers/custodians must ensure that an ID tag is obtained and only used by whom the tag was issued for. If a driver did not pass the driving assessment, he/she must be booked in for a re-test. 30. That the Accounting Officer and General Manager: Budget and Treasury should increase capacity within the Fleet Management Unit, specifically the position of Fleet Officers, to conduct random check on drivers. 31. That the Accounting Officer and General Managers of the respective business units to implement consequence management against employees (from Drivers to General Managers where relevant) for non-compliance with Fleet Management Policy. 32. That an investigation to be carried out by the Accounting Officer to establish whether the transaction entered into with Mpfana Municipality constituted unauthorized, irregular and/or fruitless and wasteful expenditure.
	<p>10. FINAL INTERNAL AUDIT OF THE MID-TERM PERFORMANCE INFORMATION FOR 2021/2022 (REF:3.10.1.1)</p> <p>Report dated 6 June 2022 by the Chief Audit Executive (Ref:AoP1-3-2021/2022).</p> <p>(Page 215 of agenda)</p> <p>It was noted with disappointment that there was no improvement to this report each year. There was concern that the performance management contracts were not signed. In addition to this, it was pointed out that there was a lack of smartness. Concern was expressed that management was not paying great attention in this area.</p> <p>The Ministerial Representative (Mr M Sithole) indicated that there should not be any repeat findings, and that in terms of findings of this nature it was disappointing that no improvements were in place to change the status.</p> <p>The Acting City Manager was requested to ensure that General Managers be held accountable for the non-submission of Portfolio of Evidence Files, and that consequence management must be applied for any failure in this regard.</p> <p>The Audit Committee stressed that Management must be committed to the respective Action Plans.</p> <p>It was subsequently</p>
	<p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <ol style="list-style-type: none"> 1. That the Manager: Organizational Performance, Knowledge Management and Compliance should ensure that all Senior Management Performance Agreements are signed and dated by both the employee and the City Manager. 2. That the General Managers should review the monthly and quarterly SDBIP reports before submission to the OC, P & KM unit/ audit purposes. 3. That in instances where the monthly and quarterly SDBIP reports are submitted to the OC, P & KM unit without the GM's review, a note should be made and considered during the GM's performance assessment. 4. That the City Manager should ensure consequence management for failure to comply with the SOP on the monthly and quarterly reports. 5. That the City Manager, General Managers, Chief Financial Officer and Senior Managers should ensure that all SMART principles are adhered to when compiling the SDBIP & OP. 6. By adhering to the SMART principles, City Manager, General Managers, Chief Financial Officer and Senior Managers should ensure that performance targets set should be aligned to available resources (e.g. timing, budget, personnel etc). 7. That the Manager: Organizational Performance, Knowledge Management and Compliance should ensure that all performance agreements have performance plans attached to them and appropriately filed. 8. That a checklist should be implemented and completed to assist the Manager: Organizational Performance, Knowledge Management and Compliance in review of performance agreements and supporting documentation, to ensure the completeness of required documentation is verified. 9. That the City Manager should ensure that a review and verification of the actual achievements should be performed to ensure accurate reporting; 10. Furthermore, the PMS unit should perform physical verification to validate the reported information; 11. That Every Quarterly Report must be cross-referenced to the portfolio of evidence file to ensure that reported performance is adequately supported; 12. That General Managers when assessing Senior Managers should verify that all portfolio of evidence has been submitted and placed on file; 13. That General Managers should ensure that there is sufficient evidence to support achieved targets reported in the report; and 14. That the Accounting Officer ensure that Consequence Management should be enforced in instances where the achievement/non-achievement of targets is not supported by adequate evidence. 15. That the Manager: Organizational Performance, Knowledge Management and Compliance should ensure that all documentation pertaining to performance management system should be properly maintained, and filed, and submitted for audit to the Internal Audit Unit.

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<p>11. STATUS UPDATE ON THE 2021/2022 FY ANNUAL AUDIT PLAN (REF: 3.10.1.1)</p> <p>Report dated 7 June 2022 by the Chief Audit Executive.</p> <p>It was subsequently</p> <p>AGREED</p> <p>That the status update on the 2021/2022 Financial Year Annual Audit Plan as contained in the Report dated 7 June 2022 by the Chief Audit Executive (Ref: 3.10.1.1) be NOTED.</p> <p>12. FINAL INTERNAL AUDIT REPORT ON HIGH LEVEL REVIEW OF THE 2020/2021 ANNUAL REPORT (REF: 3.10.1.1)</p> <p>Report dated 7 June 2022 by the Chief Audit Executive (Ref:A12-2021/2022).</p> <p>(Page 260 of agenda)</p> <p>It was subsequently</p> <p>AGREED TO RECOMMEND TO THE FULL COUNCIL</p> <p>That the findings around the Final Internal Audit Report on the High Level Review of the 2020/21 Annual Report dated 7 June 2022 by the Chief Audit Executive (Ref: A12-2021/2022), be considered.</p> <p>13. AUDIT COMMITTEE ANNUAL PLAN AND CALENDAR OF ACTIVITIES FOR 2022/23 FINANCIAL YEAR (REF: 3.10.1.1)</p> <p>Report dated 7 June 2022 by the Chief Audit Executive (Ref:03/2021-22).</p> <p>It was subsequently</p> <p>AGREED</p> <p>That the Audit Committee Annual Plan and Calendar of Activities for the 2022/2023 financial year, be APPROVED.</p> <p>14. CONSOLIDATED AUDIT COMMITTEE REPORT (REF:3.10.1.1)</p> <p>Report dated 15 June 2022 by the Senior Manager: Office of the Municipal Manager.</p> <p>(Circulated separately on the Audit Committee Agenda Link for noting)</p> <p>14.1 Audit Committee Decision Tracker</p> <p>14.1.1 In regard to the Audit Committee Decision Tracker, Audit Committee members expressed disappointment that many items on the AC Tracker remained unresolved. Clarity was sought from the Acting City Manager on the reasonable timeframe for these matters to achieve resolution.</p> <p>14.1.2 Committee noted the issues regarding the problem with burial sites.</p> <p>14.1.3 Concern was also raised over the unresolved findings on Water and Sanitation as well as Bulk Meters.</p> <p>14.1.4 It was reported that the Audit Committee Tracker was addressed at the weekly Strategic Management Committee meetings. In view of this, members queried how management was planning on resolving these findings. It was pointed out that management needed to put in a concerted effort to resolve this ever growing list of findings. However, it was mentioned that that a lot of this findings could be resolved if there was the willingness to resolve them.</p> <p>14.2 AG Audit Findings</p> <p>14.2.1 Clarity was sought on whether the Benchmarking Exercise Report with National Treasury was shared with the Audit Committee, as well as whether the Budget was funded.</p> <p>14.2.2 In addition, it was queried whether the funding for the Financial Recovery Plan was reflected in the Budget. National Treasury Representative (Mr L Holland) queried the total costing of the Financial Recovery Plan for this financial year as well as for the following years.</p> <p>14.2.3 The Acting City Manager undertook to have the revised Financial Recovery Plan circulated to the Audit Committee. In response to a query, she confirmed that she would also submit the Diagnostic Report on the FRP to the National Treasury Representative.</p> <p>14.3 Revenue Collection</p> <p>14.3.1 In response to a query regarding the impact of the closure of post offices on the distribution of municipal accounts, it was confirmed that municipal bills were sent to consumers via electronic mail.</p> <p>14.4 Section 71</p> <p>14.4.1 It was mentioned that the Audit Committee was anticipating that a reduction in overtime expenditure would bear dividends in time. However, overtime expenditure remained high.</p> <p>14.4.2 The Acting City Manager indicated that the reduction in expenditure must be advocated as requested by the Interim Finance Committee and the Expenditure Committee.</p> <p>14.4.3 Committee was advised that follow up meetings would be convened with Eskom and Umgeni for a Catch Up Strategy, which would be utilized from the equitable share. Members took note that the revenue collection rate improved for the month of May 2022.</p> <p>14.4.4 It was indicated that in regard to overtime and acting allowance expenditure, there was a combination of negligence and abuse.</p> <p>14.5 Conditional Grants</p> <p>14.5.1 The Senior Manager: Revenue was requested to include the comments of the respective business units in regard to Conditional Grant Expenditure.</p>

Date	RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2021/22
	<p>14.6 Irregular Expenditure</p> <p>14.6.1 National Treasury Representative (Mr L Holland) queried the status of Historical Irregular Expenditure over the past few financial years in terms of Section 32 of which has possible cases of financial misconduct that could have led to the irregular expenditure of the R 470 million. He stressed that in instances where officials were found to be negligent, irregular expenditure must be recovered from such officials.</p> <p>14.6.2 The Acting City Manager confirmed that management was engaging COGTA on how to address this amount of a ballooning figure on Historical Irregular Expenditure. She undertook to also discuss this matter with National Treasury. In addition, she confirmed that the UIFW Strategy was approved for adoption by the Full Council.</p> <p>14.7 Fruitless and Wasteful Expenditure</p> <p>14.7.1 National Treasury Representative (Mr L Holland) sought clarity on the status of fruitless and wasteful expenditure in the amount of approximately R 45 million reflected on the 2020/2021 Financial Statement.</p> <p>14.8 ICT Governance</p> <p>14.8.1 The ICT Business Unit was commended on upgrading the PABX Box Infrastructure. The Senior Manager: ICT was urged to ensure that provide the Audit Committee with assurances at its next meeting that certain AG Findings would not resurface.</p> <p>14.9 Media and Communications</p> <p>14.9.1 The Acting City Manager was requested to ensure that the report also included positive reporting about the work being undertaken by the City, which did not have any political undertones. It was stressed that ratepayers needed to that their complaints were being addressed by the Municipality. It was suggested that more media coverage was needed with the complainants to show that the Municipality was committed in resolving complaints.</p> <p>It was subsequently</p> <p>AGREED</p> <p>That the Consolidated Report by the City Manager dated 15 June 2022 by the Senior Manager: Office of the Municipal Manager, NOTED.</p>
	<p>15. DATE OF NEXT MEETING and CLOSURE</p> <p>(Item 21 of agenda)</p> <p>Members were reminded that the Annual Financial Statements needed to be considered earlier, as the business unit was required to submit the AFS to the AGSA by 30 August 2022.</p>

CHAPTER 7 - ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2021 TO 30 JUNE 2022

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2022

The Audit Committee has pleasure in submitting its annual report for the financial year, 01 July 2021 to 30 June 2022, in accordance with sections 121(3)(j), 166(2)(b) and (c) of the Municipal Finance Management Act ("the MFMA").

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

In compliance with Section 166(2) of the MFMA, Council has an Audit Committee which is an independent body advising the Municipal Council, the political office-bearers, the accounting officer and the management staff of the Municipality, on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- Adequacy, reliability and accuracy of financial reporting and information;
- Annual financial statements;
- Performance management;
- Governance;
- Compliance with MFMA, DoRA and other applicable legislation;
- Issues raised by the Auditor-General and Internal Audit; and
- Monitoring and evaluation of the Internal Audit Unit.

The Audit Committee Charter is reviewed by Council as when there are changes either in legislation or in the Institute of Internal Auditors standards or King Report of Corporative Governance to ensure the charter is up to date in with legislation and governance best practices. The Audit Committee consists of the members listed hereunder and meets as a minimum, four times a year as per the approved Audit Committee Charter. The previous Chairperson resigned due to personal circumstances effective 30 April 2022. As result, Council appointed one of the members of the Audit Committee as the new Chairperson. The Committee held six (6) meetings during the year and the Audit Committee Chairperson availed himself to present the Audit Committee oversight reports to Council meetings.

The Chairperson of the Audit Committee also met separately with the City Manager, the Chief Audit Executive and the Auditor General. The meetings of the Audit Committee were held as per the table below.

Date of meeting	Mrs. B Kemp	Mr. V Dlamini	Mr. T Maphumulo	Mr. M Shongwe	Mr. L Quayle
24 August 2021	✓	✓	✓	✓	✓
30 August 2021	✓	✓	✓	✓	✓
26 October 2021	✓	✓	✓	✓	✓
09 November 2021 (Cont.)	✓	✓	✓	✓	✓
22 February 2022	✓	✓	✓	✓	✓
19 April 2022	✓	✓	✓	✓	✓
21 June 2022	●	✓	✓	✓	✓

✓	Attended
●	Resigned

INTERNAL AUDIT FUNCTION

Internal Audit is an independent function reporting administratively to the City Manager and functionally to the Audit Committee. Internal Audit performs audits in terms of a three-year rolling audit plan and annual audit plan which are approved by the Audit Committee at the commencement of each financial year. Internal Audit reports to the Audit Committee on a quarterly basis regarding progress with the implementation of the approved plan as well as the outcome of audits conducted in terms of the approved plan and adhoc requests by the City Manager or the Chief Financial Officer. Internal Audit also performs follow-up audits to assess the implementation of agreed management action plans in response to reported internal audit findings. In addition to the approved internal audit plan, the Internal Audit Unit also conducts forensic investigations into allegations of fraud, corruption, theft, malfeasance or any other irregularities. The forensic investigations are conducted to address, inter alia, the following:

- Identifying improper conduct;
- Identifying the persons responsible for improper conduct;
- Reducing fraud and corruption;
- Sending a message throughout the municipality that fraud and corruption will not be tolerated;
- Determining the extent of potential liabilities or losses that might exist;
- Helping facilitate the recovery of losses;
- Reducing future losses;

- Facilitating criminal investigation and prosecution;
- Mitigating other potential consequences; and
- Strengthening internal control weaknesses.

The Internal Audit Charter as adopted by the Audit Committee regulates the work of Internal Audit. In terms of Section 165(1) of the MFMA each municipality is required to have an Internal Audit Unit. Section 165(3) allows the municipality to co-source the function if the municipality requires assistance to develop its internal capacity. During the current year, as in the previous year, Internal Audit was assisted by co-sourced resources.

Internal Audit structure and capacity

The Internal Audit Unit of the municipality remains a co-sourced function, with an established Internal Audit Unit operating under the Chief Audit Executive (CAE) and reporting to the Audit Committee, in which capacity for the performance of individual tasks within the annual audit plan is supplemented using external service providers.

As previously reported, the Internal Audit Unit remains under-capacitated as the vacancy rates remains at 52,4%.

The Audit Committee is concerned that the municipality's Internal Audit Unit is inadequately structured and resourced. The municipality is in a process of filling four (4) vacancies for junior which will create further burden to one audit senior as the span of control will create inefficiencies and ineffectiveness. The efforts by the municipality to fill vacancies does not go unnoticed by the Audit Committee, however, it is concerning that vacancies at management level have not been filled because the grading of these two posts in 2016 were not at a level that consummate with a municipality that is a secondary city / high-capacity municipality and non-delegated by National Treasury. The major hindrance has been exacerbated by the fact that the former City Manager approved the staff establishment without the adoption by Council and although South African Local Government Association (SALGA) perform the job evaluation on internal audit posts in the new staff establishment they could not give the evaluation to the Provincial Audit Committee for approval because the staff establishment had not been adopted by Council. The Unit will continue to rely heavily on consultants which creates its own challenges as there is no guarantee the outcome that is in accordance with the expectation by the CAE. This is however being dealt with by the Supply Chain Management and the CAE.

Internal Audit performance

The internal audit reports, with management comments, were presented to the Audit Committee meetings. Issues raised were deliberated and resolutions made to Council. The Audit Committee has previously reported its concern that the internal audit reports and findings raised therein are not responded to by management on a timely basis, and that the responses and action plans provided by management in response to the findings are too vague to facilitate timely resolution of the internal control weaknesses reported on a sustainable manner that can be tracked and for which officials can be held accountable.

The Committee noted the Internal Audit findings and the overall assessment of the control environment as well as the detailed recommendations proposed to strengthen controls and the management comments thereof. Council, Accounting Officer and General Managers are urged to implement the recommendations proposed and the resolutions of the Audit Committee which are endorsed by Council and MPAC. If the oversight by MPAC and Council is weak there will no improvement in the systems of internal control and the audit outcomes will continue to be negative.

The Chief Audit Executive (CAE) had direct access to the Audit Committee primarily through the Chairperson. Significant intervention was required by the Audit Committee in ensuring that the work of both internal audit and external audit, as well as the relationship between management and the auditors, was appropriately facilitated and guided where necessary in a manner that was independent and constructive. The Audit Committee was able to achieve this throughout the audit and will ensure that in future is fulfil its responsibilities as per it charter.

The Audit Committee had to deal with complaints by the CEA of infringement of the independence of the internal audit function by the then City Manager at least on two occasions. These were resolved with the then City Manager by explaining to him what standards by the institute of internal auditors, King iv report on corporate governance and internal audit charter and the matter was resolved.

SYSTEM OF INTERNAL CONTROL

As has been consistently reported in previous years and in the previous reports for the past number of years, the Committee remains concerned that many of the Internal Audit reports indicate that the design and the operation of the systems of internal control are inadequate and ineffective, respectively and require urgent attention. Furthermore, the Audit Committee remains concerned that many of the recommended actions from previous Internal Audit reports and resolutions taken by the Audit Committee are not being actioned and may result in negative audit outcomes. This concern was reported to the City Manager and Council that management be held accountable for clear reduction in the number of unresolved recommendations and tangible improvement to the system of internal control.

In the year under review, inadequate progress has been made in improving the system of internal control in place to accurately measure, read electricity and water meters, bill, record, report and collect revenue from consumer and rates debtors and to minimise water and electricity losses. The failure of consumers to pay amounts owing to the municipality, and the municipality's inability to effectively collect the amounts owing, continue to threaten the municipality's cash flows as well going concern and have a direct impact on the municipality's ability to fill the critical vacant positions and information systems in place. The municipality cannot sustain its operations to improve basic service delivery. This has an exponential weakening impact on the systems of internal control at the municipality. Firstly, because those positions that exist to implement internal control processes are not filled, and secondly because other employees are then expected to perform the internal control tasks of more than one position. This leads to increased human error, the need for employees to prioritise between controls that they do and do not implement, exhaustion, apathy and under-performance in general. Under these conditions, the system of internal control is very unlikely to improve.

RISK MANAGEMENT

The Audit Committee is pleased that the position of the Chief Risk Officer (CRO) has been filled and that the CRO has been in attendance at the Audit Committee meetings since his appointment.

Risk assessment

Although the CRO has reported that he has commenced with risk management activities which started with risk assessment. We however have not been provided with a comprehensive report. Hereunder is a summary of the key strengths which is a foundation which the CRO found in the municipality and weaknesses that the Audit Committee has identified in the year under review:

Strengths

- The existence of the Council approved risk management and, anti-fraud and corruption policies.
- The existence of risk management methodology.
- Development of action plans against six strategic objectives of the municipality to address risks poses a threat against them.
- The appointment of the Chief Risk Officer to coordinate and support risk management efforts.
- The reporting of the Chief Risk Officer to Accounting officer, given the latter's responsibility in terms of MFMA for risk management.

Weaknesses

- Risk Management Committee is not effective.
 - Poor risk management initiatives
 - Risk registers ownership not taken up by respective business functions within the Municipality.
 - Risk management does not feature as the standing item of the management agenda of all business functions.
 - No mechanism in place to communicate any changes to the business unit's risk registers to Chief Risk Officer.
 - Risk Management Committee not being chaired by independent person who is not in the employ of the Municipality.
 - Performance indicators to measure the value add of risk management activity not developed.
 - Responsibilities of risk management not adequately incorporated in the performance agreements of relevant officials.
 - Responsibilities of Risk Management Unit not being communicated throughout the Municipality.
 - Reports to Executive Committee and Council requiring decisions to be taken do not highlight possible risks associated with the decisions of Council.
 - Fraud and corruption risk register not regularly monitored and strengthen to deal with materialization of risks e.g. at the Pay Office, Revenue, overtime, abuse of municipal vehicles and absenteeism by employees.
 - The risk management function not appropriately staffed.
- Whilst the basics are in place for effective risk management to continue, the active management of risk, as with the active management of performance, needs to become ingrained in the day-to-day management of daily operations at the municipality and in the reporting structures in order to become effective at identifying risks, assessing them and in mitigation strategies that will actually be effective in risk management within the context of this municipality.

We urge the City Manager to attend to the concerns of the Audit Committee on risk management in the municipality.

FINANCIAL MANAGEMENT AND REPORTING

The Audit Committee reviews reports compiled by management in terms of sections 56, 66, 71 and 72 on a monthly or bi-annual basis as required. The Audit Committee reviewed the reports submitted to it. The Audit Committee also received report on the audit of these reports as per Internal Audit Reports by the CAE. The Committee continuously raises concerns relating to the credibility of these reports on the following bases, and emphasizes them again in this report:

- The figures included in the reports are drawn from the SAP systems and require significant manual input as the systems are still not able to provide the information required in the formats required. The mSCOA module is not functional on SAP. This increases the risk of human error in the information included in these reports. In addition, the Audit Committee has raised concerns over the credibility of the reviews of these reports before being submitted to Council structures for decision-making and oversight.
- The narratives included in the reports explaining the reasons for budget variances are continually inadequate. The explanations given are merely a statement that there is an over or under expenditure, but do not give the reason for this. Failure to provide proper narratives for variances results in root causes not being identified and subsequent failure to address these root causes.
- The General Managers are not compelled to account for any material variances from the municipal projected revenue by source, and from the municipality's expenditure projections per vote.
- There are no remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approve budget.

There has been no significant change in previous concerns raised by the Committee relating to the accuracy and completeness of the information contained in these reports, as well as to the late or non-submission of these reports for review by the Committee. This is particularly concerning when the preparing and reporting of these reports is a legislated requirement and failure to do so results in non-compliance with laws and regulations.

The root cause of inaccurate reporting, previously reported by the Audit Committee as relating to ongoing challenges in the implementation and effectiveness of the SAP ERP system, and which in the previous year, the Committee reported was taking unacceptably long to resolve, remains unresolved even a year later. This is an example of a root cause that cannot be remedied through normal internal control processes and requires a solution that is driven by leadership. It must be aimed at properly understanding the requirements and finding a focused solution in which role players are held accountable for performance. This is an example of a number of significant challenges faced by the municipality which require problem-solving leadership to resolve, rather than being left to ordinary processes or to levels of management who do not have either the strategic vision to find solutions or do not have the authority to put such solutions in place.

As in the previous years, concerns have been raised with management regarding the quality and usefulness of the narratives and explanations included in these reports, as well as to a lack of proper review of the reports before submission through the Council structures, leading to a failure to detect and correct errors in these reports.

The Audit Committee raised specific concerns relating to the content of matters reported, and for the purposes of this report wish to highlight the following critical items:

- Billing inaccuracies;
- Inability to collect consumer debtors;

- Insufficient spending of conditional grants;
- Excessive overtime expenditure;
- Fraud on overtime, absenteeism & abuse of municipal vehicles raised by the CAE in a number of reports;
- Unacceptably high vacancy levels,
- Paying huge skills allowance yet the municipality is paying huge amount of money consulting engineers;
- Fraud on travelling allowance on claims; and
- The use of consultants instead of filling of vacant positions.

PERFORMANCE MANAGEMENT

A 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, organized and managed.

The Audit Committee participated in the performance reviews of the Section 56 managers for the 2021/2022 year. However, based on these reviews, the Audit Committee would like to re-iterate to Council the following observations previously reported:

- The municipality is advised to improve on KPIs and performance indicators to make them more quantitative output driven than qualitative the case is, it must also focus on the outcomes as the reports by internal audit unit on the review of the SDBIP has reported on this in two consecutive years and to make the measurement thereof clearer.
- The municipality is encouraged to unpack KPIs that require transversal co-operation, for example SCM, into standard operating procedures that can isolate the responsibilities of user departments within these processes to avoid explanations for underperformance such as "SCM still in progress" or "insufficient budget".

INFORMATION AND COMMUNICATION TECHNOLOGY

The Committee continues to monitor the ICT activities of the Municipality in terms of the governance reports and is now able to focus on the management of IT risk, the resolution of IT related findings raised by internal audit and the AGSA, and matters included in the reporting to the Audit Committee.

- On-going ICT related concerns are:
- On-going unresolved SAP issues;
- Budget available to ICT to provide stable and reliable architecture not adequate;
- Capacity to resolve internal help-desk queries;
- Disaster recovery;
- Key-man fragility in ICT;
- The number of repeat findings in the AGSA's ICT management report; and
- The ability of specialized service providers to actually delivery on SAP/MSCOA compliant projects and the possibility of further fruitless and wasteful expenditure on SAP consultants.

The Audit Committee noted with concern of the slow pace in which the Municipality is addressing the SAP ERP legacy issues and that of ensuring that the ERP is mSCOA compliant including the HRM including the Pay Office fraud. Furthermore, some projects aimed to address the ICT aging infrastructure remained unaddressed as a result of lack of available funding. The Committee recommends an ongoing assessment of ICT risks, and intentional implementation of mitigation strategies in order to avoid a catastrophic situation caused by the aging infrastructure.

The Audit Committee recommends that implementation of ICT general controls across business applications and the supporting infrastructure should be prioritised in order to ensure that the confidentiality, integrity, and availability information systems are not compromised. Furthermore, the Audit Committee recommends that among other activities, the ICT Steering Committee should implement measures to ensure that previously reported issues are indeed addressed, as well as ensure that all critical ICT related projects are resources optimally to ensure successful delivery including having an assurance function within the project Steering team.

GOVERNANCE & CONTROL ENVIRONMENT

Good governance entails addressing the needs of the public through consultation and communication; and being accountable to the citizens of Msunduzi as required by the Municipal Systems Act, 2000 (Act 32 of 2000). The control environment remains weak. The overall audit outcomes for the municipality as reported by the Auditor General has regressed and this has been caused by challenges in Revenue which are mentioned above. There is lack of consequence management for poor performance and fraud, theft, breach of the code of conduct and financial misconduct. The control environment indicates lack of basic controls such as review and supervision by management, regular oversight, inadequate action plans as well as the action plans not being realistic to address the significant weaknesses identified.

COMPLIANCE WITH LAWS AND REGULATIONS

Procurement in the municipality is not consistently implemented observing the Supply Chain Management legislation these actions result in issues of Unauthorised, Irregular, Fruitless and Wasteful expenditure. Compliance with legal and financial implications should always be properly articulated to allow for appropriate decision making.

The Audit Committee has previously raised concerns relating to the continuing use of emergency deviations relating to strip-and-quote repairs for municipal vehicles, both in Audit Committee meetings and in our previous report to Council. For the period covered by this report, this matter remains unresolved, although management has put processes in place to secure a panel of service providers for this and to improve internal processes. In this context the Audit Committee would like to highlight the length of time being taken to resolve this issue, in the light of it being previously brought to the attention of Council.

EXTERNAL AUDIT BY AUDITOR-GENERAL OF SOUTH AFRICA (AGSA)

The Committee is concerned that the municipality obtained a qualified audit opinion, however, it accepts this opinion as issued by the Auditor-General on the annual financial statements of the municipality for the year ended 30 June 2022. These financial statements are prepared in accordance with the South African Standards of Generally Recognized Accounting Practice (SA Standards of GRAP), the requirements of the MFMA and DoRA.

The Audit Committee noted with concerns the following material irregularities as reported by the Auditor General:

- Poor management of the New England Landfill site;
- Payments made to a manager that never reported for duty (It was noted that recovery process is progress);
- Forgone revenue at the landfill site due to the breakdown of the weighbridge (The City Manager is in the process of implementing remedial actions);
- Failure to collect revenue from the sale of Timber (the matter is under investigation by internal audit);
- Failure to fully implement credit control policy;
- Expenditure at the homeless shelter could not be verified; and
- Payments made to a service provider for work not done.
- In addition to the qualified audit opinion obtained by the municipality, the audit outcomes related to performance information as well as revenue. The compliance with laws and regulations continue to reflect ongoing deficiencies in planning, recording and reporting on service delivery, and in day-to-day financial management requirements. These deficiencies cut across multiple business units, where these business units are the custodians of service delivery and are responsible for internal controls related to financial management and compliance with laws and regulations relevant to their day-to-day areas of responsibility.
- The Audit Committee encourages all business units to entrench a culture of accountability and sound financial management and discipline on a daily basis and in all levels of operations of the municipality. It is critical that senior management and Council create an ethical environment in which ethics and accountability form the basis of all municipal activities. The message from Council of zero tolerance for underperformance and unethical behaviour needs to be clear, consistent and tangible.

FORENSIC INVESTIGATIONS

Section 166(2) (d) of the Municipal Finance Management Act, 56 of 2003 [MFMA] gives powers to the Audit Committee to carry out investigations into the affairs of the municipality or municipal entity as the council of the municipality, or in the case of the municipal entity, the council of the parent municipality or the board of directors of the entity, may request.

During the period under review, eighteen (18) allegations were investigated and fourteen (14) finalized and four (4) in a draft form and were being reviewed by the CAE. The forensic investigations revealed the following irregularities; issuing of fake business licenses through uttering, irregular appointment of staff, material irregularities raised by the Auditor General on disinfection of rans and halls, revenue forgone at the Landfill Site and procurement fraud.

Thirty (30) cases are under investigation by the Directorate of Priority Crimes and three (3) cases of fraud and corruption are part heard at Durban Specialized Commercial Crime Court. Two cases worth R57 million are with the Anti-Corruption Task Team and investigations are Prosecutor driven and to these relate cases finalized by Internal Audit in the year 2019/20.

CONCLUSION

The Committee will continue to monitor progress being made by the municipality in improving overall governance, systems of internal control, risk management as well as performance management. In addition, the Audit Committee concurs with and accepts the conclusions of both the Internal Audit and the Auditor-General on the matters they have raised during the audits.

The effort of internal audit unit to fight the scourge of fraud, corruption, theft, and other gross irregularities should be supported by Council and Accounting Officer.

Council should note that criminal and other irregular conduct in the organs of state and private bodies are detrimental to good, effective, accountable and transparent governance and can endanger the economic stability of the Republic of South Africa and have the potential to cause social damage.

Council should play a vigorous oversight on disciplinary cases and recovery processes of losses incurred by the municipality during the commission of misconduct or a criminal act by employees and service providers to ensure that the City Manager implements the resolutions emanating from forensic investigation reports.

The City Manager should hold relevant management accountable for all serious transgressions identified in the forensic investigation reports, including but not limited to incidents of fraud on overtime, vehicle abuse and absenteeism of staff as these incidents are happening under their watch on daily basis.

The Committee wishes to express its sincere appreciation to the Accounting Officer, the acting Accounting Officer, Senior Management, MPAC, Portfolio Committees, Executive Committee, Council and staff for their co-operation and support.

Chairperson: Audit Committee
Mr. V.E. Dlamini

CHAPTER 8 – ANNUAL FINANCIAL STATEMENTS

GENERAL INFORMATION

Legal form of entity	Category B Municipality in terms of section 12 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) read with section 155(1) of the Constitution of the Republic of South Africa (Act 108 of 1996) and Municipal Finance Management Act No. 56 of 2003.
Nature of business and principal activities	The primary function of Msunduzi Local Municipality is to provide basic services i.e. water, electricity, sanitation and refuse to the Msunduzi jurisdiction. Msunduzi Local Municipality is controlled by a Mayor, Deputy Mayor, Speaker, Chief Whip, ten Executive Committee members, the Accounting Officer and five General Managers who contribute to day-to-day management.
Executive Committee	Mayor - Mzimkhulu Thebolla Deputy Mayor - Mxolisi Mkhize Bongani Dumsani Mbona Bongumusa Nhlabathi Hlelelwa Madlala Ntombizethu Precious Sokhela Prudence Nokuthula Msimang Ross Strachan Thinasonke Dennis Ntombela Zanele Ngcobo
Councillors	Speaker - Nomagugu Eunice Majola Chief Whip - Sandile Dlamini Municipal Public Accounts Committee Chairperson - Zwelinjani Magubane Autrina Nomathemba Phungula Beatrice Nombuyiselo Mkize Bhekuwenza Mkhize Bukelani Ephraim Zuma Dorcas Mkhize Douglas Leslie Roberts Dumisani Bernard Phungula Edit Elliott Garth F.W. Middleton Gladness Mncwango Godman Dlamini Hamilton Zondi Haroon Kemp Jabulisile Joyce Ngubo Khulekani Msomi Kwazikwakhe Madonda Lungile Ruth Mgaga Mabhungu Moses Mkhize Magalingam Naicker Mbongeni Jetro Shezi Mbusiswa Hencefort Mkhize Mduduzi Clive Nduli Mduduzi Cyril Mshengu Michael Bhekabantu Zuma Michael Bond Mphilisi Instance Ndlovu Msawakhe Bhengu Mshushisi Ngubane Mthetho Ephraim Mpulo Mysie Mbuto Nkosinathi Masoeu Nkosinathi Mbanjwa Nomalady Dlela Nomfundo Ndlovu Nomusa Wendy Mncube Philisiwe Sithole Phumlani Gabuza Pretty Nelisiwe Maphanga Rachel Soobiah Randall John Adams Regina Ngubo Rienus Niemand Rooksana Ahmed Roy Ram Sandile Gcabashe Sandra Patricia Lyne Sanele Protas Mpulo Sanele Russel Zuma Sbongumusa Zuma

Sibusiso Alfred Mkhize
 Sibusiso Chonco
 Simphiwe Buthelezi
 Sinenhlanhla Love-Joy Ndlovu
 Sinothi Jerome Nkabini
 Siphamandla Madlala
 Siphwiwe Phungula
 Skhanyiso Makhaye
 Stanley Ntuthuko Mncwabe
 Suraya Reddy
 Tandanam Ntombela
 Thandiwe Mkhize
 Themba Cyril Ngubane
 Thembile P Mzila
 Thembinkosi Zondi
 Tholakele Cele
 Tholakele Ignatia Dlamini
 Victoria Mavie Phungula
 Vusi Percival Ngwenya

Category - B

Lulamile H. Mapholoba
 Nelisiwe Margaret Ngcobo

The City Hall
 260 Church Street
 Pietermaritzburg
 3201

The City Hall
 260 Church Street
 Pietermaritzburg
 3201

The City Hall
 Private Bag X321
 Pietermaritzburg
 3200

Grading of local authority

Accounting Officer

Chief Finance Officer (CFO)

Registered office

Business address

Postal address

Controlling entity

Economic entity

Bankers

Auditors

Telephone

Facsimile

Legislation governing the municipality's operations

Msunduzi Local Municipality

Safe City Msunduzi NPC

First National Bank

The Auditor General of South Africa

(033) 392 2002

(033) 392 2208

Municipal Finance Management Act (Act 56 of 2003)

The Constitution of the Republic of South Africa (Act 108 of 1996)

Municipal Structures Act (Act 117 of 1998) Municipal Systems Act (Act 32 of 2000)

Municipal Property Rates Act (Act 6 of 2004)

Division of Revenue Act (Act 1 of 2007)

Municipal Demarcation Act (Act 27 of 1998)

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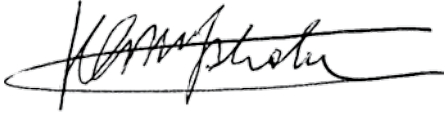
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ABBREVIATIONS

ASB	Accounting Standards Board
COID	Compensation for Occupational Injuries and Diseases
CPI	Consumer Price Index
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
FNB	First National Bank
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
KZN	Kwazulu Natal
ME's	Municipal Entities
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
NATIS	National Traffic Information System
NJMPPF	Natal Joint Municipal Pension Fund
NPA	Natal Provincial Administration
PAYE	Pay As You Earn
UIF	Unemployment Insurance Fund
VAT	Value Added Taxation

ACCOUNTING OFFICER'S RESPONSIBILITIES AND APPROVAL

Need word version.



Accounting Officer
Lulamile H. Mapholoba

Pietermaritzburg
Monday, 12 December 2022

STATEMENT OF FINANCIAL POSITION

Figures in Rand	Note(s)	2022	2021 Restated*
Assets			
Current Assets			
Inventories	3	367 397 459	353 716 815
Short term investment	4	32 670 009	32 311 434
Receivables from exchange transactions	5	21 113 837	13 879 333
Statutory receivables	6	516 960 589	550 359 028
Consumer debtors	7	1 315 073 345	1 640 228 436
Cash and cash equivalents	8	289 152 840	359 519 552
		2 542 368 079	2 950 014 598
Non-Current Assets			
Agricultural assets	9	80 200 000	96 300 000
Living resources	10	696 179	743 574
Heritage assets	11	273 106 020	272 918 984
Intangible assets	12	20 954 448	24 463 571
Investment property	13	925 219 355	891 933 607
Property, plant and equipment	14	6 908 465 877	6 771 582 107
Other financial assets	15	-	-
		8 208 641 879	8 057 941 843
Total Assets		10 751 009 958	11 007 956 441
Liabilities			
Current Liabilities			
Consumer deposits	16	132 962 378	120 647 886
Other financial liabilities	17	79 162 900	81 573 484
Transfers payable (non-exchange)	18	20 091 631	21 715 043
Payables from exchange transactions	19	1 925 228 675	1 389 326 632
Provisions	20	7 591 978	9 473 444
Employee benefit obligation	21	41 526 001	39 852 001
Unspent conditional grants and receipts	22	136 087 525	179 373 712
VAT payable	23	178 111 817	179 672 591
		2 520 762 905	2 021 634 793
Non-Current Liabilities			
Other financial liabilities	17	124 581 612	203 744 512
Employee benefit obligation	21	589 320 000	555 608 000
Provisions	20	61 113 708	55 141 588
		775 015 320	814 494 100
Total Liabilities		3 295 778 225	2 836 128 893
Net Assets		7 455 231 733	8 171 827 548
Accumulated surplus	24	7 253 400 681	7 980 838 526
Capital replacement reserve	25	785 902	724 892
Housing development fund	26	105 694 250	95 126 533
Revaluation reserve	27	95 350 900	95 137 597
Total Net Assets		7 455 231 733	8 171 827 548

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2022	2021 Restated*
Revenue			
Revenue from exchange transactions			
Agency services	28	2 139 483	1 931 382
Interest - consumer debtors and receivables	29	148 962 699	144 311 904
Interest received - bank, call and investment accounts	30	10 445 070	8 455 919
Licences and permits	31	984 210	602 789
Operational revenue	32	54 551 729	44 675 656
Rental of facilities and equipment	33	25 415 308	14 558 911
Rendering of services	34	11 233 135	9 124 355
Sale of goods	35	240 065	195 821
Service charges	36	3 619 871 213	3 206 751 663
Total revenue from exchange transactions		3 873 842 912	3 430 608 400
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	37	1 211 348 604	1 232 330 305
Interest from non-exchange receivables	38	50 189 792	38 479 755
Transfer revenue			
Fines, penalties and forfeits	39	14 488 973	16 062 035
Government grants and subsidies	40	1 050 402 242	1 256 029 137
Other transfers	41	60 000	2 197 376
Total revenue from non-exchange transactions		2 326 489 611	2 545 098 608
Total revenue		6 200 332 523	5 975 707 008
Expenditure			
Bad debts written off	42	(83 779 107)	(390 096 130)
Bulk purchases	43	(2 950 207 305)	(2 659 404 299)
Debt impairment	44	(1 003 762 757)	(236 403 910)
Depreciation and amortisation	45	(365 699 314)	(372 532 037)
Employee related costs	46	(1 483 036 965)	(1 418 425 769)
Finance costs	47	(26 915 534)	(35 856 007)
General expenses	48	(693 376 753)	(549 627 353)
Inventory consumed	49	(84 307 652)	(58 158 321)
Operational costs	50	(120 406 042)	(128 891 893)
Operating leases	51	(29 162 299)	(26 036 599)
Remuneration of councillors	52	(49 529 446)	(51 641 246)
Transfers and subsidies	53	(32 412 674)	(16 870 305)
Total expenditure		(6 922 595 848)	(5 943 943 869)
Operating (deficit) surplus			
Actuarial gains/(losses)	54	1 504 320	(18 190 156)
Fair value adjustments on investment property(gains)	55	16 517 173	42 197 500
Fair value on agricultural assets gains/(losses)	56	(16 100 000)	21 054 552
Gains/(losses) on disposal of assets		4 361 951	(10 483 210)
Impairment loss	57	(6 911 518)	(7 730 183)
Inventory losses	58	(2 687 271)	(3 655 242)
		(3 315 345)	23 193 261
(Deficit) surplus for the year		(725 578 670)	54 956 400

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand

	Revaluation reserve	Housing development fund	Capital replacement reserve	Total reserves	Accumulated surplus / deficit	Total net assets
Balance at 01 July 2020	95 264 535	93 528 758	2 053 876	190 847 169	7 895 820 999	8 086 668 168
Changes in net assets						
Devaluation of Heritage assets	(126 938)	-	-	(126 938)	-	(126 938)
Cash utilised for capital expenditure	-	-	(1 352 943)	(1 352 943)	1 352 943	-
Prior year adjustment	-	-	-	-	30 329 918	30 329 918
Net income (losses) recognised directly in net assets	(126 938)	-	(1 352 943)	(1 479 881)	31 682 861	30 202 980
Surplus for the year	-	-	-	-	54 956 400	54 956 400
Total recognised income and expenses for the 12 months	(126 938)	-	(1 352 943)	(1 479 881)	86 639 261	85 159 380
Interest earned on investment	-	1 597 775	23 959	1 621 734	(1 621 734)	-
Total changes	(126 938)	1 597 775	(1 328 984)	141 853	85 017 527	85 159 380
Restated* Balance at 01 July 2021	95 137 597	95 126 533	724 892	190 989 022	7 980 838 526	8 171 827 548
Changes in net assets						
Revaluation of heritage assets	213 303	-	-	213 303	-	213 303
Transfer to HDF	-	8 769 552	-	8 769 552	-	8 769 552
Net income (losses) recognised directly in net assets	213 303	8 769 552	-	8 982 855	-	8 982 855
Deficit for the year	-	-	-	-	(725 578 670)	(725 578 670)
Total recognised income and expenses for the year	213 303	8 769 552	-	8 982 855	(725 578 670)	(716 595 815)
Interest earned on investment	-	1 798 165	61 010	1 859 175	(1 859 175)	-
Total changes	213 303	10 567 717	61 010	10 842 030	(727 437 845)	(716 595 815)
Balance at 30 June 2022	95 350 900	105 694 250	785 902	201 831 052	7 253 400 681	7 455 231 733
Note(s)	27	26	25		24	

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2022	2021 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		4 392 383 696	4 038 401 145
Interest income		10 236 357	8 050 166
Interest received - consumer debtors		23 341 885	14 893 006
Government grants		1 015 885 607	1 254 551 714
		5 441 847 545	5 315 896 031
Payments			
Employee costs		(1 485 204 638)	(1 414 140 111)
Suppliers		(3 393 322 259)	(3 323 418 740)
Finance costs		(27 182 033)	(36 203 064)
		(4 905 708 930)	(4 773 761 915)
Net cash flows from operating activities	59	536 138 615	542 134 116
Cash flows from investing activities			
Purchase of tangible non current assets		(527 870 224)	(554 581 526)
Proceeds from sale of property, plant and equipment	14	5 825 155	-
Purchase of intangible assets	12	(2 528 200)	(28 654)
(Increase)/decrease in other financial assets		-	69 164
(Increase)/decrease in short term investment		(358 575)	(32 311 434)
Net cash flows from investing activities		(524 931 844)	(586 852 450)
Cash flows from financing activities			
Repayment of other financial liabilities		(81 573 483)	(113 418 258)
Net increase/(decrease) in cash and cash equivalents		(70 366 712)	(158 136 592)
Cash and cash equivalents at the beginning of the year		359 519 552	517 656 144
Cash and cash equivalents at the end of the year	8	289 152 840	359 519 552

