



2022/2023

ANNUAL REPORT

DMS 1614300

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ABBREVIATIONS

AG	-	Auditor-General
BEE	-	Black Economic Empowerment
CBD	-	Central Business District
CBP	-	Community Based Planning
CIF	-	Capital Investment Framework
COGTA	-	Cooperative Governance and Traditional Affairs
CRR	-	Cumulative Risk Rating
DDM	-	District Developemnt Model
DOT	-	Department of Transport
EXCO	-	Executive Committee
GGP	-	Gross Geographical Product
GIS	-	Geographical Information System
HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
ICT	-	Information Communication Technology
IDP	-	Integrated Development Plan
IDP RF	-	Integrated Development Plan Representative Forum
IWMP	-	Integrated Waste Management Plan
KPI	-	Key Performance Indicator
KZN	-	KwaZulu-Natal
LED	-	Local Economic Development
LGBTIQ	-	Lesbian, Gay, Bisexual, Transgender, Intergender and Queer
LGTA	-	Local Government Turn Around Strategies
LRAD	-	Land Redistribution for Agricultural Development
LUMS	-	Land Use Management System
MEC	-	Member of the Executive Council
MDB	-	Municipal Demarcation Board
MFMA	-	Municipal Finance Management Act
MIG	-	Municipal Infrastructure Grant
MPAC	-	Municipal Public Accounts Committee
MSCOA	-	Municipal Standard Chart of Accounts

MTCF	-	Medium-term Capital Framework
MTEF	-	Medium-Term Expenditure Framework
MTSF	-	Medium-Term Strategic Framework
NYDA	-	National Youth Development Agency
PMS	-	Performance Management System
PIMS	-	Planning, Implementation and Management System
PMU	-	Project Management Unit
PPP'S	-	Public- Private Partnerships
RDP	-	Reconstruction and Development Programme
SADC	-	Southern Africa Development Community
SEA	-	Strategic Environmental Assessment
SDF	-	Spatial Development Framework
SDBIP	-	Service Delivery and Budget Implementation Plan
SDP	-	Site Development Plan
SMME	-	Small, Medium and Micro Enterprise
SPLUMA	-	Spatial Planning and Land Use Management Act
WSSA	-	Water and Sanitation South Africa

CHAPTER 1: MUNICIPAL OVERVIEW

MAYOR'S FOREWORD AND EXECUTIVE SUMMARY



**COUNCILLOR XOLANI NGWEZI
CITY MAYOR**

It is my great honor to present the 2022/23 Annual Report of the City of uMhlathuze, encapsulating essential information on service delivery and the municipality's performance against set targets and budget allocations outlined in our strategic plan. Despite facing challenges and bottlenecks throughout the year, we emerged victorious in implementing our Integrated Development Plan (IDP), thanks to the collaborative efforts of various stakeholders, including the resilient people of uMhlathuze.

Noteworthy is the persistence of undesirable levels of water service provision, road, and bridges infrastructure challenges across the City of uMhlathuze, stemming from the April 2022 floods and mudslides. Undeterred, the City is committed to progressively ensuring the provision of basic services, aligned with the constitution, the ideology of the Inkatha Freedom Party, and the ten-point plan of our political partners.

Efforts are underway around the clock to implement measures and infrastructure improvements for enhanced water service delivery through bulk and reticulation projects. We inherited a dilapidated water system with aged infrastructure, resulting in frequent burst pipes.

Access to basic services for all residents remains our top priority, and I am pleased to report the following key achievements in basic service delivery outcomes during the year under review:

- 96.96% of households gained access to water.
- 80.94% of households secured access to sanitation.
- 73.85% of households benefited from solid waste removal.
- 100% of households in city-serviced areas, excluding in-fills and Eskom supplied areas, now have electricity.
- Transferred 34 units of Pre-1994 Housing stock and 33 units of Post-1994 Housing stock to qualifying households.
- Created 1027 jobs through the Expanded Public Works Programme (EPWP) in the 2022/2023 financial year.
- Maintained 508.66km of gravel roads and constructed 1.06km of new roads.

- Completed Phase 4 and a portion of Phase 1 on the Aquadene housing development program.

I am delighted to report that several projects are underway, demonstrating our commitment to further development:

- Richards Bay Stadium
- 15 Mega-litter Plant Gobandlovu
- Alton North and South Rehabilitation
- Alton Junction
- Esikhaleni Fitness Center
- Richards Bay Rank
- Madlanzini Sewer
- Aqua Dene Link Road

As a caring government, we conducted an assessment of the living conditions of the people of uMhlathuze, with the fundamental objective of addressing their plight. This led to the construction of two beautiful houses for destitute families, supported by generous business people, upholding the right to a healthy living environment.

Our assessment also highlighted the need to support the youth of the City of uMhlathuze, given the higher rate of unemployment. Therefore, I have committed myself to profiling the youth in business and providing them with resources to operate and be self-reliant. Annually, we will celebrate youth month in a progressive manner, moving beyond a mere event commemorating the activities of 1976.

In the 2023/24 financial year, my focus will intensify on providing equal opportunities to Small, Medium, and Micro Enterprises (SMMEs), creating decent job opportunities for locals, positioning the City as a safe and healthy tourism destination, and establishing it as a leading hub for social cohesion and hope through focused programs for the locals.



COUNCILOR NOLANI NGWEZI
MAYOR: CITY OF uMHLATHUZE

CITY MANAGER'S FOREWORD



MR NG ZULU
CITY MANAGER

The 2022/23 Annual Report, prepared in terms of section 46 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), reflects on activities executed during the financial year and provide an update on key areas that were planned to bring about the development of the City of uMhlatuze, in line with the provisions of section 152 of RSA Constitution (1996) and the White Paper on Local Government (1998). These legislative prescripts mandate local government to be developmental in nature, which is exactly what the CoU has triumphantly done and shall continue to do.

This report highlights the milestones that we accomplished collaboratively as we were implementing the strategic agenda of Council. All our operations were guided by Council approved Integrated Development Plan (IDP) and the Budget as key strategic documents of the Municipality.

I am pleased to report that we started the 2022/23 financial year on the positive footing, since our IDP and the budget were assessed and found to be exceptional. While KZN COGTA ranked CoU's IDP in number three (3) in the entire province of KwaZulu-Natal with 91.03% scoring, National Treasury declared our budget as funded. This manifests our commitment to proper planning, to the benefit of the people of uMhlatuze.

In the quest for optimal performance, we put in place fully fledged departments directed by capable Deputy City Managers for Financial Services, Corporate Services, City Development, Infrastructural Services, Community Services and Electrical & Energy Services. Above that, there is Chief Operations Officer, who executes meticulously the affairs of the Office of the City Manager. I really appreciate all these Senior Managers for prioritizing the needs of the people of uMhlatuze and respond rapidly to their concerns.

It is befitting to mention that the unpalatable state of the economy in South Africa had a negative impact in most of the institutions, and the City of uMhlatuze was no exception. Due to economical strain experienced by the country and the lasting effect of July 2021 mayhem, CoU could not achieve the set target in terms of debt and revenue collection, thus a negative effect on projected income.

Nevertheless, we extend a hearty appreciation to our customers who continue to pay for services, albeit the economic challenges.

We also set ourselves a target of 100% on capital expenditure but achieved 93% which is an improvement compared to the previous financial year. Consequently, we achieved 2 of out 5 financial targets, which resulted to a low performance in the municipal financial viability KPA. However, be as it may, the municipality has financial stability and a muscle to deliver services.

Operationally, in the last three consecutive years, the City received a clean audit opinion, owing to stringent financial management, effective and efficient Internal Audit activity, working in conjunction with Performance Management and Enterprise Risk Management to provide Combined Assurance. The favourable audit outcomes are also a result of functional oversight structures; namely Audit, Enterprise Risk Management and Municipal Public Account Committees. As this year end presents another audit, we extend appreciation to the Office of the Auditor General for inspiring confidence to our communities through annual audits.

Guided by Municipal Systems Act 2000, Chapter 4 and 5, with embedded culture of participatory governance, CoU continues to engage with different segments of the society through various platforms including mainstream media, social media, public meetings, focused groups meetings, IDP and Budget roadshows and media alerts. The results were used to measure our previous performance and to develop strategies and plans to enhance current and future performance.

It is worth reporting that in line with Intergovernmental Relations Framework Act, 2005 (Act No. 23 of 2005) and Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), the City enjoys support/guidance from different sectors of government both national and provincial e.g. Provincial and National Treasury, Department of Cooperative Governance and Traditional Affairs, Department of Water and Sanitation etc. The City also actively participate and facilitate on different technical structures where best practises are shared. This process allows for strategic alignment in all spheres of government.

The legislative and policy framework requires that at a provincial level, technical committees meet regularly to facilitate contact between departments and municipalities to ensure interface with national and provincial sector plans, alignment of strategic plans and resource allocation for provincial and municipal government. The City is an active participant in the national government driven District Development Model and all other intergovernmental structures. The main objective of the DDM as propagated, is to have a One Plan and One Budget for all sectors of government that perform common functions.

At a district level, the City co-convenes the Economic Sector and Infrastructure Development Cluster and also participate in all other clusters including Technical and Political Hub. It bears noting that participation by private sector and State owned entities (SOEs) is improving, however there is room for further improvement. Every stakeholder participation and cooperation will propel the District towards achieving District Development Model's objective of One plan and one budget by all sectors of government that perform common functions.

On the aspect of economic development, it gives us pleasure that the Richards Bay Industrial Development Zone (RBIDZ) is functional and attracts direct investment with the City being the key role player as the provider of services and land owner. However, these relations are not without challenges; the challenge of congestion due to coal trucks delivering commodity to the Port has not been resolved. According to numbers provided, there is an influx of 36 000 trucks a month into the City. In the quest to find solutions, we continue talking to all external stakeholders, some of whom we have strategic partnerships, including Transnet.

The City continues to work hard in ensuring that ageing infrastructure and facilities are replaced to ensure sustainable supply of basic services, investor confidence and investment attraction initiatives, partnership and collaboration with stakeholders and diversify revenue streams etc. We continue to put all measures in place to ensure that the City is sustainable operationally and financially.

In conclusion, as the City Manager, my priority is to ensure that all plans put in place are implemented and the City of uMhlatuze grows into a formidable force in local government. We shall continue to gear up for effective, efficient and economical administration.



MR NG ZULU
CITY MANAGER
CITY OF uMHLATHUZE

Municipal Overview

The City of uMhlathuze (KZ 282) is situated on the north-east coast of the province of KwaZulu-Natal, about 180 kilometers north-east of Durban. The uMhlathuze land area covers 79 334 Ha to 123 325 Ha and incorporates Richards Bay, Empangeni, eSikhaleni, Ngwelezane, eNseleni, Felixton, Vulindlela, Bhuchanana and Heatonville as well as the rural areas under Traditional Councils namely, Dube, Mkhwanazi, Khoza (Bhejane), Zungu (Madlebe), Somopho (Mthembu), Obuka (Biyela) and Obizo (Cebekhulu). The population is estimated at 410 456 as per Community Survey 2016, although in terms of Census 2011 the total population was estimated at 334 459. The number of households increased from 67 127 in 2001 to 86 609 in 2011, the current number of households as per the recent community survey is estimated at 110 503. The municipality borders a coastline that spans approximately 45 kilometers. The N2 highway traverses the uMhlathuze Municipality in a north-east direction towards the Swaziland border and south-west towards Durban. It effectively forms a division between Empangeni and Richards Bay. The R34 Provincial Main Road passes through Empangeni towards Melmoth.

The uMhlathuze Municipality was established on 5 December 2000 after the demarcation process and the local government elections of that date. Since its establishment the municipality in 2016 has been affected by the re-determination of municipal boundaries which changed its geographical setting to include areas which were previously under the then Ntambanana Municipality. As such it encompasses the towns of Empangeni, Richards Bay, eSikhaleni, Ngwelezane, eNseleni, Vulindlela, Felixton, Heatonville and Bhuchanana as well as the Traditional Authority areas under Amakhosi Dube, Mkhwanazi, Khoza, Mbuyazi, Zungu, Mthembu, Biyela and Cebekhulu. UMhlathuze Local Municipality has been divided into 34 municipal wards since 2016 local government elections.

The municipality has the benefit of about 45km of coastline of which about 80% is in its natural state. Linked to its coastal locality is the Richards Bay deep-water port that has been instrumental in the spatial development of the area in the past and will definitely impact on the areas' future spatial development. There is one airport and a couple of land strips in the municipal area. uMhlathuze is contributing 48% towards GDP within the King Centshwayo District.

Population Growth

	Year	UMHLATHUZE
Census	2011	334459
Community Survey	2016	410465
% Growth		22,73%

Source: Stats SA, 2011; 2016

The 2016 Community Survey indicates that the population of uMhlathuze Municipality has increased by just over 22% between 2011 and 2016. It has to be borne in mind that a portion of the population increase is the result of an enlarged municipal area following the inclusion of three wards from the former Ntambanana Municipality post the 2016 Local Government Elections.

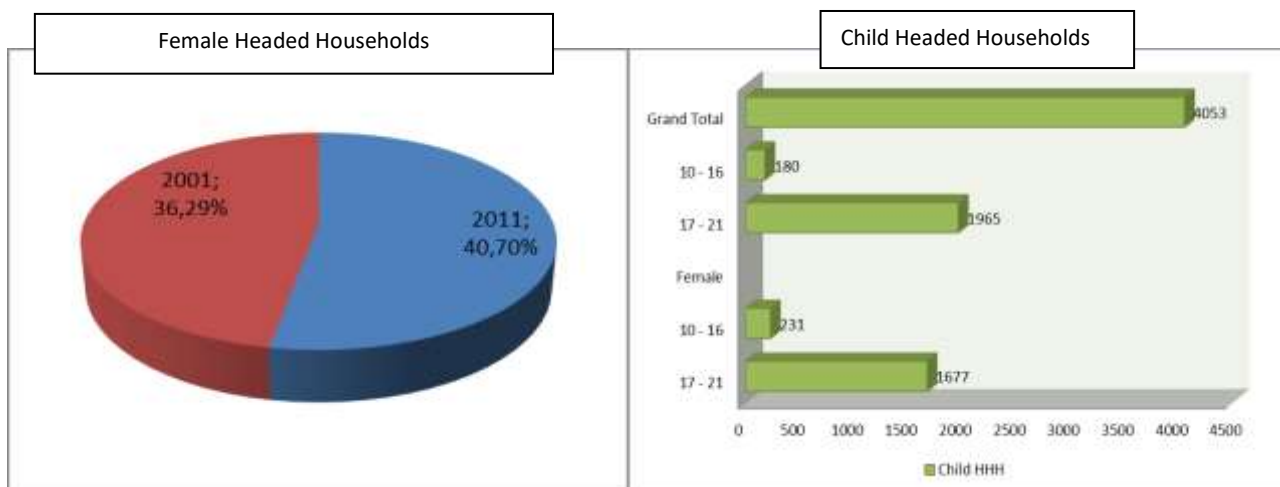
Population Growth Scenarios from 2016 to 2030

	2 016	2 017	2 018	2 019	2 020	2 021	2 022	2 023	2 024	2 025	2 026	2 027	2 028	2 029	2 030
1.5% Increase	410 465	416 622	422 871	429 214	435 653	442 187	448 820	455 552	462 386	469 322	476 361	483 507	490 759	498 121	505 593
Households	103 915	105 474	107 056	108 662	110 292	111 946	113 625	115 330	117 060	118 816	120 598	122 407	124 243	126 107	127 998
2% Increase	410 465	418 674	427 048	435 589	444 301	453 187	462 250	471 495	480 925	490 544	500 355	510 362	520 569	530 980	541 600
Households	103 915	105 993	108 113	110 276	112 481	114 731	117 025	119 366	121 753	124 188	126 672	129 205	131 790	134 425	137 114
3% Increase	410 465	422 779	435 462	448 526	461 982	475 841	490 117	504 820	519 965	535 564	551 631	568 180	585 225	602 782	620 865
Households	103 915	107 033	110 244	113 551	116 957	120 466	124 080	127 803	131 637	135 586	139 653	143 843	148 158	152 603	157 181
4% Increase	410 465	426 884	443 959	461 717	480 186	499 393	519 369	540 144	561 750	584 220	607 588	631 892	657 168	683 454	710 793
Households	103 915	108 072	112 395	116 890	121 566	126 429	131 486	136 745	142 215	147 904	153 820	159 973	166 372	173 026	179 947
5% Increase	410 465	430 988	452 538	475 165	498 923	523 869	550 062	577 565	606 444	636 766	668 604	702 034	737 136	773 993	812 693
Households	103 915	109 111	114 566	120 295	126 310	132 625	139 256	146 219	153 530	161 207	169 267	177 730	186 617	195 948	205 745

From the above, the following is highlighted:

- At a steady population increase of 1,5% per annum, the municipal population will surpass 500 000 people by 2030.
- The municipality will reach a population of 500 000 before 2021 if a population growth rate of 5% takes place over the next few years.
- At such a 5% per annum population growth rate the number of households in the municipality will double.

Female and Child Headed Households



Source: Stat SA, 2011

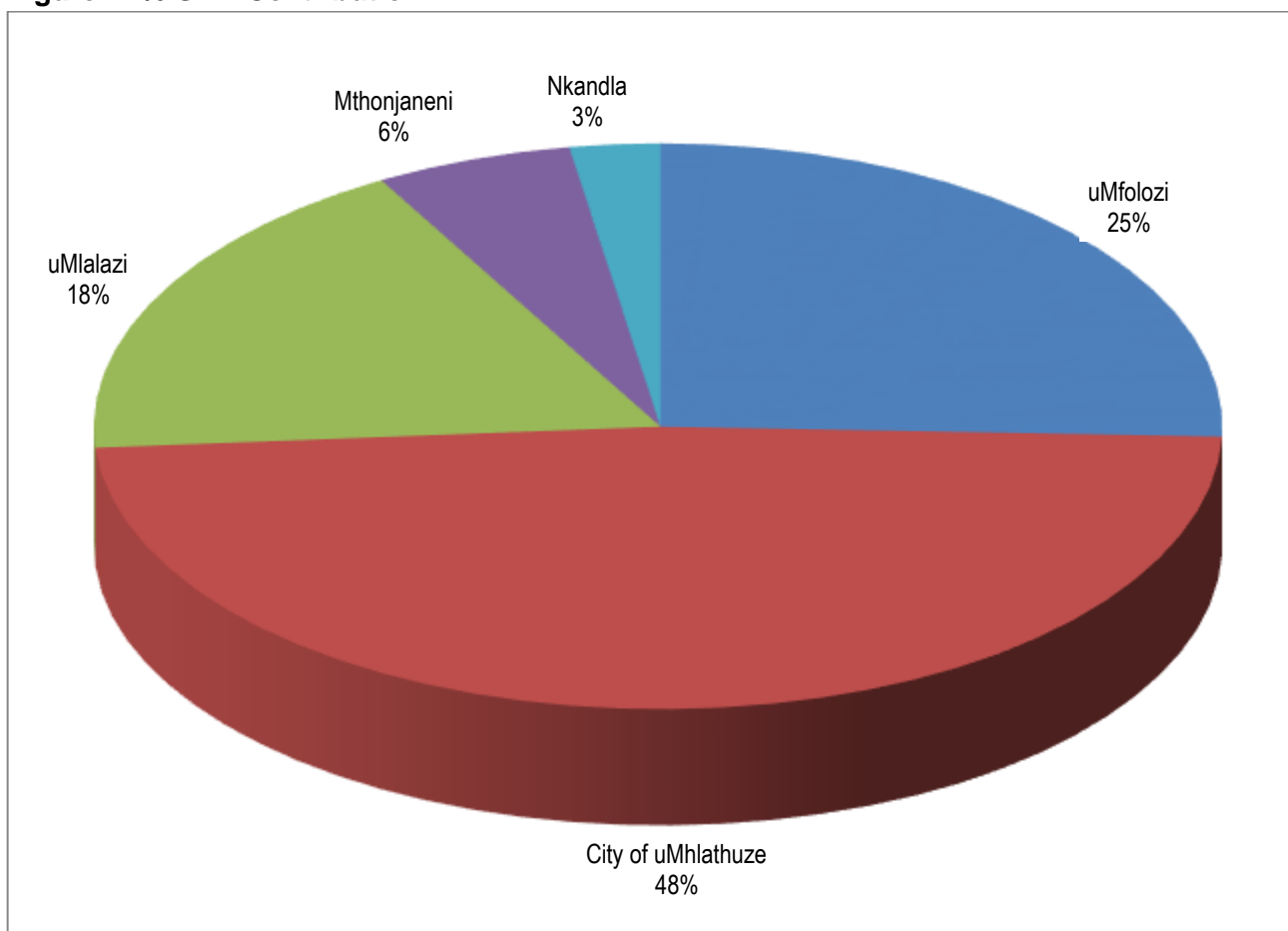
The number of Female headed Households has increased from 2001 from 36.29 % to 40.70% in 2011. This can be attributed by many factors including the high level of divorce cases, and the fact that more women are becoming more independent. About 5 % of uMhlathuze Households are Child and Adolescent Headed Households. The needs of these children are complex, many and diverse.

Economic Profile

uMhlathuze has the most developed economy of all the municipalities in the district and is the major contributor to the District GDP (it is the third largest economy in KwaZulu-Natal). Its most important industries are BHP Billiton Aluminum, Mondi, SAPPI, RBCT, Tata Steel and Bell Equipment.

The following chart indicates the GDP contribution by uMhlathuze Municipality comparing to other local municipalities within King Cetshwayo District. It is evident that uMhlathuze remain the strong contributor to the district GDP, with 48% contribution.

Figure 1: % GDP Contribution

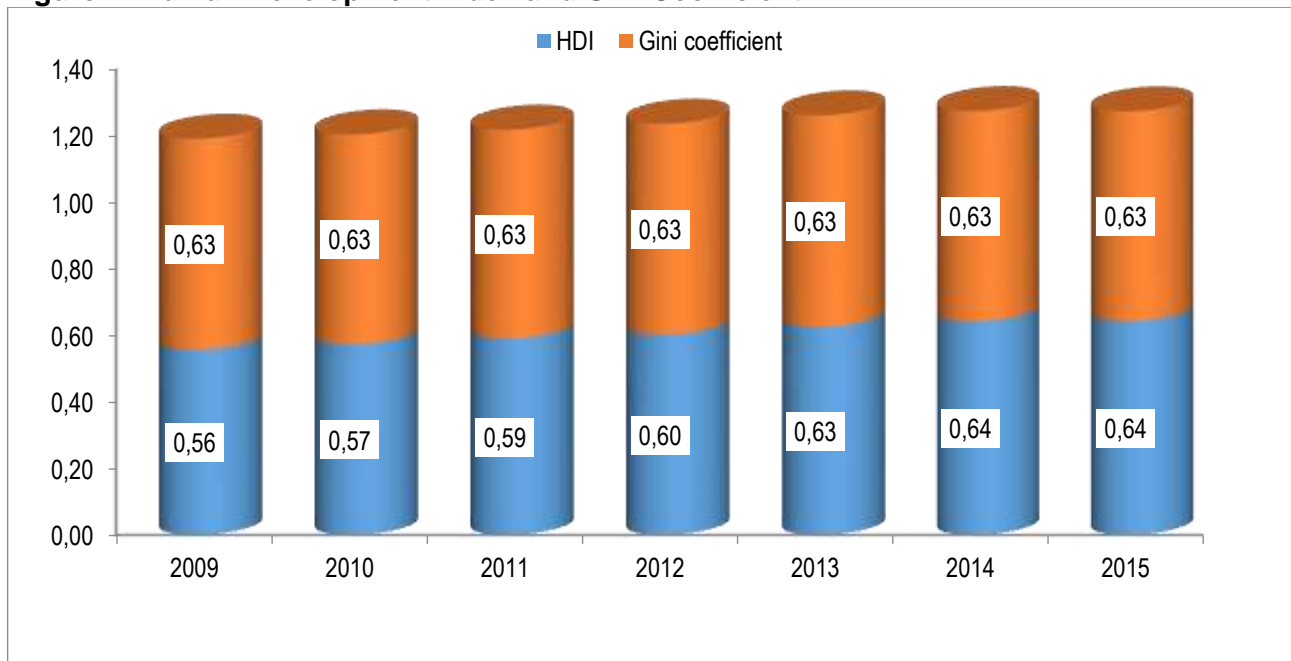


Source: Global Insights 2015

Human Development Index and Gini Coefficient

Measuring the life expectancy, literacy rates and income levels as proxy of quality of living, it is noted from the figures BELOW that the HDI for uMhlathuze Municipality has increased from 0.56 in 2009 to 0.64 in 2015. This is a good indicator, when translated it means the standard of living for the citizens of uMhlathuze has improved over the period. On contrary the Gini Coefficient of uMhlathuze Municipality has remained the same since 2009 to 2015, at 0.63.

Figure 2: Human Development Index and Gini Coefficient



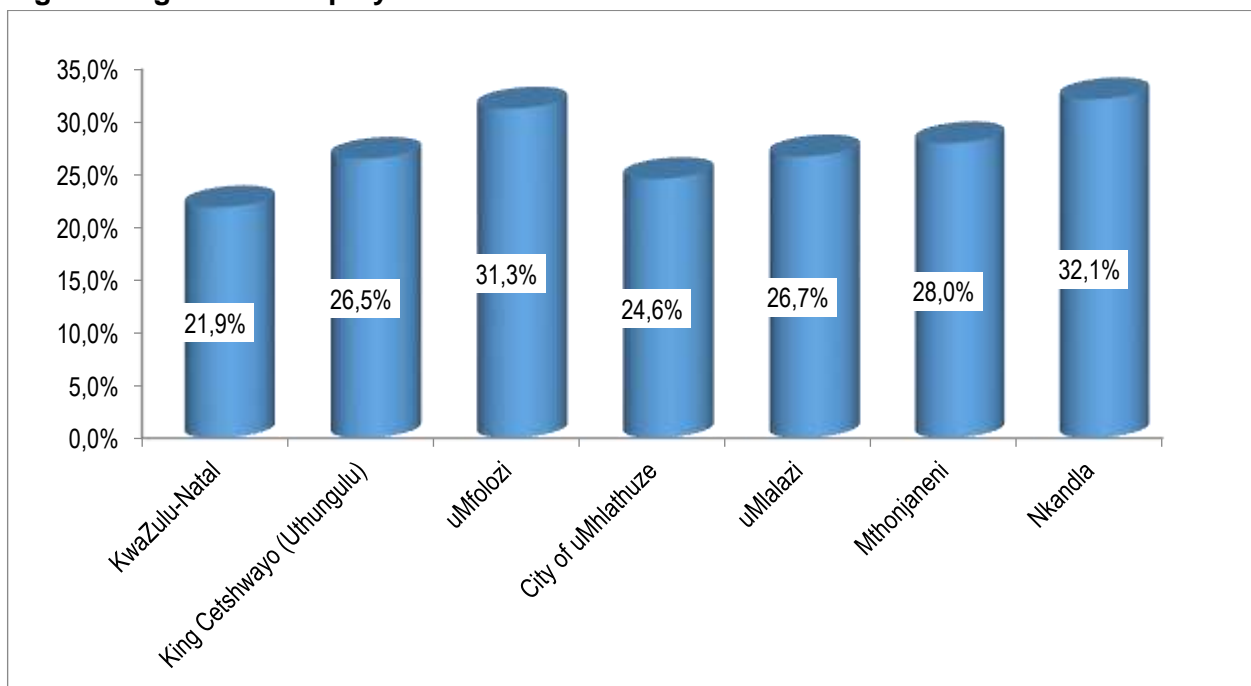
Source: Global insight 2015(Provincial Treasury)

Employment and Income Levels

The City of uMhlathuze is seating at 24.6% with regards to unemployment as per the recent Global insight statistics. The picture is better if compared with other municipalities within the region; however it is still relatively higher when compared with 21.9 % of the province.

Job creation is not the core competency of the municipality however City of uMhlathuze is committed to radical economic transformation which entails making the environment conducive for investors.

Figure: Regional Unemployment



Source: Global insight 2015

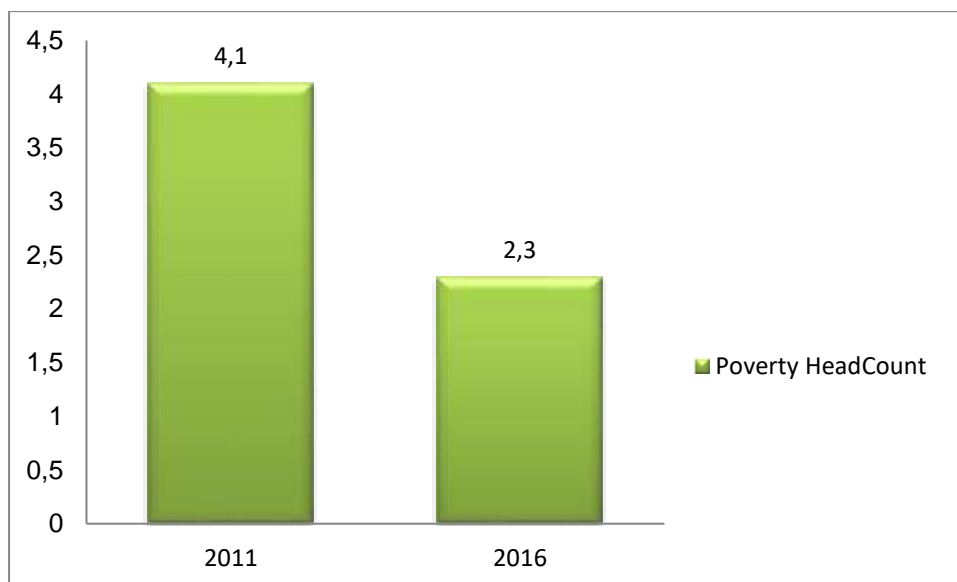
Performance of Broad Economic Sectors

	2005	2010	2015
Primary sector	14.4	13.3	15.4
Agriculture	3.3	3.7	3.9
Mining	11.1	9.7	11.5
Secondary sector	38.3	37.4	36.2
Manufacturing	32.5	31.3	30.5
Electricity	2.1	1.8	1.6
Construction	3.8	4.2	4
Tertiary sector	47.3	49.2	48.4
Trade	9.4	9.7	9.7
Transport	11.7	12.6	12.9
Finance	10.5	11.3	14.8
Community services	15.6	15.6	28.2

Source: Global Insight 2015

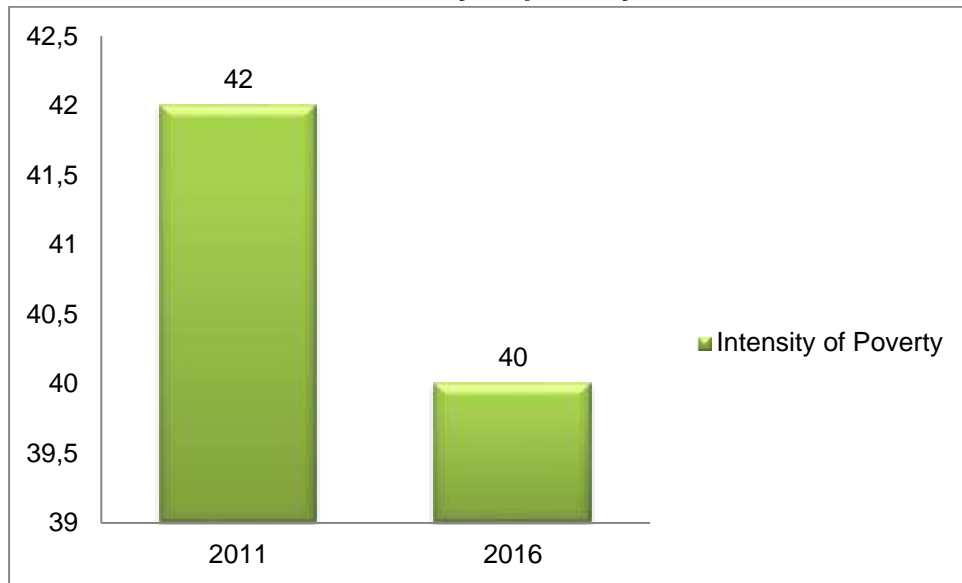
To be noted in 2010 there was a decline in the mining sector; however, we are noting an increase within the year 2015. Manufacturing is not doing well; this is confirmed by the declining trend seen over the years from 32.5 in 2005 and 30.5 in 2015. There is almost a double increase within the community services sector from 15.6% in 2005 to 28.2% in 2015.

Poverty Head Count



Source Global Insight 2015

Intensity of poverty



Source: Global insight 2015

There is a noticeable decrease in poverty headcount, whereas the extent of intensity of poverty remains relatively high comparatively

CHAPTER 2: GOVERNANCE

INTEGRATED DEVELOPMENT PLANNING

STRATEGIC FRAMEWORK

The Vision:

An aspirant metropolitan Port City focused on investing in quality infrastructure and service delivery in partnership with Traditional Councils, Communities and the Private Sector

Mission Statement:

The City of uMhlatuze commits itself to:

- Job creation and inclusive economic growth through accelerated economic development and transformation;
- Enhancing industry based skills development and strategic support to education priority programmes;
- Community based initiatives to improve quality of citizens health and well-being;
- Creating safer city through integrated and community based public safety;
- Planned and accelerated rural development interventions;
- Promotion and maintenance of spatial equity and transformation;
- Optimal management of natural resources and commitment to sustainable environmental management;
- Use of Information, Communication and Technology Systems (ICT) to improve productivity and efficiencies in line with Smart City principles; and
- Good governance, capable and developmental municipality



Integrated Development Planning

The IDP entails processes through which a municipality, its constituencies, various sector departments, interested and affected parties come together to prepare clear objectives and strategies which serve to guide allocation and management of resources within the municipal area of jurisdiction. The Integrated Development Plan spans a five-year period which is directly linked to the term of its Council.

UMhlatuze Municipality implement its IDP to fulfil its role of “developmental local governance”. Central to this role are the objectives and strategies contained in the plan, which guides the municipality in the realm of: Municipal Budgeting, Institutional re-structuring in order to fulfil the strategic intent of the plan including integrating various sectors (housing, land use, etc.) with economic, social and environmental dimensions.

Fifth Generation Integrated Development Plan 2022-2027

All municipalities are charged with the responsibility to develop, review and implement integrated development planning (IDP). In this regard municipalities are guided by the Local government system act, Chapter 4 on community participation and chapter 5 on integrated development planning amongst the host of regulations.

The Fifth Generation IDP 2022/2023 was compiled in terms of a process plan developed and adopted by Council in August 2022 to ensure compliance with certain quality standards and also to ensure that proper coordination between and within the spheres of government is established. Council approved a 2022/2023 IDP process plan, that which set out the methods and approach according to which the IDP development process was to be conducted.

The Fifth Generation IDP adopted a concept of an outcome based approach which emphasises the following:

- That the municipality focuses on achieving the expected real improvements in the life of all its residents;
- That through the integrated development planning, municipality clarifies what the community expect to achieve, how they expect to achieve it and how will they know whether they are achieving it;
- That the municipality improve the lives of citizens rather than just carrying out its functions.

International, National and Provincial Planning Imperatives that Guides 2022/2023 IDP Review

Sustainable Development Goals (SDG's)

The South African government through its plans and targeted developmental programs seeks to ensure alignment to the SDG's and uses its capacity to contribute towards these goals. The developmental approach adopted by the South African government conceptualises development planning as a means of achieving national development priorities. Development planning, in this context, involves the South African government deciding on national priorities and creating a roadmap to achieve them.

National Development Plan (NDP) 2030

Achieving the NDP goals requires cooperation between, national, provincial and local government and with the private sector and civil society. The NDP drives 14 outcomes for delivery by 2030 as follows: education, health, safety and security, economic growth and employment, skills development, infrastructure, rural development, human settlements, local government, environment, international relations, effective public sector, social protection, and nation building.

Integrated Urban Development Framework (IUDF)

The Integrated Urban Development Framework (IUDF) is a policy initiative of the government of South Africa, coordinated by the Department of Cooperative Governance and Traditional Affairs (CPGTA). The IUDF seeks to foster a shared understanding across government and society about how best to manage urbanisation and achieve the goals of economic development, job creation and improved living conditions for all South Africans. To achieve the IUDF's transformative vision, four overall strategic goals are introduced: Access, Growth, Governance and Spatial Transformation.

