

ALFRED DUMA LOCAL MUNICIPALITY
ANNUAL REPORT
2022/2023



Format of the Annual Report

MFMA Circular 63 suggest the following format for the Annual Report; namely

- Chapter 1: Mayor's Foreword and Executive Summary;
- Chapter 2: Governance;
- Chapter 3: Service Delivery Performance;
- Chapter 4: Organizational Development Performance;
- Chapter 5: Financial Performance;
- Chapter 6: Auditor General's Findings;
- Appendices; and
- Volume II: AFS

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY



1.1 Mayor's Foreword

The 2022/2023 financial year has come to an end, this is the second and a full year in office for the 5th local government administration. The first generation of the democratic sphere of government started in the year 2000, where the first councillors assumed office up until the year 2006. This has been a journey of learning and reflection on how the sphere of local government will be improved to enhance service delivery.

As the new administration which was voted into office in 2021, we are taking the baton from the service delivery giants of the yesteryears.

The year under review has been characterised by improved service delivery. The Municipality has installed all the valves at different points of the Klip River banks. The back overflow of water from the river has been an albatross to the residents of our town for many years. This administration, immediately after assumption of office budgeted R15 million to mitigate the risk of overflowing of water to the CBD. This will bring relief to the citizens of the town and much needed business confidence.

In addition to the installation of valves in the Klip River, the Municipality has provided services such as fixing of potholes, cleaning of town and surrounding areas, streetlights maintenance to name just a few. The whole picture of service delivery achievements will be contained in the chapters of this annual report.

I believe it is prudent that the Mayor shares the importance of the annual report.

The annual report serves as a tool for reporting on the achievements made and the challenges encountered during the year. It also highlights the areas of under-performance and the corrective measures that need to be taken to rectify such challenges.

The role of the political wing is to play an oversight role in the administrative affairs of the Municipality; therefore, the Council has functional oversight structures namely Municipal Public Accounts Committee which is responsible in ensuring that public funds are spent as per the legislative guidelines and the avoidance of malfeasance. This Committee reports to Council where the final decisions of the Municipality are taken.

The annual report as stated above, reports on the financial and non-financial performance of the Municipality. This report is subjected to the Auditor General's scrutiny in terms of Public Audit Act, No. 25 of 2004. Alfred Duma Municipality has been receiving an unqualified report with matters of emphasis for the past couple of years. We believe that the administration has what it takes to improve to the unqualified report without any matters which is dubbed as a 'clean audit'.

We are thankful to all the community members who strive to pay for the services rendered by the Municipality despite the challenging economic times. We further encourage those who are unable to pay for different reasons to come to the Municipality to state their cases.

The Municipality has an indigent policy to assist the qualifying residents and other available options such as 50% incentives.

Let me take this opportunity to appreciate and provide the words of gratitude to the Speaker of the Council, Executive Committee Members and all Councillors for providing oversight to the affairs of the Council. On the same breath, I wish to thank the Municipal Manager and her entire management team & staff for keeping Alfred Duma Municipality afloat in the year under review.

I am sanguine that even in the new financial year, administration will provide much needed services to the citizens of Alfred Duma and also abide by all the pieces of legislation that governs local government.

This is a trusted leadership.

I thank you

**The Mayor,
Cllr Z J Sibisi**



1.2 Municipal Manager's Foreword

The 2022/2023 financial year is the 3rd year of office for the current council and the leadership has spearheaded service delivery objectives that seek to serve the community of all 37 wards. The Alfred Duma Local Municipality Annual report for this financial year is a record of the performance that the municipality has made as well as a scale in sizing progress in ensuring that all goals are achieved as lined in the IDP. As a municipality we take pride in delivering services to the community while strictly adhering to Municipal Financial Management Act as well as the Municipal Systems Act as guides to proper conduct.

The importance and value of an annual report that serves as a helpful assessment tool in any local government organisation that is accountable, focused and purpose driven, cannot be emphasised enough. Documents such as these guide with assessment mechanisms, the way in which municipalities should function and account for activities of the previous financial year.

This annual report presents a fair evaluation of the municipality's performance for the 2022/23 financial year in addition to being a matter of compliance. So, this annual report appropriately depicts what the municipality accomplished throughout the year.

It is important to note that the municipality is continuously engaged in innovative processes that seek to address the challenges that are in the communities and by so doing always instilling discipline within our institution to present a well-run administration. We acknowledge various challenges faced by the communities of the Alfred Duma Local Municipality and continuously work towards addressing such challenges.

The fulfilment of service delivery targets and achievements must be evaluated in conjunction with the municipality's financial performance and our capacity to adhere to a broad range of municipal laws. Therefore, the purpose of this report is to attest to the joint efforts of the municipal administration and Council to gradually meet the expectations of our citizens.

As a local government institution, we will always be subject to scrutiny on the capacity to provide high-quality services, foster economic development, maintain budgetary responsibility, ensure efficient governance, and support the expansion of our municipality in order to meet the changing requirements of our constituents.

A great deal of gratitude goes to the council leadership for offering guidance in elements of shaping the Alfred Duma Local Municipality into a municipality that delivers and works for its people.

Council has approved a number of policies in this financial year in an effort to put measures into place, measures that have helped the institution run effectively and efficiently. Included in the annual report's contents are Council-approved, evaluated, and implemented policies.

The municipality received unqualified audit opinion for the 2021/2022 financial year. It took a lot of work to achieve this, and I would like to thank and congratulate all those who had a

role to play on the audit's successful conclusion. I would also like to thank the Mayor, Deputy Mayor, Speaker, all councillors and staff for ensuring service delivery to our communities. May we continue to work together to further achieve great outcomes that will place this municipality a cut above the rest.

I thank you

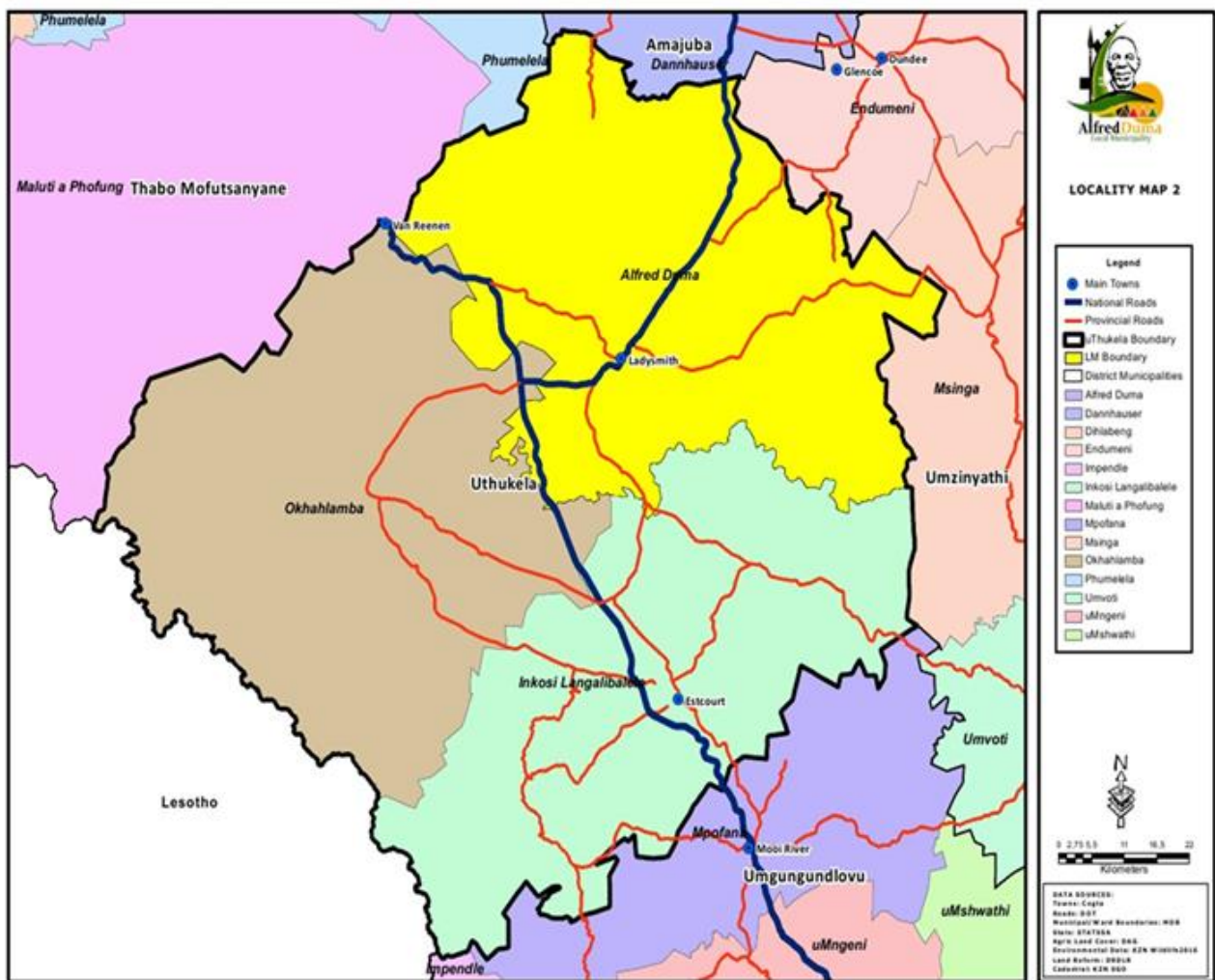
**The Municipal Manager,
Ms S S Ngiba**

1.3 MUNICIPAL OVERVIEW

1.3.1 THE MUNICIPALITY AT A GLANCE

The municipality is a category B municipality and is situated in the Northern part of KwaZulu Natal. The Alfred Duma Local Municipality (ADLM) is made up of three major towns Colenso, Ladysmith and Van Reenen and is one of the three municipalities situated within Uthukela District Municipality. In addition, ADLM is made up of a range of settlements, from urban to municipal service centres, agricultural landscapes, industrial, semi-rural residential settlements and areas that are predominantly rural.

The map below displays the municipalities that are within Uthukela jurisdiction.



1.3.2 Population

The current population for the Alfred Duma Local Municipality is 356 276 people as per the 2016 Community Survey by Statistics SA and the Dependency Ratio is sitting at 69.44%. One of the reasons that has led to decrease in the population is that the youth migrate to other cities like Durban, Pietermaritzburg and Gauteng looking for jobs and tertiary institutions.

The table below presents summarized statistical data for the municipality: -

TOTAL POPULATION	356276
POPULATION GROWTH RATE	0.52%
AVERAGE HOUSEHOLD SIZE	4.2
UNEMPLOYMENT	34%
FLUSH OR CHEMICAL TOILETS	41.1%
PIT TOILETS	50%
PIPED WATER INSIDE DWELLING	32%
WEEKLY REFUSE REMOVAL	58.1%
ELECTRICITY FOR LIGHTNING	53%

Source: Community Survey 2016

Alfred Duma Municipality spans over an area of 3 957.63 km² of which is dominated by 70% of rural settlements with limited basic services and infrastructure. ADLM comprises of 37 wards with 29 of those being rural wards and some of them administered by the Traditional Authorities name Inkosi Khumalo in Driefontein Block, Inkosi Shabalala in Matiwane, Inkosi Sithole Mhlumayo, Inkosi Mabaso.

The Municipality is strategically located along the N3 corridor which links Durban and Gauteng as well as the N11 which links it with Mpumalanga and Free State Provinces. and as such its long-term vision is to be the first metro municipality in the northern region. It has the highest population numbers compared to other municipalities and it is the most developed and serves as the regional economic hub in the district as most government regional offices and Industrial areas are located within the municipality jurisdiction.

Alfred Duma Local Municipality Powers and Function

In terms of the Municipal Structures Act No. 117 of 1998, the municipality is a category B Local Municipality which has the following powers and functions through which the performance of the municipality can be assessed in terms of the impact it has to its constituencies and service delivery;

- Billboards & Display of Advertisements in Public Places
- Building, Trading Regulations, Liquor & Public, Nuisance Control
- Cemeteries & Funeral Parlours
- Cleansing & Trade Areas
- Electricity Reticulation
- Fire Fighting Services Licensing, Facilities for Accommodation, Care & Burial of Animals
- Local Tourism
- Local Amenities
- Local Sport Facilities
- Markets Stalls / Trade Areas
- Municipal Town Planning & Planning in General
- Municipal Parks and Recreation

- Municipal Roads
- Storm Water Management
- Pounds
- Public, Nuisance Control Fire Fighting Services
- Public Places Booking and Reservation, i.e.; Halls and Parks
- Refuse Removal, Refuse Dumps & Solid Waste
- Street Trading and Informal Sector
- Traffic and Parking
- Storm Water Management

Alfred Duma Local Municipality comprises of the following areas:

- Ladysmith Area;
- Colenso;
- Ezakheni;
- Steadville;
- St Chads;
- Driefontein Complex;
- Matiwaneskop;
- Roosboom;
- Mhlumayo area;
- Limehill area;
- Uitvaal;
- Tholeni;
- Sahlumbe;

1.3.3 Local Space Economy

Alfred Duma Local Municipality encompasses of 37 wards with 22 of those being rural wards and some of them administered by the Traditional Authorities namely Inkosi Khumalo in Driefontein Block and Inkosi Shabalala in Matiwane, Inkosi Sithole, Inkosi Zwane, Inkosi Mthembu and Inkosi Mabaso Mhlumayo area and Inkosi Nxumalo, Inkosi Kunene, Inkosi Mbhense and Inkosi Mchunu in the Limehill area. The map presents range of settlements from urban to municipal service centres, agricultural landscapes, industrial and semi-rural residential settlements. The 37 wards within the municipal jurisdiction will be represented by 73 councillors and the number of the Executive Committee was determined after Local Government Elections took place in November 2021.

CHAPTER 2: GOVERNANCE

2A. GOVERNANCE STRUCTURES

2.1 Political Governance Structure

(a) Introduction

The Municipal Finance Management Act no 56 of 2003 (MFMA) Section 52 (a) states: "The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality".

In terms of section 9 (d) of the Municipal Structures Act 1998, the Alfred Duma Local Municipality should have an executive system combined with a Council system.

The Audit Committee reports directly to Council, providing opinions and recommendations on financial processes and performance. Thereafter their report is submitted to the Municipal Public Accounts Committee (MPAC).

The Municipal Public Accounts Committee (MPAC) is in place to reinforce the oversight arrangements in the Municipality and to ensure the efficient and effective use of municipal resources. Its key role is to consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on the annual report, as required in terms of section 121 of the Local Government: Municipal Finance Management Act and Circular no. 63 dated September 2012 issued by National Treasury.

(b) Mayor: Councillor Z J Sibisi

The Mayor is the Chairperson of the Executive Committee (EXCO). In terms of the Municipal Structures Act, Municipal Systems Act, Municipal Finance Management Act no. 56 of 2003 (MFMA) and Municipal Planning and Performance Regulations, the Mayor performs duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the Municipal Council or Executive Committee.

(c) Deputy Mayor: Councillor S Simelane

The Deputy Mayor exercises the powers and performs the duties of the Mayor, if the Mayor is absent or unavailable.

(d) Speaker: Councillor B P Sithole

- Presides at the meeting of the Council.
- Ensures that the Council meets at least once a quarter.
- Strictly ensures that the Council meetings are conducted in accordance with the rules and orders of the Council.
- The provision of administrative and secretarial support services to all councillors. This support strengthens the effectiveness of councillors in their role as public representatives.

(e) Municipal Whip: Councillor S Sithole

The Municipal Whip performs duties that are delegated to him by Council; including the following but not limited to:

- Developed and approved a Code of Conduct for councillors. The Council Speaker and the Council Municipal Whip have co-responsibility to ensure adherence to the Code of Conduct.

(f) Political decision-taking

Section 53 of the Municipal Systems Act no. 32 of 2000 stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined.

The section below is based on Section 53, of the Municipal Systems Act no. 32 of 2000, roles and responsibilities that was approved at the Council meeting of August 2016.

The political decision making at the Alfred Duma Local Municipality is supported by the Management Committee. Management decided on forwarding only issues that have to be submitted to EXCO and Council, either in terms of the EXCO and Council's delegated authority or through requests received from any of the Portfolio Committees.