STATEMENT OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue by Source						
Property rates	1 321 378 575	1	1 321 378 576	1 211 348 604	(110 029 972)	Refer to Note 81 for variance analysis comparison
Service charges - electricity revenue	2 961 894 451	(1)	2 961 894 450	2 549 854 260	(412 040 190)	
Service charges - water revenue	773 217 412	-	773 217 412	773 657 197	439 785	
Service charges - sanitation revenue	160 154 913	-	160 154 913	182 241 050	22 086 137	
Service charges - refuse revenue	122 556 901	-	122 556 901	114 118 706	(8 438 195)	
Rental of facilities and equipment	30 634 512	1	30 634 513	25 415 308	(5 219 205)	
Interest received - external investments	16 076 855	-	16 076 855	10 445 070	(5 631 785)	
Interest received - outstanding debtors	213 289 286	-	213 289 286	199 152 491	(14 136 795)	
Fines, Penalties and Forfeits	1 894 810	(36)	1 894 774	14 488 973	12 594 199	
Licences and permits	1 179 465	-	1 179 465	984 210	(195 255)	
Agency services	634 104	-	634 104	2 139 483	1 505 379	
Transfers and subsidies	661 215 835	34 120 202	695 336 037	681 677 625	(13 658 412)	
Other revenue	154 287 075	(119)	154 286 956	66 084 928	(88 202 028)	
Gains	-	-	-	20 879 124	20 879 124	
Total Revenue (excluding capital transfers and contributions)	6 418 414 194	34 120 048	6 452 534 242	5 852 487 029	(600 047 213)	
Expenditure By Type						
Employee related costs	(1 538 089 743)	33 389 451	(1 504 700 292)	(1 468 960 683)	35 739 609	
Remuneration of councillors	(56 332 922)	14	(56 332 908)	(49 529 446)	6 803 462	
Debt Impairment	(150 000 000)	(350 000 000)	(500 000 000)	(1 003 762 757)	(503 762 757)	
Depreciation & asset impairment	(421 872 298)	954 309	(420 917 989)	(372 610 829)	48 307 160	
Finance charges	(34 724 271)	1	(34 724 270)	(26 915 534)	7 808 736	
Bulk purchases - electricity	(2 185 393 029)	(33 000 000)	(2 218 393 029)	(2 212 724 552)	5 668 477	
Inventory consumed	(830 520 119)	(10 386 829)	(840 906 948)	(821 790 405)	19 116 543	
Contracted services	(655 391 205)	(75 839 215)	(731 230 420)	(694 880 791)	36 349 629	
Transfers and subsidies	(45 862 883)	(15 357 069)	(61 219 952)	(32 412 674)	28 807 278	
Other expenditure	(200 227 523)	1 896 366	(198 331 157)	(160 636 256)	37 694 901	
Losses	-	(96 200 000)	(96 200 000)	(102 566 378)	(6 366 378)	
Total expenditure	(6 118 413 993)	(544 542 972)	(6 662 956 965)	(6 946 790 305)	(283 833 340)	
Operating deficit	300 000 201	(510 422 924)	(210 422 723)	(1 094 303 276)	(883 880 553)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	380 796 576	86 400 648	467 197 224	368 724 606	(98 472 618)	
Deficit before taxation	680 796 777	(424 022 276)	256 774 501	(725 578 670)	(982 353 171)	
Surplus/(Deficit) for the year	680 796 777	(424 022 276)	256 774 501	(725 578 670)	(982 353 171)	

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventory	173 496 047	180 220 768	353 716 815	367 397 460	13 680 645	Refer to Note 81 for variance analysis comparison
Consumer debtors	2 549 906 678	427 000 000	2 976 906 678	1 315 073 345	(1 661 833 333)	
Other debtors	729 641 519	-	729 641 519	538 074 425	(191 567 094)	
Cash	355 836 461	(99 484 551)	256 351 910	321 822 849	65 470 939	
	3 808 880 705	507 736 217	4 316 616 922	2 542 368 079	(1 774 248 843)	
Non-Current Assets						
Long term receivables	120	-	120	-	(120)	
Investment property	821 671 435	-	821 671 435	893 009 508	71 338 073	
Property, plant and equipment	6 755 609 329	138 483 629	6 894 092 958	6 943 203 924	49 110 966	
Biological	1 070 250	-	1 070 250	696 179	(374 071)	
Intangible	30 700 413	-	30 700 413	18 426 248	(12 274 165)	
Other non-current assets	360 375 179	-	360 375 179	353 306 019	(7 069 160)	
	7 969 426 726	138 483 629	8 107 910 355	8 208 641 878	100 731 523	
Total Assets	11 778 307 431	646 219 846	12 424 527 277	10 751 009 957	(1 673 517 320)	
Liabilities						
Current Liabilities						
Borrowing	95 346 078	(13 772 594)	81 573 484	79 162 900	(2 410 584)	
Consumer deposits	114 344 431	-	114 344 431	132 962 378	18 617 947	
Trade and other payables	945 608 982	-	945 608 982	2 259 519 635	1 313 910 653	
Provisions	140 397 812	-	140 397 812	49 117 979	(91 279 833)	
	1 295 697 303	(13 772 594)	1 281 924 709	2 520 762 892	1 238 838 183	
Non-Current Liabilities						
Borrowing	377 458 041	-	377 458 041	124 581 612	(252 876 429)	
Provisions	809 779 415	-	809 779 415	650 433 708	(159 345 707)	
	1 187 237 456	-	1 187 237 456	775 015 320	(412 222 136)	
Total Liabilities	2 482 934 759	(13 772 594)	2 469 162 165	3 295 778 212	826 616 047	
Net Assets	9 295 372 672	659 992 440	9 955 365 112	7 455 231 745	(2 500 133 367)	
Net Assets						
Community wealth						
Reserves						
Reserves	228 913 258	-	228 913 258	201 831 052	(27 082 206)	
Accumulated surplus	9 066 459 414	659 992 440	9 726 451 854	7 253 400 693	(2 473 051 161)	
Total Net Assets	9 295 372 672	659 992 440	9 955 365 112	7 455 231 745	(2 500 133 367)	

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Property rates	1 228 882 075	-	1 228 882 075	1 149 564 108	(79 317 967)	Refer to Note 81 for variance analysis comparison
Service charges	3 495 506 596	-	3 495 506 596	3 166 809 930	(328 696 666)	
Other revenue	187 682 426	-	187 682 426	76 009 657	(111 672 769)	
Transfers and subsidies - operational	661 215 835	34 120 202	695 336 037	686 988 866	(8 347 171)	
Transfers and subsidies - capital	380 796 576	86 400 648	467 197 224	328 896 741	(138 300 483)	
Interest	229 366 141	-	229 366 141	33 578 242	(195 787 899)	
	6 183 449 649	120 520 850	6 303 970 499	5 441 847 544	(862 122 955)	
Payments						
Suppliers and employees	(5 465 954 566)	(83 940 188)	(5 549 894 754)	(4 853 520 047)	696 374 707	
Finance charges	(34 724 272)	2	(34 724 270)	(27 182 033)	7 542 237	
Transfers and grants	(45 862 883)	(15 357 069)	(61 219 952)	(25 006 849)	36 213 103	
	(5 546 541 721)	(99 297 255)	(5 645 838 976)	(4 905 708 929)	740 130 047	
Net cash flows from operating activities	636 907 928	21 223 595	658 131 523	536 138 615	(121 992 908)	
Cash flows from investing activities						
Proceeds on disposal of PPE	-	11 311 446	11 311 446	5 825 155	(5 486 291)	
Decrease/(increase in non current receivables	120	(120)	-	-	-	
Decrease/(increase) in current assets	-	-	-	(358 575)	(358 575)	
Capital assets	(576 301 627)	(138 483 629)	(714 785 256)	(530 398 424)	184 386 832	
Net cash flows from investing activities	(576 301 507)	(127 172 303)	(703 473 810)	(524 931 844)	178 541 966	
Cash flows from financing activities						
Borrowing long term/refinancing	100 000 000	(100 000 000)	-	-	-	
Repayment of borrowing	(91 637 534)	-	(91 637 534)	(81 573 483)	10 064 051	
Net cash flows from financing activities	8 362 466	(100 000 000)	(91 637 534)	(81 573 483)	10 064 051	
Net increase/(decrease) in cash and cash equivalents	68 968 887	(205 948 708)	(136 979 821)	(70 366 712)	66 613 109	
Cash and cash equivalents at the beginning of the year	286 867 695	106 464 036	393 331 731	359 519 552	(33 812 179)	
Cash and cash equivalents at the end of the year	355 836 582	(99 484 672)	256 351 910	289 152 840	32 800 930	

Transfers and subsidies approved budget was revised upwards due to the additional allocations received.

Employee related costs approved budget was decreased due to initial over budgeting.

Debt impairment, bulk purchases, inventory consumed, contracted services, transfers and subsidies and losses was revised upwards due to under budgeting.

ACCOUNTING POLICIES

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003). The reporting framework is as prescribed by the Accounting Standards Board in Directive 5.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The conceptual framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 Significant judgments 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 include:

Allowance for slow moving, damaged and obsolete inventories

An allowance for inventories to write inventories down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the in the inventory losses note 58.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors.

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 20 - Provisions.

Useful lives of property, plant and equipment

The municipality's management determines the estimated useful lives and related depreciation charges for all assets. These estimates are based on the National Treasury Guideline. This estimate is based on the industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 21 - Employee benefits obligations.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

Debt Impairment

On consumer debtors and statutory receivables impairment loss is recognised in surplus and deficit when there is an objective evidence that debtors are impaired. The impairment is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition unless if the effect of discounting is immaterial.

1.5 Agricultural assets

The Municipality recognises agricultural assets or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Agricultural assets are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of agricultural assets or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of agricultural assets is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

The plantation harvested is derecognised at its fair value less costs to sell at the point of harvest.

1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services, or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the municipality determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on property, plant and equipment) until disposal of the investment property.

Once the municipality becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on property, plant and equipment.

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.

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.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment. Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Infinite

Item	Depreciation method	Average useful life
Land		Infinite
Buildings	Straight line	5-50 years
Roads	Straight line	5-50 years
Plant and machinery	Straight line	5-15 years
Furniture and fixtures	Straight line	7-10 years
Motor vehicles	Straight line	5-10 years
System security	Straight line	5-10 years
Storm water drainage	Straight line	25 - 50 years
Airport Infrastructure	Straight line	20 years
Solid waste infrastructure	Straight line	5-10 years
Water and sanitation	Straight line	10 - 50 years
Major substations: buildings	Straight line	5-50 years
Transformers and related equipment	Straight line	50 years
Mains	Straight line	45 years
Street lighting	Straight line	50 years
Recreational facilities	Straight line	5-50 years
Fresh produce and other markets	Straight line	5-50 years
Fire engines	Straight line	20 years
Landfill site	Straight line	5-50 years
Transport facilities	Straight line	5-50 years
Fencing	Straight line	10 years
Heavy and mobile plant	Straight line	10-15 years
Bins and containers	Straight line	5-10 years
Office equipment	Straight line	5 - 10 years
Emergency equipment	Straight line	5 - 15 years
Electricity	Straight line	5 - 50 years
Security	Straight line	5 - 10 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. 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.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 14).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 14).

1.8 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

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.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3-5 years
Servitudes		Indefinite

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

1.9 Heritage assets

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses except for Artworks and jewellery.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 11).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 11).

Recognition

The municipality 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.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, all classes of heritage assets are carried at its cost less any accumulated impairment losses except for artworks and jewellery.

The Municipality measures artworks and jewellery using revaluation model.

After recognition as an asset, artworks and jewellery, whose fair value can be measured reliably, are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If artworks carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If artworks and jewellery carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

Impairment

The municipality assesses at each reporting date whether there is an indication that heritage assets may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised.

1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

At each reporting date conditions for impairment are conducted.

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
Receivables from exchange transactions	Financial asset measured at amortised cost
Short term investments	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at amortised cost
Consumer debtors	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
Other financial liabilities	Financial liability measured at amortised cost

Initial recognition

The Municipality recognises a financial asset or a financial liability in its Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument.

The Municipality recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The Municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The Municipality measures all financial assets and financial liabilities after initial recognition using the financial instruments at amortised cost.

All financial assets measured at amortised cost, are subject to an impairment review.

Derecognition

Financial assets

The Municipality derecognises financial assets using trade date accounting.

The Municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the Municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the Municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the Municipality:
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The Municipality removes a financial liability (or a part of a financial liability) from its Statement of Financial Position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

1.11 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The Municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on 1.19 - Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on 1.20 - Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The Municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The Municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the Municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the Municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

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.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables is reduced through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

Derecognition

The Municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the Municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the Municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.12 Income Tax

The Municipality is exempted from income tax in terms of section 10(1)(a) of the Income Tax Act.

1.13 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.14 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at lower of cost and net realisable value except for land which is carried at current replacement cost.

Inventories are measured at the lower of cost and net realisable value where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Inventories contain land that has been designated for the purposes of housing developments by the Municipality. The land is initially measured at cost. The land shall be subsequently measured at its current replacement cost. The Municipality shall derecognise the land it no longer controls.

1.15 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The municipality designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the depreciated replacement cost approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. 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 (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.16 Employee benefits

Employee benefits are all forms of consideration given by the municipality in exchange for service rendered by employees.

Termination benefits are employee benefits payable as a result of either:

- The municipality's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from the municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measures the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which the entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

The municipality provides retirement benefits for its employees and councillors. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the municipality's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

The Natal Joint Provident is a defined contribution plan. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

The Municipality pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Municipality has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Multi-employer plans and/or State plans and/or Composite social security programmes

The municipality classifies a multi-employer plan and/or state plans and/or composite social security programmes as a defined contribution plan.

Where a plan is a defined contribution plan, the municipality accounts for it in the same way as for any other defined contribution plan.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the entity pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the municipality recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the municipality recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, less the fair value of plan assets(if any), of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date. The Municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Pension obligations

The Municipality's employees contribute to 6 different Pension Funds, of which the Natal Joint Provident and Retirement Pension Funds cater for the majority of the staff.

The following are defined contribution funds

- The Natal Joint Provident Fund
- The Natal Joint Pension Fund,
- Government Employees Pension Fund,
- Association Institution Pension Fund,
- South African Local Authorities Pension Fund and
- Municipal Councillors Pension Fund

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date. Past-service costs are recognised immediately against revenue.

The Municipality does not apply "defined benefit accounting" to the defined benefit funds to which it is a member where these funds are classified in terms of GRAP 25 as multi-employer plans, as sufficient information is not available to apply the principles involved. The City contributes to the defined benefit plans, which are governed by the Pension Fund Act of 1956 due to the nature of these funds and the fact that there is no consistent and reliable basis for allocating the obligation. Plan assets and cost to individual entities participating in the plan, these funds are accounted for as defined contribution funds in terms of paragraph 31 of GRAP 25, the total contributions are included in employee related costs. As a result, GRAP 25 is applied and such funds are accounted for as defined contribution funds. The Municipality's participation in these plans is limited to the obligation of its own employees.

The NJMPF Superannuation and Retirement funds have been treated as defined contribution plans although they are defined benefit funds.

Other post retirement obligations

The municipality provides post-retirement health care benefits, upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

1.17 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

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.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where the effect is material, non-current provisions are discounted to their present value using a prevailing prime rate at year end which reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability. The municipality uses the prevailing prime rate at year end.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Future events that may affect the amount required to settle an obligation shall be reflected in the amount of a provision where there is sufficient evidence of occurrence.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 65.

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 entity.

A contingent asset is disclosed where an inflow of economic benefits or service potential is probable.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs.

A contingent liability is:

- (a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non occurrence
- (b) of one or more uncertain future events not wholly within the control of the entity; or
 - (i) a present obligation that arises from past events but is not recognised because:
 - (ii) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - (iii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits or service potential has become probable. If it becomes probable that an outflow of future economic benefits or service potential will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

1.18 Commitments

A commitment is a binding agreement to undertake operating and capital expenditure at some set time in the future which has not yet become an actual liability .

Items are classified as commitments when the municipality has committed itself to future transactions that will normally result in the outflow of cash. Capital expenditure is expenditure incurred to purchase, upgrade or construct physical assets (for e.g. buildings) for which there will be a long-term benefit. Long-term is defined as longer than one year.

Operational expenditure is expenditure incurred to purchase goods or services for which there will be a short-term benefit and which has been incurred in the normal course of business. Short-term is defined as less than one year.

An approved and contracted for commitment is where the expenditure has been approved and the contract has been awarded, service level agreement signed (where applicable) or any other pertinent authorisation has been granted at the end of the financial year/reporting date.

An approved and not yet contracted for commitment is where the expenditure has been approved and the contract has been awarded but awaiting finalisation of the service level agreement(wher applicable) or any other authorisation pertinent to the contract at the end of the financial year/reporting date.

1.19 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest

Revenue arising from the use by others of municipality assets yielding interest or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.20 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

When the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a nonexchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and other funding are recognised as revenue to the extent that the municipality has complied with the criteria, conditions or obligations embodied in the grant agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Measurement

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.

Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for income tax is the earning of assessable income during the taxation period by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for customs duty is the movement of dutiable goods or services across the customs boundary.

The taxable event for estate duty is the death of a person owning taxable property.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Debt forgiveness and assumption of liabilities

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind

Except for financial guarantee contracts, the municipality recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality disclose the nature and type of services in-kind received during the reporting period.

1.21 Bad debts written off

Before any debt is written off it is proved that the debt has become irrecoverable.

Irrecoverable debt is debt which can not be traced successfully; and after all reasonable steps were taken to recover the debt.

Bad debt write offs are considered in terms of cost benefit; when it becomes too costly to recover and the chances of collecting the debt are remote, a write off is considered.

1.22 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.23 Borrowing costs

Borrowing costs are interest and other expenses incurred by the municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.24 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of Standards of GRAP.

1.25 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.26 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is disclosed in a note to the financial statements as an expense in the period that the expenditure is incurred.

1.27 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is disclosed in the notes to the financial statement in the period that the expenditure is incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.28 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure is disclosed inclusive of VAT.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority is recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the municipal council may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.29 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.30. Internal reserves

Capital replacement reserve (CRR)

The CRR is an asset financing source that represents an alternative to the other funding sources available to the Municipality namely external loans (interest bearing borrowings) and government grants & subsidies.

Subsequent to the implementation of GRAP in 2008, Reserves and Funds had to be discontinued as they are not permissible in terms of GRAP. However, the National Treasury determined that the CRR is one of the few funds and reserves that are allowed.

As a matter of principle, the focus is the manner in which these reserves are created and accounted for, which in this instance the capital replacement of major components of Infrastructure Assets in the event of technical failure. For accounting purposes, the CRR will be created by transferring amounts out of Accumulated surpluses/deficits to the respective reserve account, or vice versa, in the Statement of Changes in Net Assets. The net effect of these transfers will be nil in the Statement of Changes in Net Assets, and will not affect the value of reserves in totality. It is the requirement of GRAP that no transactions should be accounted for, directly to the Statement of Changes in Net Assets other than those specifically allowed in terms of GRAP, i.e. Revaluation Surplus Reserve. Therefore, situations should be avoided where reserves are created and accounted for, by taking amounts directly to the Statement of Changes in Net Assets thereby circumventing the Statement of Financial Performance.

The CRR will only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and will not be used for the maintenance of such items.

Self - Insurance reserve

The municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The self-insurance scheme has a policy that is aligned with the practice in the insurance industry. The balance of the self-insurance reserve is determined based on surpluses accumulated since inception.

The municipality operates a self-insurance scheme under the Self-Insurance Reserve, which has a policy that is aligned with the practice in the insurance industry. The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception.

1.30 Internal reserves

Compensation for occupational injuries and diseases (COID) reserve

The Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993) is to provide for payment of medical treatment and compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases. The contribution to the COID fund is 0.75% of the salary expense. The municipality is an exempt employer in terms of Section 84 (1) (a)(ii) & (2) and as such does not pay any assessments to the COID Commissioner. In terms of the exempt status the municipality is mandated to establish its own fund and administers this fund in terms of the COID Act.

1.31 Revaluation reserve

The increase arising from the revaluation of Heritage assets is credited to a revaluation reserve. The revaluation surplus is realised upon disposal of artworks and jewellery. On disposal, the net revaluation surplus is transferred to the accumulated surplus/deficit while gains or losses on disposal, based on revalued amounts, are credited or charged to the statement of financial performance.

1.32 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.33 Budget information

Municipalities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by a municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2021/07/01 to 2022/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements 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.

Deviations between budget and actual amounts exceeding 10 percent are obtained monthly for the preparation of the Section 71 reporting and used during the audit process.

The threshold for which reasons for variances are provided is 10% and above.

1.34 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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 considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

1.35 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.

1.36 Living resources

Living resources (Game animals) are those resources that undergo biological transformation.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted.

Agricultural activity is the management by an municipality of the biological transformation and harvest of biological assets for:

- (a) sale;
- (b) distribution at no charge or for a nominal charge; or
- (c) conversion into agriculture produce or into additional biological assets for sale or distribution at no charge or for a nominal charge.

A bearer plant is a living plant that:

- (a) is used in the production or supply of agricultural produce;
- (b) is expected to bear produce for more than one period; and
- (c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

Biological transformation (for purposes of this Standard) comprises the processes of growth, degeneration, production, and procreation that cause qualitative or quantitative changes in a living resource.

Carrying amount is the amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or development and, where applicable, the amount attributed to the asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Depreciable amount is the cost of an asset, or other amount substituted for cost, less its residual value.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Group of resources means a grouping of living of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

The residual value of an asset is the estimated amount that an municipality would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Useful life is the period over which an asset is expected to be available for use by an municipality, or the number of production or similar units expected to be obtained from the asset by an municipality.

Recognition

A living resource is recognised 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.

Where the municipality is required in terms of legislation or similar means to manage a living resource, but it does not meet the definition of an asset because control of the resource cannot be demonstrated, relevant information are disclosed in the notes to the annual financial statements.

Where the municipality holds a living resource that meets the definition of an asset, but which does not meet the recognition criteria, relevant information are disclosed in the notes to the annual financial statements. When the information about the cost or fair value of the living resource becomes available, the municipality recognise, from that date, the living resource and apply the measurement principles.

Measurement at recognition

A living resource that qualifies for recognition as an asset is measured at its cost.

Where a living resource is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

The cost of a living resource comprises its purchase price, including import duties and non-refundable purchase taxes, and any costs directly attributable to bringing the living resource to the location and condition necessary for it to be capable of operating in the manner intended by management.

Measurement after recognition

Cost model

After recognition as an asset, a group of living resources are carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation

Living resources are depreciated and the depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset, where appropriate.

The depreciable amount of a living resource is allocated on a systematic basis over its useful life.

The municipality assesses at each reporting date whether there is any indication that the entity's expectations about the residual value and the useful life of a living resource have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change(s) is accounted for as a change in an accounting estimate.

In assessing whether there is any indication that the expected useful life of the living resource has changed, the municipality considers the following indications:

- (a) The use of the living resource has changed, because of the following:
- The municipality has changed the manner in which the living resource is used.
 - The municipality has made a decision to dispose of the living resource in a future reporting period(s) such that this decision changes the expected period over which the living resource will be used.
 - Legislation, government policy or similar means have been amended or implemented during the reporting period that have, or will, change the use of the living resource.
 - The living resource was idle or retired from use during the reporting period.
- (b) The living resource is approaching the end of its previously expected useful life.
- (c) There is evidence that the condition of the living resource improved or declined based on assessments undertaken during the reporting period.
- (d) The living resource is assessed as being impaired.

In assessing whether there is any indication that the expected residual value of the living resource has changed, the municipality considers whether there has been any change in the expected timing of disposal of the living resource, as well as any relevant indicators as noted above.

The depreciation method used reflects the pattern in which the future economic benefits or service potential of the living resource is expected to be consumed by the entity.

The depreciation method applied to a living resource is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the living resource, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The useful lives of items of living resources have been assessed as follows:

Item	Depreciation method	Average useful life
Giraffe	Straight-line	25 years
Zebra	Straight-line	30 years
Blue Wildebeest	Straight-line	20 years
Inyala	Straight-line	20 years
Impala	Straight-line	15 years
Bush buck	Straight-line	15 years
Reed buck	Straight-line	15 years

Impairment

The municipality assesses at each reporting date whether there is an indication that the living resource may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the living resource.

Compensation from third parties for living resources that have been impaired, lost or given up, is included in surplus or deficit when the compensation becomes receivable.

Transfers

Transfers from living resources are made when the particular asset no longer meets the definition of a living resource and/or is no longer within the scope of this accounting policy.

Transfers to living resources are made when the asset meets the definition of a living resource.

Derecognition

The carrying amount of a living resource is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a living resource is included in surplus or deficit when the item is derecognised.

1.37 Value Added Tax (VAT)

VAT is payable on the receipt and payment basis.

The transaction date is referred to as the "time of supply". Time of supply applies to certain supplies as the prevailing rate of VAT on that date will apply to the transaction concerned.

- before 1 April 2018 – a VAT rate of 14% will apply;
- on or after 1 April 2018 – a VAT rate of 15% will apply.

1.38 Expenditure

An expense is a decrease in the net financial position of the entity, other than decreases arising from ownership distributions.

An expense arises from exchange and non-exchange transactions, other events such as unrealised increases and decreases in the value of assets and the consumption of assets through depreciation and erosion of service potential and ability to generate economic benefits through impairments.

An expense may arise from individual transactions or groups of transactions.

Expenses are recognised in the Statement of Financial Performance when a decrease in future economic benefits or service potential related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. The recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets.

Expenses encompasses losses as well as those expenses that arise in the course of the operating activities of the municipality.

Losses represent other items that meet the definition of expenses and may, or may not, arise in the course of the operating activities of the entity. Losses represent decreases in economic benefits or service potential and as such, they are no different in nature from other expenses.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 25 (as revised): Employee Benefits	The Minister of Finance has not determined an effective date	Not expected to impact results but may result in additional disclosure
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Not expected to impact results but may result in additional disclosure
• iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	Unlikely there will be a material impact
• GRAP 2020: Improvements to the standards of GRAP 2020	01 April 2023	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements	01 April 2023	Unlikely there will be a material impact

Figures in Rand	Note(s)	2022	2021
3. Inventories			
Consumable stores		32 462 245	32 788 610
Materials and supplies		41 310 862	33 401 053
Water for distribution		1 620 082	1 837 726
Land inventory		292 004 270	285 689 426
		367 397 459	353 716 815

The municipality has not applied the following standards and interpretations, which have been published for the municipality's accounting periods beginning on or after 01 July 2022 or later periods:

Inventory are recorded using the weighted average cost method.

Inventory expensed during the year R84 307 652 (2021 : R58 158 321).

Inventory are carried at lower of cost or net realisable value except for land carried at current replacement cost.

Inventory losses - consumables for the year (R 2 687 271) (2021 : (R3 655 242)).

Consumable stores comprises mainly of fuel inventory, stationery, detergents and street fittings amongst other items.

Inventory pledged as security

No inventory was pledged as security for either overdraft facilities or any financial liabilities of the municipality.

4. Short term investment

Compensation for Occupational Injuries and Diseases Investment (COID)	32 670 009	32 311 434
Reconciliation of short term investment		
Opening balance	32 311 434	-
Interest on maturity	1 688 272	-
Redemption	(33 999 706)	-
Re-investment	32 670 009	32 311 434
Closing balance	32 670 009	32 311 434

COID short term investment invested at 6.65 % (2021: 5.225%).

The current fixed deposit was invested with Standard Bank and will mature on the 30th of March 2023.

The 12 month fixed deposit is re-invested annually.

Figures in Rand	Note(s)	2022	2021
5. Receivables from exchange transactions			
Net balance			
Accrued revenue		12 648	4 157
Cashier's shortages		22 268	22 268
Forestry receivable		13 058 187	13 058 187
Independent Development Trust		-	-
Interest accrual on bank and call accounts		67 841	5 003
Interest accrual on investment		571 412	425 537
Library receivable		7 000 000	-
Prepaid electricity		381 481	364 181
		21 113 837	13 879 333
Gross balance			
Accrued revenue		12 648	4 157
Cashier's shortages		22 268	22 268
Forestry receivable		13 058 187	13 058 187
Independent Development Trust		108 836 507	108 836 507
Interest accrual on bank and call accounts		67 841	5 003
Interest accrual on investment		571 412	425 537
Land sale debtors		66 386	66 386
Library receivable		7 000 000	-
Prepaid electricity		381 481	364 181
		130 016 730	122 782 226
Less: Allowance for impairment			
Independent Development Trust		(108 836 507)	(108 836 507)
Land sale debtors		(66 386)	(66 386)
		(108 902 893)	(108 902 893)

Receivables from exchange pledged as security

There are no receivables from exchange transactions pledged as security for any financial liabilities of the municipality.

Credit quality of receivables from exchange transactions

The credit quality of receivables from exchange transactions are neither past due nor impaired except for land sale debtors, and IDT.

There is an ongoing dispute between IDT and Msunduzi Local Municipality on an amount that was paid by Msunduzi Local Municipality to IDT for the implementation of infrastructure projects. IDT was appointed as an implementing agent and advance payments were made to IDT during 2011/12 and 2012/13 financial years. The projects were implemented; however, IDT was unable to account for work amounting to R108 836 507. The municipality referred the matter to the legal team for a civil litigation and has not been finalised as yet. The receivable has been fully impaired since IDT is disputing the receivable and the matter is still under litigation.

During the year under review there has not been any change the matter is undergoing consequence management and legal process.

Receivables from exchange transactions past due but not impaired

Trade and other receivables which are past due and not impaired. At 30 June 2022 R13 080 455 (2021: R13 080 455).

Receivables from exchange transactions impaired

The amount of the provision was R108 902 893 as of 30 June 2022 (2021: R108 902 893).

6. Statutory receivables

Net balance		
Consumer debtors - rates	514 420 520	547 818 959
Fines	2 540 069	2 540 069
	516 960 589	550 359 028

Receivables from non-exchange transactions included in statutory receivables above are as follows:

Consumer debtors - Rates	514 420 520	547 818 959
Fines	2 540 069	2 540 069
	516 960 589	550 359 028
Total receivables from non-exchange transactions	516 960 589	550 359 028

Figures in Rand	Note(s)	2022	2021
Gross balances			
Consumer debtors - rates		1 354 111 404	1 242 107 340
Fines		106 746 008	93 829 368
		1 460 857 412	1 335 936 708
Less: Allowance for impairment			
Consumer debtors - rates		(839 690 884)	(694 288 381)
Fines		(104 205 939)	(91 289 299)
		(943 896 823)	(785 577 680)
Consumer debtors - rates			
Current			
0 - 30 days		106 455 264	113 133 336
31 - 60 days		66 938 738	56 084 439
61 - 90 days		31 807 172	35 476 058
91 - 120 days		29 394 937	32 141 042
121 - 365 days		32 477 467	29 056 466
> 365 days		214 431 109	225 581 215
		872 606 717	750 634 784
		1 354 111 404	1 242 107 340
Fines			
Current (0-30 days)		722 700	979 350
31 - 60 days		1 763 500	5 453 700
61 - 90 days		3 921 490	2 756 700
91 - 120 days		3 135 300	3 053 400
121 - 365 days		3 373 650	2 703 550
> 365 days		93 829 368	78 882 668
		106 746 008	93 829 368
Summary of debtors by customer classification - rates			
Industrial/Commercial			
Current		34 178 270	42 368 528
0 - 30 days		12 842 555	23 577 131
31 - 60 days		7 578 423	9 762 343
61 - 90 days		7 378 916	9 146 564
91 - 120 days		11 196 463	8 387 796
121 - 365 days		54 693 432	56 439 669
> 365 days		169 898 883	156 847 773
		297 766 942	306 529 804
Government			
Current		11 620 510	10 578 600
0 - 30 days		16 507 733	5 966 804
31 - 60 days		3 547 242	5 079 746
61 - 90 days		3 003 294	4 590 477
91 - 120 days		2 784 051	3 716 650
121 - 365 days		19 995 487	27 426 992
> 365 days		74 630 492	95 499 302
		132 088 809	152 858 571
Consumers			
Current		60 656 484	60 186 208
0 - 30 days		37 588 449	26 540 504
31 - 60 days		20 681 507	20 633 969
61 - 90 days		19 012 727	18 404 001
91 - 120 days		18 496 952	16 952 021
121 - 365 days		139 742 190	141 714 553
> 365 days		628 077 343	498 287 709
		924 255 652	782 718 965

Figures in Rand	Note(s)	2022	2021
Reconciliation of allowance for impairment - Statutory receivables			
Balance at beginning of the year		(772 555 584)	(609 215 873)
(Increase)/decrease in impairment contribution		(108 778 163)	(163 339 711)
Balance at end of year		(881 333 747)	(772 555 584)
Consumer debtors - rates			
Balance at beginning of the year		(694 288 381)	(532 901 325)
(Increase)/decrease in impairment contribution		(145 402 503)	(161 387 056)
Balance at end of year		(839 690 884)	(694 288 381)
Fines			
Balance at beginning of the year		(91 289 299)	(76 314 549)
(Increase)/decrease in impairment contribution		(12 916 640)	(14 974 750)
Balance at end of year		(104 205 939)	(91 289 299)

Statutory receivables general information

Transaction(s) arising from statute

Traffic fines

The two types of traffic fines that are issued are :

- 1) Traffic fines issued in terms of the Administrative Adjudication of Road Traffic Offences Act (AARTO Act).
- 2) Traffic fines issued in terms of the Criminal Procedures Act.

Property rates

The Municipal Property Rates Act No. 06 of 2004 governs property rates billed. The Act regulates, the power of the municipality to impose rates on properties; to exclude certain properties from rating in the national interest; to make provisions for the municipality to implement a transparent and fair system of exemptions, reductions and rebates through the municipalities rating policy, making provisions for fair and equitable valuation methods of properties; to make provisions for objections and appeals.

Determination of transaction amount

Traffic fines

Traffic fines are issued in terms of the AARTO Act by way of notices to offenders which specify the value of the fine that must be paid, along with any discount that can be applied if the fine is paid within a specific period of time.

Traffic fines issued in terms of the Criminal Procedures Act are usually issued by way of notice to offenders, and can:

- (a) indicate the value of the fine to be paid, and that certain reductions could be made to the value of the fine payable and how, or the circumstances under which, such reductions can be applied, or
- (b) indicate that the offender must appear in Court on a specified date (in these instances, the value of the fine may or may not be indicated but this is often only determined after a separate legal process).

Property rates

Property rates are levied in terms of the municipality's rates policy, which is aligned to the Municipal Property Rates Act No. 6 of 2004.

The amount of rates levied by the municipality on properties, is the rate randage

- a) On the market value of the property;
- b) In the case of public service infrastructure, on the market value of the public service infrastructure less 30% of that value as contemplated in section 17(1)(a) of the Municipal Property Rates Act of 2004 or on such a lower percentage as the minister determines in terms of section 17(4) of the Municipal Property Rates Act of 2004;
- c) In the case of property to which section 17(1) (h), of the Municipal Property Rates Act of 2004, applies on the market value of the property less the amount stated in that section, or on such amount as the Minister may determine.

Refer to Note 37 for rate randages.

Interest or other charges levied/charged

Traffic fines

No interest is levied on traffic fines.

Property rates

The following are charges that may be charged in addition to rates levied:

- a) Interest on outstanding rates billed:
Interest shall be charged on all rates arrears in terms of section 64(g) of the Municipal Finance Management Act and the Municipal Systems Act.

The municipality has a Credit control policy that is approved by council. The credit control policy states that amounts on accounts, which remain unpaid after the due date shall attract interest irrespective of the reasons for non-payment. Interest will be charged at a rate of 7%, which is the annual interest rate as per approved tariff register.

- b) In addition to interest charged in respect of any property, collection charges shall accrue as follows:
As from the last working day, an amount representing ten per cent (10%) of the capital amount of the rates then in arrear in terms of Section 75A 1(b) of the Municipal Systems Act;

On the grant of a court order, a further amount representing ten per cent (10%) of the capital amount of the rates then in arrear in terms of Section 75A 1(b) of the Municipal Systems Act.

Basis used to assess and test whether a statutory receivable is impaired

Traffic fines

The impairment loss is calculated as the difference between value of traffic fines issued for the year less finalised cases and the present value of expected cash flows thereof, at reporting date.

Property rates

Impairment regarding property rates are assessed collectively in terms of the municipality's impairment policy. Each debtor is classified into their risk profiles based on total services outstanding.

The difference between the carrying-value at reporting date less the present value of expected future cash flows, determines if impairment needs to be provided for. This is in terms of GRAP 108.

Discount rate not applied to the estimated future cash flows

Considering the fact that traffic fines payments are short term in nature discounting is not performed as it is immaterial.

Statutory receivables past due but not impaired

Statutory receivables which are past due and not impaired. At 30 June 2022 R103 969 206 (2021: R136 148 659).

Statutory receivables impaired

The amount of the provision was R943 896 823 as of 30 June 2022 (2021: R785 577 680).

Factors the entity considered in assessing statutory receivables impaired**Traffic fines**

Past history patterns and peculiarity of traffic fines.

Collection rates in the current year.

Finalised cases in the reporting period.

Property rates

Past history payment of debtors and the debtors risk profiling. Accounts outstanding that are above a million are considered material and are assessed separately based on their recovery of debt.

There are no statutory receivables pledged as security for any liability.

Figures in Rand	Note(s)	2022	2021
7. Consumer debtors			
Gross balances			
Electricity		662 250 977	597 566 174
Other service charges		296 431 437	298 684 839
Property rental		54 945 126	54 505 951
Refuse		233 052 957	205 246 434
Sanitation		420 568 791	370 071 959
Water		2 593 343 941	2 214 229 348
		4 260 593 229	3 740 304 705

Figures in Rand	Note(s)	2022	2021
Allowance for impairment			
Electricity		(268 123 516)	(222 200 394)
Other service charges		(216 242 062)	(185 226 126)
Property rental		(36 126 926)	(32 822 467)
Refuse		(166 177 986)	(121 400 912)
Sanitation		(301 853 977)	(219 595 454)
Water		(1 956 995 417)	(1 318 830 916)
		(2 945 519 884)	(2 100 076 269)
Net balance			
Electricity		394 127 461	375 365 780
Other service charges		80 189 375	113 458 713
Property rental		18 818 200	21 683 484
Refuse		66 874 971	83 845 522
Sanitation		118 714 814	150 476 505
Water		636 348 524	895 398 432
		1 315 073 345	1 640 228 436
Electricity			
Current		209 203 858	168 584 630
0 -30 days		80 965 264	85 388 003
31 - 60 days		38 780 567	41 019 499
61 - 90 days		14 983 633	13 196 351
91 - 120 days		14 054 130	11 628 408
121 - 365 days		87 463 422	84 097 661
> 365 days		216 800 103	193 651 622
		662 250 977	597 566 174
Water			
Current		93 874 840	88 093 592
0 -30 days		58 922 907	60 150 008
31 - 60 days		51 211 613	49 323 861
61 - 90 days		46 404 252	44 205 503
91 - 120 days		56 168 447	41 536 388
121 - 365 days		338 327 010	328 263 607
> 365 days		1 948 434 872	1 602 656 389
		2 593 343 941	2 214 229 348
Sanitation			
Current		20 037 733	18 804 658
0 -30 days		10 251 044	10 123 834
31 - 60 days		7 558 552	7 696 730
61 - 90 days		7 026 897	7 335 769
91 - 120 days		7 099 319	6 511 432
121 - 365 days		50 486 258	49 128 580
> 365 days		318 108 988	270 470 956
		420 568 791	370 071 959
Other service charges			
Current		1 521 420	247 909
0 -30 days		1 274 951	2 221 436
31 - 60 days		983 711	1 406 472
61 - 90 days		1 274 788	1 421 531
91 - 120 days		1 502 785	1 437 071
121 - 365 days		10 426 185	13 902 476
> 365 days		279 447 597	278 047 944
		296 431 437	298 684 839

Figures in Rand	Note(s)	2022	2021
Refuse			
Current		13 282 767	10 943 432
0 - 30 days		5 490 510	5 334 880
31 - 60 days		4 115 105	4 378 006
61 - 90 days		3 792 624	3 818 587
91 - 120 days		3 693 553	3 563 078
121 - 365 days		27 002 298	25 557 317
> 365 days		175 676 100	151 651 134
		233 052 957	205 246 434
Property rental			
Current		1 691 558	2 021 162
0 - 30 days		2 968 599	1 239 687
31 - 60 days		177 353	553 845
61 - 90 days		795 689	1 043 662
91 - 120 days		50 155	909 361
121 - 365 days		7 063 761	5 314 129
> 365 days		42 198 011	43 424 105
		54 945 126	54 505 951
Summary of debtors by customer classification			
Consumers			
Current		140 544 744	118 699 035
0 - 30 days)		86 193 179	100 548 724
31 - 60 days		68 121 260	67 929 107
61 - 90 days		60 349 393	56 328 706
91 - 120 days		68 997 541	54 401 473
121 - 365 days		430 178 377	424 946 649
> 365 days		2 679 601 526	2 256 493 111
		3 533 986 020	3 079 346 805
Industrial/ commercial			
Current		165 969 053	139 242 087
0 - 30 days		61 033 275	56 030 884
31 - 60 days		31 926 600	33 277 013
61 - 90 days		11 763 952	11 214 576
91 - 120 days		11 715 911	8 815 084
121 - 365 days		77 825 329	66 952 564
> 365 days		252 950 389	241 521 189
		613 184 509	557 053 397
National and provincial government			
Current		33 098 380	30 754 262
0 - 30 days		12 646 822	7 878 239
31 - 60 days		2 779 042	3 172 292
61 - 90 days		2 164 539	3 478 120
91 - 120 days		1 854 937	2 369 182
121 - 365 days		12 765 227	14 364 557
> 365 days		48 113 753	41 887 851
		113 422 700	103 904 503
Total			
Current		339 612 176	288 695 384
0 - 30 days		159 873 275	164 457 847
31 - 60 days		102 826 902	104 378 412
61 - 90 days		74 277 884	71 021 402
91 - 120 days		82 568 389	65 585 739
121 - 365 days		520 768 933	506 263 770
> 365 days		2 980 665 670	2 539 902 151
		4 260 593 229	3 740 304 705

Figures in Rand	Note(s)	2022	2021
Less allowance for impairment		(2 945 519 884)	(2 100 076 269)
Reconciliation of allowance for impairment			
Balance at beginning of the year		(2 100 076 269)	(2 025 769 236)
(Increase)/decrease in impairment contribution		(845 443 615)	(74 307 033)
Balance at end of year		(2 945 519 884)	(2 100 076 269)

For bad debts written off refer to Note 42.

Consumer debtors pledged as security

There are no consumer debtors pledged as security for overdraft facilities of the municipality.

Consumer debtors past due but not impaired

Consumer debtors which are past due and not impaired. At 30 June 2022 R67 698 720 (2021: R65 318 665)

Consumer debtors impaired

Consumer debtors impaired R2 945 519 883 (2021: R2 100 076 269).

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	27 945	25 897
Bank balances	65 068 507	72 687 852
Short-term deposits	224 056 388	286 805 803
	289 152 840	359 519 552

Average rate of return is based on average interest rate on all bank and investment accounts 4.32 % (2021:3.35%)

Due to the short term nature of these investments, no amortisation was performed.

No cash and cash equivalents were pledged as security for any financial liabilities.

No restrictions exist with regard to the use of cash except for unspent conditional grants and receipts.