Provincial Growth and Development Strategy (PGDS), Vision 2035

In 2011 the KwaZulu Natal Provincial Government adopted its first Provincial Growth and Development Strategy to ensure that growth and development of the Province will at all times be guided and directed by a long term Vision and Strategy. The PGDS provides KwaZulu-Natal with a reasoned strategic framework for accelerating and sharing the benefits of an inclusive growth through deepened, meaningful, effective and sustainable catalytic and developmental interventions. This has to be achieved within a coherent equitable spatial development architecture, putting people first, particularly the poor and vulnerable and other groups currently marginalised, through building sustainable communities, livelihoods and living environments. Seven long-term goals have been identified to guide policy-making, programme prioritisation and resource allocation as follows: Inclusive Economic Growth,

Human Resource Development, Human and Community Development, Infrastructure Development; Environmental sustainability, Governance and Policy and Spatial Equity.

District Development Model (DDM)

In 2019 the President during the state of the nation address, noted a lack of coherence in planning, implementation and making oversight and monitoring a challenge. The District Development Model which is an integrated planning model for Cooperative Governance seeks to address fragmentation through integrated district-based service delivery approach aimed at fast tracking service delivery and ensuring that municipalities are adequately supported and resourced to carry out their mandates.

OTHER KEY ISSUES ADDRESSED DURING THE 2022/2023 FIFTH GENERATION INCLUDES BUT NOT LIMITED TO THE FOLLOWING:

- Council New Priorities
- Review of a Strategic Framework
- MEC Panel Comments on the Fifth Generation IDP;
- Previous year Organisational Performance assessment outcomes;
- Annual Review of the Strategic Framework;
- Ward Based Planning (WBP);
- Community priorities as an outcome of the Public Participation engagements;
- Municipal Integrated Sectoral Planning [IDP, SDF, Disaster Management Plan and Human Settlement];
- Government Priorities (SONA, SOPA, SOCA etc);
- The Operation Sukuma Sakhe /War on Poverty and War Rooms.
- One Plan – District Development Model

Intergovernmental Alignment

From July 2021 to May 2022, the City engaged with its District and Provincial counterparts through district and provincial platforms established including the following:

- King Cetshwayo District IDP Planners Forum;
- COGTA KZN IDP Planners Forum; and
- SALGA Municipal IDP Support Forum.

The key strategic outcomes for these alignment sessions are the following:

- Improved co-operation and coordination between different spheres of government on IDP matters
- Strengthened relations with government departments and other stakeholders
- Vertical and Horizontal alignment
- Improved monitoring and support by provincial department

IDP Roadshows

It is Council's commitment to constantly engage with all the people of the city. Hence the process plan makes provision for communities to participate throughout the development of the IDP. The Key Strategic Outcomes to the Public participation sessions are the following:

- Identification of the real needs of all communities in the uMhlatuze
- Prioritization of such needs and development challenges
- Collective development of appropriate solutions to address such needs
- Empowerment of the local communities to take ownership for their own development

The IDP Roadshows were held between September and November 2021 in clustered sessions, including a cluster with Traditional Councils, Ward Committees, Stakeholders and Communities at large. Over and above the physical meetings a Mayoral Address to the General Public and Stakeholders was rolled out through different media platform including local radio ICORA FM, North Coast FM and 1KZN local TV

Below is graphical representation of issues raised communities across the sessions held. It is evident from the figure below that there is an outcry on the provision of houses and the status of roads in the City.

GRAPHICAL PRESENTATION OF PRIORITY NEEDS

Below is a summarised graphical presentation of priority issues raised during the IDP Consultations.

Figure 1. IDP Roadshows: Traditional Leadership Session, 9 September 2021

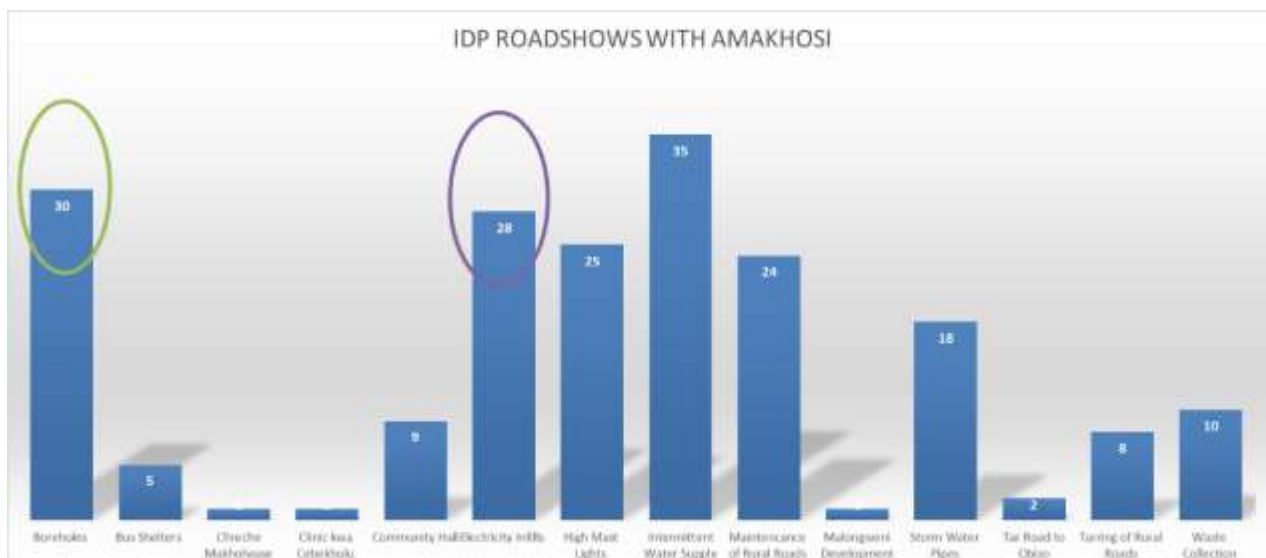


Figure 2. IDP Roadshows: Ward Committees, Empangeni Cluster: 07 September 2021

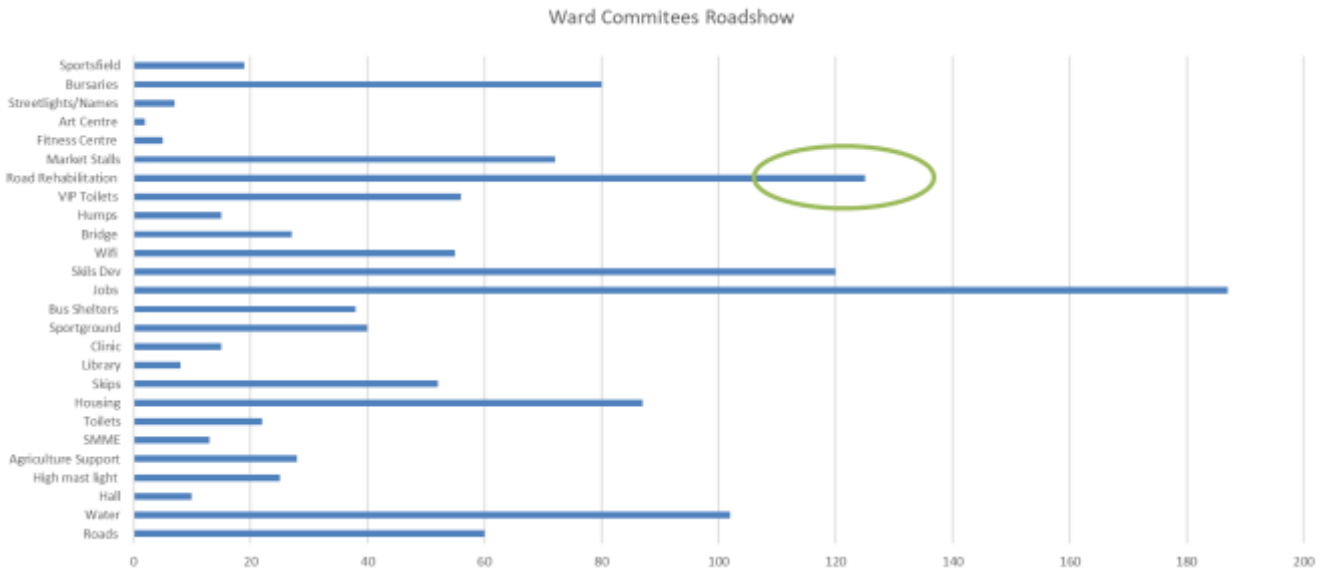


Figure 3. IDP Roadshows, Macekane Sports Field: 11 September 2021

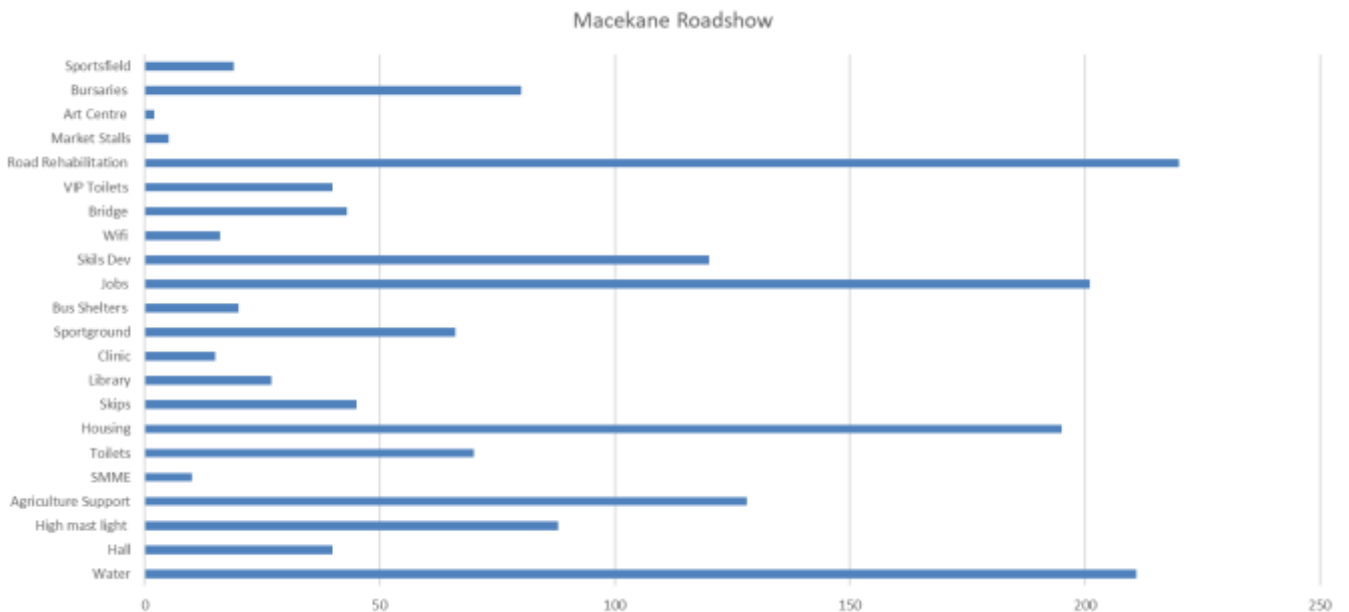


Figure 4: IDP Roadshows, Ngwelezane Sports Field, 12 September 2021

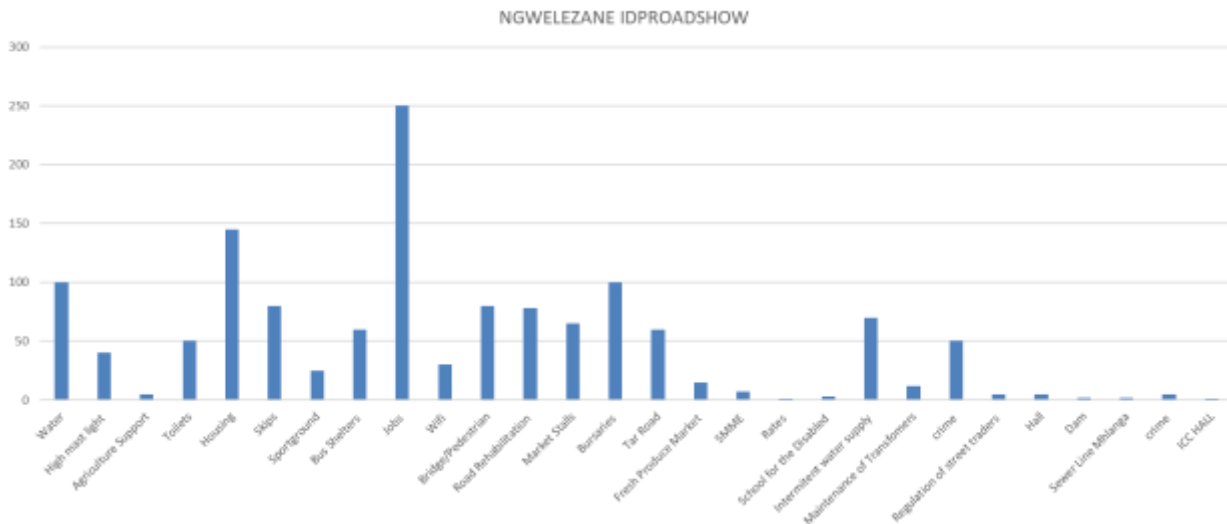


Figure 5: IDP Roadshows, Kwa Tsheka Sports field, 03 October 2021

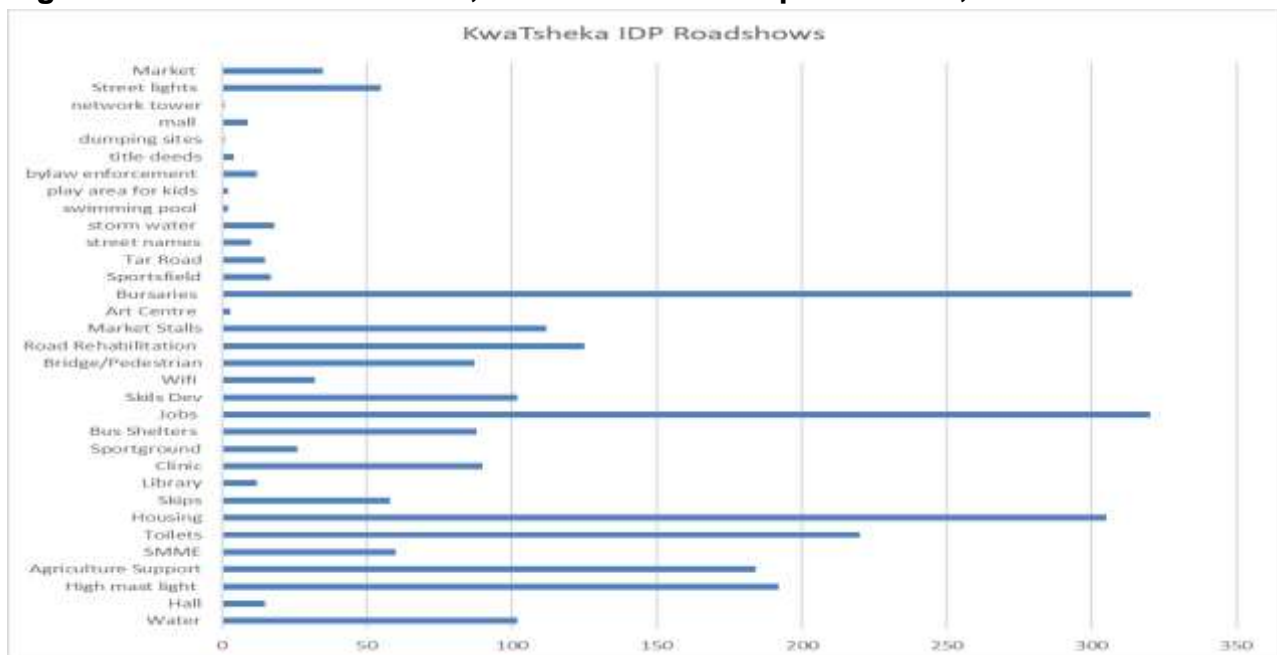


Figure 6: IDP Roadshows, Vulindlela Sports field, 03 October 2021

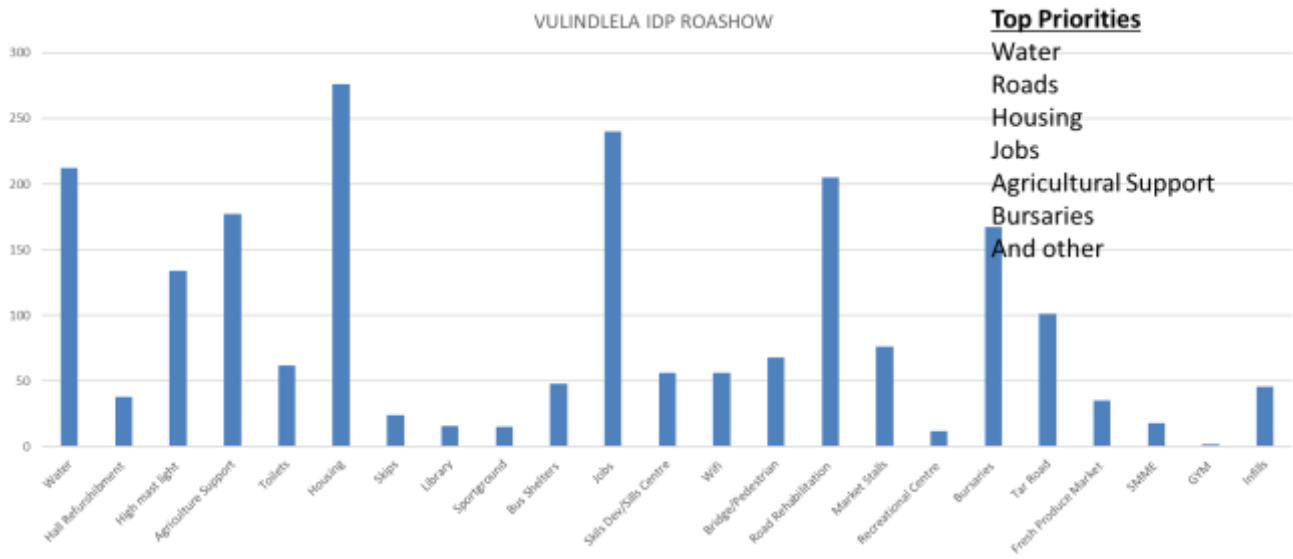


Figure 7: IDP Roadshows, Esikhaleni TVET College 03 October 2021

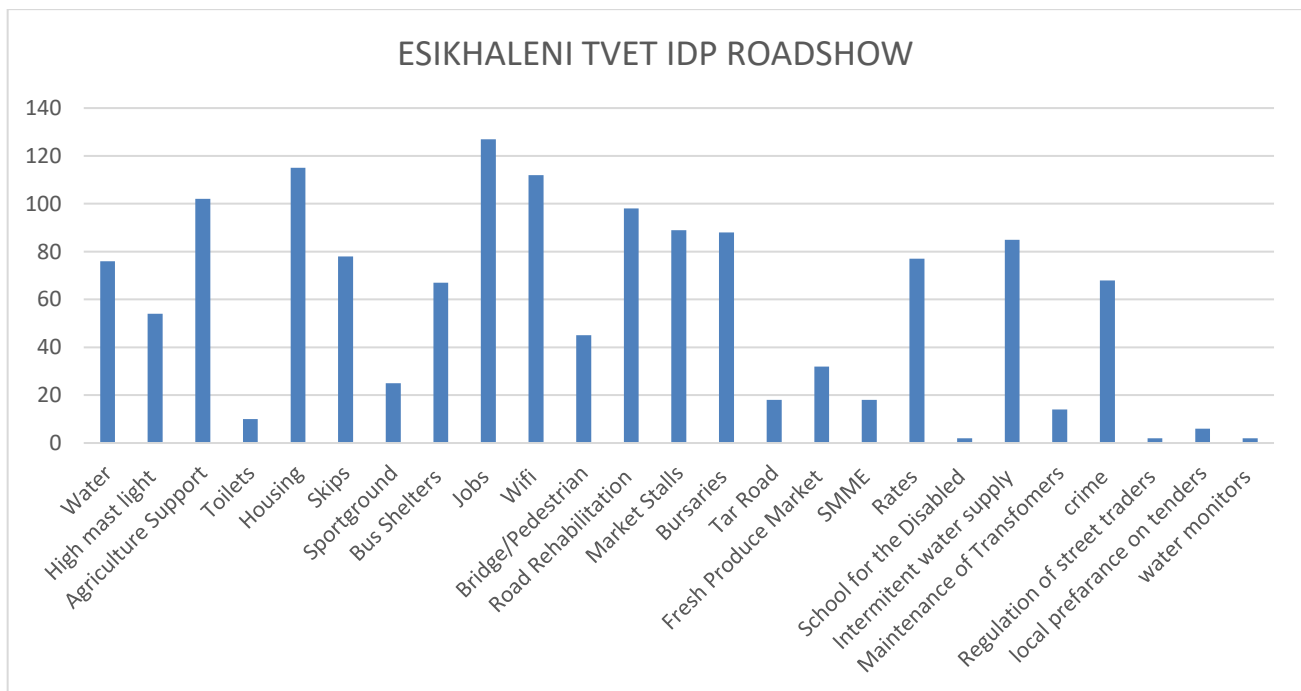


Figure 8: IDP Roadshows, eNdesheni Sports Field, 03 October 2021

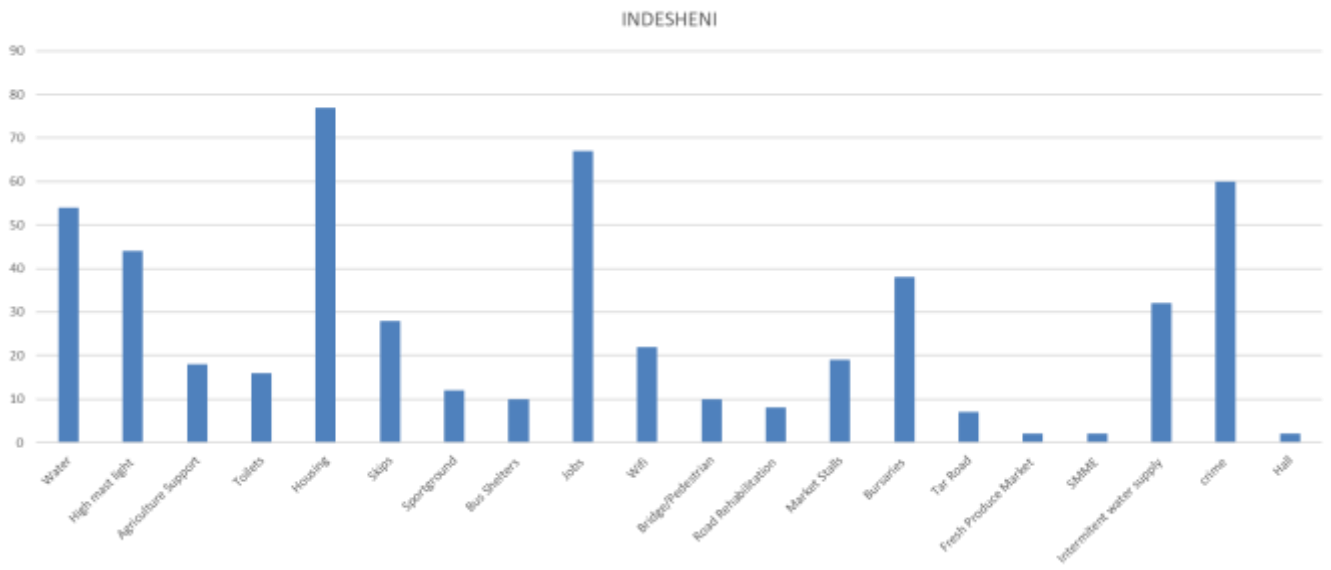


FIGURE 9: Non-Core Issues raised by the Public during the IDP Roadshows

DEPARTMENT OF HEALTH	WARD	DEPARTMENT OF EDUCATION	WARD	DEPARTMENT OF EDUCATION/DEPARTMENT OF SOCIAL DEVELOPMENT	WARD	DEPARTMENT OF SAFETY AND LIAISON DEPARTMENT	WARD	DEPARTMENT OF TRANSPORT
Clinic	32	High School	33	Creche	33	Police Station (Felixton)	34	All District and Provincial roads to be rehabilitated and maintained regularly
Clinic	31	High School	9	Creche	22	Police Station	30	Storm water pipes
Clinic	33	High School	22	Creche	7	Mobile Police Station	31	Quarry on District rural roads
Clinic	19	School	16	Creche	34	Police Station	5	
Clinic	9	School	25	Creche	21	Police Station	7	
Clinic	15	Mobile Home Affairs Offices	5, 8 15	Creche	34			
Clinic	1	Jobs , bursaries, skills development	All wards	Creche	22			
Clinic	26			Creche	15			
Clinic	5			Creche	13			
Clinic	15			Creche	10			
Clinic	12			Creche	9			
Clinic	22			Creche	27			
Clinic	24			Creche	31			
Clinic	25			Creche	11			
Clinic	23			Creche	34			
Mobile clinic	30			Orphanage home	13			
Mobile clinic	11			Old age home	22			
Mobile clinic	16							
Mobile clinic	5							
Mobile clinic	8							
Mobile clinic	22							

Overall Assessment of priorities

From the data and figures above, it is suggested based on the common issues raised by majority of community members across the clusters, that the following are major concerns of the communities as raised in 2022/2023 IDP Roadshows (taking place in 2021):

Needs as presented below are not in order of priority, but as per frequency of requests across clusters:

- I. Jobs
- II. Houses
- III. Roads
- IV. Water
- V. Electricity (High mast lights)
- VI. Skills Development
- VII. Sports Grounds
- VIII. SMME Support
- IX. Bursaries
- X. Community Halls

Priorities are not limited to the above however these are the most prominent from all clusters.

Legislative Compliance

All legislative requirements and timeframes in respect of the IDP Process plan and in terms of the Municipal Systems Chapter 5 section 32 (review & adoption) were successfully complied with, and the Fifth Generation IDP for 2022/2027 was adopted in 25 May 2022, by uMhlathuze Council. Further in terms of Section 25 of the Municipal Systems Act, the Final IDP 2022/2027 was submitted to the Department of Cooperative Governance and Traditional Affairs for assessment by the Member of the Executive Committee.

Credibility

UMhlathuze Municipality prides itself for consistently being recognised and awarded by the Department of Corporative Governance and Traditional Affairs for producing the most credible IDP in the Province. During the 2022/2023 Provincial assessments uMhlathuze's IDP attained an overall credibility rating of 91.03% and was ranked number three in the province. Further the City was awarded with a certificate for remaining in the top IDP Achievers in the Province for Ten Consecutive Years. This achievement is an indication of

the ability and readiness of this organisation to deliver on its legislative and Constitutional mandates.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Organisational Performance Management System

Legislative requirements

The Municipal Systems Act, 2000 (Act no. 32 of 2000) places an obligation on municipalities to develop a Performance Management System that is commensurate with their resources and best suited to their activities.

Performance Management is central to organizational strategic management and equips leaders, managers, workers and stakeholders at different levels with a set of tools and techniques for regular planning, continuous monitoring, and periodic measurement and review of the performance of the Municipality in terms of key performance indicators stipulated in the Integrated Development Plan (IDP).

As outlined in Section 40 of the Municipal Systems Act of 2000 and the Municipal Planning and Performance Management Regulations (2001), the Municipality must establish mechanisms to monitor and review its Performance Management System (PMS) so as to measure, monitor, review, evaluate and improve performance at organizational, departmental and employee levels.

Section 46 (1) (a) of the Municipal Systems Act (Act 32 of 2000), inter alia stipulates that a municipality must prepare for each financial year an annual report consisting of a performance report reflecting the following, among other things;

- (i) the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
- (ii) the development and service delivery priorities and the performance targets set by the municipality for the following financial year;
- (iii) measures that were or are to be taken to improve performance; "

Introduction

The City of uMhlathuze is committed to promoting a high performance culture among political structures, political office bearers, councilors and its administration in the interest of ensuring accelerated service delivery to the people of uMhlathuze.

In the interest of ensuring performance management of the highest degree, the City of uMhlathuze developed a Performance Management Framework and Policy which offers a platform to implement, assess, monitor, measure, review, manage and reward performance throughout the Municipality, thus committing the Municipality to achieving its stated objectives and performance standards. It seeks to provide a comprehensive systematic planning; design and implementation that will help the municipality manage the process of performance planning and measurement effectively. It also serves to link the IDP, the Budget and a Performance Management System in a cycle of prioritized, affordable and accountable municipal planning and effective service delivery involving all staff and the local community.

The most recent Performance Management Framework and Policy review was on 22 June 2023 per Council Resolution 16411, including review of the Standard Operating Procedure to clarify the processes to collect, collate, verify and store of performance information.

The Reviewed Performance Management Framework and Policy incorporated the stipulations of the the Municipal Staff Regulations, Gazette No. 45181 published on 20 September 2021 by the Minister of Cooperative Governance and Traditional Affairs which cascades performance to staff below senior management.

On 1 July 2019 the Department of Cooperative Governance Traditional Affairs issued a revised draft set of indicators with technical indicator descriptions for secondary cities and district municipalities. The draft set of indicators were developed with respect to the provisions of Section 43 of the Municipal Systems Act (MSA) 32 of 2000 which provides for the Minister, after consultation with MEC's for local government and organised local government representing local government nationally, to prescribe and regulate key performance indicators to local government.

The draft indicators for secondary cities and district municipalities were developed through the course of engagements with provincial planning, monitoring & evaluation stakeholders (21 February 2019) and representatives of district municipalities and secondary cities whereby uMhlathuze participated (14 March 2019), convened by the Department of Cooperative Governance (DCOG). The submissions made via these forums have been considered as formative input to the indicators and are considered part of the process of intended reform of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The document begins by setting out a summary of the proposed indicators for secondary cities and districts differentiated for the respective categories of municipality respectively. The indicators have used MFMA Circular No. 88 as their point of departure and have been crafted so that they reflect the differential allocation of powers and functions between the two categories of municipalities. The indicators have been organised in terms of the Back-2-Basics Pillars (e.g. Putting People First, Service Delivery, Good Governance, Sound Financial Management and Building Capable Local Government Institutions) and are informed by reporting reforms initiated with metropolitan municipalities and formalised in MFMA Circular No. 88.

Technical indicator description for each of the proposed indicators were provided in draft format and municipalities requested to comment on it. It was imperative for uMhlathuze municipality to prepare for readiness of implementation of the performance indicators together with Technical Indicator Descriptions for secondary cities until such stage that the Regulations are formalised.

The OPMS scorecard (Top Layer service delivery targets of the SDBIP) was subsequently restructured from 2020/2021 financial year in line with the new format by the Department of Cooperative Governance and aligned to the Back-2-Basics Pillars.

Technical Indicator Descriptions were developed for the Top Layer service delivery targets on basic service delivery in the Service Delivery Budget Implementation Plan and adopted by Council as phase one of the implementation process with the following objectives:

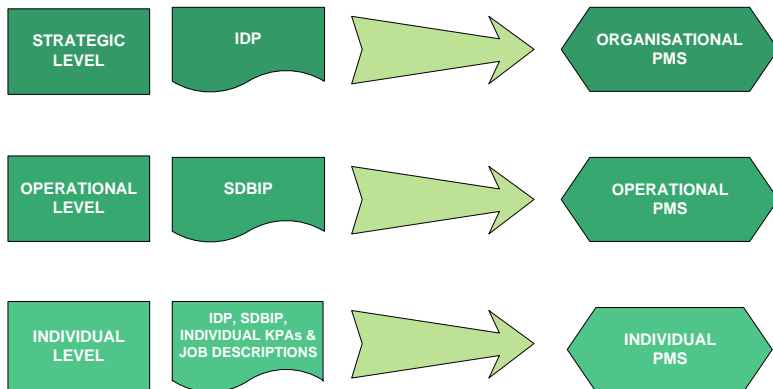
- to describe the purpose of each indicator, the collection, calculation and interpretation of data;

- to indicate systems used to generate performance information to report on performance indicators;
- to institute a common understanding on the procedures that must be followed to record, collect, collate, verify and report on the actual performance on predetermined objectives outlined in the Top Layer SDBIP;
- to indicate the responsibilities at all organisational levels from the level where the performance information originates, up to the point where it is recorded in the SDBIP quarterly performance reports and the finally in the annual report;
- to ensure an audit trail (supporting evidence); and
- to facilitate effective monitoring and evaluation

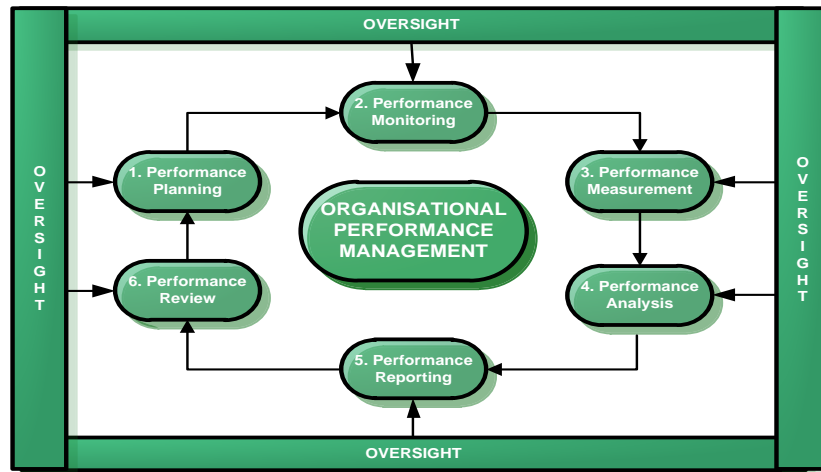
The Organisational Performance Management function of uMhlathuze Municipality is delivered by an internal Performance Management Unit within the Office of the Municipal Manager under the authority of the Chief Operations Officer. The Performance Management unit consists of two permanent employees, i.e. one post of Manager: Performance Management and one post of Performance Management Specialist.

Organisational Performance Management Process

The legislative framework as set out above provides for performance management at various levels in a municipality including organisational (sometimes also referred to as municipal, corporate or strategic) level, operational (also referred to as services, departmental or section/team level) and lastly, at individual level as. These levels are however integrated and interdependent on each other.