Once the Executive Committee (EXCO) has accepted the recommendations, such recommendations are submitted to Council for consideration and adoption/noting respectively. In the few cases where there is no consensus on a matter within Council, such issue will go to the vote. Once the Minutes of the Council meeting has been adopted, the responsibility lies with the Accounting Officer to ensure that actions are taken to implement such resolutions.

Municipal Council

- governs by making and administrating laws, raising taxes, and taking decisions that affect people's rights;
- is a tax authority that may raise property taxes and service levies;
- is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to the Executive Committee and/or Administration;
- can delegate responsibilities and duties for the purpose of fast and effective decision making;
- must strive towards the constitutional objectives of local government;
- must consult the community regarding local government matters; and
- is the only decision maker on non-delegated matters such as the approval of the IDP and Budget.

The Municipal Council of the Alfred Duma Local Municipality consists of seventy-three (73) members. Thirty-six (36) represent wards and the remainder of Councillors are proportional representatives elected to represent political parties based on proportional representation. The ruling party in Council is the Inkatha Freedom Party (IFP). The second Council Meeting held on 17 December 2021, elected the Mayor, Deputy Mayor, Council Speaker and Municipal Whip.

COUNCIL REPRESENTATION

Political Party	Number
Abantu Batho Congress (ABC)	1
African National Congress (ANC)	28
African People's Movement (APEMO)	1
Democratic Alliance (DA)	3
Economic Freedom Fighters (EFF)	5
Inkatha Freedom Party (IFP)	33
National Freedom Party (NFP)	1
National Political Alliance (NPA)	1
Total	73

EXECUTIVE COMMITTEE REPRESENTATION

Political Party	Number
African National Congress	4
Economic Freedom Fighters	1
Inkatha Freedom Party	5

2.1.1 Portfolio Committees

These committees are established in terms of Sections 79 and 80 of the Municipal Structures Act no. 117 of 1998, in order to deliberate and make recommendations to the Executive Committee.

The Council has six (6) portfolio committees and every political party is represented in all committees. Members of the Executive Committee are tasked with the responsibility of chairing the supporting committees. The committees are:

Members of the Community and Social Services Portfolio Committee

Member	Political Party
Cllr T P Dlamini (Chairperson)	Inkatha Freedom Party
Cllr G S Kubheka	African National Congress
Cllr S E Kubheka	African National Congress
Cllr Z I Madondo	Inkatha Freedom Party
Cllr K Mdluli	Inkatha Freedom Party
Cllr X F Mhlongo	Inkatha Freedom Party
Cllr X P Mngadi	African National Congress
Cllr Z T Thabede	Inkatha Freedom Party
Traditional Leaders	
Inkosi M A J Nkosi	

Members of the Corporate Services Portfolio Committee

Member	Political Party
Cllr T P Khumalo (Chairperson)	Inkatha Freedom Party
Cllr N B Dlamini	African National Congress
Cllr L G Hlomuka	African National Congress
Cllr S L Mswane	Inkatha Freedom Party

Cllr A B Xaba	Inkatha Freedom Party
Cllr M G Zikalala	Inkatha Freedom Party
Cllr X S Zwane	African National congress
TRADITIONAL LEADER	
Inkosi N C Zulu- Zondi	

Members of the Development, Planning & Human Settlements Portfolio Committee

Member	Political Party
Cllr A S D Warasally (Chairperson)	Inkatha Freedom Party
Cllr N Mbhense	Inkatha Freedom Party
Cllr N D Mkhasibe	African National Congress
Cllr N Mlotshwa	African National Congress
Cllr M S Mngadi	African National Congress
Cllr S M Nene	Inkatha Freedom Party
Cllr K Ntini	Inkatha Freedom Party
Cllr F Zuma	Inkatha Freedom Party
TRADITIONAL LEADERS	
Inkosi M A J Nkosi	

Members of the Public Safety and Emergency Portfolio Committee

Member	Political Party
Cllr S E Madondo (Chairperson)	Economic Freedom Fighters
Cllr S Makhathini	African National Congress
Cllr M N Mbhense	African National Congress
Inkatha Freedom Party	
Cllr L Nkosi	Economic Freedom Fighters
Cllr K E Shabalala	Inkatha Freedom Party
Cllr N L Zikalala	African National Congress
Cllr M P Zungu	Inkatha Freedom Party
Traditional Leaders	
Inkosi N C Zulu-Zondi	

Members of the Strategic Planning, Governance and Finance Portfolio Committee

Member	Political Party
Cllr Z J Sibisi (Chairperson)	Inkatha Freedom Party
Cllr S A Buys	Democratic Alliance
Cllr L B M Kubheka	African National Congress
Cllr X O Kubheka	Inkatha Freedom Party
Cllr P P Mbambo	Economic Freedom Fighters
Cllr V F Memela	African National Congress
Cllr S L Msimango	Inkatha Freedom Party
Cllr B M Nzuzza	Inkatha Freedom Party
Cllr N J Sithebe	African National Congress
Traditional Leaders	
NIL	

Members of the Technical and Infrastructural Portfolio Committee

Member	Political Party
Cllr S Simelane (Chairperson)	Inkatha Freedom Party
Cllr M M Khoza	Inkatha Freedom Party
Cllr B C Majola	Inkatha Freedom Party
Cllr N P B Mlotshwa	African National Congress
Cllr A Rajkoomar	Democratic Alliance
Cllr N S Sithole	African National Congress
Cllr S M Sithole	Inkatha Freedom Prty
Cllr S X M Zwane	African National Congress
Traditional Leaders	
Inkosi M A J Nkosi	

2.1.2 Section 79 Committees in terms of the Municipal Structures Act**Members of the Municipal Public Accounts Committee (MPAC)**

Member	Political Party
Cllr M R Suddaby (Chairperson)	DA
Cllr B B Biyela	NFP
Cllr M Magasela	IFP
Cllr K E Mjiyakho	IFP
Cllr M N Mlotshwa	ANC
Cllr E N M Mthethwa	NPA
Cllr N C Mtshali	EFF
Cllr T N Ngcobo	IFP
Cllr S E Ngubane	IFP
Cllr O S Nxumalo	ANC
Cllr P M Nzuza	APM
Cllr T Xaba	ANC
Cllr N E Zwane	IFP

Members of the Rules Committee Members

Member	Political Party
Cllr B P Sithole (Chairperson)	IFP
Cllr B Gwala	EFF
Cllr L B M Kubheka	ANC
Cllr N Mlotshwa	ANC
Cllr A Rajkoomar	DA
Cllr N B Shabalala	IFP
Cllr S M Sithole	IFP
Cllr T Xaba	ANC
Traditional Leaders	
Inkosi M A J Nkosi	
Inkosi N C Zulu-Zondi	

Members of the Rapid Response Committee Members

Member	Political Party
Cllr Z J Sibisi (Chairperson)	IFP
Cllr B P Sithole (Speaker)	IFP
Cllr S Simelane (Deputy Mayor)	IFP
Cllr T P Dlamini	IFP
Cllr T Hadebe	ANC
Cllr S E Madondo	EFF
Cllr B M Mbhele	ANC
Cllr A Mchunu	ANC
Cllr T P Njoko	ANC
Cllr A S D Warasally	IFP

Members of the Women's Caucus Committee

Member	Political Party
Mtshali	Nikiwe Cynthia - (Chairperson) EFF
Biyela	Bonisiwe Beauty NFP
Buys	Sharon Ann DA
Dlamini	Nokwazi Barbara ANC
Gwala	Bonisiwe EFF
Hadebe	Thulile ANC
Hlonewane	Lindiwe Goodness ANC
Kubheka	Gladys Sihlesenkosi ANC
Kubheka	Lindiwe Bongive Marraylyn ANC
Kubheka	Sibongile Emily ANC
Mbambo	Philile Patricia EFF
Mbhense	Monica Ntombiningi ANC
Mhlongo	Xoliswa Fikelephi IFP
Mjyakho	Khanyisile Evertrinah IFP
Mlotshwa	Mosley Ntombizonke ANC
Mlotshwa	Njabulo ANC
Njoko	Thabisile Precious ANC
Nxumalo	Octavia Sindisiwe ANC
Shabalala	Khanyisile Elizabeth IFP
Xaba	Tholakele ANC
Zikalala	Nonhlanhla Lucia ANC
TRADITIONAL LEADER	
Zulu-Zondi N C	

2.2 Administrative Governance Structure

Department	Head of Department	Designation	National key Performance Areas
Office of the Municipal Manager/ Mayoral Office	Ms S S Ngiba	Municipal Manager	<ul style="list-style-type: none"> • IDP Process • Assessment of the municipality's performance management system • Assessment of whether the municipality performance system complies with the Act • An assessment of the alignment of objective, output and measures • Review of Risk Management Strategy and Framework • Ensuring effective and functional Internal Audit Systems • Youth Development and Empowerment • Community public consultation and ward committees • Communications and municipal branding • Sport management services • Effective and functional war rooms through Operation Sukuma Sakhe programmes • Women, children and people with disabilities empowerment • Legal Support Services
Department: Corporate Services	Ms E C Molefe	Executive Director: Corporate Services	<ul style="list-style-type: none"> • Leave Administration • Staff Records and Appointments • Administration of IOD's and Pension Claims • Training Programmes Undertaken and submissions to LGSETA • Employee Study Bursaries • Information Technology – Governance, Security Management, User Access • Control, Program Change Management, Services Continuity • Provision Council Support Services • Implementation of Employment Equity Plan • Compliance with National Archives and Records Management Act • Administration
Department: Public Safety and Emergency Services	Mr P B B Simelane	Executive Director: Public Safety & Emergency Services	<ul style="list-style-type: none"> • Collection of Fines Paid • Reconciliation between Munsoft and Traffman • Fleet Management and Fuel Consumption • Licensing collections

Department Community and Social Services	Mr S N Kunene	Executive Director Community and Social Services	<ul style="list-style-type: none"> • Administration of the Thusong Centres • Provision and maintenance of Community Facilities. • Provision of library services • Provision of library outreach programmes in the rural areas • Provision of Refuse Removal services • Administration of environmental awareness campaigns and clean-up campaigns • Administration of clearing of illegal dumping • Provision and maintenance of recreational parks, cemeteries, sport fields and swimming pools. • Administration and maintenance of public open spaces and private vacant spaces. • Provision, maintenance and administration of the municipal animal pound
Department: Development, Planning and Human Settlements	Mr M Z Kunene	Executive Director: Development, Planning and Human Settlements	<ul style="list-style-type: none"> • Administration of Land Sales • Administration of Housing Projects • Administration of LED Projects • Town Planning • GIS • Tourism and Museum
Department: Budget and Treasury	Mr M T Nkosi	Chief Financial Officer	<ul style="list-style-type: none"> • Creditors Run and reconciliation • Long Term Loans Reconciliation • Grants Reconciliation • Fixed Assets Register and Asset Count • Investment and Interest Charged • Inventory / Stock Control • Cash Taking • Banking and Bank Reconciliation • Debtor Processes and Month End Trial Run for Services Rendered • Suspense Accounts; Commitments • Fruitless and Wasteful Expenditure • Journals Processed • Implementation of Indigent Policy • Salary Run, and ACB • Financial System Transaction Listing • Supply Chain Management Process • Contract Payments • Review of Mid-Year and Annual Financial Statements • Review of Mid-term and Annual Budget • Valuation roll and Rates Assessment

Department: Technical and Infrastructural Services which includes	Mr R H Mazibuko	Executive Director: Technical and Infrastructure Services	<ul style="list-style-type: none"> • Job costing and Sundry Services • Plan Approvals, Building Inspection and Occupation Certificates • Projects and Grants Funding Received • Flood Management • Maintenance • Project Management
Electrical Services			<ul style="list-style-type: none"> • Job costing and Sundry Services • Maintenance • Electricity loss calculations • Electricity Meter Books, Final Error Report, Meter Changes and Bulk Consumer Accounts • Projects and Grants Funding Received • Project Management

All municipal oversight committees

During the 2022/2023 financial year under review, the following number of Council oversight meetings were held:

Structure	No. of Meetings
EXCO	10
Special EXCO	5
Council	2
Special Council	13
Municipal Public Accounts Committee (MPAC)	7
Special Municipal Public Accounts Committee (MPAC)	0
Audit Committee	4
Special Audit Committee	1
Strategic Planning, Governance and Finance Portfolio Committee	12
Special Strategic Planning, Governance and Finance Portfolio Committee	2

2B. INTERGOVERNMENTAL RELATIONS

2.3 Intergovernmental Relations

The Municipal Systems Act, No. 32 of 2000 (MSA) Section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisage in the Constitution section 41.

Before 1994 South Africa had fragmented administrations: this meant that citizens were divided geographically with different population groups living in different suburbs and areas and only a small minority of residents benefited from development. Today South Africa has a unitary, yet decentralised, state with nine provincial governments and more than 283 municipalities.

The Constitution and the new democratic government recognise that the three spheres of government cannot function in isolation. Decentralisation and co-operation is critical to the successful transformation of the state in the coming decades.

The role of local government in Intergovernmental Relations has moved extensively from the symbolism of the past to meaningful interaction of common benefit with far reaching implications for the image of South Africa, and the development agenda at a local government level.

In this regard it has been determined that the growing demands and complexity of South African municipal service-delivery imperatives have impacted significantly on the range and depth of skills and competencies required from within the municipal economy. This has necessitated serious consideration of municipal international relations as an increasingly viable conduit for scarce skills and resources.

The Alfred Duma Local Municipality attends all IGR Forum meetings held at District level.

2.3.1 NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on National level:

- SALGA meetings

2.3.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on Provincial level:

- Premier's Coordinating Forum (Technical & Political Structures)
- MUNIMEC (Technical & Political Structures)
- Provincial Speakers Forum
- COGTA Local Government Indaba

The Municipality attends the following meeting on District Level:

- DDM Political Hub
- DDM Technical Hub
- DDM Cluster Meetings
- Speakers Forum

2.3.3 KZN MONITORING AND EVALUATION FORUM MEETINGS

The Alfred Duma Local Municipality, during the period under review, was involved in the KZN Monitoring and Evaluation Forum Meetings co-ordinated by KwaZulu-Natal Department of Co-operative Governance and Traditional Affairs.

The purpose of this committee is to deliberate on performance, monitoring, reporting and evaluation issues in municipalities.

The committee meets once a quarter. The Alfred Duma Local Municipality was represented in all four KZN Monitoring and Evaluation Forum Meetings that took place during the financial year 2022/2023.

