DRAFT ANNUAL REPORT 2024/2025

BIG 5 HLABISA LOCAL MUNICIPALIY

Tel :035 8388 500 **Lot 808 Off Masson Street**

Fax:035 838 1015
Hlabisa Website:
www.big5hlabisa.gov.za

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CHAPTER 1- MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

1.1 MAYOR'S FOREWORD

It is an honour and privilege to present the annual report of Big 5 Hlabisa Municipality for the 2024/2025 financial year. This report gives effect to the legal framework requirements, concepts and principles governing the sphere of Local Government which reflect public responsibility. The Municipality remains committed to the vision, "We are visionary leaders who serve through community driven initiatives, high performance, sound work ethic, innovation, cutting edge resources and synergistic partnerships". The Municipality continues to demonstrate tireless commitment to making a difference in the lives of ordinary citizens and maintaining the institution's reputation for excellence, effectiveness, and efficiency. In the year under review, this institution continued a positive trajectory to provide quality service delivery to the residents of the Big 5 Hlabisa Municipality areas.

1.1.1 Key Policy Developments:

After consultation with the community and stakeholders, the most critical issues that need to be addressed were identified. These issues determine the future survival of the Municipality, and they are:

- Facilitation of opportunities for the designated groups (youth, women, people living with disability and aged).
- Ensure good governance.
- Spearheading sustainability on municipal projects
- Promotion of community participation in municipal affairs
- Promotion of enabling environment for economic growth

The above strategic objectives are aligned to the National Development plan, Provincial Growth and National Spatial Development.

1.1.2 Key Service Delivery Improvements/Achievements:

The following new projects were completed during the reporting period and some of these projects are multi-year projects and are still in progress.

- Mahongoza community Hall
- Ngoqongo to Mathunzi causeway
- Construction of ward 2 access road
- Construction of ward 3 access road
- Construction of Mphola causeway
- Hluhluwe Sport field
- Construction of Smolo Market store

In progress

- Hluhluwe DLTC Phase 2
- Inkosi Inkanyiso Sport Field
- Hlabisa Sport Complex

1.1.3 Public Participation:

One of the Council's goals is to have a ward committee summit to ensure that various committees share best practices and learn from each other at least once a year. The organisation relies on the Ward Committees to identify and prioritise needs and projects within the Fourteen (14) wards. As there are some sectors and associations that are not on the Ward Committees, the IDP Forum serves to solicit additional input. The Municipality further relies on the Audit Committee and the Municipal Public Accounts Committee. Furthermore, Council communicates through various Portfolio Committees. The Public Participation Unit plays a major role in communicating municipal affairs with the public.

1.1.4 Conclusion

Local Government is at the coal face of service delivery. The Municipality shall continue to deliver services in terms of the Local Government objects as contemplated in section 152 of the Constitution of the Republic of South Africa, 1996. I will ensure that the Municipality delivers in terms of its mandate.

I wish to thank the ward committees, communities, partners and stakeholders for their participation and support during the past financial year. Let us build on our strengths and collectively address the challenges for Big 5 Hlabisa Municipality to be lifted. I would further like to thank the Municipal Manager and his Senior Managers for the professional leadership they provide together with the dedicated assistance of the municipal staff. As a result, we were able to attain the performance stated in this annual report.

Cllr. CT Khumalo Honourable Mayor

1.2. MUNICIPAL MANAGER'S OVERVIEW

As public servants, our task is to provide municipal services to communities in a fair, efficient, effective and equitable manner. We ensure access to basic services that are affordable to all, be responsive to the needs of the community and be developmental to achieve these objectives.

The Municipality has ended the 2024/2025 financial year with all critical posts, filled. The overall performance of the organization is 93% in terms of the targets set for the 2024/2025 financial year, which is above the previous achievement of 81%.

The Municipality was in an ongoing engagement with the Department of Human Settlement and Eskom to assist with the reduction of housing provision backlogs and reduction of electricity connection backlogs. During the year under review 1007 new houses were built, and 1007 additional households were electrified in Big 5 Hlabisa area.

The Municipality has exceeded its target by ensuring that 91% of households are electrified by 30 June 2025. The Municipality proved its continued commitment and willingness to help the poorest of the poor and to alleviate poverty across all communities through the adoption of the Indigent Policy. This policy directive is just another way in which the Municipality reaches out to the vulnerable and needy. For the 2024/2025, financial year 896 households (target 2000) received free refuse removal services in rural areas, and 5115 households received Free Basic Electricity Services.

The Municipality also contributed to the fight against poverty and unemployment through the Expanded Public Works Programme (EPWP) and through the implementation of its capital programme. A total of 167 job opportunities (target 650) were created through EPWP for the year under review. The refuse removal remains a project for job creation across most of the 14 wards.

The Municipality has managed to expend its capital budget with a total expenditure of R 24 436 000, which constitutes 73% of the total capital budget. The Municipal Infrastructure Grant (MIG) budget was 100% spent.

The municipality have reviewed Human Resources Policies in terms of the Local Government Municipal Staff regulation and trained 62 staff on Cascading of Performance. The Municipality is ready to cascade performance with all employees in the Municipality, which will ensure continuous monitoring and evaluation to align to service delivery needs.

Mr LMV Cele

Municipal Manager

1.3. LEGISLATIVE REQUIREMENT

The Annual Report is prepared in terms of Chapter 12, Section 121 of the Municipal Financial Management Act 56 of 2003. The purpose of this report is to inform the Council, Stakeholders, and any other person who has an interest in the affairs of the Municipality.

1.4. CHALLENGES

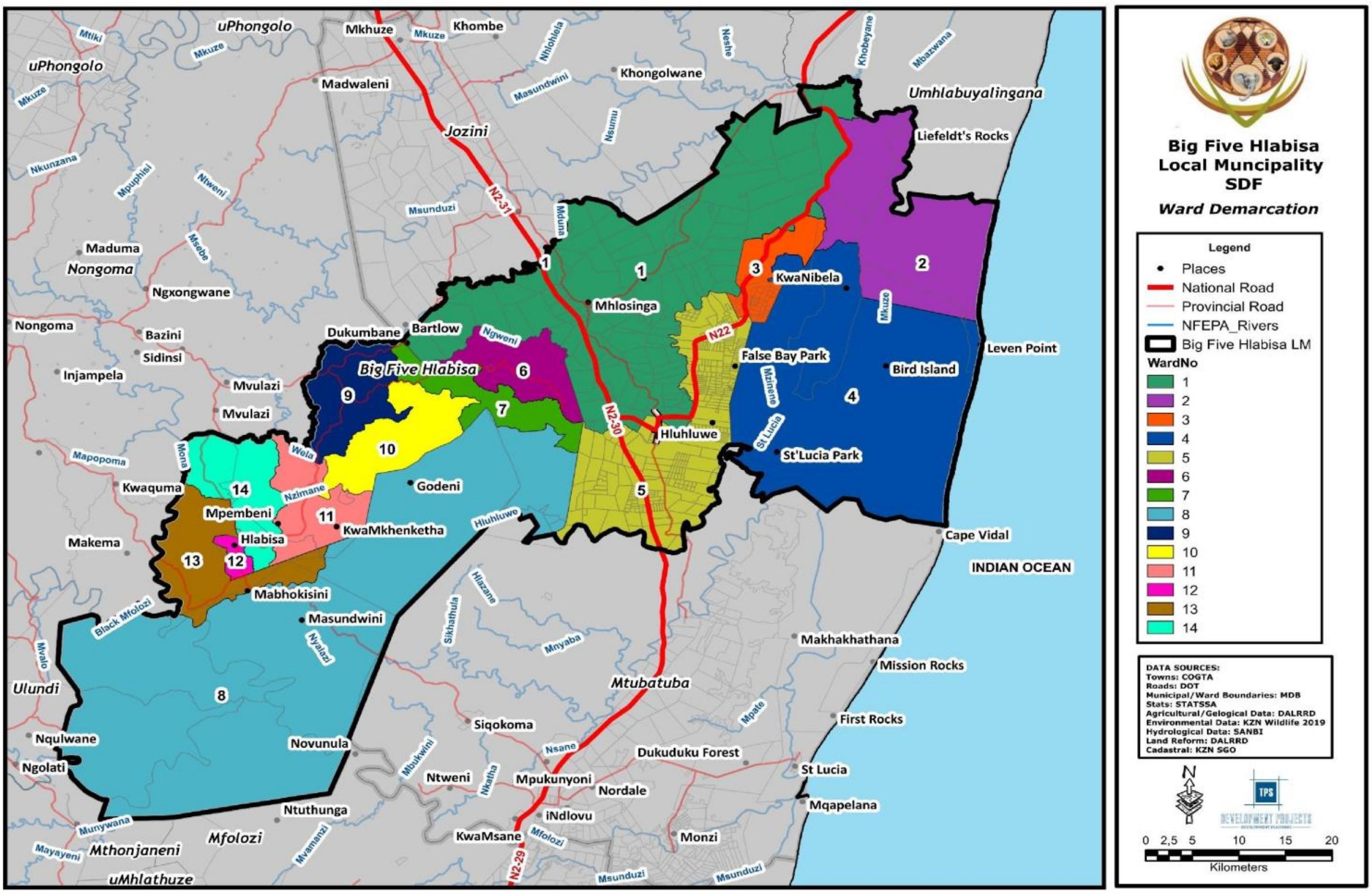
The following challenges were experienced by the Municipality and have negatively impacted on the Municipality's performance:

- Budgetary constraints
- Climate Change (Floods)
- High Rate of unemployment
- Revenue based.

1.5. MUNICIPAL OVERVIEW

Big 5-Hlabisa Local Municipality is in the Northern- western part of KwaZulu-Natal Province. It is one of four local municipalities that make up uMkhanyakude District family and is centrally located among all local municipalities of uMkhanyakude family. The municipality is a product of a type C amalgamation process between the former Big 5 False Bay and Hlabisa Local Municipality, initiated by the Demarcations Board in terms of the Municipal Structures Act.

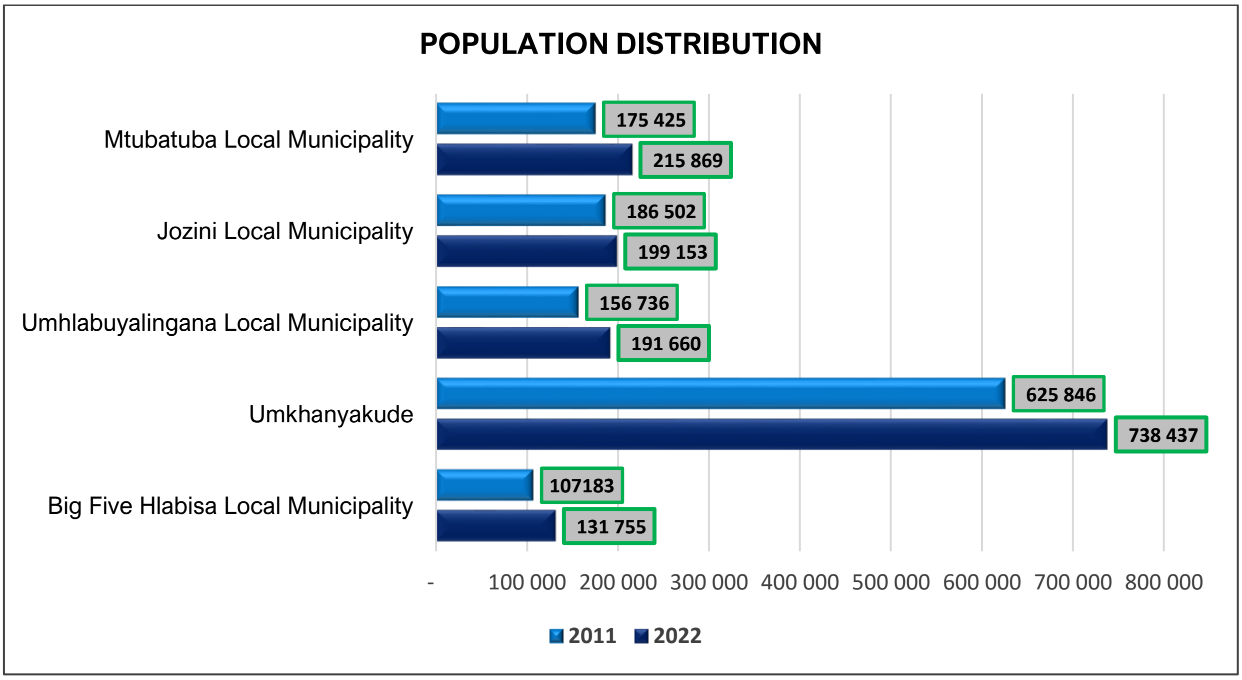
The name of the municipality is reflective of the historical context of the two former municipalities. The Municipality is predominantly rural with only one semi-urban area being Hluhluwe in ward 5. The municipality is demarcated into 14 wards and has twenty-three (27) councilors. Hluhluwe and Hlabisa are the main towns that are centers of employment opportunities, shopping, and recreational facilities Easily accessible off the N2 national route, the municipality lies adjacent to the False Bay (western) side of the Isimangaliso Wetland Park (previously known as the Greater St Lucia Wetlands Park). The following map provides details in respect of the locality of the Big 5 Hlabisa local Municipality and population changes in the areas between 1996, 2011 and 2022.



1.5.1 DEMOGRAPHICS

1. Big 5 Hlabisa Population size

The population in Big 5 Hlabisa LM was 107147 in 2011 and increased to 131 755 in 2022 at a growth rate of 2%. While much of Big 5 Hlabisa Municipality consists of very low intensity and sparsely populated rural settlements Hlabisa and to some extent Hluhluwe. This represents an increase of approximately 24 572 persons over a ten-year period. In terms of population threshold, it is noteworthy that Big 5 Hlabisa is the smallest municipal within its district and accounts for 18% of the total district population. The graph and accompanying explanation figure provide a breakdown of the population growth in the uMkhanyakude District by municipality.



Source Stats SA, Census 2011, and Census, 2022

Figure 01: Population by size

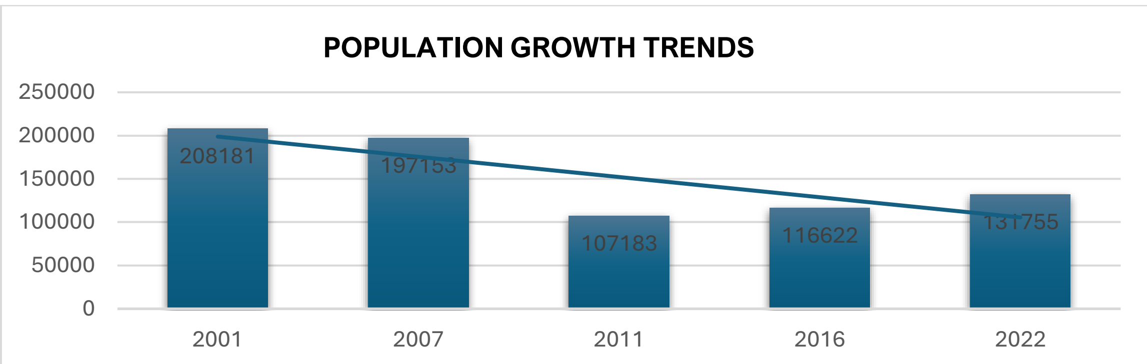


Figure 02: Population growth trends - Census 2001, 2011 and 2022, CS 2007 and 2016

1.5.2. POPULATION PYRAMIND

The Graph below shows the population pyramid for B5HLM. It is distinct from the graph that most of the local municipality is between the ages of 0-4 years, the age constituting children. The elderly population is significantly less than the youth and children's population. Overall, the age demographic structure of Big 5 Hlabisa LM reveals a significant youth population, with approximately 34.90% of residents falling within the age bracket of 0 to 14 years. This demographic composition indicates a relatively high dependency ratio within the municipality. Graph 5 reflects the broad age groups in the study area. It is evident that a large proportion of the population are within employment age, which is 15-64 years of age.