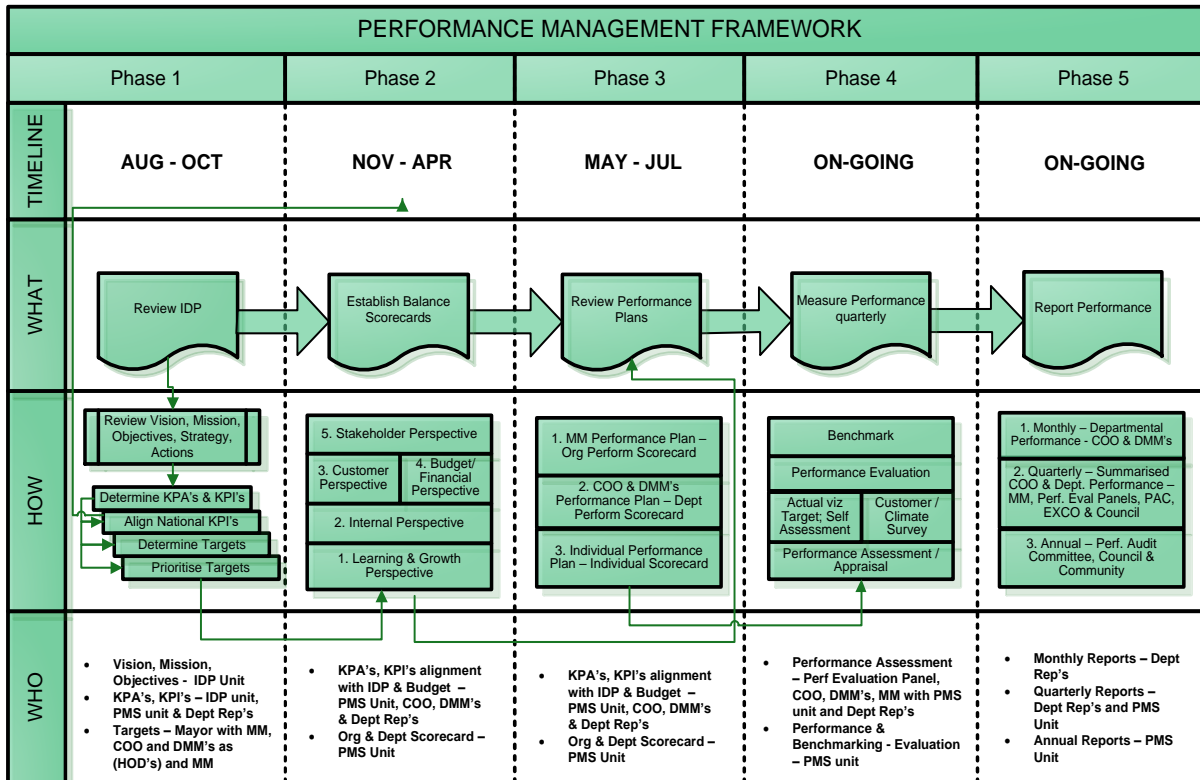
The process of managing performance at organisational level in the uMhlathuze Municipality involves the stages as set out in the following diagram:



Key performance indicators have been refined in support of the municipality’s development priorities and objectives as set out in the revised IDP framework (aligned with the organizational structure and Council’s priorities) for the five year IDP period to ensure consistency in measuring and reporting on long terms strategies and projects. Measurable performance targets with regard to each of these development priorities and objectives were established and are reflected in the 2022/2023 OPMS Scorecard/Top Layer of the Service Delivery Budget Implementation Plan. A process to ensure regular reporting is in place and gets reported quarterly to the Council via the Performance Audit Committee.

Individual performance agreements and performance plans were prepared in line with provisions prescribed in the Performance Regulations (Notice 805, published on 1 August 2006 in the official gazette) and signed by the Municipal Manager, the Chief Operations Officer and Deputy Municipal Managers (Heads of Department). These agreements are fully implemented and aligned with the Service Delivery and Budget Implementation Plan (SDBIP) as required in terms of the Municipal Finance Management Act (No 56 of 2003)

The following diagram illustrates a summary of the reviewed performance management framework for the City of uMhlatuze for performance measurement and reporting, adhering to the guidelines suggested by KwaZulu-Natal Province, Department for Cooperative Governance and Traditional Affairs:



uMhlathuze Performance Management Framework diagram

Performance Audit Committee

The Performance Audit Committee has been established since 2003 in terms of of Section 14(2) (a) of the Local Government: Municipal Planning and Performance Management Regulations of 2001 and membership changed over time.

The membership of the PAC Council confirmed and approved by Council as per Council resolution 15423, minutes RPT 173205 is as follows:

Mr R M J Baloyi	Chairperson External Member
Ms. S. Khanyile	External member
Clr X Ngwezi	Alternate member of the Executive Committee (Mayor) (alternative)
Vacant	Executive Committee members (Deputy Mayor) in the event of non-availability by the Mayor)

The Performance Audit Committee is meeting on a quarterly basis during each financial year to ensure compliance with relevant legislation, procedures and to consider the quarterly performance achievements reported on the OPMS Scorecard/Top Layer SDBIP as well as the performance achievements reported in terms of the Departmental Service Delivery Budget Implementation Plans.

The Performance Audit Committee has met quarterly during the 2022/2023 financial year as follows:

Period	Date	Reference to Agenda
Quarter 1	26 August 2022	DMS 1551121
Quarter 2	09 December 2022	DMS 1572044

Quarter 3	16 March 2023	DMS 1587527
Quarter 4	21 June 2023	DMS 1605878

The Draft Annual Performance is submitted to the Performance Audit Committee on 30 August 2023 to note and consider the annual performance achievements reported in the OPMS scorecard/Top Layer SDBIP for the completed 2022/2023 financial year. The minutes of meetings are available on the GroupWise electronic document management system as reflected in the table above.

Performance Evaluation Panels

Performance Evaluation Panels have initially been established for the assessment of performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager per Council Resolution 4120 of 10 October 2006. The membership of Performance Evaluation Panels changed over time and re-affirmed on 21 January 2022 per Council resolution 15078, item RPT 172404.

Performance Assessment Panels for the assessment of Section 57 employees were established as follows:

- A) For purposes of evaluating the annual performance of the Municipal Manager (section 54A), an Evaluation Panel constituting of the following persons was established
- (i) Executive Mayor or Mayor;
 - (ii) Chairperson of the Performance Audit Committee;
 - (iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council;
 - (iv) Mayor and/or Municipal Manager from another Municipality; and
 - (v) Member of a Ward Committee as nominated by the Executive Mayor or Mayor."

Clr X Ngwezi	Mayor/Chairperson
Vacant	Member of the Executive Committee
	Alternate member of the Executive Committee
Mr R M J Baloyi	Chairperson of the Performance Audit Committee
	Mayor from another Municipality
Mr E S Luthuli	Ward Committee member

- B) For purposes of evaluating the annual performance of managers directly accountable to the Municipal Manager (Section 56 managers), an Evaluation Panel constituted of the following persons was established:
- (i) Municipal Manager;
 - (ii) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee;
 - (iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council; and
 - (iv) Municipal Manager from another Municipality."

Mr N G Zulu	Chairperson
Mr R M J Baloyi	Chairperson of the Performance Audit Committee
Clr S H Zulu	Member of the Executive Committee

	Alternate member of the Executive Committee
Mr Jili	Municipal Manager from another Municipality (uMfolozi)

Performance Evaluation sessions are conducted quarterly. The first and the third quarter assessment are informal assessments. Formal assessments are conducted for the mid-year (quarter two) and Full year (quarter four). The final (fourth quarter) and formal performance evaluation sessions of the Municipal Manager and Managers Directly accountable to the Municipal Manager covering the 2022/2023 financial year will be performed once the Auditing of the Annual Financial Statements and the Predetermined Objective has been finalised by the Auditor General. The minutes of all meetings are available on the GroupWise electronic document management system. The final performance evaluation will commence once the Annual Report 2022/2023 has been adopted by the Council for consideration of possible performance bonuses in terms of the Regulations.

Auditing of Performance Information

The MFMA and the Municipal Planning and Performance Management Regulations require that the Municipal Council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides for a single audit committee as further being recommended by National Treasury in terms of their MFMA Circular no. 65 of November 2012. The uMhlathuze Council has however taken a decision to continue with a separate Performance Audit Committee and Audit Committee to allow for Councillors to serve on the Performance Audit Committee to enable Councillors to provide input towards Performance Management related matters.

The Audit Committee relies on the work done by the Performance Audit Committee in terms of the Audit Committee charter and receives and considers reports and minutes of meetings presented to it by the Performance Audit Committee at its scheduled meetings.

In carrying out its mandate, the Audit Committee and Performance Audit Committee must have a good understanding of the strategic goals of the Municipality, strategic focus areas as outlined in the Integrated Development Plan (IDP) and the Service Delivery Budget Implementation Plan (SDBIP) and should perform the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards.
- Review and comment on the alignment of the Integrated Development Plan, the Budget, Service Delivery and Budget Implementation Plan and performance agreements.
- Review and comment on relevance of indicators to ensure they are measureable and relate to services performed by the Municipality.
- Review compliance with in-year reporting requirements.
- Review the quarterly performance reports submitted by internal audit.
- Review and comment on the Municipality's annual reports within the stipulated timeframes. Review and comment on the Municipality's performance management system and make recommendations for its improvement at least twice a year.

- At least twice during a financial year submit an audit report to the municipal council concerned.

■ In reviewing the municipality’s performance management system, the Performance Audit Committee focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned.

The Internal Audit function within the municipality is co-ordinated and managed by an Internal Audit Executive within the office of the Municipal Manager. A Panel of service providers have been appointed to support delivering of the Internal Audit function.

As part of their scope, auditing of the Performance Management System and Predetermined Objectives are performed and reported on for each quarter in terms of the following internal audit plan:

Audit Project	Focus Area
Review of Performance Information - Quarter 1	<ul style="list-style-type: none"> • Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Performance score verification (Municipal Manager and Deputy Municipal Managers); • Compliance with relevant laws and regulations.
Review of Performance Information - Quarter 2	<ul style="list-style-type: none"> • Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Compliance with relevant laws and regulations
Review of Performance Information - Quarter 3	<ul style="list-style-type: none"> • Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Compliance with relevant laws and regulations
Review of Performance Information - Quarter 4 (Annual Performance Report)	<ul style="list-style-type: none"> • Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Compliance with relevant laws and regulations

The Auditor General will audit the information submitted in this report, together with all achievements reported in the Organisational Performance Management System Scorecard/Top layer of the Service Delivery Budget Implementation Plan and the findings in their management letter will be included in the Final 2022/2023 Annual Report. The information reported therefore will be validated for relevance, reliability, completeness, accuracy and correctness by the Internal Auditors as well as the Auditor General.

Customer Satisfaction

The most recent Customer Satisfaction Survey available was conducted in August 2017. The comprehensive analysis feedback report was reported to Council on 17 October 2017 and is available in the GroupWise document management system as well as on Council’s official website. (www.umhlathuze.gov.za under the “Performance Management” link.

There is a service provider appointed to conduct survey and the survey is in progress, the outcome will be presented to Council in the 2023/2024 financial year once the survey is finalised.

Annual Organisational Performance Information

Performance Monitoring underpins the Municipality's Integrated Development Plan in terms of reviewing progress regularly in achieving the priorities and delivering value for money services. Early investigation into variances enables remedial action taken where appropriate.

The Organisational Performance Management System Scorecard/Top layer of the Service Delivery Budget Implementation Plan (Top Layer SDBIP) has been developed in complying with stipulations in terms of Section 41 of the Municipal Systems Act and has been included as an annexure to the uMhlathuze Municipal Integrated Development Plan review. The 2022/2023 Integrated Development Plan was finally reviewed at mid-year to reflect the adjusted Top Layer SDBIP performance targets for 2022/2023.

The Top Layer service delivery targets of the SDBIP included in the Draft Annual Performance report is therefore the monitoring and reporting mechanism on measurable performance targets detailing developmental priorities and objectives as set out in the uMhlathuze municipality's Integrated Development Plan. The Top Layer basic service delivery targets of SDBIP is reporting the achievements of the municipality on a strategic level which is in line with strategic key performance areas directly aligned to the five national key performance areas.

The Annual Performance Report highlights the key performance measures included in the Integrated Development Plan (IDP) review for the 2022/2023 financial year in the newly adopted format. These priority measures constitute the Organisational Performance Scorecard / Top Layer of the SDBIP on basic service delivery targets for 2022/2023 financial year.

The annual performance reporting on the 2022/2023 financial year has been completed and presented in the Top Layer of Service Delivery Targets set in the Service Delivery Budget Implementation Plan in a table format (aligned to the previously prescribed format by KwaZulu Natal Department of Corporate Governance and Traditional Affairs). The Top Layer Service Delivery Budget Implementation Plan (SDBIP) consolidated service delivery targets as contemplated in National Treasury Municipal Finance Management Act (MFMA) Circular 13 guide has been included following the review from the Auditor General since the 2017/2018 financial year auditing process.

Technical Indicator Descriptions were developed for the Top Layer service delivery targets of the SDBIP for the 2022/2023 financial year and enhanced at mid-year and approved by Council on as part of the continued implementation process.

The Annual Performance Report (Tables - Top Layer of Service Delivery Targets set in the Service Delivery Budget Implementation Plan) should be read in conjunction with the uMhlathuze Annual Report, including the Annual Financial Statements as well as Auditor General Report on the Annual Financial Statements and Performance on Predetermined Objectives Information for the 2022/2023 financial year.

Analysis of reported achievements

In relation to the 2022/2023 year end performance results, the final results are analysed as follows:

- **72%** of targets have been achieved within 95% or exceed against the 2022/2023 annual targets set, reflecting an increase when compared to the 2021/2022 financial year where **70,83%** of targets were achieved within 95%
- **28%** of 2022/2023 annual targets were not achieved, reflecting an improvement on performance when compared to the 2021/2022 financial year where **29%** of targets were not achieved.

The performance results for the organizational priorities can be summarized as follows:

Traffic Light Status	2022/23	2021/22	2020/21	2019/20	2018/19
Blue – Exceeded target	28%	38%	32%	32%	40%
Green – Met target	39%	29%	28%	18%	34%
Amber – Missed target by up to 5%	5%	4%	9%	10%	10%
Red – Missed Target by more than 5 %	28%	29%	32%	40%	16%

It is worth noting the impact of factors such as budget and staff retention whilst continuously increased demand for services putting pressure on achievement of challenging targets

The Performance Management System analysis has scored the achievement of individual key performance areas as follows:

ID	Key Performance Area	% of Targets achieved >95%
KPA 1	Good Governance and Public Participation	100%
KPA 2	Basic Service Delivery and Infrastructure Provision	60%
KPA 3	Local Economic Development & Cross Cutting	100%
KPA 4	Municipal Transformation and Institutional Development	100%
KPA 5	Financial Viability and Financial Management	40%

1. Good Governance and Public Participation

34 Ward Committees have been established by the municipality. A vital link between Ward Councillors, the community, and the municipality is made possible by this structure. These Committees participate in the public consultation forums during the IDP and Budget meetings. Members of the community can influence ward-level municipal planning through committees. According to the DCOG indication, ward committees are required to have at least six members. In every Ward, the municipality was able to maintain a 99% membership rate. Ward Councillors are required to hold at least one meeting every three months as part of involving the community in governance. The average number of Councillors convened meetings was 90%, meeting the set target of 90%. The meetings give council members a

chance to update the communities they represent on local projects and council decisions taken.

The Ward Committee Management, Stakeholder Liaison and Council meetings were successfully scheduled and convened in accordance with Council's Standing Rules of Order to ensure ongoing community involvement in municipal decision making.

As part of monitoring Integrated Development Plan implementation, municipalities are expected to review its IDP yearly and the municipality was able to adopt the reviewed IDP on 30 May 2023.

2. Basic Service Delivery and Infrastructure Provision

Access to Domestic Water supply

The target of 250 number of new water connections meeting minimum standard was achieved since 622 new domestic water meters were installed, contributing to an upgrade in water supply services. The achievement is based on applications received from members of the public and the connections by the appointed contractor.

Access to Domestic Sanitation services

The total of 89 444 (80.94%) of households with access to basic sanitation services remained the same as from the previous financial year. There were two sewer projects planned for 2022/2023, Mandlazini Agri-Village and Mzingazi to upgrade from VIP to waterborne sewage. The target of 280 new connections was based on the success of these two projects being implemented.

Mandlazini Agri-Village project is at 22% as at end of June 2023. There were delays experienced due to the number of deep excavations required and the collapsible soils on site. Also original sewer reticulation routes require changing on an ad hoc basis on site due to newly constructed infrastructure in the area. Mzingazi Sewer Upgrade – Phase 2 project is still at the Tender stage.

Water and wastewater services;

The quality of drinking water to comply with the South African national standards at latest SANS 241, >95% has been achieved with an average reported level of 95%.

The quality of wastewater compliance of $\geq 90\%$ of cumulative risk ratings based on Department of Water Affairs standard was not achieved, since 46% on average throughout the financial year was achieved. Process Audits were conducted in plants to determine the process anomalies. There has been evident witness of multiple mechanical/equipment fault backlogs at various wastewater treatment works which affect the treatment processes. Constant vandalism and theft of equipment at these treatment plants has also contributed in the delay of the resuscitation of wastewater treatment works progress. Plans have been put in place to ensure that the various wastewater treatment works return to their optimal and efficient working state so as to achieve compliance with the DWS regulations and General Authorization Standard specifications.

Access to Domestic Electricity supply

The municipality is delivering electricity supply to 35 794 dwellings and has connected 131 additional dwellings against the annual target of (80) to improve access to basic electricity services in the municipal electricity licensed area. This target was achieved, but remains

reliant on consumers applying for this service. The municipality is in a position to deal with all applications received.

The annual target for electricity losses to be kept within eight percent 8% was achieved. On 30 June 2022, 7% electricity losses were recorded.

The annual target of 70% to restore general street-lighting faults within 72 hours (excluding cable faults or stolen equipment) was achieved since an average of 76% achievement was recorded.

Free Basic Electricity (FBE) – this is a government initiative implemented by Eskom and municipalities. This initiative is available to indigent households and aims to improve their quality of life. It is unfortunate that many qualifying households are not collecting their tokens/voucher.

FBE is the electricity allocated to support low-income households. It is the amount of electricity considered enough to run basic lighting, basic media access, basic ironing and boil water using an electrical kettle. As of 30 June 2023, 690 households were recorded as those who have collected tokens/vouchers.

Access to Domestic Solid Waste removal services

A total of 81 632 (73,9%) of households is receiving a weekly solid waste (refuse) removal service. A total of 22 additional households were added during the financial year. These additional households are from rural areas where the municipality is providing the service through skips. Recently, the municipality has been dealing with challenges relating to. This has led to the challenge of servicing these skips as regular as they should.

So, in order to deal with fleet breakdowns, City of uMhlathuze resolved to procure more refuse trucks, however there was a shortfall of R1,5 million in order to cover costs of buying three trucks. Subsequently, due to limited budget, the Department felt that it will be better to prioritize trucks, rather than skips and therefore budget for skips was transferred to Fleet Services under Electrical and Energy Services Department to top up the purchase of three refuse trucks.

Public transport infrastructure services

In provision of public transport facilities and infrastructure in the urban and rural areas, 506 km's of rural roads were Graded and Gravelled. The annual target of 360 kilometers for the maintenance of rural gravel roads was achieved.

In terms of establishing of new tarred roads 1 kilometer of road was upgraded to surfaced road (new tarred roads) against the mid-year adjusted target of 1 kilometer to align with the approved project plan.

In terms of the target for kilometers of paved municipal road which has been resurfaced and resealed, the annual target of 3,0 kilometers was not achieved since 0 kilometers were resurfaced or resealed.

The annual target of 80% of reported potholes fixed within standard Municipal response time was achieved, since 85% was achieved. A total number of 221 complaints relating to Potholes were received and 187 of the complaints were resolved.

Municipal Infrastructure;

In the IDP strategy to improve the Strive to improve reliability and service life of Municipal Infrastructure, facilities and assets, the annual performance target for the Construction of 5 Pedestrian Bridge was not achieved. This project has been delayed by the finalisation of

Environmental studies that need to be finalised first. The contractor has been appointed, once the EIA is finalised the project will commence.

Public transport facilities infrastructure;

The mid-year amended annual target of 57 kilometres of storm water open drains to be maintained was achieved as 121 kilometres were achieved.

The annual target of 1 084 manholes to be maintained was achieved since 1 368 manholes were maintained. Over-achieved is due to number of manhole covers replaced which does not require excess planned maintenance resources.

Development of integrated human settlement;

The IDP strategy to improve community standard of living through accelerated development of integrated human settlement has been re-aligned from the Cross Cutting key performance area to Basic Service Delivery and Infrastructure Development.

The annual target for the construction of subsidised houses was adjusted to 20 mid-year. Infraseriv (IA) had a meeting with the contractor and the Sub-contractor on 13 June 2023 to address the slow pace in terms of construction of slabs. It was agreed that the contractor will increase their teams.

Pre 1994 Old - Housing stock transfer was adjusted midyear to read as percentage transferred. This was based on the transfers that did not have any challenges. Unfortunately, there were no transfers done as there are delays from the Provincial Treasury approval. Continuous follow ups with emails were also sent and the latest response was that the MEC for Public Works Department intervention has been requested by the Departments officials for Provincial Treasury approval of the process.

Post 1994 Housing stock, 34 transfers were done. There are also challenges which the Implementing Agent together with the municipality are attending. Majority of outstanding cases are those that the municipality cannot find the beneficiaries, either because they have sold/renting out their houses as well as the deceased beneficiaries where the municipality is waiting surviving family members to submit the Letters of Authority. There is progress made in finding some of the beneficiaries although returning of documents from some of the beneficiaries is very slow.

3. Local Economic Development and Cross Cutting

In terms of Promoting economic growth by providing skills empowerment to the unemployed, the annual target that 80 Number of unemployed youth be re-skilled was over achieved since 232 unemployed youth benefitted in the 2022/2023 financial year.

The annual target for creating 720 jobs through EPWP incentives/projects was over achieved since 1 196 jobs were created, therefore exceeding the annual target by far.

4. Municipal Transformation and Institutional Development

Human resources was able to meet the annual targets set for the recruitment and retention of staff from designated employment equity groups and however still experiences a high level in staff turnover. The municipality continues with the implementation of the Employment Equity Plan during the 2022/2023 financial year.

In terms of the target set for appointment of female by the Municipality, 44 females were appointed against the annual target of twenty 38.

In terms of the target set for appointment of youth, 54 youth were appointed against the mid-year adjusted annual target of 54.

A total of 126 Workplace Skills training programmes was conducted during the 2022/2023 financial year against the annual target of 60, resulting in an over achievement.

The annual target of 95% of the annual budget spent on the Workplace Skills Plan was achieved since 95% was achieved for 2022/2023. A Human Resource panel of accredited training providers are appointed to provide services the municipality.

The annual target of 1% of the Operating Budget spent on implementing the Workplace Skills Plan was achieved at 30 June 2023 since 1% of the operating budget was achieved. The spending on implementing the Workplace Skills Plant was well achieved in all four quarters.

5. Financial Viability and Financial Management

The reported achievements on the Financial Viability and Financial Management performance indicator ratios as reflecting in the Organisational performance Scorecard/ Top Layer SDBIP is **based on the interim financial results** as at 30 June 2023 subject to validation of the Annual Financial Statements.

The following are aligned to Unaudited Annual Financial Statement:

The financial viability of the municipality is hereby reported based on the results of the year ended in 30 June 2023.

1. Debtors Collection rate: 91% (scorecard)
2. Collection rate in days: 70 days
3. Debt coverage ratio: 33% (scorecard)
4. Current ratio: 1.2:1
5. Cost coverage ratio: 1.5 (scorecard)
6. Employee related costs and Councilors remuneration % OPEX: 23% (scorecard)
7. Capital expenditure: 93%
8. Overall Grants Expenditure: 97% Capital
9. Overall Grants Expenditure: 100% Opex

Taking the above ratios into account it is clear that it requires a collective effort in ensuring that as a municipality we curtail un-necessary expenditure and strive to collect where possible.

Annual Organisational Performance Scorecard/ Top Layer Service Delivery Targets set in the Service Delivery Budget Implementation Plan

The following table reflects the organisational performance targets and achievements as reflected in the mid-year amended Integrated Development Plan 2022/2027, as well as the performance targets and achievements as reflected in the Top Layer Service Delivery Targets set in the Service Delivery Budget Implementation Plan consolidate performance

indicators in relation to the achievements of the previous financial year and reflecting corrective measures in cases where targets were not achieved as well as new targets set for the 2023/2024 financial year.

Section 46(1)(a) of the Municipal Systems Act (No. 32 of 2000) require the Municipality to reflect the municipality's, and any service provider's, performance during the financial year reported on. The uMhlathuze municipality is fortunate not to be reliant on external service providers in provision of Basic Services, i.e. water, sanitation, solid waste removal services reliant on delivering by the district municipality like most other local municipalities do.

Water distribution to the community by uMhlathuze is delivered through water purification by WSSA and through purified water purchased from the Mhlathuze Water Board. Electricity is distributed to communities by uMhlathuze municipality in the municipal licensed area, through purchasing electricity from ESKOM. Other Basic Services delivered by uMhlathuze Municipality include, solid waste removal (refuse collection) and sanitation. The number of households served with basic services as reflected in the table below reflects the municipality's and any service provider's performance on delivering basic services during the financial year, also a comparison with performance in the previous financial year as contemplated in section 46(1)(a) of the Municipal Systems Act (No. 32 of 2000).

The information reflected below is subjected to validation during the Internal Auditing process (in line with the appointed panel of Internal Auditors and the Municipal Public Accounts Committee) and submitted to the Auditor General as part of the annual audit process after being reported to the Performance Audit Committee on 30 August 2023. Reports are available for inspection.

NOTE: The planned annual targets for 2023/2024 financial year, relating to the total number of households provided with basic services, reflecting in the far right-hand column in the organisational performance scorecard are based on the total of 110 503 households aligned to the Statistics South Africa 2016 Survey

**2022/2023 TOP LAYER SERVICE DELIVERY TARGETS SET IN THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN
(Master table on DMS 1064996; 2022/2023 tab)**

UMHLATHUZE TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN 2022/2023														
Indicator Number	IDP Ref	Outcome 9	B2B Pillar	Objective	Strategies	Performance Indicator	Baseline		Backlog	Mid-year Amended Target 2022/2023	Annual Actual Output	% achievement against target	ANNUAL RESULTS	Annual target 2023/2024
							Amended (mid-year) Annual Target 2021/2022 Output	Actual 2021/2022					Corrective action for Annual target not met / remarks	
KPA1: Good Governance and Public Participation														
T1.1	1.1.4.3	Deepen democracy through a refined Ward Committee model	Putting People first	To promote a municipal governance system that enhances and embraces the system of participatory Governance	Facilitation of Stakeholder and Community participation in policy making	Number of IDP/PMS and Budget Public participation meetings	13	20		15	15	100%	N/A	6
T1.2	1.1.4.1				Facilitate the Functionality of Ward Committees through continuous capacitation	Percentage of Ward Committees with 6 or more Ward Committee members (excluding Ward Councillor)	100%	100%		100%	99%	99%	Ward Committee members for one of the ward will be re-elected in September to fill the vacant positions.	100%
T1.3	1.1.4.1				Percentage of wards that have held at least one councilor-convened community meeting	80%	21%		90%	90%	100%	N/A	136	
T1.4	1.1.4.2				Development of a Credible Integrated Development plan within prescribed legislative guidelines	Approval of IDP by 31 May	100%	100%		31-May	30-May	100%	N/A	31-May
T1.5	1.1.4				Implement different approach to Municipal Good Governance	Improve Council functionality	Number of agenda items deferred to the next council meeting	0	0		0	0	100%	N/A
KPA2: Basic Service Delivery and Infrastructure Development														
T2.1	2.1.1.1	Improving access to basic services	Service Delivery	To expand and maintain infrastructure in order to improve access to basic	Eradicate water services backlogs through provision of basic water services	Number of new water connections meeting minimum standard	500	96	3146	250	770	249%	N/A	603
T2.2	2.1.1.1				Reduction of water losses (cumulative)	24%	27%	5%	22%	25%	88%	The majority of the Water Infrastructure has aged. Two service providers have been appointed to replace a portion of the reticulation pipes within Richards Bay water network, through WSIG grant funding.	22%	
T2.3	2.1.1.1				Quality of drinking water complying with the South African national standards at latest SANS 241 >95%	>95%	95,8%		>95%	95,35%	100%	The measurement criteria for the indicator should reflect as Quality drinking water greater or equals to 95% (≥95%). The error will be corrected in the 2023/2024 financial year indicator.	≥95%	
T2.4	2.1.1.3	Improving access to basic services	Service Delivery	To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	Eradicate Sanitation services backlogs through provision of basic sanitation services	Number of new sewer connections meeting minimum standard	0	0	20579	0	0		N/A	1100
T2.5	2.1.1				Wastewater Quality compliance of ≥90% as per Green Drop standard	≥90%	48,99%		≥90%	45%	42%	eSikhaleni RBM funding utilised to refurbish the plant. Rotor repairs in progress, four rotors now functional, four still in progress. The plant is experiencing Electrical supply difficulties however the matter is being attended to. Empangeni Clarifiers have been drained, repairs in progress. Ngwelezane Portable water pipe to be installed into the plant for maintenance purposes, work in progress eNseleni Degritter system out for repairs. Clarifier repairs in progress.	≥90%	

UMHLATHUZE TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN 2022/2023														Annual target 2023/2024	
Indicator Number	IDP Ref	Outcome 9	B2B Pillar	Objective	Strategies	Performance Indicator	Baseline		Backlog	Mid-year Amended Target 2022/2023	Annual Actual Output	% achievement against target	ANNUAL RESULTS		
							Amended (mid-year) Annual Target 2021/2022 Output	Actual 2021/2022					Corrective action for Annual target not met / remarks		
KPA2: Basic Service Delivery and Infrastructure Development															
T2.6	2.1.1.2	Improving access to basic services	Service Delivery	To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	Eradicate electricity supply backlogs through provision of basic electricity supply services	Number of <u>new</u> dwellings provided with connections to the mains Electricity supply by the Municipality	80	84		80	130	164%	N/A	80	
T2.7	2.1.1					Electricity losses kept within 8%.	8%	9%	1%	8%	8%	114%	N/A	≤8%	
T2.8	2.1.1					Percentage of general street lighting faults are restored within 72 hours (excluding cable faults or stolen equipment)	70%	83%		70%	76%	109%	N/A	70%	
T2.9	2.1.1					Percentage of planned maintenance performed				100%	88%	89%	Electrical section fleet availability has been a challenge. However, a tender has been finalised to improve the sourcing strategy for ensuring that there is enough spares available to fix the vehicles on time.	100%	
T2.10	2.1.1.4			To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	Provision of public transport infrastructure facilities	Provide a weekly domestic solid waste removal service to the community	Number of <u>new</u> Households with access to waste removal	81506	81610	28893	22	22	100%	N/A	1000
T2.11	2.1.1.5					Kilometres of gravel roads maintained (Both <u>regravelling and grading</u>)	360	508,66		360	506	141%	N/A	360	
T2.12	2.1.1.5					Kilometres of gravel roads upgraded to surfaced road (<u>New tarred roads</u>)	1,06	1,06		1,0	1,0	100%	Project are still at tender / construction phase. The road is part of the 2023/2024 financial target.	2,75	
T2.13	2.1.1.5					Kilometres of paved municipal road which has been resurfaced and resealed	3,0	0,0		3,0	0	0%	Three-year tender 8/21/UMH931 -21/22 for road rehabilitation delayed at the evaluation stage with SCM. Tender closed 14/12/2022; Pre-evaluation 17.01.2023 evaluation is stil not finalised still inprogress. However the report should serve at BEC and BAC in September 2023 and the target wil be carried over and finalised in the new financial year	4,5	
T2.14	2.1.1.5			To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	Provision of public transport infrastructure facilities	Strive to improve reliability and service life of Municipal Infrastructure, facilities and assets	Percentage of reported potholes fixed within standard Municipal response time	80%	84%		80%	88%	106%	N/A	85%
T2.15	2.1.1.7					Construction of Pedestrian Bridges	8	0	8	5	0	0%	Project delayed due to Enviromental Studies not finalised on the planned time frame Contractor has been awarded In June 2022 and SLA has been signed in March 2023. Enviromental consultant is busy updating all enviromental studies and finalizing EIA's (through City Development) then after the project is planned for completion by end of June 2024.	8	
T2.16	2.1.1.6	Provision and maintenance of storm water and costal engineering infrastructure	Kilometres of Stormwater open drains maintained			28,74	26,42		57	121	212%	N/A	64		
T2.17	2.1.1.6		Number of manholes maintained (Incl kerb inlets)			1084	1303		1084	1368	106%	N/A	240		
T2.18	2.1.1.5	Provision of public transport infrastructure facilities	Maintenance on municipal owned railway sidings resulting from monthly inspections			100%	100%		100%	100%	100%	Rail report still to be served at the Infrastructure Services committee and Council for the final decision.			

UMHLATHUZE TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN 2022/2023														
Indicator Number	IDP Ref	Outcome 9	B2B Pillar	Objective	Strategies	Performance Indicator	Baseline		Backlog	Mid-year Amended Target 2022/2023	Annual Actual Output	% achievement against target	ANNUAL RESULTS	Annual target 2023/2024
							Amended (mid-year) Annual Target 2021/2022 Output	Actual 2021/2022					Corrective action for Annual target not met / remarks	
KPA2: Basic Service Delivery and Infrastructure Development														
T2.19	2.1.2.1	Improving access to basic services	Service Delivery	To promote the achievement of a non-racial, integrated society through the development of sustainable human settlement and quality housing	Improve community standard of living through accelerated development of integrated human settlement	Number of subsidised housing units completed	0	0		20	0	0%	A meeting with the Subcontractor and the Contractor was held on the 13 June 2023 where the Contractor agreed to increase his team. Progress has been seen as they have started moving with the slabs DMS 1608988 progress report.	173
T2.20	2.1.2.1					Percentage of Pre 1994 Old Housing stock transferred	71	34	38	100%	0%	0%	The Municipality and Provincial Department of Public Works are awaiting the Provincial Treasury Department approval on the disposal of Public Works properties. The Provincial Department of Public works has requested MEC intervention, communication from Public Works official on DMS 1607447.	38
T2.21	2.1.2.2					Number of Post 1994 Old Housing stock transferred	43	33	46	46	34	74%	The Municipality and the IA are still working on the cases with various challenges as outlined on DMS 1591484. The plan is to work with ward committee members and affected ward Councillor /s to trace the beneficiaries. In addition, there is consideration for an advert to put a call out to the public for beneficiaries that have been traced for several times without success. Draft advert is on DMS 1611920.	20
KPA 3: Local Economic Development														
T3.1	3.4.1.2	Actions supportive of the human settlement outcome		To promote social cohesion	Development of community facilities	Number of sport field upgraded/constructed	5	5		0	0		N/A	-
T3.2	3.1.5.3					Number of community facilities i.e. halls/museum/library upgraded	4	1	3	0	-		N/A	-
T3.3	3.1.5.3			To implement and co-ordinate Expanded Public Works Programme (EPWP) in a manner that enhances skills development and optimizes decent employment and entrepreneurship	Promoting economic growth by providing skills empowerment to the unemployed	Number of unemployed youth re-skilled	80	186		80	232	290%		80
T3.4	3.1.5.1					Promote economic growth by successful implementation of EPWP community based projects	Number of jobs created through EPWP and other related programmes (Infrastructure; Environment and Culture; Social and Non State Sectors)	718	1027		720	1196	166%	
KPA 4: Municipal Transformation and Institutional Development														
T4.1	4.1.1.2	Implement differentiated approach to municipal financing, planning and support	Building Capable Local Government Institutions	To create an appropriate organisational climate that will attract and ensure retention of staff	Compliance with Employment Equity Act	Number of women employed by the municipality (Number of new appointments)	20	31		38	44	115%	N/A	20
T4.2	4.1.1.2					Number of Youth employed by the municipality (Number of new appointments)	40	44		54	54	100%	N/A	20
T4.3	4.1.1.2					Disability related programmes (workshops/awareness campaigns)	2	0	2	4	4	100%		4
T4.4	4.1.1					Top Management stability (% of days in a year that all S56 positions are filled by full-time, appointed staff not in an acting capacity).	95%	88%		99%	96%	99%	DCM: Corporate Services position became vacant after resignation of incumbent. Recruitment processes has commenced and the position will be filled within the first quarter of the new financial year	90%
T4.5	4.1.1.4			Improved municipal capital capability	Workplace Skills training programmes/courses enrolled for by staff and councillors	155	219		60	126	210%	N/A	10	
T4.6	4.1.1.1				Percentage Budget Spent on Workplace Skills Plan (cumulative)	95%	96,4%		95%	95%	100%	N/A	95%	
T4.7	4.1.1.1				Percentage Operating Budget spent on implementing Workplace Skills Plan	1%	1%		1%	1%	100%	N/A	1%	

UMHLATHUZE TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN 2022/2023														
Indicator Number	IDP Ref	Outcome 9	B2B Pillar	Objective	Strategies	Performance Indicator	Baseline		Backlog	Mid-year Amended Target 2022/2023	Annual Actual Output	% achievement against target	ANNUAL RESULTS	
							Amended (mid-year) Annual Target 2021/2022 Output	Actual 2021/2022					Corrective action for Annual target not met / remarks	Annual target 2023/2024
KPA 5: Financial Viability and Financial Management														
T5.1	5.1.1.4	Implement differentiated approach to municipal financing, planning and support	Sound Financial Management	Compliance with financial legislation and policies	Compliance with all MFMA and related local government financial legislation	Debt coverage ratio (cumulative)	<45%	916 084 979 / 3 421 336 707 = 27%		<45%	33%	100%	N/A	<45%
T5.2	5.1.1.4			Cost coverage ratio (cumulative) (Excluding Unspent Conditional Grants) <i>(DMS 1513248 for Formula: T5,2)</i>		2	665 071 621 / 277 319 825 = 2.4		2	1,5	75%	The actual output is slightly below the target as a result of sluggish economy in the country which has resulted in consumers not being able to pay for services. The municipality started to install prepaid water meters in order to try and resolve the issue of none-payment. It be noted that the accepted norm in terms of circular 71, the norm is between 1-3.	2	
T5.3	5.1.1.4			Collection Rate <i>(DMS 1513248 for Formula: T5,3)</i>		95%	95%		95%	91%	96%	The target was not met due to sluggish economy, however there has been some improvements with the start of the new financial year. The FS department has embarked on a Siyazizana road shows, meeting with AMAKHOSI, and introduced epayment platform to improve collection.	95%	
T5.4	5.2.1.6			Sustainable Financial and supply chain Management		Percentage Capital Budget spent on Capital project i.t.o. IDP <i>(DMS 1513248 for Formula: T5,4)</i>	834 530 300 834 530 300 = 100%		100%	93%	89%	The COO has been requested to champion project steering committee meetings to assist in monitoring project implementation and report on progress. Also on EMCO meetings, Projects update is the standing item.	100%	
T5.5	5.1.1.4			Compliance with financial legislation and policies	Compliance with all MFMA and related local government financial legislation	Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure) <i>(DMS 1513248 for Formula: T5,5)</i>	25% - 40%	1 009 016 836 / 3 666 926 481 = 28%		25% - 40%	23%	100%	N/A	25% - 40%
REPORTING INDICATORS <i>*Note that these indicators are for reporting purpose, no targets set for them.</i>														
T1	2.1.1.1	Improving access to basic services	Service Delivery	To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	Eradicate water services backlogs through provision of basic water services	Percentage Households with access to basic water	97,32%	96,93%			97,62%			
T2	2.1.1.1					Total number of Households with access to basic water	107544	107107			107877			
T3	2.1.1.1					Number of Households with access to free water service	10031	11422			27563			
T4	2.1.1.3				Eradicate Sanitation services backlogs through provision of basic sanitation services	Percentage Households with access to sanitation	80,94%	80,94%			80,94%			
T5	2.1.1.3					Number of Household with access to Sanitation	89444	89444			89444			
T6	2.1.1.3					Number of Households with access to free sanitation (VIP's) service & Indigent	60260	60948			61013			
T10	2.1.1.2				Eradicate electricity supply backlogs through provision of basic electricity supply services	Number of dwellings provided with connections to the mains Electricity supply by the Municipality	35 702	35 663			35 794			
T11	2.1.1					Number of dwellings with access to free Electricity (Municipal supply area)	581	584			690			
T7	2.1.1.4				Provide a weekly domestic solid waste removal service to the community	Percentage Households with access to waste disposal	73,8%	73,7%			73,9%			
T8	2.1.1.4					Number of Households with access to waste disposal	81 506	81610			81632			
T9	2.1.1.4					Number of Households with access to free waste disposal	35 108	37958			38238			
T12	2.1.1.1				Eradicate water services backlogs through provision of basic water services	Total volume of water delivered by water trucks	New indicator				37799			

COLOUR CODING DESCRIPTION ACHIEVEMENT AGAINST TARGET

CATEGORY	COLOUR	EXPLANATION
KPI's Not Met		0% > Actual/Target < 95%
KPI's Met within 95%		Actual/Target = > 95% - 99,9%
KPI's Met (100%)		100% > Actual/Target < 101,9%
KPI's Over Achieved > 102%		Actual/Target > 102%
KPI's Target In Future		N/A - Not scored

LEGEND: KEY FOR PERFORMANCE INDICATORS:

Priority (National general KPI's)

KZN CoGTA Excellence awards criteria

Additional /Departmental criteria

Additional Top layer SDBIP consolidated service delivery operational targets

Comments:

Access to electricity (New connections): The quarterly targets and achievements for this KPI are dependent on the number on consumer applications received.