The KZN M&E Forum meetings were held on the following dates:

DATE	VENUE	ALFRED DUMA LOCAL MUNICIPALITY'S OFFICIAL/S PRESENT
30/09/2022	Virtual Meeting- Ms Teams	NB Sithole
08/12/2022	Virtual Meeting- Ms Teams	ND Mwamba
16/03/2023	Virtual Meeting- Ms Teams	ND Mwamba
28/06/2023	Virtual Meeting- Ms Teams	ND Mwamba

2C. PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 Public Meetings

Ward	No. of Meetings Annum	Targeted per	No. of community meeting held per Annum	No. of Sectoral Reports Submitted in 2022/2023	Ward committee meetings held in 2022/2023
1	06		05	76	09
2	06		03	58	07
3	06		03	46	09
4	06		08	97	08
5	06		07	125	09
6	06		08	104	09
7	06		06	102	11
8	06		07	90	09
9	06		06	74	07
10	06		03	63	04
11	06		07	111	12
12	06		05	67	06
13	06		08	103	12
14	06		02	58	06
15	06		05	60	05
16	06		05	53	06
17	06		05	52	06
18	06		04	106	12
19	06		08	101	12
20	06		03	87	09
21	06		03	103	07
22	06		07	102	10
23	06		10	101	12
24	06		03	60	06
25	06		05	80	09
26	06		06	54	05
27	06		14	09	12
28	06		12	55	04
29	06		02	55	06
30	06		04	56	06
31	06		04	59	04
32	06		06	47	03
33	06		00	00	00
34	06		03	57	06
35	06		02	54	06
36	06		03	55	04
37	06		06	56	05

2.5 IDP Participation and Alignment

<p>Section 25 (1) (2) of the Municipal Systems Act, No. 32 of 2000 states that-</p> <p>(1) Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which—</p> <p>(a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;</p> <p>(b) aligns the resources and capacity of the municipality with the implementation of the plan;</p> <p>(c) forms the policy framework and general basis on which annual budgets must be based;</p> <p>(d) complies with the provisions of this Chapter; and</p> <p>(e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation</p> <p>(2) An integrated development plan adopted by a municipal council in terms of subsection</p> <p>(1) may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.</p>
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Table: IDP Participation and Alignment Criteria

IDP Participation and Alignment Criteria	Yes/No	Reasons for non-compliance
Does the municipality have impact, outcome, input, output indicators?	Yes	N/A
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes	N/A
Does the IDP have multi-year targets?	Yes	N/A
Are the above aligned and can they calculate into a score?	Yes	N/A
Does the budget align directly to the KPIs in the strategic plan?	Yes	N/A
Do the IDP KPIs align to the Section 54 & 56 Managers	Yes	N/A
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes	N/A
Were the indicators communicated to the public?	Yes	N/A
Were the four quarter aligned reports submitted within stipulated time frames?	Yes	N/A

2D. CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

Municipal Finance Management Act, 56 of 2003 section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

- 1.1. Risk Management is one of management's core responsibilities according to section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality. It is a systematic and formalised process to identify, assess, manage, monitor, report and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Alfred Duma Local Municipality. When properly executed risk management, provides reasonable assurance that the institution will be successful in achieving its goals and objectives.
- 1.2. A Risk Assessment is conducted annually; through facilitating the process of identifying and assessing risk per Department to determine the magnitude of risk exposure by assessing the likelihood of the risk materialising and the impact that it would have on the achievement of objectives. The identified risks are prioritised which enables Management to focus more time, effort and resources on higher risk areas.
- 1.3. To mitigate the risks it is confronted with, Management implements control activities by establishing policies and appropriate procedures such as approvals, authorisations, segregation of duties, reconciliations and physical safeguards.
- 1.4. The report is tabled to Management on a monthly basis after the sitting of the Risk Management Committee.
- 1.5. In addition, the Risk Management Section reports quarterly to the Audit Committee, all Portfolio Committees, Executive Committee and Council on progress made to mitigate high risks.
- 1.6. Below is the analysis of the risks that were in the Registers for the 2022/2023 financial year.

2.1 ANALYSIS OF THE PROGRESS MADE IN MITIGATING HIGH RISKS AREAS

No.	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final Year	
1.	Critical	00	00	00	00
2.	Major	14	14	09	05
3.	Moderate	9	9	06	03
4.	Minor	02	02	02	00
5.	Insignificant	00	00	00	00
TOTALS		25	25	17	08

1.1. Organisational Strategic Risks

1.1.1. Highlight of the strategic risk areas:

- 1.1.1.1. Inability to implement sustainable Local Economic Development's catalytic projects to boost economic growth;
- 1.1.1.2. Inability to attract and retain businesses within the Municipality;
- 1.1.1.3. High level of red tapes that impedes small business to enter main stream economy;
- 1.1.1.4. Limited and/or stagnant revenue collection base;
- 1.1.1.5. Shortage of burial space;
- 1.1.1.6. Rampant illegal dumping across the Municipality;
- 1.1.1.7. Ageing infrastructure, plant and equipment; and
- 1.1.1.8. Increase of community protest which hinder service delivery.

1.1.2. Highlight of the mitigating factors per strategic risk area

- 1.1.2.1. The Department for Planning, Development and Human Settlement has prepared a Plan to implement the catalytic projects which will stimulate the local economy. This Plan will also cover the strategic risk as per number 2 above;
- 1.1.2.2. The Municipality as other parts of KwaZulu-Natal were badly affected by business looting and vandalism that occurred in July. The recovery plan was developed and submitted to relevant Department for funding and other affected businesses have made application from their respective insurance companies.
- 1.1.2.3. The Red Tape Reduction Programme is being pioneered by the Department of DPHS.
- 1.1.2.4. The revenue collection is badly affected by the Covid-19 and Management is devising strategies to improve revenue collection through Revenue Enhancement Strategy;
- 1.1.2.5. The alternative burial space has been identified for Ekuvukeni community and internal formalisation processes are ongoing;
- 1.1.2.6. Waste collection is being conducted on a weekly basis for urban and rural communities;
- 1.1.2.7. The maintenance plan has been prepared by Technical and Infrastructure Services to address the issue of ageing infrastructure; and
- 1.1.2.8. The election season brings about more protests as communities want to make their grievances known by authorities. The Rapid Response Team is attending to those matters as and when they occur.

1.2. Office of the Municipal Manager (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final Year	
1.	Critical	00	00	00	00
2.	Major	04	04	02	02
3.	Moderate	04	04	03	01

4.	Minor	03	03	03	00
5.	Insignificant	01	01	01	00
TOTALS		12	12	09	03

1.2.1. Highlights of the major risk areas:

- 1.2.1.1. Inadequate measures to manage and act upon consequences as a result of unauthorised, irregular, fruitless and wasteful expenditure;
- 1.2.1.2. Failure to adopt systems/policies to investigate allegations of misconduct and disciplinary procedure; and
- 1.2.1.3. Slow or inadequate response from management and leadership in addressing findings reported from the prior year and those raised by Internal Audit.

1.2.2. Highlight of the mitigating factors per major risk area

- 1.2.2.1. The Office of the Municipal Manager through Internal Audit & Risk Management investigates and make recommendations for consequences to be taken by Management on the instances of unauthorised, irregular, fruitless and wasteful expenditure;
- 1.2.2.2. All the policies to prevent, investigate and address the allegations of misconduct and disciplinary procedure have been adopted by Council before the start of the financial year;
- 1.2.2.3. Auditor General is in the process of wrapping up the review of the 2022/2023 financial and non-financial information. Management has responded to all audit findings issued thus far.

1.3. Budget and Treasury Office (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Quarter 3	
1.	Critical	00	00	00	00
2.	Major	7	7	03	04
3.	Moderate	11	11	05	06
4.	Minor	03	03	03	00
5.	Insignificant	04	04	03	01
TOTALS		25	25	14	11

1.3.1. Highlights of the major risk areas:

- 1.3.1.1. Failure to act and collect outstanding debt;
- 1.3.1.2. Lack of proper controls and reconciliation over daily cash received
- 1.3.1.3. Poor customer care and management
- 1.3.1.4. Failure to follow procurement and contract management regulations in procuring goods and services of a transactions value above and below R200 000,00;

1.3.2. Highlight of the mitigating factors per major risk area

- 1.3.2.1. The impact of COVID 19 pandemic lockdown has negatively impacted on the collection rate. This is a further strain to the already downward slope of the Economy;
- 1.3.2.2. Control measures and reconciliations are being implemented to ensure balancing of all receipting through all payment methods. Ongoing
- 1.3.2.3. A Dedicated e-mail address has been implemented for all customer care enquiries and staff are available to address these enquiries. Measures are put in place to ensure all queries are attended too timeously. Information is also communicated to customers using different communication tools.
- 1.3.2.4. Up until the end of the third quarter, there were no elements of the non-compliance to the procurement and contract management regulations in procuring goods and services of the value below and above R200000.00.

1.4. Corporate Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	00	00	00	00
3.	Moderate	02	02	02	00
4.	Minor	04	04	04	00
5.	Insignificant	03	03	03	00
TOTALS		09	09	09	00

1.4.1. Highlights of the major risk areas:

- 1.4.1.1. Information and Communication Technology (ICT)

1.4.2. Highlight of the mitigating factors per major risk area

- 1.4.2.1. All ICT related risks have been attended to by IT Section

1.5. Planning, Development and Human Settlement (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	03	03	01	02
3.	Moderate	01	01	00	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		04	04	01	03

NB: There were additional risks added by the Champion which needs to be discussed in the meeting

1.5.1. Highlights of the major risk areas:

- 1.5.1.1. SMMEs/Co-ops development and sustainability;
- 1.5.1.2. Business development and retention;
- 1.5.1.3. Implementation of radical socio-economic transformation; and
- 1.5.1.4. Human Settlement projects.

1.5.2. Highlight of the mitigating factors per major risk area

- 1.5.2.1. Most of the risks for Planning, Development and Human Settlement will be addressed by implementing interventions as per 2.2.2.1 above;
- 1.5.2.2. Bottlenecks in the implementation of Human Settlement projects are addressed by tripartite formed by KZN Department of Human Settlement, the Municipality and Implementing Agents.

1.6. Technical and Infrastructure Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	07	07	06	01
3.	Moderate	02	02	01	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		09	09	07	02

1.6.1. Highlights of the Major risk areas:

- 1.6.1.1. Loss of revenue due to electricity theft;
- 1.6.1.2. Projects not completed in due time;
- 1.6.1.3. Inadequate maintenance of infrastructure, property and equipment; and
- 1.6.1.4. Inadequate network capacity to accommodate new connection at medium voltage.

1.6.2. Highlight of the mitigating factors per major risk area

- 1.6.2.1. Meter sweeps are conducted to check if there are any electrical losses as a result of theft;
- 1.6.2.2. Project Management Unit is monitoring the implementation of projects by appointed contractors if there are any delays the terms and conditions as per Service Level Agreement are invoked;
- 1.6.2.3. The Maintenance Plan has been prepared for the maintenance of Property, Plant and Equipment;
- 1.6.2.4. The project to provide increased medium voltage for new connections has been completed.

1.7. Community and Social Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	01	01	00	01
2.	Major	03	03	02	01
3.	Moderate	02	02	01	01
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		06	06	03	03

1.7.1. Highlights of the Major risk areas:

- 1.7.1.1. Shortage of burial space especially in Colenso and Ekuvukeni;
- 1.7.1.2. Illegal dumping and picking of waste at the landfill site; and
- 1.7.1.3. Vandalising of community facilities.

1.7.2. Highlight of the mitigating factors per major risk area

- 1.7.2.1. The alternative burial space is being explored by the Departments concerned
- 1.7.2.2. Awareness campaigns are planned to discourage communities from illegal dumping but due to covid-19 restrictions none have been conducted;
- 1.7.2.3. This also need an awareness campaigns which could not be held as of now.

1.8. Public Safety and Emergency Services (Operational Risks)

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	01	01	00	01
3.	Moderate	00	00	00	00
4.	Minor	00	00	00	00
5.	Insignificant	00	00	00	00
TOTALS		01	01	00	01

1.8.1. Highlights of the Major risk areas:

1.8.1.1. Radio coverage for the entire Municipal area.

1.8.2. Highlight of the mitigating factors per major risk area

1.8.2.1. The radio communication has been procured and awaiting authorisation by ICASA once authorisation has been approved, the radio communication will cover all the municipal areas.

1.9. Anti-Fraud & Anti-Corruption Risk Register

1.9.1. Over and above the general Risk Register prepared by the Municipality, there was still a need to formulate a Register solely for the detection, prevention and mitigation of fraud and corruption. The Register is also assessed as to whether the Action Plans to mitigate risks identified were fully implemented during the course of the financial year.

1.9.2. Also, the Risk Management Section has circulated a pamphlet with a face of the Mayor at the forefront leading the awareness campaign against any wrongdoing which might occur to all internal and external stakeholders. The pamphlet has necessary reporting tools as per the approved Whistle Blowing Policy. This is part of the awareness campaign the office embarked on during the month of May 2022.

1.9.3. Anti-fraud and corruption policies and strategies have been adopted by Council for implementation in the upcoming financial year. Internal control deficiencies will be identified and more stringent controls put in place.

1.9.4. The Office of the Municipal Manager is ensuring that consequence management is applied where and when there are instances of alleged fraud and corruption, unauthorised, irregular, fruitless & wasteful (UIFW) expenditure and any other wrongdoing.

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	01	01	01	00
2.	Major	00	00	00	00
3.	Moderate	02	02	02	00
4.	Minor	04	04	03	01
5.	Insignificant	00	00	00	00
TOTALS		07	07	06	01

1.9.5. Highlights of the Major risk areas:

- 1.9.5.1. Supply Chain Management;
- 1.9.5.2. Illegal electricity connections;
- 1.9.5.3. Stock theft; and
- 1.9.5.4. Divulging of Council's critical information for personal gain.

1.9.6. Highlight of the mitigating factors per major risk area

- 1.9.6.1 There was no reported case or alleged case of fraud and corruption reported during the quarter under review

1.10. ICT Risk Register

Information and Communications Technology (ICT) is one of the critical areas in the running of the organisation, therefore Management with Auditor General's recommendation prepared the separate register dealing with ICT related issues.

No	Magnitude (a)	Number of Risks (b)	Total Action Plans (c)	Total Action Plans Completed (e)	Variance
				Final-Year	
1.	Critical	00	00	00	00
2.	Major	02	02	00	02
3.	Moderate	09	09	06	03
4.	Minor	01	01	01	00
5.	Insignificant	01	01	00	00
TOTALS		13	13	07	06

1.10.1. Highlights of major risk areas:

1.10.1.1. Outdated ICT infrastructure

1.10.2. Emerging risks in the ICT as per AG Management Report 2019/2020

As per discussions with Manager IT during the risk assessment on the 22nd June 2022

1.10.3. Highlight of the mitigating factors per major risk area

1.10.3.1. The ICT infrastructure is procured as and when the budget is available to do so.

2.7.3. Risk Management Committee Meetings

Quarters	Targeted No. of Meetings	No. of Meetings Held	Reasons for not Achieving Target	Corrective Measure
1	3	3	N/A	N/A
2	3	3	N/A	N/A
3	3	3	N/A	N/A
4	3	3	N/A	N/A

CONCLUSION

The Risk Management Unit will strive to ensure that the identified risks are mitigated and Departments concerned provide necessary evidence demonstrating the processes undertaken to mitigate those risks.

2.8 Supply Chain Management

Supply Chain Management (SCM) may be defined as “the design, planning, execution, control and monitoring of supply chain activities in the delivery of goods, services or any combination thereof”. The Municipal Supply Chain Management unit ensures that the procurement of goods and services is done with Alfred Duma Local Municipality in a system that is fair, equitable, transparent, competitive and cost effective. The Supply Chain Management unit has to plan for the annual procurement of goods, services or infrastructure projects in a pro-active manner and move away from merely reacting to purchasing requests. The Supply Chain Management unit ensures that goods and services are delivered on time as per the correct specifications and of the highest quality. The Supply Chain Management unit has compiled its annual report to Council on the implementation of the Supply Chain Management policy. The Supply Chain Management policy was adopted by Council at its meeting that was held on 25th March 2021. In terms of Clause 6(1)(3) of the Municipal Supply Chain Management Regulations, 2005, it deals with the Oversight role of Council of the municipality or board of directors of a municipal entity. The Council of a municipality and the board of directors of a municipal entity must maintain oversight over the implementation of its Supply Chain Management policy. The Accounting Officer must, within ten (10) days of the end of each quarter, and within thirty (30) days of the end of each financial year, submit a report on the implementation of the Supply Chain Management policy to the Mayor of the municipality or the board of directors of the municipal entity, as the case may be.

2.8.2 Minimum competency requirements Supply Chain Management

The Alfred Duma Local municipality has developed the Supply Chain Management Policy and it is reviewed annually to cater for the newly introduced supply chain management regulations and guidelines. The Supply Chain Management unit has a total number of 12 permanent employees of which 4 employees meet the minimum competency requirements. It must be noted that the other 8 employees are in the process of completing the outstanding required unit standards of the Municipal Finance Management Program.

2.8.3 SCM Policy & Procedures

The SCM Policy was adopted by Council at its meeting held on 31 May 2023.

2.9 By-laws

By- laws are the laws that governs the town. All by-laws need to be gazetted on the government gazette however there is a process that needs to be followed before they are gazetted. The process is as follows:

- First the by-law needs to be approved by Council.
- After it has been approved by Council, it needs to go for public comments.
- After the public comments the by-law needs to go back to Council for final approval.
- After it has been approved by Council the by-law may be sent to the government printing works to be gazetted. There were no Bylaws that were gazetted in 2022/2023 financial year.

2.10 Websites

(a) List of Publications

Municipal Documents Published	Yes/No
Current annual and adjustments budgets and all budget-related documents	Yes
Budget-related policies	Yes
The previous year's annual report	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes
All supply chain management contracts above a prescribed value (R100 000)	Yes

The Municipality has a communication strategy informed by SONA, SOPA, SODA, SOMA, IDP, NDP and NCS, NPS for alignment purposes. The strategy embraces the overall approach of government's mandate which is the 5 plus 2 priorities, i.e. Health, Education, Safety & Security, Land Reform & Rural Development, Job Creation, Infrastructure Development and Basic Services. Our communication strategy was developed within the electoral cycle of five (5) years, however it is reviewed annually in order for it to be relevant in dealing with the changing environment.