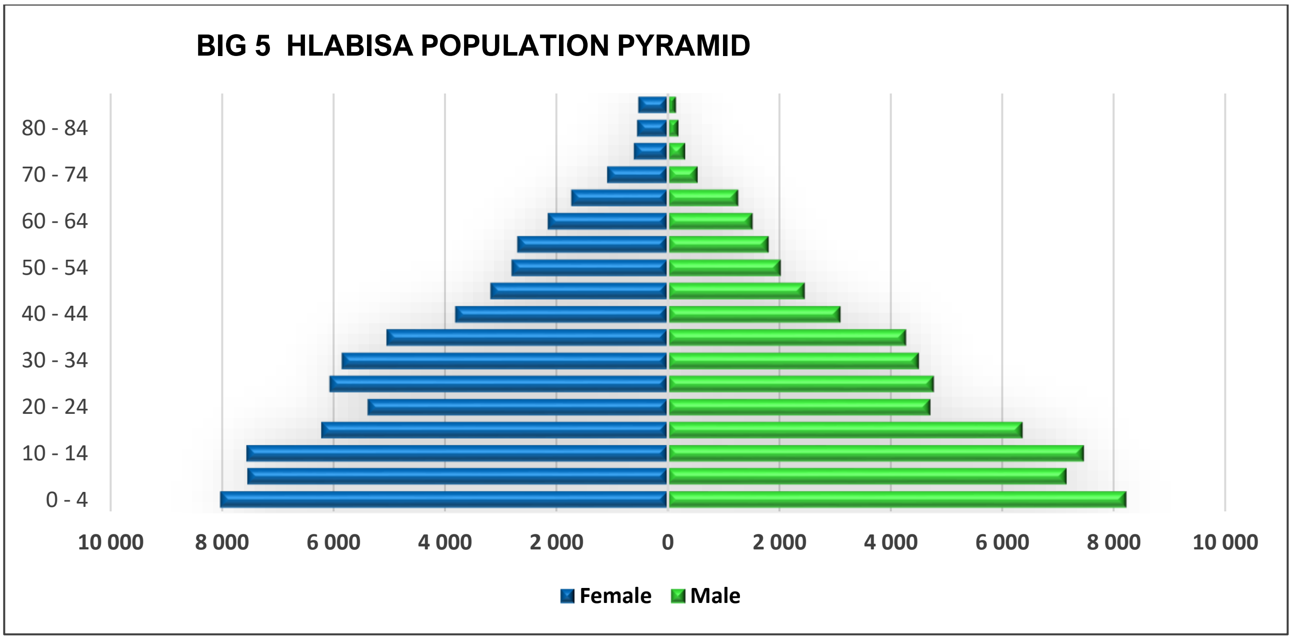


Figure 03: Population Pyramid, Distribution of population by Age and Sex, Source: Stats SA Census 2022

1.5.3. POPULATION BY HOUSEHOLDS SIZE

The table below indicates the number of households for Big 5-Hlabisa Municipality in terms of statistics information for 2001 was 6214 and 7998 in 2011. There has been a slight increase, and numerous factors might have impacted on this pattern. It is noted that Big 5 Hlabisa has the second smallest number of households as compared to other municipalities within uMkhanyakude District. Big 5 Hlabisa total population was 16825 in 2011 was 20584, and in 2022 dropped to 23 136

MUNICIPALITY	2011	2022
DC27: uMkhanyakude	**128195**	**129 067**
KZN271: Umhlabuyalingana	33857	34 686
KZN272: Jozini	38849	35 824
KZN276 Big 5 Hlabisa	**7998**	**23 136**
KZ 275 Mtubatuba	34905	35 421

Table 02: Table: Distribution of population by households' Stats Census 2011 and 2022

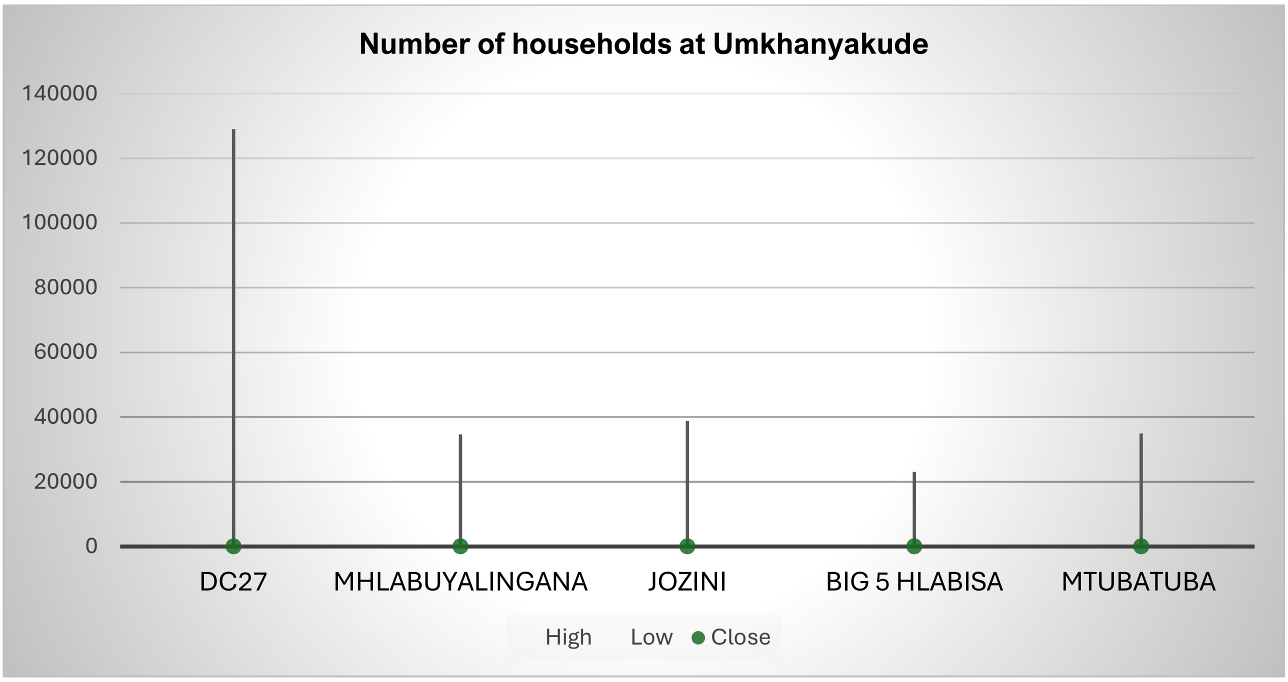
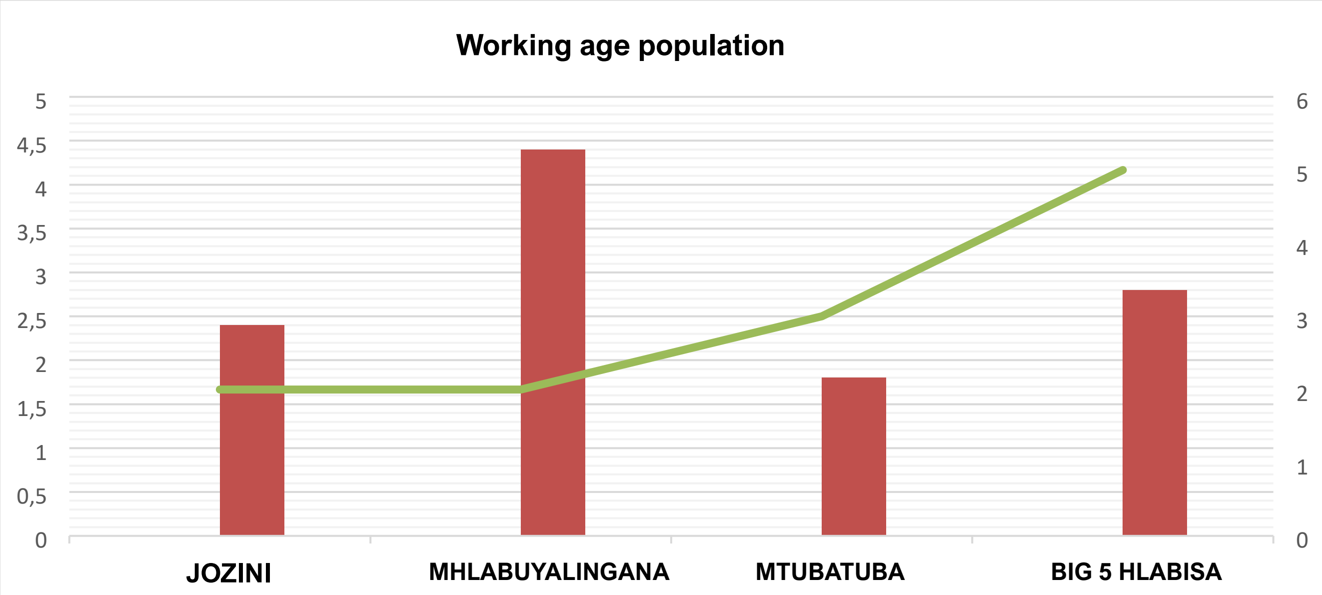


Figure 04: Distribution of population by households' Stats Census 2011 and 2022

1.5.4. Working age population (15 – 64 Years)

Almost half of the total population is not economically active. A trend consistent in the district indicates that a bulk of those unemployed and not economically active comprises of youth.

The figure below indicates employment status at Big 5 Hlabisa Local Municipality.



Source: AS Census 2011 & 2022.

1.5.5. Big 5 Hlabisa Population Distribution by Age and Gender

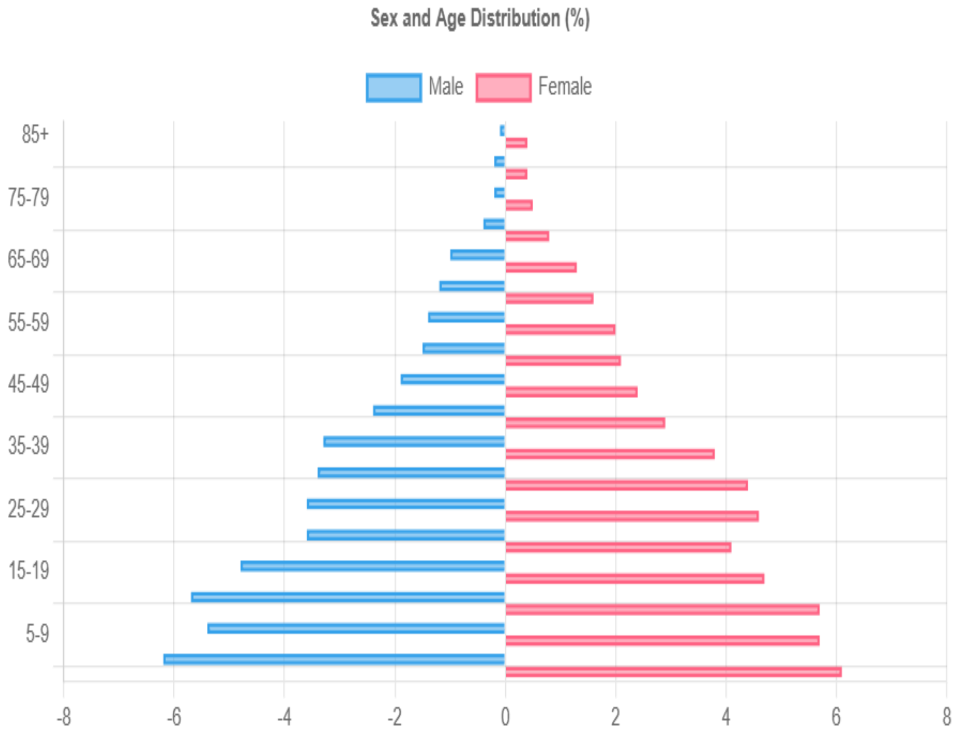
1. Population Distribution by Gender

The gender arrangement of the population indicates that females are in the majority compared to their male complements (refer to Figure below). The gender ratio indicates that there were 46.1 % males per 100 females in 2011, which increased to 46.3 % males per 100 females in 2011 53.9 %. Females represented 53.7% of the population in 2022.

NAME	2011		2022	
	MALE	FEMALE	MALE	FEMALE
85+	171	1,02%	150	527
80-84	227	0,4%	200	549
75-79	249	0,8%	318	606
70-74	445	0,8%	540	1084
65-69	573	1.08%	1272	1729
60-64	924	1.2%	1533	2145

Source: Census 2022 Provinces at a glance / Statistics South Africa: 2023

According to Census 2022 the population distribution per Gender for Big 5 Hlabisa Municipality is as follows:



1.5.6. POPULATION DISTRIBUTION BY RACE

The table below bids an examination of the racial groups in the Big 5 Hlabisa municipality. It indicates that in 2022, the African population constituted 99.3% of the municipal population, 98.4% of the uMkhanyakude District, and 84.8% of the provincial population. The race composition of Big 5-Hlabisa and Municipality the entire uMkhanyakude district region is predominantly black, followed by whites making a small proportion. It is however noted that whites are mostly found in Hluhluwe (ward 05).

The rest of other groups are very few. A characteristic well in line with the demographic profile of that part of the country. Blacks make up 95.8% of the population groups followed by whites making up 3.2%, the colored make up 0.3% and the Asians/Indian make up 0.24%. The population groups are depicted in the table below.

Figure 06: Population by size

Municipality	Census 2011					Census 2022				
	Black	Col	Indian/A	W	O	Black	Col	Indian/A	W	O
KwaZulu-Natal	86,8	1,4	7,4	4,2	0,3	84,8	1,5	9,3	4,1	0,2
uMkhanyakude DM	98,8	0,2	0,2	0,7	0,2	98,8	0,2	0,2	0,6	0,1
Big 5 Hlabisa	**98,3%**	**0,2%**	**0,2%**	**1,1%**	**0,2%**	**98,4%**	**0,2%**	**0,2%**	**1,1%**	**0,1%**

Source: Stats SA, Census 2011 & 2022

1.5.7 DISABILITY STATUS

Disability status: Big Five Hlabisa Local Municipality

The table below indicates the Disability status of the municipal population have some disability. The Municipality is focusing on enabling disability mainstreaming and integration through workshops and partnerships with stakeholders such as the Department of Social Development and the Department of Health.

Table 11

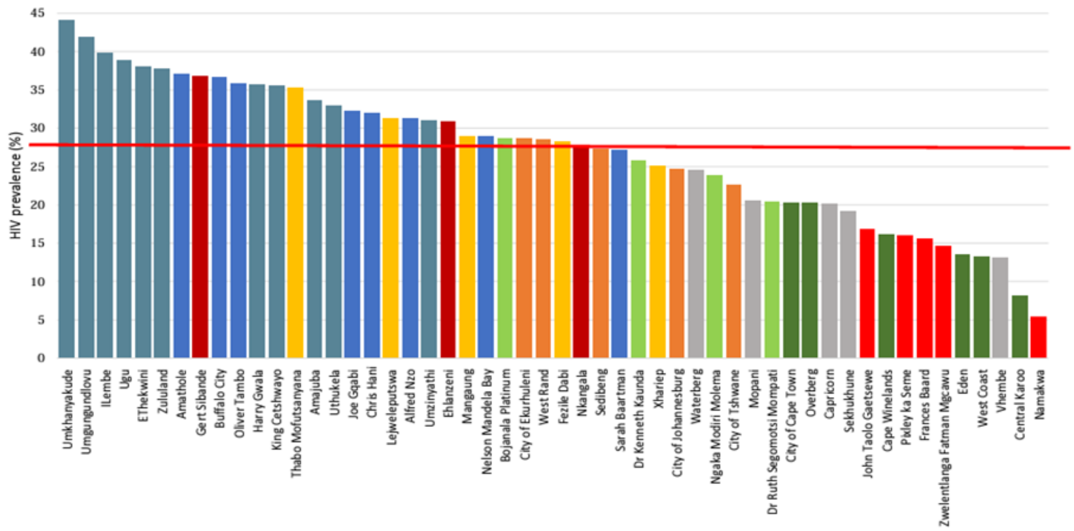
NUMBER	SEEING	HEARING	COMMUNICATION	WALKING	REMEMBERING	SELF-CARE
Population						
Some difficulty	6508	3384	2522	3166	3432	2180

A lot of difficulty	1523	771	406	1094	919	722
Cannot do at all	78	107	155	241	97	280
Do not know	226	247	245	244	265	249
Not applicable	16878	16878	16878	16878	16878	16878
Total	25213	21387	20206	21623	21591	20309
PERCENTAGE % of Population						
Some difficulty	26	16	12	15	16	11
A lot of difficulty	6	4	2	5	4	4
Cannot do at all	0	0	1	1	0	1
Do not know	1	1	1	1	1	1
Not applicable	67	79	84	78	78	83
Total	100	100	100	100	100	100

SA: Source: CS 2022

1.5.7. HIV PREVALENCE AMONG PREGNANT WOMEN BY DISTRICT

According to national surveys, uMkhanyakude had the highest number of HIV in the country. The antenatal survey in 2022, however, indicates that the district is now number 1 in the country in respect of HIV prevalence. Contributing factors must be addressed collectively. However, young people are confronted with numerous challenges that disturb their well-being which comprise amongst others, substance abuse, teenage pregnancy, rape, crime, violence, unsafe sex, abortion, HIV/AIDS, TB and demonstrative abuse. The Municipality presented several awareness campaigns on HIV/AIDS, TB and teenage pregnancy.



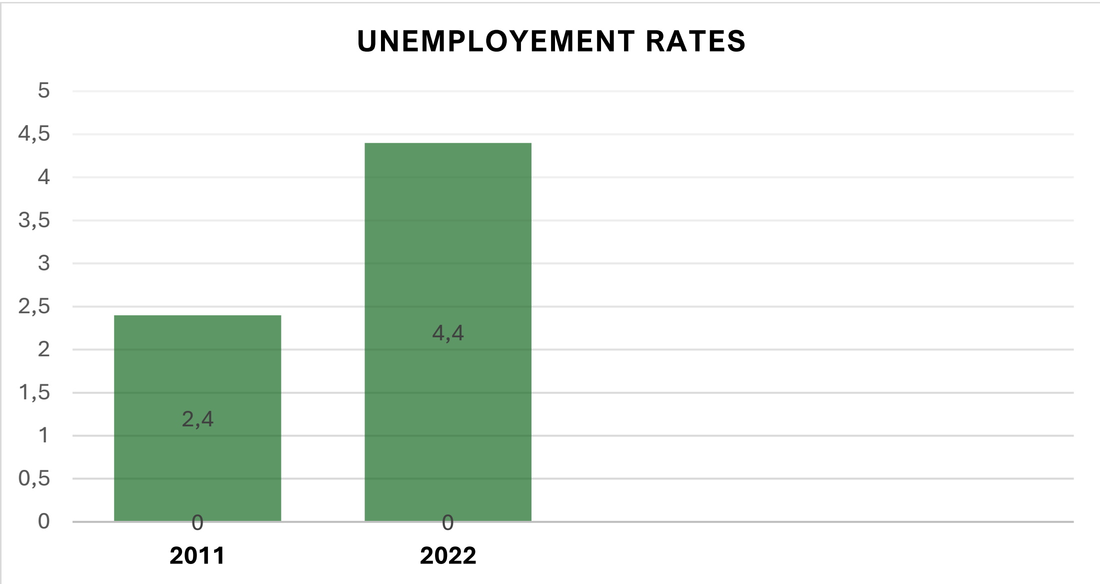
The red line indicates the national HIV prevalence (27.5%)

Figure 8: HIV prevalence among pregnant women by district (2022), Antenatal HIV Sentinel Survey, South Africa

1.5.8. EMPLOYMENT STATUS

The unemployment rate increased by 25.0%. It shows that 2011 was a challenging period as majority of the economically active population was not employed in 2011. This has, however, risen to 32.9% in 2022. The percentage of unemployed people increases which shows the negative impact on our municipality. Big 5 Hlabisa Municipality is creating job opportunities by supporting Local Economic Development (LED), investing in infrastructure, fostering entrepreneurship, and promoting community-based initiatives and sinking funds from the government to promote good service delivery. This includes targeted programs like Expanded Public Works Programmes (EPWPs) and Small, Medium, and Micro Enterprises (SMMEs)

TABLE 10: UNEMPLOYMENT RATES



SA: Census , 2022

1.5.9 Population by Education level

This sub-section stipulates an impression of the available education indicators. Education impacts on the employability and income-earning ability of people within a municipal area, which in turn has an impact on the revenue collection ability of a municipality. This sub-section will investigate the level of skills, mean years of schooling, the adult literacy rate and expected years of schooling in the Big 5 Hlabisa Municipality. Big 5 Hlabisa Municipality over the period 2016 to 2019. Since 2016 the mean years of schooling in the Big 5 Hlabisa Municipality have increased from 6.23 years to 6.39 years in 2019. Compared to the uMkhanyakude District, Big 5 Hlabisa had a lower average year of schooling completed in 2019.