The municipality had the following bank and investment accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
FNB - No: 50941827782 (Primary) Demand deposit	51 681 911	41 761 020	48 478 608	53 830 850
FNB - No: 50940058750 (Electronic Transfers) Demand deposit	-	-	(18 687)	(90 327)
FNB - No: 50941840627 (Market) Demand deposit	2 897 380	2 159 161	2 897 380	2 159 161
FNB - No: 62069378539 (Oribi Airport)	979 964	637 764	979 964	637 764
FNB - No: 62003432846 (Salaries PACs No 1) Demand deposit	742 313	643 126	742 313	643 126
FNB - No: 62006041157 (Post Office) Demand deposit	-	-	11 988 931	15 507 278
FNB - No: 62045272143 (Traffic fines) Demand deposit	-	-	-	-
FNB - No: 62548639725 (Airport Development Fund) Call account	24 529	23 632	24 529	23 632
FNB - No: 62548629403 (MIG Grant) Call account	9 682	208 309	9 682	208 309
FNB - No: 62548623231 (Unspent Conditional Grant) Call account	140 232 671	207 810 701	140 232 671	207 810 701
FNB - No: 62856957588 (Housing Projects: Principal-Agent) Call account	20 652 278	21 305 452	20 652 278	21 305 452
FNB - No: 62548634460 (Insurance Fund) Call account	573 884	552 885	573 884	552 885
FNB - No: 62548632901 (MHOA) Call account	48 986 857	41 452 799	48 986 856	41 452 799
FNB - No: 62548630822 (Housing Accreditation) Call account	10 667 245	12 681 804	10 667 245	12 681 804
FNB - No: 62551687563 (VAT Recovery Grant) Call account	884 443	852 081	884 443	852 081
FNB - No: 62531891879 (General Reserves) Call account	-	-	-	-
FNB - No: 62600253984 (VAT Refund - CRR) Call account	785 902	724 892	785 902	724 892
ABSA - No: 9317549203(7 Day Notice)	1 238 896	1 193 248	1 238 896	1 193 248
Total	280 357 955	332 006 874	289 124 895	359 493 655

9. Agricultural assets

Figures in Rand	2022			2021		
	Cost / Valuation	Fair value adjustments	Carrying value	Cost / Valuation	Fair value adjustments	Carrying value
Biological assets - Consumable	96 300 000	(16 100 000)	80 200 000	75 245 448	21 054 552	96 300 000
Reconciliation of Agricultural assets - 2022						
				Opening balance	Fair value adjustments	Total
Biological asset - Consumable				96 300 000	(16 100 000)	80 200 000
Reconciliation of Agricultural assets - 2021						
				Opening balance	Fair value adjustments	Total
Biological assets - Consumable				75 245 448	21 054 552	96 300 000

Non-financial information

The municipality owns a plantation forest that produces felled trees for timber production, separately disclosed as consumable biological assets.

There was harvests of timber 2022: Nil (2021: Nil).

There has been no harvest in the current financial year.

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.

Refer to note 77 for risk management strategies on agricultural assets.

Pledged as security

No agricultural assets have been pledged as security.

Restrictions imposed by regulations

There are no agricultural assets whose use or capacity to sell is subject to restrictions imposed by regulations.

Methods and assumptions used in determining fair value

The valuation at 30 June 2022 was performed by Stephen de Klerk.

Stephen de Klerk is a member of the South African Council for Property Valuers Profession (SACPVP), and has the required qualifications and expertise in the valuation of agricultural assets.

The valuations conform to South African Valuation Standards and were arrived at by reference to market evidence of transaction prices.

10. Living resources

Figures in Rand	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Game animals	1 110 250	(414 071)	696 179	1 140 250	(396 676)	743 574
Reconciliation of living resources - 2022						
				Opening balance	Increase due to births	Decrease due to deaths
Game animals				743 574	60 000	(53 759)
					Depreciation	Total
					(53 636)	696 179

Reconciliation of living resources - 2021

	Opening	Increase due to births	Depreciation	Total balance
Game animals	733 181	93 500	(83 107)	743 574

Entity as custodian

Msunduzi Local Municipality does not have any custodial responsibility for game animals held on behalf of other entities, including the legislation or similar means that establishes the custodial responsibility over the living resources.

Living resources borrowed from other entities

There are no resources borrowed from other entities.

Living resources on loan to other entities

There are no living resources on loan to other entities.

Title restrictions

There are no living resources whose title is subject to restrictions.

Restrictions on use or capacity to sell

There are no living resources which are subject to restrictions on use or capacity to sell.

Pledged as security

No living resources have been pledged as security for any financial liabilities.

Compensation from third parties

There was no compensation from third parties for living resources that were impaired, lost or given up during the current financial year.

General Information

Msunduzi Local Municipality Bisley Nature Reserve's main purpose is the conservation of a representative system of biodiversity encompassing fauna, flora and unique scenery within the nature reserve. The municipality does not manage the reserve for reproduction of biodiversity.

The municipality is involved in biological transformation of fauna and flora primarily as a service to the community for the main purpose of recreation rather than for sale.

Other information

Msunduzi Local Municipality has elected the cost model to account for Living resources.

A physical verification of living resources was performed by the conservation department from 17 to 26 May 2022.

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.

11. Heritage assets

Figures in Rand	2022			2021		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Crematoriums	9 359 518	(26 921)	9 332 597	9 359 518	(26 921)	9 332 597
Jewellery	1 185 000	-	1 185 000	1 185 000	-	1 185 000
Museums and art gallery	23 315 796	(42 806)	23 272 990	23 315 796	(42 806)	23 272 990
Parks	2 487 908	-	2 487 908	2 487 908	-	2 487 908
Stadiums	3 961 963	(49 755)	3 912 208	3 961 963	(49 755)	3 912 208
Other	2 095 896	-	2 095 896	2 095 896	-	2 095 896
Artworks	237 683 229	(6 863 808)	230 819 421	237 469 926	(6 837 541)	230 632 385
Total	280 089 310	(6 983 290)	273 106 020	279 876 007	(6 957 023)	272 918 984

Reconciliation of heritage assets 2022

	Opening balance	Additions	Revaluation increase/(decrease)	Impairment losses recognised	Total
Crematoriums	9 332 597	-	-	-	9 332 597
Jewellery	1 185 000	-	-	-	1 185 000
Museums and art gallery	23 272 990	-	-	-	23 272 990
Parks	2 487 908	-	-	-	2 487 908
Stadiums	3 912 208	-	-	-	3 912 208
Other	2 095 896	-	-	-	2 095 896
Artworks	230 632 385	336 000	(122 698)	(26 266)	230 819 421
	272 918 984	336 000	(122 698)	(26 266)	273 106 020

Reconciliation of heritage assets 2021

	Opening balance	Additions	Revaluation increase/(decrease)	Impairment losses recognised	Total
Crematoriums	8 181 348	1 178 169	-	(26 920)	9 332 597
Jewellery	1 185 000	-	-	-	1 185 000
Museums and art gallery	23 292 823	-	-	(19 833)	23 272 990
Parks	2 487 908	-	-	-	2 487 908
Stadiums	3 961 963	-	-	(49 755)	3 912 208
Other	2 095 896	-	-	-	2 095 896
Artworks	230 719 534	66 000	(126 938)	(26 211)	230 632 385
	271 924 472	1 244 169	(126 938)	(122 719)	272 918 984

Restrictions on heritage assets

There are no ownership and disposal restrictions on heritage assets.

There are no contractual commitments for the acquisitions, maintenance and restoration of heritage assets

Pledged as security

No heritage assets have been pledged as security for any financial liabilities.

Contractual commitments for the acquisition, maintenance and restoration of heritage assets

There are no contractual commitments for the acquisitions, maintenance and restoration of heritage assets.

Revaluations**Heritage assets**

Artworks and jewellery whose fair value can be measured reliably are carried at the revalued amount, being their fair value at the date of valuation less any subsequent impairment losses.

Artworks were last valued on 30 June 2019 for the 2018/19 financial year.

According to the municipality's accounting policy, artworks are revalued every 4 years.

Jewellery was last valued in the 2018/19 financial year.

According to the municipality's accounting policy, jewellery are revalued every 4 years.

The valuation of artworks was performed by Harriet Marry Gilfillan who is an independent professional appraiser and has experience in the valuation of artworks and jewellery.

The valuations were arrived at by reference to market analysis, market records and trends relating to each artist and type of artwork was researched in order to arrive at a fair value.

The revaluation reversal relates to the impairment loss of the assets which were previously revalued.

Heritage assets which fair values cannot be reliably measured

The following heritage assets were not recognised due to a reliable measurement not being possible on initial recognition is as follows:

Legal Deposit collection at the Bessie Head Library

In 1916, the Natal Society Library (now the Msunduzi Municipal Library – Bessie Head Library) was identified as one of five libraries in South Africa accorded Legal Deposit status. This privilege helped make it into one of South Africa's major research and information libraries. Legal Deposit libraries play a unique and very important role as custodians, in perpetuity, of this country's cultural wealth and information. They also have to make this information available, as widely as possible, to the citizens of South Africa. The Legal Deposit Collection has become an important asset. Since 1916, the Msunduzi Municipal Library has amassed a huge collection of South African books, pamphlets, periodicals, maps and newspapers which it has to preserve for future generations. Due to the nature of the class of heritage assets, the Department of Arts and Culture has confirmed that there is no monetary value as there is no active market.

Expenditure incurred to repair and maintain heritage assets

There were no repairs and maintenance costs incurred in the current year.

12. Intangible assets

Figures in Rand	2022			2021		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	110 270 044	(90 119 442)	20 150 602	107 741 844	(84 082 119)	23 659 725
Servitudes	803 846	-	803 846	803 846	-	803 846
Total	111 073 890	(90 119 442)	20 954 448	108 545 690	(84 082 119)	24 463 571

Reconciliation of intangible assets - 2022

	Opening balance	Work in progress	Amortisation	Total
Computer software, other	23 659 725	2 528 200	(6 037 323)	20 150 602
Servitudes	803 846	-	-	803 846
	24 463 571	2 528 200	(6 037 323)	20 954 448

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Amortisation	Total
Computer software, other	29 896 567	28 654	(6 265 496)	23 659 725
Servitudes	803 846	-	-	803 846
	30 700 413	28 654	(6 265 496)	24 463 571

Pledged as security

No intangible assets have been pledged as security for any financial liabilities.

Figures in Rand	Note(s)	2022	2021
Intangible assets in the process of being constructed or developed			
Included within intangible assets			
Opening balance		-	-
Additions		2 528 200	-
		2 528 200	-

Restricted title

There are no intangible assets whose title is restricted.

Details of valuation

Servitudes were assessed for impairment using the depreciated replacement cost method. The software was assessed for impairment based on utilisation by the municipality.

Servitudes have an infinite useful life as they are rights held by the Municipality to property.

13. Investment property

Figures in Rand	2022		2021	
	Valuation at the beginning of the year	Fair value adjustments/ Additions	Valuation at the end of the year	Fair value adjustments/ Additions
Land and buildings	891 933 607	33 285 748	925 219 355	71 247 417

Reconciliation of investment property - 2022

	Opening balance	Work in progress	Fair value adjustments	Total
Land and buildings	891 933 607	16 768 574	16 517 174	925 219 355

Reconciliation of investment property - 2021

	Opening balance	Additions	Transfers	Work in progress	Derecognition	Fair value adjustments	Total
Land and buildings	820 686 190	39 012 320	(15 113 611)	9 871 208	(4 720 000)	42 197 500	891 933 607

Pledged as security

No investment property has been pledged as security for any financial liabilities.

Figures in Rand	Note(s)	2022	2021
Investment property in the process of being constructed or developed			
Included within land and buildings			
Opening balance		15 441 272	113 989 199
Additions		16 768 574	9 871 208
Transferred to completed assets		-	(108 419 135)
		32 209 846	15 441 272
Carrying value of Investment property that is taking a significantly longer period of time to complete than expected			
Jika Joe Housing		32 209 846	15 441 272
a) Construction delays due to national steel and other raw material shortages			
b) Lockdown delays			
c) Rain delays to construction.			
		32 209 846	15 441 272

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. The valuation at 30 June 2022 was performed by Finley Hamilton an independent valuer.

Finley Hamilton has recent experience in location and category of the investment property being valued.

The valuation was based on open market value for existing use.

These assumptions are based on current market conditions.

Adjustments to the valuation is attributable to change in market value of investment property.

Finley Hamilton is a member of the South African Council for Property Valuers Profession (SACPVP), and has the required qualifications and expertise in the valuation of investment properties. The valuations conform to South African Valuation Standards and were arrived at by reference to market evidence of transaction prices for similar properties.

Investment property has been accounted for in terms of GRAP 16 and comprises both land and buildings owned by Msunduzi Municipality. Investment property is not depreciated but annually valued at year end in order to determine their fair value as prescribed in GRAP 16.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	7 508 731	5 739 687
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The municipality does not hold any operating property interest.

There were no repairs, maintenance and direct operating expenses related to investment property incurred in the current year.

Tenants are responsible for repairs and maintenance.

Included in Investment property is vacant land which has been invaded/illegally occupied. The land has a carrying value of R14 756 000 (2021 : R39 937 000).

The illegally occupied land is not considered impaired by management as the service potential is not considered affected as this land is addressed by the Rapid urbanisation management within the parameters of the approved land use scheme.

14. Property, plant and equipment

Figures in Rand	2022			2021		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land and buildings	1 225 430 676	(339 573 641)	885 857 035	1 232 287 252	(325 855 018)	906 432 234
Infrastructure	9 041 967 347	(3 835 046 736)	5 206 920 611	8 563 986 038	(3 551 545 564)	5 012 440 474
Community assets	823 434 976	(394 679 914)	428 755 062	810 873 009	(376 338 979)	434 534 030
Other assets	1 072 233 433	(685 300 265)	386 933 169	1 075 399 684	(657 224 315)	418 175 369
Total	12 163 066 432	(5 254 600 555)	6 908 465 877	11 682 545 983	(4 910 963 876)	6 771 582 107

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Transfers	Work in progress	Depreciation	Impairment loss	Total
Land and buildings	906 432 234	295 896	-	(15 188 703)	8 036 232	(13 718 624)	-	885 857 035
Infrastructure	5 012 440 474	121 825 394	-	63 905 895	298 451 082	(286 117 836)	(3 584 398)	5 206 920 611
Community assets	434 534 030	-	-	(7 138 794)	19 700 761	(18 340 303)	(632)	428 755 062
Other assets	418 175 369	32 123 659	(1 332 323)	(47 939 761)	30 638 192	(42 875 442)	(1 856 525)	386 933 169
Total	6 771 582 107	154 244 949	(1 332 323)	(6 361 363)	356 826 267	(361 052 205)	(5 441 555)	6 908 465 877

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Transfers	Work in progress	Depreciation	Impairment loss	Total
Land and buildings	915 030 213	1 187 810	(6 735 146)	10 649 021	(13 699 664)	-	906 432 234
Infrastructure	4 785 852 657	130 785 725	82 730 692	309 441 107	(291 044 484)	(5 325 223)	5 012 440 474
Community assets	439 654 690	-	-	13 874 699	(18 987 147)	(8 212)	434 534 030
Other assets	449 072 384	29 759 481	(67 561 836)	51 631 506	(42 452 137)	(2 274 029)	418 175 369
Total	6 589 609 944	161 733 016	8 433 710	385 596 333	(366 183 432)	(7 607 464)	6 771 582 107

Pledged as security

No property, plant and equipment has been pledged as security for any financial liabilities.

Other information

Refer to Appendix A for detailed property, plant and equipment schedule.

During the year the municipality undertook a conditional assessment of fixed assets, which culminated in the additional decreases/increases in remaining useful lives of assets.

The municipality applies the depreciated replacement cost method to calculate impairment.

Property plant and equipment were impaired by R5 441 557 (2021 : R7 607 464) as result of conditional assessment.

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.

Invaded land

Included in Property, plant and equipment is vacant land which has been invaded/illegally occupied. The land has a carrying value of R25 222 261 (2021 : R25 222 261). The illegally occupied land is not considered impaired by management as the service potential is not considered affected as this land is addressed by the Rapid urbanisation management within the parameters of the approved land use scheme.

Reconciliation of Work-in-Progress 2022

Figures in Rand	Included within land and buildings	Included within infrastructure	Included within community assets	Included within other PPE	Total
Opening balance	57 979 823	997 590 841	76 706 893	87 915 807	1 220 193 364
Additions	8 036 230	298 451 081	19 700 761	30 638 193	356 826 265
Transferred to completed assets	(16 796 092)	(92 663 309)	(11 899 253)	(47 939 761)	(169 298 415)
	49 219 961	1 203 378 613	84 508 401	70 614 239	1 407 721 214

Reconciliation of Work-in-Progress 2021

	Included within land and buildings	Included within infrastructure	Included within community assets	Included within other assets	Total
Opening balance	54 065 948	726 409 147	62 832 194	104 439 835	947 747 124
Additions	10 649 021	309 441 107	13 874 699	51 631 506	385 596 333
Transferred to completed assets	(6 735 146)	(38 259 413)	-	(68 155 534)	(113 150 093)
	57 979 823	997 590 841	76 706 893	87 915 807	1 220 193 364

Figures in Rand	Note(s)	2022	2021
Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance			
Contracted services		204 254 779	103 773 403
Inventory consumed		29 755 985	18 665 180
Operating leases		4 878 808	1 644 590
		238 889 572	124 083 173

Repairs and maintenance on property, plant and equipment is included in General expenses, inventory consumed and operating leases.

Projects taking a significantly longer period of time to complete than expected	Reason for project taking long	2022	2021
IRPTN project	This is a multi year project. The delays were due to: a) The relocation of houses and infrastructure currently built on road reserve. b) Community strike action and objections to relocations and compensation. c) Land acquisition for relocations and road reserves. d) Procurement disputes of local subcontractors and court Interdicts. e) Re allocation of Unit f) Covid delays	299 050 735	330 132 169
Youth Enterprise Park	The project was not fully funded in the current financial year by COGTA and the preapproved site for the project lacked the necessary infrastructure.	143 025	8 982 500
Unit H	Project delayed due to contractual disputes with originally appointed contractor	50 077 165	36 431 369
Rehabilitation of roads in Ashdown	Project delayed due to political unrest.	-	2 212 883
Upgrade road in Peace Valley	Project delays due to community protests and strike action by employees of contractor over non payment of salaries.	19 100 402	9 771 129
Azalea PH2	Multi year project, and technical delays - service provider on penalties	24 337 295	22 483 449
Ward 3 Vulindlela	Contractor abundant site, contractual dispute	22 780 547	21 159 117
Community hall ward 7	Insufficient funding to start construction, delays in submitting the drawings to building plans	921 607	671 734
Community hall ward 8	Insufficient funding to start Construction b)Resistance in Implementation of the Project from other Community members	1 509 430	1 107 760
Techno Hub	The project has not commenced due to funding contains. Only the preliminary designs were undertaken.	1 467 147	-
Connor - Ottos Bluff Road -link Projects halted	The project is delayed due to due to insufficient funding. Reasons	129 620	-
		419 516 973	432 952 110
The Hollingwood cemetery project	The community boycotted the project	4 874 038	4 874 038

Projects taking a significantly longer period of time to complete than expected	Reason for project taking long	2022	2021
Edendale Town Centre	Legal complexities, expropriation and relocation of Informal settlements caused the project to be halted until the issues are resolved.	3 100 603	3 100 603
Mayor's Walk road widening	Budget constraints	1 435 825	1 435 825
Community hall ward 24	Insufficient funding to start Construction.	1 796 006	782 608
	b) Spluma Application process		
Community hall ward 38	Insufficient funding to start Construction.	1 360 625	1 278 097
	b) Spluma Application process		
Design and construction of east ring road	The project is halted due to insufficient funding to start Construction.	2 449 450	1 949 450
Supertube pump refurb at Alex Pool	The project is halted due to an investigation process currently underway.	989 049	-
		16 005 596	13 420 621

Figures in Rand	Note(s)	2022	2021
15. Other financial assets			
16. Consumer deposits			
Electricity		96 831 992	91 016 667
Landfill site		361 031	-
Market buyer's card		4 603 654	1 317 928
Refuse		38 155	23 155
Rental properties		2 821 334	2 524 493
Sewer		7 355	7 355
Valuation appeal		8 907	8 907
Water		28 289 950	25 749 381
		132 962 378	120 647 886
17. Other financial liabilities			
At amortised cost			
DBSA loan		203 744 512	285 317 996
DBSA - funding required for capital expenditure. Loans bear interest rates between 6.75% and 16.50% (2021: 6.75% and 16.50%). Loans are repayable over a period between 10 to 20 years, repayments are made quarterly and bi-annually.			
During the reporting period the municipality did not default on any of the interest or capital repayments of the external loans.			
Non-current liabilities			
At amortised cost		124 581 612	203 744 512
Current liabilities			
At amortised cost		79 162 900	81 573 484
Reconciliation of other financial liabilities			
Opening balance		285 317 996	398 736 254
Repayments		(81 573 484)	(113 418 258)
		203 744 512	285 317 996
18. Transfers payable (non-exchange)			
Advance receipts - Transfers		20 091 631	21 715 043

Funding provided by Department of Human Settlements as part of the restoration programme to assist in fast tracking the issuing of title deeds to the people of Msunduzi. The arrangement is through the MOA in order for the Provincial Department to provide funding in advance to the Municipality for appointment of social facilitators and a panel of conveyancers to undertake this process Beneficiary Audit and Transfers.

The Beneficiary Audit and Transfers was a National Programme which was then delegated to the Municipality through Provincial Department of Human Settlements. The EEDBS was a National program which was delegated to Municipalities in order to ensure that restoration of title deeds for houses constructed in Pre 1994 through the Housing Subsidy Scheme It was an existing programme that was handed over to the Municipality and the Municipality provided with the funding. The Municipality has no power to determine the beneficiary list . The project is solely for the transfer of title deeds to rightful owners. Title deeds are legal documents which the Municipality is not allowed to sell to beneficiaries and neither can those be use by the Municipality for own use.

The Municipality is not exposed to variability of the transactions, The Provincial Department of Humans settlements is responsible for fulfilling all rights and obligations. Even in the event of disputes the Provincial Department and the court make the final determinations on who the beneficiaries will be.

Figures in Rand	Note(s)	2022	2021
Beneficiary Audit and Transfers			
Balance at beginning of year		5 885 204	6 686 063
Current year interest received		207 483	219 020
Payments to date		(909 597)	(1 019 879)
Balance in terms of the advance receipt		5 183 090	5 885 204

Significantly the arrangement was for the Department to transfer funds into the Municipality in order for the Municipality to undertake beneficiary verification and transfers of completed housing units. The purpose of the Principal-Agent relationship with regards to the Beneficiary Audit and Transfers is to task the municipality to review all projects approved prior to 1994 and ensure that beneficiary verification is completed to facilitate transfers without the municipality being exposed to any risks associated with the implementation of the Programme.

Military Veterans - Houses			
Balance at beginning of year		6 473 254	7 252 863
Payments to date		(153 442)	(779 609)
Balance in terms of the advance receipt		6 319 812	6 473 254

The arrangement between the Municipality and the Provincial Department of Human Settlements is to undertake planning and servicing of 180 proposed residential sites for the military veterans in the Msunduzi municipal area of jurisdiction. The department is responsible in fulfilling rights and obligations with respect to payment of service providers as well as processing of allocation of beneficiaries. The Municipality through the MOA signed between both parties undertook transactions with implementing agents on behalf of the department to get the sites ready for Human settlements projects (Military Veterans). The sites will be handed over to the Provincial Department of Human Settlement once ready for development and the Department will eventually hand over to beneficiaries as allocated by the Provincial Department.

Site 11			
Balance at beginning of year		-	-
Current year receipts		7 221 824	2 970 760
Payments to date		(7 221 824)	(2 970 760)
Balance in terms of the advance receipt		-	-

Funding provided by Department of Human Settlements for the construction of 252 top structures in Woodlands Site 11 housing project in accordance with the technical specifications and drawings. The houses to be built already have beneficiaries as identified by the Department, the Municipality is merely assisting in the construction of the houses. The Municipality appointed the Implementing Agents through SCM processes which will facilitate the construction of the top structures, the specification was provided for by the Department of Human Settlements. Funding is not transferred into the Municipality but claimed as and when the work is completed by the Implementing Agents. The Provincial Department approves all payments prior to funding being transferred to the Municipality for payment of Implementing Agents.

Thamboville			
Current year receipts		9 481 488	4 786 611
Payments to date		(9 481 488)	(4 786 611)
Balance in terms of the advance receipt		-	-

Funding provided by Department of Human Settlements for the construction of 416 top structures in Glenwood Thamboville housing project in accordance with the technical specifications and drawings. The houses to be built already have beneficiaries as identified by the Department, the Municipality is merely assisting in the construction of the houses . The Municipality appointed the Implementing Agents through SCM processes which will facilitate the construction of the top structures, the specification was provided for by the Department of Human Settlements. Funding is not transferred into the Municipality but claimed as and when the work is completed by the Implementing Agent. The Provincial Department approves all payments prior to funding being transferred to the Municipality for payment of Implementing Agents.

Title Deeds Restoration Programme			
Balance at beginning of year		5 642 567	8 802 946
Payments to date		(25 013)	(3 160 379)
Balance in terms of the advance receipt		5 617 554	5 642 567

Funds provided by the Provincial Department of Human Settlements to assist the municipality to ensure that people approved through the enhanced extended discount benefit scheme and the housing delivery programme, their ownership is confirmed through this title deeds restoration grant.

The Municipality is not exposed to variability of the transactions, The Provincial Department of Humans settlements is responsible for fulfilling all rights and obligations. Even in the event of disputes the Provincial Department and the court make the final determinations on who the beneficiaries will be.

Significantly the arrangement was for the Department to transfer funds into the Municipality in order for the Municipality to undertake beneficiary verification and transfers of completed housing units. The purpose of the Principal-Agent relationship with regards to the Beneficiary Audit and Transfers is to task the Municipality to review all projects approved prior to 1994 and ensure that beneficiary verification is completed to facilitate transfers without the municipality being exposed to any risks associated with the implementation of the Programme.

Figures in Rand	Note(s)	2022	2021
Title Deeds Restoration Advertisement for Missing Beneficiaries			
Balance beginning of year		50	250 000
Inter project transfer		(50)	-
Payments to date		-	(249 950)
Balance in terms of the advance receipt		-	50

Funds provided by the Provincial Department of Human Settlements for services to be rendered in order to find missing beneficiaries for the Title Deeds Programme. The funding is solely for finding missing beneficiaries in order to fast track the Title deeds restoration programme. The department to provide the financial resources, monitor the project and accept forecasts, plans, milestones as well as project completion. However, the responsibility for day-to-day management of the project is delegated from the Department of Human Settlements to the Municipality to manage it based on the agreed upon objective.

Title Deeds Activities			
Balance at beginning of year		3 713 968	-
Current year receipts		-	3 713 968
Payments to date		(742 794)	-
Balance in terms of the advance receipt		2 971 174	3 713 968

Funds provided by the Provincial Department of Human Settlements for services to be rendered for the Title Deeds

Programme. Significantly the arrangement was for the Department to transfer funds into the Municipality in order for the Municipality to undertake more activities for the Title deeds programme. The purpose of the Principal-Agent relationship for this Programme is to task the Municipality to review all projects approved prior to 1994 and ensure that beneficiary verification is completed to facilitate transfers without the Municipality being exposed to any risks associated with the implementation of the Programme.

Thembalihle			
Balance at beginning of year		-	-
Current year receipts		4 261 940	-
Inter project transfer		(4 261 940)	-
		-	-

The Thembalihle Housing Project is located in ward 38 of Msunduzi Municipality, the township was established in the late 1990's through a government initiated housing project. The Msunduzi Human Settlements Unit and the KZN Department of Human Settlements intend to develop the area and provide formal 40m2 houses for all the beneficiaries who were not able to build proper houses for themselves. The duration of the project is 36 months and the project is funded by the DoHS. The nature of the project to be implemented is called a consolidation whereby the new subsidy will be consolidated to the previously approved subsidy. ZML Africa Projects cc was then appointment for the construction of 804 units and 20 temporary structures. Funding is not transferred into the Municipality but claimed as and when the work is completed by the Implementing Agent. The Provincial Department approves all payments prior to funding being transferred to the Municipality for payment of Implementing Agents.

Happy Valley			
Balance at beginning of year		-	-
Current year receipts		1 784 713	-
Payments to date		(1 784 713)	-
		-	-

The Happy Valley Housing Project is located in ward 32 of Msunduzi Municipality, the township was established in the late 1990's through a government initiated housing project. The Msunduzi Human Settlements Unit and the KZN Department of Human Settlements intend to develop the area and provide formal 40m2 houses for all the beneficiaries who were not able to build proper houses for themselves. The project is funded by the DoHS. The nature of the project to be implemented is called a consolidation whereby the new subsidy will be consolidated to the previously approved subsidy. Ingerop (Pty) Ltd was then appointed for the construction of 158 units and 20 temporary structures. The main contractor for the project is Sakilo Group. Transfers payable (non-exchange) (continued)

Q Section			
Balance at beginning of year		-	-
Current year receipts		2 740 284	-
Payments to date		(2 740 284)	-
		-	-

The Glenwood Q-Section Housing Project is located in ward 38 of Msunduzi Municipality, the township was established in the late 1990's through a government initiated housing project. The Msunduzi Human Settlements Unit and the KZN Department of Human Settlements intend to develop the area and provide formal 40m2 houses for all the beneficiaries who were not able to build proper houses for themselves. The duration of the project is 36 months and the project is funded by the DoHS. The nature of the project to be implemented is called a consolidation whereby the new subsidy will be consolidated to the previously approved subsidy. ZML Africa Projects CC was then appointed for the construction of 804 units and 20 temporary structures. The main contractor for the project is Mcebo's Trading.

Figures in Rand	Note(s)	2022	2021
19. Payables from exchange transactions			
Trade payables		245 238 597	182 954 694
Accrued leave pay		147 949 191	139 486 004
Retention liability		22 666 648	26 886 023
Accruals		221 171 560	229 440 328
Credit balances in debtors		157 017 334	153 688 093
Accrued Interest		112 601	379 101
Advance payments		4 818 228	5 057 170
Auditor General		384 423	242 154
Water bulk purchases		570 802 929	351 888 433
Electricity bulk purchases		552 499 379	297 700 406
Unallocated deposits		2 507 785	1 404 226
Surety		60 000	200 000
		1 925 228 675	1 389 326 632

20. Provisions**Reconciliation of provisions - 2022**

	Opening Balance	Utilised during the year	Change in discount factor	Increase due to re-measurement	Total
Litigation	2 792 487	(2 792 487)	-	-	-
Landfill rehabilitation	61 822 545	-	16 592	6 866 549	68 705 686
	64 615 032	(2 792 487)	16 592	6 866 549	68 705 686

Reconciliation of provisions - 2021

	Opening Balance	Utilised during the year	Change in discount factor	Increase due to re-measurement	Total
Litigation	3 118 321	(325 834)	-	-	2 792 487
Landfill rehabilitation	59 228 344	-	703 040	1 891 161	61 822 545
	62 346 665	(325 834)	703 040	1 891 161	64 615 032

Non-current liabilities	61 113 708	55 141 588
Current liabilities	7 591 978	9 473 444
	68 705 686	64 615 032

Landfill rehabilitation

The landfill rehabilitation provision represents management's best estimate of the municipality's rehabilitation liability based on a valuation provided by an external consultant on the remaining useful life of the landfill site.

One Pangea Expertise and Solutions was appointed to perform the annual valuation of the provision for the rehabilitation and closure costs of the New England Road landfill site.

At the end of the life of the landfill site, the municipality is expected to restore the landfill site to the condition it was before its use.

According to the National Environmental Management Act, Act 107 of 1998, the operation of a landfill results in an obligation to rehabilitate the landfill and prevent any further pollution after closure thereof. The landfill site provision was created to ensure that the site is environmentally and publicly acceptable and suited to the implementation of the proposed end-use. The estimated remaining life of the landfill site is 6,32 years.

The key assumptions used by the experts were:

Net discount rate 3.56%
Average density of the waste 0.7 tonnes per cubic metres
Expected growth rate of waste generation 1.81%
Excavatable cover depth 2.5 metres
Cover to waste ratio 1.25

The municipality was declared to have been in breach of the Variation Waste Management Licence issued by the department of Economic Development, Tourism and Environmental Affairs (KwaZulu-Natal) on 3 July 2017, in respect of operation of the New England Road Landfill Site on Lot 1853 of the Farm Darvill No 15036, New England Road, Pietermaritzburg.

The High Court of South Africa issued a court order directing the Municipality to discharge its duty of care and remediation of environment as required by section 28(1) and (3) of the National Environmental Management Act 107 of 1998.

Litigation

Litigations against the Municipality recognized as provisions are those that the appointed attorneys have considered probable that the Municipality is liable and an outflow of economic benefits associated with the litigation is expected and the costs can be measured reliably.

Key assumptions provided by legal counsel are:

Net effective discount rate varies case by case and range from prime rate to 15.5%

Alien vegetation provision

According to the National Environmental Management Act, 1998 (Act No. 107 of 1998) the municipality was encouraged to recognise a provision in this regard.

The Department of Agriculture has since 2006 provided considerable support to the municipality in terms of clearing listed alien invasive plants. The municipality's involvement and responsibility is effectively operational support to the Department of Agriculture for the clearing of listed alien invasive plants.

No work has been carried out during the current reporting period.

Defined contribution plan

The Council provides retirement benefits to its employees by contributing to either a Provident fund, Retirement Pension Fund or Superannuation Pension Fund.

Membership to either a pension or provident fund is compulsory for all permanent employees.

The majority of the members and the Council contributes to the Natal Joint Municipal Pension and Provident funds (NJMP), employees contributes to the South African Local Authorities Pension Fund (SALA) and, Associated Institution Pension Fund (AIPF), Pietermaritzburg Provident Fund and Government Employees Pension Fund (GEPF). Employees contributing to SALA, AIPF, Pietermaritzburg Provident Fund and GEPF make up the minority of members contribution to the pension funds.

The municipality's liability in these funds cannot be determined owing mainly to the assets not being allocated to each employer and one set of financials being compiled for each fund and not for each contributing employer. The majority of personnel are members of the following pension funds:

KwaZulu-Natal Joint Municipal Provident Fund

An actuarial valuation was performed as at 31 March 2021 by SNG Argen Actuarial Solutions.

The market value of the fund's assets was R7 255 819 000 as at 31 March 2021.

Results of the valuation

The Fund self-insures its risk benefits in excess of the full benefit. It therefore maintains a Risk Reserve Account as a measure of protection against volatility in claims experience. The amount of R20 563 000 required to be held in the Risk Reserve Account.

The Fund is financially sound as at the valuation date.

Benefits of the fund:

- 1) Pension age - 65 years
- 2) Earliest retirement age - 58 years (55 years if more than 10 years continuous service)
- 3) Full benefit - Initial transfer plus member's contributions plus employer's contributions for full benefits plus investment earnings and bonuses.
- 4) Member's portion of full benefits - Initial transfer plus members contributions plus local authorities contributions for full benefits plus interim, special and final bonuses.
- 5) Benefit on retirement after earliest retirement age or pension age - full benefit.
- 6) Benefit on retirement because of ill health - full benefit.
- 7) Benefit on death in service - Full benefit plus 0.7% of annual pensionable salary for each month of potential service to a maximum of 2.1 years salary

Contributions to the fund

Members may choose to contribute at a rate of 5%, 7% or 9.25% of their pensionable emoluments in terms of regulation 14(a).

Local Authorities Contributions

Participating employers contribute at a rate of 1.95 times of the rate of members contribution in terms of regulation 17(1)(b).

Benchmark:**Investments:**

Domestic Investments	R5 350 282 000
International Investments	R2 173 321 000
Risk Reserve Account	R20 563 000
Membership	17 619

Liabilities and reserves

Member share account	R6 720 997 000
Reserves and accounts	R491 033 000

Defined contribution plans

Natal Joint Municipal Pension Fund: (Superannuation) actuarial valuation

An actuarial valuation was performed as at 31 March 2021 by SNG Argen Actuarial Solutions.

The market value of the fund's assets was R13 978 064 000 as at 31 March 2021.

The regulations of the fund have been amended with effect from 1 July 2004, so that the Committee of Management is able to levy a separate surcharge on local authorities which grant excessive salary increases, thereby causing a financial strain on the fund to the detriment of other stakeholders.

The employers are no longer permitting members to join the Fund, so that it is effectively closed to new members. This means that the average age will increase over time which, in turn, means that the required rate of contribution will also increase. Thus, once the surcharge ceases, the underlying rate of contribution will not be sufficient to meet the cost of the benefits. It is necessary to set aside a reserve to hold assets equal to the expected shortfall. For this reason a Contribution Reserve is held equal to the present value of the shortfall in terms of the Financial Services Board's Circular PF117 for the 5 years to 2015 when it is expected that the surcharge will cease.

Benefits of the fund:

- 1) Members Contributions - 9.25% of pensionable salaries.
- 2) Pension age 65 years.
- 3) Final average salary - average annual pensionable salaries during the last year of service.
- 4) Pension on retirement at pension age - 2.2% of final average emoluments per year of continuous service.
- 5) Lump sum on retirement at pension age - 8.25% of final average emoluments per year of service.
- 6) Pension on retirement because of ill-health (minimum ten years continuous service) - pension as for retirement at pensionage.
- 7) Lump sum on retirement because of ill-health (minimum 10 years continuous service) - lump sum as for retirement at pension age.
- 8) Lump sum on retirement because of ill health (less than ten years continuous service) - the greater of the resignation benefitor twice the members contributions.
- 9) Surviving spouses pension on death in service - 1,2% of final average emoluments per year of continuous service that the member would have had at the pension age.
- 10) Surviving spouses pension on death of pensioner - 1,2% (0,77% in the case of a pensioner who retired before 1 July 1999) of final average emoluments per year of continuous service.
- 11) Lump sum on death in service - Annual pensionable emoluments.10.75% of final average salaries.
- 12) Withdrawal - members contribution plus 5/12% for each month of continuous service (the addition is approximately equal to compound interest at 10% a year) and increased by 5% for each complete year of service up to a maximum of 20 years. Benchmark

Investments

Domestic	R 9 541 175 000
International	R4 571 008 000
Membership	3 349

Liabilities and reserve

Accrued liability	R11 848 788 000
Risk reserve	R214 949 000
Prescribed minimum benefits	R836 101 000
Contribution reserve	R80 018 000
Balance of assets	(R985 977 000)

Natal Joint Municipal Pension Fund: (Retirement) actuarial valuation

An actuarial valuation was performed at 31 March 2021 by SNG Argen Actuarial Solutions.

The market value of the fund's assets was R4 806 932 000 as at 31 March 2021.

The regulations of the fund have been amended with effect from 1 July 2004, so that the Committee of Management is able to levy a separate surcharge on local authorities which grant excessive salary increases, thereby causing a financial strain on the fund to the detriment of other stakeholders.

Legislation does not oblige a fund to hold a Solvency Reserve for purposes of financial soundness. However, being financially sound only on the "best estimate" basis means that there is still a 50% chance of the Fund being in deficit in the future. Provisions of PF 117, the Circular issued by the FSCA setting out the level of solvency reserves that the FSCA considers reasonable as well as the guidelines set out in PF Notice No. 2 of 2016 were applied.

Benefits of the fund:

- 1) Members Contributions - 7 % of pensionable salaries.
- 2) Pension age 65 years.
- 3) Final average salary - average annual pensionable salaries during the last year of service.
- 4) Pension on retirement at pension age - 2.1% of final average emoluments per year of continuous service.
- 5) Lump sum on retirement at pension age - 5.5% of final average emoluments per year of service.
- 6) Pension on retirement because of ill-health (minimum ten years continuous service) - pension as for retirement at pensionage.
- 7) Ill health retirement (minimum 10 years continuous service) - Same as normal retirement.
- 8) Ill health retirement (less than ten years continuous service) - the greater of the of the resignation benefit or twice themember's contributions.
- 9) Surviving spouses pension on death in service - 1,05% of final average pensionable salaries per year of continuous service at date of death and 75% of potential service to the pension age.
- 10) Surviving spouses pension on death of pensioner - 1,2% (0,77% in the case of a pensioner who retired before 1 July 1999) of final average emoluments per year of continuous service.
- 11) Lump sum on death in service - Annual pensionable emoluments.10.75% of final average salaries.
- 12) Withdrawal - members contribution plus 5/12% for each month of continuous service (the addition is approximately equal to compound interest at 10% a year) and increased by 5% for each complete year of service up to a maximum of 20 years.

Benchmark

Investments

Domestic	R3 259 323 000
International	R1 619 458 000
Membership	1 278

Liabilities and reserve

Accrued liability	R3 778 245 000
Risk reserve	R84 937 000
Prescribed minimum benefits	R312 654 000
Contribution reserve	5 940
Balance of assets	R575 233 000

The Municipality does not apply "defined benefit accounting" to the defined benefit funds to which it is a member where these funds are classified in terms of GRAP 25 as multi-employer plans, as sufficient information is not available to apply the principles involved. The City contributes to the defined benefit plans, which are governed by the Pension Fund Act of 1956 due to the nature of these funds and the fact that there is no consistent and reliable basis for allocating the obligation. Plan assets and cost to individual entities participating in the plan, these funds are accounted for as defined contribution funds in terms of paragraph 31 of GRAP 25, the total contributions are included in employee related costs. As a result, GRAP 25 is applied and such funds are accounted for as defined contribution funds. The Municipality's participation in these plans is limited to the obligation of its own employees.

The NJMPF Superannuation and Retirement funds have been treated as defined contribution plans although they are defined benefit funds.

Figures in Rand	Note(s)	2022	2021
The employees of the Council as well as the Council as employer contribute to municipal pension, retirement and various provident funds as listed below:			
Associated Institution Pension Fund		-	50 329
Councillors Pension Fund		5 849 913	8 852 302
Government Employees Pension Fund		2 519 591	2 717 297
Natal Joint Pension Fund		91 294 991	97 146 646
Natal Joint Provident Fund		134 596 112	124 776 655
South African Local Authorities Pension Fund		660 682	782 083
		234 921 289	234 325 312

21. Employment benefit obligations

Post employment medical aid

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 between 60% and 65% subsidy.

Continuation members and their eligible dependants receive a 60% subsidy, with the exception of continuation members who retired prior to 2004, who receive a 65% subsidy. Members' individual subsidy rates were provided.

Upon a member's death-in-service, surviving dependants are entitled to commence receipt of the same post-employment subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

All post-employment subsidies are subject to a maximum subsidy. The maximum for the year ending 30 June 2023 is an assumed value of R 5,011.78 per member per month, which is the previous year's maximum of R 4,773.12 increased by 5.00% (the assumed 1 July 2022 general salary increase). The maximum subsidy amount has been assumed to increase in future at 75% of salary inflation.

The municipality's employees and councillors are members on 6 accredited medical aid schemes, namely:

- 1) Bonitas
- 2) Discovery Health
- 3) Hosmed
- 4) Key-Health
- 5) LA Health
- 6) SAMWU Med

Pensioners continue on the option they belonged to on the day of their retirement.

The latest actuarial valuation was performed by Arch Actuarial Consulting for the period ended 30 June 2022.

The valuation undertaken in accordance with the requirements of Professional Guidance Note (PPN) 301 of the Actuarial Society of South Africa.

The expert is independent and an approved pension fund valuator and a member of the Actuarial Society of South Africa (ASSA).

According to the last valuation the accrued liability amounted to R547 258 001 (2021: R512 371 001).

Long service awards

The Municipality offers employees Long Service Awards (LSA) for every five years of service completed, from five years of service to 45 years of service, inclusive.

Employees' LSA are based on basic salary.

On termination of service of an employee with five or more years of service, for reasons of retirement after reaching pensionable age (excludes early retirement), medical incapacity or retrenchment, the above leave award is paid on a pro-rata basis. The pro-rata factor applicable is the number of years of service since an employee's most recent service milestone, divided by five.

An employee may choose to take the long service leave due to him/her or encash it. Whatever the employee chooses, it must be done in the same leave year in which he/she qualified for such leave.