Free basic Service (Households with access to free electricity): The Quarterly targets and achievements for this KPI are dependent on the number on indigent applications received and dependant on the qualifying consumers to collect their free services tokens on a monthly basis.

Total number of households: The annual targets for basic services as reflected in the approved IDP have been aligned with Stats SA (2016 Survey), targets have been aligned since 2017 to the total number of 110 503 households to include the additional households of the four wards included from former Ntambanana municipality.

ACHIEVEMENTS: The annual achievements as reported in the Actual (June 2022) column was subjected to validation during the Internal Auditing process (in line with the appointed panel of Internal Auditors and the Municipal Public Accounts Committee) and will be submitted to the Auditor General (AG) together with the audited Annual Financial Statements and AG Report for inclusion in the uMhlathuze 2021/2022 Annual Report once validated

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

OFFICE OF THE CITY MANAGER BUSINESS UNITS



**MS THEMBEKA KHUMALO
CHIEF OPERATIONS OFFICER**

Introduction

Office of the City Manager comprises of Integrated Development Planning, Internal Audit, Enterprise Risk Management, Performance Management System, Marketing and Communications and Public Participation units. Through these units, the office of the City Manager is able to fulfil its strategic role which is to ensure the development of strategic goals, integration and alignment to different strategic priorities (internal, district, nationally and internationally), effectiveness and efficiency of operations, tracking and monitoring performance at an organisational level, quality assurance, good governance, stakeholder engagement and community participation.

As local government, adherence to relevant legislation prescripts is paramount. Accordingly, the Office of the City Manager ensures the development of processes and systems which create a foundation for good governance. Amongst those, are functioning Project Steering Committee that monitors performance both financial and non-financial for capital projects, Internal Audit Committee, Enterprise Risk Management Committee, Performance Audit Committee, and Municipal Public Accounts Committee.

External relations and projects/ programmes

The City, through the office of the City Manager continues to forge and strengthen relationships with strategic stakeholders including multinationals within and outside of South African borders. The City has a long standing partnership with the two State Owned Entities in the region, namely; Richards Bay Industrial Development Zone and Transnet. There are a number of strategic programmes that have been and will be coordinated and planned, implemented together with these two institutions. RBIDZ is instrumental in bringing in foreign direct investments in the region which in turn not only contribute into the economy and Provincial GDP but also address socio-economic challenges like unemployment and lack of business opportunities for small businesses. The Port of Richards Bay known to be the deepest harbour in the continent opens up vast opportunities including infrastructure development as a spin- off from Port of Richards Bay expansion master plan. Good relations are not only limited to the two State Owned Entities; the City also engages with all industries located within its boundaries through different structures like Multi Stakeholder Engagement Forum, chaired by the Mayor. Internationally, the City has revived its relationship with the United States of America's Consulate based in Durban. Through the Consulate, the City plans to engage with Sister Cities across the globe and participate on exchange programmes. Also, there are discussions with BRICS Skills Development Council on exploring opportunities for uMhlathuze citizens, particularly the youth.

Through these engagements, the City has subsequently formed partnerships which have brought about a variety of programmes that aim to address socio- economic challenges in the City, in response to the City's Strategic intent of ensuring betterment of citizens lives beyond the provision of basic services.

The following were projects and programmes established and implemented:

Science, Technology, English, Engineering and Mathematics (STEEM) programme which aims to address literacy gaps in science, English, engineering, mathematics subjects and in turn changing the trajectory of the next generation particularly from the underprivileged and previously disadvantaged communities and preparing them for evolving industries and careers. This initiative was not established in isolation, but in alignment to International, National, Provincial and District Strategic goals, one of them being, Sustainable Development Goal 4: Quality Education.

City's partners contributed equipment and materials to the Amangwe High School as a pilot school, through this intervention, neighbouring schools are also benefiting, further to that as part of STEEM, CHIETA through Algo AtWork Academy funded 40 learners from Amangwe and other local schools to be trained on coding and robotics skills. For

more initiatives of this nature, the City is still engaging different stakeholders, the Department of Science and Innovation is currently reviewing the City's application for more initiatives on **innovation for education**.



Science, Technology, English, Engineering and Mathematics programme launch



Science, Technology, English, Engineering and Mathematics programme launch

Donation to support Safer City Strategy as adopted in 2022: City received funding from Hulamin supporting Traffic law enforcement unit with additional six traffic officers and 2 hired vehicles.



City receiving two vehicles to be used by Traffic law enforcement personnel

Support of beneficiaries profiled through Operation Sukuma Sakhe: Operation Sukuma Sakhe is the structure that involves all sector departments at the ward level. Through this structure, beneficiaries are profiled and processed through relevant channels which leads to building of houses through Human Settlements, however through negotiations with partners the City managed to build a house for Mrs Gumede whose situation needed urgent attention and intervention.



House donated to Ms Gumede

Intergovernmental Relations

In the spirit of Intergovernmental Relations Framework Act 13 of 2005, the City is and has implemented the following initiatives in partnership with other sector departments:

- **Armed Forces Day:** In partnership with South African National Defence Force, City hosted a very successful Armed Forces day which contributed into local economy, particularly in the hospitality sector;
- **Smart Sustainable Cities:** Department of Cooperative Governance (DCoG) have since developed the “South African Smart Cities Framework” (SCF). The City is using the Framework as a guide. This concept is implemented through a multi –stakeholder approach and multifaceted approach already having bilateral with partners like University of Zululand, Department of Science and Innovation, international organisations; amongst others.

The aim is to use ICTs and other means/ innovative ways to improve quality of life, efficiency of urban operation and services, and competitiveness, while ensuring that the City meets the needs of present and future generations with respect to economic, social, environmental as well as cultural aspects. To date the City has established the Smart City Steering Committee with approved Terms of reference. Further to that, the City has been recognised for its different initiatives including Municipal Innovation Awards (MIRA) which was assessing innovation practises in municipalities. The City got this recognition for the use of technology – drones to deal with challenges of water losses.

- **Establishment of UMhlatuze and National Youth Development Agency Youth Centre** which will provide access for youth from uMhlatuze and the District to have access to services provided by NYDA including skills development programmes.
- **District Development Model:** The City coordinates and chair the Economic Sectors and Infrastructure Cluster. The structure’s objective is coordination and integration of economic and infrastructure programmes between municipalities, sector departments and local industries to maximise impact on service delivery and betterment of people’s lives.

Knowledge Management:

Knowledge Management, Exchange, Learning and Innovation initiatives are intended to promote knowledge sharing activities, effective and efficient use of resources, while laying a strong foundation on which to build a truly cross-cutting, City-wide learning and knowledge sharing capability.

Knowledge Management focuses on how organisations create, capture, measure, share and make use of intangible assets is increasingly important in a fast-changing knowledge economy. Organisations have always managed knowledge, even if they did not use the term knowledge management.

During the financial year under review, the City of uMhlatuze continued to strengthen partnerships with different partners like National School of Governance and University of Zululand as part of organised masterclasses as a mechanism to promote learning and growth as well as knowledge exchange for management and staff in general. Masterclasses included Monitoring and Evaluation, Art of Facilitating Urban Strategic Planning etc., and enhanced strategic engagement between the City of uMhlatuze. The City has produced a concept document on the City of uMhlatuze competitive advantage and critical success factor as part of knowledge management and preservation. Further, knowledge management includes benchmarking exercises with municipalities and other organisations. City's performance generally has prompted other municipalities to reach out for information sharing sessions. The focus areas include but not limited to functionality of Internal Audit, Enterprise Risk Management, ICT/ SAP and production of credible Integrated Development Planning. However, as much as other municipalities are learning on City's best practises, the City has not stopped advancing its own knowledge by engaging other institutions e.g. benchmarking on the Development of Smart and Sustainable Cities Framework with United for Smart Sustainable Cities Geneva;

Below is the table of all benchmarking exercise took place in the period under review:

<i>Organisation name</i>	<i>Date and Venue</i>	<i>Focus of discussion</i>
Mbashe Lower Municipality	22 September 2022, held in Corporate Services boardroom, uMhlatuze Municipality.	The functionality of the Office of the City Manager specifically the Integrated Development Plan, Risk Management, Performance Management, Internal Audit and Customer Service.
City of Matlosana	7 & 8 June 2022, held in Council Chamber, uMhlatuze Municipality.	The functionality of the Office of MPAC within the City
United for Smart Sustainable Cities Geneva;	20 April 2023, held virtually.	Development of Smart and Sustainable Cities Framework

Benchmarking with Mbashe Lower Municipality from Eastern Cape



Benchmarking with the City of Matlosana from North West Province



Agreements Signed:

The City signed Memorandum of Understanding with the following entities to ensure that services are delivered in an innovative and sustainable manner, addressing socio-economic challenges and to strengthen its relationships with the stakeholders:

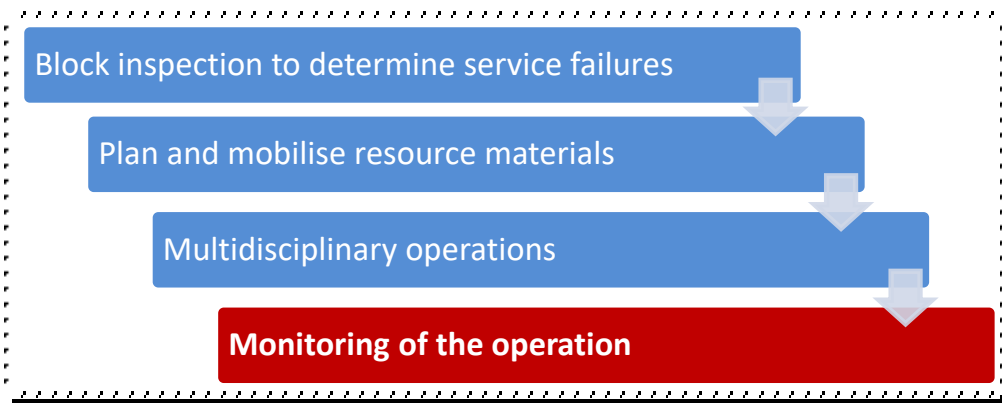
1. University of Zululand
2. Hulamin
3. South African National Defence Force
4. National Youth Development Agency

Intergrated Service Delivery through Area Based Mangement Programme

Targeted area based integrated service delivery operations were rolled out in different areas within the City. Priority was given to the strategic focus areas where ratepayers have outlined issued with delayed service delivery. Focus of the operations included inter-alia: rural- urban management, response to service breakdowns/failure, stakeholder engagement, civic education, public environmental upgrade etc.

The programme targeted one block per quota. Team Leaders from different service delivery departments planned and inspected the targeted Block in order for the confirmation of the state of preparedness for the operation. Continuous monitoring and evaluation throughout the operation was done by the relevant team leaders.

2022/2023 Process flow to ABM approach Quarterly per identified block.



2022/2023 AREAS TARGETED FOR ABM

2022/2023 AREAS TARGETED FOR ABM	Q1	Q2	Q3	Q4
Esikhaleni Cluster Ward 12	X			
ENseleni Cluster Ward 7 & 8		X		
EMpangeni Cluster Ward 23 & 9		X		
ENseleni Cluster Ward 5			X	
Ngwelezane Cluster				X

Outcomes of ABM through tackling of service delivery related challenges

- Reduction in service failures

- Clean environment by arresting systematic decay
- Multi-disciplinary response to urban management challenges
- Improve day to day maintenance of the urban environment and services
- Environment Upgrade (Aesthetic Guidelines) Currently CD and other areas are in progress
- Integrated Infrastructure Development (Area/Nodal Development) identification
- By Law enforcement acceleration
- Civic Education (Consumer education, save water, anti-littering, illegal connections) ongoing by relevant customer care units.



Area based management in action

Integrated Development Planning

Business Function

The IDP entails processes through which a municipality, its constituencies, various sector departments and interested and affected parties come together to prepare clear objectives and strategies which serve to guide allocation and management of resources within the municipal area of jurisdiction.

Key Deliverables

The primary functions include:

- Facilitating and coordinating the development of a credible Integrated Development Plan
- Facilitating and coordinating the development of the Corporate Plan
- Championing the Development of Sector Plans and Ward Profiles
- Ensuring alignment between the IDP and Budget and Performance Management Systems
- In producing a credible IDP, the unit works tirelessly to ensure proper planning and coordination. Various structures have been established to ensure proper co-ordination; this includes the IDP Steering Committee.
- The role is very important towards the growth of the city. If the IDP is not credible and poorly implemented, service delivery can be compromised.

Performance Management

Business Function

The unit is responsible for ensuring that the municipality inter alia complies with the Municipal Planning and Performance Management Regulations (2001), which stipulate that:

“ a municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players”.

Key Deliverables

The Performance Management Unit coordinates and ensures timeous submission of required performance monitoring and reporting through the Performance Audit Committee to the Council and to various organs of state. This is performed through quarterly Organisational Performance Report, quarterly Non-Financial Performance Targets in terms of the Service Delivery Budget Implementation Plan, quarterly reporting to both National and Provincial CoGTA, and the preparation of the annual Performance Report, reflected in Chapter 2 of this report.

The unit is continuously studying improvement opportunities, participating in workshops with various organs of state, attending of seminars and training sessions to stay abreast of development. It provides guidelines and information on best practices on Performance Management and ensures implementation and management thereof at the municipality to ensure continuous improvement on service delivery to the community.

Internal Audit

Business Function

The Internal Audit Activity (IAA) of the municipality is established and regulated by section 165 of the Municipal Finance Management Act No. 56 of 2003 (as amended) (MFMA) read together with the MFMA Circular no. 65 of 2012 issued by the National Treasury and by the Municipal Systems Act, No. 32 of 2000 (MSA) which provides for the establishment of the IAA so as to regulate the function and to provide for matters incidental thereto.

Internal audit exists to provide independent objective assurance and consulting insights on the effectiveness, economy and efficiency of the City of uMhlathuze's governance, risk and controls in order to create and drive innovation, responsiveness and sustainability of the service delivery value chain.

Key Deliverables

The critical success factors and deliverables for an effective Internal Audit unit include:

- **Three year rolling strategic and annual operational plans that is:**
- Aligned to strategic objectives of the organisation.
- Covering the strategic risk areas facing the organisation
- Risk based – addresses the key risks areas/concerns of management.
- Prepared in consultation with management, the audit committee and external auditors and other stakeholders.
- Matching assurance needs with available resources.
- Trusted advisors to management
- Promoting the sustenance of an effective internal audit function
- Promoting accountability
- Performing consulting activities in accordance to client needs
- Assisting management with the enhancement of the overall governance, risk and internal control environments
- Conducting performance audits to derive value for money on operations

- Maintaining a Quality Assurance and Improvement Programme:
 - That covers all aspects of the internal audit activity.
 - The programme includes an evaluation of the IAA's conformance with the definition of Internal Auditing and the Standards, and an evaluation of whether the internal auditors apply the Code of Ethics.
 - The programme also assesses the efficiency and effectiveness of the internal audit activity, and identifies opportunities for improvement.

Enterprise Risk Management

Business Function

The City of uMhlathuze defines risk management as a holistic and smart approach to managing threats to the achievement of objectives, as well as identifying and pursuing opportunities that may improve achievability of objectives. We understand the importance of thinking ahead so that services are delivered to our communities, on time and according to the highest standard. We are of the belief that this thinking ahead can only be achieved through active, entrenched Enterprise Risk Management.

Key Deliverables

The functional key performance areas of the Enterprise Risk Management unit include:

Enterprise Risk Management;
 Fraud Risk Management;
 Business Continuity Management; and
 Legal Compliance Risk Management

Enterprise Risk Management Committee (ERMC)

The City's Risk Management Committee was established in terms of the Local Government Risk Management Framework. Its membership comprises an externally appointed and independent Chairperson, the City Manager, his 6 Deputy City Managers, The Chief Operations Officer and Heads of Sections within the Municipality. Subject specialists and risk owners are also invited on an ad hoc basis when required to present on matters tabled before the committee.

The Risk Committee functions under an approved Charter and meets every quarter. The primary objective of the committee is to assist the City Manager and Council in discharging his/ its accountability for risk management by reviewing the effectiveness of the Municipality's risk management systems, practices and procedures, and providing recommendations for improvement.

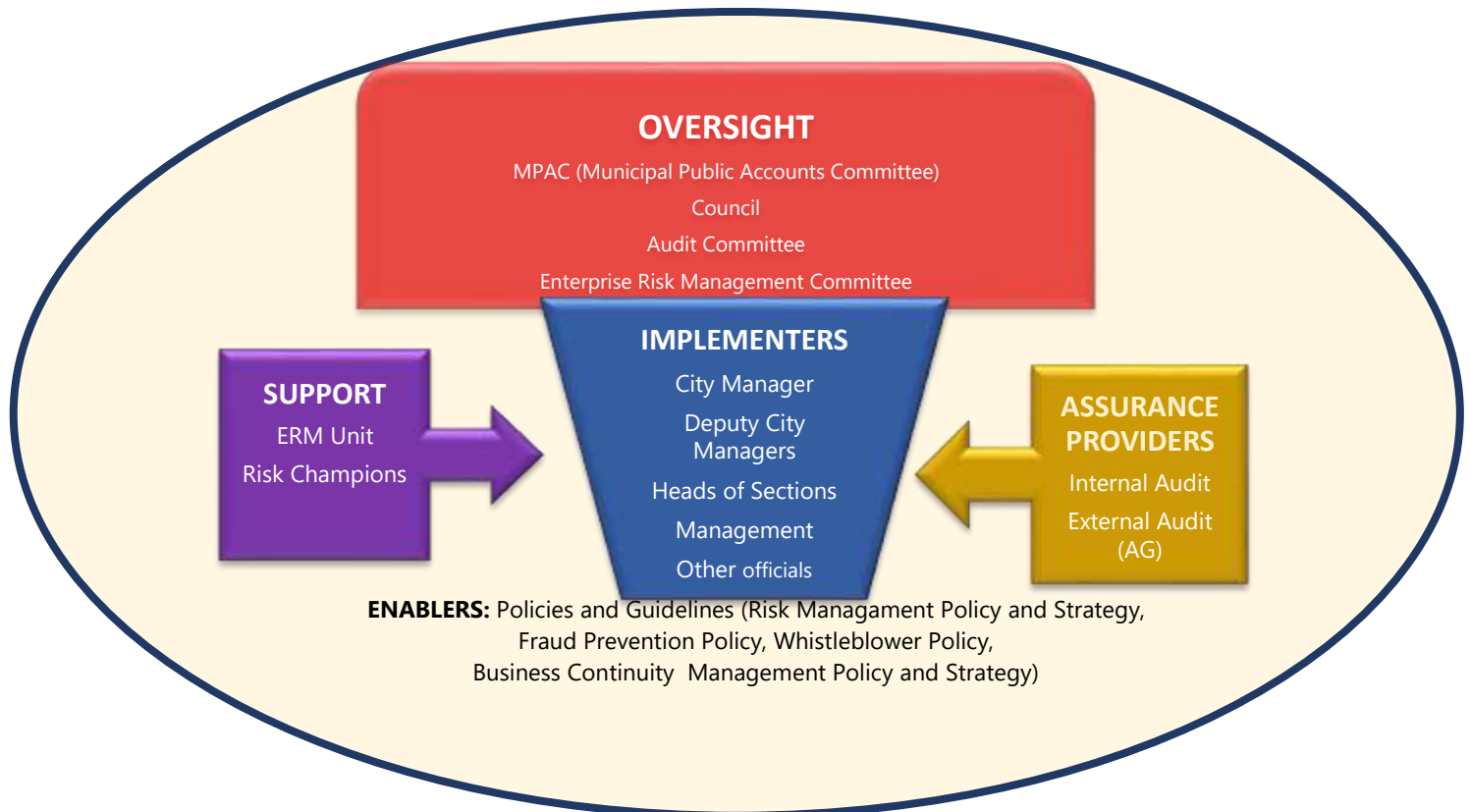
One of the main focuses of the committee is the quarterly review of the Strategic Risk Register which ensures that risk treatment plans are strategically aligned and implemented within

required timeframes in order to address the mitigation of risk to acceptable levels in line with the organisational policy and strategy.

Risk Management Structure

The Risk Manager is supported by a Risk Specialist and Risk Champions in each business unit who are appointed by the City Manager; and trained and equipped to co-ordinate risk management activities within their departments.

The following is a depiction of the structure in which risk management activities are managed:



Risk Assessment

Our risk registers are living documents in which we record the threats and opportunities which are present or may arise in the fulfilling of our mandate.

Risk Identification, Assessment and Analysis takes place on three different levels:

Operational: Each business unit maintains a register of its risks which is used as a tool to monitor and manage threats to the achievement of the objectives of the business unit. Such registers are updated monthly and are used as the basis for sectional meeting discussions as well as for tracking of mitigations.

Strategic: The municipality has in place a register which contains an assessment of the risks related to organisational objectives as set out in the Integrated Development Plan. Risk assessment is conducted annually and the document is reviewed quarterly and when necessary in order to ensure that changes in the various environments are taken into account.

Project: All projects with a value of R10million and above are required to have in place project risk registers, which assists management to proactively manage any risks which may threaten the successful completion of projects.

Communications, Marketing and Outdoor Advertising

Business Function

Communication is central to local governance and the provision of quality services to public citizens. This is largely as a result of the role it plays in mobilising residents to participate in communicating a message of hope about the progress, challenges and opportunities in bettering the quality of life of people in communities. Communication is a key strategic service to ensure that information is widely accessible within the public space, to engage citizens in conversation around critical issues and to empower citizens to participate in not only shaping City of uMhlathuze policies and bylaws but also in taking up opportunities that affect their lives. The Communications and Marketing unit is tasked with the responsibility of communicating programmes and policies of the municipality both internally and externally. The Unit provides strategic direction for interaction with stakeholders, promotes the work of the municipality, and protects the brand identity and image of the City of uMhlathuze Municipality. The Unit engages in various Communication and Marketing Strategies at multiple levels to foster active stakeholder involvement in municipal governance processes and to build awareness of the municipality's programmes. The work of the Unit is further governed by the Municipal integrated communication strategy. This section's function is to carry the vision and the mission of the City of uMhlathuze to greater heights through robust communication, marketing and promotions in order to achieve its objectives.

During the 2022/2023 reporting period, Social Media Communication and Digital platforms were drastically enhanced, as with technology, in order to reach out to as much community and stakeholders as possible. Strategic marketing events and activations were ongoing throughout the financial year

City of uMhlathuze official social media pages were enhanced with Facebook page reaching more than 223 000 followers, Twitter page followers 212 000 reaching over 1893 000 memberships and Instagram followers 12,246 000. Bulk Vodacom sms programme consists of 26 751 registered users. This means that members of the public are relying on online technology and have become accustomed to official social media updates and smses pertaining to municipal service delivery and government notices.

Communication plays a central role to disseminate and cascade council resolutions and programmes to relevant internal and external audiences through proper and formal mediums of communication timeously. The vision and the mission of the City of uMhlathuze ought to be carried to greater heights through robust marketing and promotions in order to achieve its objectives of being a port city offering a high quality of life for all its citizens through sustainable development and inclusive economic growth. The Brand uMhlathuze has now comfortably

gained a lot of traction in KwaZulu-Natal and Nationally through good performance and clean governance.

Key deliverables

Communication and Marketing Unit plays a central role in packaging all products, services, Council programmes, and special programmes to formulate an effective communications campaign tailor-made for unique variety of audiences.

The Unit reports in the Office of the Municipal Manager with dotted line to the Political Office. It offers communications and marketing services to all municipal departments and caters for the internal and external communications need for the City through strategic mechanisms. The Communication Unit is the custodian of the brand: City of uMhlathuze. The unit has a responsibility to promote, protect and further develop the brand through different creative programmes and awareness activations.

The City of uMhlathuze demographics dictates massive effective public relations and media campaigns in order to meet expectations, communicate services and product offering, facilitate feedback from stakeholders, sector groups, companies and multilingual and multiracial communities living side by side. The accurate audience segmentation contained in the Integrated Marketing and Communication Strategy effectively makes it easy to achieve this goal. Communications and Marketing is segmented as follows:

Public Communications

Public Communications Unit is responsible for the day-to-day implementation of the Strategic goals of the City of uMhlathuze to reach out to as many people as possible using simple and understandable language/s as per the demographics and audience segmentation.

The Unit liaise with Accounting Officer, Senior Management and all Unit Managers to solicit information to be packaged and published to communities, stakeholders and employees. The Unit works closely with the Offices of Political Office Bearers (POBs) to offer their communications and Public Relations needs and requirements. Planning and Events Management coordination in liaison with relevant internal Department, POBs and external stakeholders such as Public Entities, Government Departments and independent event's organisers, resides in the Public Communications Unit. Public Communications Unit has a responsibility to communicate and facilitate responses and service delivery complains and channel them towards relevant section for further processing. The Unit has successfully created a number of communication platforms that has proved to be effective. The City utilises the following platforms:

Website

City of uMhlathuze website serves as the first-stop marketing tool and information dissemination platform for the City. Compliance information such as financial statutory reporting, tender notices, request for quotations, service delivery notices are published on the website. The website is hitting millions of visitors on a monthly basis and interestingly the analytics depicts that it is also visited by international communities seeking information about the City of uMhlathuze.

Newsletter

uMhlathuze Wami is an external newspaper containing all City news in both English and isiZulu. uMhlathuze Wami newsletter is a tailor-made communication tool that enables the City to connect with its stakeholders and prospective partners. The Newsletter is an informative read

that contains information on all the City's projects, service delivery achievements and decisions taken by Executive committee and Council. uMhlathuze Wami is a quarterly newsletter distributed to communities at large.

Bulk SMS Portal

On the reporting year 2022/2023 this portal was sitting at just over 26 751 members from all wards. The segmentation per sector such as Councillor Group, Ward Group, Cluster Group, etc. makes this platform effective in instantly communicating service delivery messages and any other government information via the SMS. The Municipality activated a transversal contract with Vodacom to guarantee continuous service.

Internal Communications (Vibe)

This is an electronic internal communications platform only for employees. This platform is a strategic internal communication tool to engage employees and foster a culture of brand ambassadorship, the unit has opted for this function to go paperless, saving printing costs. This platform creates awareness and understanding on municipal programmes and policies among staff.

Mainstream Media

Public Communications Unit works with members of the media on a daily basis and on a variety of aspects from crafting and distribution of Media Statements, entertaining Media Queries, strengthening media relations, on behalf of the City of uMhlathuze and its Political Office Bearers. The Unit has managed to gradually build its good working relations with local, provincial and national media sector.

Strategic Publications

The Unit has worked with strategic publications in profiling the City and its achievements and sharing the vision going forward. The Unit also places strategic advertisements in different media platforms namely the Zululand Observer both print and online publication to achieve maximum targeted messaging. The partnership between the City, Transnet and the Richards Bay Industrial Development Zone (RBIDZ) also creates platforms for communication through their products such as newsletters, brochures, etc.

Social Media

The Communications Unit has moved with times and migrated a large chunk of community members to join the City of uMhlathuze Social Media movement to receive authentic and reliable notices, information, receive and resolve service delivery complaints, through the Social Media Platforms such as Facebook, Twitter and Instagram. These platforms are instant and able to reach a number of community members at one go. In the reporting financial year, the following on the City of uMhlathuze Social Media pages combined was sitting at more than **12 681 000**

Media Monitoring

The Communications unit sourced services of an external Service Provider, Meltwater, to do the local, national and international media monitoring and generated reports on daily basis and monthly analysis. The facility also tracks social media mentions of the City and the Mayor. This assists in alerting the City on issues of public interests and where some responses are required.

Marketing and Branding

Responsibilities of this sub-section is to strategically position the City of uMhlatuze as an economic hub of the northern KwaZulu-Natal, a fundamental player in the GDP of the Province and the country, a preferred investment and tourism destination and a liveable city to diverse markets. To build, protect and promote the image of the City at all times through a number of programmes and projects aimed at achieving the realisation of the marketing strategies and tactics. The Brand uMhlatuze has gradually gained a lot of traction in KwaZulu-Natal and Nationally through good performance and clean governance and as a result, the National Treasury, thus depicting the City as a preferred investment destination of choice, has listed it in the Top 5 leading municipalities with good finances in the past year. Communication and Marketing therefore plays a central role in packaging all products, services and Council programmes then sell them to different markets and audiences to solicit strategic partnerships for investments encourage public participation and empower communities with information.

Achievements

The key highlights of Communications initiatives for the financial year include the following:

- Rapid growth in the use of all municipal social media platforms by Public citizens
- City of uMhlatuze shared the best Practice in Communication and Social media in the National Communicators Forum
- City of uMhlatuze is presented at SALGA as being the most effective communication practice in a coalition led Municipality
- The Municipality featured on Carte Blanche: The City continues to fight against illegal coal stockpiling

Public Participation and Council Support

Section 152 (1) of the Constitution states that the object of Local Government is:

“(e) to encourage the involvement of communities and community organisations in the matters of local government and that (2) a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in Subsection (1).”

The unit is charged with ensuring that there is an organised and structured manner in which the Municipality communicates and/or consults the community on their developmental needs, so that intervention programmes can target real community needs, There are Thirty Four Ward Councillors and 340 Ward Committee Members aimed at maximising and strengthening public participation. The same unit ensures that ward committee vacancies are closed by means of by elections.

Councillor Support

This unit focuses on the capacitation of Councillors, various trainings /seminars, workshops has been offered to equip the Councillors on better service delivery.

Ward Committee System

In all 34 wards, Ward Committees have been elected, the section is co-ordinating the administration and activities of ward committees by giving support to Ward Councillors and Ward Committee members. In its policy regarding the ward committee system Council stipulated that ward committee meetings are to be held monthly, and ward public meetings are to take place once in three months (quarterly). This process allows for the Ward Councillor and Ward Committees to report back to their communities. uMhlathuze Municipality has taken the initiative of capacitating ward committee members in order for them to effectively carry out their duties.

As part of Council's commitment to motivate ward committee members, Council has a budget set aside to compensate them for meeting attendance.

Admission of public meetings

Council make use of the above mentioned mechanisms to publicize the time, date and venue of every meeting of Council and that of its Committees as prescribed by section 20 of the Municipal Systems Act. Members of the public including the local media are admitted to sit in these meetings.

Facilitation of Council projects

Prior to implementation of Council projects e.g. capital projects, Public Participation and Councillor Support division involves All Councillors, Ward Committees and the Communities at large to prepare them for the project. Input, views, comments, fears and complaints raised by the affected community pertaining to the project are taken into consideration and addressed prior to commencement. This process encourages the community to look after and take ownership of such projects once completed. The City recognizes the rights of the community to take part on matters affecting their lives.

Consultative sessions with traditional authorities

With the incorporation of tribal areas within the City, the Section has been pro-active in holding consultative sessions with the Amakhosi and Izinduna This includes entering into negotiations with them, inviting Amakhosi representatives to participate in municipal issues and also to notify them of municipal projects to take place in their areas. Furthermore, we have Amakhosi that sits and attend Council meetings on monthly basis. Their views and inputs are also addressed. This process is aimed at improving working relations with traditional authorities and expediting the smooth process of service delivery in such areas.

Consultative sessions with Community organizations

The existence of community organizations within the City is being recognized. Public Participation and Councillor Support unit liaises with community organizations (Non Governmental Organizations and Community Based Organization.) This includes women and youth structures, religious groups, sport organizations and other groups.

Council has also by way of resolution, adopted the following principles which are aimed at promoting public participation and empowerment programmes:

- The processes of engaging the community in the IDP, Performance Management System and Budget etc, be regularly reviewed to stimulate and enhance public

participation by ensuring creation of favourable and enabling conditions e.g. spreading of meetings to various areas to maximise attendance as well as to accommodate diverse cultural and social factors; running supplementary articles on IDP issues etc;

- Municipal documents such as Local Government Laws, Integrated Development Plan, Bylaws and Policies be placed in the libraries administered by the municipality;

Special programmes

The mandate of the Special Programmes Unit is to promote facilitate, coordinate and monitor realisation of the rights of children senior citizen, people with disabilities, people living with HIV /AIDS, men and woman and promotion of religious sector and moral regeneration programmes.