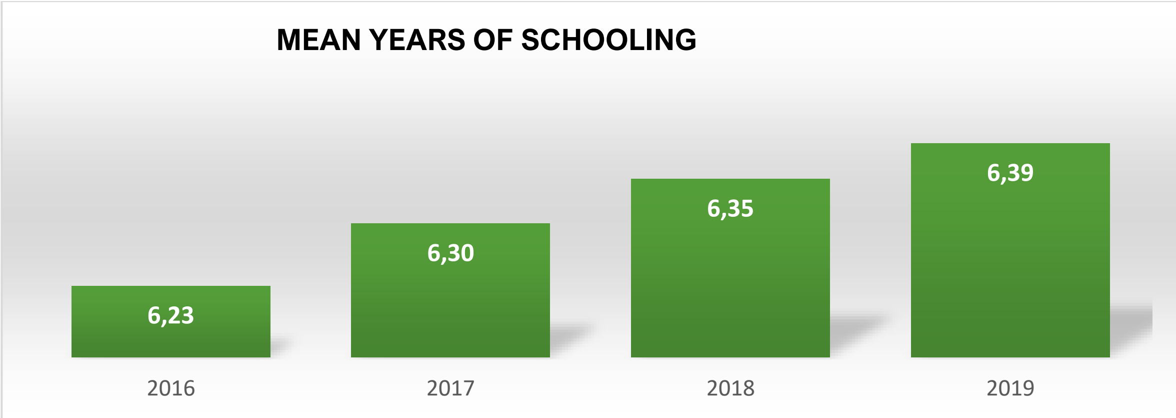


Figure 7: Mean years of schooling – Census 2022

1.5.8 Distribution of households using electricity for lighting, heating and cooking

The number of households using electricity in 1996 in KZN was 61, 7 in 2001 and increased to 779 in 2011. At a district level, the uMkhanyakude figures were 29, 4 in 2001 and increased to 38, 4 in 2011 in Big 5 Hlabisa Municipality. The distribution is further depicted in table as follows for Big 5 Hlabisa and the whole family of uMkhanyakude.

Table 09: Households using electricity for lighting, heating and cooking

Municipality	Electricity
	In-house (Conventional/Prepaid meter)
DC27: UMkhanyakude	90.1%
KZN271: Umhlabuyalingana	80.3%
KZN272: Jozini	89.0%
KZN275: Mtubatuba	97.3%
KZN276: Big 5Hlabisa	95.1%

Source: Stats SA Census 2022

1.5.6. Socio Economic Status

Although Big 5 Hlabisa Municipality is granting dependent, with a very minimal own revenue contribution within the district, the municipal area has enjoyed several economic resources that are utilized to stimulate economic growth and development required in the area.

There are three major natural resources in the Big 5Hlabisa Municipality which plays a major role in the economic development and in reducing unemployment rate.

Natural Resources	
Natural Resource	Relevance to Community
Agriculture	Job Creation
Tourism	Improve economic development in the area
Game Reserves	Economic development and job creation

The results of organizational strengths, weaknesses, opportunities, and threats (SWOT) analysis conducted by Big 5 Hlabisa Local Municipality are as per table below

STRENGHTS	**OPPORTUNITIES**
• Good climate weather that favours most agricultural crops. • Existing of high potential agricultural land in some wards. • Reviewed Policies and Standard Operating Procedures in place and implementation thereof • Effective management of Workplace Skills Plan • Municipal buildings (habitable, functional) • Existing Municipal infrastructure • Surrounded by well-established tourism drawcards e.g. Hluhluwe Umfolozi Game Reserve, Zulu Croc, Phinda Private Game Reserve, rich history and heritage, Arts and Crafts.	• The land predominantly level or gently undulating which are prime requirements for most aspects of agricultural productivity. • Communities have economic involvement in the tourism and conservation. • Continuous development of the existing workforce • Cordial relationship between Employer and Labour • Municipal buildings (maintenance, shortage of space); Plant & equipment • Municipal infrastructure

• Existence of a neighbourhood centre in Hluhluwe and Hlabisa servicing the area and commercial institutions. • Institutionalisation of special programs • Functional Community structures • Strategic partnerships with key stakeholders: The municipality has established strong working relationships with key stakeholders. • Experienced financial staff: The municipality has a team of experienced financial officials. • Effective management • Staff establishment	• Opportunity to upgrade Hlabisa CBD and Hluhluwe town with shopping malls to create job opportunities. • Reasonably strong infrastructure linkages with Mozambique and Swaziland • Government support through Programmes like Operation Sukuma Sakhe, Civil Society support. • Existing structure • Community engagement and awareness: The municipality can engage with the community and promote awareness about the importance of paying for taxes and services. • Technology advancements: The municipality can utilize technological advancements to improve financial management. • Land Involvement of other sectors • Effective management and staff establishment
WEAKNESSES	**THREATS**
• Inadequate of resources in terms of funding for Environmental policies • Lack of formal Landfill site due to unavailability of suitable Land • Non-adherence to Policies and Standard Operating Procedure Manuals • Poor records management • Infrastructure degradation & backlogs Municipal buildings (shortage of space) ; Plant& equipment (old, under maintained, no availability) • Lack of bulk infrastructure for new developments • Low levels of hard and soft infrastructure provision in the areas under Traditional Authority.	• Inadequate funding for environmental projects • Unsustainable farming practices resulting in soil erosion, veld deterioration and degradation. • Inability to attract suitably qualified candidates • Too much time spent on compliance and no innovation • Community protest on service delivery • Damage to existing infrastructure Non-payment culture in community and government department.

• Lack of manufacturing industries. • Some positions on Special Programmes are unfunded • Lack of resources • Failure to Implement municipal by- laws. • Unrealistic budget / insufficient budget. • Insufficient human resource (Staff) • Insufficient funding for programmes.	• High levels of unemployment in the area. • High services backlog • High poverty levels. • Lack of Stakeholders participation • High unemployment rate within the jurisdiction of the Municipality resulting to non-payment of rates. • Grant dependant • Community Protests • Poverty and unemployment

1.6. SERVICE DELIVERY OVERVIEW

1.6.1. SERVICE DELIVERY INTRODUCTION

The Big 5-Hlabisa Local Municipality has two offices located within the town of Hluhluwe (North Eastern) and Hlabisa (South-Western). Both these offices are responsible for the political and administrative function assigned to it in terms of the powers and functions indicated in Section 84(2) of the Municipal Structures Act of 1998.However, strong Traditional Authority areas exist within wards and is administered by the Ingonyama Trust board as far as tenure is concerned.

The Municipality managed to meet its targets on planned projects. The Municipality was able to spend 100% of its MIG allocation as well as 100% on INEP allocation. Furthermore, the internally funded projects were successfully completed. The Municipality also met all its financial obligations.

1.6.2. ACCESS TO SERVICES

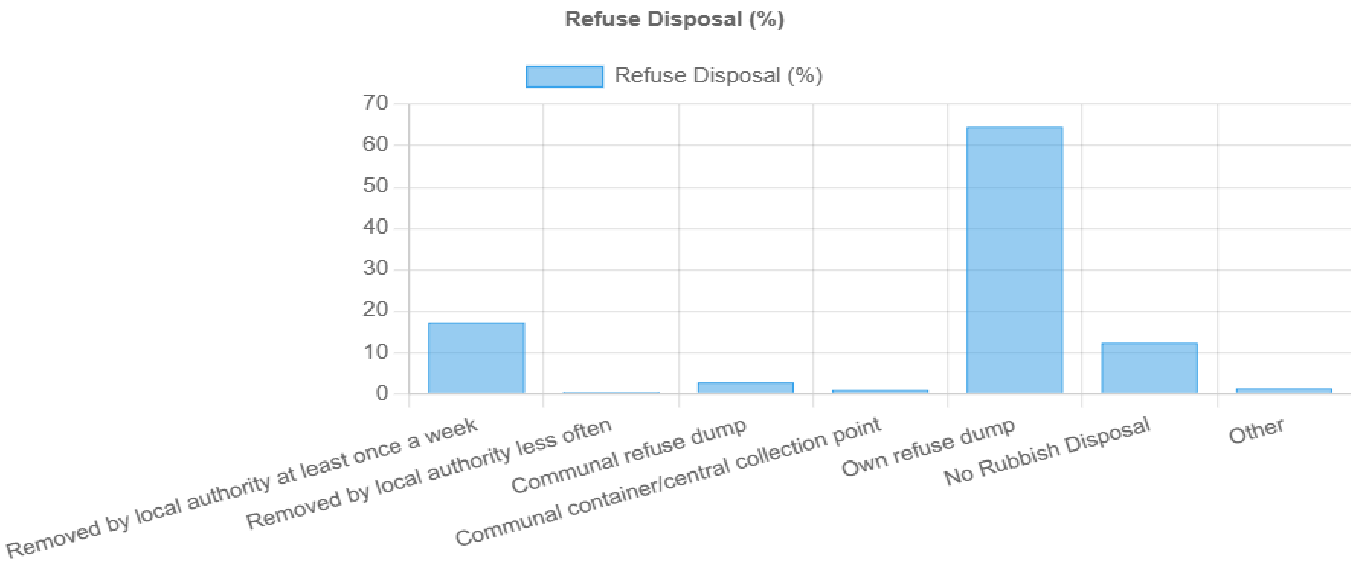
The functions of the Municipality are set out in Section 152 of the Constitution of the Republic of South Africa, Act 108 of 1996. Basic Service delivery focuses primarily on section 84 of the Municipal Structures Act, Act No. 117 of 1998. As such, the Municipality has constructed public amenities, collected waste, attended to rural roads and storm water. It has also built rural houses, and it has electrified houses using funds from INEP. Some of the community members have benefitted from free basic services on electricity. As a result, 645 households have benefited from free basic electricity.

1.6.3. REFUSE REMOVAL

Most households use their own disposal sites for refuse. In 1996, 2422 households used their own refuse dump and in 2001, the number increased from 3868 to 7998. In 2011, 5092 households used their own dumping sites. The number of households with access to refuse removal by the municipality has increased as follows, in 1996, 165 households had access in waste removal, and in 2001 the number increased to 1062, and in 2011 it also increased to 1119 and in 2022 also increase to 3997. The table below indicates such:

Removed by local authority at least once a week	**3 997**	**17,3%**
Removed by local authority less often	**120**	**0,5%**
Communal refuse dump	**647**	**2,8%**
Communal container/central collection point	**223**	**1,0%**
Own refuse dump	**14 946**	**64,6%**
No Rubbish Disposal	**2 877**	**12,4%**
Other	**325**	**1,4%**

Table 07: Households with access to refuse removal Census 2022



Source: Stats SA Census 2022

1.6.4. ECONOMIC DEVELOPMENT

Local Economic Development (LED) is a multifaceted and dynamic process aimed at enhancing the economic well-being of community at the local level. It encompasses a range of strategies and initiatives designed to stimulate economic growth, create employment opportunities, and improve overall living standards within a specific geographical area. At its core, LED recognizes the importance of harnessing local resources, fostering entrepreneurship, and building sustainable economic ecosystems to empower communities.

The success of LED is contingent on collaboration and partnerships between local governments, businesses, community organizations, and other stakeholders. It involves the identification and utilization of a region's unique assets, including natural resources, human capital, and existing industries, to drive economic development. Additionally, LED often integrates social and environmental considerations, promoting a holistic approach that prioritizes inclusivity and environmental sustainability.

In an era marked by increasing globalization and interconnectedness, the importance of nurturing resilient and self-sufficient local economies cannot be overstated. LED strategies may encompass infrastructure development, workforce training, business incubation, and the creation of favourable policy environments. As communities navigate the challenges of the 21st century, effective Local Economic Development becomes an essential tool for fostering prosperity, enhancing social well-being, and creating vibrant, resilient local economy.

The Municipality tries to develop the economy in its area of jurisdiction. In this regard, 30 Business licenses were issued to small business owners. SEDA, SALGA and SITA have been solicited to train SMMEs. Nyakaza and Hluhluwe, Informal Traders Market Stalls that project was funded by EDTEA Grant of R3m. Furthermore, the Municipality handed out material for poverty alleviation projects. In addition to that, the youth has been exposed to various trainings and workshops for skills development purposes.

1.7 ORGANISATIONAL DEVELOPMENT OVERVIEW

Since the Municipalities are developmental in nature, various policies, plans, and strategies have been developed to guide the municipality in its operations. Staff training and Councillor's development have contributed positively towards the development of the organization.

1.7.1. MANAGEMENT OVERVIEW

The experienced management team is responsible for day-to-day operations in various departments. They are also responsible for strategic matters, which in turn, cascade to lower levels. The operations of each and all departments are reported to their respective Portfolio Committees. Moreover, the issues are tabled to the Executive Committee and eventually submitted to Council for final decision making.

1.8 WORKFORCE OVERVIEW

The Municipality is currently overstaffed due to the merger of the two former municipalities namely, Hlabisa LM and Big 5 False Bay. It was part of the exercise to retain all staff members that are in place, and they are the cause of this overstaffing. Presently, Big 5 Hlabisa Municipality has 226 staff members, which is a substantial figure for its size considering the limited scope of functions it performs.

1.8.1. EMPLOYMENT EQUITY

Employment Equity Act (55 of 1998) assert that the municipality has developed and implemented an Employment Equity Plan (EEP). The update Employment Equity plan was adopted by Council and submitted to the Training and employment Equity Committee and Department of Employment and Labour The main impartial of the Employment Equity Plan is mainly on achieving transformation and equality in the workplace by encouraging equal occasion and fair behaviour in the employ through the removal of unfair discernment. The employment plan is in place and adopted on 29 May 2025.

The following table summarizes the demographic profile of employees.

Occupational Levels	Male				Female				Foreign Nationals		Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	M	F	
Top Management	3	0	0	0	1	0	0	0	0	0	4
Line Management	8	0	0	0	3	0	0	0	0	0	11
Professionally Qualified	8	0	0	0	3	0	0	0	0	0	11
Skilled	15	0	0	0	0	0	0	0	0	11	26

1.8.2 HUMAN RESOURCE POLICIES AND PLANS

The policies and plans are tabled to Council after having been reviewed every year. These policies regulate how things are to be done at the Municipality. Whenever the policies are developed, proper stages are followed until such time that they are approved by Council. In this regard, the Municipality managed to develop, review, and adopt 120 HRM policies for 2024/25 financial year.

1.9. SKILLS DEVELOPMENT AND TRAINING

As directed by the Department of Labour, the Municipality is responsible for the development of its employees. The skills development goes a long way in that the Councillor's and staff are developed in terms of the skills audit whereby they indicate the areas where they require development. The process that is followed is in line with what has been identified in the skills audit exercise. This does not leave the members of the community out. The Municipality submits the Workplace Skills Plan to the relevant bodies. As such, same was submitted on the 30th of April 2025 to LGSETA.

1.10. EMPLOYEE EXPENDITURE

The employee costs inclusive of Councillors' allowances for 2024-2025 financial year was

R91 629 085.74

CHAPTER 2 – GOVERNANCE

2.1. COMPONENT A: GOVERNANCE STRUCTURES

The Big 5 Hlabisa Municipality was established in 2016, and it is a category B municipality. The latest demarcation which came into effect in 2016 resulted in fourteen (14) wards. The Municipal Council is made from twenty-seven (27) councillors which includes five (5) EXCO members.

2.2. INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

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

The Municipality has all the powers assigned to it in terms of the Constitution as well as relevant National and Provincial legislation. The Municipality has the authority to take any possible actions to effectively exercise powers assigned to it. The overall executive and legislative authority vests in the Council. The Council must, therefore, take all the major decisions of the municipality.

The Municipal Systems Act, Act 32 of 2000 (Section 2) states that a municipality is constituted by its political structures, municipal administration, and its community. Big 5 Hlabisa Municipality is therefore structured as follows:

2.3. Political Governance Structures

- Municipal Council cooperative governance and administration of the affairs of municipality.
- Executive Committee
- Portfolio Committees
- Municipal Public Accounts Committee (MPAC)
- Audit Committee
- Performance Committee

2.4. The Municipal Administration

The Administration comprises of the Office of the Municipal Manager and 4 Directorates: a.

- Director of Community Services
- Director of Corporate Services
- Director of Technical Services
- Chief Financial Officer

a) Community Structures

- Ward Committees
- War room structure
- Senior Citizens structure
- Gender structure
- Children structure

2.5. POLITICAL GOVERNANCE STRUCTURES

Municipal elections take place every five years, the implication of this is that the composition of all the Municipality's political structures is predetermined. The Municipality has all the powers assigned to it in terms of Section 84 of the Municipal Structures Act.