The general public perception is positive largely due to the successful merger of the Indaka Municipality and Emnambithi/ Ladysmith Municipality, however there are certain constituencies where the municipal citizens are not satisfied particularly with service delivery backlogs in rural development.

Through the Municipal Rapid Response, we have addressed many service delivery protests emerging from the shortage of water. However, the municipality has done well in the provision of electrification in some rural wards.

Within the municipal constituency there is a community radio station, Nqubeko FM

The majority of the municipal citizens listen to UKHOZI FM, NQUBEKO FM, IGAGASI FM and EAST COAST RADIO. Municipal Notices and adverts are published local using the Ladysmith Gazette Newspaper. We also make use of the social media pages (Facebook and WhatsApp) for the dissemination of municipal related information.

We also have the Ladysmith Herald newspaper which is free to communities and offers balanced stories.

We publish news through the community newspapers known as INHLOSO YESIZWE and UTHUKELA EYETHU which publish in IsiZulu.

Our Municipal Communication objectives include among many the following:

- To improve the image of the municipality both internally and externally
- To communicate progress and share insights into the impact of these programmes/ services on the lives of the communities.
- Operation Clean Audit, Good Governance and responsive local government
- Create a platform for growth, empowerment and skills development

- Re-affirm those communities with backlogs that development is underway
- Encourage public participation and community ownership of programmes run by the municipality
- Alignment of the municipal programmes with other Departments and the District, including Sukuma Sakhe to eradicate poverty, inequality and underdevelopment.
- To actively account and participate in various legislated and progressive communication forum.

On Intergovernmental Relations, the Municipality has maintained good relations with various stakeholders namely:

- Business sector
- Professionals
- Traditional leaders
- Religious leaders
- Ratepayers
- Ward Committees
- Youth Forums
- Civil Society Groups
- The Public Transport Forum

Many of our engagements with the various stakeholders were facilitated by the District Communicators Forum and Intergovernmental Relations Forum where all stakeholders meet and discuss issues affecting the community, whether rural/urban. The Municipal Website is functional and is updated regularly.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3A. Focus on Service Delivery

3.1 MUNICIPAL MANAGER DEPARTMENT

3.1.1 Performance Management

The Alfred Duma Local Municipality has a Performance Management Unit which has been fully functional for the year under review. The overall responsibility of the unit is to assist Council members of Alfred Duma Local Municipality in discharging their responsibilities relating to the safeguarding of assets and the operation of adequate and effective systems.

The Municipality has an effective performance management system implemented at top and middle management levels. Service delivery and client service are monitored on a monthly basis and evaluated formally on a quarterly basis. Quarterly reports are submitted to Council Committees.

3.1.2 Internal Audit Section

In terms of the Annual Risk Based Internal Audit Plan the **key focus areas** included:

AUDIT COMMITTEE

The Alfred Duma Local Municipality has an Internal Audit Unit which has been fully functional for the financial year under review.

The Internal Audit function is in house and not out-sourced to an external service provider, and is fully funded from the municipality's operational budget.

The roles and responsibilities of the Internal Audit Unit is set out in Section 165 of the Municipal Finance Management Act, Act No. 56 of 2003 as follows: -

The Internal Audit Unit must -

- (a) Prepare on an annual basis a risk-based audit plan and an internal audit programme for each financial year;
- (b) Advise the accounting officer and report to the Audit Committee on the implementation of the internal audit plan and matters relating to:
 - (i) Internal audit
 - (ii) Internal controls
 - (iii) Accounting procedures and practices
 - (iv) Performance management
 - (v) Risk and risk management
 - (vi) Loss control
 - (vii) Compliance with MFMA, Division of Revenue Act (DORA) and any other applicable legislation.
 - (viii) Safeguarding of assets.
 - (ix) Appraisal of the economy and efficiency with which resources are employed.
- (c) Perform other such duties as may be assigned to it by the Accounting Officer.

The Internal Audit Unit is accountable for the annual audit plan and functionally reports directly to the Audit Committee and administratively to the Accounting Officer.

In terms of the Annual Risk Based Internal Audit Plan the **key focus areas** included:

PROJECT FOCUS AREA	SCOPE
<i>FOLLOW-UP AUDITS FOR 2022/2023</i>	<ul style="list-style-type: none"> - To assess the extent of implementation of corrective and agreed upon actions following the internal audit performed - To Assess whether the implemented action addressed the original findings adequately - To Monitor the outcomes of Internal Audit Effort
<i>AUDIT OF PERFORMANCE MANAGEMENT SYSTEMS, IDP, AND SDBIP</i>	<ul style="list-style-type: none"> - Review compliance of the IDP, SDBIP and Performance Agreements in terms of activity, content and timeframes - Review compliance of the KPA's and KPI's in terms of the SMART principles - Review performance contracts (linked to IDP) for all Executive Directors and the Municipal Manager; - Review the link between PMS, IDP, SDBIP and Budgets; - Review credibility of POE files; - Conduct physical verification of projects.
<i>RISK BASED AUDITS AND STATUTORY AUDITS</i>	
2022/2023 Financial Statement Review	<ul style="list-style-type: none"> - Review Accounting Policies and compliance with GRAAP - Ensure that the AFS agrees to the Trial balance and General Ledger - Perform review of financial statements for validity, accuracy and completeness - Review working paper file and ensure that it agrees to information on the AFS, TB and GL
2023/2024 Mid-term Financial Statement Review	<ul style="list-style-type: none"> - Review Accounting Policies and compliance with GRAAP - Ensure that the AFS agrees to the Trial balance and General Ledger - Perform review of financial statements for validity, accuracy and completeness - Review working paper file and ensure that it agrees to information on the AFS, TB and GL
Audit of the adjustments budget 2023/2024	<ul style="list-style-type: none"> - Ensure that all compliance requirements are met - Review budget for validity, accuracy and completeness
Audit of the budget 2024/2025	<ul style="list-style-type: none"> - Ensure that all compliance requirements are met - Review budget for validity, accuracy and completeness
Audit Supply Chain Management	<ul style="list-style-type: none"> - Review daily procurements - Review tender process - Review contract register and contract payments - Review compliance with SCM policy, SCM Regulations and MFMA Circular 68
Audit Asset Management	<ul style="list-style-type: none"> - Review monthly asset reconciliations - Ensure asset reconciliation balances to general ledger and trial balance - Review fixed asset register - Test for existence of assets - Review depreciation calculations - Review compliance with GRAAP
Audit Payroll Management	<ul style="list-style-type: none"> - Review new appointments - Review employee's exiting the system - Review Overtime Payments - Review Standby allowances - Review Housing & Third-Party payments - Review Staff deductions
Audit Debtors and Revenue Management	<ul style="list-style-type: none"> - Review debit raising processes for main services rendered (rates, electricity, refuse) - Review debit raising processes for sundry services rendered - Review Debtors Age Analysis - Review Indigent Database
Audit Cash, Bank and Bank Reconciliations	<ul style="list-style-type: none"> - Review all cash and receipting processes - Review the bank reconciliations

	<ul style="list-style-type: none"> - Ensure that all reconciling items are valid and have adequate supporting documentation - Ensure that the bank reconciliation agrees to the bank statements, bank confirmations, and to the financial system
Audit of Grants and Project Management	<ul style="list-style-type: none"> - Review the Grants Register - Recalculate balances and ensure that it agree to the Financial System - Ensure compliance with the expenditure process and SCM policy and SCM Regulations - Ensure compliance with all grant conditions
Audit of Inventory Management	<ul style="list-style-type: none"> - Attend Quarterly Stock Counts - Observe Stock Count Procedures - Test for existence of Stock Items - Confirm quantity of stock items from physical stock to bin cards - Confirm quantity of stock items from bin cards to the financial system
Audit of Electricity Losses	<ul style="list-style-type: none"> - Verify, recalculate, validate and analyse the electricity losses reported by comparing the electricity purchased from the Eskom Accounts to the electricity sales - Review processes in place to reduce losses
Audit of Human Resource Management	<ul style="list-style-type: none"> - Review of Recruitment Process - Review of Leave Management - Review of Training Process - Review of Employment Equity Plan - Review of IOD and Pension Claims - Review compliance with HR Policies
Audit of Electricity Meter Reading function	<ul style="list-style-type: none"> - Review of Domestic Meter Reading and processing of accounts - Review of Commercial Meter Reading and processing of accounts - Review of Bulk Meter Reading and processing of accounts - Review of Electricity Discounts
Audit of Building Control & Illegal Structures	<ul style="list-style-type: none"> - Review process for plan approvals - Review process for building inspections - Review process for illegal structures
Audit of Waste Management / Landfill Site	<ul style="list-style-type: none"> - Review of Waste Management Process
Audit of Real Estate & Housing Section	<ul style="list-style-type: none"> - Review process for Disposal of Property - Review process for Purchase of Property - Review process for Rental of property - Review process for Lease of property - Review administration of Housing Projects
Review of Information and Communication General Controls	<ul style="list-style-type: none"> - Review of general control processes over all current IT systems within the municipality
ADHOC REVIEWS	
Special Requests & Investigations	<ul style="list-style-type: none"> - At the request of the Municipal Manager, the Audit Committee, or MPAC certain special assignments / projects will be undertaken
AUDITOR GENERAL	
Co-ordination of 2022/2023 external audit process	
Follow-up on 2021/2022 Auditor General Queries	

For each audit conducted, an Audit Report was compiled clearly outlining the scope of work, areas of risk, observations and findings, and recommendations.

AUDIT COMMITTEE: RESPONSIBILITIES

The Audit committee has complied with its responsibilities arising from section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and clause 14(2) (a) of the Municipal Planning and Performance Management Regulations of 2001. The Audit Committee's work is guided by the Audit Committee Charter, and has discharged all its responsibility as contained therein. Refer to the Draft Annual Report of the Audit Committee as an "**Annexure**".

3.1.3 YOUTH DEVELOPMENT

After having made various interventions to conceptualize and advance Youth Development since the dawn of democracy in 1994, a review on Youth Development indicates that despite much effort that has been made the challenges of developing young people remain mammoth (Huge), the fact that the majority of this young people hail from the previously disadvantage black communities in our wards.

Our main target are as follows:

- 18-35 years old
- School-aged-out -of- School aged
- Skilled and unskilled
- Youth in Business
- Youth in conflict with law
- Youth heading household
- Youth in Rural Areas
- Young Woman
- Youth with disabilities
- Youth with HIV and Aids

Key Performance Areas are:

Local Youth Services and Social Cohesion:

- Promote Youth Social Dialog and create opportunities for young peoples to serve their communities through Youth Mass Meetings around all wards within Alfred Duma Local Municipality.
- Outreach programmes.
- Youth Forums.
- Youth Council and Youth Desk.

Youth in Economic Participation:

- Enhanced the participation of young people in the economy through 35% set aside.
- 2021/2022 the Youth Development Office working together with National Youth Development Agency (NYDA) able to assist young people of Alfred Duma Local Municipality for NYDA grant and NYDA voucher of youth which benefited from the funds.
- Youth Development in partnership conducted mentorship on Youth in Business who has received training Certificates from NYDA.
- The Youth Development Office assisted learners for applying on varies institutions.
- Conducting onsite registration of National Student Financial Aid Scheme (NSFAS) and University of Free State (UFS)

Training and Development

- The Youth Development Office promote, facilitate and provide training and development opportunities to young people in order to enhance their socio-economic wellbeing.

- Youth Mass Skilling programme that the Youth Development Office recruited 36 graduates who are placed in various departments within the municipality which is our annual programme in ensuring that young people are getting exposed in the working environment in a period of 12 months,
- Capacity Building Workshop, for Unemployed Graduates and Youth Job seekers, by giving them necessary skills to seek jobs and empower themselves.

Youth Advisory and Information Services

- The Youth Development Office ensures that there is access for youth information about various interventions aimed at improving the living conditions of young people, including information and career guidance services for young people.
- 2021/2022, the Youth Development Office assisted more than 4 500 young people with access to information such as providing services with internet, career guidance and exhibition, science expo and conduct youth mass meetings, as per the Local Government Municipal Systems Act of 2000, about public participation, the establishment of the youth forums in all 36 wards which are functioning, the Youth Development Office also facilitates the functioning of 15 Youth NGO's and NP'O's within the municipality and further to that, while the office assist more than young people for CV writings, interviews and job applications every year for free.

Our main Objectives

- To integrate Youth Development into the main stream of government
- To enable young people of Alfred Duma Local Municipality to develop the knowledge, skills and ability needed for them to make a healthy transition to adulthood
- To give all young people of Alfred Duma Local Municipality a means out of long-term unemployment, by providing them with tangible opportunities which increase their chances of accessing economy.

YOUTH DAY CELEBRATION

- The Youth Day Commemoration June 16 held at Emathendeni Sport Field at ward 29 Umhlumayo Area which was attended by 1000+ young people within various wards. The Executive the honourable mayor, deputy mayor, speaker and Chief whipper of the municipality, which was well attended by the government department.

Programmes within the Youth Development Office for 2022/2023

Programme	Targeted Youth	Wards	Achieved or Not
Top 10 Matric Mayoral Awards	Learners from high schools	All	Achieved
Learning Grant-In-Aid (17 Students)	Full Time Students	All	Achieved
Youth Mass Meeting	Youth Structures	29, 31,14,17 & 33	Achieved
Outreach Programmes	Youth Structures	3, 09,1 4, 7 and 27	Achieved
Youth Day Commemoration 16	All youth under Alfred Duma	All at ward 29	Achieved
School Visits	Learners from High School	More than 15 schools	Achieved

3.2 DEVELOPMENT PLANNING & HUMAN SETTLEMENT DEPARTMENT

3.2.1 Development Planning

Introduction

The municipality has also complied with section 20(1) of SPLUMA by adopting the Municipal Spatial Development Framework as a core component of a Municipality's economic, sectorial, spatial, social, institutional, environmental vision. In other words, it is a tool to achieve the desired spatial form of the Municipality. In line with the municipality's mandate to facilitate and promote development in its area of jurisdiction the Section ensured that the municipality has a functional and effective Land Use Management System. The Section has made some strides in ensuring compliance with the Spatial Planning and Land Use Act No. 13 of 2013 (SPLUMA). The section has complied with section 24(1) of the Spatial Planning and Land Use Management Act by adopting a single Land Use Scheme for the entire jurisdiction of the Alfred Duma Local Municipality. The Alfred Duma Local Municipality Single Land Use Scheme was gazetted on the provincial gazette on the 17 June 2021 as required by the SPLUMA and in the 2022/2023 financial year the Section has been tirelessly working towards the implementation of the Single Land Use Scheme. On 20 October 2022 the municipality published in the provincial gazette the appointment of members of the Municipal Planning Tribunal.

Municipal Planning Tribunal Members:

Name and Surname	Status	Designation
MZ Kunene	Chairperson	Executive Director Development Planning and Human Settlements
EC Molefe	Deputy Chairperson	Executive Director: Cooperate Services
KK Hlela	Member	Senior Manager: Development Planning
HS Mbelu	Member	Manager Land Use
M Khumalo	Member	Manager Spatial Planning
NE Mbili	Member	Senior Legal Advisor
S Nzama	Member	Senior Legal Adviser
M Mlotshwa	Private Member	Government
JJ Mathee	Private Member	Architect
LH Mabele	Private Member	Town and Regional Planner

The section has also had functional SPLUMA structures in the 2022/2023 financial year as required by SPLUMA with 4 meetings sitting for the 2022/2023 financial year.

In accordance with the prescripts of the Spatial Planning and Land Use Management Act No. 13 of 2013, the Section in 2022/2023 financial year processed the following development application:

Status of the applications	No. of applications
Received	56
Disapproved	4
Approved	17
Lapsed	9
Pending	26

In accordance with the prescripts of the National Building Regulations and building Standards Act No. 103 of 1977, the Section in the 2022/2023 financial year processed the following building plans:

Status of building plans	No. of building plans
Number of building plans received	187
Number of approved building plans	132
Number of disapproved building plans	14
Number of building plans in circulation	42

The Section has introduced an online system for the submission of Business License applications, this system has started to bear fruits as it has eliminated the timeframe it usually takes to approve a business license application it has also made it possible for applicants to submit applications at the comfort of their homes thereby saving them much needed transportation costs and time.