Figures in Rand	Note(s)	2022	2021
The amounts recognised in the Statement of Financial Position are as follows:			
Carrying value			
Long service awards		(83 588 000)	(83 089 000)
Post employment medical aid		(547 258 001)	(512 371 001)
		(630 846 001)	(595 460 001)
Non-current liabilities		(589 320 000)	(555 608 000)
Current liabilities		(41 526 001)	(39 852 001)
		(630 846 001)	(595 460 001)
Current			
Long service awards		(11 458 000)	(12 148 000)
Post employment medical aid		(30 068 001)	(27 704 001)
		(41 526 001)	(39 852 001)
Non current			
Long service awards		(72 130 000)	(70 941 000)
Post employment medical aid		(517 190 000)	(484 667 000)
		(589 320 000)	(555 608 000)
Changes in the present value of post employment medical aid benefit obligation are as follows:			
Opening balance		(512 371 001)	(470 193 001)
Current service cost		(13 314 000)	(11 309 000)
Interest cost		(49 136 000)	(45 590 000)
Benefits paid		28 946 351	28 513 424
Actuarial gain/(loss)		(1 383 351)	(13 792 424)
		(547 258 001)	(512 371 001)

Figures in Rand	Note(s)	2022	2021
Changes in the present value of long service awards obligation are as follows:			
Opening balance		(83 089 000)	(75 821 000)
Interest cost		(7 046 000)	(5 032 000)
Current service cost		(7 212 000)	(6 863 000)
Actuarial gain/(loss)		2 887 671	(4 397 732)
Benefits paid		10 871 329	9 024 732
		(83 588 000)	(83 089 000)

The total post employment medical aid benefit obligation increased by R34 887 000 (7%) from the previous valuation attributed to the following reasons:

- 1) An increase in the average age which means members are closer to retirement, which in turn results in less discounting.
- 2) An increase in the average age also diminishes the likelihood of members to leave before retirement.
- 3) The average in service non member liability increased.
- 4) The increase in the number of continuation members.

The significant decrease in the actuarial loss of 90% is attributed to the net effect of changes in the net discount rates, subsidy increases higher than assumed, changes to membership profile different from assumed and actual benefits vested greater than expected.

The total long service awards liability increased by R499 000 (1%) due to the following reason:

- 1) There are 36 more eligible employees compared to the previous year.

Net expense recognised in the Statement of Financial Performance (Post employment medical aid)

Current service cost	(13 314 000)	(11 309 000)
Interest cost	(49 136 000)	(45 590 000)
Actuarial (loss)/gain	(1 383 351)	(13 792 424)
	(63 833 351)	(70 691 424)

Net expense recognised in the Statement of Financial Performance (Long service awards)

Interest cost	(7 046 000)	(5 032 000)
Current service cost	(7 212 000)	(6 863 000)
Actuarial/(loss)/gain	2 887 671	(4 397 732)
	(11 370 329)	(16 292 732)

Key assumptions used (Post employment medical aid)

Assumptions used at the reporting date:

Discount rates used	11,01 %	9,85 %
Health care inflation rate	7,85 %	6,65 %
Maximum subsidy inflation rate	5,51 %	4,61 %
Proportion with a spouse dependent at retirement	60,00 %	60,00 %
Continuation of membership retirement	75,00 %	75,00 %

The average retirement age is: 62 years.

Mortality during employment: SA 85 -90.

Mortality post-employment: PA(90) -1 with a 1% mortality improvement p.a. from 2010

The projected unit credit method is used as the standard valuation methodology for the valuation of the liability at the reporting date.

Other assumptions

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change is assumed in healthcare care inflation and discount rates changes and would have the following effect liability:

	One percentage point increase	One percentage point decrease
Health care inflation rate (8%/ -9% change)	590 497 000	499 297 000
Discount rate (-11%/13% change)	488 835 000	618 698 000

Amounts for the current and previous four years are as follows:

	2022	2021	2020	2019	2018
Defined benefit obligation	547 258 000	512 371 000	470 193 000	526 822 000	629 855 000
Surplus (deficit)	(547 258 000)	(512 371 000)	(470 193 000)	(526 822 000)	(629 855 000)
Experience adjustments on plan liabilities ((gain)/loss)	3 760 000	(17 252 000)	(16 924 000)	(22 837 000)	(17 781 000)

Figures in Rand	Note(s)	2022	2021
Total contribution to medical aid (employer and employees)			
Bonitas		28 728 490	28 181 153
Discovery		454 933	499 599
Hosmed		450 184	433 492
Key Health		26 052 015	28 054 783
LA Health		86 366 118	81 704 578
Profmed		60 660	176 118
Samwumed		3 570 012	3 456 163
		145 682 412	142 505 886

Experience adjustments are the effects of differences between the previous actuarial assumptions and what has actually occurred.

Key assumptions used (Long service awards)

The long service awards provision represents the amount of money that should be set aside in present day terms to cover all expected long service awards for current employees.

The long service award provision is created to ensure adherence to SALGA collective agreement requirements. The liability was estimated by an Actuary in terms of GRAP 25 (Employee Benefits).

Long service awards payments are expected on the anniversary of appointment for all the qualifying employees.

At the reporting date there were no future events that could affect the future payment costs for long service awards.

As at 30 June 2022, the liability was estimated by experts, Arch Actuarial Consulting.

The key assumptions used by the experts were:

Net effective discount rate- 3.20%

Average retirement age- 62 years

Mortality during employment- SA 85-90

The projected unit credit method is used as the standard valuation methodology for the valuation of the liability at the reporting date.

22. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Expanded Public Parks Programme	-	469 014
Neighbourhood Development Partnership Grant	70 702	1 070 247
Public Transportation Infrastructure Grant	-	50 446 079
Water Services Infrastructure Grant	18 715	-
Greater Edendale Development Initiative	105 990 396	99 595 434
Housing Accreditation	8 832 225	10 064 740
Informal Economy Infrastructure Development	81 854	1 719 951
Jika Joe Community Residential Units	-	7 909 450
Library	7 512 207	6 445 855
Manaye Area Precinct Upgrade	-	761
Pietermaritzburg Airport	47 442	359 982
Operation Dlulisumlando	-	1 136 990
Tatham Art Gallery	38 801	18 939
Youth Enterprise Park	190 805	136 270
Eastwood Primary Substation	6 077 724	-
Corridor Development (Heroes Acre Memorial Park)	6 606 654	-
Municipal Disaster Response Grant	620 000	-
	136 087 525	179 373 712

Figures in Rand	Note(s)	2022	2021
Movement during the year			
Balance at the beginning of the year		179 373 712	180 851 130
Funds paid back to National Treasury		(469 000)	(43 000)
Current year receipts		395 037 710	569 800 865
Current year interest received		5 105 034	2 390 850
Transfer to MHOA (Repayment of bridgefunded INEP expenditure for 2020/2021)		(8 769 502)	-
Transfer of savings on Operation Dlulisumlando to own revenue		(50 186)	-
Transfer of VAT on Jika Joe project to own revenue		(6 876 324)	-
VAT recovered from grant		(43 271 357)	(54 992 924)
Conditions met - transferred to revenue		(383 992 562)	(518 633 209)
		136 087 525	179 373 712

The extent of government grants recognised in the Statement of Financial Performance relates to the extent of the grant conditions having been met.

Refer to Appendix D for details of Unspent Conditional Grants, Receipts and Transfers from National, Provincial, Government and other departments.

See note 40 for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

23. VAT payable

VAT payable		178 111 817	179 672 591
VAT Reconciliation			
Accrued output tax		379 757 916	325 591 206
Accrued input tax		(193 780 864)	(135 257 921)
VAT refund (due)/payable (from)/to SARS		(7 865 235)	(10 660 694)
		178 111 817	179 672 591

VAT is claimed on a payment basis.

All VAT returns have been submitted by the due date throughout the year.

Only once an invoice is paid is VAT claimed and receivable from SARS.

24. Accumulated surplus

Ring-fenced internal funds and reserves within accumulated surplus - 2022

	Accumulated surplus	Insurance reserve	COVID reserve	Total
Opening balance	7 937 573 357	10 953 735	32 311 434	7 980 838 526
Interest earned on COVID	(1 688 272)	-	1 688 272	-
Interest earned on insurance reserve	(20 999)	20 999	-	-
Interest earned on CRR	(61 010)	-	-	(61 010)
Interest earned on HDF	(1 798 165)	-	-	(1 798 165)
Transfer out of insurance reserve	10 400 849	(10 400 849)	-	-
Transfer to/from COVID	1 329 697	-	(1 329 697)	-
Deficit	(725 548 670)	-	-	(725 578 670)
	7 220 156 787	573 885	32 670 009	7 253 400 681

Ring-fenced internal funds and reserves within accumulated surplus - 2021

	Accumulated surplus	Insurance reserve	COVID reserve	Total
Opening balance	7 858 871 204	19 790 045	17 159 750	7 895 820 999
Prior period error	30 329 918	-	-	30 329 918
Cash utilised for capital expenditure	1 352 938	-	-	1 352 938
Interest earned on COVID	(547 968)	-	547 968	-
Interest earned on insurance reserve	(18 274)	18 274	-	-
Interest earned on CRR	(23 957)	-	-	(23 957)
Interest earned on HDF	(1 597 772)	-	-	(1 597 772)
Transfer out of insurance reserve	8 854 584	(8 854 584)	-	-
Transfer to/from COVID	(14 603 716)	-	14 603 716	-
Surplus	54 956 400	-	-	54 956 400
	7 937 573 357	10 953 735	32 311 434	7 980 838 526

Figures in Rand	Note(s)	2022	2021
25. Capital replacement reserve			
Based on the approval by the strategic management committee on the 7th April 2015 the CRR was created by transferring funds of R151 935 999 from the accumulated surplus. This reserve will be used for the funding of property, plant and equipment.			
Included in the reserve is an amount of R61 010 (2021: R23 957) in respect to interest earned on the reserve.			
The CRR is a cash backed reserve			
Opening balance		724 892	2 053 876
Utilised for capital expenditure		-	(1 352 943)
Interest earned		61 010	23 959
		785 902	724 892
26. Housing development fund			
Accumulative HDF utilisation		71 437 358	60 869 641
Loans extinguished by Government on 1 April 1988		34 256 892	34 256 892
		105 694 250	95 126 533
27. Revaluation reserve			
Opening balance		95 137 597	95 264 535
Change during the year		213 303	(126 938)
		95 350 900	95 137 597
28. Agency services			
Commission earned on driver's licenses renewals		2 139 483	1 931 382
29. Interest - consumer debtors and receivables			
Electricity		9 722 333	2 609 293
Property rental		635 082	745 945
Sanitation		16 600 379	17 156 170
Service charges		9 446 666	16 711 883
Waste management		9 113 413	9 963 701
Water		103 444 826	97 124 912
		148 962 699	144 311 904
30. Interest received bank, call and investment accounts			
Bank		767 040	118 945
Short term investments		9 678 030	8 336 974
		10 445 070	8 455 919
31. Licences and permits			
Taxi ranks		196 978	109 361
Abnormal loads		628 730	292 574
Trading		113 761	163 734
Market porters		44 741	37 120
		984 210	602 789
32. Operational revenue			
Skills development levy		1 285 808	1 460 320
Breakages and losses recovered		6 786	2 876
Commission insurance		704 805	726 809
Incidental cash surplus		1 324	4 998
Commission - transaction handling fees		16 576 760	19 498 229
Landing fees		2 090 039	1 325 522
Passenger levy		3 824 359	1 780 400
Collection charges		18 417 734	17 758 554
Administration and handling fees		2 294 054	1 437 856
Request for information - plan printing and duplicates		27 053	9 857
Bursary refund		19 317	501 777

Figures in Rand	Note(s)	2022	2021
Sale of property		-	167 981
Merchandising, jobbing and contracts		9 303 162	-
Staff recoveries		528	477
		54 551 729	44 675 656
33. Rental of facilities and equipment			
Premises			
Non-residential		17 986 626	6 961 657
Residential		7 032 131	7 449 058
		25 018 757	14 410 715
Facilities and equipment			
Rental of facilities		396 551	148 196
		25 415 308	14 558 911
34. Rendering of services			
Building plan approval		1 935 657	1 923 379
Cemetery and burial fees		5 190 053	3 878 397
Entrance fees		176 778	6 704
Fire services		811 125	249 752
Legal fees		23	371 007
Management fees		191 516	143 181
Parking fees		18 104	84 346
Rates clearance certificates		1 583 030	1 544 875
Sign application fee		746 666	517 427
Town planning and servitudes		568 452	302 455
Wayleave tariffs		11 731	102 832
		11 233 135	9 124 355
35. Sale of goods			
Cleaning and removal		54 128	24 207
Buyer's card		45 075	37 079
Demolition application fees		275	108
Sub-division and consolidation		50 511	50 218
Tender documents		62 885	46 548
Valuation services		16 574	22 165
Waste paper		10 617	15 496
		240 065	195 821
36. Service charges			
Sale of electricity		2 549 854 260	2 152 783 170
Sale of water		773 657 197	773 169 373
Sanitation		182 241 050	167 102 484
Refuse removal		114 118 706	113 696 636
		3 619 871 213	3 206 751 663
Reconciliation			
Gross revenue billed			
Sale of electricity		2 551 570 145	2 150 014 371
Sale of water		792 074 469	770 001 503
Sanitation		192 428 906	183 224 892
Refuse removal		112 986 500	113 749 074
		3 649 060 020	3 216 989 840
Less: Revenue foregone free basic services			
Sale of electricity		(413 993)	(170 276)
Sale of water		(3 050 862)	(4 643 713)
Sanitation		(12 372 368)	(18 430 498)
Refuse removal		(30 424)	(13 905)
Net Service charges		3 633 192 373	3 193 731 448

Figures in Rand	Note(s)	2022	2021
37. Property rates			
Rates per category			
Commercial		236 472 152	292 274 155
Farm properties		509 919	(923 968)
Unauthorised use		13 562 683	18 911 836
Small home business		-	(49 322)
Industrial		127 732 459	130 261 674
Public benefit organisation		2 215 484	867 892
Residential		706 384 717	672 148 958
Communal land - other		3 301 024	2 521 600
State		41 939	698 319
Mining		405 447	106 720
Public service purpose		120 722 780	115 512 441
		1 211 348 604	1 232 330 305
Reconciliation			
Gross revenue billed			
Property rates		1 303 071 038	1 247 058 231
		1 303 071 038	1 247 058 231
Less: Revenue foregone free basic services			
Rebates property rates		(85 798 824)	(42 381 917)
Net Property rates		1 217 272 214	1 204 676 314
Valuations			
Agriculture		452 132 000	443 200 000
Commercial/Mining/Industrial/Unauthorised		23 519 125 766	24 939 127 138
Municipal properties		974 000	21 574 000
Residential		49 457 005 473	49 886 871 973
Rural communal land		203 416 000	165 726 000
Public Benefit Organisation		983 186 000	963 786 000
Public Service Infrastructure		212 832 635	212 322 635
Public Service Property		5 108 229 000	4 826 478 000
Vacant land		2 126 205 700	2 285 276 700
		82 063 106 574	83 744 362 446
Rate randage are as follows:			
		Rate per category 2022	Rate per category 2021
Agriculture		0,0034	0,0032
Public Service Property		0,0244	0,0232
Residential		0,0139	0,0132
Rural communal land		0,0189	0,0179
Public Benefit Organisation		0,0034	0,0032
Public Service Infrastructure		0,0034	0,0032
Vacant land		0,0252	0,0239
Commercial		0,0244	0,0232
Mining		0,0244	0,0232
Industrial		0,0244	0,0232
Unauthorised		0,0433	0,0411
Municipal property		0,0244	0,0232
Sectional Title Garages		0,0139	0,0132

Valuations on land and buildings are performed every 4 years in terms of the Municipal Property Rates Act. The last general valuation came into effect on 1 July 2019. Interim/ Supplementary valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

The significant decline from R 21 574 000 to R 974 000 in the Municipal properties resulted from the property

N0FT00000001496700000 (R 20 600 000) being removed from this category to the Mining category. The mining category is therefore, R26 070 000 in value, where previously it was R5 470 000.

Figures in Rand	Note(s)	2022	2021
38. Interest from non-exchange receivables			
Property rates		50 189 792	38 479 755
39. Fines, penalties and forfeits			
Building fines		30 463	14 000
Law enforcement fines		299 018	277 334
Overdue books fines		8 398	-
Court traffic fines		14 127 350	15 718 700
Tender withdrawal penalties		23 744	52 001
		14 488 973	16 062 035
40. Government grants and subsidies			
Operating grants			
Equitable Share		616 262 000	682 403 000
Municipal Infrastructure Grant		6 107 918	10 493 133
Expanded Public Works Programme		3 516 014	3 918 986
Finance Management Grant		1 900 000	1 700 000
Public Transport Infrastructure Grant		23 042	10 840 834
Housing Accreditation		4 663 110	33 724 163
Greater Edendale Development Initiative		3 222 622	1 249 599
Tatham Art Gallery		421 883	744 109
Library		15 381 529	9 265 622
Housing Projects		9 106 293	1 231 264
Water Services Infrastructure Grant		19 986 410	-
Municipal Disaster Relief Grant		-	1 192 000
Operation Dlusumlando		1 086 804	363 010
CBD Revitalisation		-	300 000
		681 677 625	757 425 720
Capital grants			
Manaye Area Precinct Upgrade		-	210 119
Informal Economy Infrastructure Development		1 700 456	2 324 673
Municipal Infrastructure Grant		203 223 082	193 940 410
Integrated National Electrification Programme		11 230 498	-
Neighbourhood Development Partnership Grant		34 999 545	16 930 754
Public Transport Infrastructure Grant		62 323 037	167 291 661
Housing Accreditation		1 785 915	512 954
Greater Edendale Development Initiative		2 545 502	12 892 132
Library		399 257	5 882 335
Pietermaritzburg Airport		326 219	2 173 164
Youth Enterprise Park		140 025	2 595 863
Water Services Infrastructure Grant		19 994 875	44 804 151
Tatham Art Gallery		81 475	142 347
Jika Joe Community Residential Units		20 895 493	48 902 854
Eastwood Primary Substation		9 079 238	-
		368 724 617	498 603 417
		1 050 402 242	1 256 029 137

Government grants and subsidies

Included in above are the following grants and subsidies received:

Equitable Share	616 262 000	682 403 000
Operating grants	62 501 911	73 950 537
Capital grants	321 490 649	444 682 672
VAT recovered - operating grants	2 913 714	1 072 182
VAT recovered - capital grants	47 233 968	53 920 746
	1 050 402 242	1 256 029 137

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Figures in Rand	Note(s)	2022	2021
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In terms of section 227 of the Constitution, the Equitable Share grant provides funding for the municipality to deliver free basic services to poor households and subsidises the cost of administration and other core services for the municipality.

Energy Efficiency and Demand Side Management Grant

Balance unspent at beginning of year		-	664
Funds paid back to National Treasury		-	(664)
		-	-

The energy efficiency and demand-side management grant is provided to implement energy-efficiency projects, with a focus on public lighting and energy-efficient municipal infrastructure.

Expanded Public Works Programme

Balance unspent at beginning of year		469 014	-
Funds paid back to National Treasury		(469 000)	-
Current year receipts		3 516 000	4 388 000
VAT recovered from grant		(41 692)	-
Conditions met - transferred to revenue		(3 474 322)	(3 918 986)
		-	469 014

Conditions still to be met - remain liabilities (see note 22).

The purpose of the grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP Guidelines:

1. Road maintenance and the maintenance of buildings
2. Low traffic volume roads and rural roads
3. Basic services infrastructure, including water and sewer reticulation, sanitation and pipelines (excluding bulk infrastructure)
4. Other economic and social infrastructure
5. Tourism and cultural industries
6. Waste management
7. Parks and beautification
8. Sustainable land-based livelihoods
9. Social services programmes
10. Community safety programmes

Finance Management Grant

Current year receipts		1 900 000	1 700 000
VAT recovered from grant		(131 943)	(91 083)
Conditions met - transferred to revenue		(1 768 057)	(1 608 917)
		-	-

The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act.

Integrated National Electrification Programme

Balance unspent at beginning of year		-	-
Current year receipts		20 000 000	-
Transfer to MHOA (Repayment of bridge funded INEP expenditure for 2020/2021)		(8 769 502)	-
VAT recovered from grant		(849 504)	-
Conditions met - transferred to revenue		(10 380 994)	-
		-	-

The purpose of the grant is to implement the Integrated National Electrification Programme by providing capital subsidies to municipalities to address the electrification backlog in all existing and planned dwellings (including informal settlements, farm dwellings, new and existing dwellings) and the installation of relevant bulk infrastructure.

A letter dated 15 February 2022 was received from National Treasury advising of their intention to stop the 3rd tranche of the INEP allocation amounting to R4 million which was due on the 25th February 2022. The reason for stopping was due to Msunduzi under performing in terms of the grant allocation.

In the Government Gazette 46095 dated 25th March 2022, the allocation for Msunduzi was reduced from R24 million to R20 million.

Figures in Rand	Note(s)	2022	2021
Municipal Disaster Relief Grant			
Balance unspent at beginning of year		-	1 192 000
VAT recovered from grant		-	(129 897)
Conditions met - transferred to revenue		-	(1 062 103)
		-	-

Funding received for response and intervention measures for COVID-19 pandemic. The approved funding is meant to augment the resources of the municipality with regard to the following prioritised areas: a) Sanitation; b) Decontamination of specific selected municipal spaces; Personal Protective Equipment, and hygiene packs; and c) Waste management Municipal Infrastructure Grant

Balance unspent at beginning of year		-	10 712 542
Current year receipts		209 331 000	193 721 000
VAT recovered from grant		(24 823 847)	(24 275 494)
Conditions met - transferred to revenue		(184 507 153)	(180 158 048)
		-	-

The funding has been provided:

1. For addressing specific capital projects for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.
2. For for the development of asset management plans for infrastructure servicing the poor.

Neighbourhood Development Partnership Grant

Balance unspent at beginning of year		1 070 247	43 336
Funds paid back to National Treasury		-	(42 336)
Current year receipts		34 000 000	18 000 000
VAT recovered from grant		(4 565 158)	(2 208 359)
Conditions met - transferred to revenue		(30 434 387)	(14 722 394)
		70 702	1 070 247

Conditions still to be met - remain liabilities (see note 22).

Funding provided to plan, catalyse and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, and access to opportunities for residents in targeted locations, underserved neighbourhoods, generally townships and rural towns.

Public Transportation Infrastructure Grant

Balance unspent at beginning of year		50 446 079	94 578 575
Current year receipts		11 900 000	134 000 000
VAT recovered from grant		(7 873 889)	(22 383 251)
Conditions met - transferred to revenue		(54 472 190)	(155 749 245)
		-	50 446 079

Conditions still to be met - remain liabilities (see note 22).

Funding provided for accelerated planning, construction and improvement of public and non-motorised transport Infrastructure that form part of the municipal integrated public transport network (IPTN) and to support the planning, regulation, control, management and operations of fiscally and financially sustainable municipal public transport network services.

In the Government Gazette 46095 dated 25th March 2022, Msunduzi was allocated an amount of R11,9 million which was received on the 28th March 2022.

Water Services Infrastructure Grant

Balance unspent at beginning of year		-	248 151
Current year receipts		40 000 000	44 556 000
VAT recovered from grant		(4 985 325)	(5 904 841)
Conditions met - transferred to revenue		(34 995 960)	(38 899 310)
		18 715	-

Conditions still to be met - remain liabilities (see note 22).

Figures in Rand	Note(s)	2022	2021
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The purpose of the grant is:

- To facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural.
- To provide basic and intermittent water and sanitation supply that ensure provision of services to identified and prioritised communities, including through spring protection and groundwater development.
- To support municipalities in implementing water conservation and water demand management (WC/WDM) projects.
- To support the close out of the existing bucket eradication programme intervention in formal residential areas.
- To support drought relief programmes in affected municipalities.

CBD Revitalisation

Current year receipts	-	300 000
Conditions met - transferred to revenue	-	(300 000)
	-	-

Funding has been provided by the Department of Economic Development, Tourism and Environmental Affairs for the revitalisation of the City centre, The area that will be revitalised is the central mall area, Church Street between Chief Albert Luthuli and Peter Kerchoff. This will entail the removal of the fountains and tree stumps and to repave the central mall area with eco-pavers made from recycled plastic material and purchased by citizens. Pavers are to be laid in a substrate of recycled crushed glass instead of sand. All the property owners in the area will be contacted to request their assistance in doing up their building facades and to ask for a contribution towards the initiative, from which contribution the purchase of curbing made from recycled plastic, paint bollards and vendor stands, replace bins etc can be done.

Greater Edendale Development Initiative

Balance unspent at beginning of year	99 595 434	14 436 496
Current year receipts	8 158 820	98 000 000
Current year interest received	4 004 267	1 300 669
Conditions met - transferred to revenue	(5 768 125)	(14 141 731)
	105 990 396	99 595 434

Conditions still to be met - remain liabilities (see note 22).

The funding was provided by the Department of Human Settlements for the following:

- To support GIS with the interrogation of housing layout against services in Edendale.
- To support the finalisation of the town planning scheme.
- For the development of an integrated land use management system for Edendale.
- To value additional properties which are not within the 5 priority housing projects.
- For advertising costs for expropriation of properties.
- For costs relating to tenure conflicts, cadastral and deed office rectification.
- For Increasing the resources for sales administration with regard to drawing up, signing and managing sales agreements.
- For the provision of further training for personnel using GIS and property tracking systems.
- For employment of two planning interns to be employed by the Land Legal Committee for a period of two years.

Balance unspent at beginning of year	10 064 740	29 829 350
Current year receipts	4 853 172	3 401 916
Current year interest received	363 338	681 590
Conditions met - transferred to revenue	(6 449 025)	(34 237 116)
Transfer from Jika Joe Community Residential Units	-	10 389 000
	8 832 225	10 064 740

Housing Accreditation

Conditions still to be met - remain liabilities (see note 22).

Funding provided for Level 1 accreditation subsidy for the operation of the Housing Delivery Unit within Msunduzi Municipality.

In the Provincial Government Gazette No 2355 dated 23 December 2021, the allocation for Msunduzi was increased from R4 264 000 to R4 839 000.

Housing Projects

Current year receipts	9 106 293	1 231 264
Conditions met - transferred to revenue	(9 106 293)	(1 231 264)
	-	-

Funding provided by Department of Human Settlements for implementation of Housing Projects as follows:

- Harewood Informal Settlement Upgrade Housing Project No K15020002 - Implementation of Stage 1 activities on 1000 housing units.
- The Kwa 30 Informal Settlement Upgrade Housing Project No K15080001 - Implementation of Stage 1 activities on 400 housing units.
- Khalanyoni Informal Settlement Upgrade Housing Project No K15080002 - Implementation of Stage 1 activities on 1000 housing units.
- Mkhondeni Informal Settlement Upgrade Housing Project No K20011125 - Implementation of Stage 1 activities on 2000 housing units.

Figures in Rand	Note(s)	2022	2021
5. eThembeni IRDP Project No K15110002/1 - Implementation of Stage 1 activities on 2446 housing units.			
6. Bhubhonono and Masomini Housing project No K21080002 - Implementation of Stage 1 activities on 2000 housing units.			
7. Jika Joe Housing project - Social facilitation costs for 3015 dwellings.			

Informal Economy Infrastructure Development

Balance unspent at beginning of year		1 719 951	-
Current year receipts		-	4 000 000
Current year interest received		62 359	44 623
Conditions met - transferred to revenue		(1 700 456)	(2 324 672)
		81 854	1 719 951

Conditions still to be met - remain liabilities (see note 22).

Funding has been provided by the Department of Economic Development, Tourism and Environmental Affairs for the development of Informal economic infrastructure. Funding is to be used for the refurbishment of 250 existing informal trading stalls as well as the provision of additional support facilities and services in the Msunduzi Municipality CBD.

Jika Joe Community Residential Units

Balance unspent at beginning of year		7 909 450	24 872 619
Current year receipts		12 986 042	42 328 685
Conditions met - transferred to revenue		(14 019 169)	(48 902 854)
Transfer to Housing Accreditation		-	(10 389 000)
Transfer to own revenue		(6 876 323)	-
		-	7 909 450

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Human Settlements for the addressing of the housing backlog in the Municipality, and rental stock has been identified as a strategic intervention in addressing the formal accommodation needs. The Jika Joe project has been identified as a priority to address the Jika Joe informal settlement. The project also aims to relocate the residents from the existing Masukwana Street temporary housing and the removal of the of structures.

Project funding for Jika Joe project is inclusive of VAT. The Department of Human Settlements and Msunduzi Municipality on 25 February 2019 entered into an addendum to memorandum of agreement for the adjustment of the Value added Tax from 14% to 15%. Provincial Treasury approved the rollover of unspent balances which was VAT on claims submitted to Department of Human Settlements in the 2019/ 2020 and 2020/2021 financial year. Council approved a once the portion of the VAT on claims submitted is utilised in the project for prepaid water meters and temporary houses that were not funded by the Provincial Department of Human Settlement, the remaining balance be transferred to the Municipality as own revenue at the end of the financial year and subsequent years thereafter.

Library

Balance unspent at beginning of year		6 445 855	221 889
Current year receipts		16 363 000	21 186 000
Current year interest received		484 138	185 922
Conditions met - transferred to revenue		(15 780 786)	(15 147 956)
		7 512 207	6 445 855

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Arts and Culture for the provision of library services.

Manaye Area Precinct Upgrade

Balance unspent at beginning of year		761	204 370
Current year interest received		26	6 510
Conditions met - transferred to revenue		-	(210 119)
Transfer to Youth Enterprise Park		(787)	-
		-	761

Conditions still to be met - remain liabilities (see note 22).

Funds received from Cooperative Governance and Traditional Affairs for the Manaye Area Precinct Upgrade in order to assist the municipality in fulfilling the developmental mandate and achieving the outcome of improving the lives of the communities through the implementation of the Corridor Development Programme that contributes towards creating an enabling environment for economic growth and job creation.

Figures in Rand	Note(s)	2022	2021
Pietermaritzburg Airport			
Balance unspent at beginning of year		359 982	-
Current year receipts		-	2 500 000
Current year interest received		13 679	33 146
Conditions met - transferred to revenue		(326 219)	(2 173 164)
		47 442	359 982

Conditions still to be met - remain liabilities (see note 22).

The funding has been provided by the Economic Development, Tourism and Environmental Affairs for the improvement of the safety and security infrastructure of the Pietermaritzburg Airport.

Operation Dlulisumlando

Balance unspent at beginning of year		1 136 990	1 500 000
Conditions met - transferred to revenue		(1 086 804)	(363 010)
Transfer to own revenue		(50 186)	-
		-	1 136 990

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Office of the Premier to support the establishment and implementation of the Dlulisumlando Project, a national historical development initiative and imperative.

Tatham Art Gallery

Balance unspent at beginning of year		18 939	395 076
Current year receipts		515 000	488 000
Current year interest received		8 220	22 318
Conditions met - transferred to revenue		(503 358)	(886 455)
		38 801	18 939

Conditions still to be met - remain liabilities (see note 22).

Funds provided by the Provincial Department of Arts and Culture for Tatham Art Gallery to provide financial support to the municipality with a focus on the development and maintenance of Museum care and the preservation of the cultural heritage.

Youth Enterprise Park

Balance unspent at beginning of year		136 270	2 616 061
Current year receipts		188 382	-
Current year interest received		5 391	116 072
Transfer from Manaye		787	-
Conditions met - transferred to revenue		(140 025)	(2 595 863)
		190 805	136 270

Conditions still to be met - remain liabilities (see note 22).

Funds received from Cooperative Governance and Traditional Affairs for Youth Enterprise Park which emerged to address the challenges of finding appropriate localities for businesses. The concept of the park will be to cluster a purpose built park of 30 to 50 container enterprises in a particular locality either in community, small town or rural district or as part of urban or rural renewal programmes. The programme will also offer on site training facilities and support micro enterprises that operate within the park. The idea is to create a purpose built precinct at scale where the local community is able to take up local economic community opportunities to establish businesses. The Youth Enterprise Park should fundamentally be able to reconnect the economy with communities whose needs offer economic opportunity for its local entrepreneurs.

Eastwood Primary Substation

Balance unspent at beginning of year		-	-
Current year receipts		15 000 000	-
Current year interest received		156 962	-
Conditions met - transferred to revenue		(9 079 238)	-
		6 077 724	-

Conditions still to be met - remain liabilities (see note 22).

Funding has been provided by the Department of Cooperative Governance and Traditional Affairs for the electrification project Eastwood 132/11kv primary substation infrastructure, building of 132kv over head lines and refurbishment of the 132kv primary substation.

Figures in Rand	Note(s)	2022	2021
Eastwood was established to cater for the local growth in the industrial network between Riverside and Northdale Substations including to cater for the residential areas in the vicinity. This project will relieve the loads on the Riverside and Northdale Substation strengthening the network and allow for future load growth.			
The refurbishment of the Eastwood primary substation into effective service will bring a lot of benefits to the Willowton industrial area and the surrounding residential area.			
Corridor Development (Heroes Acre Memorial Park)			
Current-year receipts		6 600 000	-
Current year interest received		6 654	-
		6 606 654	-
Conditions still to be met - remain liabilities (see note 22).			
Funding has been provided by the Department of Cooperative Governance and Traditional Affairs.			
The Heroes Acre Memorial Park is a symbol of bravery and selflessness for the Moses Mabhida and Johnny Makhathini who played a significant role in the liberation struggle as exciled leaders of the South African Communist Party. In recognition of the liberation struggles, this project seeks to beautify, upkeep, maintain and repair of the Heroe's Acre as a place of honour, dignity and respect.			
The project was approved on 10 June 2022 by Cooperative Governance and Traditional Affairs for implementation in 2022/2023 financial year. This grant allocation has been gazetted in the Provincial gazette for the 2022/2023 financial year, however this funds was transferred to the Municipality on the 23 June 2022.			
Municipal Disaster Response Grant			
Balance unspent at beginning of year		-	-
Current-year receipts		620 000	-
		620 000	-
Conditions still to be met - remain liabilities (see note 22).			
Funds received from Cooperative Governance and Traditional Affair for responding to and providing response and relief measures for unforeseeable and unavoidable disasters within the municipal area.			
This funding was transferred to the municipality on the 30th June 2022.			
41. Other transfers			
Donations		-	2 103 876
Living resources (Non exchange)		60 000	93 500
		60 000	2 197 376
42. Bad debts written off			
Bad debts written off		83 779 107	390 096 130
Prior to write off of bad debts it must be proved that the debt has become irrecoverable and all reasonable steps were taken to recover the debt.			
Bulk purchases			
Electricity		2 212 724 552	1 906 837 267
Water		737 482 753	752 567 032
		2 950 207 305	2 659 404 299
44. Debt impairment			
Contribution to debt impairment		1 003 762 757	236 403 910
Reconciliation of debt impairment			
Electricity		45 923 122	(5 987 944)
Rates		145 402 503	161 387 056
Refuse		44 777 074	(2 468 056)
Property rental		34 320 394	(72 342 049)
Sanitation		82 258 523	10 642 282
Water		638 164 501	144 462 799
Total consumer debtors		990 846 117	235 694 088
Other financial assets		645 262	(14 264 928)
Statutory receivables - traffic fines		12 916 640	14 974 750
		1 004 408 019	236 403 910

Figures in Rand	Note(s)	2022	2021
45. Depreciation and amortisation			
Property, plant and equipment		359 608 355	366 183 434
Intangible assets		6 037 323	6 265 496
Living resources		53 636	83 107
		365 699 314	372 532 037
46. Employee related costs			
Municipal Staff			
Acting allowances		17 961 606	16 625 381
Basic salaries		835 458 906	806 618 634
Bargaining council		381 052	372 834
Bonus		66 562 546	64 376 155
Housing benefits and allowances		4 244 809	4 340 295
Leave pay provision		19 775 085	25 686 752
Long-service awards		27 794 892	25 708 631
Medical aid		65 721 060	63 779 739
Other allowances (tools, uniform, telephone etc)		19 319 916	7 959 406
Overtime payments		110 788 735	97 747 525
Pension contribution		161 170 078	159 441 813
Post employment medical aid benefit		62 450 000	56 899 000
Scarcity allowance		7 385 411	7 132 745
SDL		11 033 178	7 873 387
Standby allowance		25 047 888	27 330 451
Travel/Motor vehicle allowance		28 706 315	28 296 386
UIF		6 786 475	5 921 949
WCA		1 538 779	1 568 993
		1 472 126 731	1 407 680 076
Remuneration of City Manager			
Basic salary		1 045 975	1 394 633
Bargaining council		93	119
Contributions to UIF, medical and pension funds		190 516	253 908
Leave gratuity		105 808	-
Leave pay provision		-	11 941
		1 342 392	1 660 601
Remuneration of Chief Finance Officer			
Basic salary		1 228 641	1 228 641
Acting allowance		69 667	-
Bargaining council		124	119
Bonus		60 000	60 000
Contributions to UIF, medical and pension funds		121 833	121 691
Housing allowance		180 000	180 000
Leave pay provision		19 462	34 239
Phone allowance		14 400	14 400
Travelling allowance		176 493	176 493
		1 870 620	1 815 583
Remuneration of Chief Audit Executive			
Basic salary		1 200 226	1 159 639
Bargaining council		124	119
Bonus		100 019	96 637
Contributions to UIF, medical and pension funds		254 898	246 043
Housing allowance		11 574	11 574
Leave pay provision		14 288	33 593
Phone allowance		13 800	13 800
Travelling allowance		153 262	153 262
		1 748 191	1 714 667

Figures in Rand	Note(s)	2022	2021
Remuneration of General Manager: Corporate Services			
Basic salary		1 304 980	1 291 764
Bargaining council		124	119
Bonus		90 000	90 000
Contributions to UIF, medical and pension funds		236 937	234 416
Phone allowance		20 400	20 400
Leave pay provision		811	33 167
Travelling allowance		127 251	127 251
		1 780 503	1 797 117
Remuneration of General Manager: Sustainable Development and City Enterprises			
Basic salary		958 373	987 159
Bargaining council		124	119
Contributions to UIF, medical and pension funds		59 318	59 176
Leave pay provision		11 511	16 619
Phone allowance		14 400	14 400
Travelling allowance		338 550	383 145
		1 382 276	1 460 618
Remuneration of General Manager: Community Services			
Acting allowance		3 698	-
Basic salary		1 354 200	1 335 758
Bargaining council		124	119
Contributions to UIF, medical and pension funds		15 111	1 898
Leave pay provision		5 600	25 685
Phone allowance		20 400	20 400
		1 399 133	1 383 860
Remuneration of General Manager: Infrastructure Services			
Basic salary		1 354 200	902 800
Bargaining council		124	79
Contributions to UIF, medical and pension funds		2 040	1 303
Leave pay provision		7 155	9 065
Phone allowance		23 600	-
		1 387 119	913 247
The General manager: Infrastructure services was appointed 1st of November 2021.			
City Manager		1 342 392	1 660 601
Chief Finance Officer		1 870 620	1 815 583
Chief Audit Executive		1 748 191	1 714 667
General Manager: Corporate Services		1 780 503	1 797 117
General Manager: Sustainable Development and City Enterprises		1 382 276	1 460 618
General Manager: Community Services		1 399 133	1 383 860
Remuneration of General Manager: Infrastructure Services		1 387 119	913 247
Total section 57 employees		10 910 234	10 745 693
Municipal staff		1 472 126 731	1 407 680 076
		1 483 036 965	1 418 425 769
47. Finance costs			
Non-current borrowings		26 893 932	35 032 549
Trade and other payables		21 602	823 458
		26 915 534	35 856 007
The non-current borrowings finance costs relate to the DBSA loans (Refer to note 17 for further details)			
48. General expenses			
Air pollution monitoring		22 200	72 635
Air traffic control		4 244 614	4 513 942
Animal care		1 482 653	1 400 050
Artists and performers		17 408	70 000
Burial services		47 998	171 500
Business and financial management services		55 517 777	58 662 692

Figures in Rand	Note(s)	2022	2021
Cleaning services		6 961 976	8 940 897
Clearing and grass cutting services		6 134 225	1 474 359
Communications		982 583	196 455
Commission- prepaid electricity vendors		3 331 253	3 079 104
Connection/dis-connection		3 567 467	6 870 118
External security services		102 619 888	110 637 800
External sewerage services		-	184 407
Graphic designers		85 110	142 515
Infrastructure and planning consultancy		6 385 578	12 098 258
Legal costs		35 912 958	17 668 452
Medical services		118 496	93 198
Organisational transformation		2 601 165	2 682 474
Outsourced repairs and maintenance		208 951 557	112 985 183
Project management		24 272 875	21 045 558
Professional valuation services		1 821 497	1 735 265
Quality control - bacteriological		44 105	77 430
Refuse removal		4 150 017	2 509 873
Research and advisory		640 605	563 074
Sewerage services		222 909 092	181 752 114
Transportation		553 656	-
		693 376 753	549 627 353
49. Inventory consumed			
Consumables		81 812 717	54 936 995
Materials and supplies		2 494 935	3 221 326
		84 307 652	58 158 321
50. Operational costs			
Advertising		5 320 537	4 926 946
Bank charges		4 560 388	5 561 569
Bursaries (employees)		126 170	210 835
Catering municipal activities		1 504 018	156 002
Commission		14 155 299	13 239 834
Communication		5 669 994	12 124 313
Conferences and seminars		1 139 543	368 911
Drivers licenses and permits and other		1 746	3 240
Entertainment		16 957	50 762
External audit fees		12 136 245	11 028 784
External computer services		8 489 855	14 055 643
Insurance		13 071 919	8 854 584
Interest cost - provisions		6 680 957	6 680 957
IT expenses		25 484	21 430
Learnerships and internships		969 809	4 497 688
Motor vehicle expenses		5 202 774	4 311 365
Municipal services		11 856 671	19 514 250
Office decorations		64 858	155
Printing, publication and books		3 661 560	2 685 863
Signage		292 750	98 714
Subscriptions and membership fees		16 444 415	14 866 601
Storage of files		3 924	22 369
Title deed search fees		543	9 788
Travel - local		492 208	159 903
Uniform and protective clothing		8 517 418	5 441 387
		120 406 042	128 891 893
51. Operating leases			
Motor vehicles			
Contractual amounts		19 824 061	18 481 188
Equipment			
Contractual amounts		9 338 238	7 555 411
		29 162 299	26 036 599

Figures in Rand	Note(s)	2022	2021
52. Remuneration of councillors			
Mayor		1 368 792	1 430 078
Deputy Mayor		1 116 880	1 172 661
Speaker		1 110 085	1 170 604
Chief Whip		1 092 013	1 101 089
Executive Committee Members		8 351 621	8 871 127
Municipal Public Account Committee chairperson		1 022 587	1 081 372
Councillors		35 467 468	36 814 315
Total Remuneration of Councillors		49 529 446	51 641 246
Remuneration of Mayor			
Basic salary		1 100 919	1 155 131
Pension Contributions		165 138	173 270
Medical aid contributions		58 335	57 277
Phone allowance		44 400	44 400
		1 368 792	1 430 078
Remuneration of Deputy Mayor			
Basic salary		1 005 937	945 394
Medical aid contributions		16 844	39 558
Pension contributions		48 266	141 809
Phone allowance		45 833	45 900
		1 116 880	1 172 661
Remuneration of Speaker			
Basic salary		745 311	870 159
Medical aid contributions		52 515	50 339
Pension contributions		111 797	130 524
Phone allowance		44 400	45 900
Travelling allowance		156 062	73 682
		1 110 085	1 170 604
Remuneration of Chief Whip			
Basic salary		906 481	932 505
Medical aid contributions		24 995	19 865
Pension contributions		89 889	-
Phone allowance		36 333	42 900
Travelling allowance		34 315	105 819
		1 092 013	1 101 089
Remuneration of Executive Committee Members			
Basic salary		6 694 104	6 345 986
Housing allowance		28 423	-
Medical aid contributions		236 802	217 349
Pension contributions		512 456	951 898
Phone allowance		275 133	353 700
Travelling allowance		604 703	1 002 194
		8 351 621	8 871 127
Remuneration of other councillors			
Basic salary		27 143 856	24 374 603
Housing allowance		71 416	132 892
Medical aid contributions		1 223 798	1 460 593
Pension contributions		2 079 085	3 125 405
Phone allowance		2 277 867	2 838 724
Travelling allowance		2 671 446	4 882 098
		35 467 468	36 814 315

Figures in Rand	Note(s)	2022	2021
Municipal Public Accounts Committee Chairperson			
Basic salary		829 210	641 888
Medical aid contributions		32 187	39 558
Pension contributions		43 326	96 283
Phone allowance		33 383	44 400
Travelling allowance		84 481	259 243
		1 022 587	1 081 372
Other information			
The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time.			
53. Transfer and subsidies			
Grants paid to ME's			
Safe City Msunduzi NPC		12 416 889	11 793 834
Other subsidies			
Grant in aid		9 000 000	2 423 304
Injury on duty		1 811 361	1 754 682
Post retirement benefits		866 350	673 451
Arbitration awards		8 318 074	225 034
		19 995 785	5 076 471
		32 412 674	16 870 305
54. Actuarial gains/(losses)			
Long service		2 887 671	(4 397 732)
Post retirement benefit - medical aid		(1 383 351)	(13 792 424)
		1 504 320	(18 190 156)
55. Fair value adjustments on investment property			
Investment property (fair value model)		16 517 173	42 197 500
56. Fair value on agricultural assets			
Fair value on agricultural assets		(16 100 000)	21 054 552
57. Impairment loss			
Impairments			
Property, plant and equipment			
The procedure used to determine if the asset was impaired was to physically inspect the asset and determine if the asset was impaired and what factors contributed to the impairment and then comparing the condition, age and cost of the asset to the current records in the asset register and if there was a change this was then adjusted.			
Heritage assets			
A grading system which reflects the condition of each asset in relation to a monetary value whereby 0 indicated a 100% loss of value and 5 signified 100% retention of value with a sliding scale for the degree of damage apropos value was used to arrive at the impairment value.			
		(6 885 251)	(7 607 463)
		(26 267)	(122 720)
		(6 911 518)	(7 730 183)
58. Inventory losses			
Inventories losses		(2 687 271)	(3 655 242)
59. Cash generated from operations			
Deficit for year		(725 578 670)	54 956 400
Adjustments for:			
Depreciation and amortisation		365 699 314	372 532 037
(Gain) /loss on sale of assets		(4 361 951)	10 483 210
Fair value adjustments		(16 517 173)	(42 197 500)
Impairment loss		6 911 518	7 730 183
Debt impairment		1 003 762 757	236 403 910
Bad debts written off		83 779 107	390 096 130

Figures in Rand	Note(s)	2022	2021
Movements in retirement benefit assets and liabilities		35 386 000	49 446 000
Movements in provisions		4 090 654	2 268 367
Fair value on agricultural assets		16 100 000	(21 054 552)
Inventory losses		2 687 271	3 655 242
Donations and transfers -non cash		(60 000)	(2 197 376)
Changes in working capital:			
Inventories		(10 053 071)	(12 152 285)
Receivables from exchange transactions		(7 234 504)	395 490
Consumer debtors		(604 067 629)	(486 954 702)
Statutory receivables		(124 920 703)	(176 385 940)
Payables from exchange transactions		535 902 024	150 773 699
VAT		(1 560 774)	281 079
Transfers payable (non-exchange)		(1 623 412)	(1 276 829)
Unspent conditional grants and receipts		(43 286 187)	(1 477 418)
Consumer deposits		12 314 492	6 808 971
HDF - housing operating fund		8 769 552	-
		536 138 615	542 134 116

60. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government			
Current year subscription		859 758	902 345
Amount paid - current year		(859 758)	(902 345)
		-	-

Audit fees

Opening balance		210 569	386 104
Current year fees		12 136 245	11 028 784
Amount paid - current year		(11 801 964)	(10 818 215)
Amount paid - previous years		(210 569)	(386 104)
		334 281	210 569

PAYE and UIF

Opening balance		15 757 828	17 342 943
Current year contributions		211 333 069	198 170 380
Amount paid - current year		(209 800 477)	(199 755 495)
		17 290 420	15 757 828

Statutory payments are due by the 7th of the following month.