2.6. THE MUNICIPAL COUNCIL

The Council of Big. 5 Hlabisa Local Municipality Local Council is made up of 27 councilors, representing 14 wards and 13 as proportional representatives. The overall executive and legislative authority vests in the Council. The Council, therefore, takes all the major decisions of the municipality. In case of equal votes, the Speaker exercises a casting vote. The Municipal Structures Act, Act 118 of 1998 (Section 37(c)) requires Municipal Councils to meet quarterly. The Big 5 Hlabisa Municipal Council held a total of 10 meetings: Seven (7) Ordinary and Three (3) special meetings during the 2024/25 year.

2.7. MAYOR AND COUNCIL COMMITTEE

2.7.1. Roles and Responsibilities

OFFICE BEARER	FUNCTION
Mayor Cllr. C.T Khumalo	a) A mayor is entitled to receive reports from committees of the municipal council and to forward these reports together with a recommendation to the council when the matter cannot be disposed of by the mayor in terms of the mayor's delegated powers. (b) The mayor must— 1. identify the needs of the municipality. 2. review and evaluate that need in order of priority 3. recommend to the municipal council strategies, programmes, and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, considering any applicable national and provincial development plans; and 4. recommend or determine the best way, including partnership and other approaches to deliver those strategies, programmes, and services to the maximum benefit of the community. (c) The mayor in performing the duties of office, must— 1. identify and develop criteria in terms of which progress in the Implementation of the strategies, programmes and services referred to in subsection (b)(3) can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general. 2. Evaluate progress against the key performance indicators. 3.Review the performance of the municipality to improve— (i) The economy, efficiency, and effectiveness of the municipality. (ii) the efficiency of credit control and revenue and debt collection services.

	(3) recommend to the municipal council strategies, programmes, and services to address priority needs through the integrated development plan, and the estimates of revenue and expenditure, considering any applicable national and provincial development plans; and (4) recommend or determine the best way, including partnership and other approaches to deliver those strategies, programmes, and services to the maximum benefit of the community. (c) The mayor in performing the duties of office, must— (1) identify and develop criteria in terms of which progress in the Implementation of the strategies, programmes and services referred to in subsection (b)(3) can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general. (2) evaluate progress against the key performance indicators. (3) review the performance of the municipality to improve— (i) the economy, efficiency, and effectiveness of the municipality. (ii) the efficiency of credit control and revenue and debt collection services; and (iii) the implementation of the municipality's by-laws. (4) monitor the management of the municipality's administration in accordance with the directions of the municipal council. (5) oversee the provision of services to communities in the municipality in a sustainable manner. (6) perform such duties and exercise such powers as the council may delegate to the mayor in terms of section 59 of the Systems Act. (7) annually report on the involvement of communities and community organizations in the affairs of the municipality; and (8) ensure that regard is given to public views and report on the (9) effect of (10) consultation on the decisions of the council. (11) The mayor must perform a ceremonial role as the municipal council may determine.

	(12) The mayor must report to the municipal council on all decisions taken by the mayor. 1.the implementation of the municipality's by-laws. 2. monitor the management of the municipality's administration in accordance with the directions of the municipal council. 3. oversee the provision of services to communities in the municipality in a sustainable manner. 4.perform such duties and exercise such powers as the council may delegate to the mayor in terms of section 59 of the Systems Act. 5.annually report on the involvement of communities and community organizations in the affairs of the municipality; and 6. ensure that regard is given to public views and report on the effect of

2.8. AUDIT COMMITTEE

The Municipal Finance Management Act 56 of 2003 (MFMA) requires municipalities to have an Audit committee. Sections 166 (1) and (2) sets out the functions of an audit committee.

- An audit committee is an independent advisory body which must
- Advise the council, political office bearers, the accounting officer, and the management staff
- Internal financial controls and internal audits
- Performance management.

1.Effective governance.

2. Compliance with the Act, the annual Division of Revenue Act, and any other applicable

- Risk management
- Accounting policies

- The adequacy, reliability and accuracy of financial reporting and information
- Performance evaluation
- Any other issues referred to it by the municipality or municipal entity.

Review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.

- Respond to council on any issues raised by the Auditor-General in the audit report.
- Carry out investigations into the financial affairs of the municipality as the council may request.
- Perform such other functions as may be prescribed".

Section 40 of the Municipal Systems Act, Act 32 of 2000 requires municipalities to establish mechanisms to monitor and review their performance. The Local Government Municipal Planning and Performance Management Regulations, 2001 (GNR 796 of 24 August 2001) requires municipalities to establish a performance audit committee for this purpose. The functions of the performance audit committee are as follows:

- Review the quarterly reports submitted to it by the internal auditors, dealing with quarterly reports, which the internal auditors are required to submit to the municipal manager and the performance audit committee.
- Review the municipality's performance management system and make recommendations in this regard to the council of that municipality; and
- At least twice during a financial year submit an audit report to the municipal council concerned.
- In reviewing the municipality's performance management system in terms of (a)(ii), the performance audit committee must focus on economy, efficiency and effectiveness and impact in so
- Far as the key performance indicators and performance targets set by the municipality are concerned.
- A performance audit committee may –

- Communicate directly with the council, municipal manager or the internal and external auditors of the municipality concerned.
- Access any municipal records containing information that is needed to perform its duties or exercise its powers.
- Request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and investigate any matter it deems necessary for the performance of its duties and the
- Exercise of its powers.”

Big 5 Hlabisa Municipality has its own Audit Committee, in terms of Section 166(6)(a) of the MFMA. All the members of the Audit Committee and the Performance Audit Committee are as follows. The Audit and Performance Audit Committee meet quarterly on different dates.

AUDIT COMMITTEE COMPOSITION

Name of Member	Capacity	Meeting Dates
Mr UBS Botshiwe	Chairperson	31 July 2024 22 August 2024 13 November 2024 20 February 2025 21 May 2025 31 July 2025
Ms SC Gumbi	Member	
Mr BM Mhlongo	Member	
Mr NE Hlengwa	Member	

PERFORMANCE COMMITTEE COMPOSITION

Name of Member	Designation
Cllr C.T Khumalo	Mayor (Chairperson of the Panel)
Mr UBS Botshiwe	Chairperson of the Performance Audit Committee

Mr TV. Xulu	Municipal Manager of Inkosi Mtubatuba Municipality
Cllr M Ngema	Exco Member
Ward Committee	

2.9. ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Head of the Administration and Accounting Officer of the Municipality and is primarily responsible for service delivery. The administration comprises the Office of the Municipal Manager and 4 Directorates namely Corporate Services, Technical Services, Community Services and Financial Services Directorate. The Municipal Managers office comprises IDP & PMS Unit and the Head Internal Audit and the Public Participation.

The functions of the Municipality are set out in Section 156, read together with Schedules 4B and 5B of the Republic of South Africa Constitution 108 of 1996. Section 84 of the Municipal Structures 117 of 1998 regulates the division of these functions between the District and Local Municipality. The Big 5 Hlabisa Municipality administration structure led by the Municipal Manager comprises of five departments.

Directorate	Title, Name and Designation	Functions
Office of Municipal Manager	**Mr LMV Cele**	The functions and responsibility of the Municipal Manager are contained in Section. 55 of the Local Government Municipal Systems Act, Act 32 of 2000: “(1) As head of administration the municipal manager of a municipality is, subject. to the policy directions of the municipal council, responsible and accountable for: (a) the formation and development of an economical, effective, efficient and accountable administration (i) equipped to carry out the task of implementing the municipality’s integrated development plan in accordance with Chapter 5: (ii) operating in accordance with the municipality’s performance management system in accordance with Chapter 6; and (iii) responsive to the needs of the local community to participate in the affairs of the municipality. (b) the management of the

		municipality's administration in accordance with this Act and other legislation applicable to the municipality: (c) the implementation of the municipality's integrated development plan, and the monitoring of progress with implementation of the plan: (d) the management of the provision of services to the local community in a sustainable and equitable manner. (e) the appointment of staff other than those referred to in section 56, subject to the Employment Equity Act, 1998 (Act No. 55 of 1998). (f) the management, effective utilization, and training of staff (g) the maintenance of discipline of staff (h) the promotion of sound labour relations and compliance by the municipality with applicable labour legislation. (i) advising the political structures and political office bearers of the municipality (j) managing communications between the municipality's

		administration and its political structures and political office bearers: (k) carrying out the decisions of the political structures and political office bearers of the municipality. (l) the administration and implementation of the municipality’s by-laws and other legislation. (m) the exercise of any powers and the performance of any duties delegated by the municipal council, or sub-delegated by other delegating. authorities of the municipality, to the municipal manager in terms of section 59: (n) facilitating participation by the local community in the affairs of the municipality. (o) developing and maintaining a system whereby community satisfaction with municipal services is assessed. (p) the implementation of national and provincial legislation applicable to the municipality; and

		(q) the performance of any other function that may be assigned by the municipal council. (2) As accounting officer of the municipality, the municipal manager is responsible and accountable for— (a) all income and expenditure of the municipality. (b) all assets and the discharge of all liabilities of the municipality; and (c) proper and diligent compliance with applicable municipal finance management legislation".
Financial Services	**Mr JM Nkosi** **Chief Financial Officer**	The Chief Financial Officer is responsible for all financial management and processes in the municipality and includes the following components: • Valuation roll • Asset management • Supply chain management and procurement • Financial system

		development • Statutory reporting • Credit control • Payroll • Budget and Treasury

Corporate Services	**Mrs CN Danisa** **Corporate Services Director**	• Human resource management • To build a transparent administrative body capable of achieving transparency and integrity whilst addressing employment equity and affirmative action • To promote skills development throughout the administration structure • Administration and Auxiliary Services. • Legal Services.
Community Services	**Mr BM Shange** **Community Services Directorate**	Responsible for the operations and performance in the following sections: Facilitate, community involvement in terms of consultative processes • Sports & Recreation, • Arts & Culture. • Social and • Community Development. • Library Services. • Facility Management. • Traffic Law • Enforcement Licencing Disaster Management

Technical Infrastructure Development and	**Mr TA Dlamini** **Director of Technical Services**	The Technical Services Directorate is responsible for the following: • Construction and maintenance of roads and storm water within the, municipality's jurisdiction • Refuse removal, solid waste disposal, landfill sites and street cleaning • Maintenance of Council buildings • Maintenance of municipal parks, public open spaces • Maintenance and expansion of municipal cemeteries. The Accounting Officer may in terms of S 77 of the MFMA delegate any of the powers or duties assigned to an Accounting Officer: • Planning – IDP • Local Economic Development business plans to secure funding. • Service Delivery – • Operational and strategic in terms of planning. ▯ Building control

2.10. COMPONENT B: INTERGOVERNMENTAL RELATIONS

Section 3 of the Municipal Systems Act 32 of 2000 requires municipalities to exercise their executive and legislative authority within the constitutional system of co-operative government envisaged in section 41 of the Constitution.

2.10.1. INTERGOVERNMENTAL RELATIONS

The Municipality strives to participate in as many of the available structures and forums as possible. The Municipality participates in National, Provincial and District Intergovernmental forums and District Mayor's Forum structures.

The Inter-Governmental Relations Framework Act 13 of 2005 requires all spheres of government to coordinate, communicate, align, and integrate service delivery effectively, to ensure access to services. In this regard the Municipality complies with the provisions of the Act. Cooperative governance is on the arrangement entered into by spheres of government with the objective of fast-tracking service delivery within the Constitutional mandate thereof: The following forums have been established within the province to ensure effectiveness of intergovernmental relations.

- Mayor's Forum
- Municipal Manager's Forum
- Chief Financial Officer's Forum
- Infrastructure Forum
- Planning and Development Forum
- Community & Social Services Forum

The above forums are established to share best practices among others and to ensure compliance. These forums focus mainly on issues of progressive governance and unblocking bottlenecks within certain spheres; hence such forums must be attended to check and report on service delivery. Once these forums are successful, service delivery will be achieved, and we will have communities that is satisfy with service delivery.

2.11. DISTRICT INTERGOVERNMENTAL STRUCTURES

In addressing service delivery issues, the uMkhanyakude District Municipality has established several forums where the family of municipalities within the district are represented. These forums provide a platform for engagement on the different service delivery issues and for coordination and monitoring of the effectiveness of these forums.

2.12. COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Constitution (Section 152) sets out the objects of local government, one of which is the provision of democratic and accountable government to local communities. This is reiterated by Section 15 (b) of the Municipal Systems Act which requires a municipality to establish and organize its administration to facilitate and a culture of accountability amongst its staff.

A second constitutional objective is the encouragement of local communities and community organisations in the matters of local government. This is restated by the Chapter 4 of the Municipal Systems Act 32 of 2000 which deals exclusively with community participation. A Municipality is required to develop a culture of community participation and develop a system of participatory municipal governance that compliments formal representative governance. The municipality is also required to supply its community with information concerning municipal governance, management, and development.

2.13. PUBLIC PARTICIPATION

Public participation is defined as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making. It is further defined as a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives. Our primary public participation mechanisms are our Ward Committees and public meetings. The biggest challenge lies in improving the participation of our community in all aspects of municipal governance. The Municipality is in the process of developing a Public Participation Strategy with a view of accelerating and improving Public Participation.

In terms of chapter 4, section 16, and chapter of the Municipal Systems Act no. 32 of 2000, the municipality is required to involve the community in all municipal affairs. The municipality ensures that its communities are informed; consulted and engaged hence six (6) IDP/

BUDGET meetings and one (1) IDP Representative Meeting and one (1) IDP Representative Meeting for Amakhosi, were held during 2024/2025 financial year as follows:

WARD (Clusters)	DATE	TIME
Ward 01,2,3,4,5	29 October 2024 10 April 2025	10h00
Ward 6,7,8,9,10	12 November 2024 10 April 2025	10h00 10h00
Ward 11,12,13,14	19 November 2024 24 April 2025	10h00 10h00
IDP RF Meeting	14 October 2024 24 March 2025	10h00
Amakhosi	04 April 2024 05 November 2025	10h00

2.14. PUBLIC MEETINGS

The Municipality utilizes the following mechanisms for public participation which are articulated in the IDP Process Plan:

- Media – Radio Slot on Maputaland Radio, Gagasi FM, Zululand FM, 1KZN TV, Nongoma FM and Ukhozi FM.
- Social Media – Municipal Facebook Page

Publications

- Print Media –Isolezwe, ILanga Newspaper, Zululand Observer and Scrollar News
- Print Media –Isolezwe, Ilanga Newspaper.
- Website – posting of strategic documents on the website in terms of section 75 of the

  MFMA and LIVE Facebook Page
- IDP Representative Forum – a forum for all stakeholders to deliberate on development.

- IDP/ BUDGET Road shows.
- Ward Committee Meetings
- Mayoral iziMbizo
- War room meetings

The extent to which the community understand the above-mentioned issues has not reached a level where the municipality will conclude in saying that public participation is at an adequate level. Some of the communities over a long period engagement with the municipality are beginning to understand some of the development issues, but the majority still do not understand.

Public meetings are beneficial to the municipality because of the following:

- Dissemination of information,
- Community participation in the development of municipal plans,
- IDP/Budget inputs,
- Being aware of the concerns of residents,
- Providing clarity on issues and accountability of the municipality to its residents.

a.

2.15. WARD COMMITTEES

Ward Committees are statutory committees established in terms of Part 4 of Chapter 4 of the Local Government Municipal Structures Act, Act 117 of 1998. Ward committees play a vital role in bridging the gap between the Community and the Municipality. Ward Committees are not political but are nevertheless elected for a period of five years that runs concurrently with the term of office of the Municipal Council.

The Municipality has 14 wards, and all have ward committees. All ward committees are functional.

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Cllr. BS Ndlazi	Yes	12	12	3
2	Cllr. ZW Ntuli	Yes	12	12	3
3	Cllr. PS Mantengu	Yes	12	12	3
4	Cllr. SB Simelane	Yes	12	12	3
5	Cllr. FZ Nkwanyana	Yes	12	12	3
6	Cllr. JP Msezane	Yes	12	12	3
7	Cllr. VW Mkhize	Yes	12	12	3
8	Cllr. MB Dladla	Yes	12	12	3
9	Cllr. ZM Ngobese	Yes	12	12	3
10	Cllr. GMC Mdaka	Yes	12	12	3
11	Cllr. BW Shangase	Yes	12	12	3
12	Cllr. CN Maphisa	Yes	12	12	3
13	Cllr. JP Zungu	Yes	12	12	3
14	Cllr. MC Cele	Yes	12	12	3

2.16. IDP PARTICIPATION AND ALIGNMENT

The following table provides an overview of the alignment of our IDP to the criteria as set out in Section 26 of the Municipal Systems Act.

IDP Participation and Alignment Criteria*	**Yes/No**
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

2.17. COMPONENT D: CORPORATE GOVERNANCE

Corporate Governance is the set of processes, practices, policies, laws, and relationships affecting the way an institution is directed, administered, or controlled.

2.18. AUDIT UNIT

The Municipality has the Internal Audit Unit as required by Section 165(1) of the MFMA and

Internal Auditor who reports to the Municipal Manager, however this unit is outsourced to Ntshidi & Associates.

Section 165 (2) of the MFMA requires the Internal Auditor to:

1.1.1. Prepare a risk-based audit plan and an internal audit program for each financial year.

1.1.2. Advise the accounting officer and report to the audit committee on the

Implementation of the internal audit plan and matters relating to—

i. internal audit.

ii. internal controls.

iii. accounting procedures and practices.

iv. risk and risk management.

v. performance management and loss control perform such other duties as may be assigned to it by the accounting officer

The Internal Auditor drives the Risk Committee, Audit Committee, and Performance Committee as well as Anti-corruption, The Fraud and Ethics Committee oversee and monitor clean corporate. governance.

2.19. RISK MANAGEMENT

Section 62(i) (c) of MFMA requires a municipality to have and maintain an effective, efficient, and transparent system of risk management.