In accordance with the prescripts of the Businesses Act No. 71 of 1998, the Section in 2022/2023 financial year processed the following business license applications:

Status of Business License applications	No. Business License applications
Received	103
Approved	63
Pending	40
Disapproved	0

The Development Planning Section also processed Outdoor Advertising Signs both temporary and permanent advertising signs. The following Outdoor Advertising applications were processed:

Status of Outdoor Advertising applications	No. Outdoor Advertising applications
Received	9
Approved	9
Pending	0
Disapproved	0

3.2.2 HUMAN SETTLEMENTS

In terms of the Housing Act No. 107 of 1997, Housing Code date 2009 and the housing accreditation framework, the Alfred Duma Local Municipality aims to promote, facilitate and develop integrated and sustainable human settlements. The municipality undertakes to set housing delivery goals, identify and designate land for housing development, initiate, co-ordinate facilitate, promote and enable suitable housing development. As part of the IDP, to take steps to ensure that the residents of its area have access to adequate housing on a progressive basis and conditions which are not conducive to health and safety are removed.

The municipality has developed an Integrated Sustainable Human Settlement Plan (ISHSP) that will identify what is required to unlock housing delivery in a particular area of Alfred Duma Local Municipality, identify what other social and infrastructural services would be required to do so in a holistic and integrated manner.

According to Statistics South Africa, Alfred Duma Local Municipality has approximately 41200 households, with a population density of 356 000 people. The total number of houses need to be constructed are included on the Municipal Housing Sectorial Plan.

HUMAN SETTLEMENTS PROJECTS

Most of the housing projects were stalled due to additional funding that was requested from the Department of Human Settlements as the current subsidy is inadequate for the IA's to construct the houses and they have advised that this is due to the current economic state with the sharp rise of materials in the country.

APPROVED HOUSING PROJECTS FOR STAGE 1 (URBAN)

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
Acaciavale Phase I Housing Project 1000 units K1709958	20	1000	Lwazi Contractors	The project was approved by MEC for Human Settlements. The Bi-Lateral was signed by all parties. All specialist studies were conducted and completed by the Implementing Agent. The SPLUMA application was approved by the municipality. IA has submitted the general plan to the KZN Surveyor General's office for approval. The IA's engineer concluded that additional funding will be required for the augmentation of the current bulk services as the infrastructure will be required for both Acaciavale Phase 1 & 2. A letter was written to the Department of Human Settlements for such funding. The services layout plan was approved by the uThukela District municipality
Roosboom Housing Projects K17090076	13	1000	Shatsane Systems Solutions (Pty) LTD	The project was approved by MEC for Human Settlement. The Tripartite Agreement was signed by all parties. All specialist studies conducted by the Implementing Agent. The SPLUMA approval was obtained from the municipality. IA is in the process of submitting the layout plan to the Office of the Surveyor Generals Office for approval.
St Chads Housing projects K17090078	7/27	500	CHS Developments	The application for the approval of the project was submitted to the Department of Human Settlements for approval. The project has been recommended by the TEAC and has since been approved by the MEC for Human Settlements. The contract was signed by all parties. The IA has commenced with Stage 1 activities.
Limit Hill K17090073/1	22	200	Morula / MTTP JV	The application for the approval of the project was submitted to the Department of Human Settlements for approval. The project has been recommended by the TEAC and has since been approved by the MEC for Human Settlements. The

				contract was signed by all parties. IA to commence with Stage 1 activities.
Colenso 4000 units Housing Projects (IA awarded 1000 units)	25	1000	Thellong Developers Services	The IA was requested to consider reducing the number of units from 1000 to 400 units due to environmental issues, where after the project will be submitted to the Department of Human settlements for approval.
Ezakheni C 150 Housing project K17090067	5	150	Uthandolezwe Group	<p>The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlements.</p> <p>The Tripartite Agreement was signed by all parties. All specialist studies conducted by the Implementing Agent.</p> <p>The SPLUMA application was approved by the municipality.</p> <p>The services agreement in respect of bulk services was signed the uThukela District Municipality and Council</p> <p>The IA is currently busy with finalizing the submission of the general Plan to the Surveyor Generals Office.</p>
Acaciavale Phase II Housing Project K17090059	20	1000	Boo Wa Ndo Holdings	<p>The project was approved by MEC for Human Settlements.</p> <p>The Bi-Lateral was signed by all parties.</p> <p>All specialist studies were conducted by the Implementing Agent.</p> <p>The SPLUMA application was submitted to the municipality for approval. IA requested to submit outstanding documents.</p> <p>A service level agreement has been signed with the District municipality.</p> <p>The services layout plan was approved by the uThukela District municipality.</p>
Colenso 4000 units (IA awarded 1000 units) K17090061	25	1000	Zamahlobo Trading	The IA for Colenso A has confirmed that they will close out the project as it is not feasible due to the environmental issues.
Mthandi 500 units K170900075/1	8	500	Tunols	The Application for the approval of the project was submitted to DoHS for approval. The project has been approved. The Tripartite Agreement has been concluded. The IA to commence with Stage 1 activities.
Besters	26		Sebatana Sebatane	<p>The Besters housing project was Initiated by Council in partnership with the Department of Rural Development and land Reform in 2005. Approximately 14 farms were purchased from the farmers.</p> <p>The areas that the farms cover are Besters, Van Reenen. The project has been recommended by the Department of Human Settlements. Awaiting the contract.</p>

APPROVED HOUSING PROJECTS FOR STAGE 1 (RURAL)

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
Nazareth Rural Housing project K16060003		1000	Mkhombe Development	A Bi-lateral agreement was entered into with the service provider, however due to the land legal issues the IA indicated that they are trying to resolve the land issues before doing any further studies. The bi-lateral agreement has expired. The project is on Ingonyama land, privately owned land (Mnguni family) and a portion of unidentified land. Once the land issue has been resolved the project will be implemented in phases.
Vaalkop phase I Housing Project K05070005	32	430	Amehlo Development Esizwe	<p>The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlement.</p> <p>The Bi-Lateral was signed by all parties. The IA is currently conducting specialist studies.</p> <p>The services agreement has been signed by all parties. The project is being implemented on privately owned land and on state land. In order to ensure that the project is not stall it was agreed that the project be implemented in phases. A development rights agreement was entered into with the state for the land that is registered in their name to commence with phase 1 of the project. A total of 430 potential beneficiaries were identified. The municipality also engaged the Mnguni family to release the land for housing development purposes.</p> <p>Extension of time has been approved for the project and the contract has been signed by all parties.</p>
Cremin	26	500	Zamahlobo Construction	DoHS appointed Zamahlobo to undertake the project. Contract is being signed by all parties, where after the service provider will commence with the Stage 1 activities.

URBAN PROJECTS FOR SUBMISSION FOR APPROVAL

PROJECT NAME	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	STATUS
Colenso 4000 units Housing project (IA awarded 1000 units)	25	1000	Black Rock Developers	The IA agreed to reduce the number of units from 1000 to 400 due to environmental issues. The project is expected to be submitted to TEAC for approval in October 2023.
Colenso 4000 units (IA awarded 1000 units)	25	1000	Makhosi Nyoka and Associates	The IA agreed to reduce the number of units from 1000 to 400 due to environmental issues. The project is expected to be submitted to TEAC for approval in August 2023.

Colenso 100 units housing Project	25	100	Morula / MTTP JV	<p>The project was identified to address the housing shortfall in Colenso. The project area is in close proximity to the bulk services in terms of water and sewer. This project can adequately address the current housing shortfall experienced by the community living in the area of Tugelavale.</p> <p>The approval of the project will be submitted to the DOHS TEAC in October 2023 for approval.</p>
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APPROVED HOUSING PROJECTS FOR STAGE 2 (URBAN)

PROJECT NAME	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	STATUS
Stimela D Housing Project	3/4	400	Zingwazi Contractors cc	The project has been approved for Stage 2 (installation of services). Contract is being circulated for signature, where after the service provider will commence with the implementation of the project.

PROJECTS AT CONSTRUCTION STAGE (URBAN)

PROJECT NAME	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	STATUS
Acaciavale 250 Housing project K17090057	20	250	Vumesa PTY (LTD)	Currently the IA is on site .122 approved beneficiaries to date. The project is moving very slowly.10 approved beneficiaries were relocated as the sites were in close proximity to the dump site. The connection of the houses to the municipality's electricity network needs to be finalised. DoHS has not approved the funding for the electrification.
Umbulwane Area H Housing Project K20020034	9	505	Sarkum Dev	<p>The IA is currently not on site. The internal Services installation is complete. The storm water damage repairs have been completed. The bulk water line is 80% complete. The DoHS approved additional funding for the connection of the bulk water and sewer and the electrification of the sewer pump station. The trenching to lay the electricity cable has been completed and the cable is to be installed. The municipality is addressing the issue of the missing beneficiaries together with the Implementing Agent. Uthukela District municipality has signed off the payment certificate for the bulk services and the invoice was submitted to the Department of Human settlements for processing.</p> <p>Slabs 400, Wall Plates 145, Roofs 105</p>
Umbulwane Phase 1 19940024	9	62	Umpheme Developments	Currently the IA is not on site, the IA vacated site in January 2021. The DoHS has verbally advised that the services of Umpheme Developments were retained and that they are finalizing the contract. The IA has been

				introduced to the Ward councillors on 7 July 2023
Umbulwane Phase 2 K19960213	27	107	UmpHEME Developments	Currently the IA is not on site, the IA vacated site in January 2021. The DoHS has verbally advised that the services of UmpHEME Developments were retained and that they are finalizing the contract. The IA has been introduced to the Ward councillors on 7 July 2023
Steadville 770 Rectification Housing project K2001006	21	678	Moteko Construction	Currently the IA is on site. The progress on the project is very slow. Letter of non-performance sent to the service provider. Notwithstanding the fact that they have received the letter of non-performance they have not improved their performance. Slabs 153, Wallplates 121, Completions 10
2010 Rectification Housing project K130700913	1,2,3,9	199	Gikha Construction and Projects	Currently the IA is not on site. They completed 30 slabs and 90 sites cleared. The IA did an engineering report regarding the status of all the houses at wall plate height for submission to the DoHS. First invoice has been paid by DoHS to the municipality.
Ezakheni C624 K20000016	5	585	Ayona Construction	Currently the IA is on site. A letter of non-performance was sent to the service provider. The IA has also advised that they are dealing with the issue of site pegging.
Colenso/Mgazini Emergency Housing Project K14050018	25	152	To be appointed by the DoHS	The project is currently stalled subject to the WIP approval by DoHS. Awaiting the DoHS to approve additional funding for the project. The DoHS is in the process of appointing a new Implementing Agent.
Roosboom Phase1, 2 & 3 Rectification Housing project K19970008 K19980080 K20000066	11	545	SNS Group	Currently the IA is on site. The project is moving very slowly and the workmanship is poor. The municipality has written a letter of non-performance to the service provider. Slabs 76, Wallplates 19, Completions 1
Ekuvukeni 35 Emergency Housing Project K19060003	33	35	Get-a-life Properties	Currently the IA is not on site. The IA has entered into a cession agreement with Ayona construction. Eight (8) houses which were left at various stages. An addendum to the contract was granted by the DoHS and is being signed by the municipality.
2012 Storm Damage Housing project K13070013 K13070017 K13070019 K13070015 K13070014 K13070018	9,10,20,21,22	2205	Tshwara Thebe Construction	Currently the IA is on site. An addendum to the contract was granted by the DoHS for the period 27 October 2022 to 27 October 2025. The IA has assessed 101 houses for submission to the Department of Human settlements for the approval of the BOQ. The municipality has written a letter of non-performance to the service provider. The project is moving very slow.

Ekuvukeni Phase 2 Rectification Housing project K20000049	33	657	Vumesa (PTY) LTD	Currently the IA is on site. An addendum to the contract was granted by the Department of Human Settlements for the period 8 August 2022 to 8 December 2024. The project is moving very slowly. The IA has commenced with the installing roof to the wall plate units.
Ekuvukeni Phase1 Rectification Housing project K19960319	33	250	Triviron	Currently the IA is not on site. An addendum to the contract was granted by the Department of Human Settlements for the period 5 December 2022 to 5 December 2024. The project is moving very slowly and the workmanship is poor. The municipality has written a letter of non-performance to the service provider. A final letter of termination is being sent to the IA.

PROJECTS AT CONSTRUCTION STAGE (RURAL)

PROJECT NAME	WARD	NUMBER OF UNITS	IMPLEMENTING AGENT	STATUS
Fitty Park Housing Project K1470009	28	1000	Step-Up Engineering	Currently the IA is on site, however the progress is slow. Step up Engineering (Setheo Engineering) was appointed on the 25 November 2012 to undertake the fitty Park Rural Housing Project which consist of 1000 units. The current contract is from October 2021 to October 2023. The DoHS has approved 300 sites as phase 1, phase 2 300 and phase3 400units. The project will consist of 2 phases. The PSC was afforded training by the Municipality. Toilets to be constructed as this is part of the project. Water harvesting done for 13 houses. The 13 houses have been handed over to the beneficiaries on 23 November 2022
KWASHUZI HOUSING PROJECT K13100002	28	1000	Tshwara Thebe	The Implementing Agents concluded the Stage 1 Activities and the Stage 2 applications were submitted to the Department of Human Settlements during early 2022 for approval. The Department of Human Settlements has submitted a letter dated 09 February 2023 confirming that the projects have been approved. The DoHS requested that the house plans be submitted to them for confirmation. The house plan has been approved the municipality and submitted to Department of Human Settlements for the preparation of the contract. The contract is awaited. To date 739 beneficiaries have been approved. The project will be implemented in phases.
SOMSHOEK AND ESIKOKO HOUSING K14060014	28	1000	Go Big Construction and Projects	The Implementing Agents concluded the Stage 1 Activities and the Stage 2 applications were submitted to the Department of Human Settlements during early 2022 for approval. The Department of Human settlements has submitted a letter dated 09 February 2023 confirming that the projects have been approved. The DoHS requested that the house plans be submitted to them for confirmation. A

				contract for stage 2 (construction) has been signed by all parties. The IA has commenced with the Pre –construction activities. They have subsequently submitted comments which were sent to the IA to amend the house plan accordingly as the specifications will form part of the contract. The plans have been approved by the municipality and will be submitted to the Department of Human Settlements to form part of the contract. The contract is awaited. To date 778 beneficiaries have been approved. The project will be implemented in phases.
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SERVICED SITES

PROJECT NAME	WARD	UNITS	IMPLEMENTING AGENT	STATUS
Indoor Sports Complex K21080004	11/12	2000	Mahlori Consultants	<p>The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlement.</p> <p>The Bi-Lateral was signed by all parties. All specialist studies were conducted by the Implementing Agent.</p> <p>The application for the approval of the Environmental Impact Assessment was submitted to the Department of Environmental Affairs for approval.</p> <p>The SPLUMA application was approved. IA is currently finalising all specialist reports for Phase 2 of the project.</p> <p>The project is expected to yield 370 sites.</p> <p>The IA is finalising the relay out of the project. The meeting was held with the IA 31 May 2023 and it was agreed that will survey and peg phase 1 of the project and to register plan with survey general office. The IA to open the township register.</p> <p>The IA submitted a plan of action for the work to be undertaken. The SLA of the IA be aligned with the bilateral agreement which end in September 2023.</p>
Dunlop K21080005	21	1300	DoHS to Appoint	<p>The Proposed Mixed-Use Development is along Helpmekaar Road directly opposite the Danskraal Industrial Area. The project is expected to deliver 1000 mixed use sites.</p> <p>The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlement. The Bi-Lateral was signed by all parties. All specialist studies were conducted by the Implementing Agent.</p> <p>EIA has been approved by the DEDTEA IA is currently engaging the Department of Transport.</p> <p>IA has advised that they are having financial issues and have submitted a letter of withdrawal from the project. A letter was drafted to terminate the contract.</p>

Ezakheni D Phase 2 K21080006	4	200	Nkanivo Consultants	The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlements. The Bi-Lateral was signed by all parties. All specialist studies were conducted by the Implementing Agent. The application for the approval of the Environmental Impact Assessment was submitted to the Department of Environmental Affairs for approval. The SPLUMA application was approved. The IA submitted the general plan to the Surveyor General which was approved. IA is in the process of registering the Township.
Ezakheni D Phase 3 K22020012	1	400	VST Consultants	The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlement. The Bi-Lateral was signed by all parties. All specialist studies were conducted by the Implementing Agent. The application for the approval of the Environmental Impact Assessment was submitted to the Department of Environmental Affairs for approval. The SPLUMA application was approval. The IA is finalising the submission of the layout plan for approval at the Surveyor Generals Office. A services agreement was submitted to the uThukela District Municipality for approval and signature by all parties. The project is expected to deliver 400 mixed use sites.
Ekuvukeni B 500 K22020013	33	500	Inzuzo	The application for the approval of Stage 1 was submitted to the Department of Human Settlements. The project was approved by MEC for Human Settlements. The Bi-Lateral was signed by all parties. All specialist studies were conducted by the Implementing Agent. The application for the approval of the Environmental Impact Assessment was submitted to the Department of Environmental Affairs for approval. The SPLUMA application was submitted to the municipality for approval. The IA has been requested to prepare a services agreement for submission to the uThukela District Municipality for approval and signature by all parties. The challenge is the access to bulk services in the area as experiences acute water shortages.

ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME

The Department of Human Settlements made funding available for the transfer of approximately 3500 properties. The municipality appointed Messrs Mzolo JV to undertake the social facilitation for the project. Council appointed five (5) Conveyancers to undertake the transfer of the properties., namely, Mahumane Attorneys, Mkhize/Miya Attorneys, Gwagwa Attorneys, Gcotlotela and Peter Attorneys and Awuzibuse Trading on a three-year contract.

The breakdown of the number of units that require transfer is as follows:

PRE -1994

AREA	CONVEYANCER	OUTSTANDING TRANSFERS	FORMS COMPLETED SOCIAL FACILITATOR	DEED OF SALE SUBMITTED TO CONVEYANCERS	TRANSFERS EFFECTED
Ezakheni A	Mahumane	37	2	5	4
Ezakheni B	Mahumane	47	1	3	3
Ezakheni C	Mkhize Miya	96	2	0	0
Ezakheni D	Mahumane	125	7	0	0
Ezakheni E		318	6	16	0
Ladysmith	MS Gwagwa/Mkhize/Miya	203	0	20	1
Steadville	MS Gwagwa	137	33	33	0
Colenso	Mahumani	187	22	54	1
Ekuvukeni		147	0	0	0
TOTAL ERVEN					1293
TOTAL FORMS COMPLETE					73

POST -1994

AREA	CONVEYANCER	OUTSTANDING TRANSFERS	FORMS COMPLETED	DEED OF SALE SUBMITTED TO CONVEYANCERS	TRANSFERS EFFECTED
Ezakheni A	Mahumane	2	2	2	1
Ezakheni B	Mahumane	43	5	0	
Ezakheni C	Mkhize Miya	207	25	25	
Ezakheni D	Mahumane	254	98	0	
Steadville	MS Gwagwa	257	0	34	
Colenso	Mahumani	8	0	0	
Ekuvukeni	Gcotlotela and Peter	350	0	37	
Ntombi's Camp	Miya/Mkhize	381	0	0	
St. Chads	Gcotlotela and Peter	200		4	
TOTAL ERVEN					1702
TOTAL FORMS COMPLETED					130

TRANSFERS FOR RDP PROJECTS

Umbulwane Area H	96
Acaciavale 250	41

LAND SALES

In terms of the Policy for the Disposal of Immovable Property, land that is available for sale is disposed by public competition. During the financial year under review two bids were advertised.

BIDS ADVERTISED	BID 1	BID 2
Properties Advertised	42	31
Awards Made	17	Still Undergoing SCM Processes
Deed of Sale Signed	17	Still Undergoing SCM Processes
Deed of Sale Cancelled	5	

LEASE AGREEMENTS

In terms of the Policy for the Disposal of Immovable Property the municipality may grant the right to use, control or manage a capital asset. All long-term leases which are in excess of three years require a council resolution. Council has delegated the Municipal Manager this right if the value of the property is less than R10 000 000.00 and for a period less than or equal to three years. The Asset disposal Committee is appointed by the Municipal Manager to advise on all matters relating to the granting of this right.

The following lease agreements were concluded for the following usage:

Towers	3
Driving Schools	3
Buildings	5
Vacant land	4

3.2.3 LOCAL ECONOMIC DEVELOPMENT AND TOURISM

Vision

“To develop a people focused and cost-effective municipality, providing quality services, while addressing unemployment and poverty through promotion of Agriculture, Commercial and Industrial productivity, Education, Skills Development, Tourism and Conservation.”

Mission

“To ensure community participation in all projects, improve the skills of community members, strive for financial viability, provide sustainable services and promote Local Economic Development.”

Introduction

The economic development and tourism are still dominant units and sectors occupying the central pillar of economic drivers within the Alfred Duma Local Municipality guided by the national development plan as adopted by the national government. Recently an emphasis has been made towards re- engineering solid economic participation through the District Development Model (DDM) so that a solid plan towards implementing catalytic projects and poverty alleviation pre and post Covid19.

Background

In line with the coherent developmental trajectory and socio-economic transformation agenda, the Alfred Duma Local Municipality DPHS – LED & Tourism Unit drives the following programmes:

Unit	Key Focus Area	Interventions
1. Enterprise & Cooperative Development	<ul style="list-style-type: none"> • Compliance – CIPC, SARS, CIDB etc. • Provision of Start-up funding to and SMME's • Marketing assistance • Capacity Building – both technical and business practice 	<ul style="list-style-type: none"> • 82 Cooperatives assisted with various compliance – completed • 2 Co-operatives awarded Funding from National Development Agency • 32 SMMEs & Cooperatives awarded Vula Fund

	<ul style="list-style-type: none"> • Provision of assistance to green economy and manufacturing (textile) co-operatives • Capacity Building – technical skills • Assist with funding proposals & applications to various funders 	
2. Informal Economy	<ul style="list-style-type: none"> • Registration of informal traders into Municipal database and issuing of trading permits in the new automated system • Provision of infrastructure through applications from various departments • Capacity Building – business practice training 	<ul style="list-style-type: none"> • Permit Issued - 105 • Flood Relief Funding – 49 (EDTEA &TIKZN) • Seriti Flood Relief -76 • Funding for Informal SMME Stall secured – A total 4 Million (Infrastructure Economic Development Grant (IEDG) – Multi-year, Mathews Farm, Uitvaal, Ezakheni - Construction of 35 Stalls at Uitvaal Has Commenced • 500 Thousand Municipal Employment Initiative Grant
3. Incubation / Trading Centres and Property	<ul style="list-style-type: none"> • Provision of trading centres to manufacturing businesses • Facilitation of leasing of land • Allocation of SMMES in Thusong Centres 	<ul style="list-style-type: none"> • SMMES currently operative at the following centres: Forbes Street, Ladysmith Cemetery road Handicraft Centre,
4. Agricultural Support	<ul style="list-style-type: none"> • Mayoral Ploughing Programme 	<ul style="list-style-type: none"> • A total of 445 hectares were cultivated in the various Municipal wards
5. Events and Programmes Museums, Tourism, Arts and Culture	<ul style="list-style-type: none"> • Oral History Interviews: 25,29 & 30 Aug 2022, 20 Jan 2023, 23 Feb 2023 • Flea Market Day: 2 Sep 2022, 2 Dec 2022, 25 Mar 2023, 30 June 2023 • Outreach Programmes: 28 Sep 2022, 25 Oct 2022, 22 Feb 2023, 23 Feb 2023, 20 April 2023, 12 & 24 May 2023 • Heritage Festival: 17 & 24 Sept 2022 • Event Impact Assessment Workshop: 6 Dec 2022 • Tourism Masterplan and Monitoring Programme: 14 Feb 2023 • Easter Activation Roadshow: 5 April 2023 • Time Travel: 26 April 2023 • International Museum Day Celebration: 23 May 2023 • LTA Annual general Meeting: 24 May 2023 	<ul style="list-style-type: none"> • A total of 34 events and programs were achieved in partnership with Museums, Arts and Culture Unit as well as other internal and external stakeholders

	<ul style="list-style-type: none"> • Ladysmith Trade Show: 26-28 May 2023 • Tourism Winter Activation: 15 June 2023 • Tourism Stakeholder Engagement: 29 June 2023 	
6. Tourism Unit	<ul style="list-style-type: none"> • Tourism promotion and marketing of Ladysmith as a preferred tourism destination. • Ensuring tourism compliance in all tourism establishments • Rendering administrative support to the Ladysmith Tourism Association 	<ul style="list-style-type: none"> • A total of 14 accommodation establishments were visited to address issues of compliance with tourism and business licensing. • The first siting of the Ladysmith Tourism Forum to endorse the Terms of Reference • Issuing of Ladysmith Tourism Association's membership certificates to renewing members • Facilitation of the siting of the Ladysmith Tourism association's Annual General Meeting.

3.3 TECHNICAL AND INFRASTRUCTURAL SERVICES DEPARTMENT

3.3.1 Road transport

The road network in Alfred Duma Local Municipality comprises 908.63km of gravel roads and 305.360km of permanently surfaced roads. Block paving are 13.31km and 2.7km of unclassified roads.

Addressing the backlog in gravel roads remains a major focus area. For the next financial year, Alfred Duma Local Municipality has taken a strategic decision to increase the spending on infrastructure maintenance.

The Municipality has prepared Five (5) year maintenance plans for the Road Infrastructure and approximately R350 Million is required.

The Gravel Road Maintenance Plan involves working one month per annum in each of the municipal wards to address backlogs and maintain existing gravel roads. Roads are constructed in-house making use of Councils plant and equipment's.

Disruptions to the programme are encountered due to equipment aging and skills shortage however annual targets are always met.

During 2022/2023 the programme was not completed due to the Municipality addressing the backlogs that was created by Floods occurred in 2021/2022 financial year and plant breakdown also contributed to the backlogs.

In terms of tarred roads, potholes are patched, base failures are repaired preventive maintenance is undertaken in terms of overlays.

STORMWATER

The storm water drainage network in urban areas in the Alfred Duma municipal area comprises a piped system and open drainage channels. The drainage system is in a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks and this causes flooding during summer.

The upgrading of roads however contributes to the addressing of this backlog as storm water drainage is installed together with the construction of roads. Storm water systems are maintained using high pressure jetting and there is a programme in place for cleaning of drains, addressing damaged catch pits, repairing kerbs and channels etc.

The misuse of the storm water system remains a matter of concern. Blockages that cause flooding regularly occur due to alien matter entering drainage pipes. Maintaining and cleaning the system is an ever-increasing expense and effort.

3.3.2 Spending against capital budget

Capital expenditures relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and cash surpluses.

The municipality spent 100% of the approved budget on capital projects

The table below indicates the capital expenditure against the total budget:

Description	Original Budget	Actual
Refurbishment of Jantha Substation Building in Ward 20	R 525 000,00	R 500 175.50
Upgrade of Ezakheni Swimming Pool in Ward 8	R 1 617 425,00	R 1 503 680,63
Construction of Gravel Road to Cemetery in Ward 19	R 3 000 000.00	R 2 921 166.73
Upgrade of ablution facilities in Illing Road Taxi Rank in ward 10	R 1 882 575,00	R 1 830 389,22
Upgrade of AG Magubane and Settlers Park Sportsfield in Ward 21	R 2 000 000.00	R 1 773 845.06
Rehabilitation of Circle Road in Ward 20	R 8 000 000.00	R 7 929 032.50
Construction of Acaciavale Sportsfield Phase 2 in Ward 20	R 4 888 600.00	R 4 285 600.05
Construction of Civil Works within Indoor High-Performance Centre Phase 4	R 20 943 000.00	R 17 869 139.53
Supply and Install 11 Tideflex valves at the Klipriver	R 10 800 000.00	R 10 212 434.29
Rehabilitation of Low Water Crossing in Roosboom Ward 25	R 2 000 000.00	R 1 347 034.23
Rehabilitation of Low Water Crossing in Kwamanzini Ward 26	R 2 000 000.00	R 1 235 672.55
Rehabilitation of Low Water Crossing in Emashiselweni in Ward 16	R 2 000 000,00	R 1 238 690.25
Construction of Satellite Fire station in Ekvukeni Phase 2 in Ward 33	R 13 000 000.00	R 12 309 900.08
Upgrading- Staff Change Rooms and Ablution Facilities in Ekvukeni Ward 33	R 2 000 000 .00	R 1 971 056.42

3.3.4 ELECTRICITY SERVICES

The number of consumers receiving 50kWh's of free basic electricity is 5 842

ELECTRICAL LOSSES FOR 2022/2023 BACKGROUND

In terms of electricity losses, the total electricity losses is broken down into technical and non-technical losses as follows:

The older the infrastructure the more electrical losses will occur.

Non-technical losses are caused by actions external to the power system and consist primarily of electricity theft, non-payment by customers and errors in accounting and record keeping.

In order to curb losses to an acceptable standard, an effective meter audit team is required to inspect each meter and to ensure that meter seals are still intact. Meter sweeps/audits need to be done twice a year in order to deter tampering of meters.

The actions that are taken and in progress to prevent for limiting of losses are mentioned hereunder:

1. Inspection of meters during the disconnection drive.
2. Verification of meter readings during month end.
3. Meter sweep processes carried out by Service Providers.
4. Reports extracted from the system with minimum purchases for the month.

For 2022/2023 financial year, limited audits were carried out due to resources and service providers were appointed to carry out meter audits and eradicate illegal connections.

The energy losses for this period is 15.97 %. Technical is 5% and non-technical is 10.97%.

Tabled below is a comparison of electrical losses from previous years:

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	Comments
% loss of total sales of unit	12,04%	12,18%	13,93%	16.83%	15.97%	Decreased by 0.86%
Total units lost	33 849 388	31 612 424	37 350 233	46 227 317	41 670 715	Decreased by 4 556 602 kWh
Rand amount	R22 679 090	R24 973 815	R31 374 196	R45 765 044	R45 004 373	Decrease of R 760 671.

The electricity losses in terms of kilowatt Units have decreased as compared to the previous year.

FINANCIAL IMPLICATIONS

The tamper charges raised by the Department Technical and Infrastructural Services (Electrical) for the 2022/2023 Financial Year amounts to **R 8 474 563.15**.

CHALLENGES

1. The theft of electricity by house owners.
2. Access to premises during working hours (customers not at home).
3. Refusal of access by customers to inspect meters.
4. Limited overtime budget to carry out audits afterhours.
5. Illegal connections.
6. Staff turnover.
7. Streetlight burning 24/7.

The Municipality has implemented Schedule 5B Electrification projects in the following areas:

- Electrification of 60 Households in Ensimbini- Ward 25. The budget amount is R1 080 000.00 which was funded by DMRE. **Achieved.**
- Electrification of 25 Households in Empungwini- Ward 4. The budget amount is R450 000.00 Which was funded by DMRE. **Not Achieved:** Electrical designs were done and approved by Eskom. Surveying was done but due to National Treasury taking away R1.5 million from the Gazetted budget construction was not done.
- Electrification of 36 Households Ematafuleni- Ward 25. The budget amount is R 648 000.00 which was funded by DMRE. **Achieved.**
- Electrification of 95 Households in Buhlebezwe- Ward 11. Ward 31. The budget amount is R1 710 000.00 which was funded by DMRE. **Achieved**
- Electrification of 13 Households in Roosboom- Ward 11. The budget amount R 234 000.00 which was funded by DMRE. **Achieved**
- Electrification of 100 Households in Ezakheni- Ward 1 to 8. The budget amount is R 1 800 000.00 which was funded by DMRE. **Not Achieved:** Electrical designs were done and approved by Eskom. Surveying was done project. But due to National Treasury taking away R1.5 million from the Gazetted budget construction was not done.
- Electrification of 30 Households in Ezimbuzini- Ward 16. The budget amount is R 540 000.00 which was funded by DMRE. **Achieved**
- Electrification of 115 Households in Emkhumula- Ward 16. The budget amount is R 2 070 000.00 which was funded by DMRE. **Achieved**
- Electrification of 70 Households in Emashiselweni- Ward 15. The budget amount is R 1 260 000.00 which was funded by DMRE. **Achieved**
- Electrification of 70 Households in Qhimkhowe- Ward 32. The budget amount is R2 880 000.00 which was funded by DMRE. **Achieved**
- Public Lighting Projects were implemented- Ward 1 and 06 High Mast Lights were installed. The budget amount is R2100 000.00. **Achieved.**
- Installation of 6 High Mast Lights in Ward 2. The budget amount is R2100 000.00. **Achieved.**
- Installation of 6 High Mast Lights in Ward 4. The budget amount is R2100 000.00. **Achieved.**
- Installation of 6 High Mast Lights in Ward 6&8. The budget amount is R2100 000.00. **Achieved.**
- Installation of 6 High Mast Lights in Ward 36. The budget amount is R2100 000.00. **Achieved.**
- Installation of 7 High Mast Lights in Ward 23. The budget amount is R2500 000.00. **Achieved.**
- Installation of 7 High Mast Lights in Ward 18. The budget amount is R2500 000.00. **Achieved.**
- Installation of 7 High Mast Lights in Ward 24. The budget amount is R2500 000.00. **Achieved.**
- Installation of 7 High Mast Lights in Ward 22. The budget amount is R2500 000.00. **Achieved.**

3.4 PUBLIC SAFETY AND EMERGENCY SERVICES DEPARTMENT

3.4.1. TRAFFIC AND LAW ENFORCEMENT SERVICES

(a) Introduction

Road safety programs assist motorists and pedestrians to act proactively and to change negative behaviour towards road safety. The aim is to reduce the risk of accidents through visibility of officers and the Road Safety Educational programs.