Pension and medical aid deductions

Opening balance		31 158 111	30 130 855
Current year contributions		380 603 702	377 858 454
Amount paid - current year		(379 875 630)	(376 831 198)
		31 886 183	31 158 111

Total medical aid and pension contributions are payable by the 4th and 7th of the following month respectively.

VAT

VAT payable		(178 111 817)	(179 672 591)
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Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days.

30 June 2022	Outstanding more than 90 days
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30 June 2021

Outstanding
more than 90
days

Alucia Mankoane	653
Cyril Emmanuel Simphiwe Dlungwane	4 265
Khethukuthula Brian Njokwe	43 692
Michael Ntshangase	41 127
Prudence Msimang	1 099
Nomalady Dlala	46 814
Siphamandla Madlala	4 173
Siphiwe Ndawonde	17 275
	159 098

Included in the consumer debtors impairment (Refer to note 7) is Councillors in arrears outstanding debt. The total councillors' impairment is Nil (2021:115 362)

Bad debts recognised in the Statement of Financial Performance relating to Councillors amounts to Nil (2021: Nil). Refer to note 42

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.

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to "dispense with official procurement processes established by the policy and to procure any required goods or services through any convenient process".

This would typically include urgent and emergency cases, single-source/sole providers of goods and services, and any other cases where it is impractical to follow normal SCM process. In the event of such a decision, the Accounting Officer is required to report this to the next council meeting for noting.

Figures in Rand	Note(s)	2022	2021
Deviations per category			
Advertisements		998 767	-
Health and safety		597 934	-
Legal		1 464 360	-
Other		100 094	-
Repairs and maintenance		1 215 219	2 249 271
Repairs to motor vehicles		14 975 354	12 699 412
Rate based contracts		58 959 671	26 539 158
Service delivery		-	919 690
Uniforms		3 842 770	-
		82 154 169	42 407 531

Reasons for deviations	Contract name	Description of contract	Reasons for deviation	2022 Contract amount
Contract No.16/S36 OF 19/20	Various companies	Appointment of a panel of security service providers for the provision of security services at certain municipal facilities and places of work including VIP protection	Delays in the appointment of a panel of security services at municipal facilities and VIP protection	51 999 921
Database	Various companies	Repairs to motor vehicles	Urgent need for safety	14 975 355
Contract No.5/S36 of 21/22	Morar Incorporated	Appointment of a service provider for the implementation of consequence management	Morar Incorporated prepare the report in its entirety and are required for the processes of consequence management.	5 208 800
Contract No.8/S36 of 20/21	EPI Use Business Services	Appointment of a SAP expert to provide advice to the Legal team	Due to the confidentiality, sensitivity and the need to safeguard the integrity of the SAP expert testimony in court it was impractical to go for open tender process.	575 640
Contract No.8/S36 OF 21/22	Syntell Pty (Ltd)/Siemens Mobility Pty (Ltd)	Supply and delivery of traffic signal controllers	Due to Syntell (Pty) Ltd being the sole suppliers of Syntell traffic signal controllers that are being utilized by the municipality and Siemens (Pty) Ltd being the sole suppliers of Siemens traffic signal controllers that are being utilized by the municipality.	428 170
Various orders	Various companies	Advertisement	Sole supplier	998 767

Reasons for deviations	Contract name	Description of contract	Reasons for deviation	2022 Contract amount
Contract 12/S36 of 21/22	Garlicke and Bousfield Inc	Legal services	Due to Garlicke and Bousefield Inc. having initiated the case under Contract No.SCM 40 OF 18/19 which expired before the matter could be finalised.	1 347 351
16/S36 of 17/18 Xolisisizwe	Eco Car Hire and Xolisisizwe Trading and Project	Hire of portable toilets	Urgent service	100 094
Contract 9/S36 of 21/22	Nasa	Supply and delivery of uniforms	Urgent need for protective clothing for staff	3 842 770
Contract No.4/S36 OF 21/22	Adroit Technologies	Appointment of service provider for software upgrade and maintenance of the scada system.	The department is in possession of Adroit Technologies SCADA Software network that was developed and modelled using Adroit Technologies SCADA System which cannot be accessed using a different software. Instead purchasing software would be easier to upgrading the existing system.	381 923
Contact No.8/S36 of 20/21	EPI Use Business Service	Appointment of SAP expert to provide advice of the Legal team	Due to the confidentiality, sensitivity and the need to safeguard the SAP expert testimony in court it was impractical to go for open tender process.	575 640
Contract No.8/36 of 21/22	Syntell Pty (Ltd)/Siemens Mobility Pty (Ltd)	Supply and delivery of traffic signal controllers	Due to Syntell (Pty) Ltd being the sole suppliers of Syntell traffic signal controllers that are being utilised by the municipality and Siemens (Pty) Ltd being the sole suppliers of Seimens traffic controllers that are being utilised by the municipality.	428 170
Various orders	Various companies	Advertisement	Sole suppliers	998 767
Contract No.12/S36 of 21/22	Garlicke and Bousfield Inc	Legal services	Due to Garlicke and Bousefield Inc. having initiated the case under Contract No.SCM 40 OF 18/19 wich expired before the matter could be finalised.	1 347 351
16/S36 of 17/18 Xolisisizwe	Eco Car hire and Xolisisizwe Trading and Project	Hire of portable toilets	Urgent service	100 094
Contact No.9/S36 of 21/22	Nasa	Supply and delivery of uniforms	Urgent need for protective clothing for staff	3 842 770
Contract No.4/S36 Of 21/22	Andriot Technologies	Appointment of service provider for software upgrade and maintenance of the SCADA system.	The department is in possession of Andriot Technologies SCADA Software network that was developed and modelled using Andriot Technologies SCADA System which cannot be accessed using a different software. Instead purchasing software would be easier to upgrade the existing system.	381 923
Contract No.1/S36 OF 21/22	Mazondi Construction	Appointment of a service provider for burning and hoeing of fire breakings and fire stand-by services for the msunduzi forestry company	The business unit had completed the procurement process for a 3 year harvesting contract which was envisioned to commence on 01 May 2021 , whereby the execution of fire breaks would have been the responsibility of the contractor. The decision to continue with the harvesting contract was rescinded after the bids were adjudicated. This then muddled the planning of the business unit. The insurer has also indicated that cover will be terminated should there be no dedicated team on the ground for firefighting.	597 933
Contract No.10/S36 OF 21/22	Evaluations Property Enhanced Solution	Appointment of a service provider for the conclusion of g.v 2019 appeals	The MPRA requires the valuer to be present to defend values in dispute cases handled by the Appeal board	365 216
Contract No.13/S36 OF 21/22	Lexus Nexis	Provision of Sole service legal research provider database		117 010

Reasons for deviations	Contract name	Description of contract	Reasons for deviation	2022 Contract amount
Contract No.13/S36 OF 21/22	ATC Industries	Service provider to undertake traffic signal repairs at the intersection of Moses Mabhida/Sutherland and Moses Mabhida /Archie Gumede intersections.	The Traffic Signals Specifications used in the IPTN route are different from the one we are currently using as the Municipality, hence we requested to deviate from normal processes due to time constraints. ATC Industries was the contractor appointed to install all traffic signals along Moses Mabhida under the IPTN project, they are familiar with the intersection configuration and all other aspects required. This will shorten the project duration and save cost, since project duration will only be two months . We are currently doing a Traffic Management study to open new lanes to public traffic by end of June 2022, however this will be impossible if these intersections are not functioning.	1 215 219
				82 154 169

62. Supply Chain Management regulation 45 of the MFMA

Awards to close family members of persons in the service of the state.

Name of the service provider	Employee name	Job title	Organ of state	Amount paid
The Borain Brothers cc T/A Borain Leyland	Mchunu Nomvula Teressa	General Worker Infrastructure	Msunduzi Municipality	113 975
Mathew Francis Inc	Brenden Sivparsad	Senior Manager Water and Sanitation	Msunduzi Municipality	22 702 909
Eka GP Trading Enterprise	Nhlakanipho Wiseman Gini Dlamini	General Assistant Mechanical Workshop	Msunduzi Municipality	841 340
Valimbo Primary Co-Operative	Mzwenhlanhla Wiseman Khoza	General Assistant Waste Management	Msunduzi Municipality	-
Ekuseni Investment Holdings	Sandile Dlamini	Councillor		-
Gibb (Pty) Ltd	K. Pillay	Data Capturer	Department of Education	-
	P. Pillay	Educator	Department of Education	-
	Alan Moon	Head: Business Continuity	City of Cape Town	-
	John Watson	Director Accounting Support and Reporting	National Treasury	
	Leigh Stolworthy	Principle: Professional IRT System Planning	Department of Education	
	Sonnika Cilliers	Educator	Department of Education	
	Nokuthula Mkhize	Accounting Clerk	National Department of Water Affairs and Forestry	
	Jeanne Mare	Senior Educator	Department of Education	
	Imra Brink	Educator	Department of Education	
	Nkosinathi Mzayi	Correctional Officer	Department of Correctional Services	
	Jacqueline Gooch	Head of Department	Department of Transport	
	Unathi Lekonyana	Deputy Director: Grant Monitoring and Analysis	Deputy Director: Grant Monitoring and Analysis	
	Douglas Kiewiet	Area Manager (North)	National Department of Water Affairs and Forestry	
	Rajiv Beharie	Senior Engineer	Eskom	
	M B Haq	Architect/Town Planner	City of Cape Town	
Isibuko Development Planners	Mrs Hlongwa	Assistant Director	Department of Social Development	956 505
Ihawu Firearms Centre	IS - Affleck	Rifleman Parachute	SANDF Reserve Force	113 490
Govert Vetten	S. Vetten		Western Cape Department of Health	2 401 708
				27 129 926

Figures in Rand	Note(s)	2022	2021
63. Irregular expenditure			
Opening balance as previously reported		566 089 144	581 531 563
Opening balance as restated		566 089 144	581 531 563
Add: Irregular expenditure - relating to prior year		26 072 427	6 844 388
Add: Irregular expenditure - relating to current year		80 230 362	50 766 130
Less: irregular expenditure written off		-	(73 052 938)
Closing balance		672 391 933	566 089 143

Analysis of expenditure awaiting Council's decision for write off or recovery per age classification

2008/2009	4 689 501	4 689 501
2009/2010	6 277 108	6 277 108
2010/2011	4 084 312	4 084 312
2011/2012	43 930	43 930
2013/2014	12 650	12 650
2014/2015	814 711	814 711
2016/2017	173 135 231	173 135 231
2015/2016 and 2016/2017 written off	(66 475 518)	(66 475 518)
2017/2018	175 906 287	175 906 287
2018/2019 plus comparative periods identified in current year	226 367 643	226 367 643
2013/14, 2014/15, 2017/18 and 2018/19 written off	(73 052 938)	(73 052 938)
2019/2020	56 675 709	56 675 709
2019/2020 identified in 2020/2021	6 844 388	6 844 388
2020/2021	50 766 130	50 766 130
2020/21 identified in 2021/22	26 072 427	-
2021/2022	80 230 362	-
	672 391 933	566 089 144

Incidents/cases identified in the current year include those listed below:

Cases under investigation

Irregular expenditure has not been written off or condoned.

Section 32(4) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.

Expired contract	3 830 941	5 156 882
Invalid deviations	3 965 043	1 032 815
Non compliance with regulation 31	66 444 258	30 954 781
Payment made not part of the initial contract	5 990 120	-
VIP security without threat assessment	-	13 621 652
	80 230 362	50 766 130

In the case of irregular and fruitless and wasteful expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by council, hence there were no movement between financial years 2008/2009 to 2017/2018 as the investigations are still open and as soon as they are closed council will write off or condone this expenditure.

64. Commitments

Authorised capital expenditure

Approved and contracted

• Property, plant and equipment	301 772 284	465 277 898
• Intangible assets	-	2 174 982
	301 772 284	467 452 880

Total capital commitments

Already contracted for but not provided for	301 772 284	467 452 880
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Authorised operational expenditure

• Approved and contracted	485 190 675	521 167 819
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Figures in Rand	Note(s)	2022	2021
Total operational commitments			
Already contracted for but not provided for		485 190 675	521 167 819
Total commitments		786 962 959	988 620 699
Operational expenditure - not yet contracted (Department of Human Settlement has not yet approved the funding)		-	810 151 756
The future commitments will be financed through council own funding, national and provincial grants in terms of DORA. Commitments are exclusive of Value Added Taxation.			
Operating leases - as lessee (expense)			
Minimum lease payments due			
- within one year		-	5 384 773
Operating lease payments represent rentals payable by the municipality for certain office equipment.			
The lease contract ended on 30 June 2022.			
The prior year comparative disclosure has been restated refer to note 74.			
65. Contingencies			
The municipality is defending various litigation and claim cases against it.			
Should the litigation and claims against the municipality be successful the total estimated liability of all the cases is approximately R242 737 174 (2021: R308 628 880).			
Refer to Appendix E for further details.			
66. Unauthorised expenditure			
Opening balance as previously reported		2 257 535 679	1 336 963 931
Opening balance as restated		2 257 535 679	1 336 963 931
Less: Amount written off - prior period		(1 101 117 445)	-
Expenditure identified - current year		-	920 571 748
Closing balance		1 156 418 234	2 257 535 679
The over expenditure incurred by municipal departments during the year is attributable to the following categories:			
Non-cash		-	920 571 748
Analysed as follows: non-cash			
Bad debts written off		-	384 120 628
Debt impairment		-	536 451 120
		-	920 571 748
67. Fruitless and wasteful expenditure			
Opening balance as restated		17 037 460	9 922 449
Add: fruitless and wasteful expenditure - relating to current year		681 580	7 115 011
Closing balance		17 719 040	17 037 460
Analysis of expenditure awaiting Council's decision for write off or recovery per age classification			
2006/2007		92 967	92 967
2008/2009		15 167	15 167
2009/2010		2 696 668	2 696 668
2010/2011		235 478	235 478
2011/2012		879 143	879 143
2012/2013		36 490	36 490
2013/2014		162 279	162 279
2014/2015		449 104	449 104
2015/2016		242 977	242 977
2016/2017		11 455 538	11 455 538
2017/2018		16 744 573	16 744 573

Figures in Rand	Note(s)	2022	2021
2018/2019		3 542 655	3 542 655
2019/2020 (Comparative periods identified in current year)		7 941 214	7 941 214
2008/2009 to 2019/2020 written Off		(34 571 804)	(34 571 804)
2020/2021		7 115 011	7 115 011
2021/2022		681 580	-
		17 719 040	17 037 460
Details of fruitless and wasteful expenditure			
Cancelled tenders		315 372	390 808
Interest on late payments: Eskom		1 515	-
Interest - Creditors		20 086	-
Salaries and wages for suspended employees with unresolved cases within prescribed timeframe		108 773	263 739
Egxeni re-establishment cost		-	5 614 524
Absenteeism during working hours whilst engaged in private trips No. FI-06/2019-20		103 961	-
Abuse of municipal assets (Truck and TLBs) and fraud on over time No: FI-09/2019-20		131 873	-
2016 and 2019 Mr J P Moseya abused his position No FI-49/2019-20		-	281 000
Abuse of municipal assets (Truck and TLBs) and fraud on over time No: FI-09/2019-20		-	564 940
		681 580	7 115 011

Fruitless and wasteful expenditure has not been written off or condoned.

Section 32(2)(b) of the Municipal Finance Management Act requires that Council can deal with these matters in the manner prescribed.

In the case of irregular and wasteful and fruitless expenditure, it is only after an investigation has been conducted that irregular expenditure can be certified as irrecoverable and written off by Council hence there is no movement between financial years 2008/2009 to 2020/2021 as the investigations are still open and as soon as they are closed Council will write off or condone this expenditure.

A system has been put in place to stream-line the payment process to ensure non occurrence of interest costs.

Staff have been advised on possible recovery of costs due to negligence.

68. Electricity and water losses

Electricity losses

Units purchased - kWh	1 716 486 536	1 745 111 594
Units sold - kWh	(1 290 028 774)	(1 354 209 162)
Loss - kWh	426 457 762	390 902 432
Electricity loss as a percentage	24,67	22,12
Costs per kWh in cents	0,85000	0,82195
Electricity losses in rand value	362 588 493	321 301 494

The significant electricity losses of 426 457 762 kWh occurred during the year under review, which resulted in material revenue losses to the municipality.

The increase of losses from previous financial year may be as a result of the following:

Some of the main contributing factors to increased electricity losses are:

Non-Technical Losses

- 1) Illegal connections.
- 2) Infrastructure vandalism.
- 3) Metering inaccuracies (due to faulty meters).
- 4) Unmetered energy (meter tempering or bypassing the meter at the customer meter).
- 5) Revenue collection.

Technical losses (these are inherent in the distribution networks and cannot be eliminated):

- 1) Ageing infrastructure that results in increased power dissipation during transmission and distribution on lines, cables and transformers in the system.
- 2) Overloading.

How are these non technical and technical losses being addressed

Strategy to minimize electricity losses has been developed and is being implemented in line with available resources.

Figures in Rand	Note(s)	2022	2021
Water losses			
Units purchased (kl)		81 746 217	79 351 722
Units sold (kl)		(57 649 623)	(55 724 930)
Real losses (kl)		19 518 241	19 137 701
Apparent losses		4 578 353	4 489 090
Total water losses (kl)		24 096 594	23 626 792
Water loss as a percentage		29,50	29,80
Cost per kl in cents		9,981	9,454
Water loss in rand value		240 510 514	223 374 770

MFMA circular dictates that real losses and apparent losses be considered jointly as total water losses.

A calculated outcome of 24 096 594 kl was identified as a material water loss for the 2021/2022 year under review.

Progressive deterioration, illegal water connections, aging and increasing levels of fragility in the bulk water infrastructure is progressively contributing to increase in water losses.

Service Delivery initiatives slowed down marginally due to the Covid-19 protocols.

Budgetary and personnel constraints to effectively and efficiently undertake maximum service delivery efforts.

Due to the recent heavy rains; the Msunduzi's fragile water infrastructure became further compromised.

Resultant outcome was that there were frequent burst pipes (an increase of approximately 40% compared prior to the heavy rains).

Many areas were without water for long periods of time due to the complexities of initiating repairs. Furthermore the slippery environmental conditions did not allow for reasonably quick repairs.

In addition there were shortage of essential materials to undertake repairs timeously.

Financial and personnel constraints to undertake re-active measures within the shortest time period.

The above reasons can be attributed to the physical loss of 29.5 % (Water Losses)

The recent flood damage has further weakened the Water Infrastructure thus resulting in more frequent bursts and subsequently increase in water losses.

Core Water Loss initiatives undertaken for 21/22 as at end of June 2022

- 4311 water meters were audited (Inventory and Inspection for accuracy and correct billing) in order to improve, reduce estimations and improve billing.
- 1865 water meters were replaced in order to improve reduce estimations and improve billing.
- Initiation of leak detection and repair tender, contract has been awarded to the panel of service providers. There is currently no budget available for commencement of work packages.
- Pressure Reduction design of forty (40) new Pressure reduction Valve Zones, to be implemented when the Civils tender becomes active in the 2022/2023 financial year.
- Reactively responded to 2108 (cumulative) burst pipes in the 2021/2022 financial year as at end of June 2022.
- Monthly Water balances were undertaken in line with the International Water Association Balance principles and guidelines.

The following core Non-Revenue Water Interventions are proposed for the 2022/23 FY

Real Losses Interventions:

- Pressure Reduction (Rezoning);
- Pressure Reduction (Implementation);
- PRV (Pressure Reducing Valves) Optimization;
- Leak Detection ;
- Leak Repair;
- Reservoir Inspection and Control valve optimization.

Billing Improvement Interventions:

- Top Consumer Investigation;
- Meter Reading Accuracy;
- Non-Domestic Meter replacement;
- Domestic Meter Replacement;
- Custody Transfer Points meter installation.

69. Non - compliance with Municipal Finance Management Act

The Municipality did not comply with section 65(2)(e) of the MFMA.

There were instances of non-compliance wherein some suppliers were not paid within 30 days.

70. Accounting by principals and agents

The Municipality is party to principal-agent arrangements.

Details of the arrangements are as follows:

Department of Human Settlements KwaZulu Natal (Housing Projects)

The Municipality is Level 1 accredited Municipality and in terms of the Implementation Protocol. Msunduzi Local Municipality is accredited in terms of section 10 of the Housing Act to Administer all the National programmes on behalf of the Provincial Department of Human Settlements. The Municipality is authorised within its municipal area to manage and administer all Housing programmes as per Para 7 of the Implementation Protocol.

Sale of Prepaid Electricity

The municipality utilises the service of an agent for provision of supply, delivery, installation and commissioning of an online hosted prepayment electricity vending and revenue management system for the Msunduzi Local Municipality.

There is a binding arrangement where Contour Technology (Pty) Ltd (agent) undertakes transactions with 3rd parties, on behalf of, and for benefit of, Msunduzi Local Municipality (principal).

Terms and conditions are as per the contract and no changes occurred during the reporting period.

No risks as the Municipality is able to access the Contour prepaid electricity and is able to reconcile monies paid to the municipality by the agent to the actual sales as per the reports for correctness.

Department of Transport (Driver's licences)

The municipality acts as an agent of the KwaZulu-Natal Department of Transport for the following services:

- 1) Application for renewal of driving licence;
- 2) Issue of credit card format driving licence, including eye test and fingerprints;
- 3) Issue of duplicate credit card format driving licence, where required;
- 4) Renewal of credit card format driving licence, including eye test and fingerprints;
- 5) Issue of temporary driving licence
- 6) Issue of professional driving permit, including eye test and fingerprints;
- 7) Issue of duplicate professional driving permit, where required;
- 8) Substitution of Foreign Driving licence and issue of Credit Card Format Driving licence card, including eye test and fingerprints;
- 9) Verification of driving licence particulars;
- 10) Referral of all queries to the Departmental employee specified by the RTI contact person within two working days of a query or lodging of a complaint or dispute.

The agreement is valid for the period from 1 November 2020 to 31 October 2023. Terms and conditions are as per the contract and no changes occurred during the reporting period.

The purpose of the principal-agent relationship is to ensure greater access to clients throughout the province. No significant risks have been identified in this relationship.

Figures in Rand	Note(s)	2022	2021
Municipality as an agent			
Resources held on behalf of the principal(s), but recognised in the entity's own financial statements			
There are no resources held on behalf of principals.			
Revenue recognised			
The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principals is show below			
Driver's Licenses and professional driver's permits		2 139 483	1 931 382
Department of Human Settlements - Accreditation fee		4 853 172	3 401 886
Liabilities and corresponding rights of reimbursement recognised as assets			
There are no corresponding rights of reimbursement that have been recognised as assets.			
Additional information to municipality as an agent			
Revenue and expenses that relate to transactions with third parties undertaken in terms of the principal-agent arrangement			
Amount of revenue received on behalf of the principal during the reporting period			
Driver's licences and Professional driver's permits		671 737	590 288

Figures in Rand	Note(s)	2022	2021
Receivables and/or payables recognised based on the rights and obligations established in the binding arrangement(s)			
Reconciliation of the carrying amount of payables			
Department of Human Settlements (Housing Settlements)			
Opening balance		21 715 044	22 991 872
Amount transferred by the principal		25 490 248	11 471 339
Interest earned on behalf of the principal		207 482	219 021
Payments on behalf of the principal		(27 321 143)	(12 967 188)
		20 091 631	21 715 044
Department of Transport (Driver's licences)			
Opening balance		135 090	17 696
Payment to principal		(135 090)	(17 696)
Revenue received on behalf of the principal (unpaid)		240 397	135 090
		240 397	135 090
All categories			
Opening balance		21 850 134	23 009 568
Amount transferred by the principal		25 490 248	11 471 339
Interest earned on behalf of the principal		207 482	219 021
Cash paid on behalf of the principal		(27 321 143)	(12 967 188)
Payment to principal		(135 090)	(17 696)
Revenue received on behalf of the principal (unpaid)		240 397	135 090
		20 332 028	21 850 134

Entity as principal**Resources (including assets and liabilities) of the entity under the custodianship of the agent**

There are no municipal resources under the custodianship of the agent.

Fee paid

Fee paid as compensation to the agent -Prepaid electricity	3 331 253	3 079 104
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Resource and/or cost implications for the entity if the principal-agent arrangement is terminated

None

71. Related parties**Relationships**

Municipal entity	Safe City Msunduzi NPC
Controlling entity	Msunduzi Local Municipality
Close family member of key management	Ekuseni Investment Holdings
Members of key management	City Manager: Madoda P Khathide (July 2021 - March 2022) Chief Financial Officer: Nelisiwe M. Ngcobo General Manager Community Services: Mbongeni Mathe General Manager Corporate Services: Mosa L.I Molapo General Manager Infrastructure Services: Vusumuzi Cele General Manager Sustainable Development and City Enterprises: Felix Nxumalo Chief Audit Executive: Petrus J. Mahlaba

Mr M.P. Khathide resigned on the 30th of March 2022

Councillor Sandile Dlamini is a brother of a Director of Ekuseni Investment holdings.

In kind benefits

The salary and benefits of the Ministerial representative are paid by the Department of Cooperative Governance and Traditional Affairs. The municipality has not been charged for the services rendered by the Municipal representative.

Figures in Rand	Note(s)	2022	2021
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Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

Matthew Francis Inc		(4 425 812)	(13 005 101)
Safe City Msunduzi NPC		(3 569 856)	(3 390 727)

There are no guarantees given or received with regards to the related party balances outstanding.

There are no commitments with regards to related parties.

There related party balances are unsecured.

The terms and conditions with related parties are on an arm's length basis. There is no specific provision with regards to the nature of the consideration to be provided in settlement of the related party balances.

Refer to note Note 60 for Councillors' arrear consumer accounts for further details on outstanding balances.

The Safe City Msunduzi NPC balance relates to the outstanding last quarter payment.

Impairment relating to outstanding balances with related parties

Councillors in arrears		-	115 362
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Expenses recognised in respect of bad debts

Councillors in arrears		-	-
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Related party transactions

Grants paid to related parties

Safe City Msunduzi NPC - Safe City is an entity of the Municipality.		12 416 689	11 793 834
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Services from related parties

Matthew Francis Inc - The senior manager water and sanitation's spouse is a Director at Matthew Francis Inc. The law firm is a service provider.		12 355 430	19 581 223
Ekuseni Investment Holdings - Councillor is a brother of an employee of the service provider.		-	320 678

Service charges paid received from related parties

Safe City Msunduzi NPC - Safe City is an entity of the Municipality.		201 396	169 006
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Remuneration of management

Councillors

2022

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Motor vehicle allowance	Total
Mayor	1 100 919	44 400	-	-	165 138	58 335	-	1 368 792
Deputy mayor	1 005 937	45 833	-	-	48 266	16 844	-	1 116 880
Speaker	745 311	44 400	-	156 062	111 797	52 515	-	1 110 085
Chief whip	906 481	36 333	-	34 315	89 889	24 995	-	1 092 013
MPAC chair	829 210	33 383	-	-	43 326	32 187	84 481	1 022 587
Executive committee members	6 694 104	275 133	28 423	604 703	512 456	236 802	-	8 351 621
Other councillors	27 143 856	2 277 867	71 416	2 671 446	2 079 085	1 223 798	-	35 467 468
	38 425 818	2 757 349	99 839	3 466 526	3 049 957	1 645 476	84 481	49 529 446

2021

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Motor vehicle allowance	Total
Mayor	1 155 131	44 400	-	-	173 270	57 277	-	1 430 078
Deputy mayor	945 394	45 900	-	-	141 809	39 558	-	1 172 661
Speaker	870 159	45 900	-	73 682	130 524	50 339	-	1 170 604
Chief whip	932 505	42 900	-	105 819	-	19 865	-	1 101 089
MPAC chair	641 888	44 400	-	39 195	96 283	39 558	220 048	1 081 372
Executive committee members	6 345 986	353 700	-	1 002 194	951 898	217 349	-	8 871 127
Other councillors	24 374 603	2 838 724	132 892	4 882 098	3 125 405	1 460 593	-	36 814 315
	35 265 666	3 415 924	132 892	6 102 988	4 619 189	1 884 539	220 048	51 641 246

Executive management

2022

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Acting allowance	Bonus	Other	Total
City Manager	1 045 975	-	-	-	189 008	-	-	-	107 409	1 342 392
Chief Financial Officer	1 228 641	14 400	180 000	176 493	119 792	-	69 667	60 000	21 627	1 870 620
Chief Audit Executive Internal audit	1 200 226	13 800	11 574	153 262	216 041	36 817	-	100 019	16 452	1 748 191
General Manager: Corporate Services	1 304 980	20 400	-	127 251	234 897	-	-	90 000	2 975	1 780 503
General Manager: Sustainable Development and City Enterprises	958 373	14 400	-	338 550	-	57 277	-	-	13 676	1 382 276
General Manager: Community services	1 354 200	20 400	-	-	-	13 070	3 698	-	7 765	1 399 133
General manager: Infrastructure services	1 354 200	23 600	-	-	-	-	-	-	9 319	1 387 119
	8 446 595	107 000	191 574	795 556	759 738	107 164	73 365	250 019	179 223	10 910 234

2021

Name	Basic salary	Phone allowance	Housing allowance	Travelling allowance	Pension	Medical aid	Bonus	Other	Total
City Manager	1 394 633	-	-	-	252 010	-	-	13 958	1 660 601
Chief Financial Officer	1 228 641	14 400	180 000	176 493	119 792	-	60 000	36 257	1 815 583
Chief Audit Executive - Internal audit	1 159 639	13 800	11 574	153 262	208 735	35 410	96 637	35 610	1 714 667
General Manager: Corporate Services	1 291 764	20 400	-	127 251	232 518	-	90 000	35 184	1 797 117
General Manager: Sustainable Development and City Enterprises	987 159	14 400	-	383 145	-	57 277	-	18 637	1 460 618
General Manager: Community services	1 335 758	20 400	-	-	-	-	-	27 702	1 383 860
General manager: Infrastructure services	902 800	-	-	-	-	-	-	10 447	913 247
	8 300 394	83 400	191 574	840 151	813 055	92 687	246 637	177 795	10 745 693

72. Events after the reporting date

There were no material events after the reporting date of the annual financial statements.

73. Prior period error

Presented below are those items contained in the Statement of Financial Position, Statement of Financial Performance and Cash Flow statement that have been affected by prior-year adjustments:

Statement of Financial Position

2021

	Note	As previously reported	Correction of error	Reclassification	Restated
Accumulated surplus		(7 500 536 239)	(480 302 287)	-	(7 980 838 526)
VAT payable		(190 234 402)	10 561 811	-	(179 672 591)
Consumer debtors		1 176 104 174	464 124 262	-	1 640 228 436
Statutory receivables		545 319 677	5 039 351	-	550 359 028
Receivables from exchange transactions		19 679 207	-	(5 799 874)	13 879 333
Investment property		892 583 607	(650 000)	-	891 933 607
Property, Plant and equipment		6 772 072 289	(490 182)	-	6 771 582 107
Consumer deposits		(128 836 470)	8 188 584	-	(120 647 886)
Payables from exchange transactions		(1 388 654 967)	(6 471 539)	5 799 874	(1 389 326 632)
		197 496 876	-	-	197 496 876

Figures in Rand	Note(s)	2022	2021
Accumulated surplus			
As previously reported		-	(7 500 536 239)
Correction of unclaimed input in terms of section 16(3) of the VAT Act		-	(11 466 366)
Correction of departmental accounts		-	3 773 874
Correction of incorrect postings on consumer debtor's general ledger		-	(15 975)
Correction of short code receipting into revenue		-	(483)
Correction of unallocated deposit		-	(1 902 992)
Correction of poster allocation and hoarding receipts incorrectly allocated to consumer deposits		-	(180 785)
Correction of 2020/21 accruals		-	(272 500)
Correction of 2019/20 accruals		-	(8 409)
Correction of landfill site revenue VAT not accounted for 2020/21		-	89 194
Correction of landfill site revenue not recognised in 2020/21		-	(5 525 880)
Recognition of assets found on the floor		-	(536 641)
Reversal of interest on incorrect billing and debt amnesty		-	15 345 530
Correction of duplicated accrual on both accruals and creditors accruals		-	(1 069)
Correction of advance payments-transfer from revenue		-	8 642 988
Derecognition of assets not physically verified		-	1 400 000
Correction of revenue recognised in the incorrect period pre-2020/21		-	742 069
Correction of revenue recognised in the incorrect period - 2020/21		-	378 953
Write off of other financial assets		-	14 035 644
Reassessment of other financial assets impairment after write off		-	(14 035 644)
Correction of work in progress capitalised in incorrect year		-	276 824
Correction of prepaid electricity revenue classified as consumer deposits.		-	(2 767 045)
Correction of property rates revenue recognised in an incorrect accounting period.		-	(25 942 686)
Correction of unbilled sanitation revenue pre 2021		-	(64 552)
Correction of unbilled sanitation revenue 2020/21		-	(67 459)
Correction of the reversal of bad debts in an incorrect period		-	(8 060 142)
Correction of cut off system adjustments		-	(44 223 029)
Recalculated debt impairment 2020/21		-	(409 915 706)
Restated		-	(7 980 838 526)
VAT payable			
As previously reported		-	(190 234 402)
Correction of unclaimed input in terms of section 16(3) of the VAT Act		-	11 466 367
Rasing of 2019/20 accruals		-	13 520
Correction of landfill site revenue VAT not accounted for 2020/21		-	(89 194)
Correction of landfill site revenue not recognised in 2020/21		-	(828 882)
Restated		-	(179 672 591)
Consumer debtors			
As previously reported		-	1 176 104 174
Correction of departmental accounts		-	(5 319 568)
Correction of incorrect postings on consumer debtor's general ledger		-	18 944
Correction of landfill site revenue not recognised in 2020/21		-	1 114 491
Correction of revenue recognised in the incorrect period pre-2020/21		-	(740 029)
Correction of revenue recognised in the incorrect period - 2020/21		-	(378 953)
Correction of unbilled sanitation revenue pre 2021		-	64 552
Correction of unbilled sanitation revenue 2020/21		-	67 459
Correction of the reversal of bad debts in an incorrect period		-	8 060 142
Correction of cut off system adjustments		-	38 299 419
Recalculated debt impairment 2020/21		-	422 937 805
Restated		-	1 640 228 436
Statutory receivables			
As previously reported		-	545 319 677
Correction of departmental accounts		-	1 545 694
Correction of incorrect postings on consumer debtor's general ledger		-	(2 970)
Reversal of interest on incorrect billing and debt amnesty		-	(15 345 531)
Correction of revenue recognised in the incorrect period pre-2020/21		-	(2 041)
Correction of property rates revenue recognised in an incorrect accounting period.		-	25 942 686
Correction of cut off system adjustments		-	5 923 609

Figures in Rand	Note(s)	2022	2021
Recalculated debt impairment 2020/21		-	(13 022 096)
Restated		-	550 359 028
Consumer deposits			
As previously reported		-	(128 836 470)
Correction of short code receipting into revenue		-	483
Correction of poster allocation and hoarding receipts incorrectly allocated to consumer deposits		-	180 785
Correction of landfill site revenue not recognised in 2020/21		-	5 240 271
Correction of prepaid electricity revenue classified as consumer deposits.		-	2 767 045
Restated		-	(120 647 886)
Payables from exchange transactions			
As previously reported		-	(1 388 654 967)
Correction of accruals 2020/21		-	268 457
Correction of unallocated deposit		-	1 902 993
Caseware reclassification - from receivables to payables		-	5 799 874
Correction of advance payments-transfer from revenue		-	(8 642 987)
Restated		-	(1 389 326 630)
Property, Plant and equipment			
As previously reported		-	6 772 072 289
Recognition of assets found on the floor		-	536 641
Derecognition of assets not physically verified		-	(750 000)
Correction of work in progress capitalised in incorrect year		-	(276 823)
Restated		-	6 771 582 107
Receivable from exchange transactions			
As previously reported		-	19 679 207
Caseware reclassification - from receivables to payables		-	(5 799 874)
Restated		-	13 879 333
Investment property			
As previously reported		-	892 583 607
Derecognition of assets not physically verified		-	(650 000)
Restated		-	891 933 607

Statement of Financial Performance

	Note	As previously reported	Correction of error	Restated
Surplus/deficit for the year		395 015 969	(449 972 369)	(54 956 400)
Service charges		3 188 294 762	18 456 901	3 206 751 663
Property rates		1 204 676 315	27 653 990	1 232 330 305
Interest received - property rates		44 323 254	(5 843 499)	38 479 755
Operational revenue		53 318 643	(8 642 987)	44 675 656
General expenses		(549 998 397)	371 044	(549 627 353)
Operational costs		(128 892 961)	1 069	(128 891 892)
Bad debts written off		(384 120 628)	(5 975 502)	(390 096 130)
Debt impairment		(660 355 263)	423 951 353	(236 403 910)
Surplus/deficit for the year		3 162 261 694	-	3 162 261 694

Figures in Rand	Note(s)	2022	2021
Deficit for the year			
As previously reported		-	(395 015 969)
Correction of 2020/21 accruals		-	371 044
Correction of landfill site revenue VAT not accounted for 2020/21		-	(89 194)
Correction of landfill site revenue not recognised in 2020/21		-	5 525 881
Reversal of interest on incorrect billing and debt amnesty		-	(5 843 499)
Correction of duplicated accrual on both accruals and creditors		-	1 068
Correction of advance payments-transfer from revenue		-	(8 642 988)
Correction of revenue recognised in the incorrect period - 2020/21		-	(378 953)

Figures in Rand	Note(s)	2022	2021
Write off of other financial assets		-	14 035 644
Reassessment of other financial assets impairment after write off		-	(14 035 644)
Correction of property rates revenue recognised in an incorrect accounting period.		-	25 942 686
Correction of unbilled sanitation revenue 2020/21		-	67 459
Correction of the reversal of bad debts in an incorrect period		-	8 060 142
Correction of cut off system adjustments		-	15 043 017
Recalculated debt impairment 2020/21		-	409 915 706
Restated		-	54 956 400
General expenses			
As previously reported		-	(549 998 397)
Correction of 2020/21 accruals		-	371 044
Restated		-	(549 627 353)
Service charges			
As previously reported		-	3 188 294 762
Correction of Landfill site revenue VAT not accounted for 2020/21		-	(89 194)
Correction of landfill site revenue not recognised in 2020/21		-	5 525 880
Correction of revenue recognised in the incorrect period - 2020/21		-	(378 953)
Correction of unbilled sanitation revenue 2020/21		-	67 459
Correction of cut off system adjustments		-	13 331 709
Restated		-	3 206 751 663
2021			
Interest non - exchange receivables			
As previously reported		-	44 323 254
Reversal of interest on incorrect billing and debt amnesty		-	(5 843 499)
Restated		-	38 479 755
Operational revenue			
As previously reported		-	53 318 643
Correction of Advance payments-transfer from revenue		-	(8 642 987)
Restated		-	44 675 656
Operational costs			
As previously reported		-	(128 892 961)
Correction of duplicated accrual on both accruals and creditors		-	1 068
Restated		-	(128 891 893)
Property rates			
As previously reported		-	1 204 676 315
Correction of property rates revenue recognised in an incorrect accounting period.		-	25 942 685
Correction cut off system adjustment		-	1 711 305
Restated		-	1 232 330 305
Bad debts written off			
As previously reported		-	(384 120 628)
Write off of other financial assets		-	(14 035 644)
Correction of the reversal of bad debts in an incorrect period		-	8 060 142
Restated		-	(390 096 130)
Debt impairment			
As previously reported		-	(660 355 263)
Reassessment of other financial assets impairment after write off		-	14 035 644
Recalculated debt impairment 2020/21		-	409 915 709
Restated		-	(236 403 910)

Cash flow statement

2021

	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Sale of goods and services		4 078 745 887	(40 344 742)	4 038 401 145
Suppliers		(3 318 257 735)	(5 161 004)	(3 323 418 739)
		760 488 152	(45 505 746)	714 982 406
Cash flow from investing activities				
Purchase of tangible non current assets		(600 087 269)	45 505 743	(554 581 526)

The cashflow statement was recalculated due to corrections in the Statement of Financial Performance and Position.

Figures in Rand	Note(s)	2022	2021
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74. Prior period error - disclosures

Presented below are those items contained in the disclosure notes that have been affected by prior-year adjustments:

The correction of the error(s) results in adjustments as follows:

Fruitless and wasteful expenditure

As previously disclosed	-	45 277 565
Mr Mhlatshana -theft and fraud	-	123 025
2016 and 2019 Mr J P Moseya abused his position No FI-49/2019-20	-	281 000
Absenteeism during working hours whilst engaged in private trips No. FI-06/2019-20	-	362 733
Abuse of municipal assets (Truck and TLBs) and fraud on overtime No: FI-09/2019-20	-	564 940
Report of the forensic investigation Cogta S106 Manilal	-	5 000 000
Written Off (2008/2009 to 2019/2020)	-	(34 571 804)
Restated	-	17 037 459

Adjustment made to the disclosed Fruitless and wasteful expenditure is due to the identification of the case above .