Risks are identified during the annual strategic planning session of the Council and Senior Management Committee Meetings. Risks are populated in a template to indicate the risk level. Risks are also monitored electronically. The management of risks is allocated to Senior managers.

- **Environmental Risks: Non** implementation of Land Use Management System. This is due to lack of funds; community resistance to change; land being privately owned and lack of capacity.

- **Environmental Risks**: Inability to collect and dispose of waste timeously; Lack of capacity. Lack of registered waste management site. Lack of integrated Waste Management Plan.

- **Financial Management: Revenue Enhancement:** Inability to collect Municipal revenue; lack of capacity; low revenue base and high level of indigent community.

- **Financial Management**: Supply Chain Management Ineffective implementation of Supply Chain Management processes due to lack of effective internal controls, abuse of emergency purchases, Interference in Supply Chain Management processes and absence of a Procurement Plan.
- **Economic Development Inability**: to attract and retain investments and tourism due to lack of an updated Local Economic Development Strategy; lack of an updated Tourism Strategy; failure by the District Municipality to extend water and sanitation infrastructure and high crime rate.

2.20. ANTI-CORRUPTION AND FRAUD

Fraud prevention can be seen as the cumulative effect of both prevention and detection systems incorporated by management. The detection of fraud can only lead to the prevention thereof response thereto acts as a deterrent.

An Anti-fraud and Corruption Policy were reviewed, adopted, and approved by the Council on 29 May 2025. The Municipality is committed to communicating the Strategy with its citizens to promote awareness of its stance and approach.

Quarterly meetings of the Provincial Treasury Risk Forum are also attended to update them on the fraud, corruption, and risk processes in the Municipality. The Municipality has an active Audit Committee. The meetings of the Audit Committee are attended by Senior Management and Council. The Committee is a statutory committee and functions in accordance with Section 166 of the Municipal Finance Management Act 56 of 2003.

2.21. SUPPLY CHAIN MANAGEMENT

The Municipality has a Supply Chain Management (SCM) Policy in place which complies with National Treasury guidelines. The policy outlines the processes to be followed when procuring any goods or services.

The following must still be implemented to attain the standards set out in Section 112 of the MFMA:

(i) Demand management has not been institutionalized, and the function is not fully staffed, causing a shortage of the SCM Practitioner.

(ii) Rotation of service providers did not adhere to, as financial system is not link to the CSD

(iii) The Bid Adjudication Committees delay their seating due to non-availability of another senior Manager who must be outsourced from other municipalities.

(iv) Preferential procurement from previously disadvantaged individuals relies on preference points allocation for all service providers.

(v) Risk and performance components of procurement strategies of the institution not functional.

The above analysis gives an ideal situation which will allow the output and outcomes of the Supply Chain System of the municipality to be realized as derived from the applicable legislations and policy.

(vi) The Municipality does not have any Long-Term contracts and Public Private Partnerships in the current financial year.

2.22. BY- LAWS

Municipal By-laws are public regulatory laws which apply in the Municipal Area. Section 11(3)

(m) of the Local Government Municipal Systems Act 32 of 2000 empowers the Municipal Council with the legislative authority to pass and enforce Municipal By-laws. A Municipal Council may only pass By-laws on matters falling within its functional mandate. By-laws are superseded by Provincial and National legislation as well as the Constitution.

The main difference between a By-law and a law passed by National and Provincial Government is that a By-law is made by a non-sovereign body, which derives its authority from another governing body, and which can only be made in respect of specific matters within a specific geographic area. It is therefore a form of delegated legislation.

The status of a Municipal By-law is no different than to the status of any other law of the land. Municipal by-laws are enforceable through the public justice system, penalties can be imposed, and offenders can be charged with a criminal offence for breach of a by-law.

Big 5 Hlabisa has adopted and gazetted the following by-laws:

a) Property Rates by –Law

b) Rules and Order By-Law

c) SPLUMA By-Law

However, Animal pound and Disaster Fire by-laws are in place but not gazetted.

2.23. WEBSITE

The Local Government Municipal Systems Act 32 of 2000 (Section 21(B)) requires the Municipality to establish an official website. Big 5 Hlabisa Municipality’s official website is www.big5hlabisa.gov.za.

The Municipality is required to place all information that must be made public in terms of the Municipal Systems Act 32 of 2000 and the Municipal Finance Management Act 56 of 2003 (MFMA) on this Website. Section 75 of the MFMA specifies that the following documents must be placed on the Website.

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	**Yes No /**	**Publishing Date**
Current annual and adjustments budgets and all budget-related Documents	Yes	Immediately budget approval after
All current budget-related policies	Yes	Immediately budget approval after
The previous annual report (Year -1)	Yes	Immediately approved by council after
The annual report (Year 0) published/to be published	Yes	07 February 2025
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	18 July 2024
All service delivery agreements (Year 0)	No	
All long-term borrowing contracts (Year 0)	N/A	
All supply chain management contracts above a prescribed value (give value) for Year 0	Yes	As and when the need arises
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section		

14 (2) or (4) during Year 1	N/A	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in Year 0	Yes	As and when the need arises
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	17 December 2024 30 January 2025 29 May 2025 29 July 2025

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

3. SERVICE DELIVERY

3.1. INTRODUCTION TO SERVICE DELIVERY

This Chapter highlights the service delivery performance of the Municipality for the 2024/25 financial year, and includes basic service delivery, roads, and storm water, planning and development, community services, environmental protection, safety and security, sport and recreation and corporate services.

The Chapter concludes with the Municipality's Annual Performance Report which was compiled in terms of Section 46 of the Municipal Systems Act, Act 32 of 2000. It sets out the Key Performance Indicators (KPI), targets and actual performance of the Municipality in relation to the Key Performance Areas (KPA) of local government and the strategic objectives of the Municipality as set out in the Integrated Development Plan (IDP). The Big 5 Hlabisa local municipality is responsible for the provision of basic services in terms of the Powers and Functions allocated to different categories of municipalities.

3.2. COMPONENT A: BASIC SERVICES

Basic services are a package of services necessary for human well-being which includes provision of Housing, water & sanitation, electricity and refuse removal. It is to be noted that some of the services are the function of the District Municipality and the Provincial Government, and the function of the Municipality is to co-ordinate these services.
Basic Services that are provided by Big 5 Hlabisa include refuse removal, Free basic electricity to qualifying households as well as the Municipal infrastructure. Basic services to households are defined as an electricity connection at the dwelling, a public standpipe for water within 200 m of the dwelling, and a ventilated pit latrine (VIP) for sanitation. National policy also requires that poor households should receive 50kWh of free basic electricity, 6 kl of free basic water and free weekly refuse removal. The Municipality has been providing basic services in accordance with these minimum prescribed levels.

3.3. LIST OF MUNICIPAL INFRASTRUCTURE GRANT PROJECTS IMPLEMENTED BY BIG 5 HLABISA MUNICIPALITY.

The Municipality receives grant to implement some of its capital infrastructure projects.

MIG funded projects which were completed during the financial year were: In 2024/2025 the followings projects were implemented

Project Title (as per MIG 1 form)	Budget	Total Expenditure 2024/25
Mahongoza community Hall	R 2 071 297.00	R 1 947 023.00
Upgrade of Hluhluwe Licence testing station	R R1 600 000	R 1 578 127.85
Ngoqongo to Mathunzi causeway	R600 000.00	R 535 184.09
Construction of ward 2 access road	R 2 760 000.00 -MIG R2 555 254.89 Internally Funded Road Surface Projects	R 4 944 678 .83
Construction of ward 3 access road	R 1 900 000.00 -MIG R 4 000 000.00 Internally Funded	R 5 852 096.59
Construction of Mphola causeway	R860 000.00	R 858 457.14
Hluhluwe Sport field	R2 300 000.00	R 2 269 642.82
Construction of Smolo Market store	R 1 299 994, 21	R 1 228 586.24

The following projects are in progress:

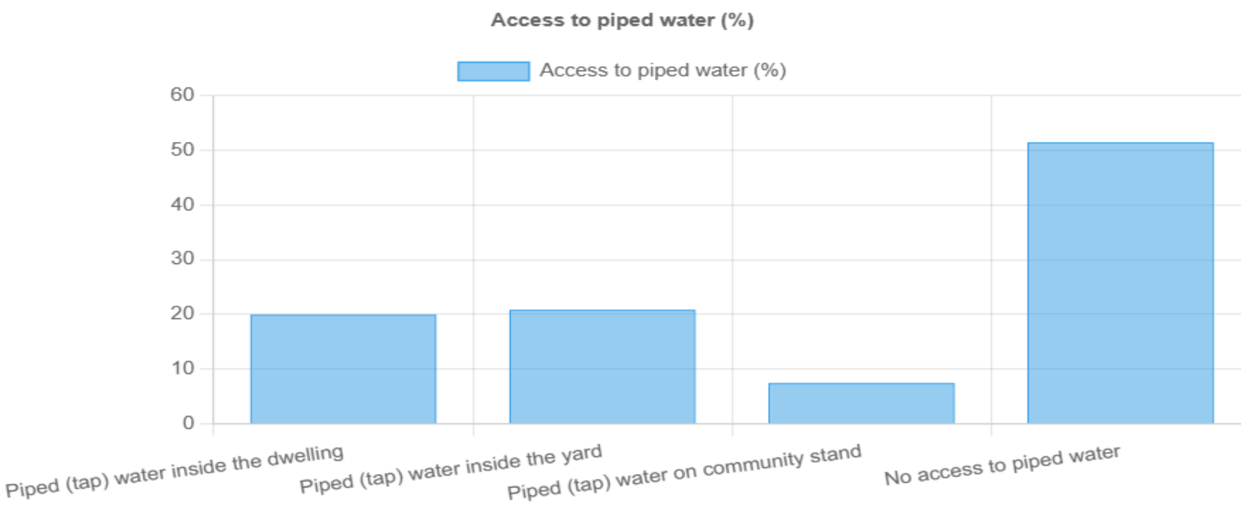
Project Title (as per MIG 1 form)	Budget	Total Expenditure 2024/25
Hlabisa Sport Complex	R 872 364	R 872 364.40
Inkosi Inkanyiso Sport Field	R 4 400 000.00	R 4 377 377.14
Hluhluwe DLTC Phase 2	R4 550 544.38 - MIG R500 000,00 Internally Generated Funded	R4 544 900.00

3.4. WATER PROVISION

Water provision is not the function of the Local Municipality however the municipality co-ordinates with the District Municipality. Below is the status of water provision to households as of 2022

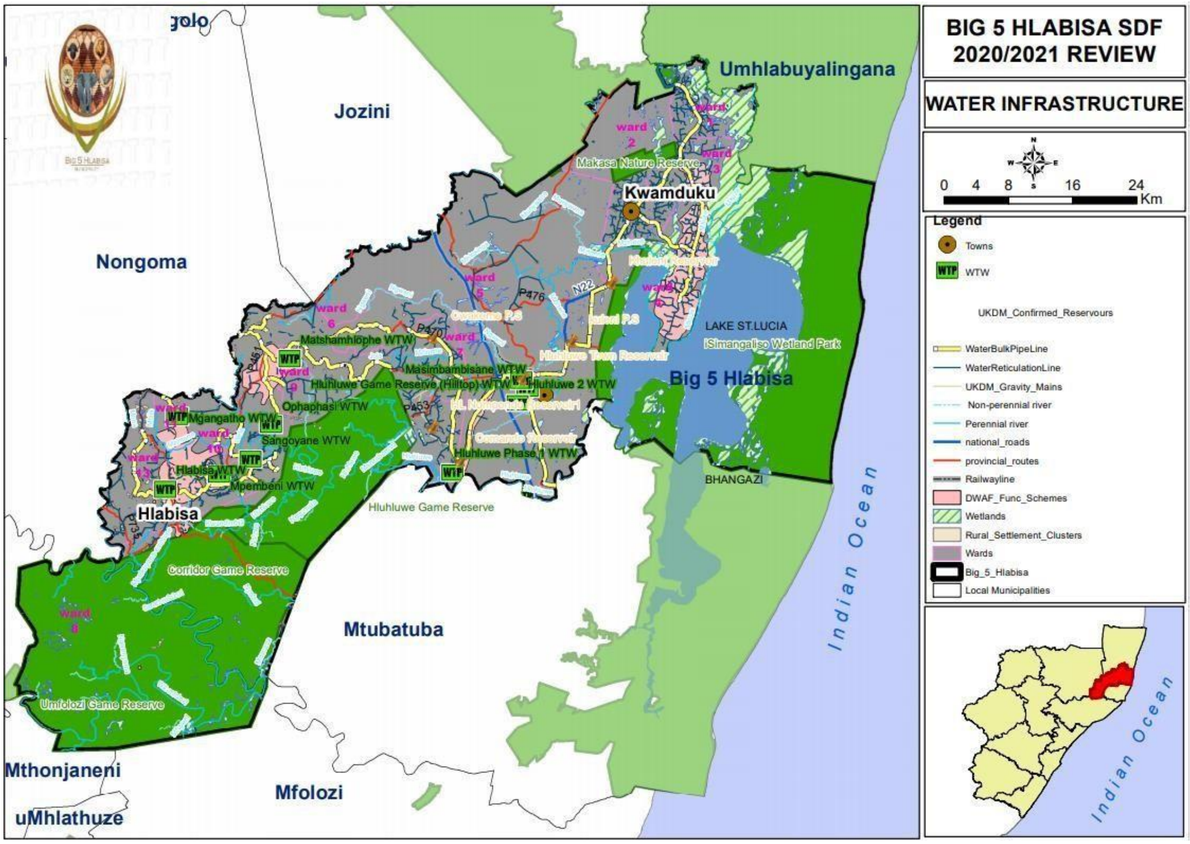
Name	Frequency	%
Piped (tap) water inside the dwelling	4 639	20,0%
Piped (tap) water inside the yard	4 827	20,9%

Piped (tap) water on community stand	1 744	7,5%
No access to piped water	11 926	51,5%



Distribution of population access on piped water, Source Census 2022

From the above graph, there has been some improvement in the supply of piped water, albeit very limited, i.e., from 31.6% to 38.3%. This obviously implies that in 2007, 61.7% of households in the Municipality still had no access to piped water. This clearly indicates that in 2022 51.1 % of households in the municipality still has no access of piped water that showed a small improvement comparing with 2011.

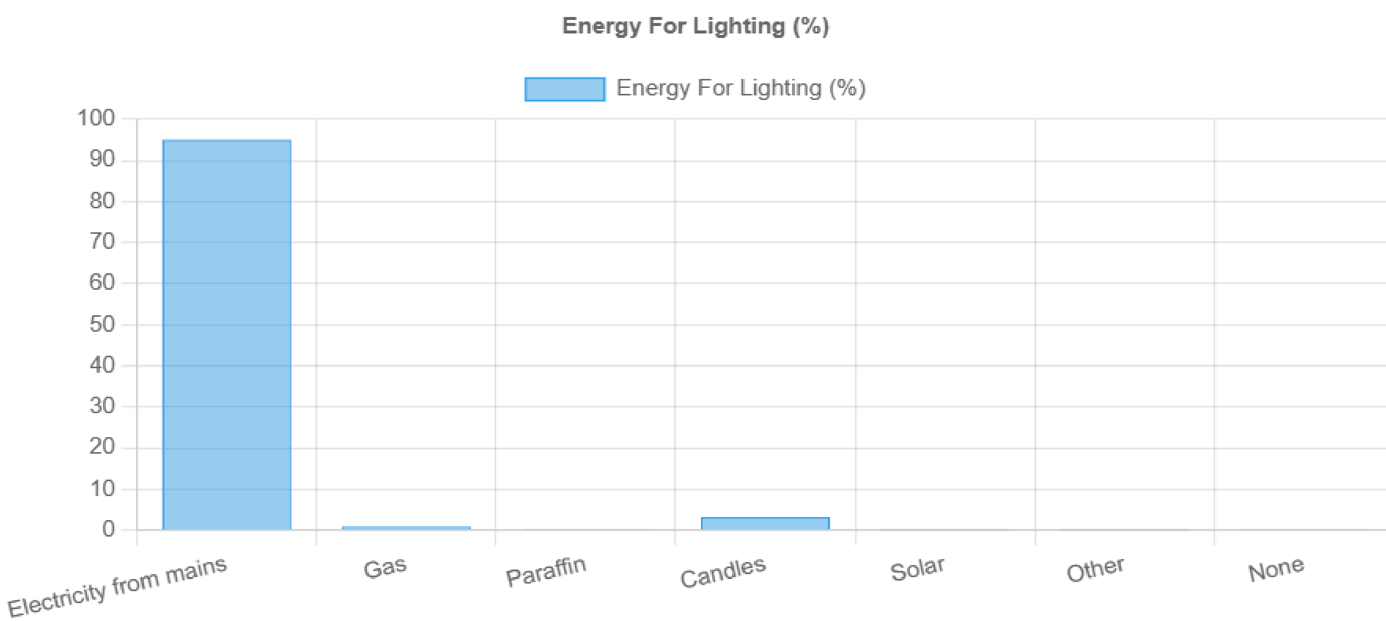


3.5. ELECTRICITY

The Municipality is responsible for the distribution of electricity however Eskom is the service provider of electricity within the Big 5 Hlabisa Municipality as the holders of electricity supply license hence the Municipality provide free basic electricity to the indigent households who qualify for free 50kwh.

Eskom also supplies electricity to the Big 5 Hlabisa Municipality surrounding commercial farmlands. There has been a huge improvement in the electrification grid in the deep tribal authority areas. Identified nodal areas are however relatively well served with electricity. According to the census 2022 only 95.1% of the total number of households have access to electricity for lighting. This translates to a 95. 1% backlog in terms of electricity provision.