Youth unit

The vision of the Youth Development Unit is to create a conducive environment with nth city of uMhlathuze Municipality for young people to reach the age of 35 as viable citizens who will effectively contribute in the further development of their communities. The Youth Development Unit, further interact / consults with various stakeholder ie Municipal Officials, Government Departments, Private Sector and Youth people regarding Youth development.

Operation Sukuma Sakhe

Operation Sukuma Sakhe (OSS) is a Provincial programme that was founded on the premises of taking Government to the people in a coordinated manner. OSS is a call for the people of KwaZulu-Natal to stand up to overcome the issues that have destroyed communities such as HIV and AIDS, TB, poverty, unemployment, crime, substance abuse and other social illsIt is about communities working together to rebuild the fabric of society, in partnership with multiple stakeholders through a multi-sectoral and integrated service delivery model.

Ward information tabled on Appendice F

CORPORATE SERVICES



**MR MB SIBIYA
ACTING DEPUTY CITY MANAGER CORPORATE SERVICES**

INTRODUCTION

The Department: Corporate Services consists of four (4) sections in the main, and these are:

- Administration;
- Human Resources;
- Legal Services, and;
- Information and Communication Technology.

Corporate Services exists to execute its varied mandates with a view to enhance municipal services delivery initiatives and the welfare of all employees. The Department is regarded as a nucleus of a municipality given its organization-wide services provision role.

It provides administrative support services to all Departments, as well as to Council's structures and Committees. It is an integral part of the support structures of the municipality and around which the different departments rely to discharge their respective responsibilities.

The Department is strategically located to enable the municipality to achieve its legislative mandates.

ADMINISTRATION SECTION

The Administration Section provides strategic administrative support to both Council and the administration of the municipality. The Section is made up of the following sub-sections, namely, Diverse Administration, Call - centre, Facilities Management, the Airport, Secretariat and Records Management.

DIVERSE ADMINISTRATION

THE CUSTOMER CARE SERVICE DESK

This section comprises of a four-person-team. The Customer Care Service Desk undertakes the following primary functions, among other things:

- attends to walk-in customers;
- receives applications for water and electricity connections;
- distributes tender documents once they have been paid for;
- registers new electricity meters;
- directs customers to relevant officials, and;
- Any general enquiries from the public.

The Customer Service Desk also provides information to the community relating to any interruption of service delivery matters e.g. load shedding information and the location of Government Departments.

TABLE ####: CUSTOMER SERVICES DESK ACHIEVEMENTS

Months	July 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	March 2023	April 2023	May 2023	June 2023	Total for the year
New water connections	18	10	4	12	10	20	5	6	8	5	11	11	120
New electricity connections	11	5	1	9	10	4	4	5	0	0	4	3	56
Tender documents issued	0	358	144	156	45	56	21	14	111	54	91	135	1 185
Water faults	106	108	100	94	101	72	69	104	119	100	97	133	1 203
Electricity faults	42	57	94	68	50	31	96	40	51	58	49	88	724
General Queries Reports	241	151	142	222	201	103	200	184	171	130	181	218	2 144

CALL CENTRE

The Call Centre also provides information to the public relating to any interruption of service delivery matters such as load shedding information, collection of waste, the location of Government Departments, the contact numbers and any other general enquiries.

The Call Centre attends to telephonic complaints using the toll-free telephone system and operates twenty-four (24) hours, seven (7) days a week. The following departments receives most of the service delivery issue calls:

Department: Infrastructure Services

This department deals with service delivery complaints on issues such as burst pipes, water leaks, meter faults and repairing of potholes. Complaints are logged through the SAP CRM system which is then distributed to the relevant Section to attend to. The system automatically generates a reference number that goes to the customer in a form of an SMS as well as to the relevant Ward Councillor and department via email. Once the call has been logged with the relevant department, an SMS will be generated with the works order number and then sent to the complainant and the Ward Councillor.

Department: Electrical and Energy Services

This department deals with service delivery complaints on issues such as electricity supply, electrical faults, power failures, unit replacements, transfer of units, meter testing, unsealed meters, cable faults and faulty street lights.

TABLE####: INCIDENTS LOGGED THROUGH THE CALL CENTRE

Months	July 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	March 2023	April 2023	May 2023	June 2023	Total for the year
Incidents logged through Call Centre	1 034	1 049	1 163	1 171	1 861	2 272	2 858	2 642	2 589	2 268	2 791	2 441	24 139

SWITCHBOARD

While the Call Centre deals with service delivery complaints, the switchboard screens telephone calls and transfers them to the following sections:

Department: Community Services

The Switchboard receives calls regarding waste removal, booking of the sports facility and halls, complaints about overgrown grass / trees, etc. which are forwarded to the relevant sections.

Department: City Development

Calls requesting information and queries on building plans, housing matters, outdoor advertising, informal business licenses, land sales, property evaluations and property leasing are transferred to the relevant sections.

Department: Corporate Services

Calls regarding public participation, business licenses, records management, legal matters, tender notices, human resources, ICT etc. are referred to the relevant sections.

Department: Financial Services

Calls regarding Expenditure and Income, which are further divided into various divisions and sections to cover the spectrum of related functions and actions being delivered to the community i.e. account enquiries, final demands, new accounts, Rates Clearance Certificates, Revenue, Budget, Creditors and Supply Chain Management, etc. are referred to relevant sections. The Switchboard receives a large number of calls regarding accounts' status, unblocking of accounts, requests for water and electricity reconnections, etc. During office hours these calls are transferred to the Financial Services Department.

Department: Infrastructure Services

Calls regarding Transport, Roads and Storm water, Water and Sanitation, Engineering Services are referred to relevant sections.

Department: Electrical and Energy Services

Calls regarding Electricity supply, power outages, etc. are referred to relevant sections.

Office of the City Manager

Calls regarding the Enterprise Risk, Audit and Business analysis, Performance Management, Public Participation, IDP and Marketing and Communication are referred to relevant sections.

he Switchboard operates from 07:20 to 16:00.

The following are the number of calls that were received and routed through Switchboard:

TABLE###: Calls received and routed through Switchboard

Months	July 2022	Aug 2022	Sept 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	March 2023	April 2023	May 2023	June 2023	Total
Incoming Calls	61 636	61 221	54 362	54 117	58 024	36 272	46 208	44 168	43 473	31 542	49 875	50 716	591 614
Outgoing Calls	123 312	124 808	112 180	109 374	118 367	85 011	92 478	93 653	86 910	62 137	102 976	98 904	1 210 110

SECRETARIAT SERVICES

SECTION 79 COMMITTEES

Section 79 Committees are Committees of Council and are not restricted in terms of numbers of Committees.

STANDING ORDERS AND DISCIPLINARY COMMITTEE

The Committee comprises of Five (5) Councillors inclusive of the Chairperson. The objective of the Committee is to make recommendations to Council regarding the Standing Rules of Order and assist the Speaker in disciplinary matters involving councillors.

The Committee is responsible for the following functions:

- overseeing and reporting to Council on any matter regarding the Standing Rules of Order;
- performing any duties and exercising any powers delegated to it by Council in terms of Section 32 of the Local Government Municipal Structures Act;
- reporting to Council in accordance with the directions of Council;
- appointing an ad hoc committee with powers to co-opt such other members as it may deem fit to consider and report on any matter falling within the terms of reference of the committee;
- referring to Council for decision with or without a recommendation any matter in which the Committee is entitled to exercise any power;
- making recommendations to Council on the revision of the Standing Rules of Order;
- assisting the Speaker with disciplinary issues, and;
- considering all matters of a policy nature incidental to the above.

MEMBERS

IFP	ANC	DA	EFF
T S Gumede- CHAIRPERSON J L Nzuzo		M Mntshali	

BYLAWS COMMITTEE

The Committee comprises of Five (5) Councillors inclusive of the Chairperson. The Committee has the following functions:

The objective of the Bylaws Committee is to continually review the existing Bylaws, consider new Bylaws and to make recommendations to Council.

MEMBERS

IFP	ANC	DA	EFF
D Chili L S Sabela		H P C de Wet CHAIRPERSON	

uMHLATHUZE PUBLIC TRANSPORT LIAISON COMMITTEE (UMPTLC)

The Committee comprises of five (5) Councilors inclusive of the Chairperson. The Department City Development reports to the uMhlathuze Public Transport and Liaison Committee with the following functions:

The UPTLC oversees and reports to the relevant departmental portfolio committees as well as the Executive Committee on any matters not otherwise delegated in terms of existing or future Delegated Powers:

- on the Development of Transport Infrastructure;
- the establishment of a Transportation Forum;
- on the possible Development of a Transportation Plan;
- on the measures and mechanisms necessary to improve public transport services and promote peace and stability in the sector, and;
- on that which it considers to be the viable transportation / mobility solutions enhancing service delivery to the maximum benefit of the community.

MEMBERS

IFP	ANC	DA	EFF	ACDP
J L Nzuza - Chairperson		S Ntshangase		J F Myaka

PUBLIC PARTICIPATION COMMITTEE

The Committee comprises of five (5) Councillors inclusive of the Chairperson. The Department Corporate Services reports to the Public Participation Committee with its main function being community facilitation and oversees the following:

- administering of Ward Committee system and assisting Councillors during public ward meetings;
- liaising with Traditional Authorities and other community organisations;
- development of Public Participation and Communication strategy and ensuring community participations;
- implementing Special Programmes and Operation Sukhuma Sakhe in the communities, and;
- renders facilitation and advisory support to the departments.

MEMBERS

IFP	ANC	DA	EFF
T S Gumede - CHAIRPERSON N G Donda		R Kearns	

OBSERVERS

All Ward Councillors

RAPID RESPONSE TEAM

The Committee comprises of the Speaker as the Convenor / Chairperson, the Chairperson: Municipal Public Accounts Committee and the Executive Management Committee of uMhlathuze Municipality. The Roles and Duties of the Committee are as follows:

- the Speaker is the responsible person for community engagement
- gather intelligence information on protests and make every attempt to pre-empt issues of concerns by means of local engagement, prior to the service delivery protest in order to prevent a march;
- inform KZN COGTA of any impending service delivery protest. However, in cases where protest action has taken place without KZN COGTA being made aware, the Municipality must inform the Department and include the protestor's memorandum as well as a Municipal Manager's response;
- the issues raised in every petition or at any march or demonstration must be communicated. In the first instance, to the Rapid Response Team and then to the Executive Committee and Council. Comments and planned actions on each issue must be submitted to the KZN COGTA within seven (7) days of receiving the petition;
- designate a senior official or the City Manager as the Municipal Rapid Response Coordinator to co-ordinate resources and actions to deal with service delivery protests;
- Mayors must establish a municipal complaints channel as well as, through public participation, make the community aware thereof, and;
- improve communication with the community at large.

MEMBERS

COUNCILLOR T S GUMEDE - CHAIRPERSON

COUNCILLOR B J DE LANGE – MPAC CHAIRPERSON

MR. N G ZULU - CITY MANAGER

MS T KHUMALO - CHIEF OPERATIONS OFFICER

MR M KUNENE - CHIEF FINANCIAL OFFICER

MR M B SIBIYA – ACTING CITY MUNICIPAL MANAGER: CORPORATE SERVICES

MR P M MHLONGO - DEPUTY CITY MANAGER: COMMUNITY SERVICES

MS N DONGA – DEPUTY CITY MANAGER: CITY DEVELOPMENT

MR M MARAIS – DEPUTY CITY MANAGER: INFRASTRUCTURE SERVICES

WOMEN'S CAUCUS

The Committee comprises of all women / female Councillors irrespective of political affiliation together with two female representatives from each of the seven departments.

The uMhlathuze Municipality Women's Caucus oversees, acts on and reports to the Council on the following:

- lobbying the municipality to develop, promote and implement gender policies and thereafter monitor and evaluate the impact of these policies;
- overseeing that the IDP and budget are gender sensitive and that there is optimal women participation in these processes;

- advising and lobbying for municipal interventions to enhance economic growth of women;
- monitoring that the municipality reaches its employment equity targets at all levels of decision making;
- creating public awareness about government policies and programmes aimed at the advancement of women and children rights and the rights of the aged, and;
- advocating and commissioning research on the impact of gender policies on women and girl children at the community level.

MEMBERS

IFP	ANC	DA	EFF	VVP
Z Grobbelaar	K D Sibiya	K Naicker - CHAIRPERSON	N M Madida	A Lange
R F Kearns	B C Mthembu		K C Mtshali	
Z H Mkhize	T C Dube		P P Nyawo	
S S Mkhwanazi	N N Blose			
	B P Mabaso			
	S S J Gumede			
	F Mlambo			

GRANTS IN AID COMMITTEE

The Committee comprising of five (5) Councillors together with one (2) inclusive of the Observer. The objective of the Committee is to make recommendations to Council regarding the allocation of Grants in Aid based on applications submitted in terms of the Policy as approved by Council.

The Committee is responsible for the following functions:

- meets formally at least once a month;
- considers Grants in Aid and sponsorships applications;
- implements the Grants in Aid and Sponsorships Policy as approved by the Council;
- co-opts expert input from non-members as may be necessary;
- reports to the Council on a quarterly basis;
- responds to Audit queries, and;
- ensures prudence in the handling and allocation of Grants in Aid and Sponsorships.

MEMBERS

IFP	ANC	DA	EFF	OBSERVER
Z H Mkhize CHAIRPERSON	-	M Mntshali		A Lange
I J Naidoo				T S Gumede

uMHLATHUZE GEOGRAPHICAL NAMING COMMITTEE

The Committee comprises of five (5) Councillors inclusive of the Chairperson. The Department: Community Services reports to the Committee on the following function, namely, the naming of certain areas (the naming of streets, municipal buildings, squares, parks and cemeteries located within the area of jurisdiction of the City of uMhlathuze)

Members

IFP		ANC	DA	EFF	VVP
LS Sabela			K Naicker		A Lange – CHAIRPERSON

uMHLATHUZE BATHO PELE COMMITTEE

The uMhlathuze Batho Pele Committee (UBPF) comprises of five (5) Councillors nominated in terms of the system of proportionality together with officials as nominated by the City Manager.

The UPBF oversees and reports to the relevant departmental portfolio committees as well as the Executive Committee and Council on any matters not otherwise delegated in terms of existing or future Delegated Powers regarding the Institutionalization of the Batho Pele Principles.

MEMBERS

IFP	ANC	DA	EFF
J Govender- CHAIRPERSON		S Ntshangase	
Z Ntshaba			

SECTION 80 PORTFOLIO COMMITTEES

Section 80 Committees are Committees of the Executive Committee which are chaired by the members of the Executive Committee and are limited to the number of Exco Councillors (currently five (5) Exco members but five (5) Portfolio Committees).

FINANCIAL SERVICES COMMITTEE

The Committee comprises of five (5) Councilors inclusive of the Chairperson. The Department: Financial Services reports to the Portfolio Committee on the following functions:

INCOME

Tariffs, Meter Reading; Billing and Reporting,

Credit Control and Indigent Support,

Customer Relations, and

Revenue Enhancement.

EXPENDITURE

Financial Planning, Support and Statutory Reporting,

Annual Financial Statement, Assets Accounting,

Payroll,

Creditors, Long Term Debt Administration, Cash Management and Investments, and

Insurance Administration.

SUPPLY CHAIN MANAGEMENT

Demand Management,

Acquisition Management,

Inventory Management, and

Contract Administration.

MEMBERS

IFP	ANC	DA	EFF
X Ngwezi - CHAIRPERSON		S Ntshangase	
I J Naidoo			

CORPORATE SERVICES

The Committee comprises of five (5) Councillors inclusive of the Chairperson. The Department: Corporate Services reports to the Portfolio Committee on the following functions:

Human Resources

This section's responsibilities are to:

Develop policies, processes and procedure guidelines regarding the uMhlathuze's employee benefits, recruitment and selection functions,

Human Resource Administration Section - Perform Employee Records Management, Leave Management and Employment Equity and ensure the correct implementation thereof,

Ensuring compliance with the Bargaining Council directives, Conditions of Service issues and the implementation of Council Resolutions and application of legislative imperatives,

Facilitating, directing and maintaining the organisational recruitment and appointment of employees,

Training and Development Section – caters for the provision of Training and Development which includes administering a bursary scheme, induction service for all levels of employment in the City council employ, plant operation training, Adult Education and Training (AET), Asset Management Training, ESRI Building Geodatabases Training, HR Roadshows, Pre-retirement workshops, Occupational Health and Safety / Risk Training, Labour Forum Training (LLF), Artisan / Apprenticeship Training, etc.

The Organisational Development unit aims at improving the overall effectiveness of the organisation through planned, comprehensive and systematic processes. It involves intervening in the processes, structure and culture of the organisation and includes the following functions:

Organisational Development - aligning the structure of the organisation with its objectives,

Change Management – managing change and related transitions in the organization,

Conducting productivity and continuous improvement processes - Efficiency studies, Utilisation studies and Feasibility studies,

Conducting Business process re-engineering - Cause and effect studies; Process analysis and Process improvement and workflow analysis, and

Conduct job evaluation and descriptions function.

The OHS section's main responsibility are to:

attain the organizational Occupational Health and Safety plan, and

assist City of uMhlatuze employees, employee representatives, supervisors and management to manage the occupational risk exposure, effectively

These responsibilities include:

identification of Occupational Risk exposures,

develop a management system that is OHSAS 18001 compliant to manage the occupational risks,

communicate the system and standards to all, and

evaluate the effectiveness of the Occupational Health and Safety management system.

The Employee Assistance Programme assists employees with personal and work related problems that they may have that is affecting their work performance.

The Labour Relations section deals with Employee relations and issues such as Grievance and Disciplinary matters.

The Occupational clinic deals with checking on the health and well-being of employees.

Legal Services Section

This section is responsible for:

- Managing the provision of a comprehensive, efficient and effective legal service to the Municipality;
- Safeguarding Municipality's interests in all legally related matters and to ensure that all the Municipality's operations are conducted within the parameters of the law;
- Strengthening the capacity of the Municipality to fulfil its mandate as stipulated in terms of Sections 152 and 153 of the Constitution of South Africa, 1996 and other applicable legislations;
- Providing a supportive and advisory role to the Municipality in order to fulfil its objectives, and;
- Enhancing organisational efficiency by promoting an environment that complies with corporate governance which enables the Municipality to achieve its objectives, and • responsibilities spread over Legal Agreements, Conveyancing.

Administration Section

The Section consists of four (4) Components, i.e. Call Centre and Customer Service Desk, Facilities Management, Secretariat Services and Records Management.

Customer Services Desk

Functions include:

applications of water and electricity connections,
upgrading and downgrading of electricity phases and water metres,
directing the customers to relevant officials,
issue tender documents once they have been paid for,
attend to walk in customers and
register all the service delivery complaints.

Switchboard

The switchboard operates main line 035 907 5000, screening and transferring calls to the relevant officials

Facilities Management

The overall function of this section is to:

enhance the quality of Physical Facilities. this is achieved through planning, designs, engineering, construction and maintenance in a responsive service oriented, effectiveness and environmental conscious manner,

reducing cost, controlling risk, increasing flexibility, changing culture, Marketing and Public Relations Centralizing planning and management,

increase collaboration between departments,

establish an enterprise-wide strategy master planning process and

conduct an inventory and assessment of current buildings/space

Secretariat Services

provides administrative and secretariat support in respect of Council Committees.

schedules all meetings of Council and its Committees, proof reading and compilation of all agendas, coordination of all reports that are created and ultimately submitted to Council for final approval as well as minuting of all meetings,

conveys Council resolutions to user departments to ensure that resolutions are actioned accordingly,

provides support to a number of internal committees (MANCO, Management Team, Information Communication Technology and Steering Committee, Enterprise Risk Management etc. and

booking and control of venues for meetings, use of the Auditorium and Restaurant venues is also controlled and managed by this section.

Records Management

The purpose of Records Management is to:

- ensure that the management of all the municipal records are in accordance with the records management principles contained in the National Archives and Records Service Act 196,
- handle all incoming and outgoing mail and is responsible for ensuring that there is proper records management in place and

- Circulate mail to the Deputy Municipal Manager: Corporate Services for allocation to various departments and also circulated to Municipal Manager to noting.

MEMBERS

IFP	ANC	DA	EFF	VVP
Z Grobbelaar- Chairperson		R Kearns		A Lange

CITY DEVELOPMENT

The Committee comprises of five (5) Councillors inclusive of the Chairperson. The Department: City Development reports to the Portfolio Committee on the following functions:

PROPERTY ADMINISTRATION

PROPERTY ALIENATION

- alienation of Council owned properties,
- maintenance of and updating of Fixed Asset Register,
- responsible of rectification transfers,
- responsible for the disposal of Assets through alienation of Council Owned properties,
- Granting of Servitude rights and
- responsible for the acquisition of properties

PROPERTY LEASING

- monitor illegal use of Council owned properties,
- responsible for leasing of Council owned properties,
- management of Council owned houses, and
- processing of Ingonyama Trust application

PROPERTY VALUATION

- issuing of Valuation Certificates,
- responsible for the production of Valuation Roll and maintenance,
- inspection of properties for amendments i.e. consolidation, subdivisions, omissions, new properties, improvements etc. and
- publishing of Section 49 letters (as per MPRA) and reviews

HUMAN SETTLEMENTS

This section is responsible for:

Housing Consumer Education whereby all uMhlatuze residents is educated or made aware about all issues that concern them. These could include education on water savings, issues of waste management etc.,

- Tenant Awareness Programmes - This program focuses on hostel tenants in the main and also involves educating tenants on a variety of issues that concern them,

- Handling the issues pertaining to housing subsidies. This will include assisting tenants who want RDP houses, people who want to buy houses through financial institutions, applications related to acquiring a house and so forth,
- National Housing Needs Register – Managing the National register for the City of uMhlatuze, a register recording details of people who require RDP houses,
- Rental Housing Tribunal – This section assists in the issues of tenant landlord relationship, extending to resolving issues between the mentioned parties. The issues could extend to matters of payments/non-payments, ill-treatment of the other party and so forth,
- Managing the Enhanced Extended Discount Benefit Scheme

PUBLIC TRANSPORT

The Section is entrusted amongst others with the following responsibilities:

- development and review of public transport related policies,
- development and management of public transport / intermodal facilities,
- liaison with public transport operators and other role-players,
- administering and processing of operating licenses applications,
- coordinate Council's routine and periodical maintenance programmes; and
- promotion of Transportation Committees.

LAND USE MANAGEMENT SECTION

Land Use Management Section is responsible for Development Control and Building Management and control

DEVELOPMENT CONTROL

- handling and processing of Special Consent Applications,
- handling and processing of Formal Authority Applications,
- handling and processing of relaxation Building Line; Side and Rear Spaces Applications and
- maintenance and Review of uMhlatuze Land Use Scheme

BUILDING MANAGEMENT AND CONTROL

- building Plans Approvals
- excavation Inspections
- damp proof course inspections
- drainage inspection and
- issuing of Occupation Certification

MEMBERS

IFP	ANC	DA	EFF
X Ngwezi - Chairperson J Govender		C M Botha	

COMMUNITY SERVICES

The Committee comprises of five (5) Councillors inclusive of the Chairperson. The Department: Community Services reports to the Portfolio Committee on the following functions:

ENVIRONMENTAL MANAGEMENT

- Invader plant control
- rehabilitation of degraded areas
- horticulture
- landscaping
- grass cutting
- cemeteries - burials, reservations, administration
- arboriculture
- development of Public Open Space
- overgrown municipal properties.

SPORT AND RECREATION

- development sport and recreation facilities
- maintenance of sports facilities
- beaches
- pools
- sports clubs
- sport development programmes
- playground equipment

ARTS AND CULTURE

- halls and Thusong Centres - bookings, cleaning, etc.
- museums – displays
- craft Centres
- arts and musical festivals
- libraries

PUBLIC HEALTH AND SAFETY

- Waste Management
- Clinic Services
- Public Health and Pollution Control
- Traffic
- Fire and Disaster Management

MEMBERS

IFP	ANC	DA	EFF
S H Zulu - CHAIRPERSON Z H Mkhize		K Naicker	

INFRASTRUCTURE SERVICES

The Committee comprises of five (5) Councillors inclusive of the Chair and Deputy Chairpersons. The Department: Infrastructure reports to the Portfolio Committee on the following functions:

ENGINEERING SUPPORT SERVICES

- Project Management and Implementation Services
- Building and Structures
- Quantity Surveying

TRANSPORT, ROADS AND STORM WATER

- Urban Roads and Rail Services
- Rural Roads Operations
- Transport Infrastructure Planning

WATER AND SANITATION SERVICES

- Water Demand Management Planning and Strategy
- Scientific Services
- Infrastructure Maintenance
- Plant Production and Operations

MEMBERS

IFP	ANC	DA	EFF
S H Zulu - Chairperson K M Mkhwanazi		H P C de Wet	

ELECTRICAL AND ENERGY SERVICES

The Committee comprises of five (5) Councillors inclusive of the Chairperson. The Department: Electrical and Energy Services reports to the Portfolio Committee on the following functions:

SECTION: INFRASTRUCTURE PLANNING AND ASSET CREATION

- This section is responsible for:
- Gas and Electricity Planning and Design
- Energy Management
- Gas and Electricity Project Management

SECTION: OPERATIONS AND MAINTENANCE

- This section is responsible for:
- Customer Services, Retail and Marketing
- Operations and Maintenance Division
- Process Control Systems

- Fleet Transport Services
- Streetlights, Operations and Low Voltage Networks

MEMBERS

IFP	ANC	DA	EFF
T Zibani F B Mathaba		C M Botha- CHAIRPERSON	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The Committee comprises of 5 Councillors inclusive of the Chairperson. The main purpose of MPAC is to exercise oversight over the executive functionaries of Council and to ensure good governance in the municipality.

The following responsibilities are delegated to the MPAC in terms of the provisions of section 59 of the Systems Act:

- The authority to interrogate the following documents and to make recommendations to the municipal council in accordance with the terms of reference of the committee:
 - Unforeseen and unavoidable expenditure;
 - Unauthorised, irregular or fruitless and wasteful expenditure;
 - SDBIP;
 - Monthly budget statements;
 - Mid-year budget and performance assessment;
 - Mid-year budget and performance assessment of municipal entities;
 - Disclosures concerning councillors, directors and officials;
 - Annual financial statements;
 - Annual report;
 - Issues raised by the A-G in the audit reports;
 - The appointment of the audit committee;
 - Disciplinary steps instituted in terms of the MFMA;
 - The review of the IDP post elections;
 - The annual review of the IDP;
 - Performance management plan;
 - The draft annual budget with reference to the approved IDP, and;
 - Declaration of interest forms submitted by councillors.

MEMBERS

IFP	ANC	DA	EFF
J Govender S H Mkhwanazi		B J de Lange - CHAIRPERSON	

BOARD OF TRUSTEES

The Board consists of five persons called Board Members who hold office for a period of three years. The members of the Scheme must elect four members to represent them and the Principal Employer must elect four Councillors.

The duties and responsibilities of Trustees are governed by statutory law, common law and the Rules of the uMhlathuze Pension Fund. Trustees have a fiduciary relationship with the Fund which, above all, requires them to act with extra care and in the utmost good faith.

- All fiduciary duties, such as avoiding conflict of interest, acting impartially and acting in the best interest of the members and the Fund, stem from these two common law principals.
- Trustees have a duty to know, either in broad outline or specific details, depending on their particular responsibilities, the relevant legislation contained in the Pension Funds Act, the Financial Institutions Act and the Rules of the Fund as well as a number of other statutes that governs their role as Trustees.
- Trustees have a duty to administer the Fund in the manner prescribed by the Rules of the Fund and relevant legislative requirements.

EMPLOYER REPRESENTATIVES

CLR B J de Lange- CHAIRPERSON

N G Donda

S Biyela

EMPLOYEE REPRESENTATIVES

T Sikhakhane (COO)

Mr P Mhlongo (COMMS)

Mr M Kunene (CFO)

Mr M B Sibiyi (CS)

Mr. E S Ngcobo (INFRAS)

Mr M Marais (EES)

Simeka

LOCAL LABOUR FORUM

The Committee comprises of 5 Councillors, 7 Senior Managers and 12 Organised Labour members inclusive of the Chair and Deputy Chairpersons. The Forum has the following functions:

The purpose and objectives of the Local Labour Forum as set out in the Organisational Rights Agreement are:

- To provide for and regulate organisational rights for trade unions in the local government sector;
To promote the:
- Creation of an environment conducive to the establishment of sound industrial relations in the local government sector;
- Encourage orderly collective bargaining in the SALGBC;
- Encourage greater levels of worker participation in the workplace;

- Encourage the parties to seek reasonable and satisfactory solutions to disputes that may arise;
- Encourage parties to actively follow agreed upon procedures in order to avoid and resolve disputes, and;
- Set the standards for organisational rights to be applied by employers in the local government sector.

MEMBERS

EMPLOYER COMPONENT	EMPLOYEE COMPONENT
Councillors	SAMWU
Z Grobbelaar	N Mdluli
N C Mdletshe	Z Gumede
A Lange	T Mofokeng
Officials	T M Mhlongo
M Kunene (CFO)	P T Mhlongo
T Khumalo (COO)	IMATU
M B Sibiyi (ADCMCS)	E Zondi
P Mhlongo (DCMCOMS)	K G Buthelezi
M Marais (DCMEES)	L Made
T Nsele (HOS: HR)	Z B Myeza
G Mthembu (MNGR: HR)	

AUDIT COMMITTEE

The Committee comprises of 4 External members inclusive of the Chairperson. The Internal Audit from the City Manager's Office reports to the Audit Committee as per the Audit Committee Charter (DMS 1292894).

MEMBERS

Mr A Gonzalves

Mr R M J Baloyi

Mr K Mpungose

Mr H G S Mpungose

Mrs N Shabalala

SENIOR MANAGEMENT

Mr N G Zulu (CM)

Ms T Khumalo (COO)

Mr M Kunene (CFO)

Mr M B Sibiyi (ADCM: CS)

Ms N Ndonga (DCM: CD)

Mr P N Mhlongo (DCM: COMS)

Mr R.M Marais (DCM: EES)

OFFICIALS

Mr L Mhlungu (OCM)

Ms B Mkhwanazi (OCM)

Mrs S Adonis (OCM)

Ms L Mvundla (OMM)

Mrs N Mbatha (OCM)

Mr T Kubheka (CS)

Mrs F Zungu (CS)

Mr S Khumalo (FS)

OFFICE OF THE AG

Mr S Suvenarain (Auditor General's Office)

Mr N Mohamed (Auditor General's Office)

PERFORMANCE AUDIT COMMITTEE

The Performance Audit Committee consists of three members. The majority of this committee must not be involved with the municipality as a Councillor or as an employee. The Regulations state that a municipality must annually appoint a Performance Audit Committee.

The Performance Audit Committee is responsible for the following activities:

- Review quarterly, six monthly and annual performance reports.
- Reviews the municipality's Performance Management System and make recommendations to Council.
- Submit an audit report to Council at least twice during a financial year.
- The committee must focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets are concerned.

The Performance Audit Committee works in close co-operation with the Internal Audit component of a municipality.

MEMBERS

DR M J NDLOVU – CHAIRPERSON

MR R M BALOYI

CLR X Ngwezi

OFFICIALS

City Manager

Chief Operations Officer

Chief Financial Officer

Deputy City Manager: City Development

Deputy City Manager: Community Services

Deputy City Manager: Corporate Services

Deputy City Manager: Infrastructure

Deputy City Manager: Electrical and Energy Services

OFFICIALS

ALL HEAD OF DEPARTMENTS

HEADS OF SECTIONS – ALL DEPARTMENTS

MR L MHLUNGU (OMM)

MR B M DLADLA (OMM)

MRS Z MDLULI (OMM)

MRS B MKHWANAZI (OMM)

MR M MOYIKWA (OMM)

MS N MBATHA (OMM)

INFORMATION AND COMMUNICATION TECHNOLOGY STEERING COMMITTEE

The overall objective of the ICT (Information and Communication Technology) Steering Committee is to act as a “clearing house” for ICT requests and requirements in order to manage and control ICT Section performance, initiatives, risks, compliance and the related expenditure accordingly. The objectives can further be broken down as follows:

- To recommend to Council the strategic information technology plans for the Municipality;
- To assess the need for ICT projects in terms of the projects business case and the related risks;
- To recommend to Council project commitments;
- To approve procedures for the implementation and enforcement of ICT policies;
- To ensure that a well-defined and understood ICT framework and project methodology is followed;
- To monitor and report to Council when necessary on the performance of the ICT Section, project planning and implementation;
- To monitor and report to Council when necessary, on the performance of ICT projects in the context of the envisaged business case and the related risk of such project;

- To ensure that project plans clearly define the involvement of or resulting impact on other projects or phases of projects. This is to ensure that all concerned understand the full extent of projects before approving such.

MEMBERS

CITY MANAGER / CHAIRPERSON

CHIEF OPERATIONS OFFICER

CHIEF FINANCIAL OFFICER/DCM: FINANCIAL SERVICES

DCM: CORPORATE SERVICES

DCM: COMMUNITY SERVICES

DCM: ELECTRICAL AND ENERGY SERVICES

DCM: INFRASTRUCTURE SERVICES

HEAD OF SECTION: INFORMATION AND COMMUNICATION TECHNOLOGY

ENTERPRISE RISK MANAGEMENT COMMITTEE

The primary objective of the ERMC is to assist the City Manager and Council in discharging his/ its accountability for risk management by reviewing the effectiveness of the Municipality's risk management systems, practices and procedures, and providing recommendations for improvement.

MEMBERS

CITY MANAGER

CHIEF OPERATIONS OFFICER

CHIEF FINANCIAL OFFICER/ DCM: FINANCIAL SERVICES

DCM: CORPORATE SERVICES

DCM: COMMUNITY SERVICES

DCM: INFRASTRUCTURE SERVICES

DCM: ELECTRICAL & ENERGY SERVICES

HOS: INFORMATION COMMUNICATION AND TECHNOLOGY

HOS: HUMAN RESOURCES

HOS: PUBLIC HEALTH AND SAFETY

HOS: PUBLIC SAFETY AND SECURITY

HOS: ELECTRICAL AND ENERGY SERVICES

HOS: SUPPLY CHAIN MANAGEMENT

HOS: REVENUE

SECRETARIAT SERVICES

FUNCTIONS OF THE SECRETARIAT SERVICES UNIT

The work of the "Committee Section"/ Secretariat Services continues to focus on keeping Councillors informed and ensuring that well-presented reports are submitted timeously and regularly for Councillors to consider matters of community concern. Without accurate minutes and well researched reports, service delivery will be severely compromised. By ensuring that the Secretariat functions effectively, Council's mandate to serve at the level of government closest to the community is strengthened by a well-oiled machine that ensures that all decisions of Council are well presented within the constraints of governing legislation.

During this period July 2022 to June 2023 two hundred and ninety-nine (299) Council, Executive Committee, Section 80 Portfolio Committee, Section 79 Committee, Bid Committee and other ad hoc meetings were held with a phenomenal total of two thousand nine hundred and twenty-nine (2929) reports being considered by Council after having been scrutinised by the relevant portfolio and other committees resulting in resolutions being taken by the Executive Committee and Council. The following tables refer:

	COUNCIL Ordinary Special		&	EXCO Ordinary and Special		BID	PORTFOLIOS	OTHER	TOTAL
JUL 22 – SEP 22									
Meetings held	03			02		56	12	12	85
Agenda items	237			117		177	117	50	698
OCT 22 – DEC 22									
Meetings held	03	01		03	01	49	12	16	85
Agenda items	211	05		203	07	169	157	131	885
JAN 23 – MAR 25									
Meetings held	03	01		02	01		12	09	28
Agenda items	162	08		61	01		127	55	414
APR 23 – JUNE 23									
Meetings held	03	01		05	06		13	14	84
Agenda items	224	08		249	197		154	102	934
TOTAL 2022/2023									
Meetings held	12	03		12	16	105	49	102	299
Agenda items	834	21		630	205	346	555	338	2929

Achieving this goal would have been impossible were it not for the efforts of the Secretariat Staff who spent many a night burning the midnight oil to ensure that reports were well presented, agendas and minutes prepared, copied and made available in the Councillors Dropbox for electronic versions of the agendas.