(b) Traffic Policing and By-law Enforcement

Category		Previous Year Actual Number (21/22)	Current Year Actual (22/23)
Number of law-enforcement officers in the field on an average day (Traffic and By-Law Enforcement)		36	35
Number of law enforcement officers on duty on an average day		36	35
Number of road traffic accidents during the year (Ladysmith, Steadville and Ezakheni Areas)	Ladysmith	1071	1165
	Steadville	32	67
	Ezakheni	289	220
	Driefontein	6	22
	R103	112	171
	N3	85	102
	N11	78	106
	Indaka	0	0
	Total	1673	1853

(c) Traffic Policing and By-law Enforcement Policy Objectives

Performance Objectives	Key Performance Indicator	Target	Actual	Comments
Compliance Indicators				
Provide an effective traffic and law enforcement service	Number of vehicle check points held per annum	600	4097	Target Achieved for Vehicle Check points to enable law enforcement and increase safety as well as prevent loss of life.
	Number of by-law operations held	Ongoing	Ongoing	Awareness operations were held to in respect of educating the community regarding by-laws and their responsibilities in respect of compliance.
	Number of Planned roadblocks held per annum	12	12	Joint Road Blocks were conducted on specific dates.
Ensure proper monitoring of the Client Service Charter	% of motor registration and licensing cases handled within a required time frame	100%	100%	This section consists of testing of candidates for learners and drivers Licenses to determine their proficiency and issuing of law enforcement and is subject to the supply vs. demand concept of the community.
Report to council regularly	Monthly report submitted?	Yes	Yes	Monthly reports are submitted

The following key performance indicators are measured on quarterly basis:

The safety of all road users is of great importance to the Alfred Duma Local Municipal Department Public Safety and Emergency Services and therefore all efforts are made to ensure the safe and free flow of traffic in and around Alfred Duma Local Municipality. Regular high visibility patrols are conducted. Point duty by traffic officers are conducted at certain problematic locations in the mornings.

- **Foot patrols:** Officers engage in both routine (as specified by the operational law enforcement plan) and random foot patrols. This has greatly assisted in regard to management and deterrence of illegal trading, parking violations, and other offences.
- **Roadblocks:** Due to high visibility and alcohol law enforcement during planned roadblocks in conjunction with other role players (e.g.: SAPS, RTI) Traffic Law Enforcement has managed to achieve a marked decrease in motor vehicle accidents during festive periods. Officers. Joint parties carry out targeted enforcement in terms of problematic traffic issues and warrant checks are carried out for all drivers stopped during the course of roadblocks. The visibility of Officers serves as an extreme deterrent to motorists who are likely to drink and drive. In this manner the Department Public Safety and Emergency Services has effectively utilized roadblocks as a tool to prevent loss of life and promote road safety.
- **By-law enforcement:** By-Law officers respond to complaints from the public in regard to health hazards, illegal dumping, stray animals, noise disturbances and other matters. These officers then educate the offenders and make efforts to rectify the source of the problem. By-Law officers liaise with other municipal sections in cases where their assistance is required to resolve an issue and follow up until the resolution of the matter. By-Law officers held operations in respect of educating the community regarding by-laws and their responsibilities in respect of compliance therewith.
- **Vehicle check points (VCP):** Officers utilized vehicle check points to target specific offences (e.g.: not wearing seatbelts, talking on a cellular phone whilst driving) as well as to check for the roadworthiness of vehicles. When officers address these traffic violations it urges motorists to refrain from committing the same offence in future. This resulted in more motorists using their seatbelts, refraining from using a cellular phone whilst driving and ensuring that their vehicles were in good working condition. In turn, this prevents the loss of life due to driver negligence and ensures road safety.
- **Driving and learners' licenses:** Officers ensure that they always check for the validity of the driver's licence in order to assess if the driver is authorized to drive the vehicle that they are operating. These checks guarantee a decrease in motorists who are likely to operate a vehicle without a valid licence. This is vital, as unlicensed drivers are more likely to pose a hazard to themselves and other road users. The dedicated licence checks by officers therefore contributes to road safety and prevents loss of life on the road.

A total of **14 446** notices were issued by officers during the 2022/2023 period broken down as follows:

TYPE OF NOTICE	NUMBER OF NOTICES
Section 56	12 424
NIP	2 022
TOTAL	14 446

The following is a breakdown of the additional Traffic Related Duties that were carried out during the 2022/2023 Financial Year:

Type of Duty	2021/2022 Financial Year	2022/2023 Financial Year
Vehicle Check Points (VCPs) Road Blocks Conducted	2 371	4 097
Planned Roadblock with SAPS and RTI Conducted	21	12
Drunken Driving Arrests Made	1	153
Warrants of Arrest Executed	1 005	1 590
Income Accrued from Warrants of Arrest Executed	R 1 037 800.00	R 2 785 450.00

- **Law Enforcement Unit:** In May 2022, Council approved the establishment of a Law Enforcement Unit as per Council resolution LC30/05/2022. The establishment of the Law Enforcement Unit is due to increase in the crime rate and continued vandalism of municipal facilities within the Alfred Duma Local Municipality (which includes the arson at community halls, libraries and sports fields) as well as theft of essential municipal infrastructure, the municipality has come up with a crime prevention initiative to reduce these criminal activities that are happening in our area by establishing a Law Enforcement Unit team which would be working together with SAPS in fighting crime.

On the 19th of October 2022, the Mayor introduced the Law Enforcement Unit at the Town Hall at the official launch by means of a Parade. Three (3) Patrol Vehicles have been issued for use to the Law Enforcement Unit. An Analog Number Plate Recognition System (ANPR) was installed into one of the vehicles. The system is used in tracking outstanding warrants of arrests of offenders, and can be used to receive reports of suspected stolen vehicles.

Period	Written Notices	Warrants of Arrests Executed	Drunken Driving Arrests	Trucks in CBD
February 2023	283	35	35	172
March 2023	254	54	05	49
April 2023	373	34	10	48
May 2023	196	32	06	106
June 2023	157	49	07	52
Total	2614	338	133	1488

Arrests made include the following:

ARREST SUMMARY	SUMMARY OCTOBER 2022 – JUNE 2023
Reckless and Negligent Driving	07
Interfering with the duties of an Officer/Defeating the ends of Justice	02
Common Assault	01
In possession of Illegal Firearm	01
In possession of Counterfeit Goods	01
Illegal Immigrants	15
Robbery	-
Housebreaking	01
Total	28

SAPS crime Reporting Statistical Report is being utilised to identify and patrol in high crime areas

3.4.2. LICENSING

The Licensing Section is divided mainly into two sub-sections which deal mainly with the following issues:

MLB – Motor Licensing Bureau:

For the 2022/2023 Financial Year a total of **30 823** (100%) of all vehicle transaction applications were received and processed by 30 June 2022.

DLTC – Driving Licence Testing Centre:

- Application of Learner's, Driving Licence's and PRDP
- Testing Learner's and Driving Licences
- Issue of Lerner's and Driving Licences
- Renewal of Driving licences

For the 2022/2023 Financial Year a total of **2 302**(100%) licences were issued to all successful applicants tested for learner's licences by 30 June 2023.

For the 2022/2023 Financial Year a total of **866** (100%) licences were issued to all successful applicants tested for driving licences by 30 June 2023.

It must be noted that the Licensing Office is mainly a demand driven service delivery section that seeks to facilitate effective Provincial Motor Transport and Traffic Law Administration services in order to ensure compliance with the National Road Traffic Act 93/96

3.4.3. FIREFIGHTING SERVICES

(a) Introduction

Alfred Duma Local Municipality has a Fire Fighting Service consisting of **four (4)** full time fire officers, **two (2)** contract fire officers and **Twenty (20)** working on fire-trained staff. The top service delivery priorities for the year under review were:

- Preventing the outbreak or spread of fires
- The saving of lives and property
- To react rapidly with the available resources to extinguish reported fires.
- To compile and follow a Control Burning Plan by creating and monitoring a controlled fire in areas where, should a fire occur, it will spread quickly or poses a fire hazard so that future risk will be mitigated
- To conduct Fire Prevention Inspections at business premises to reduce risk and ensure fire safety
- To conduct inspections of tanks, vehicles and premises storing flammable gasses and/or liquids within the municipal jurisdiction in order to mitigate risk and ensure fire safety.

During the year under review, the Alfred Duma Fire Service reacted to **one hundred and eighty-three (183)** fire and incidents within the Alfred Duma Local Municipal Jurisdiction during average turnout time especially within urban areas.

The service delivery within the rural areas is still challenging.

Category	Previous Year Actual Number (21/22)	Actual Number (22/23)
Total fires attended in the year	201	183
Average turnout time - rural areas	30 Minutes	30 Minutes
Average turnout time - urban areas	15 Minutes	15 Minutes

INCIDENT TYPE	21/22 TO DATE	22/23 TO DATE
Formal Structural Fires	708	60
Veld / Forest Fires	39	74
Disaster Related Incidents	22	21
Other Incident / Rubble	31	26
Motor Vehicle on Fire	31	24
TOTAL CALLS	201	205

The following is a breakdown of the Fire Related Service Duties carried out during the 2022/2023 Financial Year:

DESCRIPTION	21/22 TO DATE	22/23 TO DATE
Fire Prevention Inspections	357	515
Building plans	193	182
Business Licenses	64	47
Fireworks Permits	5	0
Certificate of Registration	64	61
Fire Hydrants Inspected	370	305
After hours electricity complaints	4050	731

(b) Fire Service Policy Objectives

Performance Objectives	Key Indicator	Performance Target	Actual	Comments
Compliance Indicators				
Communicate Disaster Management Plan with relevant role-players	Number meetings held	1	1	Disaster Management Plan was perused and reviewed for adoption by the Alfred Duma Local Municipal Council
Compilation and annual review of the Disaster Management Plan	Compilation completed by 30 th June 2023	30 th June 2023	Submitted to Council for approval and adoption as per meeting held in May 2023	Plan will be reviewed and workshopped with relevant parties The following Plans were adopted accordingly: a) Disaster Management Plan b) Winter Season Contingency Plan c) Summer Season Contingency Plan d) Disaster Management Sector Plan. e) Disaster Risk Policy Framework Plan
Disaster Management Sector Plan	Compilation completed by 30 th June 2023	30 th June 2023	Submitted to IDP and then to COGTA	Plan will be reviewed and workshopped accordingly

Provide a quality firefighting service	Monthly inspection of vehicles and equipment done?	Yes	Yes	This is done on a bi-weekly basis as well as during random inspections.
	Number of vehicles not operational for more than 5 days during the month	0	0	This is checked on a bi-weekly basis as well as during random inspections.
	Complaints not sufficiently addressed within 5 days regarding firefighting services	0	0	All complaints were sufficiently addressed within 5 days.

(c) Employees: Fire Services

Salary Level (Task Grades)	Permanent Posts	Short Term Contract Posts	Employees	Vacancies
05 - 10	3	2	5	1
11 - 14	1			0
15 - 18				
Total	4	2	6	1

3.4.4. Fleet management

The Fleet Section currently comprises of Assistant Manager: Fleet, one Administrative Clerk, one Superintendent, four mechanics, one qualified wheel alignment technician, one motor mechanic assistant and three driver mechanic assistants that are responsible for approximately two hundred and eighty nine (289) Council vehicles which are subdivided into the following categories with only the listed Staff Strength appointed to affect internal repairs and maintenance to these vehicles, along with assessing repair requirements for outsourcing and subsequent routing for outsourcing:

TYPE OF COUNCIL OWNED VEHICLE	TOTAL AMOUNT OF VEHICLES
Light Motor Vehicles	149
Heavy Motor Vehicles	97
Plant	36
Total Fleet	289

This shortage of manpower creates a challenge in terms of the turnaround time for the repairs of vehicles. Long turnaround times affect service delivery. Supply Chain delays are also a contributing factor in the increased turnaround time. Driver abuse results in the increased frequency that vehicles visit the workshop. Vehicle abuse is reported to the Municipal Manager for disciplinary action. Service level agreements are in place for the repairs and maintenance to Council's fleet.

The following repairs were carried out to Council vehicles during the 2022/2023 Financial Year:

Type of vehicle	Outsourced	Insource
Number of light vehicles received and attended to	58	262
Number of heavy vehicles received and attended to	44	334
Number of heavy plants received and attended to	26	106

COMMUNITY & SOCIAL SERVICES DEPARTMENT**3.5.1 PARKS, RECREATIONAL AREAS, SWIMMING POOLS AND CEMETERIES****(a) Introduction**

Alfred Duma Local Municipality operates and maintains recreational and sporting facilities. These facilities include 16 sports facilities, 7 recreational & entertainment parks and 7 public swimming pools. These facilities cater for a variety of sporting codes including soccer, netball, tennis, athletic tracks and volleyball. Vandalism of facilities is an area of concern however; employment of security personnel assists to mitigate the scourge of vandalism suffered. Constant supervision is also required as another mitigation measure. Unfortunately, full time supervision cannot be provided at all facilities due to the operational cost implications. The cost of the operation and maintenance of sport facilities remains a challenge as sport facilities in rural areas do not generate enough income to cover the operation and maintenance expenditure.

There are four (4) active, out of the Seven (7) Municipal Swimming pools operating during the 2022/2023 swimming season. The Department conducted Water Awareness Safety campaigns in partnership with private swimming organisations and instructors. The swimming season ended at the end in April 2023. The Teams are busy with maintenance of the pools ensuring the pools are ready for the next season especially on the active pools which are:

- White Road Swimming pool
- Agra Swimming Pool
- Limit Hill Swimming Pool
- St Chads Swimming Pool

The department has a technical team (welder, builder & tiller) which is responsible for in-house renovations and repairs. A tree felling team which is responsible for the trimming of trees, cutting down of nuisance trees such as trees obstructing electric lines & traffic, trees posing as danger to public, removal and control of alien invasive and exotic trees that pose a threat to the environment. The Department is responsible for the maintenance of public open spaces, road curbs, road islands and entrance gardens within the Municipal wards.

The Department operates and maintains 5 active cemeteries. The services provided include the timely and correct preparation of graves for use, maintaining a register of graves and the maintenance of cemeteries to an acceptable level of tidiness.

The Municipality maintains public open spaces from all Municipal wards and entrance gardens.

(b) Parks and Recreational Areas and Swimming Pools Policy Objectives

Performance Objectives	Key Indicator	Performance Target	Actual	Comments
Compliance Indicators				
To preserve and protect the natural environment and bio-diversity.	Number of trees planted through promotion of greening programme by 30 June 2022	80	120	The Municipality was afforded more trees through the partnership between Department of Agriculture, Fisheries & Forestry for the greening programme.

(c) Comment on the performance of sport, parks and recreational areas and swimming pools overall

The section is battling vandalism in most facilities & shortage of funds for maintenance purposes. The section was able to increase revenue collection in most of the Sport facilities.

3.5.2. COMMUNITY FACILITIES AND HALLS

(a) Introduction

The Department of Community Services is responsible for the administration of the Municipality's property portfolio, such as community halls.