Electricity from mains Gas Paraffin Candles Solar Other None	21 998 203 64 748 32 19 72	95,1% 0,9% 0,3% 3,2% 0,1% 0,1% 0,3%



Distribution of population access on energy for lighting , Source Census 2022

3.6. WASTE MANAGEMENT (INCLUDING REFUSE COLLECTION, WASTE DISPOSAL, STREET CLEANING AND RECYCLING

3.6.1. INTRODUCTION TO WASTE MANAGEMENT

Most households in rural areas use their own disposal site for refuse. In 1996 2422 households used their own refuse dump and in 2001, the number increased 3868 and out 7998 in 2011 households 5092 utilize their own refuse. The number of households with access to refuse removal by the municipality has been increasing as follows, in 1996 165 households had access, and in 2001 the number increased to 1062 and further increased to 111972 in 2011. The trend is depicted in the table below.

Municipality	Refuse removal						
	Removed (at least once a week)	Removed(less often than once a week)	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other
DC27: UMkhanyakude	6 023	1 420	2 548	1 448	121 863	13 184	4 760
KZN271: Umhlabuyalingana	140	117	800	66	33 246	4 240	1 004
KZN272: Jozini	2 224	669	692	91	33 081	5 535	2 292
KZN275: Mtubatuba	3 266	364	478	302	36 343	951	88
KZN276: Big 5 Hlabisa	393	269	578	989	19 193	2 458	1 376

Table 29: Households with access to refuse removal Census 2022

There is no removal system in the rural areas; communities there use their own dumping spots, i.e., dump excavated within the household yard. While accurate figures are not known; there isn't much waste generated in the rural areas of the municipality.

3.7. HOUSING

Housing is a concurrent National and Provincial competency in terms of Part A of Schedule 4, of the Constitution. Section 10 of the Housing Act, Act 107 of 1997, sets out the responsibilities of municipalities in relation to the provision of housing. There is a direct correlation between the provision of basic services and housing, which makes it a complicated function that relies on high levels of cooperation between the municipalities and the Provincial and National Departments responsible for Housing.

3.7.1. Provision of Housing

In each of the (6) six traditional authority areas, the Municipality has identified a need for rural housing development so that communities will have access to decent housing. Housing projects are currently being implemented with others at a planning stage as follows:

Projects under construction

a) Mnqobokazi Housing Project

b) Malabela Housing Project

c) Mdletshe Housing Project

d) Nibela Rectification Housing Project

e) Hlambanyathi Housing project

f) Big 5 Hlabisa Disaster Housing by Mashi Mollo

Projects under Planning Stage

a) Emabhokisini Housing Project

b) Phumulani Slum Clearance Housing Project

c) Hlabisa Phase 2 Housing Project

d) Hlabisa CBD Housing Project

e) Hluhluwe CRUs / Qunwana Agrivillage

f) Nompondo Housing

g) Uphaphasi Housing

h) Makhowe Housing
i) Ezifundeni Housing

j) Mdletsheni Housing

k) EZibayeni Housing

3.8. FREE BASIC SERVICES AND INDIGENT SUPPORT

The Municipality is required to use its equitable share which it receives from national government in terms of the Division of Revenue Act (DORA) for the provision of basic services to its community. Basic services are a package of services necessary for human well-being and typically include water, sanitation, electricity, and waste management. National policy also requires that poor households should receive 50kWh of free basic electricity, 6Kl of free basic water and free weekly refuse removal. The Municipality has an indigent policy which reviews each year with the budget and maintains an indigent register.

The Municipality provides free basic services to all indigent households. Indigent households are defined as households where the joint income does not exceed (R3 000.00 per month). The average number of households provided with free basic electricity for 2024/2025 was 645. The number of existing households with access to refuse removal by 30 June 2024 is 898.

INDIGENT AND FREE SERVICES BASIC	AMOUNT PER YEAR
Free Basic Electricity	R 546 715,47

3.9 COMPONENT B: ACCESS ROADS

3.9.1 ROADS

The provision of access roads is the function of the Municipality however the Municipality relies on the service providers to develop new access roads, and the Municipality will in turn maintain those roads. The Municipality has a short supply of good all-weather roads (tar road) it is mostly gravel road. The municipality solely rely on the Municipal Infrastructure transfers to fund all infrastructure related projects. In 2024/25 financial year the municipality completed 819 km maintenance Access Road.

3.9.2 STORM WATER DRAINAGE

The objectives of the Roads and Storm Water function are the construction and rehabilitation of roads, repair of potholes and storm water management. The main challenge faced in the implementation of this function is insufficient budget provision for capital projects.

3.10. COMPONENT C: PLANNING AND DEVELOPMENT

The Planning and Development Department plays an integral role in planning for and facilitating the achievement of the spatial vision of the municipality.

The Department directly addresses the following National Key Performance Areas (KPAs):

1. Basic Services and Infrastructure Provision

2. Local Economic Development

3. Several relevant cross cutting KPAs are also addressed relating to urban and rural development as well as property management. The Planning and Development Department also commits itself to the following Municipal Missions:

a) Job creation and inclusive economic growth through accelerated economic development and transformation.

b) Enhancing industry-based skills development and strategic support to education priority programmes.

c) Creating a safer city through integrated and community based public safety.

d) Planned and accelerated rural development interventions.

e) Promotion and maintenance of spatial equity and transformation.

(F) Good governance, capability and developmental municipality

In context of the above KPAs, the Planning and Development Department is divided into 3 components, namely:

1. Spatial and Environmental Planning
2. Land Use Management and Building Control
3. Human Settlements.

3.10 SPATIAL AND ENVIRONMENTAL PLANNING

Spatial Planning includes the following sub-components:

a) Integrated Development Planning

b) Spatial Development Framework

c) Environmental Planning and Management

Spatial Planning is a planning function that is responsible for the long-term spatial vision of the municipality. The Spatial Planning and Land Use Management Act, prescribes certain requirements that municipalities must adhere to, to comply with this act and ensure effective implementation of Municipal Goals. Environment Planning and Management is mainly based on creating awareness to communities about the potential damages linked to environmental impacts.

3.10.1 LAND USE MANAGEMENT

The Big 5 Hlabisa municipal land Use Scheme, 2021 was approved by virtue of the Local Authority, notice BHLMC 60- 2021/ 2022 Big 5 Hlabisa Land Use Scheme dated 31st of March 2025 in the Kwa-Zulu Natal Province. The Scheme is applicable to all Land and Buildings within the Big 5 Hlabisa Local Municipality's area of Jurisdiction.

The Big 5 Hlabisa Municipality Land Use Scheme, 2025-2026 must give effect to the municipal Spatial Development Framework and determine the use and development of land within the municipal area of the Hlabisa Big 5 Local municipality. The Big 5 Hlabisa Municipality land use scheme must also comply with chapter 2 of the SPLUMA (Act No.16 of 2013).

The Big 5 Hlabisa Land Use Scheme must promote:

- Economic growth
- Social Inclusion
- Efficient land development
- Minimal impact of public health, the environmental and national resources
- Provide scheme maps

Land Use Management is divided into two sub-components

3.10.1.1 Development Administration and Facilitation

3.10.1.2 Building Control and Law Enforcement

Land Use Management component daily activities involve site inspections, processing of planning application of building plans. These daily activities are undertaken in line with organizational Integrated Development Plan Strategic Objectives, National and Provincial Policy Framework and the Planning and Development Department Key Performance Indicators.

The main responsibility of Development Control Sub-Component is to promote orderly development through enforcement and management of land use within the municipal jurisdiction using the Municipal Land Use Scheme and the Spatial Planning and Land

Use Management Bylaw. As such, the Section is responsible for processing the following planning applications:

1. Consent Applications.
2. Building Line Relaxation Applications; and
3. Parking and Loading Bay Relaxation Applications

Building control is the backbone of the municipality in terms of promoting structural integrity of all buildings erected within the municipal jurisdiction. Citizens, Architects/Draughts persons and developers are always advised to submit building plans for municipal scrutiny and approval before commencement of alterations or additions to existing dwellings or constructing new buildings. For the year under review, hereunder is the progress made on the set targets.

HUMAN SETTLEMENTS

Human Settlements is a shared function with Technical Services, with planning ensuring the statutory requirements that relate to the Human Settlements Master Plan for the Municipality.

3.10.2 POLICY AND LEGISLATIVE FRAMEWORK

The relevant and applicable policy and legislative framework applicable are:

1. Big 5 Hlabisa Spatial Planning and Land Use Management Bylaw, 2017, as amended.
2. Big 5 Hlabisa Single Land Use Scheme, 2021.
3. Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013)
4. National Building Regulations and Building Standards Act, 1977, as amended (Act No. 107 of 1977).
5. Municipal Building Control Bylaw, 2021

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKETPLACES)

3.11.1. INTRODUCTION TO ECONOMIC DEVELOPMENT

Big 5 Hlabisa Municipality is known as a tourism destination due to the most popular Hluhluwe Game Reserve; the socio-economic ills have persisted throughout the years, and the local economy has failed to absorb the local labour force and minimize poverty levels. Tourism and agriculture are dominant economic activities within the municipality. There are commercial farming and tourism which boost employment for the community.

3.11.1.1 LOCAL JOB OPPORTUNITIES

The primary role of local government is to create a climate that is conducive to local economic development. The Municipality does however seek to create work opportunities wherever it can. One such programme is the Expanded Public Works Programme (EPWP) which is a government programme aimed at the alleviation of poverty and unemployment. The programme aims to increase economic growth by improving skills levels through education and training. It also aims to provide an enabling for industry to flourish. The number of EPWP jobs created by 30 June 2024 is 167 EPWP Greening cleaning (flood mopping programme)

3.11.2. LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The local economic development reflects a slight improvement even though the level of unemployment is still high. To maximize the benefits that Big 5 Hlabisa Municipality can derive from agriculture and tourism; focus has been placed on areas that provide the most potential.

3.12. COMPONENT D: COMMUNITY SERVICES

This component includes libraries, community facilities; cemeteries; Special programmes, Traffic and Law enforcement as well as the Disaster Management.

3.12.1. EDUCATION

The uMkhanyakude family has the lowest educational levels as compared to other districts according to the Stats SA Census 2011. The enrolment at primary schools has been improving since 1996. The numbers of children with primary education and that have some secondary education and have completed it have also been increasing. The number of households with access to higher education and that have been able to complete it are very low and therefore require some attention.

It is however noted and becoming a concern that the matric pass rate has not been favourable since 2008 and is depicted in the table below the pass rate was provided by the Department of Education. The access to educational facilities is analyzed under Service Delivery and Infrastructure Development subtopic community facilities.

3.12.2. HEALTH

The Municipality does not directly provide this service but works with the Department of Health on Local AIDS council and provided a venue for mobile health in ward 03. The environmental health is provided by the uMkhanyakude District Municipality and officials are deployed for each local municipality.

The special program unit within the Municipality:

(a) Ensures that 95% of people living with HIV, especially key populations, and other priority populations know their status and are 95% on treatment, and 95% are retained in care, and achieve long-term viral suppression.

(b) Accelerate prevention to reduce new HIV, TB and STI infections, reduce new infections to less than 30 000 by 2024 through combination prevention interventions.

Description	Number
Client tested	20047
Male Condoms Distributed	1 629 280
Female Condoms Distributed	43 860
Total Condoms Distributed	1 673 140
Females tested HIV positive 25 to 49 yrs	456
Males tested HIV positive 25 to 49 yrs	82
Female tested HIV positive 15 to 24 yrs	456
Males tested HIV positive 15 to 24 yrs	82
Female tested HIV positive 15 to 24 yrs	275
Sexual assault seen in public facilities	191
Sexual assault 12 yrs	26

REDUCE TB INCREASE

Description	Number
No of notified cases of all TB	198
TB success rate	87%
TB loss to follow up	02

Number of PLHIV on ART initiated on TB preventive therapy	232
Male Urethritis Syndrome	350
Women attending antenatal care services	556

3.13. SAFETY & SECURITY

Safety and Security are categorized as follows:

- Protection Services which comprise of the following sections:
  - a) Disaster Management
  - b) Traffic Management

3.13.1. FIRE SERVICES AND DISASTER MANAGEMENT

This component has been institutionalized and according to the official organogram it is part of Protection Services. The Municipality undertakes community awareness sessions on fire hazards and prevention. In the case of fire related disasters, the municipality has access to tents and blankets from uMkhanyakude District Municipality which are distributed based on the assessment report.

The Municipality responds to calls outs from community and other sectors in towns, where it provides primary rescue services to property and human life. This involves house and property fire, veld fires, road accidents, floods and other bad weather conditions. The Municipality provided 36-lighteneing conductors to households hit by thunderstorm. The Municipality also conducted awareness campaigns targeting schools, clinics, war rooms and all other community gatherings or meetings, in the attempt to mitigate risks caused by nature.

- **COMMUNITY POLICING FORUM**

Big 5 Hlabisa has prioritized issues of safety and security and has managed to establish the following forums to address issues of safety and security, however this function needs to be replicated at the ward level.

- Community Policing Forum
- Community Policing Safety Committee

The following crime activities were reported:

a) House Breaking

b) Stock and vehicle theft

c) Rape

d) Murder

e) Gender Based Violence

The main purpose of this forum is to mobilize the participation of community structures on issues of crime awareness and prevention.

3.13.2. TRAFFIC MANAGEMENT

The municipality have two traffic stations Hluhluwe and Hlabisa which provides the following services: Traffic Law Enforcement, renewal of driver's licenses, renewal of motor vehicle licenses, payment of traffic fines, Professional Driving Permit (Pradip) , Learners licenses. The Municipality is providing a one-shift system in law enforcement due to a shortage of personnel.

3.14. COMMUNITY DEVELOPMENT

Community development involves youth development, the development of people with disabilities and various programmes that are coordinated at both the district level and at a municipal level. There are also programmes to empower the community on the issues that seek to address social needs

3.14.1. DEVELOPMENT OF THE PEOPLE WITH DISABILITIES, ELDERLY, WOMEN AND YOUTH

The Municipality is actively involved in the empowerment of people living with disabilities. Various Interventions including facilitation of bursaries and capacity building are ongoing. The Municipality actively participates in the disability forum at the district level and has its own forum at a ward level and municipal level and local disability forum has recently been established. There is currently an elderly forum at a municipal level, and in the district level. The municipality facilitates golden games at ward level and local level. The youth development forum establishment is at an advanced stage at all ward levels and currently being re- established at a municipal level.

Women empowerment is considered as a priority and the forum is being established at ward level to address issues affecting women, furthermore, OSS is live and vibrant in several issues. There is women forum at the district, and the municipality actively participates. The awareness campaigns on 16 days of activism are also facilitated with all relevant departments. HIV/AIDS and crime are most prevalent in the municipality. Social crime prevention will be developed in consultation with key stakeholders. There has also been increase in drug abuse, however communities are involved in dealing with social ills through the ward drugs action committee. It is hoped that this intervention will contribute to the reduction of crime and drug related incidents.

3.15. LIBRARIES & COMMUNITY FACILITIES

Libraries are the functional mandate of the Department of Culture, Art, and Sport (Kwa-Zulu Natal Library Services) in collaboration with the Municipality. The Department of Art and Culture release to the grant to the Municipality and the Municipality ensures the full operational of the libraries following the guidelines of the Department. Currently we have two (2) main libraries and Three (3) Modular.

3.16. COMMUNITY FACILITIES – MUNICIPALITY BUILDINGS AND FACILITIES

Community facilities are a shared responsibility between the Administrative Services Directorate (administration) and the Technical Services Directorate (maintenance). Community facilities include the following:

- Municipal Offices in all towns
- Community Halls in town and wards
- Trading Facilities
- Public ablution facilities.

3.17. COMPONENT E: SPORTS AND RECREATION

3.17.1 SPORTS AND RECREATIONS

This part includes community parks, sport fields and recreation facilities.

OVERALL PERFORMANCE

- To provide accelerated, effective, efficient, quality social development services for the community of Big 5 Hlabisa municipality through sport, recreation, arts and culture and library and information programs. Check if there were any events hosted by Library services.
- To ensure the community have access to information as prescribed by the South African Constitution.
- Promote employment equity and skills development, therefore affecting efficiency and effectiveness to clientele.

3.18. COMPONENT OF CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes Corporate policy offices, financial services, Human resource services, ICT services, infrastructure planning and economic development services department , Community Services, Executive services and property services.