Not having to print hard copies of agendas and delivering them to councillors, resulted in a minimum of overtime work having been worked during the financial year. Fifty-six (56) paid hours and ten (10) unpaid hours were worked during this period but it also bears noting that many hours were spent off site preparing agendas and reports.

Of note is that the e-Councillor project gained even more momentum during the year as agendas and minutes as well as notices of meetings continued to be distributed to Councillors electronically resulting in vast savings in not only paper copies that assisted with Council's aim to "Go Green" but also reduced overtime and the need for deliveries of agendas and the like to Councillors homes.

MANAGEMENT OF VENUES

This Section is also responsible for the control of the Council Chamber Complex meeting venues and Auditorium and Restaurant. During 2022/2023 1784 meetings were accommodated in these venues as follows:

VENUE	TOTAL FOR QUARTE R 1	TOTAL FOR QUARTE R 2	TOTAL FOR QUARTE R 3	TOTAL FOR QUARTE R 4	TOTAL FOR 2020/2021
Committee Room 1	53	51	38	50	192
Committee Room 2	75	44	61	43	223
Committee Room 3	109	75	78	63	325
Executive Committee Room	90	78	98	90	356
Council Chambers	82	80	75	67	304
Auditorium	51	48	56	59	214
Restaurant	0	0	0	0	0
Lounge	0	9	3	13	36
Banquet Hall	82	27	36	0	145
GRAND TOTAL OF BOOKINGS MANAGED PER QUARTER	542	412	445	385	1784

It be noted that the Authorised Party Representatives as outlined in the Local Government: Municipal Structures Act, No. 3 of 2021 were requested to provide two (2) names of the Executive Committee members, Section 79, and 80 Committees to the Whip of Council. Currently the IFP and DA provided the name list and the representation and ANC Authorised Party Representatives to provide names of two (2) members.

RECORDS MANAGEMENT

The purpose of the Records Management Unit is to ensure that the management of all the municipal records are in accordance with the Records Management Principles contained in the National Archives and Records Service Act 1996 and KwaZulu-Natal Archives and Records Service Act, No 8 of 2011.

The Records Management Unit handles all incoming and outgoing mail and ensures proper records management is in place. Mail is received through various means, i.e. daily postal collections, via email or facsimile and hand-delivered. Before any mail can be attended to, it is circulated to the Deputy City Manager: Corporate Services for allocation to various Departments and circulated to the City Manager to note and comment on. This process takes a day or two, depending on the availability of Senior Management.

From the statistical information below, it is evident that this Unit, manned by nine personnel, is fully occupied with ensuring that efficient records management is sustained from July 2022 to June 2023.

Record	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Incoming mail, i.e. mail processed on DMS	598	799	502	656
Cheques Received	0	0	0	0
Outgoing mail-mail committed to post office	284	470	245	466
Faxes-received*	0	0	0	0
E-mail - received	9793	8845	9621	9026
Total items handled	10675	10114	10368	10148

*Fax machine has been non-operational

TABLE ### INCOMING CORRESPONDENCE

PROMOTION OF THE ACCESS TO INFORMATION ACT 2 OF 2000 (PAIA)

In terms of Section 1 of the Act, the Chief Executive Officer, is the Information Officer for the City of uMhlathuze. In this case the City Manager Mr NG Zulu is the Information Officer. Requests for information will be attended to by the Deputy Information Officer (Records Manager), in terms of section 17 (1) of the Act for such purposes.

The Section 32 report which details a number of applications received during the period 1 April 2022 to 31 March 2023 that was submitted to Information Regulator as per legislative requirements is detailed below for ease of reference:

The municipality made the PAIA Manual available in at least three official languages and a copy of a PAIA Manual is freely available on the municipal web site.

REPORT IN TERMS OF SECTION 32 REPORT

Reporting period: 1 April 2022 to 31 March 2023		Total Number	Comments
(a)	Number of PAIA requests received	24	24 requests received
(b)	Number of requests granted in full	24	24 applications granted in full.
(c)	Number of requests granted despite there being a ground for refusal	Nil	Nil
(d)	Number of requests:(1) refused in full	1	Nil
(2)	Refused partially	1	Nil
(3)	Number of times a provision of PAIA was relied on to refuse a request in full/partially	2	Nil
(4)	Number of requests not granted due to their being no record	Nil	Nil
(e)	Number of instances where the 30 day period to deal with a request was extended	Nil	Nil
(f)	Number of internal appeals: (1) lodged with the relevant authority	Nil	Nil
(2)	Number of cases where the requests were granted as a result of an internal appeal	Nil	Nil
(g)	Number of internal appeals lodged on account of a deemed refusal	Nil	Nil
(h)	Number of applications to court on the grounds that the internal appeal was dismissed by the relevant authority failing to give advice of its decision during the timeframes stated in section 77(3)	Nil	Nil
	Comments including those relating to implementation, application, requests, or areas of the Act for which reforms are recommended	Nil	Nil

PROTECTION OF PERSONAL INFORMATION ACT NO 4 OF 2013 (POPIA)

The Protection of Personal Information Act No 4 of 2013 took effect on 1 July 2021, and The City of uMhlatuze process all personal information of the data subject in a responsible manner by ensuring that all the 8 conditions are complied with (Sections 8-25). The committee established to attend to the implementation and compliance of the Act has amongst other compiled two policies, i.e. POPIA Policy and Privacy Policy which the Policy Committee will consider. Full participation of all staff members to ensure compliance is a necessity.

AIRPORT MANAGEMENT

The City of uMhlatuze as the licensed Aerodrome Operator of the Richards Bay Airport has a responsibility to ensure that all activities undertaken at the Richards Bay Airport are carried out in accordance with the applicable requirements prescribed in CAR Subpart 2 of Part 139, this includes:

- Hold at least one complete and current copy of the Aerodrome Manual referred to in CARS 139.02.11, at the aerodrome and ensure that all procedures detailed in the Aerodrome Manual are complied with;
- Make the Aerodrome Manual available to the personnel who are required to carry out duties as specified in the manual;
- Ensure compliance to all requirements and procedures as documented in the Aerodrome Manual;
- Ensure that the aerodrome is maintained in a serviceable condition through evidence of an aerodrome license;
- The aerodrome is kept free of unauthorized persons, vehicles, or animals not under proper control, in compliance with Aviation Legislation in South Africa, Aviation Act No. 74 of 1962, and the relevant regulations, and;
- The facilities offered to the public are available and in a serviceable condition

FACILITIES MANAGEMENT

The overall function of this section is to:

- enhance the quality of the Physical Facilities and this is achieved through planning, designs, engineering, construction and maintenance in a responsive service oriented, effectiveness and environmental conscious manner;
- reducing cost, controlling risk, increasing flexibility, changing culture, Marketing and Public Relations Centralizing planning and management;
- increase collaboration between departments;
- establish an enterprise-wide strategy master planning process;
- conduct an inventory and assessment of current buildings / space;
- Ensuring municipal facilities comply with the OHS act and Building regulations, and;
- Oversee maintenance and construction of municipal facilities on awarded contracts

LEGAL SERVICES SECTION

Legal Services is a multi-discipline field, which deals with legal activities over a broad spectrum ranging from Family Law, Criminal Law, Civil Law, Law of Contract and Conveyancing, to mention but a few. The Legal profession demands a high ethical and professional standard and in order to maintain such and to ensure that the Legal Services Section is able to provide the required support to the Council that it serves, the operations of the Legal Services Section in the Department of Corporate Services is structured around two areas of specialisation /expertise, namely;

(1) Contracts and Conveyancing, and;

(2) Legislation, Litigation and Opinion, as follows:

CONTRACTS AND CONVEYANCING

This Legal Services Sub-Section aims to:

- manage the provision of a comprehensive, efficient and effective legal service to the Municipality;
- to safeguard the Municipality's interests in all legally related matters and to ensure that all the Municipality's operations are conducted within the parameters of the law;
- strengthen the capacity of the Municipality to fulfill its mandate as stipulated in terms of Sections 152 and 153 of the Constitution of South Africa, 1996 and other applicable legislations;
- provide a supportive and advisory role to the Municipality in order to fulfil its objectives, and;
- enhance organisational efficiency by promoting an environment that complies with corporate governance which enables the Municipality to achieve its objectives.

CONTRACTS (DRAFTING AND VETTING)

Contracts are dealt with in terms of the Law of Contracts and are primarily concerned with supporting the social institution of exchange, between two or more parties. Formal Written Agreements are used by most parties when engaging in operations as it states the expectations of the contracting parties and governs issues relating to the obligations imposed on the parties, the enforcement of such obligations and what remedies are available if the obligations are not performed as envisaged in the agreement. The central purpose of the Law of Contract is thus to support and govern the various Agreements that are entered into between parties on a daily basis as it leads to the smooth functioning of business transactions by creating certainty, predictability and enforceability. Contracts typically include a negotiation process in which various terms to which each party must abide, are stipulated. The negotiating process may take days, weeks or even months, depending on the contract and the contractual responsibility of each party. Contracts can also include a process of making changes or addendums to the agreement, should the obligations of the parties require same.

CONVEYANCING

Conveyancing is the process whereby immovable property is transferred from one person (a willing seller) into the name of another person (a willing buyer), the hypothecation of immovable property by means of mortgage bonds and the execution of various other acts with regard to immovable property, as detailed in applicable legislation. Conveyancing is also the branch of the law that deals with the preparation of deeds and documents for registration or filing in the Deeds Registry. It further also refers to the whole registration process, including the drafting, lodgement and signing of documents by different authorised persons. Besides conventional transfers, the sub-section further also deals with the following categories of transfers, namely:

- rectification transfers, for example where properties may erroneously have been transferred incorrectly to parties;
- where there is a relay out of a portion of land which requires a property to be registered with the correct, new property description/s;
- exchange agreements, and;
- donations.

LEGISLATION, LITIGATION AND OPINION

Council as a statutory body and in order to fulfil its mandate of service delivery to the community in its jurisdiction; has to ensure that there is compliance with Legislation.

BYLAWS, RULES AND POLICIES

In instances where there is a contravention of any rules of Council, the relevant Department takes the necessary steps (which may include issuing notices and / or fines) to ensure compliance. If unsuccessful, the matter is referred to Legal Services for further action.

Such action could include providing legal advice / opinion or invoking alternative dispute resolution mechanisms to reach an amicable solution. Should the matter not be resolved, the matter would then be litigated.

Where action is instituted against Council, the Legal Services Section would investigate and establish the validity of the cause of action and the possibility of the claim being successful. The aforementioned is done thorough research and reference to case law. Should it be established that the cause of action is valid and that Council's chances of success are substantial, legal representatives with experience in that particular field would be instructed to defend the matter on Council's behalf. The legal representatives of Council, prior to referring any matters to court, would investigate the prospects of success and only the cases that cannot be resolved using alternative dispute resolution mechanisms are referred to court or defended.

LEGAL OPINIONS

Opinions are a vital element within Legal Services and the section is responsible to provide legal support, advice and opinions on Council related matters as well as on new or amended legislations, to ensure compliance with relevant legislation and to ensure that Council's interests are protected

at all times. From the above it is evident that Legal Services provides a vital service to Council and its Departments in order to ensure Legal Compliance in its operations.

HUMAN RESOURCES MANAGEMENT SECTION

HUMAN RESOURCES ADMINISTRATION

The Human Resources Administration section was able to meet the annual targets set for the recruitment and retention of staff from designated employment equity groups, however Council is still experiencing a high level of staff turnover.

The Municipality continued with the implementation of the Employment Equity Plan during the 2022 / 2023 financial year.

In terms of the target set for appointment 20 Females, the Municipality was able to appoint 44 females. As at 30 June 2023 a total of 816 females were employed permanently by the Municipality.

This total number cannot be measured accumulatively as there are factors such as resignations, retirement, dismissal, death and or ill-health which affects the total number of gender employed.

In terms of the target of 40 set for appointment of youth, the Municipality was able to appoint 59 youth. As at 30 June 2023 a total of 393 youth were employed permanently by the Municipality.

During the 2022 / 2023 financial year no additional employees living with disabilities were appointed. The annual target to present 4 Disability related programmes (workshops/awareness campaigns) was met.

In terms of the new DCOG performance indicator for the Top Management stability (% of days in a year that all S57 positions are filled by full-time, appointed staff not in an acting capacity), the initial target was 95%.

The actual achievement recorded at 30 June 2023 was 99.92% which was due to the resignation of the Deputy City Manager Corporate Service as at 31 May 2023. The filling of the vacant post of Deputy City Manager Corporate Service should be finalized within the first quarter of the 2023 / 2024 financial year.

Human Resources Administration held the following Programmes during the 2022 / 2023 Financial Year:

- Heritage Day Event - September 2022
- Women's Day Event – August 2022
- Workers Day Event – May 2023

SNAPSHOT OF PERMANENT WORKFORCE AS AT 30 JUNE 2023

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management (23-26)	4	0	0	1	3	0	0	0	8
Senior Management (18-22)	18	1	1	2	3	0	1	1	27
Professionally qualified and experienced specialists and mid-management (14-17)	54	0	3	5	27	1	1	6	97
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, and Superintendents (9-13)	278	0	16	23	169	4	15	14	519
Semi-skilled and Discretionary decision making (4-8)	511	1	7	5	293	3	11	12	843
Unskilled and defined decision making (1-3)	359	0	0	2	251	0	1	0	613
TOTAL PERMANENT	1 224	2	27	38	746	8	29	33	2107

AGE PROFILE OF WORK FORCE AS AT 30 JUNE 2023

AGE PROFILE	Male				Female				Total
	A	C	I	W	A	C	I	W	
GROUP A 61-65	54	0	0	4	22	0	0	4	84
GROUP B 56-60	116	0	3	9	48	0	2	6	184
GROUP C 51-55	145	0	2	6	78	1	5	6	243
GROUP D 46-50	227	0	6	2	120	1	8	8	372
GROUP E 41-45	227	2	7	1	146	1	6	5	395
GROUP F 36-40	243	0	3	11	173	1	4	1	436
GROUP G 31-35	159	0	3	5	122	4	1	2	296
GROUP H 26-30	49	0	3	0	35	0	3	1	91
GROUP I 18-25	4	0	0	0	2	0	0	0	6
	1224	2	27	38	746	8	29	33	2 107

NEW APPOINTMENTS

During the 2022/2023 financial year 108 permanent employees were appointed 65 were African, 2 were Indian and 3 were White.

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management (23-26)	1	0	0	1	0	0	0	0	2
Senior Management (18-22)	5	0	0	1	1	0	0	0	7
Professionally qualified and experienced specialists and mid-management (14-17)	9	0	0	0	4	0	0	0	13
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, and Superintendents (9-13)	11	0	1	0	4	0	1	1	18
Semi-skilled and Discretionary decision making (4-8)	13	0	0	0	15	0	0	0	28
Unskilled and defined decision making (1-3)	22	0	0	0	18	0	0	0	40
TOTAL PERMANENT	61	0	1	2	42	0	1	1	108

***Of the 108 appointments 44 were female and 59 were youth.

PROMOTIONS

During the 2022/2023 financial year 16 permanent employees were promoted of which 12 were African, 3 were Indian and 1 was Coloured.

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management (23-26)	0	0	0	0	0	0	0	0	0
Senior Management (18-22)	2	0	1	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management (14-17)	1	0	0	0	2	0	0	0	3
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, and Superintendents (9-13)	3	0	1	0	0	0	1	0	5
Semi-skilled and Discretionary decision making (4-8)	1	0	0	0	0	1	0	0	2
Unskilled and defined decision making (1-3)	2	0	0	0	1	0	0	0	3
TOTAL PROMOTIONS	9	0	2	0	3	1	1	0	16

TERMINATIONS

During the 2022/2023 there were 96 terminations, 77 were African, 3 were Coloured; 3 were Indian and 11 were White. The table below is a breakdown of terminations in Council per job level:

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management (23-26)	1	0	0	0	2	0	0	0	3
Senior Management (18-22)	9	0	0	3	1	0	0	0	13
Professionally qualified and experienced specialists and mid-management (14-17)	4	0	0	1	1	1	0	0	7
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen, and Superintendents (9-13)	13	1	1	2	3	0	1	2	23
Semi-skilled and Discretionary decision making (4-8)	17	1	0	0	10	1	1	2	32
Unskilled and defined decision making (1-3)	6	1	0	1	10	0	0	0	18
TOTAL PERMANENT	50	3	1	7	27	2	2	4	96

BREAKDOWN OF TERMINATIONS

The 96 terminations that occurred during the 2022/2023 financial year are broken down into the types of exits as per the table below:

TYPES OF TERMINATIONS	Male				Female				Total
	A	C	I	W	A	C	I	W	
Resignations	20	0	0	2	10	0	3	0	35
Retirement	18	0	1	6	15	1	0	3	44
Death	6	0	0	0	2	0	0	0	8
Dismissal	5	1	0	0	0	1	0	0	7
End of Contract (Fixed term)	1	0	0	0	1	0	0	0	2
TOTAL PERMANENT	50	1	1	8	28	2	3	3	96

TRAINING AND DEVELOPMENT

The vision of the Training and Development Unit is to ensure that Council has a skilled and capable workforce to support inclusive growth and development of skills within the City.

This is achieved through the co-ordination and provision of quality assured skills development interventions for Council employees to ensure that they function at an optimal level thus contributing to effective and efficient service delivery.

Developing the skills of Council employees, Interns and Councillors is achieved through relevant training interventions and sustainable development initiatives that cascade skills to all occupational categories on all levels within the organisation.

The Workplace Skills Plan (WSP) serves as the strategic document that gives direction to training and development within the Municipality. The WSP is aligned to the National Skills Development Strategy, the Skills Development Act No. 97 of 1998 as well as the Skills Levies Act No. 09 of 1999. The WSP and Annual Training Report (ATR) are submitted annually to the LGSETA. Submission of these reports ensures that the Municipality receives its Mandatory Grant from the LGSETA.

COUNCIL BURSARY SCHEME

Council has a Bursary Scheme which provides for bursaries for its employees and their children. In the 2022/2023 financial year, Council awarded 119 bursaries to its employees and 65 bursaries to employees' children for tertiary education.

TRAINING COMMITTEE MEETINGS

Council has a functional Training Committee that is a permanent sub – committee of the Local Labour Forum (LLF). The Training Committee meetings for the 2022/2023 financial year were held on 29 September 2022, 14 December 2022 (Workshop), 18 January 2023 and 14 April 2023.

During the 2022/2023 financial year, Council employees were trained on the following interventions;

TABLE###: TRAINING INTERVENTIONS FOR EMPLOYEES

Training Interventions	Number of Sessions	Number of Employees
Induction for new Employees	13	135
GroupWise Computer Induction	10	95
SAP Learning Solutions Training	4	14
Aerodrome Airport Training	2	14
Conflict Management Training	1	22
SAP ESS & MSS Training	13	76
First Aid Training	2	18
Health & Safety Representative Training (SHE Rep)	1	65
Refresher Training for Lifeguards	2	16
Ms Word Training	1	2

SALGA Conditions of Service Collective Agreement Training	1	3
SALGA Communicators Induction Training	1	1
ISO 45001 Awareness Training	1	6
Human Resource Roadshows	3	432
Control Room Watch Airport Training	1	13
Municipal Finance Management Programme (MFMP)	3	8
SALGA Local Labour Forum Training (LLF)	1	11
SAP HCM Organisation Structure Training	1	1
mSCOA Training for Non-Financial Managers (National Treasury)	1	28
Electrical Trade Test Preparation Training	1	6
Shop Stewards Training	1	18
Airport Runway Inspection Training	1	13
CoGTA Workshop on Municipal Systems Amendment Act Training	1	5
Batho Pele Principles Workshop	1	23
Human Resource Policies Workshop	1	18
Basic Airport Construction Course	1	12
SAP Payroll Training	2	20
PARTAC Airport Training	1	14
Airport Marshalling Training	1	12
AIT – AVOP Airport Training	1	12
Operate a Water Tanker Training	1	20
SAP Sales and Distribution Training	3	6
Plumbing Trade Test Preparation Training	1	6
SAP SRM Training	2	10
SAP Plant Maintenance Training	6	54

SAP HCM PA Reports Training	5	14
SAP Data Verification Training	1	5
Plumbing Trade Test Gap Training	1	6
SAP Budget Module Training	1	100
Audit Performance Workshop	1	68
Customer Care Training	3	32
Change Management Workshop	1	30
OHS Induction Training	17	123
Job Evaluation Training	1	1
SAP HCM Performance Management Training	4	42
OHS Legal Liability Training for Executives	1	20
TOTAL NUMBER OF SESSIONS	123	
TOTAL NUMBER OF EMPLOYEES TRAINED IN ALL SESSIONS		1650

During the 2022 / 2023 financial year, Councillors were trained on the following interventions;

TABLE ###: TRAINING INTERVENTIONS FOR COUNCILLORS

Training Interventions	Number of Sessions	Number of Councillors
SALGA Local Labour Forum Training (LLF)	1	2
Ms Word Training	2	16
CoGTA Workshop on Municipal Systems Amendment Act Training	1	1
Budget / IDP Training	1	37
SALGA Women's Commission	1	9
King IV Report – Governance Training	1	23
TOTAL NUMBER OF SESSIONS	7	
TOTAL NUMBER OF COUNCILLORS TRAINED IN ALL SESSIONS		88

WORK INTEGRATED LEARNING (WIL) (IN-SERVICE TRAINING / INTERNSHIPS)

During the 2022/2023 financial year, the number of learners that were placed on the WIL Programme at Council for each quarter is contained in the table below:

TABLE ###: LEARNERS PLACED IN THE WORK INTEGRATED LEARNING (WIL) PROGRAMME

Quarter	Number of Males	Number of Females
1) July 2022 – September 2022	21	35
2) October 2022 – December 2022	5	27
3) January 2023 – March 2023	7	35
4) April 2023 – June 2023	7	37

FURTHER ACHIEVEMENTS OF THE TRAINING AND DEVELOPMENT UNIT

Council's Skills Development Facilitator (SDF) is the Chairperson of the Kwa-Zulu Natal Provincial LGSETA SDF Forum.

Council submitted its Workplace Skills Plan and Annual Training Report to the LGSETA and these were approved by the LGSETA. Council duly received its Mandatory Grant from the LGSETA.

TRAINING AND DEVELOPMENT POLICIES

All of Council's Training and Development Policies were reviewed during the 2022 / 2023 Financial year. Council's Training and Development Policies were aligned to the Municipal Staff Regulations.

LABOUR RELATIONS

The core function of the section is to maintain and control the application of specific procedures associated with sound industrial relations climate by attending to and guiding disciplinary and grievance processes, reporting to specific Committees on the status of the function, capacitating Management Representatives on the application and interpretation of policies and agreements, in the long run thus ensuring proper functioning of Council.

All disciplinary processes and grievances are dealt with in terms of the Collective Agreement agreed upon by SALGA and organised labour, therefore ensures that the organisation complies with same.

The Labour Relations section co-ordinates frequent meetings with Organised Labour to keep abreast with internal labour related developments within the sector and in particular the Municipality and facilitates LLF meetings.

DISCIPLINARY MATTERS

There were 51 disciplinary hearings that took place during this financial year. The following schedule indicates the type of misconduct committed, incidents of such misconducts and sanctions emitted.

TABLE ### DISCIPLINARY HEARINGS

Type of Misconduct	Number of Cases	Charges Withdrawn	Alternative Dispute Resolution (ADR)	Written / Final Written Warning	Resigned	Plea Agreement	Dismissal	Pending
Absenteeism / Abscondment	8	Nil	1	3	Nil	Nil	4	Nil
Dishonesty	3	Nil	1	Nil	Nil	2	Nil	Nil
Insubordination	4	Nil	2	Nil	Nil	Nil	1	1
Negligence	4	2	Nil	Nil	Nil	Nil	2	Nil
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bringing name of Municipality into disrepute	1	Nil	Nil	Nil	Nil	Nil	Nil	1
Dereliction of duties	8	1	Nil	Nil	2	3	Nil	2
Gross misconduct	13	Nil	1	Nil	1	1	1	9
Assault	3	2	Nil	Nil	Nil	Nil	1	Nil
Fraud	1	Nil	Nil	Nil	Nil	Nil	Nil	1
Incapacity	5	Nil	Nil	Nil	1	2	Nil	2
Financial Misconduct	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Use Council Vehicle in an unauthorised manner	2	Nil	Nil	1	Nil	1	Nil	Nil
Insolence	1	Nil	Nil	Nil	1	Nil	Nil	Nil

DISPUTES REFERRED TO THE BARGAINING COUNCIL OR CCMA

TABLE ### DISPUTES REFERRED TO THE BARGAINING COUNCIL OR CCMA

Nature Of Dispute	Number of Cases	Settled	Against EMPLOYER	Against EMPLOYEE	Inconclusive (off-roll / withdrawn)	Case Dismissed	Pending	Referred To Labour Court
Unfair Dismissal	4	2	Nil	Nil	1	Nil	1	Nil
Interpretation and application of a	1	Nil	Nil	Nil	Nil	1	Nil	Nil

collective agreement concluded at: <ul style="list-style-type: none"> ▪ Central council level ▪ Division level ▪ LLF or Municipal Level 								
Mutual interest	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Unilateral changes to terms and conditions of employment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Disputes by Essential services employees.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Refusal to bargain	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Severance Pay S41BCEA	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Disputes about Freedom of Association	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Labour Practice	9	Nil	Nil	3	1	1	2	2
Section 198 (LRA)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Section 198A(Labour Broker)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Section 198B(Fixed Term Contract)	3	Nil	1	Nil	Nil	Nil	2	Nil
Section 198C(Part-time Employment)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other	1	Nil	Nil	Nil	Nil	Nil	1	Nil

DISPUTES REFERRED TO THE LABOUR COURT MATTERS

Unfair Dismissal – One (1) in progress

Unfair Labour Practice – Three (3) in progress

Trade Union Organisational Rights – One (1) in progress

DISPUTES REFERRED TO THE CONSTITUTIONAL COURT MATTERS

Unfair Dismissal – One (1) In progress

GRIEVANCES

Three (3) grievances were received. Two (2) were resolved and one (1) is still under investigation.

UNION LEAVE

IMATU did not request any shop steward leave whilst SAMWU had used two (2) days.

EMPLOYMENT TRAININGS/WORKSHOPS OR EXERCISE:

Six (6) “Employer Component” & “Organised Labour” Engagements / Trainings / Team building sessions were held.

Three (3) Employer Component: Engagements / Trainings / Team building sessions were held:

- Supervisory Training was held in April 2023.
- Change Management Training was held in December 2022.
- Conflict Management Training for Managers was held on 29 June 2023.

Three (3) Organised Labour: Engagements / Trainings / Team building sessions were held:

- Organised Labour training was held on 1 - 3 September 2022.
- Shop stewards Training was held on 8 September 2022.
- Shop Stewards Training was held on 30 March 2023.

LLF MEETINGS

Strategic Objective

To create an appropriate organisational climate that will attract and ensure retention of staff.

TABLE ### SCHEDULE OF LLF MEETINGS

QUARTER	ACTUAL TOTAL	TARGET (Annual Target - 10 Meetings)	TARGET (Met /Not met)
Quarter 1 (1 July – 30 September 2022)	2	3	Not met
Quarter 2 (1 October – 31 December 2022)	2	2	Met
Quarter 3 (1 January – 30 March 2023)	2	2	Met
Quarter 4 (1 April – 30 June 2023)	3	3	Met

EMPLOYEE ASSISTANCE PROGRAMME (EAP)

The EAP section's core function is to promote and enhance employees' health and wellbeing of all employees in the organisation. The main aim is to help improve the employees overall work performance and service delivery. The following table illustrates programmes which were conducted by EAP section during year 2022/2023:

NO.	NAME OF THE PROGRAMME	Q1	Q2	Q3	Q4	TARGET
1.	Financial and Debt Management Workshop	1 Programme: 13 sessions				Target Met
2.	Marketing of the EAP	1 Programme: 3 sessions				
3.	Men's Health and Wellness Workshop		1 Programme: 1 sessions			
4.	Employee Wellness Day Event		1 Programme: 1 session			
5.	Awareness on Gender Based Violence Workshop (16 Days of Activism)		1 Programme: 1 session			
6.	Consumer Rights Awareness and Debt Management workshops			1 Programme: 4 sessions		
7.	Annual Prayer day				1 Programme: 1 session	
8.	Awareness on Alcohol and Drug Abuse Campaign				1 Programme: 6 sessions	

TARGET:

TARGET OF 1 EAP (HEALTH & WELLNESS PROGRAMME) PER QUARTER WAS MET SUCCESSFULLY. THE ANNUAL TARGET FOR HEALTH AND WELLNESS PROGRAMMES WAS ACHIEVED .

TABLE ### PROGRAMMES CONDUCTED BY THE EAP SECTION DURING THE 2022 / 2023 FINANCIAL YEAR

TARGET:

Target of 1 EAP (Health and Wellness programme) per quarter was met successfully. The annual target for Health and Wellness programmes achieved.

EAP PROGRAMMES

FINANCIAL AND DEBT MANAGEMENT WORKSHOP



PHOTO ### FINANCIAL AND DEBT MANAGEMENT WORKSHOP

Conducting Financial and Debt management workshops for Council employees is of paramount importance because financial and debt matters are commonly related to stress and anxiety that may manifest in physical symptoms such as lack of sleep, increased blood pressure and heart problems. The EAP section together with Sanlam Sky company conducted 13 Financial Wellness and Future planning workshops sessions in quarter 1 (July / August 2022).

MARKETING OF THE EAP SECTION

In the first quarter, 3 sessions of marketing / inducting new employees about the Employee Assistance Programme (EAP) were held.

MEN'S HEALTH AND WELLNESS WORKSHOP (IMBIZO)



PHOTO ### MEN'S HEALTH AND WELLNESS WORKSHOP (IMBIZO)

A Men' s Health and Wellness Workshop was held that was aimed at assisting men to be able to deal with mental health issues (Stress and Depression Management); providing men with strategies to cope with physiological concerns (including chronic illnesses and their impact psychologically and behaviourally); providing men with strategies to deal with family, work, social and environmental pressures. The workshop was conducted on 6 October 2022.

EMPLOYEE WELLNESS DAY EVENT



PHOTO ### EMPLOYEE WELLNESS DAY EVENT

The Employee Wellness day event has proven to boost employees' morale and encourage them to live a healthy life. The Employee Wellness day programme was conducted on 28 October 2023 at the Richards Bay Sports Complex.

AWARENESS WORKSHOP ON GENDER BASED VIOLENCE (GBV) (16 DAYS / OF ACTIVISM)

The GBV is explained as violence that is perpetrated against an individual based on their socially prescribed gender roles, expectations and norms. The Employee Assistance Programme Section arranged this successful workshop on 9 December 2022. Employees appreciated and applauded the section for the well-versed speakers and acquired information.

CONSUMER RIGHTS WORKSHOP



PHOTO ### CONSUMER RIGHTS WORKSHOP

The EAP section aligns its programmes with the National calendar programmes and campaigns such as Consumer Rights Awareness in the month of March. The EAP section conducted Consumer Rights Awareness sessions throughout the organization, where the workshops took place in March 2023 and was facilitated by the EAP Section together with the Consumer protection office and National Credit Regulator Practitioners.

ANNUAL PRAYER DAY FOR THE ORGANISATION



PHOTO ### ANNUAL PRAYER DAY FOR THE ORGANISATION

The EAP section arranged a prayer for employees' safety and protection. The prayer took place on 18 April 2023. During the annual prayer day pastors from different denominations rendered words of support and prayed for the safety of all employees and Council stakeholders. This programme was well received by employees and the event was well attended.

AWARENESS ON ALCOHOL AND DRUG ABUSE CAMPAIGN



PHOTO ### AWARENESS ON ALCOHOL AND DRUG ABUSE CAMPAIGN

The awareness on Alcohol and Drug Awareness campaign was jointly conducted by the EAP section together with the Department of Social Development and Occupational Health and Safety section. These talks aimed at creating awareness around substance abuse and unpacking the organisation's Intoxication policy framework to employees. All sessions were informative and well received by the attendees.

OCCUPATIONAL HEALTH AND SAFETY

VISION

To support Council with the compliance of its Occupational Health and Safety plan, by striving to have zero incidents, impacting on the safety, health and work environment.

MISSION

To assist Council employees, employee's representatives, supervisors and management to manage the occupational risk exposure, as effectively as possible.

STRATEGIC PRIORITIES / AIMS

The strategies for the Occupational Health and Safety (OHS) section were the following:

1. Identification of Occupational Risk exposures;

2. Develop a management system that is ISO 45001 compliant to manage the occupational risks;
3. Communicate the system and standards to all, and;
4. Evaluate the effectiveness of the Occupational Health and Safety management system.

CHART ### ISO 45001 IMPLEMENTATION STATUS



There was an increase of 11% improvement (51% to 62%) from 2021/2022 to 2022/2023 Financial year in terms of compliance with the required standards.

TABLE ### IN-HOUSE SAFETY INDUCTIONS / WORKSHOPS DURING THE 2022 / 2023 FINANCIAL YEAR

Total standards and sub-standards	Not applicable	Applicable to the Council	Implemented satisfactory	To be confirmed on completion of the ISO 45001:2018 implementation	
264	56	208	128	80	
IN HOUSE SAFETY INDUCTION				NUMBER OF SESSIONS	NUMBER OF EMPLOYEES
Contractors Safety Inductions				51	218
Permanent employee / Temporary employee / Interns / EPWP OHS Safety Inductions				29	278

TOTAL	80	496
IN HOUSE SAFETY WORKSHOPS OR TRAININGS	NUMBER OF SESSIONS	NUMBER OF EMPLOYEES
IOD Procedure	7	102
OHS ACT Legal Liability for Executives	1	20
Flood Mopping Project	1	62
OHS KPA's for Management Representatives	1	10
Safety Related issues	1	57
Duties of SHE Rep	1	1
SHE Rep workshop	1	71
Revise Work Procedure	1	4
Proper Site Inspection	1	5
HR Roadshow – Injury on duty Procedure	3	432
Substance Abuse Awareness Campaign and Random Alcohol Testing Procedure	6	424
TOTAL	24	1188

TABLE ### OHS COMPLIANCE TRAINING DURING THE 2022 / 2023 FINANCIAL YEAR

SAFETY TRAININGS	NUMBER OF SESSIONS	NUMBER OF EMPLOYEES
OHS ACT Legal Liability for Executives	1	20
TOTAL	1	20

PHOTOS OF OHS ACTIVITIES



PHOTO ### HR ROADSHOW – INJURY ON DUTY PROCEDURE



PHOTO ### SHE REPRESENTATIVE WORKSHOP



PHOTO ### SUBSTANCE ABUSE AWARENESS AND RANDOM ALCOHOL TESTING

TABLE ### OHS COMPLIANCE INSPECTIONS DURING THE 2022 / 2023 FINANCIAL YEAR

OHS COMPLIANCE INSPECTIONS	NUMBER OF INSPECTIONS
Municipal Buildings / Workplaces	28
Contractors	29
TOTAL	57 INSPECTIONS

TABLE ### SHE COMMITTEE MEETINGS HELD DURING THE 2022 / 2023 FINANCIAL YEAR

DEPARTMENT / SECTION	NUMBER OF MEETINGS HELD
OHS Management Review	1
City Development	2
Corporate Services	3
Community Services – Waste Management	3
Community Services – Fire and Rescue	4
Community Services – Horticulture and Cemeteries	2
Community Services – Sports and Recreation	3
Community Services - Arts and Culture	1

Community Services - Public Safety and Security	1
Financial Services	4
Infrastructure Services - Transport, Roads and Stormwater	2
Infrastructure Services - Engineering Support Services	2
Infrastructure Services - Water and Sanitation	1
Electrical and Energy Services	2
TOTAL	31

TABLE ### OCCUPATIONAL HYGIENE SURVEYS CONDUCTED DURING THE 2022 / 2023 FINANCIAL YEAR

NO	DOCUMENT	OHS ACT REF
1.	Alton Depot- Fitter Changing Room	ASBESTOS ABETEMENT REGULATIONS
2.	Mzingazi Water Treatment Plant	NOISE INDUCES HEARING LOSS REGULATIONS
3.	Arboretum Swimming Pool	ASBESTOS ABETEMENT REGULATIONS
4.	Lake Cubu Water Treatment Plant	NOISE INDUCES HEARING LOSS REGULATIONS
5.	Waste Empangeni Trucks (V2029 and V437) Waste Esikhaleni Trucks (V439 and V1253) Waste Richards Bay Trucks (V1416 And V1293.	ERGONOMICS (VIBRATION) REGULATIONS NOISE INDUCES HEARING LOSS REGULATIONS

INDIVIDUAL PERFORMANCE MANAGEMENT

The main function of the Individual Performance Management Unit is to develop policies, processes and procedure guidelines regarding management of performance within the Municipality.