Minimum lease payments due	Within one year	In second to fifth year inclusive
As previously disclosed	5 174 736	5 384 773
Adjustments made	210 037	(5 384 773)
Restated	5 384 773	

Operating leases - as a lessee (expense)

Adjustment made to the disclosed operating lease commitments correct an error.

75. Comparative figures

Certain comparative figures have been reclassified and restated.

76. Change in accounting estimate**Property, plant and equipment**

GRAP 17: Property, plant and equipment requires that the review of the remaining useful life of an item of property, plant and equipment be conducted at least at each reporting period. The municipality performed this review as at 30 June 2022 and the following results were achieved:

Based on the condition assessment and utilisation of assets ascertained during the physical verification exercise, the remaining useful lives of assets were reviewed.

The impact of the adjustment is that depreciation charges on property, plant and equipment decreased by R365 760 983 (2021:R49 864 836).

Depreciation before the review of useful life	(370 159 405)	(422 411 724)
Depreciation after the review of useful life	365 760 983	372 546 888
Change in estimate	(4 398 422)	(49 864 836)

It is impractical to determine the amount of the effect in future periods.

Property, Plant and Equipment - Landfill rehabilitation provision

Landfill rehabilitation provision is created to ensure that the municipality will be able to restore the landfill site to its original condition at the end of its life. The provision represents management's best estimate of the municipality's liability with regards to aforementioned restoration costs. The effect of the current year's revision was an increase of R6 883 141 due to change in discount factor and effect of re-measurement.

Employment benefit obligation

The municipality provides post-employment medical benefits to certain staff members. The provision represents management's best estimate of the municipality's liability with regards to aforementioned post-employment medical benefits. The effect of the current year's revision is an increase of R34 887 000 to R547 258 001, owing to the net effect of the actuarial loss, current service and interest costs for the reporting period ended 30 June 2022.

Leave accrual

The leave pay accrual is created to ensure adherence to SALGA collective agreement requirements. It states that at the end of a leave cycle, an employee may not have more than 48 days annual leave to their credit. The effect of this revision has increased the accrual by R8 463 187 to R147 949 191.

Long service awards

In terms of the SALGA conditions of service collective agreement, employees qualify for long service leave upon completion of specified periods in the agreement. The provision was created to comply with the agreement. The effect of the current year's revision is an increase by R499 000 to R83 588 000, attributed to the net effect of the actuarial loss, benefits vesting, current service, past service and interest costs for the reporting period ended 30 June 2022.

77. Risk management**Financial risk management**

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

The municipality is exposed to the following liquidity risks:

Other financial liabilities

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
At 31 June 2022				
Borrowings	79 162 900	74 270 956	50 310 656	203 744 512
At 30 June 2021				
Borrowings	81 573 484	79 162 900	124 581 612	285 317 996

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the municipality.

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise mainly water, sanitation, refuse, rates, property rental, electricity and other service chargers, dispersed across different industries and geographical areas. Management evaluated credit risk relating to customers financial conditions on an ongoing basis, 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", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Individual risk limits are set based on internal or external ratings in accordance with limits set by management. The utilisation of credit limits is regularly monitored. Sales to consumers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

The carrying amount of financial assets recorded in the financial statements that represent the municipality's maximum exposure to credit risk obtained details - Refer to note 78 - Financial instruments disclosure.

As at the end of the reporting period, no collateral was being held as a means of mitigating the risk of financial loss from default except for consumer deposits.

Credit quality

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings. Although credit quality can be assessed, the Municipality did not apply any methods to evaluate the credit quality. The credit quality of receivables from exchange transactions are neither past due nor impaired except for land sale debtors, insurance claims and IDT. The analysis of the age of receivables that are past due but not impaired for the Municipality (Refer to note 7 - consumer debtors) for the analysis and details.

Market risk**Risk from agricultural assets**

The municipality is exposed to financial risks arising from changes in timber prices. The municipality does not anticipate that the timber prices will decline significantly in the foreseeable future. The municipality has not entered into derivative contracts to manage the risk of a decline in sale of timber. The municipality reviews its outlook for timber prices regularly in considering the need for active financial risk management.

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk.

Figures in Rand	Note(s)	2022	2021
78. Financial instruments disclosure			
Categories of financial instruments			
2022			
Financial assets			
At amortised cost			
Short term investment		32 670 009	32 311 434
Receivables from exchange transactions		21 113 837	13 879 333
Consumer debtors		1 315 073 345	1 640 228 436
Cash and cash equivalents		289 152 840	359 519 552
		1 658 010 031	2 045 938 755
Financial liabilities			
At amortised cost			
Payables from exchange transactions		1 925 228 675	1 389 326 632
Consumer deposits		132 962 378	120 647 886
Other financial liabilities		203 744 512	285 317 996
		2 261 935 656	1 795 292 514

Other information

Receivables/payables from non contractual/compulsory arrangements have been removed or excluded from financial instruments disclosure, ie Property rates debtors, traffic fines debtors, transfers payable and unspent conditional grants. Statutory receivables/Payables are not financial instruments, as they arise not as a result of a contract, entered into by willing parties to the arrangement but rather a statutory or legislative arrangement.

79. Going concern

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.

The Provincial Executive Council of KwaZulu-Natal and MEC for Department of Co-operative Governance and Traditional Affairs, resolved to intervene in terms of Section 139 (1) (b) of the Constitution and in terms of section 139 of the Municipal Finance Act. **at the municipality and appointed the Ministerial representative. The appointment became effective on 14 April 2019 to 31 October 2022.** The terms of reference specified the functions of the Ministerial representative which also include the implementation of governance systems and procedures including oversight of the administration including the ratification of decisions taken by the Municipal Council, the Executive Committee, Municipal Manager and Section 56 Managers in terms of the authority.

The terms of reference amongst others include, establishment of the Interim Finance Committee to monitor and manage the cash flow of the municipality. It is envisaged that the intervention will assist in improving the municipality's financial viability.

In assessing the going concern, management identified indicators casting doubt on the municipality's ability to continue operating as a going concern. These indicators are summarised below:

- 1) Impact of Covid-19 pandemic on municipal finance and operations.
- 2) Adverse liquidity ratios.
- 3) Below norm cash cost coverage ratio.
- 4) The outstanding gross debtors balance has increased significantly and the majority of the debtors have been outstanding for over 365 days.
- 5) The dwindling of reserves over the recent years.
- 6) Deteriorating creditors days. 7) The increase in net debtors balances 8) Successive deficits.

The following measures are being implemented by management in response to the going concern risk indicators:

- 1) The municipality has monitored the implementation of the financial recovery plan that was developed in 2018. Management has voluntarily requested National Treasury to assist with the development of the revised financial recovery plan that is linked to the current challenges of the municipality after Covid-19. The revised recovery plan will be implemented in 2022/23 financial year.
- 2) There is a revenue enhancement committee that meets on a weekly basis to monitor the implementation of the revenue enhancement plan and the identification of additional revenue streams. The committee monitors implementation of the strategies that have been developed to recover the outstanding debt.
- 3) The dispute resolution committee was formed to speed up the process of dealing with consumer appeals.
- 4) The following strategies are currently being implemented to recover the outstanding debt:
 - a) The electricity disconnections conducted daily.
 - b) The water restrictions conducted daily.
 - c) The consolidation of accounts for customers with multiple accounts.
 - d) Consolidation of accounts where rates and services were billed on separate accounts.
 - e) Improved turnaround time for responding to customer queries.
 - f) Development of the customer dispute resolution process.
 - g) Review of the organogram to include the functions that were previously not catered for on the structure.
 - h) Processing name changes for deceased debtors with surviving spouses.
 - i) Increasing capacity at validations section.
 - j) Audit of bulk meters to ensure accuracy and completeness of billing.
 - k) COVID relief amnesty campaign for qualifying debtors.
 - l) Review of the credit control and by laws to allow debtors to enter into affordable payment arrangements.
 - m) Emailing of statements to customers.
 - n) Media campaigns for encouraging the debtors to pay.
 - o) Legal processes instituted against arrear debtors.
 - p) Vetting of indigent debtors.
 - q) Improved turnaround time issuing rates clearance certificates and processing name changes for changes in property ownership
- 5) The debt recovery plan was developed and approved by Council.
- 6) The debt collectors were appointed to recover long outstanding debtors.
- 7) KZN Provincial CoGTA and National Treasury are consistently monitoring the implementation of the financial recovery plan and revenue enhancement plan.

Financial Recovery Plan

Given the decline of the financial status and the nature of the recurring financial problems and that there was no noticeable progress made since the implementation of the current FRP the municipality requested National Treasury Municipal Financial Recovery Service to assist in revising the discretionary financial recovery plan for the municipality.

The revised FRP will be used as an instrument to guide the municipality in addressing the financial crisis and to ensure that the municipality regains its financial health within the shortest timeframe while ensuring that all issues which adversely affect the financial health of the municipality are comprehensively addressed. FRP adopts a strategic, focused approach which is timebound yet comprehensive enough to ensure that the underlying causes of the crisis are adequately addressed. To achieve this objective, the draft financial recovery plan presents a phased approach to recovery, differentiating between issues to be addressed in the short, medium and long term.

The FRP is divided into three distinct but interdependent phases. These include:

- a) Rescue Phase (Phase 1) which focuses primarily on cash and restoring the cash position of the municipality.
- b) Stabilization Phase (Phase 2) which expands on the financial indicators to be monitored and emphasizes key governance and institutional issues which must simultaneously be addressed.
- c) Sustainability Phase (Phase 3) to ensure that indicators are developed that will give effect to the long-term financial sustainability of the municipality.

Notwithstanding, the above negative indicators, the municipality continues to adopt the going concern assumption as it is management's view that the municipality will continue to operate in its present form provided that the financial recovery plan, the debt recovery plan and the other revenue and expenditure enhancement strategies are successful and there is a successful relationship between the municipality and consumers, and consumer behaviour is supportive of the municipality's efforts.

80. Segment information**General information****Identification of segments**

The municipality is organised and reports to management on the basis of nine major functional areas: Electricity, Water, Rates, Sanitation, Refuse, Airport, Market, Forestry and Support services. The segments were organised around the type of goods and services delivered. Management uses these same segments for determining strategic objectives. Supporting services segment was aggregated for reporting purposes.

The identification of these segments is consistent with the functional classification of local government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered. 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.

Separate financial and other relevant information on geographical areas in which the municipality operates is not available. The necessary information is not available and the cost to develop it would be excessive.

Aggregated segments

Support services segment was aggregated as a practical limit has been reached beyond which segment information becomes too detailed. Management is of the view that such additional detailed segments are not useful and relevant .

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
Electricity	Provision of electricity
Water	Provision of water
Rates	Property tax
Sanitation	Provision of solid and water waste services
Refuse	Refuse removal services
Airport	Aviation services
Market	Administration and handling fees
Forestry	Timber
Support services	Various goods and services

Information about geographical areas

The municipality's operations are in the KwaZulu Natal Province.

Separate financial and other relevant information on geographical areas in which the municipality operates is not available. The cost to develop the necessary information would be excessive.

Segment surplus or deficit, assets and liabilities

2022

Figures in Rand	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
Revenue										
Revenue from exchange transactions	2 574 354 409	773 621 808	20 002 088	187 079 753	109 344 748	8 269 546	17 430 637	-	38 059 060	3 728 162 050
Revenue from non-exchange transactions	17 361 757	264 573 904	1 280 669 978	84 520 939	28 364 904	326 219	-	-	73 313 375	1 749 131 076
Interest consumer debtors and receivables	25 067 700	103 444 826	-	16 600 379	9 113 413	-	-	-	(5 263 619)	148 962 699
Interest - bank, call and investment accounts	-	-	-	-	-	-	-	-	(71 677)	(71 677)
Total segment revenue	2 616 783 867	1 141 640 539	1 300 672 066	288 201 071	146 823 065	8 595 764	17 430 637	-	106 037 139	5 626 184 149
Unallocated revenue/non-segment										574 148 374
Total entity's revenue										6 200 332 523
Expenditure and gains(losses)										
Bulk purchases	(2 212 724 552)	(737 482 753)	-	-	-	-	-	-	-	(2 950 207 305)
Debt impairment	(80 243 516)	(638 164 501)	(145 402 503)	(82 258 523)	(44 777 074)	-	-	-	(12 916 640)	(1 003 762 757)
Depreciation and amortisation	(94 045 139)	(49 180 885)	(110 589)	(20 547 744)	(2 708 375)	(6 737 942)	(5 347 841)	(92 553)	(37 594 729)	(216 365 796)
Employee related costs	(122 089 067)	(112 767 717)	(36 323 430)	(9 725 661)	(92 702 215)	(2 764 026)	(11 992 495)	-	(407 476 386)	(795 840 999)
Finance costs	(11 290 397)	(4 788 215)	-	(3 934 094)	(747 398)	-	-	-	-	(20 760 104)
Other expenses	(74 115 560)	1 628 812	(51 001 169)	(229 979 633)	(26 438 380)	(14 265 787)	(11 954 532)	(2 598 952)	(201 289 806)	(610 015 008)
Actuarial gains/losses	-	(152 169)	-	-	-	-	-	-	2 759 480	2 607 311
Fair value adjustments on investment property	-	-	-	-	-	-	-	-	16 517 173	16 517 173
Gains/(losses) on agricultural assets	-	-	-	-	-	-	-	(16 100 000)	-	(16 100 000)
Gain/(loss) on disposal of assets	-	(645)	(1)	-	-	-	-	-	(927 864)	(928 510)
Impairment loss	(464 228)	(37 674)	(3 248)	(10 655)	(19 659)	(3 346)	(13 394)	(1 562)	(856 802)	(1 410 566)
Inventory losses	-	(217 644)	-	-	-	-	-	-	-	(217 644)
Total segment expenditure and gains/(losses)	(2 594 972 460)	(1 541 163 391)	(232 840 939)	(346 456 310)	(167 393 102)	(23 771 101)	(29 308 262)	(18 793 066)	(641 785 574)	(5 596 484 205)
Total segmental surplus/(deficit)	21 811 407	(399 522 852)	1 067 831 127	(58 255 239)	(20 570 037)	(15 175 337)	(11 877 625)	(18 793 066)	(535 748 435)	603 848 316
Unallocated expenditure/non segment										(1 325 643 881)
Unallocated gains/(losses) / non segment										(3 783 106)
Surplus (deficit) for the period as per Statement of Financial Performance										(725 578 670)

2022

Figures in Rand	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
Assets										
Segment assets	3 013 123 823	2 173 961 589	2 971 181 698	1 929 810 170	969 177 681	71 104 818	65 231 117	80 690 363	6 502 595 754	17 776 877 013
Unallocated assets/non segment										(7 025 867 055)
Reclassification to liabilities										-
Total assets as per Statement of Financial Position										10 751 009 958
Additions to non current assets										
Segment additions	99 778 021	58 051 642	15 745	54 321 981	15 204 568	826 219	1 205 635	-	90 701 747	320 105 560
Unallocated additions/non segment										211 141 372
Total additions										531 246 931
Liabilities										
Segment liabilities	11 777 935 599	1 820 442 261	29 551 784	1 309 315 966	337 700 823	77 520 209	767 511 007	33 887 157	2 071 504 494	18 225 369 300
Unallocated liabilities /non segment	(14 929 591 075)									
Reclassification from assets	-									
Total liabilities as per Statement of Financial Position										3 295 778 225

Figures in Rand	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
Revenue										
Revenue from exchange transactions	2 155 008 926	765 299 631	19 308 330	165 978 460	106 491 780	4 281 408	20 264 872	-	25 616 525	3 262 249 932
Revenue from non-exchange transactions	27 792 027	311 077 551	1 269 080 531	106 958 834	36 231 530	2 173 164	-	-	126 930 380	1 880 244 016
Interest consumer debtors and receivables	10 927 005	97 148 621	145 614	17 164 039	9 967 927	-	170 853	-	8 787 845	144 311 904
Total segment revenue	2 193 727 958	1 173 525 803	1 288 534 475	290 101 334	152 691 237	6 454 572	20 435 725	-	161 334 749	5 286 805 853
Unallocated revenue/non-segment										688 901 154
Total entity's revenue										5 975 707 007
Expenditure and gains/(losses)										
Bulk purchases	(1 906 837 267)	(752 567 032)	-	-	-	-	-	-	-	(2 659 404 298)
Debt impairment	435 663 503	(457 353 637)	(148 364 961)	(44 083 646)	(21 555 347)	-	-	-	(709 822)	(236 403 910)
Depreciation and amortisation	(94 470 644)	(55 253 189)	(122 197)	(19 928 789)	(2 335 711)	(5 515 098)	(6 145 309)	(94 116)	(34 186 232)	(218 051 285)
Employee related costs	(114 073 027)	(112 055 112)	(35 332 110)	(10 198 833)	(91 016 351)	(2 632 832)	(11 684 404)	-	(885 080 772)	(762 073 441)
Finance costs	(15 179 604)	(5 867 952)	-	(5 114 752)	(1 282 191)	(98)	-	-	(894)	(27 445 492)
Other expenses	(22 371 438)	6 548 215	(12 887 700)	(187 055 161)	(27 652 302)	(13 128 224)	(10 006 574)	(7 753 454)	(651 640 292)	(825 946 929)
Actuarial gains/losses	-	(2 637 619)	-	-	-	-	-	-	(355 873)	(2 993 493)
Fair value adjustments on investment property	-	-	-	-	-	-	-	-	42 197 500	42 197 500
Gains/(losses) on agricultural assets	-	-	-	-	-	-	-	21 054 552	-	21 054 552
Gain/(loss) on disposal of assets	-	-	-	-	-	-	-	-	(10 483 210)	(10 483 210)
Impairment loss	(4 124 829)	(503 893)	(10 673)	(102 419)	(23 005)	(5 799)	(41 242)	(1 882)	(421 936)	(5 235 677)
Inventory losses	-	(170 694)	-	-	-	-	-	-	-	(170 694)
Total segment expenditure and gains/(losses)	(1 721 393 305)	(1 379 860 912)	(196 717 641)	(266 483 599)	(143 864 907)	(21 282 051)	(27 877 528)	13 205 099	(940 681 532)	(4 684 956 376)
Total segmental surplus/(deficit)	472 334 653	(206 335 110)	1 091 816 835	23 617 734	8 826 331	(14 827 479)	(7 441 803)	13 205 099	(779 346 788)	1 290 750 631
Unallocated expenditure/non segment										(1 214 618 513)
Unallocated gains/(losses) / non segment										(21 175 718)
Surplus (deficit) for the period as per Statement of Financial Performance										54 956 400

2021

Figures in Rand	Electricity	Water	Rates	Sanitation	Refuse	Airport	Market	Forestry	Support Services	Total
Assets										
Segment assets	1 860 184 460	1 040 597 828	912 431 934	627 177 377	145 542 969	58 357 980	84 502 055	109 729 117	3 016 252 783	7 854 776 503
Unallocated assets/non segment										3 153 179 939
Reclassification to liabilities										-
Total assets as per Statement of Financial Position										11 007 956 441
Additions to non current assets										
Segment additions	57 735 269	78 159 405	-	75 993 642	17 504 960	2 173 164	-	2 145 449	211 384 641	445 096 529
Unallocated additions/non segment										166 399 665
Total additions										611 496 194
Liabilities										
Segment liabilities	3 206 417 583	2 357 430 859	123 015 458	102 941 791	140 250 734	(2 449 897)	623 660 375	3 473 397 275	3 969 134 724	13 983 798 902
Unallocated liabilities /non segment										(11 147 670 009)
Reclassification from assets										-
Total liabilities as per Statement of Financial Position										2 836 128 893

81. Variance analysis comparison of budget against actual

Account Balance / Transaction / Disclosure	Current year-to-date actual amount as at: 30 June 2022	Current year budget amount, as per approved budget	Current year budget adjustment	Current year budget final amount	Difference between current year actual and final budget - R	Difference between current year actual and final budget - %	Explanation for significant fluctuations
STATEMENT OF FINANCIAL PERFORMANCE							
Revenue by Source							
Property Rates	1 211 348 604	1 321 378 575	1	1 321 378 576	-110 029 972	-8%	Within an acceptable range
Service charges - electricity revenue	2 549 854 260	2 961 894 451	-1	2 961 894 450	-412 040 190	-14%	Loadshedding also played a role in less electricity being used less due to stage 6 being implemented. This resulted in less revenue than anticipated. Decrease in consumption due to loadshedding and electricity outages also contributed to actual being less. The negative variance is also attributed to the increase in electricity losses .
Service charges - water revenue	773 657 197	773 217 412	0	773 217 412	439 785	0%	Within an acceptable range
Service charges - sanitation revenue	182 241 050	160 154 913	0	160 154 913	22 086 137	14%	The increase can be attributed to new service applications (vacant land and households). The increases in trade effluent also contributes to the the higher variance
Service charges - refuse revenue	114 118 706	122 556 901	0	122 556 901	-8 438 195	-7%	Within an acceptable range
Rental of facilities and equipment	25 415 308	30 634 512	1	30 634 513	-5 219 205	-17%	Revenue on this item is dependent on usage of council facilities. At the end of the year, usage was a little lower than anticipated.
Interest received - external investments	10 445 070	16 076 855	0	16 076 855	-5 631 785	-35%	Due to cashflow constraints, money in the call accounts is not sitting long enough to earn interest as anticipated. The adverse variance is also in line with the decrease in the cash and cash equivalents for the year.
Interest received - outstanding debtors	199 152 491	213 289 286	0	213 289 286	-14 136 795	-7%	Within an acceptable range
Fines, penalties and forfeits	14 488 973	1 894 810	-36	1 894 774	12 594 199	665%	This is a secondary revenue source on which revenue generated is dependent on offences. Its impossible to accurately estimate. The actual sec 341 and 56 traffic fines issued where higher than envisaged. The increase is attributable to intensifying traffic law enforcement operations and increasing the visibility of law enforcement in an effort to restore law and order on the Citys roads.
Licences and permits	984 210	1 179 465	0	1 179 465	-195 255	-17%	The licences and permits revenue activities was much lower than predicted. Its impossible to accurately estimate as this is dependant on consumer needs and demand for licences and permits.
Agency services	2 139 483	634 104	0	634 104	1 505 379	237%	The relaxation of the constrictive lockdown regulations resulted in the clearing of backlogs which accumulated during the lockdown period. The extended operating hours and the increased activities were not envisaged during the budget preparation process. Revenue stream for this item is determined by how many customers will require these licenses on a monthly basis.
Transfers and subsidies	681 677 625	661 215 835	34 120 202	695 336 037	-13 658 412	-2%	Within an acceptable range

Account Balance / Transaction / Disclosure	Current year-to-date actual amount as at: 30 June 2022	Current year budget amount, as per approved budget	Current year budget adjustment	Current year budget final amount	Difference between current year actual and final budget - R	Difference between current year actual and final budget - %	Explanation for significant fluctuations
Other revenue	66 084 928	154 287 075	-119	154 286 956	-88 202 028	-57%	The operational revenue collected is less than forecasted. This is partly attributable to the adverse weather conditions experienced. The devastating floods destroyed infrastructure, interrupted agricultural activities and disrupted business activities. Which lead to the decrease in transaction commission transaction handling fees and administration handling fees.
Gains	20 879 124	0	0	0	20 879 124	100%	These are dependent on expert reports which are unavailable at the time of budget preparation. The valuations are done at year-end and are dependant on market variables which are difficult to predict at the budgeting stage.
Total Revenue (excluding capital transfers and contributions)	5 852 487 029	6 418 414 194	34 120 048	6 452 534 242	-600 047 213		
Total revenue from exchange transactions	5 852 487 029	6 418 414 194	34 120 048	6 452 534 242	-580 802 443		
Expenditure By Type							
Employee related costs	-1 468 960 683	-1 538 089 743	33 389 451	-1 504 700 292	35 739 609	-2%	Within an acceptable range
Remuneration of councillors	-49 529 446	-56 332 922	14	-56 332 908	6 803 462	-12%	The transition of a new council structure resulted in the appointment of new councillors and the resignation of old due to the Local Government Elections. During this transition new councillors do not get paid until their official appointment.
Debt impairment	-1 003 762 757	-150 000 000	-350 000 000	-500 000 000	-503 762 757	101%	Within an acceptable range
Depreciation and asset impairment	-372 610 829	-421 872 298	954 309	-420 917 989	48 307 160	-11%	Due to aging infrastructure and assets reaching the end its useful life, a decrease in depreciation is notable. The conditional assessments conducted on the assets have resulted in the extension of the asset useful life consequently depreciation decreased.
Finance charges	-26 915 534	-34 724 271	1	-34 724 270	7 808 736	-22%	The municipality anticipated raising a new loan which did not materialise hence the actual finance cost is lower than budget.
Bulk purchases electricity	-2 212 724 552	-2 185 393 029	-33 000 000	-2 218 393 029	5 668 477	0%	Within an acceptable range
Inventory consumed	-821 790 405	-830 520 119	-10 386 829	-840 906 948	19 116 543	-2%	Within an acceptable range
Contracted services	-694 880 791	-655 391 205	-75 839 215	-731 230 420	36 349 629	-5%	Within an acceptable range
Transfers and subsidies	-32 412 674	-45 862 883	-15 357 069	-61 219 952	28 807 278	-47%	The actual expenditure incurred was less than anticipated due to cost-cutting measures.
Other expenditure	-160 636 256	-200 227 523	1 896 366	-198 331 157	37 694 901	-19%	The actual expenditure incurred was less than anticipated due to cost-cutting measures.
Losses	-102 566 378	0	-96 200 000	-96 200 000	-6 366 378	7%	Within an acceptable range
Total expenditure	-6 946 790 305	-6 118 413 993	-544 542 972	-6 662 956 965	-283 833 340		
	5 852 487 029	6 418 414 194	34 120 048	6 452 534 242	-600 047 213		
	-6 946 790 305	-6 118 413 993	-544 542 972	-6 662 956 965	-283 833 340		
Operating deficit	-1 094 303 276	300 000 201	-510 422 924	-210 422 723	-883 880 553		
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	368 724 619	380 796 576	86 400 648	467 197 224	-98 472 605	-21%	Cost cutting measure resulted in the significant decrease of transfers and subsidies. Bursaries are 72% down compared to 2019/20
	-725 578 657	680 796 777	-424 022 276	256 774 501	-982 353 158		
Deficit before taxation	-725 578 657	680 796 777	-424 022 276	256 774 501	-982 353 158		
Surplus/(Deficit) for the year	-725 578 657	680 796 777	-424 022 276	256 774 501	-982 353 158		

Account Balance / Transaction / Disclosure	Current year-to-date actual amount as at: 30 June 2022	Current year budget amount, as per approved budget	Current year budget adjustment	Current year budget final amount	Difference between current year actual and final budget - R	Difference between current year actual and final budget - %	Explanation for significant fluctuations
STATEMENT OF FINANCIAL POSITION							
Classes of assets							
Current assets	2 542 368 079	3 808 880 705	507 736 217	4 316 616 922	-1 774 248 843	-41%	Consumers debtors increased by 13,4% due to the relaxed credit controls during the COVID-19 pandemic. Due to the financial constraints experienced by the municipality the cash and cash equivalents is lower than budgeted. The budget for the COID investment is under the cash and cash equivalents line item.
Non-Current Assets	8 208 641 879	7 969 426 726	138 483 629	8 107 910 355	100 731 524	1%	Within acceptable range
Classes of liabilities							
Current Liabilities	2 520 762 905	1 295 697 303	-13 772 594	1 281 924 709	1 238 838 196	97%	The variance was mainly due to the dire cashflow constraints experienced by the municipality which impacted the creditors payments. Consumer deposits depends on the demand of municipal services, hence its difficult to predict consumer behaviour.
Non-Current Liabilities	3 295 778 225	1 187 237 456	0	1 187 237 456	2 108 540 769	178%	The municipality anticipated raising a new loan which did not materialise hence the actual financial liability is lower than budget. The employee benefit obligation dependent is on expert reports which are unavailable at the time of budget preparation.
Reserves							
Reserves	7 455 231 733	9 295 372 672	659 992 440	9 955 365 112	-2 500 133 379	-25%	There was a write off of R14m relating to other financial assets , transfer of R8m bridging finance ,the increase of COID investment and the increase of insurance expenditure was not factored in during the budget process.Negative effects of COVID and the adverse weather conditions has impacted debt collection resulting in the municipality having to increase the debt impairment.
STATEMENT OF CASH FLOWS							
Cash flows from operating activities							
Receipts	5 441 847 545	6 183 449 649	120 520 850	6 303 970 499	-862 122 954	-14%	The cash receipts collected is less than forecasted. This is partly attributable to the adverse weather conditions experienced. The devastating floods destroyed infrastructure, agricultural activities and disrupted business activities. Which lead to the decrease in cash collection. Negative effects of COVID and the has impacted debt collection.
Payments	536 138 615	-5 546 541 721	-99 297 255	-5 645 838 976	6 181 977 591	-109%	Cashflow constraints were a cause for low payment rates.
Cash flows from investing activities							
Net cash flows from investing activities	-524 931 844	-576 301 507	-127 172 303	-703 473 810	178 541 966	-25%	Over expenditure on the budgeted cashflow is mainly explained by unspent grants.

Land And Buildings	Cost 01/07/2021	Valuation 01/07/2021	AUC 01/07/2021	Cost/Valuation 01/07/2021	Additions	Fair Value gain/ (losses)	Transfer/ Adjustments	Additions AUC	Derecognition	Balances 30/06/2022	Balances 01/07/2021	Depreciation 2021/22	ACCUMULATED DEPRECIATION		Balances 30/06/2022	Balances 01/07/2021	Accumulated Impairment 30/06/2022	Carrying Value	
													Disposals	Adjustments/ Transfers					
Land	713 176 741	-	-	713 176 741	-	-	-	-	-	713 176 741	-	-	(50 000)	-	(50 000)	-	-	712 426 741	
Building	481 880 687	-	-	481 880 687	295 897	-	1 607 389	-	-	483 783 973	(325 129 688)	(13 697 489)	-	-	(338 827 187)	(669 396)	(56 983)	(728 380)	124 230 406
Total Land And Buildings	1 175 057 428	-	-	1 175 057 428	295 897	-	1 607 389	-	-	1 176 960 714	(325 129 688)	(13 697 489)	-	-	(339 377 187)	(669 396)	(56 983)	(728 380)	836 657 147
Infrastructure																			
ELECTRICITY RETICULATION	4 374 861	-	-	4 374 861	-	-	-	-	-	4 374 861	(404 048)	(103 979)	-	-	(508 026)	-	-	-	3 866 834
HV OVERHEAD LINES	65 983 416	-	-	65 983 416	-	-	-	-	-	65 983 416	(42 568 836)	(4 538 836)	-	-	(47 128 999)	-	-	-	18 836 417
HV SUBSTATIONS	416 571 462	-	-	416 571 462	-	-	-	(6 201 062)	-	410 370 400	(12 330 054)	(1 870 202)	-	-	(147 928 048)	(13 174 614)	(225 370)	(13 399 964)	249 042 370
HV UNDERGROUND CABLES	75 208 203	-	-	75 208 203	-	-	-	-	-	75 208 203	(12 313 327)	(1 870 202)	-	-	(60 234 483)	(73 692)	-	(73 692)	61 024 674
LV STREET LIGHTING	160 461 606	-	-	160 461 606	6 103 104	-	-	-	-	166 564 709	(43 896 425)	(6 338 059)	-	-	(60 234 483)	-	-	-	116 256 535
LV GROUND MOUNTED TRANSFORMERS	64 830 718	-	-	64 830 718	-	-	-	-	-	64 830 718	(19 843 957)	(2 448 742)	-	-	(2 448 742)	-	-	-	42 538 019
MAJOR CABLES	139 272 160	-	-	139 272 160	12 704 698	-	-	-	-	152 076 858	(64 710 599)	(6 688 851)	-	-	(1 384 450)	(314 559)	-	(314 559)	60 569 151
HV UNDERGROUND LINES	24 804 369	-	-	24 804 369	12 595 358	-	-	-	-	37 408 727	(20 466 086)	(867 723)	-	-	(21 333 459)	-	-	-	16 175 609
MAJOR MOUNTED TRANSFORMERS	58 894 054	-	-	58 894 054	-	-	-	-	-	58 894 054	(10 384 987)	(1 823 453)	-	-	(12 408 457)	(19 569)	-	(19 569)	50 559 385
MAJOR MAIN UNIT	38 879 189	-	-	38 879 189	19 030 629	-	-	-	-	57 909 818	(18 084 358)	(2 010 729)	-	-	(20 095 087)	(22 362)	-	(22 362)	37 792 370
MAJOR SUBSTATIONS	180 773 334	-	-	180 773 334	1 801 246	-	-	-	-	182 574 580	(68 511 690)	(9 236 201)	-	-	(77 747 891)	(1 442 851)	-	(1 442 851)	114 878 414
MAJOR UNDERGROUND CABLES	714 754 869	-	-	714 754 869	5 802 380	-	-	-	-	720 567 249	(412 384 978)	(457 452 865)	-	-	(457 452 865)	(9 481)	(1 006 398)	(1 006 398)	277 408 256
Total Electricity	1 937 788 341	-	-	1 937 788 341	59 035 415	-	26 804 477	(6 201 062)	-	1 993 623 126	(855 304 671)	(65 402 862)	(19)	(19)	(1 672 488 619)	(15 977 401)	(301 743)	(16 279 145)	1 057 442 035
AIRPORT RUNWAY	73 574 386	-	-	73 574 386	-	-	-	-	-	73 574 386	(40 021 071)	(4 577 056)	-	-	(44 598 476)	-	-	-	28 975 910
BRICK ROADS	148 520 649	-	-	148 520 649	-	-	-	-	-	148 520 649	(44 634 859)	(9 307 981)	-	-	(47 942 840)	(77 358)	(177 589)	(254 947)	100 322 862
BRIDGES AND TUNNELS	309 378 932	-	-	309 378 932	-	-	-	-	-	309 378 932	(96 098 869)	(19 151 558)	-	-	(109 250 427)	-	-	-	200 127 895
CONCRETE ROADS	76 513 278	-	-	76 513 278	3 175 374	-	6 010 131	-	-	84 198 682	(25 304 597)	(6 452 989)	-	-	(27 756 895)	(14 917)	(48 881)	(63 798)	57 878 090
GRAVEL ROADS	132 448 299	-	-	132 448 299	-	-	-	-	-	132 448 299	(115 281 273)	(6 382 237)	-	-	(118 663 510)	-	-	-	13 784 789
ROAD SIGNAGE	205 283	-	-	205 283	-	-	-	-	-	205 283	(46 234)	(10 256)	-	-	(56 490)	-	-	-	148 793
SIGNALED INTERSECTIONS	88 149 905	-	-	88 149 905	3 089 888	-	4 639 416	-	-	93 278 793	(44 972 385)	(4 497 816)	-	-	(49 470 201)	(330 375)	(79 885)	(410 260)	46 051 728
TARRED ROADS	2 188 163 204	-	-	2 188 163 204	40 595 635	-	65 429 538	-	-	2 293 147 947	(1 209 395 676)	(6 823 299)	-	-	(1 672 488 619)	(1 949 379)	(3 381 479)	(3 240 850)	1 008 110 654
Total Roads	3 016 953 327	-	-	3 016 953 327	40 633 877	-	76 072 085	(6 201 062)	-	3 138 349 684	(1 978 346 964)	(86 122 649)	-	-	(1 672 488 619)	(3 997 853)	(9 969 570)	(1 006 110 654)	1 455 400 667
BULK SEWERS	104 815 665	-	-	104 815 665	-	-	-	-	-	104 815 665	(92 935 747)	(9 106 665)	-	-	(6 242 412)	(1 638 868)	-	-	67 134 389
PUMPSTATIONS	11 930 171	-	-	11 930 171	-	-	-	-	-	11 930 171	(6 939 720)	(3 999 720)	-	-	(9 939 440)	(82 921)	-	-	9 940 389
SEWER RETICULATION	453 989 246	-	-	453 989 246	4 404 420	-	14 229 242	-	-	472 623 909	(186 834 199)	(16 777 863)	-	-	(203 811 469)	(2 315 376)	-	-	269 010 448
SEWER TREATMENT WORKS	64 742 053	-	-	64 742 053	-	-	-	-	-	64 742 053	(2 613 021)	(671 031)	-	-	(3 284 034)	-	-	-	59 458 019
Total Sanitation	635 466 138	-	-	635 466 138	4 404 420	-	14 229 242	-	-	654 089 789	(229 920 197)	(20 914 672)	-	-	(250 834 868)	(4 037 083)	-	-	389 227 847
PUMPSTATIONS	13 230 716	-	-	13 230 716	-	-	-	-	-	13 230 716	(2 630 223)	(93 076)	-	-	(2 723 299)	-	-	-	9 550 909
RESERVOIRS	248 053 667	-	-	248 053 667	-	-	-	-	-	248 053 667	(109 870 358)	(6 446 820)	-	-	(118 317 176)	(3 483 820)	(1 869)	(9 960 508)	126 250 802
WATER METERS	120 933 009	-	-	120 933 009	-	-	-	-	-	120 933 009	(24 635 052)	(7 796 320)	-	-	(32 631 412)	(1 031 629)	-	-	87 269 971
WATER RETICULATION	456 624 656	-	-	456 624 656	-	-	-	-	-	456 624 656	(215 775 058)	(19 765 939)	-	-	(239 540 356)	(20 584 766)	-	-	206 489 534
WATER SUPPLY BULK WATER PIPELINES	360 590 901	-	-	360 590 901	1 017 844	-	8 493 822	-	-	370 102 667	(205 646 359)	(18 716 089)	-	-	(234 862 427)	(39 849 194)	-	-	105 891 047
WATER SUPPLY PRESSURE REDUCE VALVES	2 469 374	-	-	2 469 374	-	-	-	-	-	2 469 374	(1 122 739)	(154 097)	-	-	(1 276 836)	-	-	-	1 192 538
Total Water	1 201 962 924	-	-	1 201 962 924	1 017 844	-	8 493 822	-	-	1 211 474 089	(569 879 827)	(49 091 679)	-	-	(608 081 506)	(65 935 913)	(1 869)	(65 937 783)	536 654 801
ACCESS CONTROL	268 234	-	-	268 234	-	-	-	-	-	268 234	(81 796)	(7 630)	-	-	(89 426)	-	-	-	26 808
FENCING	20 860 854	-	-	20 860 854	-	-	-	-	-	20 860 854	(5 968 786)	(137 611)	-	-	(23 827 971)	(26 720)	-	-	17 004 625
SECURITY SYSTEMS	82 016	-	-	82 016	-	-	-	-	-	82 016	(25 670 253)	(6 271 651)	-	-	(26 941 904)	(63 868)	-	-	2 060 223
Total Security	48 819 340	-	-	48 819 340	-	-	-	-	-	48 819 340	(28 587 206)	(8 212 623)	-	-	(31 400 033)	(134 367)	(65 729)	(180 146)	19 393 695
HEAD AND WINGWALLS	6 475 942	-	-	6 475 942	-	-	-	-	-	6 475 942	(2 935 640)	(229 857)	-	-	(6 405 497)	-	-	-	3 104 444
KERB INLETS	101 708 376	-	-	101 708 376	-	-	-	-	-	101 708 376	(46 652 141)	(8 817 477)	-	-	(50 469 618)	-	-	-	51 238 497
MAJOR CULVERTS	46 810 369	-	-	46 810 369	-	-	-	-	-	46 810 369	(12 987 631)	(2 555 009)	-	-	(31 802 000)	-	-	-	36 008 369
MANHOLES	68 080 073	-	-	68 080 073	-	-	-	-	-	68 080 073	(29 331 342)	(2 555 009)	-	-	(31 887 151)	-	-	-	36 192 922
MINOR CULVERTS	48 604 891	-	-	48 604 891	3 034 757	-	421 314	-	-	51 639 642	(10 119 751)	(4 918 152)	-	-	(15 037 903)	(142 977)	-	-	36 879 881
OPEN CHANNELS	32 345 399	-	-	32 345 399	-	-	-	-	-	32 345 399	(6 132 043)	(709 116)	-	-	(6 841 159)	-	-	-	25 504 240
RETICULATION	407 226 162	-	-	407 226 162	14 498 982	-	26 393 772	-	-	443 620 144	(88 591 559)	(6 695 848)	-	-	(97 287 407)	(80 800)	-	-	341 005 332
Total Stormwater	711 751 012	-	-	711 751 012	17 537 738	-	26 806 086	-	-	748 587 750	(206 150 107)	(22 071 438)	-	-	(228 221 540)	(223 777)	(49 154)	(49 154)	527 409 137
Railway Lines	3 449 377	-	-	3 449 377	-	-	-	-	-	3 449 377	(2 550 551)	(115 452)	-	-	(2 666 003)	-	-	-	783 374
Total Railway Lines	3 449 377	-	-	3 449 377	-	-	-	-	-	3 449 377	(2 550 551)	(115 452)	-	-	(2 666 003)	-			