NO	LIST OF MUNICIPAL POLICIES AND STANDARDS OPERATING PROCEDURES FOR 2024/2025	STATUS	ADOPTION DATE
	CORPORATE SERVICES DEPARTMENT		
1.	Recruitment and Selection Policy	Reviewed	29 May 2025
2.	Promotion & Transfer Policy	Reviewed	29 May 2025
3.	Performance Management Framework	Reviewed	29 May 2025
4.	Benefits and Allowance Policy	Reviewed	29 May 2025
5.	Career and Succession Planning Policy	Reviewed	29 May 2025
6.	Acting appointment Policy	Reviewed	29 May 2025
7.	Leaves Policy	Reviewed	29 May 2025
8.	Performance Management Policy	Reviewed	29 May 2025
9.	Disciplinary Action Policy	Reviewed	29 May 2025
10.	Probation Policy	Reviewed	29 May 2025
11.	Induction Policy	Reviewed	29 May 2025
12.	Termination of Service Policy	Reviewed	29 May 2025
13.	Subsistence & Travelling Policy	Reviewed	29 May 2025
14.	Study Bursary Policy	Reviewed	29 May 2025
15.	Staff HIV & AIDS Policy	Reviewed	29 May 2025
16.	Sexual Harassment Policy	Reviewed	29 May 2025
17.	Exit Management Policy	Reviewed	29 May 2025
18.	Deputy Mayor/Speaker's Vehicle Policy	Reviewed	29 May 2025
19.	Private Work and Declaration of Interest licy	Reviewed	29 May 2025
20.	Municipal Pool Vehicle	Reviewed	29 May 2025
21.	Mayoral Vehicle Policy	Reviewed	29 May 2025
22.	Employment Equity & Affirmative Action Policy	Reviewed	29 May 2025
23.	Dress Code, Uniform & Protective Clothing Policy	Reviewed	29 May 2025
24.	Scarce Skills and Retention Policy	Reviewed	29 May 2025
25.	Recruitment Policy for Municipal Manager and Senior Managers Posts	Reviewed	29 May 2025
26.	Consequence Management Policy	Reviewed	29 May 2025
27.	Car Allowance Policy	Reviewed	29 May 2025
28.	Employment Equity Plan	Reviewed	29 May 2025
29.	Municipal employee assistance policy	Reviewed	29 May 2025

30.	OHS/Disaster policy	Reviewed	29 May 2025
31.	HR Development Strategy	Reviewed	29 May 2025
32.	Health and Safety and COVID 19 Policy	Reviewed	29 May 2025
33.	PAIA Manual	Reviewed	29 May 2025
34.	Registry Procedure Manual	Reviewed	29 May 2025
35.	Records Management Policy	Reviewed	29 May 2025
36.	Records Control Schedule	Reviewed	29 May 2025
37.	File Plan	Reviewed	29 May 2025
38.	Roles and Responsibilities of Municipal Political Structures, Office- Bearers and Senior Officials and the Municipal Delegations Framework	Reviewed	29 May 2025
39.	Rules of Order for Internal Arrangements By-Law for the Newly Elected Councils	Reviewed	29 May 2025
	COMMUNITY SERVICES DEPARTMENT		
40.	Disaster Risk Management Policy Framework	Reviewed	29 May 2025
41.	Winter Contingency Plan	Reviewed	29 May 2025
42.	Disaster Risk Management Plan	Reviewed	29 May 2025
43.	Disaster Management Sector Plan	Reviewed	29 May 2025
44.	Standard operating procedure manual Traffic officer Examiner for drivers' licence Firearms policy and operational procedures Sops VTS examining of vehicles. Sops disaster management	Reviewed	29 May 2025
45.	Development of Animal Pound By-Law	Reviewed	29 May 2025
46.	Development of Disaster Fire By- Law	Reviewed	29 May 2025
47.	HIV & AIDS Strategy 2022-2027	Reviewed	29 May 2025
	EXECUTIVE SERVICES DEPARTMENT		
48.	Complaint Policy	Reviewed	29 May 2025
49.	Youth Development Strategy 2022-2026	Reviewed	29 May 2025
50.	Risk Management Policy	Reviewed	29 May 2025
51.	Audit and Performance Committee Charter	Reviewed	
52.	Risk Management Charter	Reviewed	29 May 2025
53.	Internal Audit Charter	Reviewed	29 May 2025
54.	Indigent policy	Reviewed	29 May 2025
55.	Public Participation	Reviewed	29 May 2025
56.	Batho Pele Principles	Reviewed	29 May 2025
57.	Communication Strategy	Reviewed	29 May 2025
58.	Social Media Policy	Reviewed	29 May 2025
59.	Youth Policy		29 May 2025
	INFRASTRUCTURE PLANNING AND ECONOMIC DEVELOPMENT SERVICES DEPARTMENT		

60.	Investment attraction and promotion strategy	Reviewed	29 May 2025
61.	Informal economy policy 22-223	Reviewed	29 May 2025
62.	Housing Sector Plan	Reviewed	29 May 2025
63.	Informal Traders Policy	Reviewed	29 May 2025
64.	Development of Integrated Waste Management Plan	Reviewed	29 May 2025
65.	Comprehensive Spatial Development Framework	Reviewed	29 May 2025
66.	LED Strategy	Reviewed	29 May 2025
67.	Single Land Use Scheme	Reviewed	29 May 2025
68.	Maintenance Plan	Reviewed	29 May 2025
	FINANCE SERVICES DEPARTMENT		
69.	Information Communication and Technology	Reviewed	29 May 2025
70.	Information communication and technology antivirus and firewall patch management	Reviewed	29 May 2025
71.	Asset disposal policy	Reviewed	29 May 2025
72.	ICT backup and restore policy	Reviewed	29 May 2025
73.	Change Management Policy	Reviewed	29 May 2025
74.	Change management Procedures	Reviewed	29 May 2025
75.	End User Security Policy	Reviewed	29 May 2025
76.	Budget Policy	Reviewed	29 May 2025
77.	Msco Budget Virement Policy	Reviewed	29 May 2025
78.	Final Cash Management Banking and Investment Policy	Reviewed	29 May 2025
79.	Credit Control and Debt Collection Policy	Reviewed	29 May 2025
80.	SCM Delegations	Reviewed	29 May 2025
81.	Fraud Prevention and Anti- Corruption Policy	Reviewed	
82.	Property Rate Policy	Reviewed	29 May 2025
83.	Tariffs Policy	Reviewed	29 May 2025
84.	GICT Business Continuity Policy	Reviewed	29 May 2025
85.	CGICT policy	Reviewed	29 May 2025
86.	Governance of Information And Communication Technology Framework	Reviewed	29 May 2025
87.	Fleet Management Policy	Reviewed	29 May 2025
88.	Fixed Assets& Accounting Policy	Reviewed	29 May 2025
89.	Disaster Recovery Plan / Procedure and ICT Business Continuity	Reviewed	29 May 2025
90.	ICT Charter Policy	Reviewed	29 May 2025
91.	ICT Risk Policy	Reviewed	29 May 2025
92.	ICT Security policy	Reviewed	29 May 2025
93.	IT Strategy	Reviewed	29 May 2025
94.	Cost Containment Policy	Reviewed	29 May 2025
95.	Physical and Environmental Security; policy	Reviewed	29 May 2025
96.	Petty Cash Policy	Reviewed	29 May 2025

97.	Contract Management Policy	Reviewed	29 May 2025
98.	Supply Chain Management Policy	Reviewed	29 May 2025
99.	Land Disposal	Reviewed	29 May 2025
100.	Telephone Usage	Reviewed	29 May 2025
101.	Variant Policy	Reviewed	29 May 2025
102.	Credit Control & Debt Collection by Laws	Reviewed	29 May 2025
103.	MFMA System of Delegation	Reviewed	29 May 2025
104.	Financial Plan	Reviewed	29 May 2025
105.	Cell Phone and 3-G data Allowance Policy	Reviewed	29 May 2025
106.	Investment and Attraction Strategy	Reviewed	29 May 2025
107.	Appointment of Consultant policy	Reviewed	29 May 2025
108.	B5H Ward Committee Establishment and Operations Policy	Reviewed	29 May 2025
109.	Service Delivery Charter And Service Standard For Big 5 Hlabisa Municipality KZ276	Reviewed	29 May 2025
110.	Use of Consultant Policy	Reviewed	29 May 2025
111.	Cell Phone and Telephone Policy	Reviewed	29 May 2025
112.	Asset Management Policy	Reviewed	29 May 2025
113.	Activity Monitoring Policy and Procedures	Reviewed	29 May 2025
114.	Anti- Corruption Strategy	Reviewed	29 May 2025
115.	Funds And Reserve Policy	Reviewed	29 May 2025
116.	Provision for Bad Debts Policy	Reviewed	29 May 2025
117.	Vote Virement Policy	Reviewed	29 May 2025
118.	Principles and Policy Debts on Borrowing		29 May 2025
119.	Property Rate By-laws	Reviewed	29 May 2025
120.	Revenue Enhancement Plan	Reviewed	29 May 2025

3.18. EXECUTIVE AND COUNCIL

3.18.1. INTRODUCTION

The council has an Executive Committee, which has the responsibility of running the municipality on a day-to-day basis. The Portfolio committees run issues for departments. There was no capital expenditure for the Council and Executive. Councillor remuneration R 13 120 445.67 for the financial year.

3.18.2. FINANCIAL SERVICES

The Financial Services Department is responsible for the Budget and Treasury Office, Revenue Management, Expenditure Management and Supply Chain Management. The Department is also responsible for the Valuation Roll. The Municipality's debt recovery rate collection is 83.55 % for the 2024/25 year. The activities of this section are detailed under Financial Performance (Chapter 5).

3.18.3. HUMAN RESOURCES SERVICES

3.18.3.1. INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resource Services is responsible for human resource management, labour relations, training and development and occupational health and safety. The Human Resource Department is under the directorate of Corporate Services. The Local Labor Forum is a consultative platform for the discussion of staff matters of the Municipality.

BIG 5 HLABISA MUNICIPALITY ANNUAL REPORT 2023/2024

CHAPTER 4 ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

ANNUAL PERFORMANCE ASSESSMENT

ASSESSMENT OF EXTERNAL SERVICE PROVIDERS TEMPLATE IN TERMS OF SECTION 46 OF THE MUNICIPAL SYSTEMS ACT 32 OF 2000 DEPARTMENT: FINANCIAL SERVICES

ATTACHED ASSESSMENT OF SERVICE PROVIDERS

4. INTRODUCTION TO MUNICIPAL PERSONNEL

The Municipal Manager and four Directors are appointed on a fixed term contract in terms of Section 57 of the Municipal Systems Act 32 of 2000.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER, AND VACANCIES

Management Team

POSITION	FILLED	EMPLOYMENT CONTRACTS IN PLACE AS AT 01 July 2024	PERFORMANCE AGREEMENTS IN PLACE BY 01 July 2025
Municipal Manager	Yes	Yes	Yes
Chief Financial Officer	Yes	Yes	Yes
Director: Corporate Services	Yes	Yes	Yes
Director: Community Services	Yes	Yes	Yes
Director: Technical Services	Yes	Yes	Yes

Turnover rate

Turn-over Rate		
Details	**Total Appointments as of beginning of Financial Year**	**Terminations during the Financial Year**
	No.	**No.**
2021/2022	14	08
2022/2023	13	20
2023/2024	16	09
2024/2025	17	13

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

1. INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Section 67 of the Local Government Municipal Systems Act, Act 32 of 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act, Act 55 of 1998.

2. HUMAN RESOURCE POLICIES AND PLANS

There are several policies and plans in place to regulate personnel matters. Some matters are regulated in terms of collective agreements and legislation. The following Human Resource Policies and plans are in place:

HR Policies and Plans				
	Name of Policy	**Completed** **%**	**Reviewed** **%**	**Date adopted by Council or comment on failure to adopt**
1	Affirmative Action	100%	100%	Yes
2	Attraction and Retention	100%	100%	Yes
3	Code of Conduct for employees	100%	100%	Yes
4	Delegations, Authorisation And Responsibility	100%	100%	Yes
5	Disciplinary Code and Procedures	100%	100%	Yes
6	Essential Services	0%	0%	No
7	Employee Assistance / Wellness	100%	100%	Yes
8	Employment Equity	100%	100%	Yes

9	Exit Management	100%	100%	Yes
10	Grievance Procedures	100%	100%	Yes
11	HIV/Aids	100%	100%	Yes
12	Human Resource and Development	100%	100%	Yes
13	Information Technology	100%	100%	Yes
14	Job Evaluation	0%	0%	No
15	Leave	100%	100%	Yes
16	Occupational Health and Safety	100%	100%	Yes
17	Official Housing	0%	0%	No
18	Official Journeys	100%	100%	Yes
19	Official transport to attend Funerals	0%	0%	No
20	Official Working Hours And Overtime	100%	100%	Yes
21	Organisational Rights	0%	0%	No
22	Payroll Deductions	0%	0%	No
23	Performance Management And Development	100%	100%	Yes
24	Recruitment, Selection And Appointments	100%	100%	Yes
25	Remuneration Scales And Allowances	0%	0%	No
26	Resettlement	0%	0%	No
27	Sexual Harassment	100%	100%	Yes
28	Skills Development	100%	100%	Yes

29	Smoking	100%	100%	Yes
30	Special Skills	0%	0%	No
31	Work Organisation	0%	0%	No
32	Uniforms and Protective Clothing	100%	100%	Yes
33	S&T Policy	100%	100%	Yes

3. COMPONENT CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the Local Government Municipal Systems Act, Act 32 of 2000 requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. The Human Resources personnel deals with matters concerning the training of the staff of the Municipality.

4. SKILLS DEVELOPMENT AND TRAINING

One of our development priorities is the development of our work force. This section contains an overview of skills development that took place on each level of the organization and progress in terms of the Minimum Municipal Competency Regulations (2007).

Throughout the period July 2024 to March 2025, Council employees were skilled on the following programmes.

Training, for Employee	Number of sessions	Number of Employee
Risk Symposium Working	2	3
Records Management	5	3
Municipal Governance & Assurance Specialist Stream	4	5

Risk Management Forum Workshop	2	2
Records Management	5	22
Risk Management	1	20
District Development Model for IDP/Town Planners workshop	2	3
Workshop on Disciplinary Regulations	1	4

During the period July 2024 to April 2025, Councillors were trained on the following interventions

Training for Councillors	Number of Sessions	Number of Councillors
Risk Symposium Working	2	2
Workshop on minimum essential service	1	6
Training of Financial management	1	7
Workshop on Disciplinary Regulations	1	27

5. COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Section 66 of the Local Government Municipal Financial Management Act 56 0f 2003, states that the accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure.

6. EMPLOYEE EXPENDITURE

The Municipality's employee costs for the year tabled to the amount of R78 508 640 000.00 for the year. This constitutes 46% of the total operational expenditure in 2024/25. The percentage personnel expenditure to total expenditure is higher for small municipalities as the same legal requirements for budgetary reporting, internal audit, strategic planning, performance management and intergovernmental relations and working groups apply to all municipalities irrespective of their size.

7. DISCLOSURES OF FINANCIAL INTERESTS

All Councillors and Senior management have declared financial interests. Refer to disclosures made by officials and councillors as set out in **Appendix E.**

CHAPTER 5- FINANCIAL PERFORMANCE

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

- **Check AFS**

AUDIT ACTION PLAN 2024/2025 FINANCIAL YEAR

Type of Opinion Current Year: Unqualified Audit Opinion Type of Opinion Previous Year: Unqualified Audit Opinion

CHAPTER 6

Auditor – General of South Africa Big

5 Hlabisa

Municipality- Audit Report

2024-2025

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries can access services or outputs.
Accountability documents	Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in- year and Annual Reports
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
Adequacy indicators	The quality of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include Annual Financial Statements as submitted to and approved by the Auditor-General

Approved Budget	The Annual Financial Statements of a municipality as audited by the Auditor General approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.

Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health safety or the environment.
Budget year	The financial year of which an annual budget is to be approved-means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specific quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial statements	includes at least a statement of financial position, statement of performance, cash-flow statement, note to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Ministers may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All resources that contribute to the production and delivery of outputs. Inputs are “what use to do the work”. They include finances, personnel, equipment building.

Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance	• Service delivery & Infrastructure.

Areas	• Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequences of achieving specific output. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve"
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e., a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance indicator	Indicators should be specified to measure performance in a relation to input, activities, outputs, outcomes, and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance information	Generic term for no-financial information about municipal services and activities. Can also be used interchangeably with performance measure.

Performance standards	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirement and service level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the

	outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factors.
Performance Targets	The level of performance that municipalities and its employees strive to achieve. Performance targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time.
Service Delivery Budget Implementation Plan (SDBIP)	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies total amount that is appropriate for the purpose of a specific department or functional areas. Section 1 of the MFMA defines a "vote" as: A) One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality;

	and B) Which specifies the total amount that is appropriated for the

	purpose of the department or functional areas concerned

APPENDICES

APPENDIX A-COMMITTEES AND PURPOSES OF COMMITTEES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	**Purpose of Committee**
Municipal Public Committee Accounts	To monitor good governance where there is optimal utilisation of municipal resources to enhance and sustain service delivery and financial management.
Audit Committee	Plays an oversight role on Financial Management and Performance monitoring on behalf of the municipal council in terms of s166 of MFMA.