The section ensures a process which measures the implementation of the organization's Performance Management strategy. Individual Performance Management is also a management tool to plan, monitor and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality.

ACTIVITIES AND MAIN FUNCTIONS OF THE UNIT

- Render provision and support to departments and employees regarding Performance Management and Development system;
- Implementation of legislative imperatives;
- Implementation of Collective Agreements on Conditions of Service;
- Development of policies, procedures and guidelines, and;
- Statutory reporting.

ACHIEVEMENTS:

- Cascading down of Performance management from level 22 down to level 19;
- Employee Engagement sessions through the Human Resources Roadshows, and;
- IPMS workshops in various departments.

CHALLENGES:

- Staffing
The section had only one incumbent responsible for the cascading down of the Performance Management throughout the organization.
- Budget
The section did not have a budget to facilitate any further performance Management Programmes during the reporting period.

ORGANISATIONAL DEVELOPMENT AND CHANGE MANAGEMENT

REVIEW OF THE MUNICIPAL ORGANOGRAM

In terms of the Key Performance Area of the Organisational Development and Change Management unit, as contained in the Performance Plan of the Deputy City Manager: Corporate Services, the Organisational structure must be reviewed annually in order to maintain an organisational structure that is in line with organisational objectives and optimises service delivery.

During the reporting period, the City of uMhlathuze reviewed its organogram with a view to aligning it to its Integrated Development Plan (IDP), budget and services delivery programs.

While this process was internally-driven in the main, the Municipality at a stage did utilise a service provider to assist with the process of the organogram review.

JOB EVALUATION COMMITTEE MEETINGS

Job Evaluation Committee meetings for the reporting period took place on the following dates, as contained in the Table below;

Table####: DATES OF JOB EVALUATION MEETINGS

Job Evaluation Meeting Dates - Month	Dates
July 2022	06 / 07 July 13 / 14 July 20 / 21 July
August 2022	03 / 04 August 10 / 11 August
September 2022	07 / 08 September 14 / 15 September
October 2022	05 / 06 October 12 / 13 October 19 / 20 October
November 2022	02 / 03 November
December 2022	No meetings held
January 2023	No meetings held
February 2023	No meetings held
March 2023	01 / 02 March 08 / 09 March 15 / 16 March 22 / 23 March 29 / 30 March
April 2023	05 / 06 April

	12 / 13 April
	19 / 20 April
May 2023	03 / 04 May
	10 / 11 May
	17 / 18 May
	24 / 25 May
June 2023	01 / 02 June
	08 / 09 June
	22 / 23 June
	28 / 29 June

The Municipality had almost all its positions evaluated during the 2021/2022 Financial Year, and implemented the process outcomes in November 2021. Fifty (50) appeals were lodged by employees who were not satisfied with the outcomes, while thirteen (13) employees received positive results, the rest were unsuccessful.

A further 41 Job descriptions were evaluated and the results of the auditing of these 41 Job descriptions are still with the Provincial Audit Committee (PAC).

CHANGE MANAGEMENT INTERVENTIONS

The table below provides information on change management interventions that took place at Council during the reporting period:

Table####: CHANGE MANAGEMENT INTERVENTIONS

Number	Change Management Interventions	Date
1	Conduct of Interns at the Workplace on the WIL Programme	08 December 2022
2	Human Resource Roadshow – One of the main focus areas was the Implementation of the Municipal Staff Regulations and the impact thereof on the employee	20 February 2023
3	Human Resource Roadshow – One of the main focus areas was the Implementation of the Municipal Staff Regulations and the impact thereof on the employee	21 February 2023
4	Human Resource Roadshow – One of the main focus areas was the Implementation of the Municipal Staff Regulations and the impact thereof on the employee	22 February 2023
5	mSCOA Training for non – financial Managers	16 March 2023

HUMAN RESOURCE STRATEGY AND HUMAN RESOURCE PLAN

Council's Human Resource Strategy and Human Resource Plan for 2023 / 2028 was approved by Council during the reporting period.

HUMAN RESOURCE POLICIES

Various Council's Human Resource policies were reviewed and developed during the reporting period. These policies were aligned to the Municipal Staff regulations and were approved by Council.

OCCUPATIONAL HEALTH CLINIC

The total head-count for the financial year is 6937. The Occupational Health Service rendered by Council to its employees is executed in accordance with the provisions of the Occupational Health and Safety Act, 1993 (Act 85 of 1993) and Council Resolution 768 of 27 November 2001.

The Occupational Clinic is situated at the Alton Service Centre and is responsible for the health and safety of employees working for uMhlathuze Municipality. Occupational Health Nurse Practitioners and a Part-time Medical Officer of Health are responsible for this Clinic.

TABLE ###: TOTAL NUMBER OF EMPLOYEES WHO ATTENDED CLINIC SERVICES

MUNICIPAL EMPLOYEES	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Total Head-count	1896	1455	1628	1958	6937
Municipal Employees attended to by the Medical Officer	85	81	71	106	343
Municipal Employees booked off-sick	100	101	113	162	476

The Occupational Clinic attended to 6937 employees during this financial year. The Occupational Doctor (Medical Officer) attended to 343 employees.

TABLE ###: SURVEILLANCE MANAGEMENT

SURVEILLANCE MANAGEMENT	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Pre-employment medicals conducted	37	44	14	39	134
Pre-employment for temporary workers	120	65	76	74	335
Periodical medical examination	555	301	523	768	2147
Exit medical examination	17	23	24	23	87
Executive Medicals	0	0	3	10	13
Medicals (others)	10	0	0	0	10
Drivers medicals	137	81	151	94	463
Assessment for Alternative Protection wear	5	22	2	1	30
Hepatitis B (Given)	151	111	80	127	469
Health evaluation following medicals	5	4	12	22	43
Health evaluation following sick leave	71	33	43	35	182
Health evaluation others	6	0	1	4	11
Employees receiving alternative PPE	0	21	1	1	23
Assessment for alternative job placement	2	4	4	0	10
Light duties	5	7	2	8	22

182 employees who were off - sick for an extended period visited the Clinic and were reviewed by the Occupational Health Practitioner before returning to work. This is to prevent accidents and incidents which may be due to their early return to work. Employees are monitored on their recovery process.

Employees who are exposed to body fluids are immunised against Hepatitis B. Each employee initially receives three injections one month apart, thereafter a booster, every five years. 469 Hepatitis B injections were given during this financial year.

The clinic began conducting Executive medicals in March 2023. These medicals include an ECG done by an outside agent and in-house vital sign check, which includes a cholesterol and Blood glucose tests, where after the employee is seen by the Occupational Doctor to review all the findings. The focus of the medical is on early detection of stress related diseases and to observe chronic disease management on the executive management.

TABLE ###: HEALTH AND SAFETY

HEALTH AND SAFETY	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Injuries on Duty attended in Clinic	21	27	38	23	109
Seen by Doctor / follow up	2	4	1	0	7
Injury on Duty follow up	16	13	21	14	64
First Aid Boxes inspected	44	51	26	34	155

All Injuries on Duty are monitored by the Occupational Clinic. Those who were attended to by outside agents are also monitored by the Clinic to ensure they are fit to return for duty.

155 First-Aid boxes were inspected by the Health Nurse Practitioners during the reporting quarter.

TABLE ###: ANIMAL BITES

ANIMAL BITES IOD	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Animal bites	1	1	16	6	24
Bee stings	1	0	14	5	20
Other stings	0	1	2	1	4
Bites and stings occur while on duty	1	1	16	6	24
Dog bite IOD	0	0	0	0	0

The Occupational Clinic monitors all animal bites to ensure that employees are fit to work after the incident. During this Financial period there were 24 insect stings reported.

TABLE ###: PRIMARY HEALTH CARE

PHC	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Minor ailments	550	592	610	722	2474
New TB Cases	2	2	1	1	6
TB Visits	14	10	5	3	32
Outreach TB screening	104	3	0	0	107
Pregnancy	1	0	6	1	8

Tuberculosis (TB): 6 employees were diagnosed with TB this financial year.

TABLE ###: CHRONIC CONDITIONS

Chronic	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Hypertension Repeat visits	181	122	122	90	515
Epileptic visits	3	3	2	1	9
Diabetic visits	264	162	104	114	644
Asthmatic visits	1	2	2	1	6
Weight Monitoring	0	0	4	1	5

The Clinic monitors employees with chronic conditions, those with uncontrolled chronic condition are monitored regularly. Employees with uncontrolled chronic condition are stopped from working, to prevent injuries to them and others and to enhance ongoing treatment.

INFORMATION AND COMMUNICATION TECHNOLOGY SECTION

The Information and Communication Technology (ICT) is central to municipal operations as it cuts across various functions and processes, therefore an important strategic partner. As a business enabler, it is paramount that the ICT evolves with the times and industry trends to ensure continuous support of business objectives in the new era of the Fourth Industrial Revolution (4IR) and beyond.

In line with the industry developments, the need to improve decision making processes and compliance with legislative requirements from the upper spheres of government, the municipality is in the final stages of implementing a SAP Enterprise Resource Planning Solution (ERP) earmarked to replace legacy and fragmented systems.

The ICT Section of uMhlathuze Municipality is divided into four sub-sections, namely;

- ICT Governance;
- ICT Service Delivery;
- ICT Infrastructure, and;
- ICT Application Systems.

ICT GOVERNANCE

ICT Governance is responsible for supporting the Head of ICT in providing strategic direction to the ICT Section, to ensure that ICT goals are aligned with business objectives, compliance with legislation, risks are managed appropriately and the ICT resources are used appropriately. It also ensures proper planning and management of all ICT related projects for the City of uMhlathuze.

As part of good governance, the ICT is required to develop and implement sound security policies to ensure adequate protection of Municipal information assets, including the systems and data.

ICT SERVICE DELIVERY

The ICT Service Delivery sub-section is responsible for the establishment, management and maintenance of a functional and efficient ICT Service Desk and desktop environment, provision of ICT support services to the end-users. Planning, installation, upgrade and relocation of end-user equipment including office automation fall within the scope of this sub-section. It is also responsible for the preparation and maintenance of the ICT Asset Register

ICT INFRASTRUCTURE

There are two focus areas of the ICT Infrastructure sub-section:

- **Network Connectivity Infrastructure** entails planning, installation, configuration, support, maintenance and management of all voice and data network devices including access control and CCTV cameras. This sub-section is also responsible for cabling, including fibre and wireless radio network infrastructure.
- **Server Infrastructure** including planning, installation, configuration, support, maintenance and management of all servers within the City of uMhlathuze, including backup, DRP (Disaster Recovery Plan) and ICT Service Continuity planning, implementation, testing, and maintenance.

ICT APPLICATION SYSTEMS

The ICT Application Systems is a newly established component of the ICT Section that is responsible for the analysis, design, development, implementation, the support and maintenance of the business systems, mainly the SAP ERP and other Financial Management Information Systems.

This sub-section provides day-to-day support of the financial systems processes, thereby indirectly positively contributing to efficient delivery of public services.

ICT PERFORMANCE AND ACHIEVEMENTS

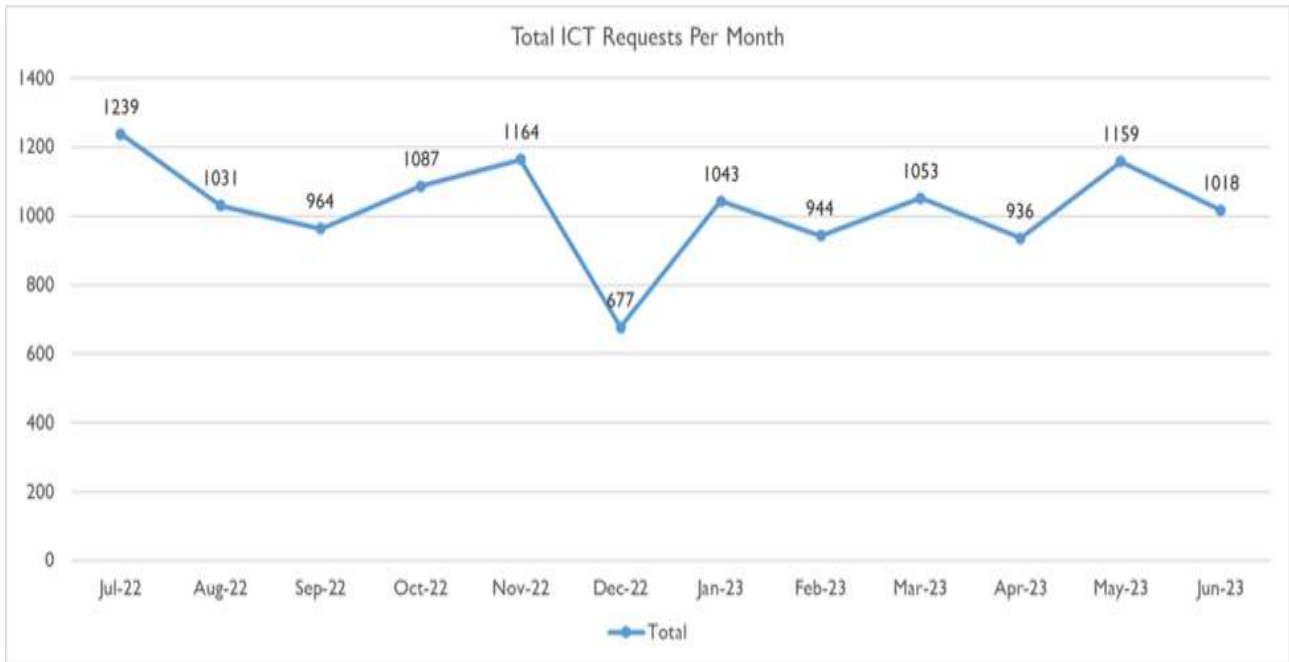
The ICT Section performance is continuously assessed on a weekly, monthly, quarterly and yearly basis by various oversight structures, which are;

- **ICT Section Weekly Meetings:** The ICT Section meets on a weekly basis (Monday) to assess the achievements and progress made during the previous week. The areas requiring intervention are also identified and the tasks for the new week are established.
- **ICT Steering Committee:** This committee meets on a monthly to assess the performance of the ICT Section and considers the submitted reports. In line with the approved committee terms of reference and best practice, the members of the committee are the City Manager, Deputy City Managers and the Head of ICT. Officials representing various departments with ICT interests sit in the committee.
- **Corporate Services Portfolio:** The ICT Section also submits performance and progress reports to the Corporate Services Portfolio Committee.
- **Enterprise Risk Management Committee:** The ICT Risk Register and related reports are submitted to this committee for consideration, thereby enabling appropriate oversight on ICT risk related matters.
- **Internal Audit Services:** The ICT Section is audited on a regular basis, and submits performance reports to the Internal Audit Services as and when required.
- **Audit Committee:** On a quarterly basis, the ICT Section submits progress reports to the Audit Committee with specific focus on the progress in addressing the critical issues listed in the ICT Risk register.
- **Auditor General:** The ICT Section is audited annually by the Auditor General to ensure compliance with relevant legislation, frameworks, best practice and performance targets thereof.

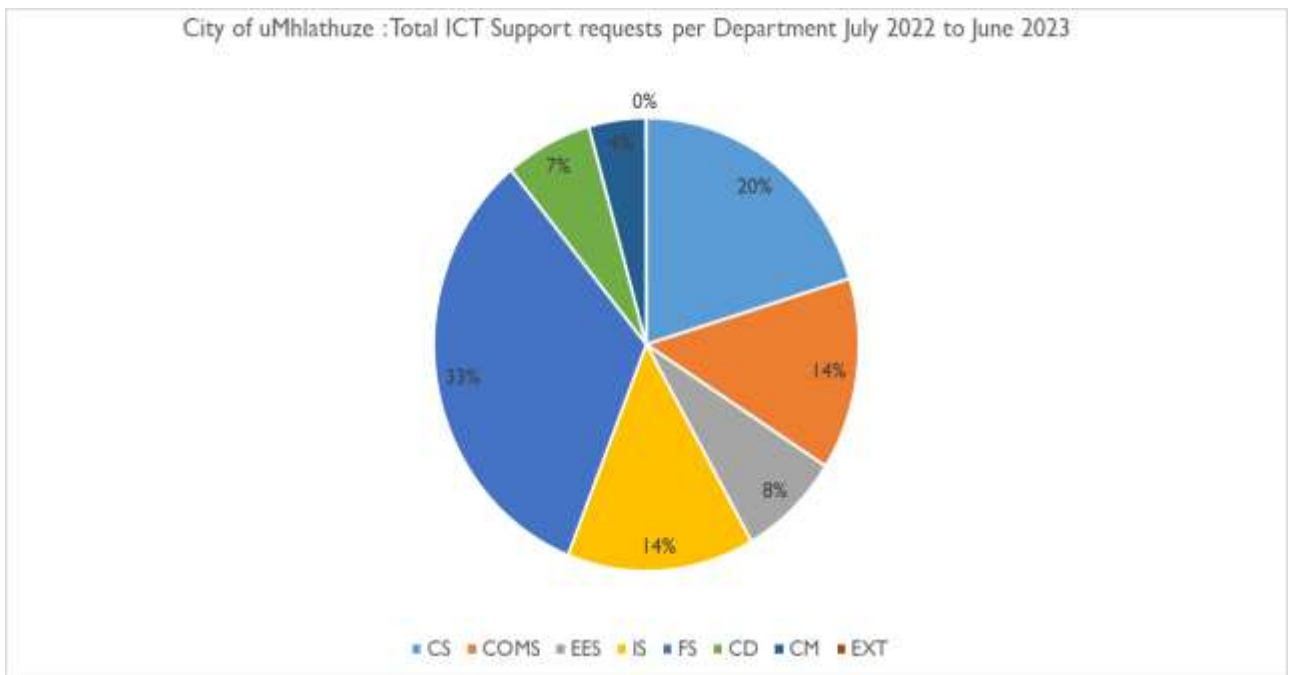
As part of the ICT performance monitoring and reporting on achievements, a comprehensive report is tabled on a monthly basis at relevant Council Committees. The following graph shows the number of requests logged with the ICT Service Desk for the reporting period:

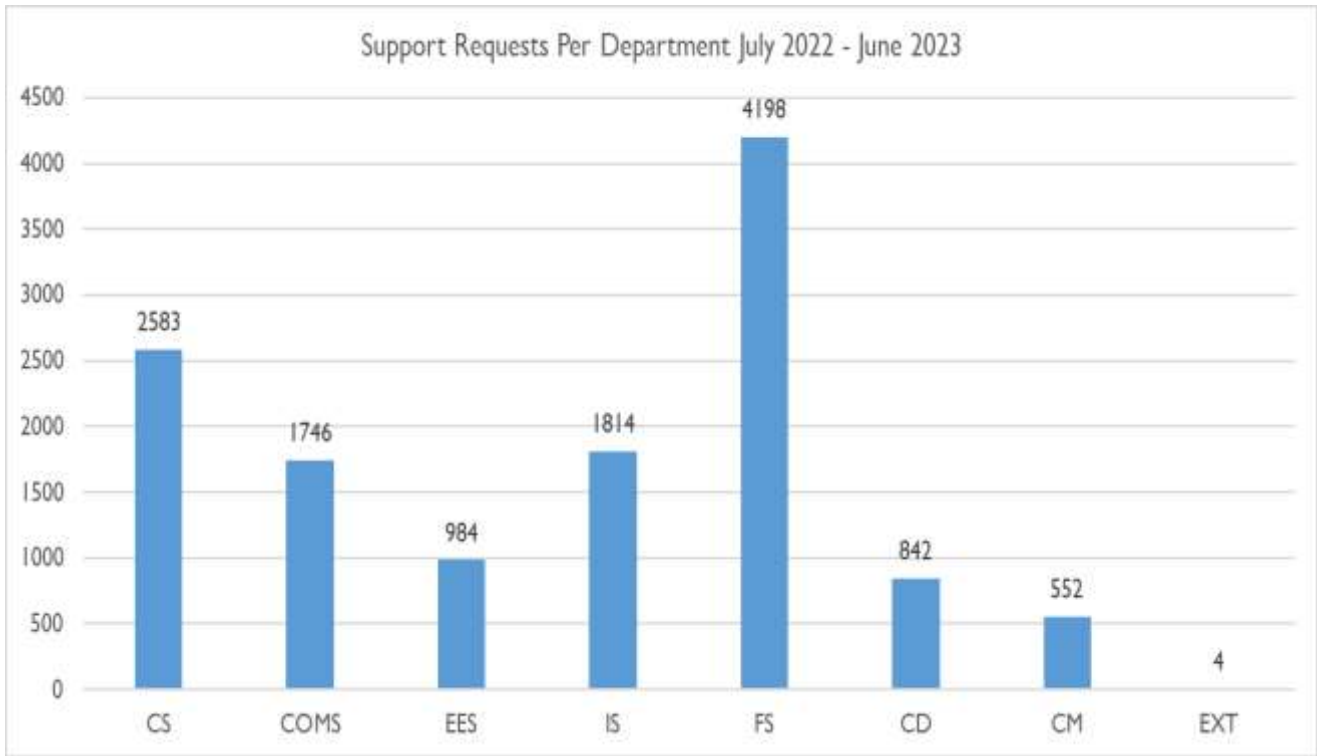
Status	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Open	22	11	11	20	6	4	6	22	1	2	8	3
Closed	1217	1020	953	1067	1158	673	1037	922	1052	934	1151	1015
Total	1239	1031	964	1087	1164	677	1043	944	1053	936	1159	1018

TABLE *: TOTAL NUMBER OF ICT SUPPORT REQUESTS LOGGED**



The chart below shows the number of support requests per department logged with the ICT Service Desk for the reporting period:





KEY

CS = Corporate Services	COMS =Community Services	EES = Electrical and Energy Services
IS = Infrastructure Services	FS = Financial Services	CD = City Development
CM =City Manager	EXT = External	

KEY ICT PROJECTS IN PROGRESS AT THE END OF THE 2022/2023 FINANCIAL YEAR

- SAP ERP System implementation

KEY ICT PROJECTS COMPLETED IN THE 2022/2023 FINANCIAL YEAR

- Facial Recognition Access Control System installation and roll - out Phase III and IV.
- End - User Equipment Refresh Roll - out 2023 (Supply, Deliver and Offloading of computer equipment) Various including 8/2/1/UMH924 – 22/23 Roll - out of 52 Dockable Laptops and 36 Desktop computers.
- Water Treatment Plant Radio Link Connectivity – connecting 11 new municipal sites via Wireless Radio Links to the municipal ICT network.
- Radio Link Back Bone upgrade to accommodate all new sites added.
- Network Infrastructure Upgrade - recurring yearly projects planned to refresh and repair various ICT networks within the organization.
- CCTV network expansion.
- Audio - Visual System Replacement in Council Chambers at the Richards Bay Civic Centre.
- Emergency System Implementation for Traffic Control Room and Fire and Rescue Services (Phase II).



COMMUNITY SERVICES DEPARTMENT

COMMUNITY SERVICES



MR PN MHLONGO

DEPUTY MUNICIPAL MANAGER

Introduction

The Department Community Services is one of the major service delivery orientated Departments with a staff complement of more than 2000 employees. Service delivery focus points for Community Services are concentrated in the following sections:

- ❖ Waste Management (Waste collection and Street Cleaning)
- ❖ Horticulture Management (inclusive of Grass Cutting/Tree Trimming in parks and open spaces as well as Cemetery management)
- ❖ Sport and Recreation (Programs and Facility management)
- ❖ Arts and Culture (inclusive of Museum, Libraries, Halls and Thusong Centres)
- ❖ Traffic Management
- ❖ Security

The mandate of the Department feeds directly into the Vision of the Municipality in terms of improving the quality of citizen's health and well-being, creating a safer city through integrated and community based public safety as well as rural development interventions.

Some critical achievements towards the above is reflected in the following:

- Partnership with "South32 Richards Bay" in the management of trucks travelling on the John Ross Highway;
- Procurement of three new Compactor Trucks used for waste collection through careful management with a constraint budget and the support of the Fleet Section.
- Partnership with "RBM" and "KZN Athletics" in the promotion of Sport
- Full implementation of grants-in-aid programme to fund and promote Sport as well as Arts and Culture.
- Continuous roll-out of outreach programmes at Community Halls and Thusong Centres to address poverty reduction

- Last, but not least, the stellar response by the following Sections in times of disaster/emergency is to be commended:

Fire and Rescue Section: Response to fire that broke out at the Civic Centre restaurant area and adjacent Council Chamber. flames were successfully extinguished which prevented any loss of life, injury and further damage to the remaining office block.

Disaster Management: Response and recovery during the February 2023 Storms and excessive rainfall

Horticulture Management (Parks): Swift response and clean-up of plant debris during a severe storm in April 2023

PUBLIC HEALTH AND EMERGENCY

WASTE MANAGEMENT

Waste Management Services is divided into the following two sub-divisions:

- Waste Management: Operations; and
- Waste Management: Administration and Compliance.

Key deliverables applicable to Waste Management Services include:

- Collection and disposal of waste within the jurisdiction of the City of uMhlatuze;
- Waste minimization re-use and recycling of waste;
- Skips management and eradication of illegal dumping and;
- Community education and awareness campaigns.

Waste Management Services activities are governed by the following legislation:

- Constitution of South Africa, 1996 (Act 108 of 1996) - Bill of Rights: Section 24 of Chapter 2;
- National Environmental Management Act, 1998 (Act No. 107 of 1998);
- Municipal Systems Act, 2000 (Act No. 32 of 2000);
- National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008);
- National Domestic Waste Collection Standards (2011); and
- National Waste Management Strategy (NWMS) 2011.

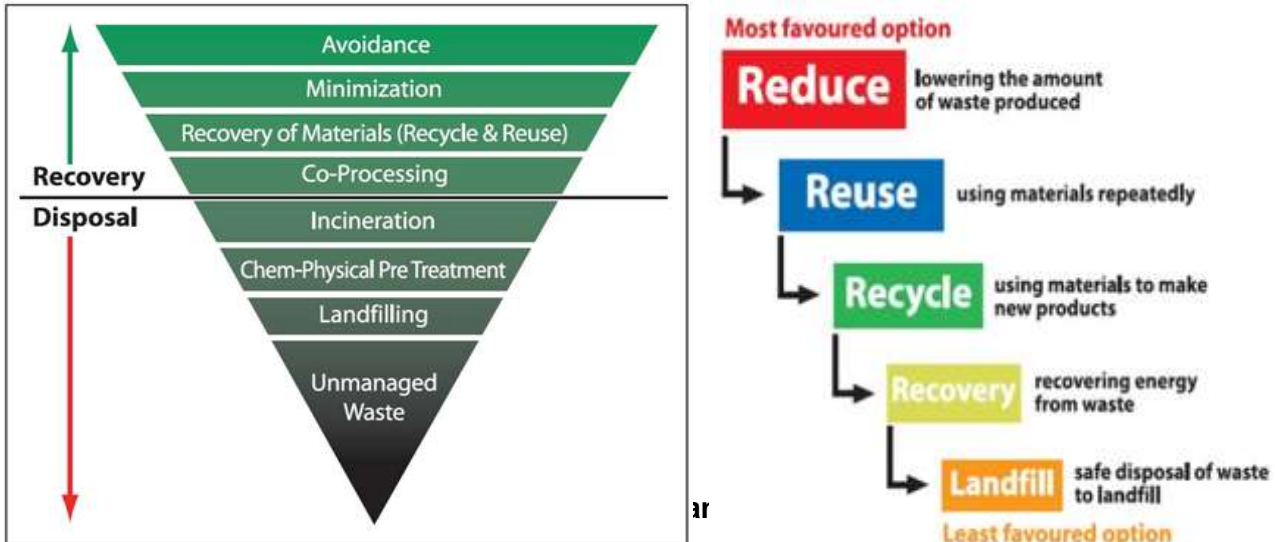
The eight strategic goals stated below are goals the City of uMhlatuze Integrated Waste Management Plan has adopted, in line with the National Waste Management Strategy (2011). These goals are structured as follows:

- *Goal 1: Promote waste minimisation, re-use, recycling and recovery of waste.*
- *Goal 2: Ensure the effective and efficient delivery of waste services.*
- *Goal 3: Grow the contribution of the waste sector to the green economy*
- *Goal 4: Ensure that people are aware of the impact of waste on their health, well-being and the environment.*
- *Goal 5: Achieve integrated waste management planning.*
- *Goal 6: Ensure sound budgeting and financial management for waste services.*
- *Goal 7: Provide measures to remediate contaminated land.*
- *Goal 8: Establish effective compliance with and enforcement of the Waste Act.*

In terms of the Waste Management Services unit the following has been achieved, in line with these strategic goals:

❖ Goal 1: Promote waste minimisation, Re-use, Recycling and Recovery of Waste

According to the National Waste Management Strategy (2011), efforts should be made to channel waste towards recycling. The Basic Waste Management Hierarchy shown below, clearly indicates how waste should be handled. The current recycling programmes within the City responds to the implementation of the waste management hierarchy and the promotion of Goal 1, where taking waste to the landfill site is aimed to be the last resort. This is achieved through the separation of waste at source; establishment of Material Recovery Facilities; and increasing the recycling rate through individuals and buyback centres.



- **Recycling Rate**

A total of 13 178 645 tonnes of waste was diverted from the landfill site as a result of extraction (from different waste streams) for recycling purposes. Through this extraction an average recycling rate of 23.25 % against the annual target of 20% was achieved by the City of UMhlatuze for the 2022/2023 financial year.

- **Separation of Waste at Source (Kerb Recycling)**

There are currently Seven areas, i.e. Meerensee, Birdswood, Grantham Park, Nyala Park, Felixton, eSikhaleni J1 Section and eNseleni where separation of waste at source is taking place. In these areas each household is given a yellow plastic bag for recyclables over and above the trolley bin service. Recyclables from Meerensee and Birdswood are collected by a municipal bush truck to different Material Recovery Facilities on the day of waste removal for further sorting. Recyclables from Felixton and Esikhaleni J1 Section are collected by separate “wastepreneurs” with their own transport, on the day of waste removal and sorted at their recycling sites. (Wastepreneurs are individuals who started their own businesses based on their ideas for the recycling of the waste collected at the material recovery centres)

A waste recycling truck has been delivered this financial year. This will ensure the expansion of kerb recycling to other areas, especially at Empangeni. This expansion will in turn allow an increase in the recycling rate and enable wastepreneurs to obtain cleaner recyclables.

- **Establishment of Material Recovery Facilities (MRF)**

Material Recovery Facilities, also known as Recycling Centres, within the City are currently operating and contributing to the community directly. These include Mzingazi Material Recovery Facility, eNseleni Material Recovery Facility, Alton Material Recovery Facility and Ntambanana Material Recovery Facility.

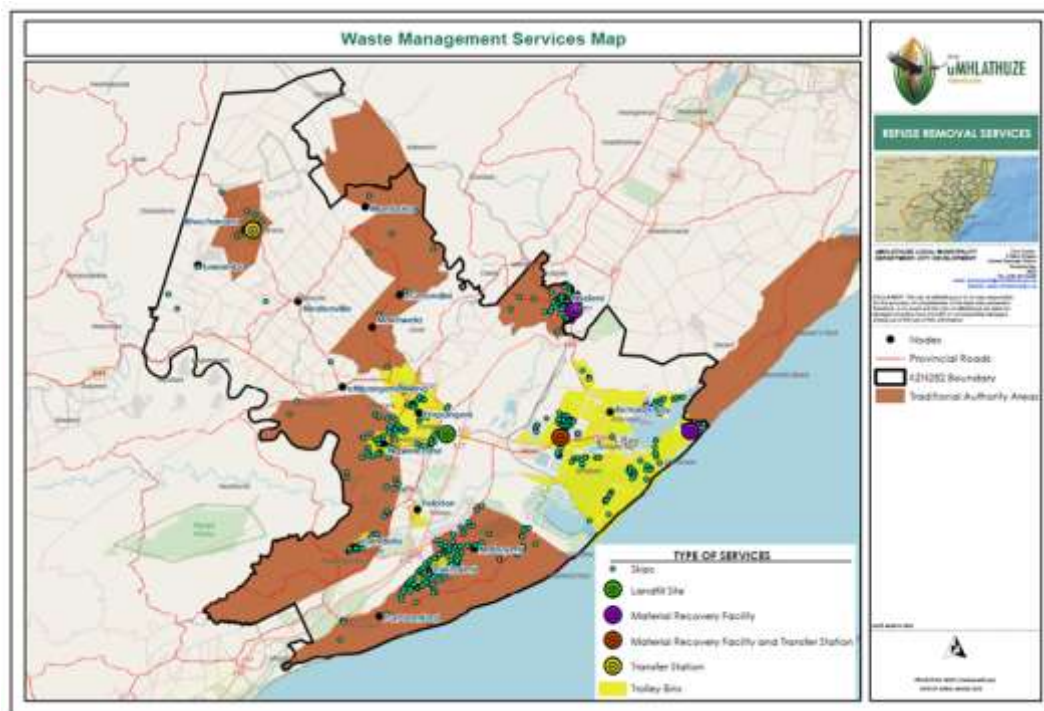
Each MRF accommodates local wastepreneurs that previously recycled from their own backyards to sort different recyclables for their own financial benefit. Facilities in Alton, Mzingazi and eNseleni are provided with recyclable waste by the Municipality from the kerb recycling programme in addition to recyclables wastepreneurs collect on their own. Wastepreneurs situated in Ntambanana, on the other hand, obtain their recyclables from incoming communal skips that they sort prior to landfill disposal.

Alton MRF and Ntambanana MRF also operate as transfer stations, where Alton allows residents to dump green waste and Ntambanana accumulates domestic waste from communal skips and surrounding community members.

❖ **Goal 2: Ensure the effective and efficient Delivery of Waste Services**

In terms of the Constitution the responsibility for waste management functions is to be devolved to the lowest level of government. It is therefore clear that the City is responsible for Waste Management Services within its area of jurisdiction and has to ensure proper handling of waste thus promoting a healthy environment.

Map depicting the area of operation for waste removal services within the City



Daily operations activities aimed at achieving Goal 2 include the following:

- Weekly waste collection from all 34 wards, both rural and urban, and dispose thereof at King Cetshwayo Regional Landfill site;
- Street cleaning, litter picking and public ablution facilities cleaning in public convenience areas daily;
- Emptying and cleaning around community and business skips; and
- Regular clearing of illegal dumping hotspots.

All the operational **activities listed** above **were** achieved during this year, including the extension of services to rural areas through the distribution of skips. As a result, the City stands at 73.40 % of households that have access to basic weekly solid waste removal service at the end of June 2023.

- **Solid Waste Collection and Street Cleaning**

Refuse removal was successfully provided in all residential areas, commercial and industrial areas as per the weekly schedule, although sometimes waste had to be collected the following day and over the weekend in some areas due to fleet challenges. This includes communal skips, which are strategically

placed in semi-urban and rural areas. Businesses, on the other hand, such as shopping malls and industrial skips were serviced as per contract that varies from business to business.

Street cleaning is mainly litter picking especially in busy streets such as John Ross Highway from Empangeni to Meerensee, which were cleaned twice a week, as well as all other busy streets in the CBDs of Empangeni and Richards Bay, which were cleaned daily.

Shopping centres such as Ngwelezane, eNseleni and Vulindlela including Taxi and Bus Terminals situated in those areas were also cleaned on a regular basis. All bus and taxi ranks were cleaned daily, including those in villages, such as Mandlazini and Mzingazi. Litter picking done by municipal employees and also Community Work Programme (CWP) employees in various areas including Dumisani Makhaye Village, Macekane Reserve, Ntambanana, Aquadene, Esikhaleni, Ngwelezane, Madlankala, Mpembeni, Port Dunford, Gobandlovu, Mevamhlophe, uBizo, eMatshani, Enhlanginyuke Dondolo, etc.