Land And Buildings	COST/VALUATION				ACCUMULATED DEPRECIATION				ACCUMULATED IMPAIRMENT			
	Cost 01/07/2021	Valuation 01/07/2021	AUC 01/07/2021	01/07/2021	Balance 30/06/2022	Depreciation 2021/22	Disposals	Adjustments/Transfers	Balance 30/06/2022	Balance 01/07/2021	Balance 2021/22	Carrying Value
BEER HALLS												
Total Community Buildings	390 654 454			4 340 604	390 995 058	(240 288 364)	(6 988 515)		(230 275 279)	(1 444 461)	(68 546)	143 206 792
CATERERIES	5 616 444				5 616 444	(3 020 139)	(84 169)		(3 104 609)	(14 859)		2 498 978
PARKS	16 227 905				16 227 905	(9 135 014)	(322 829)		(14 577 822)	(42 824)		6 772 439
SPORT FACILITIES	69 475 625				69 475 625	(22 299 576)	(1 711 687)		(24 011 263)	(475 943)		38 988 419
SPORT GROUNDS	214 488 441				214 488 441	(75 609 799)	(5 065 929)		(60 665 241)	(596 105)		133 664 644
SWIMMING POOLS	43 703 248				43 703 248	(23 346 514)	(1 104 577)		(24 451 090)	(83 724)		19 168 433
Total Community Recreational Facilities	343 511 663			419 865	343 931 518	(133 411 043)	(9 278 987)		(141 689 930)	(1 156 668)	(43 008)	201 045 913
Total Community	734 168 117			4 760 469	738 928 576	(373 689 407)	(18 265 822)		(381 985 209)	(2 597 150)	(111 552)	344 252 665
Other Assets												
AIRPORT BUILDING	13 980 560				13 980 560	(7 258 586)	(518 074)		(7 776 660)			6 203 900
CHEQUES	15 717 655				15 717 655	(8 814 112)	(460 709)		(6 474 821)	(6 494)		6 437 339
CHEMOURIUMS	7 004 221				7 004 221	(5 370 645)	(325 924)		(6 696 589)	(112 289)		1 195 363
HOSTELS	1 557 492				1 557 492	(1 148 071)	(29 375)		(1 177 446)			380 046
HOUSING SCHEMES												
LANDFILL SITE	47 437 565			202 194	47 639 759	(30 817 542)	(1 489 179)		(32 308 281)	(2)		15 339 465
LIBRARIES	241 019 325				241 019 325	(169 330 547)	(9 385 639)		(171 689 878)	(13 465)		10 339 242
MUSEUMS	10 835 633				10 835 633	(9 119 649)	(306 893)		(9 955 522)	(6 226)		2 409 705
OLD AGE HOMES	924 086				924 086	(711 231)	(14 158)		(212 855)			198 690
SEWERAGE WORKS AND DUMPSITE	798 654				798 654	(637 152)	(6 798)		(161 502)			132 704
TRAINING CENTRE	4 298 468				4 298 468	(2 656 633)	(87 536)		(2 844 169)			1 354 299
TRANSPORT FACILITIES	43 956 072				43 956 072	(26 619 924)	(1 414 895)		(28 034 819)			15 921 254
WORKSHOPS AND DEPOTS	31 508 703				31 508 703	(22 587 615)	(778 058)		(23 345 673)	(280)		8 162 750
Total Other Properties	419 038 212			202 184	419 240 396	(290 091 036)	(10 410 788)		(291 101 836)	(137 774)		127 998 787
COMPRESSORS	371 995			2 375	374 370	(201 930)	(42 349)	(1)	(244 260)	(511)	(458)	129 121
FIREARMS	2 659 122				2 659 122	(1 761 033)	(198 323)		(1 959 355)			699 767
GRADERS	12 629 142			3 175 188	15 804 330	(6 102 545)	(661 195)		(6 763 740)	(17 859)		9 022 721
LABORATORY EQUIPMENT	389 680			431	389 110	(596 308)	(6 638)		(695 145)			23 966
LAWN MOWERS	4 302 693			132 928	4 435 621	(2 105 835)	(526 619)		(2 532 454)	(91 787)		1 681 619
PLANT AND EQUIPMENT	80 243 485			91 832	80 335 317	(41 226 230)	(3 280 061)	(17)	(44 507 108)	(60 868)		1 736 538
RADIO EQUIPMENT	3 482 576				3 482 576	(2 194 082)	(304 420)		(2 488 506)	(7 691)		989 576
TELECOMMUNICATION	6 412 720				6 412 720	(6 930 536)	(117 620)		(6 948 156)	(10 575)		350 736
TRACTORS	13 120 286			252 219	13 372 505	(7 275 373)	(497 153)		(8 172 526)	(3 948)		5 339 692
Total Plant And Equipment	123 620 700			94 658	123 670 357	(67 331 872)	(6 587 479)	(18)	(72 891 269)	(1 361 744)	(50 119)	60 131 357
AIRCONDITIONERS	19 800 409			4 688	19 805 097	(10 267 340)	(821 538)	(3)	(17 268 870)	(16 878)	(205 678)	2 760 881
COMPUTER HARDWARE	104 945 982			193 107	105 139 089	(77 262 824)	(7 680 024)	(106)	(84 851 434)	(688 004)	(121 388)	9 098 393
OFFICE MACHINES	5 323 505			28 832	5 352 337	(4 217 874)	(272 617)	(56)	(4 404 955)	(61 911)	(23 254)	85 163
Total Office Equipment	130 069 307			300 332	130 369 639	(87 338 038)	(8 754 538)	(164)	(106 545 258)	(839 834)	(100 548)	29 545 839
CABINETS AND CUPBOARDS	12 188 442			28 921	12 217 363	(8 822 255)	(478 102)	(8)	(9 256 153)	(199 550)	(461 081)	2 823 594
CHAIRS	9 766 516			62 285	9 828 801	(6 435 055)	(370 070)	(17)	(6 921 160)	(508 635)	(71 027)	4 172 228
FURNITURE AND FITTINGS OTHER	5 768 293			12 544	5 780 837	(3 547 860)	(300 945)	(11)	(3 848 482)	(208 779)	(232 052)	2 061 185
TABLES AND DESKS	9 125 848			29 490	9 155 338	(6 407 361)	(394 023)		(6 197 182)	(228 080)	(47 712)	2 751 792
Total Furniture And Fittings	36 848 735			133 240	36 981 975	(25 230 530)	(1 651 140)	(37)	(26 322 967)	(1 207 026)	(341 562)	12 024 057
BULK CONTAINERS	1 641 584				1 641 584	(975 489)	(138 393)		(1 113 891)	(191)	(8 645)	523 856
HOUSEHOLD REFUSE BINS	2 203				2 203	(1 936)	(60)		(2 002)		(52)	149
Total Containers	1 643 787				1 643 787	(977 425)	(138 453)		(1 115 893)	(191)	(8 696)	524 005
FIRE EQUIPMENT	5 080 026			8 653	5 088 679	(3 058 209)	(162 863)	(2)	(3 212 074)	(139 789)	(52 608)	(1 675 208)
MEDICAL EQUIPMENT CLINICS	365 380				365 380	(304 267)	(7 882)		(3 221 149)	(961)		52 270
Total Fire And Medical Equipment	5 445 406			8 653	5 454 059	(3 362 476)	(170 745)	(2)	(3 533 223)	(140 750)	(52 608)	1 721 478
BUSES	3 631 939				3 631 939	(1 487 061)	(207 966)		(1 805 056)	(7 961)	(67 761)	1 872 121
FIRE ENGINES	32 031 584				32 031 584	(15 856 897)	(1 023 078)		(16 881 970)	(89 789)	(84 047)	14 955 789
MOTOR CYCLES	46 282 564				46 282 564	(35 328 386)	(3 121 291)		(10 954 178)	(15 322)	(63 031)	10 205 030
MOTOR VEHICLES	1 135 006				1 135 006	(71 524 650)	(9 345 930)		(2 873 263)	(41 176 629)	(15 939)	13 536 295
TRAILERS	1 135 006				1 135 006	(1 018 551)	(5 523)		(601 417)	(3 247 379)	(29 258)	69 380
TRUCKS AND BAKKIES	185 243 233				185 243 233	(127 003 445)	(11 486 012)		(128 450 511)	(1 956 339)	(129 826)	53 796 326
FINANCE LEASES												
Total Motor Vehicles	270 282 668				282 411 124	(171 374 011)	(1 611 589)		(172 038 580)	(6 289 278)	(718 041)	(6 007 219)
Tool Boxes												
Low Value Assets												
Total Other												
Total Other Assets	986 947 015			536 863	1 007 611 195	(647 327 399)	(42 875 442)	(221)	(674 147 043)	(9 296 677)	(1 856 525)	31 631 862
Total Ppe	10 462 565 757			(6 824 501)	12 188 554 479	(4 810 247 248)	(599 698 492)	(240)	(6 147 748 899)	(101 296 573)	(6 306 083)	6 843 203 924
Heritage Assets												
ARTWORKS	119 867 240			116 552 687	236 419 927							229 769 420
CHEMOURIUMS	9 359 518				9 359 518							9 359 518
Jewellery	1 068 500			1 176 500	2 235 000							2 235 000
MUSEUMS AND ART GALLERY	17 315 796				17 315 796							17 315 796
LAND	6 002 000				6 002 000							6 002 000
PARKS	2 465 908				2 465 908							2 465 908
SPRINKLERS	3 961 863				3 961 863							3 961 863
OTHER SWIMMING POOLS	2 185 200				2 185 200							2 185 200
Total Heritage Assets	162 168 620			117 729 187	336 000				(122 698)	(6 957 623)	(28 287)	(6 833 290)
Total	279 676 007			336 000	280 009 310				(28 287)	(6 957 623)	(28 287)	273 102 003

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."



DESCRIPTION	HISTORICAL COSTS										ACCUMULATED DEPRECIATION AND IMPAIRMENTS										NET BOOK VALUE
	OPENING BALANCE	ADDITIONS/ UNDER CONSTRUCTION	TRANSFERS	REVALUATION	ADJUSTMENTS	DISPOSALS	DONATED ASSETS	CLOSING BALANCE	OPENING IMPAIRMENTS	CURRENT YEAR DEPRECIATION	DEPRECIATION TRANSFERS	DEPRECIATION ADJUSTMENTS	DEPRECIATION DISPOSALS	CURRENT YEAR IMPAIRMENTS	CLOSING BALANCE						
Executive and Council	32 782 702.35	2 097 519.05	-11 767.20	1 178 930.00	28 362.25	-	-	36 643 114.45	-239 887.91	-1 389 922.19	7 653.53	-131.73	-	-28 159.34	-17 168 673.47	19 483 440.98					
Community and Social Services	595 560 847.29	21 334 570.35	-1 368 971.99	116 195 889.85	204 919.86	-	-	731 926 654.86	-8 348 890.42	-11 025 950.65	306 198.92	-88.01	-	-128 786.99	-295 341 051.91	476 585 602.95					
Electricity	2 022 535 233.23	98 778 021.42	-4 145 898.43	3 450.00	25 482.16	-6 253 579.22	-	2 111 842 718.95	-15 411 458.03	-84 035 785.71	564 877.79	-9.09	6 201 082.80	-412 336.00	-971 705 748.41	1 140 238 970.65					
Environmental Protection	5 428 600.81	158 905.00	-396.12	-	32 931.95	-	-	5 619 441.64	-64 113.22	-268 449.71	2 299.26	-10.64	-	-66 430.85	-3 513 125.09	2 106 316.55					
Finance and Administration	1 736 343 917.19	16 527 563.35	7 178 916.81	-	118 036.19	-18 984 735.08	208 000.00	1 741 391 678.46	-6 901 313.82	-38 751 396.42	-1 254 781.90	-57.21	16 556 097.47	-1 185 641.24	-645 420 438.17	1 095 971 240.29					
Housing	1 001 133 866.48	21 823 763.76	287.82	-	11 718.05	-650 404.36	16 309 173.07	1 038 827 904.82	-113 888.26	-3 586 226.42	-49.07	-5.46	317.44	-19 433.50	-29 632 888.37	1 008 796 616.45					
Other	462 811 641.56	2 031 653.94	-818.15	-	12 070.63	-	-16 100 000.00	448 754 747.98	-119 785.39	-12 221 026.49	1 130.80	-4.24	-	-30 535.71	-242 348 851.86	206 406 096.12					
Planning and Development	227 759 514.87	37 587 554.01	13 510.40	-	26 836.30	-139 683.93	-	265 218 631.65	-267 218.24	-3 968 114.69	-291.06	-13.40	8 811.30	-160 296.16	-27 836 818.16	237 381 813.49					
Public Safety	41 050 281.10	94 470.00	-108 304.97	-	31 081.15	-	-	41 067 527.28	-359 919.21	-1 147 089.74	108 251.73	-7.07	-	-80 502.82	-24 524 197.16	16 543 330.12					
Road Transport	4 316 383 403.22	200 564 624.85	-122 282.11	-	24 781.20	-4 420.18	-	4 516 626 136.98	-2 747 029.96	-113 816 067.48	114 228.71	-7.03	4 294.25	-3 357 498.73	-1 904 482 857.34	2 612 333 179.64					
Sport and Recreation	538 419 180.53	1 101 093.51	-1 171 633.19	175 650.00	16 863.57	-90 000.00	-	538 451 154.42	-2 089 203.31	-12 673 536.44	96 953.46	-3.61	38 240.64	-197 489.40	-245 307 868.62	292 143 167.80					
Waste Management/Solid Waste	89 968 119.68	15 204 668.25	-134 517.38	197.84	-	-	-	105 638 368.19	-469 104.91	-3 078 299.27	17 297.07	-0.10	-	-35 667.37	-43 846 502.18	61 197 866.01					
Waste Water Management	775 563 973.40	54 321 981.29	-7 517.56	-	2 093.45	-	-	829 860 530.98	-4 180 689.79	-20 561 619.95	7 262.36	-1.01	-	-11 902.93	-257 940 353.15	571 940 177.43					
Water	1 383 474 833.93	58 051 642.31	-120 637.83	55 000.00	1 480.45	-87 122.04	-	1 441 374 696.82	-66 146 063.31	-49 180 884.72	28 748.38	-0.35	86 477.33	-681 007 577.56	760 367 119.26						
TOTALS	13 229 164 815.64	531 246 831.09	0.00	117 606 687.29	536 664.91	-26 208 684.81	417 173.07	13 852 763 507.19	-107 486 845.78	-365 699 469.88	0.00	-220.95	22 893 321.33	-6 332 340.96	-5 351 261 369.45	8 801 502 137.74					

MSUNDUZI LOCAL MUNICIPALITY
APPENDIX C

ACTUAL VERSUS BUDGET (ACQUISITION OF ALL NON-CURRENT ASSETS) FOR THE YEAR ENDED 30 JUNE 2022

Description	2022 Budget R	2022 Actual R	2022 Assets Under Construction R	2022 Additions R	2022 Variance R	2022.00 Variance %	Explanation of Significant Variances greater than 5% versus Budget
Executive and Council	6 326 000.00	2 638 711.39	1 563 390.13	1 103 928.92	3 687 288.61	58%	
Finance and Administration	41 776 984.00	15 706 116.78	5 668 489.16	10 859 074.19	26 070 867.22	62%	
Planning and Development	125 979 448.30	37 614 091.51	28 409 822.92	9 177 531.09	88 365 356.79	70%	
Public Safety	1 100 000.00	94 470.00	-	94 470.00	1 005 530.00	91%	
Community and Social Services	29 953 251.56	27 991 474.87	19 929 801.04	1 404 569.31	1 961 776.69	7%	
Health							
Sport and Recreation	725 000.00	1 041 093.51	-	1 101 093.51	-316 093.51	-44%	
Road Transport	178 811 233.16	201 376 703.88	145 319 949.67	55 244 675.18	-22 565 470.72	-13%	
Water	55 466 054.00	58 051 642.31	57 033 698.68	1 017 943.63	-2 585 588.31	-5%	
Waste Water Management	58 408 960.00	54 321 981.29	49 917 560.83	4 404 420.46	4 086 978.71	7%	
Electricity	154 510 889.00	99 778 021.42	41 495 257.56	58 282 763.86	54 732 867.58	35%	
Housing	85 707 294.07	21 823 763.76	20 037 849.11	1 785 914.65	63 883 530.31	75%	
Other	3 361 906.77	2 049 987.10	729 247.40	1 302 606.54	1 311 919.67	39%	
Environment Protection/Solid Waste	17 242 606.00	15 160 689.25	6 017 974.25	9 344 899.00	2 081 916.75	12%	
TOTALS	759 369 626.86	537 648 747.07	376 123 040.75	155 123 890.34	221 720 879.79		

"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

MSUNDUZILU MUNICIPALITY												
APPENDIX D												
DETAILS OF UNSPENT CONDITIONAL GRANTS, RECEIPTS AND TRANSFERS TO INCOME AS AT 30 JUNE 2022												
Account Description	Unspent balances @ 01 July 2021	Transfers to income	Transfer to own revenue	Inter project	Funds paid back to National Treasury	Repayment of bridging of INEP exp from MHOA	VAT recovered from NT grants	Current year interest earned	Current year receipts	Unspent balance	Source Code	
GRANTS UNSPENTCP-NF-NEIGHBOURHOOD DEV/PSHP GRANT	- 1 070 247	30 434 387	-	-	-	-	4 565 158	-	-34 000 000	-70 702	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-EXPANDED PUBLIC WORKS PROGRAMME	- 469 014	3 474 322	-	-	468 000	-	41 692	-	-3 516 000	-	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-FINANCE MANAGEMENT GRANT	-	1 768 057	-	-	-	-	131 943	-	-1 900 000	-	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-WATER SERVICES INFRASTR GRANT	-	17 543 560	-	-	-	-	2 451 315	1 218 000	-21 218 000	-5 125	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-WATER SERVICES INFRASTR GRANT	-	17 452 400	-	-	-	-	2 534 010	-1 218 000	-18 782 000	-13 590	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-PUBLIC TRANSPORT NETWORK GRANT	-49 852 139	54 449 148	-	-570 898	-	-	7 873 889	-	-11 900 000	-	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-PUBLIC TRANSPORT NETWORK GRANT	-593 940	23 042	-	570 898	-	-	-	-	-	-	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME	-	10 380 984	-	-	-	8 769 502	849 503	-	-20 000 000	-	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-MUNICIPAL INFRASTRUCTURE PROGRAMME	-	178 605 305	-	-3 572 710	-	-	24 617 778	-	-109 650 373	-	UNSPENT CG - NATIONAL GOVERNMENT	
GRANTS UNSPENTCP-NF-MUNICIPAL INFRASTRUCTURE PROGRAMME	-	5 901 848	-	3 572 710	-	-	206 069	-	-3 680 827	-	UNSPENT CG - NATIONAL GOVERNMENT	
	- 51 985 340	320 035 064	-	-	468 000	8 769 502	43 271 357	-	-320 647 000	-89 416		
GRANTS UNSPENTCP-DOHS-JIKA JOE	- 7 909 450	14 019 169	6 876 324	-	-	-	-	-	-12 986 042	-	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-DOHS - HOUSING PROJECTS	-	9 106 293	-	-	-	-	-	-	-9 106 293	-	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN - PIETERMARITZBURG AIRPORT	- 359 982	326 219	-	-	-	-	-	-	-13 679	-47 442	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-EDTEA - INFORMAL CBD	- 1 719 951	1 700 456	-	-	-	-	-	-	-62 359	-81 854	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-COGITA-EASTWOOD PRIMARY SUBSTATION	-	9 079 238	-	-	-	-	-	-	-15 000 000	-6 077 724	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-COGITA-CORRIDOR DEVELOPMENT	-	-	-	-	-	-	-	-	-6 654	-6 606 654	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-COGITA-MUNICIPAL DISASTER RESPONSE GRANT	-	-	-	-	-	-	-	-	-6 200 000	-6 200 000	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-A/CULTURE-TATHAM ART GALLERY	- 11 009	421 883	-	-	-	-	-	-5 028	-425 000	-19 154	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-A/CULTURE-TATHAM ART GALLERY	- 7 930	81 475	-	-	-	-	-	-3 192	-90 000	-19 647	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-HOUSING/DALE PVT LAND ACQ	- 15 746 005	3 222 622	-	-	-	-	-	-588 392	-	-13 121 774	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-HOUSING/DALE PVT LAND ACQ	- 88 849 429	2 545 502	-	-	-	-	-	-3 405 876	-8 158 820	-92 868 623	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-ARTS/CULTURE-LIBRARY	- 3 173 021	399 257	-	-726 979	-	-	-	-220 683	-3 500 000	-7 221 426	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-ARTS/CULTURE-LIBRARY	- 3 272 834	15 381 529	-	726 979	-	-	-	-263 455	-12 863 000	-290 781	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN- HOUSING- ACCREDITATION	- 8 775 301	1 785 915	-	5 000 000	-	-	-	-227 217	-1 000 000	-3 216 604	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN- HOUSING- ACCREDITATION	- 1 289 439	4 663 110	-	-5 000 000	-	-	-	-136 120	-3 853 172	-6 615 621	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-COGITA-MANAYE AREA PRECINCT UPGRADE	- 761	-	-	787	-	-	-	-26	-	0	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-COGITA-YOUTH ENTERPRISE PARK	- 136 270	140 025	-	-787	-	-	-	-5 390	-188 382	-190 805	UNSPENT CG - PROVINCIAL GOVERNMENT	
GRANTS UNSPENTCP-KZN-OFF-PREMIER-DLULISUMLANDO	- 1 136 990	1 083 804	50 186	-	-	-	-	-	-	0	UNSPENT CG - PROVINCIAL GOVERNMENT	
	- 127 388 373	63 959 497	6 926 510	-	-	-	-5 105 034	-	-74 390 710	-135 986 109		
	- 179 373 712	383 992 561	6 926 510	-	468 000	8 769 502	43 271 357	-5 105 034	-395 037 710	-136 087 525		

MSUNDUZI LOCAL MUNICIPALITY										
APPENDIX E										
CONTINGENT LIABILITIES AS AT 30 JUNE 2022										
MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
B.A. Clark v. Msunduzi Municipality	Delictual Claim. The Municipality dug trenches along Old Howick Road, a net was placed adjacent to the trenches. Plaintiff alleges that he was caught	Internal	Internal	2009	Awaiting new set down for trial.	R379 975.83 Plus interest at 15.5 per cent per annum.	Not Probable	R379 975.83	2 473 556	2 141 607
Nzaba IN v Msunduzi Municipality	Delictual Claim. The claim arises from a motor vehicle collision involving a municipal vehicle and Plaintiff's vehicle.	Internal	Internal	2008	Set down for trial was part-heard. Ongoing.	R73 500.00 Plus interest at 15.5 per cent per annum.	Not Probable	R73 500	552 631	478 468
F. Osman V Msunduzi Municipality	Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries	Internal	Internal	2007	The defendants plea has been filed. The matter is ongoing.	R198 840.00 plus interest at 15.5 per cent per annum.	Not Probable	R198 840.00	1 726 766	1 495 036
Zuma NG v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for unlawful arrest and detention by Municipal Traffic Officers.	Internal	Internal	2008	Correspondence exchanged between attorneys of record. The matter is ongoing.	R100 000.00 Plus interest at 15.5 per cent per annum.	Not Probable	R100 000	751 879	650 977
Zondi PS v Msunduzi Municipality	Delictual Claim: Plaintiff is suing the Municipality for damages to his motor vehicle after it collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Internal	Internal	2007	The matter is ongoing.	R15 080.00 plus interests at 15.5 per cent per annum.	Not Probable	R15 080.00	130 958	113 383
Haffejee RB v Msunduzi Municipality	Delictual Claim against the municipality initiated by plaintiff seeking compensation from the municipality for alleged losses incurred. Claims are dealt with by insurance section. Plaintiff's claim based on the alleged negligence.	Internal	Internal	2004	Ongoing	R98 800.00 plus interest at 15.5 per cent per annum.	Not Probable	R98 800.00	1 322 004	1 144 592
Majozi HS v Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality for injuries sustained as a result of having fallen into an uncovered manhole.	Internal	Internal	2010	Matter is ongoing.	R95 000.00 plus interest at 15.5 per cent per annum.	Not Probable	R95 000.00	535 436	463 581
Mans N. v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for damages to her vehicle as a result of a collision between her vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Internal	Internal	2010	An application for condonation was opposed and the matter is ongoing.	R7 045.75 plus interest at 15.5 per cent per annum.	Not Probable	R7 045.75	39 711	34 382
Reddy Ronald v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Internal	Internal	2010	The matter is part-heard.	R282 818.08 plus interest at 15.5 per cent per annum.	Not Probable	R282 818.08	1 594 010	1 380 095
Mavundla AB v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for being allegedly unlawfully arrested and detained by Municipal Traffic Officers.	Internal	Internal	2010	The matter is ongoing	R200 000.00 plus interest at 15.5 per cent per annum.	Not Probable	R200 000.00	1 127 233	975 960
Mpungose NK v Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality due to structural and mechanical damage to his vehicle caused by towing by municipal traffic officers.	Internal	Internal	2011	The matter is ongoing	R23 964.42 plus interest at 15.5 per cent per annum.	Not Probable	R23 964.42	116 942	101 248
Nxumalo TR v. Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for damages to his motor vehicle as a result of a street lamp pole falling on it. The Municipality alleges that the site at the time was	Internal	Internal	2011	The matter is part-heard.	R21 791.04 plus interest at 15.5 per cent per annum.	Not Probable	R21 791.04	106 336	92 066

MSUNDUZI LOCAL MUNICIPALITY										
APPENDIX E										
CONTINGENT LIABILITIES AS AT 30 JUNE 2022										
MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
Dladla NB v. Msunduzi Municipality	Overpayment of Rates. The Plaintiff is disputing a rates account and is seeking reimbursement.	Internal	Internal	2011	The defendant's plea has been filed. The matter is ongoing.	R109 038.97 plus interest at 15.5 per cent per annum.	Not Probable	R109 038.97	532 088	460 682
Naidoo M. v Msunduzi Municipality	Delictual Claim: The plaintiff is suing the Municipality because he fell on an uneven pavement in the vicinity of Delhi Road	Internal	Internal	2011	Defendant's plea has been filed. Matter ongoing.	R 370 000.00 plus interest at 15.5 per cent per annum.	Not Probable	R370 000.00	1 805 525	1 563 225
Kroese J. v. Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality and the Minister of the Police for unlawful arrest and detention.	Internal	Internal	2011	The matter is part-heard.	R40 000.00 plus interest at 15.5 per cent per annum.	Not Probable	R40 000.00	195 192	168 997
Check One Supermarket (PTY) LTD v. Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality for overcharges in relation to a water account.	Internal	Internal	2012	The matter is ongoing	R139 961.45 plus interest at 15.5 per cent per annum	Not Probable	R139 961.45	591 328	511 972
Govender Kem v. Msunduzi Municipality	Delictual Claim: Plaintiff suffered damages due to a power surge at his property.	Internal	Internal	2012	The matter is ongoing	R22 242.00 plus interest at 15.5 per cent per annum.	Not Probable	R22 242.00	93 971	81 360
Mkhonza B. v Msunduzi Municipality	Delictual claim. Plaintiff is suing the Municipality due to a fall on an uneven	Internal	Internal	2012	The matter is ongoing	R293 000.00 plus interest at 15.5 per cent per annum.	Not Probable	R293 000.00	1 237 905	1 071 780
Ogle COO v Msunduzi Municipality	Delictual Claim: Plaintiff fell on an uneven pavement and sustained injuries.	Insurance	Internal	2012	The matter is ongoing.	R267 660.00 plus interest at 15.5 per cent per annum.	Not Probable	R267 660.00	1 130 846	979 087
Makhaye SB v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality for damages to his vehicle after a collision involving his vehicle and a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Internal	Internal	2013	An application to dismiss was received and opposed. Various correspondences exchanged between attorneys of record. The matter is ongoing.	R8688.46 plus interest at 15.5 per cent per annum.	Not Probable	R8 688.46	31 782	27 517
I Hansa v Msunduzi Municipality	Delictual Claim: Plaintiff fell into an uncovered manhole in the vicinity of Mountain rise.	Internal	Internal	2013	The matter is ongoing	R124 734.50 plus interest at 9% p.a.	Not Probable	R124 734.50	270 910	248 541
Asiphakame Projects CC 9321-14 v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Internal	Internal	2014	The Plaintiff applied for summary judgement and this was successfully opposed. Matter not yet finalised.	R195 035.85 plus interest at 15.5 per cent per annum.	Not probable	R195 035.85	617 690	534 796
Asiphakame Projects CC 9358-14 v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract	Internal	Internal	2014	The Plaintiff applied for summary judgement and this was successfully opposed. The matter is not yet finalised with	R73 590.47 plus interest at 15.5% p.a.	Not probable	R73 590.47	233 065	201 788
EMT. Kapp v Msunduzi Municipality	Delictual Claim: The plaintiff is suing the Municipality for damaged sustained to his vehicle as a result of an open trench in a public road.	Internal	Internal	2014	Plaintiff not having moved Pleadings have closed in the matter. Matter ongoing.	R13 154.75 plus interest at 15.5% p.a.	Not probable	R13 154.75	41 662	36 071
V. Barnabas v Msunduzi Municipality	Delictual Claim: The claim arises from Plaintiff's vehicle having collided with a pothole in the vicinity of Plymouth Road.	Internal	Internal	2014	Matter ongoing	R18 228.00 plus interest at 15.5 per cent per annum	Not probable	R18 228.00	57 729	49 982
Musawenkosi Isaac Dlamini v Msunduzi Municipality	Delictual claim. Plaintiff collided with a tree that had fallen across the road.	Internal	Internal	2014	The Municipality has filed a plea. Matter ongoing.	R78 616.27. plus interest at 9% per annum	Not probable	R78 616.27	156 648	143 714
NS Ngwenya v Msunduzi Municipality	Delictual claim. Plaintiff's vehicle collided with a municipal vehicle.	Internal	Internal	2015	The matter is ongoing	R11 395.37 plus 9% interest per annum.	Not probable	R11 395.37	20 831	19 111

MSUNDUZI LOCAL MUNICIPALITY APPENDIX E CONTINGENT LIABILITIES AS AT 30 JUNE 2022										
MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
Bermin Investments CC t/a Magalela electrical v Msunduzi Municipality	Contractual claim. Plaintiff is suing the Municipality for monies owed in terms of a contract.	Internal	Internal	2015	This is a claim arising from a contractual dispute. The claim is being defended and an appearance to defend as well as a defendant's plea have been filed.	R 170 100.69 plus interest at 15.5% p.a.	Not probable	R170 100.69	466 423	403 829
Abbas Ghulam v Msunduzi Municipality	Delictual Claim: The claim arise from an alleged assault by a Municipal Traffic Officer in the course and scope of his employment.	Internal	Internal	2015	The matter is ongoing	R1 00 000.00 plus interest at 15,5% per annum.	Not probable	R100 000.00	274 204	237 406
SM Mazibuko v Msunduzi Municipality	Delictual Claim: The claim arises from an incident whereby Plaintiff's motor vehicle collided with a Municipal vehicle driven by a Municipal employee in the course and scope of his employment.	Internal	Internal	2015	The matter is ongoing	R11 395.73 plus 9% interest per annum.	Not probable	R11 395.73	20 832	19 112
Anthoo Marion and Associates v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Internal	Internal	2015	Matter ongoing	R12 935.00 plus interest at 15.5% p.a.	Not probable	R12 935.00	35 468	30 708
A. Aboobaker v Msunduzi Municipality	Delictual Claim: Plaintiff's vehicle collided with a municipal vehicle driven by an employee in the course and scope of his employment.	Internal	Internal	2015	Ongoing	R10 411.46 plus 9% interest per annum.	Not probable	R10 411.46	19 033	17 461
L. Van Zyl v Msunduzi Municipality	Delictual Claim. Plaintiff's motor vehicle collided with a Municipal vehicle driven by an employee in the performance of his duties.	Internal	Internal	2016	The matter is ongoing	R46 692.18 plus 9% interest per annum.	Not probable	R46 692.18	78 307	71 842
N. Singh v Msunduzi Municipality	Delictual Claim: Plaintiff's vehicle hit a pothole on a public road that falls within the jurisdiction of the Municipality.	Internal	Internal	2016	The matter is ongoing	R9 406.21 plus 15,5% interest per annum.	Not probable	R9 406.21	22 331	19 334
S. W. Khanyile v Ms unduzi Municipality	Delictual Claim: Plaintiff claims that he was unlawfully assaulted and detained by Municipal Traffic Officers.	Insurance	Internal	2016	The matter is ongoing	R200 000.00 plus 9% interest per annum.	Not probable	R200 000.00	335 420	307 725
M. Brown v Msunduzi Municipality	Delictual claim: The Plaintiff claims that he was arrested unlawfully by a Municipal Traffic Officer.	Insurance	Internal	2016	Ongoing	R257 000 plus 9% interest per annum.	Not probable	R257 000.00	431 015	395 426
S.S.Nyoka v Msunduzi Municipality	Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle.	Internal	Internal	2016	The summons herein was issued in the Magistrates Court.	R67 008.77 plus 9% interest per annum.	Not probable	R67 008.77	112 380	103 101
Ilitha Research and Management CC v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Internal	Internal	2016	The summons was issued in the Magistrates Court. Further particulars were sought from ICT. The matter is ongoing.	R62 768.00 plus interest at 15.5% p.a.	Not probable	R62 768.00	149 015	129 017
L.M. Stillies v Msunduzi Municipality	Delictual Claim: The Plaintiff herein has sued the Municipality as a result of injuries sustained during a fall on an uncovered manhole.	Insurance	Internal	2016	The summons was issued at the High Court. Matter ongoing	R864 272.36 plus interest at 15.5% p.a.	Not probable	R864 272.36	2 051 835	1 776 481
Ziyad Alley v Msunduzi Municipality	Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Internal	Internal	2016	A summons has been received. An appearance to defend was filed and served on the Plaintiff.	R45 887.66 plus interest at 15.5% p.a.	Not probable	R45 887.66	108 940	94 320

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Koshik Singh v Msunduzi Municipality	Delictual Claim: The plaintiff has sued the Municipality as a result of a collision with a pothole.	Internal	Internal	2016	The Defendant's Plea was filed in court and served on the Plaintiff.	R9 406,21 plus 15.5% interest per annum.	Not probable	R9 406.21	22 331	19 334
Akira Pillay v Msunduzi Municipality	Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Internal	Internal	2016	The Defendant's Plea and counterclaim were filed in court and served on the Plaintiff	R14 365.96 plus 9% interest per annum.	Not probable	R14 365.96	24 093	22 104
Taro Govender / Msunduzi Municipality/ Case No. 12048/11	Delictual Claim: The Plaintiff is suing the Municipality for damages arising from a flood that allegedly caused damage to the	Internal	Internal	2011	The matter is ongoing	R100 000.00 plus 15.5% interest per annum.	Not probable	R100 000.00	487 980	422 493
Mr Mduduzi Collen Sosibo, Mrs Sosibo v Msunduzi Municipality	Plaintiff's Delictual Claim: The plaintiff is suing the Municipality in respect of rates, taxes and services owed by the previous owner of the property.	Internal	Internal	2016	Summons were received from the plaintiff. Discovery notices have been filed and served on the plaintiff.	R132 431.96 plus interest at 10.25% p.a.	Not probable	R132 431.96	237 829	215 718
Philani Kenneth Sikhosana v Msunduzi Municipality	Delictual Claim: The plaintiff is suing the Municipality for damages incurred as a result of the alleged failure of the defendant to keep the Hall in good condition for the Plaintiff's event on time.	Internal	Internal	2016	The plaintiff has claimed an amount of R 90 000. A plea has been filed and served on the plaintiff.	R90 000 plus 9% interest per annum.	Not probable	R90 000.00	150 939	138 476
Telkom SA Soc Limited Case No. 9672/16	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused	Internal	Internal	2016	Summons in the amount of R 33 523.55 was received. A plea has been filed in the matter.	R33 523.55 plus 15.5% interest per annum.	Not probable	R33 523.55	79 587	68 906
Lanre Ayodele Olaboye and Sibongile Mthembu v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a	Internal	Internal	2016	An Appearance to defend was filed and served on plaintiff.	R42 376.09 plus 10,25% interest per annum.	Not probable	R42 376.09	76 101	69 026
Prethaburan Govender v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the municipality for an incident wherein the municipality allegedly caused damages to the	Internal	Internal	2016	A Notice of Exception in terms of Rule 19 (1) to Plaintiff's Particulars of claim has been filed in	R48 200.00 plus interest at 15.5% p.a.	Not probable	R48 200.00	114 430	99 073
Krishna Govender v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a	Internal	Internal	2016	An Appearance to Defend was filed and served on the Plaintiff.	R13 405.21 plus 15.5% interest per annum.	Not probable	R13 405.21	31 825	27 554
Elizabeth Fredrica Jepson v The Msunduzi Local Municipality	Municipal Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly tripped over the	External Insurers	Internal	2017	The matter is ongoing	R600 000.00 plus 15.5% interest per annum.	Insurance (external insurers)	R600 000.00	1 233 279	1 067 774
Electro Technical Agencies cc v Msunduzi Municipality	Delictual Claim: The plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a	Internal	Internal	2017	A notice to withdraw the action was received from the Plaintiff.	R10 817.73 plus 9% interest per annum.	Not probable	R10 817.73	16 644	15 270
Musa Nxumalo and Msunduzi Local Municipality/ Petros Reta Mokoena	Municipal Delictual Claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal	Internal	Internal	2017	A Plea and Counterclaim were filed and served on the Plaintiff.	R44 454.88 plus 9% interest per annum.	Not probable	R44 454.88	68 399	62 752
Qalapha Jacob Ngubane v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a power outage which resulted in a power	Internal	Internal	2017	An Appearance to defend was filed and served on the Plaintiff.	R21 862.00 plus 15.5% interest per annum.	Not probable	R21 862.00	44 937	38 906

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Lionel Longsdale Vuminkosi Magaqa v Msunduzi Municipality	Delictual claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly damaged in a	Internal	Internal	2017	An Appearance to defend was filed and served on the Plaintiff.	R19 724.58 plus 15.5% interest per annum.	Not probable	-	-	35 102
Catherine Scott v Msunduzi Local Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered a loss as a result of a colliding with a pothole.	Internal	Internal	2017	The matter is ongoing	R11 443.92 plus 15.5% interest per annum.	Not probable	R11 443.92	23 523	20 366
Gys De Necker Ontwinkkelings (Pty) Ltd v Msunduzi Local Municipality	The plaintiff is suing the Municipality for an alleged failure to refund the Plaintiff in respect municipal service. The plaintiff issued	Internal	Internal	2017	The Defendant's Plea was filed in court and served on the Plaintiff.	R77 083.05 plus 10,25% interest per annum.	Not probable	R 77 083.05	125 560	113 887
Anton Venter v The Msunduzi Municipality Case No. 7596/17	The Plaintiff is suing the municipality for allegedly suffering damage in the amount of R 13 641.50 for	Internal	Internal	2017	The matter is ongoing	R13 641.50 plus 15.5% interest per annum.	Not probable	R13 641.50	28 040	24 277
Wiseman Sibonelo Thamsanqa Maphumulo v Msunduzi Local Municipality	Delictual Claim: The Plaintiff is suing the Municipality for an incident where the Plaintiff fell into an open	Insurance	Internal	2017	The matter is ongoing	R177 000.00 plus 15.5% interest per annum.	Insurance (external insurers)	R177 000.00	363 817	314 993
Servest Hygiene v Msunduzi Municipality	Breach of contract. The Plaintiff is suing the Municipality for services	Internal	Internal	2017	The matter is ongoing	R36 941.89 plus 10,25% interest per annum.	Not probable	R36 941.89	60 174	54 580
Thandeka Brightness Dubazana and Mzwenhlanhla Wiseman Khoza and Msunduzi Municipality	Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's	Internal	Internal	2017	Matter settled	-	Matter settled	-	-	51 011
Ncamisile Madlala v Msunduzi Municipality	The plaintiff is suing the Municipality for damages arising because of the Defendant's alleged erroneous disconnection of	Internal	Internal	2017	The Defendant filed its Appearance to Defend in court and served it on the Plaintiff.	R1 495.23 plus 15.5% interest per annum.	Not probable	R1 495.23	3 073	2 661
Sibongile Priscilla Zama v Msunduzi Municipality/ Philani Patrick Vidima	The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal worker and the Plaintiff's vehicle	Internal	Internal	2018	The Defendants filed an Appearance to defend in court and served same on the Plaintiff.	R53 152.22 plus interest at 15.5% p.a.	Not probable	R53 152.22	94 591	81 897
Kandasamy Moonsamy Devan v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the municipality for allegedly suffering damage from having tripped on a broken protruding portion of a pavement block/slab.	Internal	Internal	2018	The Defendant's Plea has been filed in the matter.	R92 596.44 plus 15.5% interest per annum.	Not probable	R92 596.44	164 787	142 672
Skhumbuzo M Mpata v Msunduzi Municipality	The plaintiff is suing the Municipality for damages arising because of the natural flow of water, which caused damage the Plaintiff's property	Internal	Internal	2018	Defendant filed its Notice of Appearance to Defend as well as its Plea in court and served both on the Plaintiff	R 11 914.43 plus interest at 15.5% p.a.	Not probable	R11 914.43	21 203	18 358
Nimie Mahomed v The Msunduzi Municipality	Plaintiff is suing the municipality for damages arising out of the Plaintiff allegedly falling on an uneven concrete slab.	Insurance (external insurers)	Internal	2018	The matter is ongoing	R585 400.00 plus 15.5% interest per annum.	Insurance (external insurers)	R585 400.00	1 041 791	901 984
Melvyn Conrad Jansen v The Msunduzi Municipality	Delictual claim. Plaintiff suing the Municipality caused by having fallen into an uncovered manhole.	Insurance (external insurers)	Internal	2018	The matter is ongoing	R927 400.00 plus 15.5% interest per annum.	Insurance (external insurers)	R927 400.00	1 650 422	1 428 937

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Mzotshingwe Million Mzobe v Kevin Deon Joseph/ The Msunduzi Municipality	Delictual claim: The plaintiff is suing the Municipality for damages arising because of a motor vehicle collision between a municipal vehicle driven by a municipal	Internal	Internal	2018	The matter is ongoing	R75 119.79 plus interest at 15.5% p.a.	Not probable	R75 119.79	133 685	115 744
Eskom Holdings Soc Limited v Msunduzi Municipality and Indiza Airport Management (PTY) Limited	The Plaintiff is suing the Municipality for having allegedly suffered damage to its aircraft due to a fire breakout.	Insurance (external insurers)	Internal	2018	The matter is ongoing	R17 963 805.75 plus 10% interest per annum.	Insurance (external insurers)	R17 963 805.75	26 300 808	23 909 825
Dharam C Deepplau v Msunduzi Municipality	The Plaintiff is suing the Municipality for damages allegedly suffered to its motor vehicle as a result of colliding with a pothole.	Internal	Internal	2018	The matter is ongoing	R50 462.89 plus 10,25% interest per annum.	Not probable	R50 462.89	74 557	67 625
Rowan Gareth Blakeman v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a large pothole.	Internal	Internal	2018	The matter is ongoing	R104 352.10 plus 10% interest per annum.	Not probable	R104 352.10	152 782	138 893
Bhekezakhe Victor Langa v Msunduzi Local Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Internal	Internal	2018	Conducted research, consultations and instructions on plea and claim in reconvention	R24 909.17 plus 10% interest per annum.	Not probable	R24 909.17	36 470	33 154
Dan Moonsamy Naidoo v Msunduzi Municipality/ Hlengiwe Sithole	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Internal	Internal	2019	A round table conference has been arranged between the parties.	Claim 1 R 35 000.00, Claim 2 R 3 000.00 plus interest at 15.5% p.a.	Not probable	R38 000.00	58 550	50 693
J Supathy v Msunduzi Local Municipality	Delictual Claim for damages: The plaintiff is suing the Municipality for damages as a result of his motor vehicle having allegedly collided with a pothole in the vicinity of New Holmes Way.	Internal	Internal	2019	The matter is ongoing	R26 250.30 plus interest at 15.5% p.a.	Not probable	R26 250.30	40 446	35 019
Sunil Rakuban Case No. 3199/19	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a pothole within the jurisdiction of the Municipality.	Internal	Internal	2019	Matter settled	-	Not probable	-	-	60 366
R J Walker Case No. 6149/19	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2019	The matter is ongoing	R31 266.67 plus 10,25% interest per annum.	Not probable	R31 266.67	41 900	38 005
Rhonda Basdeo Case No. 6914/19	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2019	The matter is ongoing	R54 566.01 plus 10% interest per annum.	Not probable	R54 566.01	72 627	66 025

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Bongani Charles Zondi Case No. 7432/19	Plaintiff is suing the Municipality for damage to property due to the alleged negligence of the Municipality.	Internal	Internal	2019	The matter is ongoing	R192 000.00 plus interest at 15.5% p.a.	Not Probable	R192 000.00	295 833	256 133
Seelan Naidoo and The Msunduzi Municipality/ Devante Delvin Shaw	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2019	The matter is ongoing	R64 115.19 plus interest at 15.5% p.a.	Not probable	R64 115.19	98 789	85 531
Zwelinzima Jakusja and Msunduzi Municipality Local Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2019	The matter is ongoing	R73 750 plus 10,25% interest per annum.	Not probable	R73 750.00	98 832	89 644
Andre Hagen and Thulani Zakhele Dlamini/ Msunduzi Local Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2019	The matter is ongoing	R11 420.48 plus 15.5% interest per annum.	Not probable	R11 420.48	17 597	15 235
MJ Essack and Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Internal	Internal	2019	The matter is ongoing	R91 029.10 plus 15.5% interest per annum.	Not probable	R91 029.10	140 258	121 435
Muhammad Sheik and Msunduzi Local Municipality.	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Internal	Internal	2019	The matter is ongoing	R8 066.12 plus interest at 15.5% p.a.	Not probable	R8 066.12	12 428	10 760
Tihago Elias Ngwanto and Msunduzi Municipality.	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Internal	Internal	2019	The matter is ongoing	R34 405.93 plus interest at 15.5% p.a.	Not probable	R34 405.93	53 013	45 898
Datcentre Motors (Pty) Ltd trading as CMH Datcentre Pietermaritzburg	The Plaintiff is suing the Municipality in respect of work allegedly done and automotive parts supplied to the Defendant.	Internal	Internal	2019	The matter is ongoing	R 212 344.06 plus interest at 15.5% p.a.	Not probable	R212 344.06	327 179	283 272
Duanne Dominic Naidoo and Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a pothole within the jurisdiction of the Municipality.	Internal	Internal	2019	The matter is ongoing	R11 495.50 plus 10.25% interest per annum.	Not probable	R11 495.50	15 405	13 973
Flavour More (PTY) LTD and Msunduzi Municipality	The Plaintiff is suing the Municipality for damages that allegedly occurred from a power surge/outage as a result of the failure of the Municipality to maintain a constant supply of electricity and perform timeously	External Insurers	Internal	2019	File with External Insurers	R949 084.85 plus interest at 15.5% p.a.	Not probable	R949 084.85	1 462 349	1 266 103