APPENDIX B- THIRD TIER STRUCTURE

Third Tier Structure	
Directorate	**Director/Manager (State title and name)**
Municipal Manager	Dr V.J Mthembu (from July 2024 to 31 August 2025) Mr LMV Cele (From 01 November 2024 to June 2025
Chief Financial Officer	Mr JM Nkosi

Corporate Services	Mrs CN Danisa-

Community services	Mr MB Shange
Technical Services	Mr TA Dlamini

APPENDIX C- FUNCTIONS OF MUNICIPALITY/ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	**Function Applicable to Municipality (Yes / No) ***	**Function Applicable to Entity (Yes / No)**
Constitution Schedule 4, Part B functions:		
Air pollution	No	No
Building regulations	Yes	
Childcare facilities	Yes	
Electricity and gas reticulation	Yes	Yes
Firefighting services	Yes	Yes
Local tourism	Yes	No
Municipal airports	Yes	No
Municipal planning	Yes	No

Municipal health services	No	No
Municipal public transport	No	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically	Yes	No
assigned to them under this Constitution or any other law		
Pontoons, ferries, jetties, piers, and harbours, excluding the regulation of international and national shipping and matters related thereto	No	Yes
Storm water management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	No	No
Beaches and amusement facilities	No	Yes
Billboards and the display of advertisements in public places	Yes	No

Cemeteries, funeral parlours, and crematoria	Yes	No
Cleansing	No	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	No	Yes
Facilities for the accommodation, care, and burial of animals	No	Yes
Fencing and fences	No	Yes
Licensing of dogs	No	No
Licensing and control of undertakings that sell food to the public	No	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	Yes	No
Municipal abattoirs	Yes	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	No	No
Pounds	No	Yes

Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	Yes Eskom
Traffic and parking	Yes	No

APPENDIX D- FUNCTIONALITY OF WARD COMMITTEES

Functionality of Ward Committees					
Ward Name (Number)	**Name of Ward Councillor and elected Ward committee members**	**Committee established (Yes / No)**	**Number of monthly Committee meetings held during the year**	**Number of monthly reports submitted to Speakers Office on time**	**Number of quarterly public ward meetings held during year**
1	Cllr. B.S. Ndlanzi	Yes	12	12	3
2	Cllr. Z.W. Ntuli	Yes	12	12	3
3	Cllr. P.S. Mantengu	Yes	12	12	3
4	Cllr. S.B. Simelane	Yes	12	12	3
5	Cllr. F.Z. Nkwanyana	Yes	12	12	3
6	Cllr. J.P. Msezane	Yes	12	12	3
7	Cllr. V.W. Mkhize	Yes	12	12	3

8	Cllr. M.B. Dladla	Yes	12	12	3
9	Cllr. Z.M. Ngobese	Yes	12	12	3
10	Cllr. G.M.C Mdaka	Yes	12	12	3
11	Cllr. B.W. Shangase	Yes	12	12	3
12	Cllr. C.N. Maphisa	Yes	12	12	3
13	Cllr. J.P. Zungu	Yes	12	12	3
14	Cll.r M.C. Cele	Yes	12	12	3

APPENDIX E- DISCLOSURE OF FINANCIAL INTERESTS

Disclosures of Financial Interests			
Period 1 July 2024 to 30 June of 2025			
Position	**Name**	**Description of (Nil / Or details)**	**Financial interests***
Mayor	Cllr. C.T. Khumalo	Nil	
		Nil	
Councillor	Cllr. H.T. Nkosi	Nil	
	Cllr. BW Shangase	Nil	
	Cllr. C.N. Maphisa	Nil	
	Cllr. J.P. Zungu	Nil	
	Cllr. M.C. Cele	Nil	
	Cllr. G.M.C. Mdaka	Nil	
	Cllr. Z.M. Ngobese	Nil	

	Cllr. M.B. Dladla	Nil	
	Cllr. P.S. Mantengu	Nil	
	Cllr. V.W. Mkhize	Nil	
	Cllr. F.Z. Nkwanyana	Nil	
	Cllr. JP Msezane	Nil	
	Cllr. SB Simelane	Nil	
	Cllr. ZW Ntuli	Nil	
	Cllr. BS Ndlanzi	Nil	
	Cllr. W. Mngomezulu	Nil	

	Cllr. S.F Mdaka	Nil
	Cllr. I.S Manqele	Nil
	Cllr. C.S. Kwesaba	Nil
	Cllr. L.L. Ntshangase	Nil
	Cllr. A.S. Thela	Nil
	Cllr. B.S. Gumbi	Nil
	Cllr. O.N.N. Ndwandwe	Nil
	Cllr. T.N. Ngema	Nil
	Cllr. NH Nxumalo	Nil
	Cllr. SI Mhlongo	Nil

Municipal Manager	Mr LMV Cele	Nill
Chief Financial Officer	Mr. J.M. Nkosi	Nil
Other S57 Officials	Mr. M.B. Shange	Nil
	Mr. T.A. Dlamini	Nil
	Mrs C.N. Danisa	Nil

APPENDIX F.1 TAXES AND SERVICES CHARGED

Description	2023/2024		2024/2025	
	Projected	Actual	Projected	Actual
Service Charges	1 817 000.00	2 175 000.00	1 966 000.00	2 261 000.00
Taxes – VAT Refund	10 326 227.58	10 326 227.58	14 915 233.79	14 915 233.79
Total	**R 12 143 227.58**	**R 12 501 227.58**	**16 881 233.79**	**17 176 233.79**

APPENDIX F.2-ERATING AND CAPITAL EXPENDITURE

Expenditure Item	2023/2024		2024/2025	
	Projected	Actual		
Salaries, wages, and allowances	103 817 000.00	96 664 000.00	109 008 000.00	100 918 000.00
General expenditure	28 401 427.70	25 503 427.70	23 194 000.00	19 653 000.00
Repair and maintenance	15 000 000.00	13 703 242.34	17 250 000.00	13 742 875.48
Contracted Services	26 502 000.00	28 522 153.29	37 081 000.00	38 221 124.52
Transfers and Subsidies	2 277 000.00	7 234 735.00	3 870 000.00	3 710 000.00

Non-Cash Items	29 707 000.00	22 722 207.00	35 276 000.00	9 221 000.00

Grant Expenditure	10 308 766.00	10 308 766.00	18 208 000.00	18 208 000.00
Capital Expenditure	22 696 725.00	22 696 725.00	29 980 000.00	30 340 000.00
Gross/Net expenditure	**228 263 491.00**	**212 448 176**	**273 867 000.00**	**234 014 000.00**

Description	2023/2024		2024/2025	
	Projected	Actual	Projected	Actual
Service Charges	1 817 000.00	2 175 000.00		
Taxes – VAT Refund	10 326 227.58	10 326 227.58		
Total	**R 12 143 227.58**	**R 12 501 227.58**		

APPENDIX F.2-ERATING AND CAPITAL EXPENDITURE

APPENDIX F.3- BORROWINGS

Loan	Type	Interest Rate	Balance (R)	
			30/06/2024	30/06/2025
Bank overdraft	Overdraft	-	Nil	Nil
External Loans	Short/Long Term	-	Nil	Nil

Finance Leases	Lease	-		
Total			**Nil**	**Nil**

APPENDIX F.4- INVESTMENT ANALYSIS

Investment Description	**Balance (R)**		**Balance (R)**		
	30/06/2023	**01/07/2022**	**01/07/2023**	**30/06/2024**	**30/06/25**
Mercantile (4100167725)	23 013.28	21 460.73	23 013.28	24 306. 87	24 306. 87
Nedbank (03/716506708)	113 760.75	107 404.89	113 760.75	122 311.95	130 865. 55
Absa (4053709558)	19 712 833.15	15 566 185.11	19 712 833.15	4 940 536. 91	469 475. 55
FNB (62641675890)	35 077 415.28	23 542 223.95	35 077 415.28	32 928 161.58	31 802 501. 13
Absa (9381322447)				20 541 001. 22	28 329 654. 02
FNB (62641677466)	9 784 451.91	9 191 914.12	9 784 451.91	10 572 499.59	11 368 237. 47

Investment Description	**Balance (R)**		**Balance (R)**		
	30/06/2023	**01/07/2022**	**01/07/2023**	**30/06/2024**	**30/06/2025**
FNB (62641681251)	13 453 907.18	12 639 150.42	13 453 907.18	14 537 495.75	15 631 658. 58

FNB (62641679123)	1 853 833.94	1 735 322.00	1 853 833.94	2 009 503.68	2 179 989. 76
Total	**80 019 215.49**	**62 803 661.22**	**80 019 215.49**	**85 675 187.55**	**89 936 688. 93**

REVENUE COLLECTION PERFORMANCE REVENUE COLLECTION PERFORMANCE BY VOTE

Table C3 is a view of the budgeted and actual financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted and actual operating performance in relation to the organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

KZN276 Hlabisa Big Five - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Executive & Council		147 469	155 064	155 064	–	155 064	155 064	–		155 064
Vote 2 - Finance & Administration		30 676	38 234	43 234	1 777	32 284	43 234	(10 950)	-25.3%	38 234
Vote 3 - Finance & Administration		48 260	37 575	39 539	3 260	48 298	39 539	8 758	22.2%	37 575
Vote 4 - Planning & Development		4 181	3 997	3 899	189	4 206	3 899	308	7.9%	3 997
Vote 5 - [NAME OF VOTE 5]		–	–	–	–	–	–	–		–
Vote 6 - Sports & Recreation		–	–	–	–	–	–	–		–
Vote 7 - Road Transport		8	–	–	–	8	–	8	#DIV/0!	–
Vote 8 - Waste Management		0	–	–	1	7	–	7	#DIV/0!	–
Vote 9 - Community & Social Services		–	–	–	–	–	–	–		–
Vote 10 - Community & Social Services		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - Public Safety		1 524	1 560	1 560	97	1 348	1 560	(212)	-13.6%	1 560
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**232 118**	**236 430**	**243 297**	**5 325**	**241 215**	**243 297**	**(2 081)**	**-0.9%**	**236 430**
Expenditure by Vote	1									
Vote 1 - Executive & Council		43 107	43 984	43 942	4 927	41 470	43 942	(2 472)	-5.6%	43 984
Vote 2 - Finance & Administration		20 242	30 105	31 346	1 134	13 493	31 346	(17 853)	-57.0%	30 105
Vote 3 - Finance & Administration		109 554	129 356	134 711	12 331	116 408	134 711	(18 302)	-13.6%	129 356
Vote 4 - Planning & Development		15 196	17 533	17 345	2 800	17 055	17 345	(290)	-1.7%	17 533
Vote 5 - [NAME OF VOTE 5]		–	–	–	–	–	–	–		–
Vote 6 - Sports & Recreation		–	–	–	–	–	–	–		–
Vote 7 - Road Transport		–	–	–	–	–	–	–		–
Vote 8 - Waste Management		906	–	–	2	2	–	2	#DIV/0!	–
Vote 9 - Community & Social Services		4 235	4 153	4 957	1 784	4 391	4 957	(567)	-11.4%	4 153
Vote 10 - Community & Social Services		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - Public Safety		10 258	11 585	11 585	903	10 854	11 585	(731)	-6.3%	11 585
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**203 498**	**236 716**	**243 887**	**23 881**	**203 674**	**243 887**	**(40 213)**	**-16.5%**	**236 716**
Surplus/ (Deficit) for the year	2	**28 620**	**(285)**	**(590)**	**(18 556)**	**37 542**	**(590)**	**38 132**	**-6461.9%**	**(285)**

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure

2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

REVENUE COLLECTION PERFORMANCE BY SOURCE

Table C4 is a view of the budgeted and actual financial performance in relation to the revenue and expenditure per municipal source. This table facilitates the view of the budgeted and actual operating performance in relation to the revenue by source of the municipality.

KZN276 Hlabisa Big Five - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		4	–	–	–	14	–	14	#DIV/0!	–
Service charges - Waste management		2 175	1 966	1 966	189	2 261	1 966	296	15%	1 966
Sale of Goods and Rendering of Services		2 526	7 947	7 850	2 124	7 981	7 850	131	2%	7 947
Agency services		91	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		–	–	–	–	–	–	–		–
Interest from Current and Non Current Assets		9 647	4 500	9 500	859	9 973	9 500			4 500
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		322	494	494	60	380	494	(114)	-23%	494
Licence and permits		1 433	1 560	1 560	97	1 348	1 560	(212)	-14%	1 560
Operational Revenue		579	–	–	7	370	–	370	#DIV/0!	–
Non-Exchange Revenue		–	–	–	–	–	–	–		–
Property rates		27 401	30 616	30 616	1 597	29 004	30 616	(1 612)	-5%	30 616
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		522	416	416	176	955	416	539		416
Licence and permits		4	–	–	0	4	–	4		–
Transfers and subsidies - Operational		156 742	164 495	166 459	172	164 495	166 459	(1 964)		164 495
Interest		–	–	–	–	–	–	–		–
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		87	–	–	(4)	(3)	–	(3)		–
Other Gains		–	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**201 534**	**211 994**	**218 861**	**5 277**	**216 782**	**218 861**	**(2 078)**	**-1%**	**211 994**
Expenditure By Type										
Employee related costs		86 281	97 286	97 286	7 822	89 570	97 286	(7 716)	-8%	97 286
Remuneration of councillors		10 467	11 722	11 722	913	11 348	11 722	(374)	-3%	11 722
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		–	–	–	–	–	–	–		–
Debt impairment		7 275	10 786	10 786	–	–	10 786	(10 786)	-100%	10 786
Depreciation and amortisation		15 784	21 630	21 630	–	8 306	21 630	(13 325)	-62%	21 630
Interest		1 477	1 217	1 959	–	–	1 959	(1 959)	-100%	1 217
Contracted services		41 250	48 708	54 331	8 949	51 964	54 331	(2 367)	-4%	48 708
Transfers and subsidies		3 259	2 630	3 870	1 700	3 710	3 870	(160)	-4%	2 630
Irrecoverable debts written off		42	–	900	(42)	891	900	(9)		–
Operational costs		37 665	42 736	41 403	4 518	37 861	41 403	(3 542)	-9%	42 736
Losses on Disposal of Assets		(25)	–	–	–	5	–	5	#DIV/0!	–
Other Losses		22	–	–	20	20	–	20		–
Total Expenditure		**203 498**	**236 716**	**243 887**	**23 881**	**203 674**	**243 887**	**(40 213)**	**-16%**	**236 716**
Surplus/(Deficit)		**(1 964)**	**(24 721)**	**(25 026)**	**(18 604)**	**13 109**	**(25 026)**	**38 135**	**(0)**	**(24 721)**
Transfers and subsidies - capital (monetary allocations)		30 668	24 436	24 436	51	24 436	24 436	0	**0**	24 436
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**28 704**	**(285)**	**(590)**	**(18 553)**	**37 545**	**(590)**			**(285)**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**28 704**	**(285)**	**(590)**	**(18 553)**	**37 545**	**(590)**			**(285)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**28 704**	**(285)**	**(590)**	**(18 553)**	**37 545**	**(590)**			**(285)**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**28 704**	**(285)**	**(590)**	**(18 553)**	**37 545**	**(590)**			**(285)**

References

1. Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions) including capi	**232 202**	**236 430**	**243 297**	**5 328**	**241 218**	**243 297**			**236 430**

CONDITIONAL GRANTS RECEIVED: EXCLUDING MUNICIPAL INFRASTRUCTURE GRANT DURING 2024/2025

Government grants and subsidies operating grants.

Equitable share	155 064 000.00
Extended Public Works Programme Integrated Grant	1 909 000. 00
Financial Management Grant	2 700 000.00
Library Grant	4 822 000. 00
Integrated National Electrification Programme	8 777 000. 00
TOTAL	**173 272 000. 00**
Capital Grants	
Scheme Support Programme	100 199.99
MIG	24 436 000. 00
TOTAL	**24 536 199. 99**

CAPITAL EXPENDITURE – NEW / UPGRADE / RENEWAL PROGRAMMES: INCLUDING MUNICIPAL INFRASTRUCTURE GRANT CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

The following table shows the budget and actual expenditure incurred on new capital assets for the municipality.

KZN276 Hlabisa Big Five - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M 12 June

Description	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		28 462	7 629	10 507	(51)	12 163	10 507	(1 656)	-15.8%	7 629
Roads Infrastructure		28 462	7 629	10 507	(51)	12 163	10 507	(1 656)	-15.8%	7 629
Roads		3 394	5 764	8 642	(28)	11 627	8 642	(2 986)	-34.5%	5 764
Road Structures		25 068	1 865	1 865	(23)	535	1 865	1 330	71.3%	1 865
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		49 254	12 558	12 558	2 513	16 872	12 558	(4 315)	-34.4%	12 558
Community Facilities		21 229	9 785	9 785	1 228	9 353	9 785	432	4.4%	9 785
Halls		6 788	1 801	1 801	–	1 947	1 801	(146)	-8.1%	1 801
Centres		–	–	–	–	–	–	–		–
Crèches		54	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		7 075	6 853	6 853	790	6 123	6 853	730	10.7%	6 853
Markets		–	–	–	–	–	–	–		–
Stalls		7 311	1 130	1 130	438	1 283	1 130	(153)	- 13.5%	1 130
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		28 025	2 773	2 773	1 285	7 519	2 773	(4 747)	-171.2%	2 773
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		28 025	2 773	2 773	1 285	7 519	2 773	(4 747)	-171.2%	2 773
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Historic Buildings		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
								–		
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		1 914	–	507	–	621	507	(113)	-22.3%	–
Operational Buildings		1 914	–	507	–	621	507	(113)	-22.3%	–
Municipal Offices		1 914	–	507	–	621	507	(113)	- 22.3%	–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		1 811	739	739	(10)	734	739	5	0.7%	739
Computer Equipment		1 811	739	739	(10)	734	739	5	0.7%	739
Furniture and Office Equipment		14 839	217	217	–	–	217	217	100.0%	217
Furniture and Office Equipment		14 839	217	217	–	–	217	217	100.0%	217
Machinery and Equipment		–	270	304	–	300	304	5	1.5%	270
Machinery and Equipment		–	270	304	–	300	304	5	1.5%	270
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		85 636	–	–	–	–	–	–		–
Land		85 636	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	181 915	21 412	24 833	2 452	30 690	24 833	(5 857)	-23.6%	21 412

CAPITAL EXPENDITURE – UPGRADE / RENEWAL PROGRAMME

Table below show the budget and actual for expenditure incurred on upgrade / renewal of capital assets of the municipality.

APPENDIX F.5- COUNCILLORS IN ARREARS

APPENDIX F.5- COUNCILLORS IN ARREARS

Name	Total Amount	Current	> 30 Days	> 60 Days	> 90 Days	> 120 Days	> 150 days	+ 180 days
Cllr FZ Nkwanyana	R31 440. 52	R 0.00	R140.70	R140.70	R140.70	R140.70	R 140.70	30 737.02

Appendix G: National and Provincial for Local Government

National and Provincial Outcomes for Local Government		
Outcome/Output	**Progress to date**	**Number or Percentage Achieved**

Output: Improving access to basic services	The municipality has a stakeholder forum which focuses on the district where all basic service providers report progress of these services	85%

Output: Implementation of the Community Work Programme	The Big 5 Hlabisa municipality has been working hard in ensuring the implementation of Operation Sukuma Sakhe which is championed by Department of Social Welfare.	60%

Output: Deepen democracy through a refined Ward Committee model	The functional ward committees and war rooms are there for the purpose of ensuring community participation in all municipal functions.	95%
Output: Administrative and financial capability	Compliance with policies and procedures to ensured that municipal resources are used economically, efficiently, effectively, and value for money is achieved.	100%

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Attached herewith are 2024/245 Annual Financial Statements (AFS) audited

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Attached herewith are 2024/25 Annual Financial Statements (AFS) .

OVERSIGHT COMMITTEE REPORT 2024/2025