(b) Community Facilities and Halls Policy Objectives

Performance Objectives	Key Performance Indicator	Comments
Compliance Indicators		
Adequately maintain facility infrastructure	Number of community halls maintained	The non-payment of insurance claims hinders the progress of renovating the vandalised facilities
Provision of caretaker ship in all municipal halls	Number of halls with caretaker ship services	To be included on the new organogram and no budget available for employment of caretakers.

(c) Comment on the performance of Town and community halls overall

- Challenge with vandalism at the at the community facilities
- Caretakers and general workers are rotated as when required for cleaning and transporting of tables and chairs.
- Provision of transport at the Halls is a major challenge, in transporting workers for maintenance purposes.
- The section aims in attracting private business sectors to operate at the Multipurpose Centre.

3.5.3 Functionality and sustainability of community service centres

(a) Introduction

- The Department of Community Services is responsible for the administration of the Municipality's property portfolio, such as Thusong centres
- The Alfred Duma Local Municipality has 5 (five) Community Services Centres (CSC) in the St Chads, Roosboom, Watersmeet, Ekuvukeni and Driefontein areas. Large number of people from these previously under-serviced communities use to visit these facilities to access government and other related services. However, most government departments have stopped rendering the services in these CSC.

(b) Comment on the performance of Community Service Centres overall

- Challenge with vandalism at the at the community facilities
- The section aims to provide access to Government services (e.g.: Home Affairs) to the surrounding community and to promote the social economic opportunities at the Thusong Centres.
- The section aims in attracting private business sectors to operate in both the Thusong and Multipurpose Centre.
- The challenge is that all Thusong Centres are now not connected to the ITC connectivity.
- The non-availability of the security in Roosboom and St Chads CSC is one of the major challenges.

3.5.4. LIBRARIES

(a) Libraries Objectives

Alfred Duma Municipality has Seven (7) libraries within the jurisdiction of the area. All libraries, i.e. those located in the area, Agra-Crescent, Colenso, Steadville, Ezakheni, Ekuvukeni, Somshoek and Main Library operate from Monday to Saturday. One modular library has been completed and it is functional at Somshoek. The location of the mini libraries at the Watersmeet, St Chads and Driefontein CSC is one of the municipality's successful project. The municipality is now in a process to set up a mini library in Roosboom CSC in 2022/23 financial year.

Performance Objectives	Key Performance Indicator	Actual	Comments
Protect library material through consumer training	Number of annual consumer training programmes/Library orientation	233	Programmes are based on library events calendar, demand from school, invitation from institutions
Improving Membership	Number of new memberships	580	
	Number of school visits conducted	35	Based on request and awareness calendar

3.5.5. Refuse removal

Refuse removal service is provided in all urban areas in Alfred Duma municipality and part of rural areas (Ekuvukeni, Waaihoek and Uitvaal)

(a) Refuse Removal Objectives

The strategic objective of the refuse removal is to provide an efficient, effective and economic service.

Performance Objectives	Key Performance Indicator
1 General KPIs	
Access to refuse removals	To ensure that all households have access to a basic refuse removal service.
Clearing of illegal dumping	To ensure that clearance of illegal dumping is done consistently to all wards.
	Promote Environmental awareness in the community
	Conduct clean up campaigns

(b) Comment on the performance of Cleansing and Solid Waste section

The section is face with the fleet challenges i.e. aging vehicles, mechanical breakdown. Currently, the section operates with 4 (four) out of 7 (seven) reliable compactor trucks, which makes it difficult to perform refuse collection with due diligence in all the wards.

3.6 2022/2023 SDBIP attached

CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE

4A Introduction to the municipal workforce

4.1 Employee totals, turnover and vacancies

Employee totals **1492**, Turnover – **0.4%** and Vacancies- **7**

4B. Managing the municipal workforce

4.2 Policies

The following policies were adopted by Council for the 2022/2023 financial year:

Acting Allowance Policy.

Batho Pele Principles.

Code of Conduct

Code of Ethics

Customer Care Policy

Dress Code Policy

Overtime Policy

Placement of Staff Policy

Practical Experiential and Training Policy

Standby Allowance Policy

Capacity Building Policy for Employees

Promotion Recruitment and Selection Policy

Sexual Harassment Policy

Attendance and Punctuality Policy

Leave Management Policy for Senior Managers

Employment Equity Policy

Strike Management Policy

Disciplinary Policy and Procedure

Job Evaluation Policy

Medical Aid Policy

Job Creation Policy

Termination of Contract Policy

Scarce Skills Policy

Employment Equity Plan.

Human Resource Strategy

Employee Health and Wellness Policy

Leave Policy for Municipal Employees

Occupational Health and Safety Policy

Management to ensure compliance with Occupational Health and Safety Act No. 85 of 1993 in all departments:

- Review and update on Risk Assessment for all departments.
- Refresher Training of Management representatives, Supervisors, team leaders and Health and Safety Committee. They were trained on the Occupational Health and Safety Act no. 85 of 1993 together with regulations and Compensation for Occupational Injuries and Disease Act 1993, Incident Investigation, Hazard Identification and Risk Assessment is high priority for all Incidents and accidents to assist reduce Injuries on duty.
- Strong communication channel on departments to report to Occupational Health and Safety Office immediately all incidents and accidents as they occur and case management.
- Occupational Health and Safety Office and departments to providing more support for all Injured employees.
- Provision of correct Personal Protective Equipment and training on the correct use of Personal Protective Clothing.
- Increase prevention programmes (Induction of new employees, refresher training for old employees and tool box talks).
- Increase monitoring of Occupational Health and Safety programmes within each municipal department.

4.3 Injuries & Sickness

DEPARTMENT	SECTION	IOD	SICK LEAVE	COMMENTS
Municipal Manager's office	NIL	NIL	NIL	<ul style="list-style-type: none"> There are minimum hazards because employees are mainly office based.
Budget and Treasury	NIL	NIL	NIL	<ul style="list-style-type: none"> There are minimum hazards because employees are mainly office based.
Corporate Services	<ul style="list-style-type: none"> Admin and Records Management 	01	05	<ul style="list-style-type: none"> There are minimum hazards because employees are mainly office based.
Development Planning and Human Settlement	<ul style="list-style-type: none"> LED - Museum 	01	04	<ul style="list-style-type: none"> There are minimum hazards because employees are mainly office based.
Community and Social Services	<ul style="list-style-type: none"> Cleansing and Solid Waste Parks and Gardens Community Venues and Libraries 	15 08 02	145 109 01	<p>COMMENTS</p> <ul style="list-style-type: none"> High rate of injuries because sections have lots of hazards causing these accidents. <p>RECOMMENDATIONS</p> <ul style="list-style-type: none"> To conduct incident investigation for each injury, in order to pick up trends of the accidents and incidents. To review and amend risk assessments as per the new corrective measures recommended in the incident investigation. Amend Risk Assessments as per the new corrective measures. Conduct Job Analysis and Job Observations. Increase prevention programmes, conduct Induction for new employees, awareness and refresher training for old employees. Continuous inspections and tool box talks are high priority in these sections.

Public Safety and Emergency Services	<ul style="list-style-type: none"> • Traffic and Licensing • By Laws • Emergency Services 	04 02 01	117 02 06	<p>COMMENTS</p> <ul style="list-style-type: none"> • Traffic officers have high risk jobs due to the nature of their jobs dealing with the public on the public road. <p>RECOMMENDATIONS</p> <ul style="list-style-type: none"> • Induction, refresher training and awareness, needs to form part of parade to discuss safety issues.
Technical and Infrastructural Services	<ul style="list-style-type: none"> • Electrical Engineering Services • Maintenance 	05 14	105 263	<p>COMMENTS</p> <ul style="list-style-type: none"> • High rate of injuries because sections have lots of hazards causing these accidents. <p>RECOMMENDATIONS</p> <ul style="list-style-type: none"> • To conduct incident investigation for each injury, in order to pick up trends of the accidents and incidents. • To review and amend risk assessments as per the new corrective measures recommended in the incident investigation. • Amend Risk Assessments as per the new corrective measures and. • Conduct Job Analysis and Job Observations. • Increase prevention programmes, conduct Induction for new employees, awareness and refresher training for old employees. • Continuous inspections and tool box talks are high priority in these sections.

4.4 Performance Rewards

Performance bonuses are only paid to the deserving section 54/56 managers who were assessed by the Performance Evaluation Committee established by Council.

The following Managers are subjected to performance evaluations:

MUNICIPAL MANAGER AND EXECUTIVE DIRECTORS
Municipal Manager
Executive Director: Corporate Services
Executive Director: Community and Social Services
Executive Director: Development Planning and Human Settlements
Chief Financial Officer (CFO)
Executive Director: Technical and Infrastructural Services
Executive Director: Public Safety and Emergency Services

4C Capacitating the municipal workforce

4.5 Skills Development & Training

Skills development enhances the capability of employees to improve the Workforce efficiencies in the employee's specific sphere of influence, productivity in the workplace and the quality of life of workers, their prospects of work and their mobility. It enhances Career Development.

ONSITE TRAINING PROGRAMMES CONDUCTED FOR THE 2022/2023 FINANCIAL YEAR

NAME OF TRAINING	NUMBER OF OFFICIALS ATTENDED
CONFLICT AND ANGER MANAGEMENT TRAINING	25
FIRST AID LEVEL 3	50
TREE FELLING TRAINING	10
SUBSTANCE ABUSE AND ADDICTION IN THE WORKPLACE	20
MUNICIPAL FINANCE MANAGEMENT TRAINING	20
MUNICIPAL GOVERNANCE TRAINING	20

THERE WERE 13 BURSARIES IN DIFFERENT FIELDS THAT WERE ALLOCATED TO MUNICIPAL OFFICIALS

CHAPTER 5: FINANCIAL PERFORMANCE**5A Statement of Financial Performance****5.1 Grants**

GRANT	BUDGET	SPENT
Municipal Disaster Relief Grant	R 37 699 175	R 19 309 559
Municipal Infrastructure Grant	R 70 409 000	R 70 066 470.19
Community Library Services Grant (Recapitalisation)	R 2 039 000	R 2 039 000
Provincialisation of Libraries	R 5 890 000	R 5 890 000
Equitable Share	R 285 377 000	283 480 830
Eradication of Bucket System – Ex Indaka	R 222 269.33	222 269.33
Expanded Public Works Programme - EPWP	R 2 993 000	2 993 000
Finance Management Grant - FMG	R 2 100 000	2 100 000
Housing Accreditation	R 3 156 122	1 387 100
Infrastructure Skills Development Grant - ISDG	R 4 500 000	4 500 000
Infrastructure Economic Development Grant (IED)	R 2 000 000	288 439
Integrated National Electrification Programme - INEP	R 12 252 000	12 245 800.63
Local Government Sector Education and Training Authority - LGSETA	R 785 592	785 792
Museum Grant	R 235 000	235 000

5.2 Asset Management**Details on asset management and key elements of asset management policy**

The Asset Management Section falls under the Budget and Treasury Department who are responsible for financial reporting for all assets that belong to Council. The Assets Section has had its challenges from the inception of GRAP as the reporting standards to a fully-fledged Asset Management Unit within the Municipality. Councils Audit opinion has reviled a significant change noting that all asset queries have been resolved. In the 2021/22 Financial year there were not assets findings in the audit and management reports. The Asset Section no longer uses the services of consultants for financial reporting, and other verifications are also conducted in-house except for specialized expertise of the calculation of the Landfill Rehabilitation Provision and the Valuation, Completeness and Existence of all heritage assets within the Municipality. The Alfred Duma Local Municipality boasts a fully-fledged assets unit encompassing a Manager: Assets & Inventory, two (2) Senior Accountant's, and one (1) Accountant. The outcomes of the previous three (4) financial

years audit are indicative of progress made in the Asset's Management Unit of the Municipality and in the financial year under review we have planned to have no material adjustments which may fall under matters of emphasis on the report. Asset Management according to the MFMA is the responsibility of the Accounting Officer which is then further delegated to departmental HODs. This is a clear indication that Asset Management needs the co-operation of many stakeholders as there is not a single person appointed by Council that is not affected by Asset Management whether directly or indirectly.

The Asset Management Unit has the responsibility to manage assets acquisition and disposal management as guided by the SCM Regulations. We have further generated a procedure manual and reviewed it in the current financial year to try and increased internal controls to manage the movement of assets within council which are mostly not adhered to. The Asset management Unit is further responsible for generating controls to ensure the safeguarding of assets but still every year we experience theft, losses and vandalism of Councils assets where all departmental Heads need to play a pivotal role in their oversight roles. Disposal Management is also one of the key areas that we are focused on, to ensure that all necessary processes are adhered to as per the requirement of Section 14 of the MFMA.

The Asset Management Section works closely with the Internal Audit Section and has implemented an Asset Steering Committee with representation from all departments to increase efficiency in information flow. Repairs and Maintenance of Councils Assets are also largely affected by the outcomes of the asset verification and final asset registers even though there isn't sufficient budget to carry out our Maintenance plans.

This financial year the Infrastructure and Technical Services Department has further appointed a service provider to recalculate our provision to rehabilitate the landfill sites and to Net Present Value it, which was successfully achieved.

The Department: Development Planning & Human Settlements has further appointed a Heritage Assets Specialist to review conditions, impairment as well as conservation of Councils Heritage Assets which was also successfully achieved.

A lot of work has been done, and we have noted a lot of improvement in this regard but a lot of work still needs to be done collectively to ensure that the municipality receives positive audit outcomes.

5.3 Financial Ratios

Current Ratio: 967 218 853

306 197 469

1: 3.16

Acid Test Ratio: CURRENT ASSET - STOCK / CURRENT LIABILITIES

934 925 124

306 582 729

1: 3.05

5B Spending against Capital Budget

5.4 Capital expenditure

PROJECT	BUDGET	ACTUALS
FURNITURE & EQUIPMENT	R 2 515 000	R 2 112 420,61
REFURBISHMENT OF ELECTRICAL	R 2 000 000	R 1 833 891.64
MUNICIPAL FLEET - PLANT & MACHINERY	R 24 000 000	R 23 723 352,71
MUNICIPAL FLEET - INSOURCING	R 1 000 000	R 557 801.00
UPGRADE CCTV CAMERA SYSTEM	R 1 500 000	R 1 386 849.50
SECURITY SYSTEM - STORES	R 500 000	R 350 250.00
SPEED MACHINES	R 500 000	R 467 014.00
FIRE FIGHTING EQUIPMENT - EZAKHENI	R 250 000	R 159 257.00
FIRE FIGHTING EQUIPMENT - EKUVUKENI	R 250 000	R 178 653.93
NUMBER PLATE RECOGNITION SYSTEM	R 250 000	R 167 343.48
PARKS & GARDENS - SMALL PLANTS	R 350 000	R 234 661.83
IT COMPUTER EQUIPMENT (ALL DEPARTMENTS)	R 1 200 000	R 1 121 886.95
REPLACEMENT OF MAIN SERVER	R 4 000 000	R 2 297 654.00
UPGRADE OF LISTER CLERANCE BUILDING	R 100 000	R 35 449.85
KLIPRIVER MAINTENANCE EQUIPMENT	R 10 800 000	R 10 212 434.29
CALL CENTRE	R 2 000 000	R 1 659 453.15
JANTHA SUBSTATION	R 9 675 000	R 9 401 655.05
REFURBISHMENT OF ACACIAVALE POWER STATION	R 525 000	R 500 175.50
NEWCASTLE ROAD SUBSTATION	R 13 000 000	R 7 460 524.50

5C Cash flow Management & Investment

5.5 Borrowing & Investments

The municipality has two (2) loans with an outstanding balance of R3 671 771 at the end of the financial year. The loan with ABSA bank is at the fixed interest rate of 9.10% with a balance of R1 632 404 outstanding at the end of the financial year and is in respect of the Tsakane Electrification. The loan with DBSA is at the fixed interest rate of 5% with a balance of R1 726 867 outstanding at the end of the financial year and is in respect of the former Indaka local municipality office buildings.

CHAPTER 6: AUDITOR GENERAL'S FINDINGS

6.1 Auditor General Report (2022/2023 Financial Year)- Attached

6.2 Action Plan (2022/2023 Financial Year)- Attached

VOLUME II: AFS

Copy of the Annual Financial Statements- Attached