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Barend van AS and Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2020	Matter ongoing	-	Not probable	-	-	26 955
Duncan Stewart Harrison N.O and Msunduzi Municipality	Contractual Claim	Internal	Internal	2020	Matter ongoing	R164 552.79 plus 10,25% interest per annum.	Not probable	R164 552.79	200 015	181 419
Suresh Gopal and Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2020	Appearance to defend has been filed.	R36 171.00 plus interest at 15.5% p.a.	Not probable	R36 171.00	48 253	41 778
Robyn Hemmens and Msunduzi Local Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Internal	Internal	2020	Appearance to defend has been filed.	R9 351.14 plus interest at 15.5% p.a.	Not probable	R9 351.14	12 475	10 801
Abigail Dlamini and Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Appearance to defend has been filed.	R16 584.53 plus 15.5% interest per annum.	Not probable	R16 584.53	22 124	19 155
Jadamei Trading and Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Appearance to defend has been filed.	R22 678.84 plus interest at 15.5% p.a.	Not probable	R22 678.84	30 254	26 194
Noxolo Zungu and Msunduzi Local Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Matter settled	-	Not probable	-	-	84 099
Ajith Lachman and Msunduzi Local Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	File has been diarized for entering an appearance to defend.	R15 859.09 plus interest at 15.5% p.a.	Not probable	R15 859.09	21 156	18 317
Telkom SA SOC LTD/ Msunduzi Municipality (127 Waterwork Road-Edendale) Case No. 13903/2015	Delictual claim: The plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:mail@mfilaw.co.za, Adv. AJ Dickson, 17 Prince Edward Street, Advocate's Chambers, tel: 38453542/3, fax: 38453544, email:adickson@law.co.za	2014	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R74 803.90 plus interest at 15.5% p.a.	Not probable	R74 803.90	236 908	205 115

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Farouk Jasat N.O & 3 others v Msunduzi Municipality	Delictual Claim for damages: Plaintiff's motor vehicle collided with a pothole on Scania Road intersection. Action instituted in the Magistrate's Court under case No. 2219/2015	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax:0862428747, email:alicia@mfilaw.co.za,	2014	Municipality is not the dominus litis, and we await enrolment of the matter by the Applicant	R54 588.60 plus interest at 15.5% p.a.	Not probable	R54 588.60	172 885	149 684
Msunduzi Municipality/ The SA Incinerator Company	Delictual Claim for damages. Action instituted in the High Court, Pietermaritzburg under case number 5422/2015	Dudu Ndlovu (SCM)	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:mail@mfilaw.co.za, Advocate H. Gani	2015	Awaiting signed and commissioned discovery affidavit from Ms DuduNdlovu Gambu	R970 568.88 plus interest at 15.5% p.a. (in respect of the Defendants counterclaim for retention monies)	Not probable	R970 568.88	2 661 339	2 304 190
Telkom SA SOC LTD/ Msunduzi Municipality (Oribi Road, Pelham) Case No. (15146/2015)	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@mfilaw.co.za, REF: 22M003128	2015	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R75 433.42 plus interest at 15.5% p.a.	Not probable	R75 433.42	206 842	179 084
Telkom SA SOC LTD/ Msunduzi Municipality (Eden Park Drive) Case No. 14572/2015	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@mfilaw.co.za, REF: 22M003161	2015	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R43 262.08 plus interest at 15.5% p.a.	Not probable	R43 262.08	118 626	102 707
Telkom SA SOC LTD/ Msunduzi Municipality (Zwartkop, Blackridge) Case No. 15793/2015	Delictual claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@mfilaw.co.za,	2015	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R25 554.55 plus interest at 15.5% p.a.	Not probable	R25 554.55	70 072	60 668
Msunduzi Municipality/ Gubela Trading	Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services.	P Mahlaba	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent,tel033 940 1497, fax:0862428747, email:mail@mfilaw.co.za, advocate A. De Wet ,17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941, email:dewet@grou p8.co.za	2015	Gubela Trading has made a proposal to withdraw the Application against the Municipality with each party to tender its own legal costs.	R595 337.26 plus interest at 15.5% p.a. plus costs of the application.	Not probable	R595 337.26	1 632 439	1 413 367
Moteko v Msunduzi Municipality	Claim for contractual damages	K. Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@mfilaw.co.za,	2017	Municipality's replying affidavit needs to be delivered in the review proceedings and a trial date needs to be obtained in the action	Moteko Cost Consultants Claim A - R15 079 193.37 Claim B - R10 475 572.38 plus 15.5% interest per annum.	Not probable	R25 554 765.75	52 526 907	45 477 841
Msunduzi Municipality v SBS Electrical Contractors	Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahlaba	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@mfilaw.co.za,	2015	Matter on going	R987 821.88 plus interest at 15.5% p.a.	Not probable	R987 821.88	2 708 648	2 345 150

**MSUNDUZI LOCAL MUNICIPALITY
APPENDIX E
CONTINGENT LIABILITIES AS AT 30 JUNE 2022**

MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
Farouk Jasat N.O & 3 others v Msunduzi Municipality	Delictual Claim for damages: Plaintiff's motor vehicle collided with a pothole on Scania Road intersection. Action instituted in the Magistrate's Court under case No. 2219/2015	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw.co.za,	2014	Municipality is not the dominus litis, and we await enrolment of the matter by the Applicant	R54 588.60 plus interest at 15.5% p.a.	Not probable	R54 588.60	172 885	149 684
Msunduzi Municipality/ The SA Incinerator Company	Delictual Claim for damages. Action instituted in the High Court, Pietermaritzburg under case number 5422/2015	Dudu Ndlovu (SCM)	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: mail@mfilaw.co.za, Advocate H. Gani	2015	Awaiting signed and commissioned discovery affidavit from Ms DuduNdlovu Gambu	R970 568.88 plus interest at 15.5% p.a. (in respect of the Defendants counterclaim for retention monies)	Not probable	R970 568.88	2 661 339	2 304 190
Telkom SA SOC LTD/ Msunduzi Municipality (Oribi Road, Pelham) Case No. (15146/2015)	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw .co.za, REF: 22M003128	2015	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R75 433.42 plus interest at 15.5% p.a.	Not probable	R75 433.42	206 842	179 084
Telkom SA SOC LTD/ Msunduzi Municipality (Eden Park Drive) Case No. 14572/2015	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw .co.za, REF: 22M003161	2015	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R43 262.08 plus interest at 15.5% p.a.	Not probable	R43 262.08	118 626	102 707
Telkom SA SOC LTD/ Msunduzi Municipality (Zwartkop, Blackridge) Case No. 15793/2015	Delictual claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly cause by Municipal water pipes.	K Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw.co.za,	2015	Applicant has requested that matter be held in abeyance, until a similar matter is heard in the Johannesburg High Court, in order for the outcome to be used as precedence	R25 554.55 plus interest at 15.5% p.a.	Not probable	R25 554.55	70 072	60 668
Msunduzi Municipality/ Gubela Trading	Contractual dispute: Applicant sought an order to review the Municipality's decision to cancel a contract of services.	P Mahlaba	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: mail@mfilaw.co.za, advocate A. De Wet ,17 Prince Edward Street, Advocates' Chambers, tel: 0338453534, fax: 033-3428941, email: dewet@grou p8.co.za	2015	Gubela Trading has made a proposal to withdraw the Application against the Municipality with each party to tender its own legal costs.	R595 337.26 plus interest at 15.5% p.a. plus costs of the application.	Not probable	R595 337.26	1 632 439	1 413 367
Moteko v Msunduzi Municipality	Claim for contractual damages	K. Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw.co.za,	2017	Municipality's replying affidavit needs to be delivered in the review proceedings and a trial date needs to be obtained in the action	Moteko Cost Consultants Claim A - R15 079 193.37 Claim B - R10 475 572.38 plus 15.5% interest per annum.	Not probable	R25 554 765.75	52 526 907	45 477 841
Msunduzi Municipality v SBS Electrical Contractors	Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahlaba	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw.co.za,	2015	Matter on going	R987 821.88 plus interest at 15.5% p.a.	Not probable	R987 821.88	2 708 648	2 345 150

MSUNDUZI LOCAL MUNICIPALITY APPENDIX E CONTINGENT LIABILITIES AS AT 30 JUNE 2022										
MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
Msunduzi Municipality v Zama Traffic Signs	Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahlaba	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw.co.za.	2015	Matter on-going	R752 257,23 plus interest at 15.5% p.a.	Not probable	R752 257.23	2 062 720	1 785 905
Msunduzi Municipality v Bewton Investments (T/A Ukukhanya)	Claim for invoices paid by the Msunduzi Municipality for work partially done or not done at all.	PJ Mahlaba	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: alicia@mfilaw.co.za.	2015	Matter on - going	R8 561.29 plus interest at 15.5% p.a.	Not probable	R8 561.29	23 475	20 325
Deveng Africa Consulting (PTY) LTD and Municipal Manager, The Msunduzi Municipality/ The Msunduzi Municipality	Contractual Claim	M Mbokazi	Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za	2018	Pleadings Closed. To proceed with Pre- Trial Processes.	R5 309 127.01 plus 10,25% interest per annum.	Not probable	R530 9127.01	7 843 999	7 114 738
Giyani Engineering v Msunduzi Municipality	Contractual claim	K. Thaver	Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za	2017	Matter referred to trial.	R1 193 005.79 plus interest at 15.5% p.a.	Not probable	R1 193 005.79	2 452 181	2 123 100
SB Mkhize	Monetary claim	M. Mbokazi	Tomlinson Mnguni James Attorneys, 12 Montrose Park Blvd, Victoria Country Club Estate- Office Park, 170 Peter Brown Drive. Tel: 033 341 9100, email: claudettep@tmj.co.za / noluthandod@tmj.co.za /tmj@tmj.co.za	2019	Plea filed, anticipate possible summary judgment application	R318 383 plus interest at 15.5% p.a.	Not Probable	R318 383.00	490 564	424 731
Planet Waves 399/Msunduzi Municipality	Council withholding payment to contractor that built sludge dams. Possibility of eventual liability.	K. Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2012	We await the Plaintiff to set matter down for trial. Alternatively, we await instruction to push the matter forward.	Planet Waves sued for R1 694 937.70 plus interest at 15.5% p.a. and Municipality countersued for R1 940 934.00.	Not Probable	1 694 937.70	7 160 998	6 199 999
S Dewaraj v Msunduzi Municipality	Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2015	The matter is at pre-trial stage.	R15 575.00 plus interest at 15.5% p.a.	Not Probable	R15 575.00	42 707	36 976
Indo Contractors cc v Msunduzi Municipality	Termination of contract: contract dispute with Contractor claiming premature termination.	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2013	Parties to set up a date for arbitration. The matter has been in limbo and the Claimant is not pushing it. Thus the final outcome is still pending.	R2 660 888.31 plus interest at 15.5% p.a..	Not probable	R2 660 888.31	9 733 398	8 427 185

MSUNDUZI LOCAL MUNICIPALITY										
APPENDIX E										
CONTINGENT LIABILITIES AS AT 30 JUNE 2022										
MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
Andre Geard Ramsingh v Msunduzi Municipality	Delictual claim: The plaintiff herein is suing the Municipality for damages suffered as a result of being arrested and detained unlawfully.	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2015	Matter was partly heard on 24 May 2018. Plaintiff to set matter down for trial.	R200 000 plus interest at 15.5% p.a.	Not Probable	R200 000.00	548 408	474 812
Sikelephi Ngubane v Msunduzi Municipality	Delictual Claim: This claim arises from plaintiff's vehicle having collided with a municipal vehicle driven by a municipal employee in the course and scope of his employment.	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB. tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2014	The matter is at pre-trial stage.	R17 312,33 plus interest at 15.5 per cent per annum.	Not Probable	R17 312.33	54 829	47 471
AJC White v Msunduzi Municipality	Delictual Claim: The matter arises from plaintiff having fallen into an uncovered meter box in the vicinity of Flemming Street/ Prince Alfred Street.	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2015	Plaintiff's Attorneys withdrawn as attorneys on record awaiting Plaintiff to set the matter down for Trial.	R100 000.00 plus interest at 15.5% p.a.	Not probable	R100 000.00	274 204	237 406
Infraserve (Pty) LTD v Msunduzi Municipality	Contractual dispute claim: Breach of contract for cancellation and nonpayment of invoices.	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2005	The Plaintiff has filed a notice of withdrawal of action in settlement of the matter. The matter is therefore finalised and settled with the entire claim being withdrawn as settlement.	-	Not Probable	R14 007 158.61	-	140 495 299
Simphiwe Jonathan Zama v Msunduzi Municipality case no. 199039/12	Delictual Claim: The Plaintiff has sued the Municipality as a result of a collision involving a Municipal Vehicle and Plaintiff's vehicle	Kass Thaver	Xaba Attorneys, 223 Boom Street, Central Office Park, PMB.tel: 0333457927, fax: 3456985, e-mail: dumixaba@xabainc.com / mail@xabainc.com	2012	Municipality to revert on settlement proposal.	R14 846,22 with interest rate at 15.5% p.a.	Not Probable	R14 846.22	62 724	54 307
Telkom v Msunduzi Municipality Case No.12506/08	Delictual Claim: Plaintiff is suing the Municipality due to damage to its underground cables allegedly caused by Municipal water pipes.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2008	A judgement awaited before moving forward. Matter ongoing	R45 979. 87 Plus interest at 15.5 per cent per annum	Not Probable	R45 979.87	345 713	299 318
Telkom SA LTD v Msunduzi Municipality Case No.6292/05	Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2004	Awaiting judgement in another case. Matter ongoing	R22 541.11 plus interest at 15.5 per cent per annum	Not Probable	R22 541.11	301 614	261 137
Telkom SA LTD v Msunduzi Municipality Case No.3994/06	Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2006	Awaiting judgement in another case. Matter ongoing.	R13 283.82 plus interest at 15.5 per cent per annum.	Not Probable	R13 283.82	133 240	115 359

MSUNDUZI LOCAL MUNICIPALITY										
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Telkom SA LTD v Msunduzi Municipality Case No 542/06	Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2006	Awaiting judgement in another case. Matter ongoing.	R21 697.25 plus interest at 15.5 per cent per annum.	Not Probable	R21 697.25	217 629	188 423
Telkom SA LTD v Msunduzi Municipality Case No.16356/05	Delictual Claim. The claim arises from a dispute between Plaintiff and the Municipality due to damage caused to Plaintiff's underground cables.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2005	Awaiting judgement in another case. Matter ongoing.	R34 806.17 plus interest at 15.5 per cent per annum.	Not Probable	R34 806.17	403 227	349 115
Telkom SA LTD v Msunduzi Municipality Case No.3806/12	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2012	Awaiting judgement. Matter ongoing.	R49 834.75 plus interest at 15.5 per cent per annum	Not Probable	R49 834.75	210 548	182 293
Telkom SA LTD v Msunduzi Municipality Case No. 4709/13	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2013	Awaiting judgement in another case. Matter ongoing.	R46 628.06 plus interest at 15.5 per cent per annum	Not Probable	R46 628.06	170 563	147 674
Telkom SA LTD v Msunduzi Municipality Case 12403/07	Delictual Claim: The matter arises from a dispute wherein Telkom alleges that Municipal water pipes cause damage to their underground cables.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2013	Awaiting judgement in another case. Matter ongoing.	R34 951.26 plus interest at 15.5% p.a.	Not Probable	R34 951.26	127 850	110 693
Telkom SA LTD v Msunduzi Municipality Case No. 7256/14	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2013	Awaiting judgement in another case. Matter ongoing.	R40 236.47 plus interest at 15.5 per cent per annum	Not Probable	R40 236.47	147 183	127 431
Telkom SA Limited v Msunduzi Municipality Case No.14696/13	Delictual Claim: The Plaintiff is suing the Municipality for damages to its underground cables allegedly caused by Municipal water pipes.	Kass Thaver	Lister and Lister Attorneys: Tel 033 345 4530 Fax: 033 342 7669 Physical Address 161 Pietermaritz Street, Pietermaritzburg, 3201 Postal Address: PO Box 144, Pietermaritzburg, 3200.	2013	Awaiting judgement in another case. Matter ongoing.	R34 951.26 plus interest at 15.5 per cent per annum.	Not Probable	R34 951.26	127 850	110 693

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MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
KZN-Digi connect v Msunduzi Municipality	Claim by contractor for payment for IT services allegedly rendered.	Kass Thaver	Kwela Attorneys. 224 Boom Street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Tel: 033 394 8116	2012	Matter in abeyance.	R505 000.00 plus interest at 15,5% p/a plus legal costs	Not probable	R505 000.00	2 133 591	1 847 265
APS Panelbeaters (Hugo's Panel Beaters) v Msunduzi Municipality	Delictual Claim: The claim arises from a new meter that was installed at Plaintiff's premises giving inaccurate readings resulting in Plaintiff being overcharged.	Kass Thaver	Kwela Attorneys. 224 Boom Street, Pietermaritzburg, 3201. james@kwelalaw.co.za. Tel: 033 394 8116	2015	Matter in abeyance	R292 725.00, plus interest at 15.5% p/a plus legal costs.	Not probable	R292 725.00	802 664	694 947
Minnesh.Singh v Msunduzi Municipality	Delictual Claim: Plaintiff is suing the municipality for damages to his motor vehicle after it collided with a pothole/ uneven road surface.	Kass Thaver	Afzal Akoo and Partners Tel: 033 394 7274 Fax: 033 345 0938. Physical Address 187 Boshoff Street, Pietermaritzburg, 3201. Postal Address PO Box 7836, Cumberwood, 3235.	2015	Defence has closed its case. Magistrate requested written heads of argument based on the record of the proceedings.	R69 224.62 plus interest at 15.5% p.a.	Not probable	R69 224.62	189 817	164 343
3 DM contractors v Msunduzi Municipality	Contractual Claim: The Plaintiff is suing the Municipality for monies owed in terms of a contract.	Kass Thaver	Diedricks attorneys,90@ Roberts road, claredon, Pietermaritzburg, tel:3429808, fax:0862191672, email:admin@diedr iecksattorneys.co.z a, Adv. Flemming, Tel: 033 845 3501	2011	The matter is ongoing	R66 930.35 plus interest at 15.5% p.a.	Not Probable	R66 930.35	326 607	282 776
Ramharak RJ v Msunduzi Municipality	Delictual Claim: The Plaintiff is a Municipal employee. He is suing the Municipality because he was assaulted by a fellow employee within the premises of the Municipality whilst they were in the course and scope of their employment.	Kass Thaver	Diedricks attorneys,90@ Roberts road, claredon, Pietermaritzburg, tel:3429808, fax:0862191672, email:admin@diedr iecksattorneys.co.z a,	2012	The matter is ongoing	R300 000.00 plus interest at 15.5% p.a.	Not Probable	R300 000.00	1 267 480	1 097 385
Rajendra Govender and Msunduzi Municipality	Labour Dispute (appeal and High Court application). Application for reinstatement.	KEVIN PERUMAL	Diedricks Inc. Tel: 033 342 9808 Fax: 086 219 1672 Physical Address: 90 C Roberts Road, Clarendon, Pietermaritzburg. PO Box 50, Pietermaritzburg, 3200. Adv. Gani - Appeal. Adv. Moola- High Court Application. Advocates Chambers Block A1, 17 Prince Edward Street, PMB, 3201		The matter is ongoing	Risk of R115 000.00 (Salary related)	Not Probable	R115 000.00	115 000	115 000
E. G. Alexander v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the Municipality as a result of colliding with a pothole whilst cycling in the vicinity of Murray Road.	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2014	Matter is at a stale mater and Plaintiff must take the next step.	R83 499.16 plus interest at 15.5% p.a.	Not Probable	R83 499.16	264 447	228 958
Kua-Siza Transporters CC V Msunduzi Municipality	Delictual claim: The Plaintiff is suing the Municipality for an incident wherein the Plaintiff's vehicle was allegedly involved in a collision with a Municipal driven by a Municipal employee in the course and scope of his employment.	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2017	The Plea has been filed and we are waiting for the Plaintiff's Attorneys to proceed further.	R55 532.34 plus interest at 15.5% p.a.	Not Probable	R55 532.34	114 145	98 827

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Red Alert TSS (PTY) LTD v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2018	The matter is partly heard and we are awaiting a further trial date.	R105 930.97 plus 10% interest per annum.	Not Probable	R105 930.97	155 094	140 994
Israel Sibiya v Msunduzi Municipality	Delictual Claim: The plaintiff is suing the Municipality for an alleged unlawful arrest and detention, defamation of character as well as injuries sustained to his wrist.	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2016	We are awaiting a hearing date for the Special Plea raised.	R400 000 plus 15.5% interest per annum.	Not Probable	R400 000.00	949 624	822 186
Ntombeni Sokhela v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment.	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2018	The matter is at Pre-Trial stage and there is an Application to Compel Discovery set down for hearing on 27 July 2020.	R19 345.83 plus interest at 15.5% p.a.	Not Probable	R19 345.83	34 428	29 808
AMA-Grace Business Enterprises v Msunduzi Municipality	Delictual Claim: The Plaintiff is suing the municipality for an incident wherein Plaintiff allegedly suffered damages as a result of a burst pipe which then allegedly caused damage to the plaintiff's property	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2016	We are awaiting a further trial date herein.	R59 042.52 plus interest at 15.5% p.a.	Not probable	R59 042.52	140 171	121 360
Mr Mduduzi Collen Sosibo, Mrs Sosibo	Delictual Claim: The plaintiff is suing the Municipality in respect of rates, taxes and services owed by the previous owner of the property.	Kass Thaver	Mdledle Inc. Suite 201, Second Floor 161 Pietermaritz Street, Pietermaritzburg, 3201 Tel: 033 345 4022.	2016	This matter was removed from the roll and we are awaiting a further hearing date.	R132 431.96 with interest calculated at 10,25% p.a.	Not probable	R132 431.96	237 829	215 718
SAMRO and Msunduzi Municipality- Case No KZN/ PMB/RC723/17	The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 369 337, 77	Kass Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:mail@ mfilaw. co.za,	2017	Settlement proposal submitted by Applicant's attorneys. As advised by legal department, settlement has been submitted to Management for consideration	R369 337.77 plus 10,25% interest per annum.	Not probable	-	-	545 680
SAMRO and Msunduzi Municipality- Case No KZN/PMB/ RC7295/17	The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 25 062,90.	Kass Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:mail@ mfilaw. co.za,	2017	Settlement proposal submitted by Applicant's attorneys. As advised by legal department, settlement has been submitted to Management for consideration	R25 062.90 plus interest per annum.	Not probable	-	-	37 029
Hatch Africa and Msunduzi Municipality	Contractual Claim: the Plaintiff is suing for unpaid monies owing to Plaintiff for work done flowing from an alleged agreement between the parties.	Kass Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@ mfilaw.co.za,	2018	The matter was enrolled for trial from 18 May to 21 May 2020. The matter was removed from the roll and reinstated to October 2020 by consent in line with the Judge President's directives. Trial preparation is complete and counsel is in the process of	R8 323 443.20 plus interest of prime plus 2% per annum.	Not probable	R8 323 443.20	12 075 945	10 779 100

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Beka Schreder (Pty)Ltd/ Msunduzi Municipality	Vindicatory Application - Claim for return of goods delivered/ payment	Sibusiso Mkhize	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email:alicia@mfilaw.co.za,	2019	Powerec and Beka entered into a settlement agreement in terms of which Msunduzi is to pay the full contract amount. The settlement agreement, which Msunduzi is not a party to, still has to be made an order of court. Matter is ongoing.	R3 791 340 plus interest at 15.5% p.a.	Not probable	R3 791 340.00	5 841 692	5 057 742
Makhosazane Mbanjwa v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Kass Thaver	MC Ntshalintshali Manqoba Ngcobo Cell No. 076 614 4566 Physical Address: 131-133 Clark Rd, Glenwood, Durban. 4001 Postal Address: P.O. Box 217 DURBAN, 4001 Office Tel. no. 031 301 3554 email:mngcobo@mcna.co.za or info@mcna.co.za or mngcobopa@mcna.co.za	2020	Matter is ongoing	R29 000.00 plus interest at 7.00 per annum	Not probable	R29 000.00	33 202	31 030
Yolanda De Langa v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Matter is ongoing	R17 917.00 plus interest at 7.00% per annum	Not probable	R17 917.00	20 513	19 171
Karyn Micayla Harrichand v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	MC Ntshalintshali Manqoba Ngcobo Cell No. 076 614 4566 Physical Address: 131-133 Clark Rd, Glenwood, Durban. 4001 Postal Address: P.O. Box 217 DURBAN, 4001 Office Tel. no. 031 301 3554 email:mngcobo@mcna.co.za or info@mcna.co.za or mngcobopa@mcna.co.za	2020	Matter is ongoing	R33 904.82 plus interest at 9.75% per annum	Not probable	R33 904.82	40 839	37 211
Hayworth Road Properties CC v Msunduzi Municipality	The Plaintiff is suing the Municipality for an amount of R 14 663.50 in respect of damages that allegedly occurred when a municipal employee collided with the Plaintiff's property, specifically the gate.	Internal	Internal	2020	Matter settled	-	Not probable	-	-	16 130
Santosh Singh v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of Msunduzi Municipality	Internal	Internal	2020	Matter is on going	R62 904.33 plus interest at 7.00% per annum	Not probable	R62 904.33	72 019	67 308
Thulasizwe Collen Ncalane v Msunduzi Municipality	The Plaintiff is suing the Municipality for an amount of R 66 937.08 in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Internal	Internal	2020	Matter is on going	R66 937.08 plus interest at 7.00% per annum	Not probable	R66 937.08	76 636	71 623

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Gonaselen Valautham Naidoo v Msunduzi Municipality	The Plaintiff is suing the municipality for an amount of R 13 505.72 for incident wherein Plaintiff's vehicle was allegedly involved in a collision with municipal vehicle driven by a municipal employee within his course and scope of employment	Internal	Internal	2020	Matter is on going	R13 505.72 plus interest at 7.00% per annum	Not probable	R13 505.72	15 463	14 451
Kameel Maharaj v Msunduzi Municipality	The Plaintiff is suing the Municipality for an amount of R 7 100.00 in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality.	Internal		2020	Matter is ongoing	R7 100.00 plus interest at 8.75% from 4 June 2020 to date of payment	Not probable	R7 100.00	8 397	7 721
Tulisa Cables (Pty) Ltd v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of breach of contract to pay Plaintiff in respect of outstanding invoices	Internal	Internal	2020	Matter is ongoing	R288 221.39 plus interest at 8.75% per annum	Probable	R288 221.39	340 867	313 441
Udash Jaipal Vather v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Matter settled	-	Not probable	-	-	16 042
Yagamaram Pandaram v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Matter settled	-	Not probable	-	-	18 794
Sixolile Exelent Nene v Msunduzi Municipality	The Plaintiff is suing the Municipality for damages allegedly suffered as a result of the negligence of Municipal employees failing to cover the water drain	External Insurers	External insures still to confirm appointed attorneys	2020	Matter is ongoing	R4 921 000.00 plus interest 7.00% per annum	Not probable	R4 921 000.00	5 634 053	5 265 470
Therisa Julia Pitout v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Matter is ongoing	R11 667.76 plus interest at 7.00% per annum	Not probable	R11 667.76	13 358	12 485
Nandha Thatayiya Naidoo v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2020	Awaiting court set down date	R46 435.45 plus interest at 8.75% per annum	Not Probable	R46 435.45	54 917	50 499
Dumisani Emmanuel Radebe v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2020	Matte is on going	R6 685.53 plus interest at 7.00% per annum	Not probable	R6 685.53	7 654	7 154

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Zutari (Pty) Ltd v Msunduzi Municipality	Plaintiffs previously known as Aurecon South Africa (Pty) Ltd who allege entered into a contract with the Municipality in 2012 under SCM 7 of 2013 for the design and contract administration for the installation of water borne sanitation in ward 10 as per the tender, allege have not been paid even after submitting an invoice	Kass Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: mail@mfilaw.co.za,	2020	Matter handled by external attorneys	R2 139 446.97 plus interest at 7.75% per annum	Not probable	R2 139 446.97	2 483 911	2 305 254
Rajinne Erradu v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Internal	Internal	2020	Matter is ongoing	R131 182.18 plus interest at 7.00% per annum	Not probable	R131 182.18	150 190	140 365
Tumelo Mongali v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Internal	Internal	2020	Matter is ongoing	R180 000.00 plus interest at 15.5% per annum	Not probable	R180 000.00	240 125	207 900
Indirah Ramroop v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a motor vehicle collision with a municipal vehicle, allegedly driven by an employee of the Defendant, within the course and scope of his employment	Internal	Internal	2020	Matter settled	-	-	-	-	115 382
Babonke Twetwa v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a physical altercation and an unlawful arrest by the Municipality's Road Traffic Official during the course and scope of his/ her employment	Internal	Internal	2020	Matter is on going	R1 200 700.00 plus interest 7.00% per annum	Not probable	R1 200 700.00	1 374 681	1 284 749
Isnon Trading (Pty) Ltd v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Internal	Internal	2020	Matter is ongoing	R66 937.08 plus interest at 7.00% per annum	Not probable	R66 937.08	76 636	71 623
Nonkululeko Masikane v Msunduzi Municipality	The Plaintiff is suing the Municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Internal	MC Ntshalintshali Mangoba NgcoboCell No. 076 614 4566 Physical Address: 131-133 Clark Rd, Glenwood, Durban. 4001Postal Address: P.O. Box 217 DURBAN, 4001 Office Tel. no. 031 301 3554 email:mngcobo@mcna.co.za or info@mcna.co.za or mngcobopa@mcna.co.za	2021	Matter is ongoing	R34 810.78 plus interest 7.00% per annum		R34 810.78	37 248	34 811

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Thokozani Michael Mahlaba v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a motor vehicle collision with a municipal vehicle, allegedly driven by an employee of the Defendant, within the course and scope of his employment	Internal	Internal	2021	Matter is ongoing	R60 654.85 plus interest at 7.75% per annum	Not probable	R60 654.85	65 356	60 655
Sanjay Arjun v Msunduzi Municipality	The Plaintiff is suing the Municipality for overpayment of municipal services	Internal	Internal	2020	Matter is ongoing	R74 738.49 plus interest at 8.75% per annum	Not probable	R74 738.49	88 390	81 278
Dr A A Khan v Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance	Internal	Internal	2021	Matter is ongoing	R22 741.68 plus interest at 10.25% per annum	Not probable	R22 741.68	25 073	22 742
Dashendran Govender and the Msunduzi Municipality 14051/2021	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A plea has been filed and served on opposition.	R3 395.00 at prescribed rate of 7.75%	Probable	R3 395	3 395	-
Sasha Rambullu v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2020	Matter is ongoing	R39 976.39 plus interest 7.00% per annum	Not probable	R39 976.39	45 769	42 775
Mark Francis v Msunduzi Municipality	The plaintiff is suing the Municipality in respect of damages whereby a storm caused trees within the jurisdictional area of the defedant to fall on overhead electricity lines. The Plaintiff is suing for subsequent electrical surge which damaged various of the Plaintiffs electrical appliances, installations and fittings	kass Thaver	Mastross Inc. 393 Jabu Ndlovu Street, Pietermaritzburg, 3201. PO Box 3139, Pietermaritzburg, 3200 Docex 69. Tel (033) 394 5828. Email- Ori@mastross.co.za	2021	Discovery affidavit filed in March 2022. Matter is at pre-trial stage	R85 288.00 plus interest at 7%pa	Not probable	R85 288	91 258	-
Dudu Rose-Mary Khumalo v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of 2 Traffic Officers of the Msunduzi Municipality Traffic Police Department, in uniform and acting within the course and scope of their employment, harassed and assaulted the Plaintiff and the person who was driving the vehicle.	External Insurers	Prinsloo Whitehead Attorneys Old House of Trade Building 226 Prinsloo St Pretoria Tel : 27 12 329 7126 Fax : :+27 86 626 9649 mail: shannon@pwmlaw.co.za	2021	Matter has been handed over to external attorneys by our insurers	R250 000.00 plus interest at 7.00% per annum a tempora morae	Not probable	R250 000.00	267 500	250 000
Yalekile Freda Kheswa v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2021	Matter is ongoing	R19 901.84 plus interest 7.00% per annum	Not probable	R19 901.84	21 295	19 902
Liberty Group/ First Rand Bank Limited NO/ Liberty Two Degrees Limited/ Two Degrees Properties (Pty) ltd v Msunduzi Municipality	The Plaintiff's are suing the Municipality in respect of an alleged breach of contract for upgrade and supply of electricity services to the Plaintiffs expansion project to the retail facilities at the Liberty Midlands Mall. The Plaintiffs are suing for refund of amount paid	Kass Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel033 940 1497, fax:0862428747, email:mail@mfilaw.co.za,	2021	Matter is on going	R1 859 588.00 plus interest at 7.00% per annum	Probable	R1 859 588.00	1 989 759	1 859 588

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Marece Donnelly v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2021	Notice of appearance to defend has been filed in court and served on the Plaintiffs attorney	R8 767.32 plus interest at 7.00% per annum	Not probable	R8 767.32	9 381	8 767
Lisalihle Mavuso v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of the Plaintiff walking past a street pole adjacent to transformer number 360. Injuries caused by high voltage power line which had alleged become detached from the connection	Internal	Internal	2021	Matter is on going	R150 00.00 plus interest 10.5% from date of services of summons	Not probable	R150 00.00	165 750	150 000
Sonny Kulan Thangalan v Msunduzi Municipality	The Plaintiff is suing the Municipality for an incident wherein Plaintiff allegedly tripped and fell and landed on his left arm due to the unevenness of the pavement/road within the municipal boundaries of the Municipality	External Insurers	External insures still to appoint attorneys	2021	Matter has been handed over to external attorneys by our insurers	R550 000.00 plus interest at 7.00% per annum	Not probable	R550 000.00	588 500	550 000
Thavandan Subramanian Marie v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	Internal	2021	Matter is on going	R 43 061.96 plus interest at 7.00% per annum	probable	R43 061.96	46 076	43 062
Danielle Gounder v Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a motor vehicle collision with a municipal vehicle, allegedly driven by an employee of the Defendant, within the course and scope of his employment.	Internal	Internal	2021	Appearance to defend has been filed.	R9 260.93 plus interest at 7.00% per annum	probable	R9 260.93	9 909	9 261
Theresa Khetive Mlotshwa v Msunduzi Municipality		Internal	Internal	2021	Appearance to defend has been filed.	R73 760.10 plus interest at 7.00% per annum	probable	R73 760.10	78 923	73 760
BAFANO NDLOVU AND THE MSUNDUZI MUNICIPALITY	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle allegedly collided with a pothole, that falls under the Defendants area of Jurisdiction and maintenance,	Internal	Internal	2021	Diarised for filing of appearance to defend	R17 754.65 plus interest at 7.00% per annum	not probable	R17 754.65	18 997	17 755
SELLO SIMON MABOEE AND THE MSUNDUZI MUNICIPALITY	The Plaintiff is suing the municipality for an incident wherein the employees of the Municipality who were cutting down trees near the boundary of the Plaintiffs premises, cut a tree which fell and damaged the Plaintiffs palisade fencing together with the tennis court	Internal	Internal	2021	Diarised for filing of appearance to defend	R125 350 plus interest at 7.00% per annum	not probable	R125 350	134 125	125 350
DONALD RAYMOND MIDDLETON AND THE MSUNDUZI MUNICIPALITY	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Internal	internal	2021	matter settled	-	probable	-	-	8 114

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Sakhumtho Development Services vs Msunduzi Municipality	The Plaintiff is suing the Municipality for an alleged breach of contract wherein the Plaintiff suffered in the amount of R 2 305 360.00	Kass Thaver	Matthew Francis Inc.Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel033 940 1497, fax:0862428747, email:mail@mfilaw.co.za,	2021	A plea has been filed.	R2 305 360.00 at prescribed rate at 7.25%	File with external insurers.	R2 305 360.00	2 472 499	-
Thulani Eric Ntshiza and Msunduzi Municipality	Delictual Claim: Plaintiff's vehicle hit a pothole on a public road that falls within the jurisdiction of the Municipality.	Kass Thaver	Internal	2021	A summons has been received. An appearance to defend was filed and served on the Plaintiff.	R64 930.48 at 7%	Not probable.	R64 930.48	69 476	
Udash Jaipal Vather and the Msunduzi Municipality 9877/2021	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2021	A plea has been filed and served on Plaintiff.	R 27 651.77 at 10.25%	Not probable.	R27 651.77	30 486	
Patricia Anne Luckin and the Msunduzi Municipality 11070/2021	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly damaged due to the negligent driving of a municipal employee in the course and scope of his/ her employment	Kass Thaver	Internal	2021	A summons has been received. An appearance to defend was filed and served on the Plaintiff.	R29 019.17 at 7%	Not probable.	R29 019.17	31 051	
Surishinee Pillay and the Msunduzi Municipality 13487/2021	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly damaged due to the negligent driving of a municipal employee in the course and scope of his/ her employment	Kass Thaver	Internal	2021	A plea has been filed and served on Plaintiff.	R24 195.31 at 7%	Not probable.	R24 195.31	25 889	
M.I.A Ganie N.O and two others v Msunduzi Municipality	Plaintiffs' are suing for a refund of monies allegedly overpaid on application for a rates clearance certificate.	Kass Thaver	Internal	2021	matter set down for pretrial conference.	R231 471.00 at 7%	Not probable.		247 674	
Radley Keys and the Msunduzi Municipality 13161/2021	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2021	A plea has been filed and served on Plaintiff.	R16 033.30 at prescribed rate at 7.75%	Not probable.	R16 033.30	17 276	
Bongiwe Andrietta Malgas, Thamsanqa A Ndlovu vs Msunduzi Municipality	The Plaintiff is suing the Municipality for an alleged that mother was run over by the Defendant's dumptruck	Kass Thaver	external insurers	2021	A plea has been filed and served on Plaintiff.	R4 000 000.00 at 7% interest rate	Not probable.	R4 000 000.00	4 280 000	
Thandiwe Beatrice Mchunu and the Msunduzi Municipality	The Plaintiff is suing the Municipality for an alleged assault by Defendant's employees.	Kass Thaver	Mastross Inc. 393 Jabu Ndlovu Street,Pietermaritzburg,3201. PO Box 3139, Pietermaritzburg, 3200 Docex 69. Tel (033) 394 5828. Email- Ori@mastross.co.za	2021	A plea has been filed and served on Plaintiff.	R6 000 000.00 at 9% interest rate	Not probable.	R6 000 000.00	6 540 000	
Usomanda Projects and the Msunduzi Municipality, MEC for Transport	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R75 484.69 at prescribed rate at 7.75%	Not probable.	R75 484.69	75 485	
Jithen Dursen and the Msunduzi Municipality 13669/2021	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A plea has been filed and served on opposition	R2 000.00 at 7%	Probable	R2 000.00	2 000	

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Pamella Meintjies and the Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R30 108.96 at prescribed rate at 7.75%	Not probable.	R30 108.96	30 109	
Infinity Automotive Pty Ltd and the Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R12 776.42 at prescribed rate of 7.75%	Not probable.	R12 776.42	12 776	
Stephen Richard Pons and the Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R17 389.55 at prescribed rate at 7.75%	Not probable.	R17 389.55	17 390	
Sir George-Gray Ntokozo Khumalo and the Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Kass Thaver	Mastross Inc. 393 Jabu Ndlovu Street, Pietermaritzburg, 3201. PO Box 3139, Pietermaritzburg, 3200 Docex 69. Tel (033) 394 5828. Email- Ori@ mastross.co.za	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R66 188.24 at 7%	Not probable.	R66 188.24	66 188	
Nerika Singh and the Msunduzi Municipality	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R42 474.47 at prescribed rate of 7.75%	Not probable.	R42 474.47	42 474	
Jithen Dursen and the Msunduzi Municipality 2272/21	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A plea has been filed and served on opposition	R900 at 7%	Not probable.	R900	900	
Makhosazane Ngcobo and Msunduzi Municipality	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R19 710.87 plus 7.25%	Not probable.	R19 710.87	19 711	
Jabulani Tholakele Dhlamini	The Plaintiff is suing the Municipality for an incident wherein the Plaintiff alleges that the Municipal employees cut trees on his property without his consent or authority.	External Insurers	External insures still to appoint attorney	2022	Matter has been handed over to external attorneys by our insurers	R10 000 000,00 plus interest at the prescribed rate of 7.75%	Not probable	R10 000 000.00	10 000 000	
Bongani Mweli	The Plaintiff is suing the municipality for an incident wherein Plaintiff's vehicle was allegedly involved in a collision with a Municipal vehicle driven by a Municipal Employee in the course and scope of his/ her employment	Kass Thaver	Matthew Francis Inc. Suite 4, 1st Floor, Block A, 21 Cascades Crescent, tel 033 940 1497, fax: 0862428747, email: mail@mfilaw.co.za, advocate AJ Dickson, 17 Prince Edward Street, Advocates' Chambers, tel: 38453542/3, fax: 38453544, email: adickson@law.co.za	2022	Pleadings have closed. In light of our special Plea Plaintiff launched an application, set down for hearing on 28 April 2022 for condonation in terms of the Legal Proceedings Act which we duly opposed. Our answering affidavit was filed on 26.4.2022 and the matter was removed from the roll due to the fact that the court file was not in order. Plaintiff/ Applicant filed its reply on 13.5.2022.	R219 671.94 plus 7.25%	probable.	R219 671.94	219 672	

MSUNDUZI LOCAL MUNICIPALITY APPENDIX E CONTINGENT LIABILITIES AS AT 30 JUNE 2022										
MATTER ID	DESCRIPTION	INSTRUCTING OFFICIAL	ATTORNEY/ADVO CATE	YEAR INITIATED	CURRENT STATUS/ PROGRESS	QUANTUM	PROBABILITY OF OUTFLOW	AMOUNT	JUNE 2022	JUNE 2021
Yugunathan Moodley	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of a collision with a pothole within the jurisdiction of the Msunduzi Municipality	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	12 972.00 plus 7%	Not probable.	R12 972	12 972	
Khanyisile Patricia Bhengu and the Msunduzi Municipality, Hugo Plant and Civil 626 Pty Ltd	The Plaintiff is suing the Municipality in respect of damages that allegedly occurred as a result of an injury as the Plaintiff fell on a trench dug by 2nd Defendant	Kass Thaver	Internal	2022	A plea has been filed in court and served on Plaintiff.	R1 1850 000.00 at prescribed rate. AT 7.75%	Not probable.	R1 1850 000.00	1 185 000	
The Mandlethu Civils Daleka Venture and the Msunduzi Municipality 5253/2022	A multiplicity of claims arising out of a roadworks contract for work performed ito of the roadworks tender.	Kass Thaver	Mastross Inc. 393 Jabu Ndlovu Street, Pietermaritzburg, 3201. PO Box 3139, Pietermaritzburg, 3200 Docex 69. Tel (033) 394 5828. Email- Ori@mastross.co.za	2022	A plea has been filed in court and served on Plaintiff.	R27 000 780.88	Not probable.	R27 000 780.88	27 000 781	
Fynn's Construction & Developers cc and the Msunduzi Municipality,	The Plaintiff is suing for retention monies held by Defendant.	Kass Thaver	Internal	2022	A notice of intention to defend has been filed in court and served on Plaintiff.	R555 399.12 at prescribed rate of 7.75%	Not probable.	R555 399.12	555 399	
									242 737 174	308 628 880

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"To ensure that the Municipality functions efficiently to deliver basic, social, economic and environmental services to build better Communities."

581



ANNUAL REPORT

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583



ANNUAL REPORT

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585



ANNUAL REPORT

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CITY OF CHOICE



PIETERMARITZBURG
MSUNDUZI

CITY HALL

Chief Albert Luthuli Avenue, 3201

Tel: 033 392 3000

Fax: 033 392 2397

Website: www.msunduzi.gov.za