- **Cleansing and Washing of Public Ablution Facilities**

Public conveniences including all public ablution facilities at bus and taxi ranks and busy streets were serviced successfully throughout the year by the dedicated Cleansing team.

- ❖ **Goal 3: Grow the contribution of the Waste Sector to the Green Economy**

Goal 1 promotes a recycling program that directly benefits a number of individuals in the green economy, who are referred to as “Wastepreneurs”.

(a sentence explaining “green economy”

Continuous public awareness’s further encourages individuals to consider “*Waste as a Resource out of Place*” hence there is a positive increase in the number of recyclers within the City. These recycling program beneficiaries range from well-known recycling buy back centres to recycling SMMEs, informal waste collectors (also known as trolley pushers) and home-based recyclers; who would not have had any form of income without this program.

- ❖ **Goal 4: Ensure that people are aware of the impact of waste on their health, well-being and the environment.**

In order to achieve this goal waste management information was spread among communities through environmental awareness, door to door and clean-up campaigns through:

- The development of local awareness campaigns on the importance of proper waste management practices;
- The promotion of waste minimisation and recycling through education system; and
- Through the participating in the Greenest Municipality Competition.

From July 2022 to June 2023, **46** awareness campaigns that were conducted in the last financial year.



City of uMhlathuze Municipality Traffic officers and Fire and Rescue leading the community during a clean-up to ensure participant's safety

To further increase environmental awareness and protection, Waste Management Services has a number of educational signboards. These signboards further educate and encourage communities on general cleanliness, recycling and reporting of illegal dumping actions.

❖ **Goal 5: Achieve integrated waste management planning.**

In terms of the Waste Act all spheres of government are required to develop an Integrated Waste Management Plan, hence it is a legal requirement for the City to have one. It has undergone the 6th review in 2022/2023 financial year, in line with the Integrated Development Plan and updated legislation.

According to the Waste Act, the IWMP must be reviewed every five (5) years, however, the City proactively reviews annually. Continuous review of the IWMP ensures that changes in developments and implementation of the plan are achieved and well accounted for.

❖ **Goal 6: Ensure sound budgeting and financial management for waste services**

Within the set budget the section has managed to expand service to rural areas, where service was never provided before. This is putting more pressure to the budget due to limited sources of revenue.

The section has stabilized expenditure on overtime, and currently the section only has planned and approved overtime, but still looking at other avenues so as to ensure that more is done with limited funding.

❖ **Goal 7: Provide measures to remediate contaminated land**

The Waste Management Service Section has an approved Comprehensive Illegal Dumping Eradication Plan which clearly outlines the role of each stakeholder within the municipality's jurisdiction in combatting the illegal act. The stakeholders range from community members, Ward Councilors,

businesses, contractors, garden services, law enforcement and even media to deal with illegal dumping and land pollution.

Illegal dumping is a thorn in the side of the City of uMhlathuze. The hard reality is that of all illegal dumping: 70% is building rubble, 22% is green waste, 7% is household waste and the 1% is other forms of waste which includes tyres etc.

In terms of equipment, the section can however only handle and eradicate less than 40% of the illegal dumps. Illegal dumping teams are proactively clearing hotspots and waste dumped around communal skips. These teams are proactively clearing these sites during selected weekdays and weekends.

❖ **Goal 8: Establish effective compliance with and enforcement of the waste act.**

In terms of Waste Act, all handlers of waste should be registered with Waste Management Officer. Currently there are more than 112 waste handlers who have registered with the unit, which assists in proper profiling of waste handlers within the City.

In addition to this, all our Material Recovery Facilities have been registered in terms of Section 4 of National Norms and Standards for Sorting, Shredding, Grinding, Crushing, Screening or Bailing of General Waste 2017

FIRE AND EMERGENCY SERVICES

Fire & Rescue Services is a mission-oriented Emergency Service, focused on the safety and well-being of the community of the City of uMhlathuze.

Fire and Rescue personnel deliver services through an integrated approach that encompasses emergency response for fire, rescue, and life safety, along with community risk reduction through public safety programs such as, risk-based inspections, fire investigations, targeted public education, as well as planning & reviewing safety measures at certain sites.

As members of the City of uMhlathuze Fire and Rescue Services, the following principles are followed:

- The safety of our members and the citizens we serve is paramount,
- We will provide the highest quality of service to all who call upon us,
- We believe in service, professionalism, discipline, integrity, accountability and pride.
- We recognize and respect the rights of all we serve,
- We are committed to the preservation of life and property of our citizens,
- We believe that the professional development of our members will lead to improved quality of service,
- We will promote a positive environment that inspires teamwork.

The Fire and Rescue Section administer the Fire Brigade Services Act and associated legislation on behalf of the City of uMhlathuze with the main objective being the protection of life, property and the environment from fires and other emergencies

The City of uMhlathuze is responsible for the provision of Fire Services in its area of jurisdiction that includes the following:

- Fighting and Extinguishing Fires, which include:

Development and implementation of standard operational procedures for use during Fire-Fighting operations; and call taking and dispatching of resources

- Preventing the outbreak and spread of fires which include:

Constantly conducting random fire safety inspections at any premises within the city's jurisdiction and providing key information/advice as requested by premises owners on the following

How to prevent and restrict the spread of fire in a building and/or property and the proper means of escape from a building and/or property in case of fire

- Development and implementation of community based fire safety and prevention programs
- Maintenance of fire service equipment, infrastructure and materials
- Provision of training to Fire Services practitioners
- Procurement of equipment, materials, and other supplies required to perform functions optimally
- Conducting Fire Risk Assessment
- Rescue of life and property from fire and/or other forms of entrapment
- Participation in special events planning (Section (4) four meetings)

The City of uMhlathuze Fire and Rescue Services still has an opportunity to strengthen its role in the prevention of fire-related incidents, which is aligned and supported by Section 152 of the Constitution of South Africa, 1996 (Act 108), which states that the objective of Local Government is to promote a safe and healthy environment.

The Fire and Rescue Services Department operates in terms of the following Legislative Framework:

- The Constitution of the Republic of South Africa, 1996 (Act No.108 of 1996);
- Fire Brigade Services Act, 1987 (Act No. 99 of 1987);
- National Building Regulations and Standards Act, 1977 (Act No. 103 of 1977) as amended (SANS 0400);
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993);
- South African National Standard: SANS10400, SANS1087, SANS1089, and SANS10090
- Hazardous Substance Act, 1973, (Act No.15 of 1973);
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- Municipal Structures Act, 1998 (Act No. 117 of 1998);
- National Veld and Forest Fires Act, 1998 (Act No. 101 of 1998) and
- Disaster Management Act, 2002 (Act No. 57 of 2002)

The strategic goals around which the City of uMhlathuze Fire and Rescue Services (F&RS), in line with National Fire Prevention Association (NFPA), are structured as follows:

Goal 1: To ensure the Provision of fire fighting

Goal 2: To ensure fire prevention inspections take place timeously and in accordance with the relevant standards

Goal 3: To provide intense specialized rescue

Goal 4: To Implement life safety awareness

Goal 5: To forge partnerships with stake-holders

Goal 6: To ensure sound budgeting and financial management for Fire Service

Goal 7: To provide external, as well as in house training and education programmes encompassing the specialized educational needs of the fire fighter

The goals tabulated above explain the objectives, strategies, and indicators used as a measuring tool to confirm if the objectives have been met for the targets of the current financial year.

❖ Goal 1: Provision of Fire Fighting

Goal 1: To ensure the Provision of Fire Fighting

- Responding to Incidents

Fire and Rescue Services attended 1090 incidents in the year ending June 2022. Unfortunately, this outlines only a marginal increase when compared to the previous year's 1082. Of these incidents, there were 293 rubbish/grass/bush fires, which was a seventeen per cent (27%) decrease compared with the previous year's 350.

According to statistics, the number of fire incidents rubbish/grass/bush fires decreased from 350 in 2020/2021 to 293 in 2021/2022 due to effective awareness and improved fire prevention strategies.

With reference to the 2021/2022 statistics, it shows that the volume of rubbish/grass/bush fires are still a major concern for Fire & Rescue, as the numbers are still quite high. That results in a significant amount of resources being spent on these types of fires alone.

- Wildfire preparedness and response

Fire and Rescue Services recognized that the City of uMhlathuze has significant areas where certain communities meet the forest, which makes them especially vulnerable to wildland fire damage.

Therefore, Fire and Rescue Services have enhanced wildland fire readiness capabilities through programs, partnership's, and training

- Major Incidents

The fire that broke out at uMhlathuze Municipality Main building, 28 March 2023: The fire was reported through Fire and Rescue Call Centre. On arrival at the scene, after 6 minutes after dispatch, the Banquet Hall opposite the Council Chambers was well lit with flames protruding through the roof, doors and windows.

Immediately Fire Fighters began with offensive Firefighting, thereby cutting off the direction of flames heading towards the said Chamber.

Flames were successfully extinguished, preventing further damage to the remaining office block. All occupants managed to evacuate the Municipal Building before the fire could affect them.

Local Flooding, February 2023. South African National Defence Force (SANDF) members in Richards Bay, northern KwaZulu-Natal, were relocated to community halls after a military campsite was flooded. The SANDF said the Armed Forces Day 2023 camp tent village was badly affected by torrential rains from Friday to Sunday (10 – 12 February 2023)

A number of residents were evacuated from their homes after disruptive rains which caused flooding and structural damage in and around the City of uMhlathuze. In total, 21 families were evacuated in Mzwingwenya area in eSikhaleni and housed in a local community hall.



Floods: Car submerged on Davison Lane, Meerensee

- ❖ Goal 2: Ensure prevention inspections take place timeously and in accordance with the relevant standards

Fire inspection is the assessment of fire safety hazards in a building by Fire Departments, Fire Prevention Officers, or other qualified professionals. Fire inspections vary in type and frequency depending on the location, laws, regulations, and fire protection systems or equipment of the building.

Fire inspections can assist in the detection and correction of fire hazards, maintain fire safety measures and comply with fire codes. Fire inspection involve visual examination, testing, lubrication, cleaning, adjustment, and replacement of the components of fire protection systems or equipment

Fire and Rescue Services: Fire Prevention sub-section continues to Inspect Buildings and Business buildings, Institutions of Higher Learning (Exam Centres, FET Colleges and Universities), Industries and Occupancies to ensure compliance to the SANS codes, in particular South African National Standard SANS10400. Fire prevention Officers also Inspect Flammable Liquids Installation Facilities (MHI) to maintain a safe Environment for Occupants. With reference to the 2022/2023 financial year, the Table below indicates the Classifications of Inspections performed:

FIRE PREVENTION INSPECTIONS	
TYPE OF INSPECTION	1 JULY 2022 to 30 JUNE 2023
Flammable Liquids	414
Fixed Fire Protection	11

Miscellaneous	233
A1-Entertainment /Assembly	119
A2-Theatrical & Indoor Sport	3
A3-Places of Instruction	12
A4-Places of Worship	2
B1-High risk commercial (Petrol stations)	23
B2- Moderate risk commercial (Vehicle workshops)	90
B3- low risk commercial (Fitment centre)	73
C1- Exhibition Hall	0
C2- Museum	0
D1-High risk industrial	20
D2-Moderate risk industrial	31
D3-Low risk industrial	42
D4- Plant room	0
E1- Place of Detention	0
E2-(medical hospitals) - Hospitals	6
E3- Residential Institution	0
F1 – Large Shop	322
F2 – Small Shop	460
F3 - Wholesaler	5
G1- Office(Doctors Office)	159
H1- Hotel	15
H2- Dormitory	0
H3- Attached Dwelling	2
H4- Detached Dwelling	2
J1- High Risk Storage	0
J2- Moderate Risk Storage	7
J3- Low Risk Storage	0
J4- Parking Garage	0
H3 – Town house & simplex	0
Sprinkler	1
Indoor sport	0
Fireworks	1
Building Plans	59
SUB TOTALS	2112
TOTAL NUMBER OF INSPECTIONS CARRIED OUT: 2112	

❖ Goal 3: To provide intense specialized rescue

Fire and Rescue responds to complex and challenging rescue incidents including high angle incidents occurring at high-rise buildings, confined space rescues occurring in tanks, sewers, trench collapse events related to excavations or construction site accidents; industrial or

transportation accidents; and swift water incidents occurring on dams, rivers, oceans & flooded streams within the Area of the City's Jurisdiction.



Fire and Rescues Services Dive Unit in action eNseleni: February 26, 2023



Fire and Rescues Services Dive Unit preparing to retrieve the body

❖ Goal 4: To Implement life safety awareness

2022/2023 - Fire and Rescue Services delivered Fire and Life Safety Education to some of the schools.

LIFE SAFETY AWARENESS/EDUCATION AT SCHOOLS	
SCHOOL	ATTENDANCE
Annual Career Function: Nseleni Community Hall	65
Richards Bay Primary School	120
Birds wood Pre-Primary School	20
St. Francis Pre-Primary School	75
Water Splash Festival	800
Annual Career Function: Nseleni Community Hall	65
Richards Bay Primary School	120
TOTAL STUDENT ATTENDANCE	1265

❖ Goal 5: To forge partnerships with stake-holders

Collective action can only be accomplished with cooperative efforts from various sectors such as Fire and Rescue Services, Disaster Management, Environmental Management, Department of Health, Department of Education, SAPS, Zululand Fire Protection Association, Volunteers and NGO's. Fires can be prevented and everyone has a role to play in ensuring Fire Safety measures are implemented and followed.

Fire and Rescue Services looks forward to enhancing relationships and building on initiatives in order to build and strengthen the relationship with other agencies, as well as define the expanded role that the Fire and Rescue Services has in the community.

As always, mental health and physical fitness in Fire Brigade is a priority and Fire & Rescue will continue striving to build a model program. Fire and Rescue Services are united in its functions and looks forward to the innovation and relationships created in 2022/2023.

- ❖ Goal 6: To ensure sound budgeting and financial management for Fire Services

Sound budgeting and financial management are essential to sustainably provide Fire and Rescue services to the City. Fire and Rescue is one of the services that needs to be prioritised in terms of funding in order to provide Emergency Services timeously & effectively

- ❖ Goal 7: To provide external, as well as in house training and education programmes encompassing the specialized educational needs for the fire fighters.

The City of uMhlathuze through LGSETA, SAESI and the Department of Labour prides itself in offering the highest NFPA, IFSTA and IFSAC Fire and Rescue Training, both locally and on international standards. Efficient training of fire-fighting personnel is essential to the effective performance of the fire brigade as a whole

The City of uMhlathuze Fire and Rescue Services supports continuous training, mentoring, and professional development to ensure the best possible service delivery for our community and is also responsible for providing education and re-certification for all career fire fighters.

Fire and Rescue Services Management are committed to maintaining the Accreditation status through the South African Emergency Services Institute (SAESI), The Local Government Sector Education and Training Authority (LGSETA) and the Department of Labour.

Students receive training in First Aid Levels I, II and III over a course of 1 week. The purpose of this training is to train students to render emergency first aid safely and effectively.

City of uMhlathuze Fire, Rescue and Disaster Management Training Academy conduct learning programmes that lead to the award of a qualification or unit standards.

The table below outline additional training programme conducted:

NAME OF TRAINING & LEVELS	PURPOSE	DATE	VENUE
Fighter I	To train students to operate as fully fledged Fire Fighters under supervision, using theoretical and practical training and assessments	01/03/2023	Esikhaleni Fire Station
Fighter II	To train students to operate not only as fully fledged Fire Fighters, but as Senior Fire Fighters in a Supervisory capacity, using theoretical and practical training and assessments	01/05/2023	Esikhaleni Fire Station
Hazmat Awareness	To train students in mitigation tactics at HAZMAT incidents, ranging from decanting, leak sealing, rescue &	01/06/2023	Esikhaleni Fire Station

	recovery and decontamination procedures		
Hazmat Operational	To train students in mitigation tactics at HAZMAT incidents, ranging from decanting, leak sealing, rescue & recovery and decontamination procedures	15/06.2023	Esikhaleni Fire Station
Industrial Fire Fighting	To train employees of companies in performing mitigating tactics in the event of fire until Fire Brigade arrives	Meant to take place 09/09/2023	Richards Bay Fire Station



Partnership between the City of uMhlatuze and Department of Agriculture, Land Reform and Rural Development on Training of Fire Fighters



Fire Fighters in action during Training

❖ Chemical Spills and Mass Casualty Evacuation Event

The South African National Defence Force (SANDF) and Southern European Task Force Africa (SETAF-AF) were deployed with the City of uMhlatuze and executed the exercise as part of Humanitarian Relief Aid in preparation of Peace Support Operation in African Battlespace: 01 - 30 July 2022

City of uMhlatuze Fire and Rescue Services along the Military personnel executed the event with the aim to practice and assess the joint interagency, intergovernmental and multinational cooperation during a disaster.



Nearly 600 Defence Force members from South Africa and the United States have come together to bring Medical Services to the community of uMhlathuze.



The City of uMhlathuze Fire and Rescues Services Hazmat team together with SANDF, US Army and Southern European Task Force conducted a joint exercise on Hazmat incident (Chemical Spillage).

❖ Celebration as Richards Bay Airport reopens

The resumption of the flight service was also welcomed by passengers who arrived in Richards Bay on Monday – expressing excitement that they will no longer have to travel to King Shaka International Airport in Durban for a connecting flight.



Richards Bay Airport has officially being reopened to commercial flights – welcoming the first airline : Fire and Rescue Services treated 1st Flight to water cannon salute

DISASTER MANAGEMENT

The City of uMhlathuze (KZ 282) is situated on the north-east coast of the province of KwaZulu-Natal, about 180 kilometers north-east of Durban. The uMhlathuze land area covers 123 359 ha and incorporates Richards Bay, Empangeni, eSikhaleni, Ngwelezane, eNseleni, Felixton, Vulindlela, Bhucanana and Heatonville as well as the rural areas under Traditional Councils namely, Dube, Mkhwanazi, Khoza (Bhejane), Zungu (Madlebe), Somopho (Mthembu), Obuka (Biyela) and Obizo (Cebekhulu). The population is estimated at 410 456 as per Community Survey 2016, although in terms of Census 2011 the total population was estimated at 334 459. The number of households increased from 86 609 in 2011 to 110503 as per Community Survey 2016. The municipality borders a coastline that spans approximately 45 kilometers. The N2 highway traverses the uMhlathuze Municipality in a north-east direction towards the Swaziland border and south-west towards Durban. It effectively forms a division between Empangeni and Richards Bay. The R34 Provincial Main Road passes through Empangeni towards Melmoth.

The uMhlathuze Municipality was established on 5 December 2000 after the demarcation process and the local government elections of that date. There are a number of natural and man-made phenomenon that have shaped and continue to shape the uMhlathuze Municipality. The area is inundated with a system of wetlands and natural water features such as Lakes Cubhu, Mzingazi, Nsezi and Nhlabane. Major rivers include the Mhlathuze, Nsezi and Ntambanana.

The Annual report for Disaster Management is a legislated document required in terms of chapter 5 50 (1)(2)(3) of Disaster Management Act 57 of 2002 as amended, that every municipality should reflect on the previous financial year on Disaster Management Programmes, Achievements, challenges and best practices covering a specific heading.

The amended Disaster Management Act 57 of 2002 expanded the scope of disaster function in local municipalities which gave a way for local municipality to have a Disaster Management Centre. Accordingly, Council took a decision to establish a disaster management centre that will function in consultation with the District Disaster Management centre as prescribed in the Act.

The Disaster Management Centre building procured for this purpose is situated at No. 33 Ohmzone Street, Alton, Richards Bay. Refurbishment of the procured building is still underway and is expected to be finalised during the following financial year as the budget allocation for this purpose becomes available. Though it was an existing building, national guidelines for disaster management centre was taken into consideration to a large extent.

Phase 2 of the refurbishment will include the procurement and installation of a communication system at the disaster management centre. This communication system forms an integral and critical component to enable optimal execution of the centre's functions.

According to the Disaster Management Act Chapter 5, Part 2, and Section 45 (1): The City of uMhlathuze Council, subject to the applicable provisions of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), has since appointed a person as designated head of its municipal disaster management centre.

Disaster Management Intergovernmental Structure

The structures as advocated by the Act are meant to get all stakeholders on board to participate in all the processes as disaster management is everybody's business. In adhering to this call, the City of uMhlathuze has formed the following structures:

❖ Disaster Management Advisory Forum

Section 44(1) (b) of the Disaster Management Act no. 57 of 2002 provides for an integrated and coordinated approach to disaster management in municipal areas, with special emphasis on prevention and mitigation.

To make provision for the integration and coordination of disaster management activities and to give effect to the principle of co-operative governance in the City of uMhlathuze, the Municipal Council has established a Disaster Management Advisory Forum to give effect to the above section of the Act.

The structures as advocated by the Act are meant to get all stakeholders on board to participate in all the processes as disaster management is everybody's business. It further allows the platform to deliberate on disaster issues by experts on different areas of expertise thus contribute to a proper and sound advice to the council.

In adhering to this call the City of uMhlathuze have a Disaster Management Advisory Forum and also an extension of Emergency Industrial Planning Committee to address industrial matters. These structures are fully functional and sits quarterly, the range of attendance is +/- 28 for the advisory forum and +/- 35 for industries.

- Emergency Industrial Planning Committee
- Rapid Response and Disaster Management (Interdepartmental Structure)
- JOC meetings

These structures are fully functional and sit quarterly, but it is noted that Covid-19 Pandemic has an impact in terms of frequency, since COVID 19 regulations has been lifted the frequency has been maintained, in some instances through virtual meeting.

The sectors that form part of the Disaster Management Advisory Forum include:

- EMS
- Department of Health
- SAPS
- Road Traffic Inspectorate
- Department of Education
- Department of Correctional Services
- Department of Home Affairs
- Department of Social Development
- Private Hospitals
- Department of Transport
- Department of Labour
- Environmental Affairs
- Richards Bay Clean Air Association
- Air Quality Management
- City of uMhlathuze Traffic, Water and Electricity Sections

- University of Zululand
- Esikhaleni TVET College
- Richards Bay TVET College
- Department of Home Affairs
- Mhlathuze Water
- ESKOM

❖ Industrial Emergency Planning Committee (IEPC)

Over and above the DMAF forum, there is Industrial Emergency Planning Committee, which involves a number of industries that are Major Hazard Installation (MHI). The reason for formation of IEPC is to deal with MHI, which are highly technical and yet have a potential to cause major disasters if not properly controlled.

❖ Rapid Response and Disaster Management Committee (Inter-governmental)

The City of uMhlathuze established the Rapid Response on Service Delivery and Disaster Management Team, the Municipal Speaker is the Councillor responsible for community engagement and its duties are as follows.

Among others, its role is to gather information on looming protests and make every attempt to pre-empt issues of concerns by means of local engagement, prior to the service delivery protest in order to prevent a march. Its other role is to assist in advising and sourcing support in case of disasters.

❖ Disaster Management Plan

The City of uMhlathuze is committed to fulfil the Disaster Management functions as set out in the relevant statutory requirements, including, but not limited to its own Disaster Management Framework and shall always make sure that Disaster Management forms an integral part of the municipality's Integrated Development process. The City recognizes the issues of environmental impact and shall endeavour to fulfil the objective of section 24 of the South African Constitution.

To contribute towards the 'safer city concept' through a disaster management service geared to prevent, mitigate, confine and manage hazards and disasters in an affordable, effective and efficient manner, in line with the District, Provincial and National disaster management frameworks.

The Disaster Management Plan level 2 for the City of uMhlathuze has been reviewed in May 2022 in terms of sections 42 (Municipal DM Framework), 52 and 53 (Municipal DM Plans) of the Act. This includes an annual update of the IDP through the sector plan. The review of the plan highlights the change on the risk which are inclusive of the COVID19 and its programmes thereof.

❖ Risk Assessment

The City of uMhlathuze faces many different types of risks on a daily basis, including veld and structural fires, lightening, floods and snow. However, disaster risk specifically refers to the likelihood of harm or loss due to the action of natural and man-made hazards or other external threats on vulnerable structures, services, areas, communities and households.

Disaster risk assessment examines the likelihood and outcomes of expected disaster events. Disaster risk assessment includes the investigation of related hazards and conditions of vulnerability that increase the chances of loss and also the capacity or resources to deal with such hazards and vulnerabilities.

ain Category (CITY RISK RATING)	RISK (City)
Climate Change	0.90
Hydro-meteorological Hazards - Severe Storms (Heavy Rainfall)	0.86
Hydro-meteorological Hazards - Floods (River)	0.83
Fire Hazards - Veld/Forest Fires	0.77
Hydro-meteorological Hazards - Severe Storms (Wind, Hail)	0.75
Fire Hazards - Formal & Informal Settlements / Urban Area	0.75
Hydro-meteorological Hazards - Severe Storms (Snow)	0.72
Transport Hazards - Road Transportation	0.71
Geological Hazards - Rock-fall	0.71
Hydro-meteorological - Drought	0.70
Pollution - Air Pollution	0.70
Transport Hazards - Air Transportation	0.69
Transport Hazards - Rail Transportation	0.67
Environmental Degradation - Erosion	0.66
Pollution - Water Pollution	0.65
Disease / Health - Disease: Animal	0.61
Hazardous Material - Hazmat: Spill/Release/Fire/Explosion (Storage & Transportation)	0.59
Pollution - Land Pollution	0.57
Environmental Degradation	0.57
Geological Hazards - Earthquake	0.55
Structural Failure - Dam failure	0.52
Infrastructure Failure / Service Delivery Failure - Information Technology	0.52
Major Event Hazards (Cultural, Religious, Political, Recreational, Commercial, Sport)	0.51
Disease / Health - Disease: Plants	0.46
Civil Unrest - Terrorism	0.45
Civil Unrest - Xenophobic Violence	0.44
Hydro-meteorological Hazards - Extreme Temperatures	0.38
Civil Unrest - Refugees / Displaced People	0.37

Risk Identification process is of importance for the City of uMhlathuze which is achieved from the phases that are followed when there is a new facility applying for a space to operate within the municipality. Disaster Management is amongst the stakeholders that comment and contribute to the identification of possible risk to ensure that mitigation measures are put in place. This exercise also apply to events using section 4 for protest, marches and section 6 of sport and recreation Act

The high demand of Disaster Management interventions has been manifested by the increased impact of weather related occurrences emanating from climate change and further by the economic hardship that as a country faces, which both becomes a factor in a community's daily survival.

Prevention, mitigation, response and recovery Disaster Management phase, as prescribed by National Disaster Management Framework, governs day to day function of this unit. It is with such arrangement that the sequence of events has shown that planning is of importance throughout all seasons and that all parties involved should be equipped with knowledge and alternative adaptive methods to cope with disastrous events.

❖ Disasters Attended do during 2022/2023

Starting from the 11 February 2023, the City of uMhlathuze and other parts of KwaZulu-Natal and other Provinces in South Africa were affected by floods as a result of inclement weather in the form of excessive rainfall. This led to flooding in some areas that resulted in disruptions in the way communities function as well as damage to infrastructure in these affected areas.

The extent of the damages ranged from drain blockages, house flooding, roof damages, massive erosions and structural collapse. Calls for assistance were received in many platforms including WhatsApp groups and Fire and Rescue Control room from different wards.

As from 15h00 on 11 February 2023 calls and damages were reported from eMpangeni, Mandlanzini, uMzingwenya area, Mzingazi, eNiwe, eSikhaleni, Grantham Park and Richards Bay.

Additional request and reports followed from Mabuyeni, Dondolo, Mpembeni, Ndabayakhe, Ntambanana as days progressed which is inclusive of previous reported areas to name the few.

In terms of statistics, as shown below, there were no fatalities reported during these floods, although it can be confirmed that the impacts were as follows,

- 87 incidents representing (inclusive of 12 minor structural damage) were recorded and affected total of 16 Wards as a results of heavy rains within the City of uMhlathuze.
- 9 major damage incidents were reported with totally collapsed structures were reported. (In some cases there were other structures in the yard that should be used for shelter)

The aim of the emergency response is to provide immediate assistance to maintain life, improve health and support the morale of the affected population. Such assistance may range from providing specific but limited aid, such as temporary shelter, and food, to establishing semi-permanent settlement in camps and other locations. In terms of the response there were a number of activities that were activated by the City of uMhlathuze, on different platforms.

Response actions to the incidents included:

- Evacuations: uMzingwenya

Late on the 11th February 2023 between 21h00 and 23h30 at night, 33 people were evacuated to eSikhaleni H2 Hall (New Hall) where they were served with late breakfast the next day before leaving the hall. The main reason for evacuation was mainly submerging of houses as a result people building their houses in an area where water should be running, as well as building next to a river. So, whenever it is raining there is a risk that this community will be affected and subsequently be evacuated.

It bears noting that those were evacuated only for one night and they then return to their houses as the rain was subsiding. This area needs a permanent solution, however while waiting for that there is a need to look at low hanging front in resolving the matter. This will be considered under proposed recommendations.

The recovery phase during this period in some cases were hampered by heavy rains that made it almost impossible to reach all areas. After the rains had started to subside, Emergency Services commenced with assessments. These were done so as to ascertain the extent of such damages and at the same time look at possible remedies, as part of recovery.

Assesment outcomes were recorded as follows:

- In ward 01 Mzingazi Reserve, 4 families were reported for house flooding and site flooding;
- In ward 04, 3 Houses were flooded. Inhabitants of the first house found were forced to use another old family building as alternative accommodation.
- Two additional houses in Mandlazini was flooded and, a TLB was used to channel the water away from the houses.
- In ward 07 Jamela Reserve 1 structural collapse caused by heavy rains affected 1 household and 3 households were affected by floods.
- In Ward 09 House 32 Cassia Road Grantham Park area, House flooding was caused by blockage of a drainage system; this incident affected 6 household members. Roads and Storm water responded and cleared the drain.
- In ward 12 Madlankala Reserve, 6 families were affected by floods, no structure was damaged.
- In ward 13 Mpembeni Area, 2 structural collapse caused by heavy rain affected 2 households, 1 partially collapsed from one side and 1 is totally destroyed.
- In ward 17 uMzingwenya 21 family's houses were flooded and were evacuated to Esikhaleni Hall. Most people from this area have a challenge that whenever it is rains houses submerge, but at times there are no damages. Just damp around the building and at times clothing and groceries.
- In ward 18, Ejabulweli area 3 households were affected by floods and 1 structural collapse in Mahhunu area.
- In ward 19 Transact Village, 7 households were affected by floods caused by heavy rains, and 1 household in Mavuka area.
- In ward 20, uMzingwenya Reserve, 29 households were affected from heavy rain, no structure was damaged.
- In ward 21 Transit Village, 4 families were affected by floods as well as the site floods caused by the heavy rains.
- In ward 22 House flooding caused by the fact that there is no trench along the area; this incident affected 12 household members.
- In ward 29 Ndabayakhe Reserve, 3 families were affected by heavy rains, resulting to 2 structural collapse and 1 roof collapse.
- In ward 31 Macekane Reserve structural collapse caused by heavy rain affected 1 household
- In ward 33 Ntambanana Reserve structural collapse caused by heavy rains affected 2 households.
- A site at RBIDZ designated for the Army Tent Site flooded and alternative facilities identified for housing were Ward 01 Mzingazi Hall, Ward 02 Velden vlei Hall, Ward 04 Mandlanzini Hall, Ward 26 Brackenhall Hall, Ward 28 Ngwelezane Hall and Ward 30 Vulindlela Hall

After the assessment was done, 28 households were approved for processing by Department of Social Development: SASSA. Those were further visited by Social Workers to assess the state of the families, so as to provide appropriate support.

❖ Emergency Drills, Training and Awareness Campaigns

The following activities were conducted during the 2022/2023 financial year:

EMERGENCY DRILLS		
Name of Institutions / Organisation	Remarks	Date
Eskom Athene Impala Substation	Successful	19/10/2022
KSIA	Desktop exercise	2/10/2022
RBIDZ	Successful	10/11/2022
FARB	Desktop exercise	28/11/2022
Richards Bay Airport	Successful	01/12/2022

TRAINING SESSIONS		
Training Topic	Date	Venue
Armed Forces Day SANDF Interlay	24 to 28/10/2022	Auditorium
Richards Bay Airport	25/10/2022	Richards Bay Auditorium
Fire Rescue and Disaster Management Workshop	18/11/2022	Richards Bay Auditorium

AWARENESS CAMPAIGNS		
Type of Awareness	Areas Covered	Number of Community Members / Coordinators / Safety Reps

Awareness campaign	Ward 33	100
Integrated awareness campaign	Matshangula sobokwe primary school	150
Fire awareness/Demonstration	Empangeni Rugby club	800

ENVIRONMENTAL NUISANCE

❖ Indigent and Pauper Burials

In accordance with national legislation and policy; local government is required to undertake indigent and pauper burials. The cost of burials poses a challenge to the poor segments of the population all over the world and within the City of uMhlathuze Municipality. It is further noted that just because a person is dead, it does not mean they have no value to their family. It stands to reason that assistance towards those who cannot afford to pay for a dignified burial of their loved one would be appreciated by family concerned and community.

Indigent and Pauper Burials within the City are performed in terms of:

- Constitution of South Africa, 1996 (Act 108 of 1996);
- Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);
- Section 32 of the Forensic Pathology Service of the National Health Act, 2003 (Act No. 61 of 2003);
- National Health Act, 1977 (Act No. 63 of 1977);
- Regulations relating to the Management of Human Remains (Govt. Notice No. 363 of 2013); and
- Council's Indigent Burial Assistance Policy, Resolution 7407 of 6 September 2011.

To enable indigent households to have dignified burials; registered funeral undertaker service providers are called upon by the City to support in fulfilling this task from time to time. The main objective of requesting service providers to provide indigent and pauper burial services on behalf of the municipality include:

- The provision of indigent and pauper burial services within a reasonable time frame to improve service delivery;
- To assist local indigent families to bury their loved ones in a dignified manner; and
- To ensure that the deceased are buried within a reasonable time to prevent possible health risks.

A total number of three hundred and eleven (309) indigent families were assisted within the period of July 2022 to June 2023; with 3 pauper burials applications.

❖ Environmental Nuisances

Environmental nuisances responsible for inspecting all private owned sites and complaints that were received by the City of uMhlathuze Public Health and Emergency Services section in the past year are categorised as follows:

- Overgrown conditions on privately owned properties;
- Privately owned stagnant swimming pools;
- Pest control on Council owned properties; and
- Ritual slaughter.

These environmental nuisance matters/complaints are performed in terms of:

- Constitution of South Africa, 1996 (Act 108 of 1996);
- Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);
- City of uMhlathuze Nuisance Bylaws; and
- City of uMhlathuze Environmental Health Bylaws.

In the matter of overgrown conditions private properties were cleared of overgrown after inspections were conducted and notices issued to property owners following the complaints. The vacant overgrown sites pose a threat to public health and safety to the surrounding community as they attract pests, such as rodents and snakes, illegal dumping and trash. As a result, a high number of clearing overgrown service requests were received.

Pest control within the City, in the interest of public health, is usually conducted from complaints regarding high infestation of bees on Council sites. All sites that required bee infestation removal were serviced. Twenty-two (22) for the period of July 2022 to June 2023)

Slaughtering of animals for cultural and religious purposes within the municipality requires an application, with conditions, to ensure the avoidance of any health and environmental nuisance. To prevent this nuisance, inspections are conducted within the applicant's property to assess a potential health risk and possible offence to sensitive neighbours. Part of the conditions include ensuring that the slaughtering takes place in a screened off from public view area and proper handling of the carcass in a hygienic matter. A total number of forty-two (42) ritual slaughter applications were processed and granted for the period of July 2022 to June 2023

Environmental Nuisance attended various Environmental Awareness and clean Up Campaign in collaboration with various external and internal stakeholders in order to keep the City of uMhlathuze clean.

A total number of two (2) stagnant swimming pools were inspected and issues notices to private owners for the period of July 2022 to June 2023.



Environmental Awareness and Clean-up campaign, supported by ward Cllr SH Zulu and the Chairman of Community Services Portfolio)



Environmental Awareness and Clean-up Campaign. Deputy Municipal manager – Mr P N. Mhlongo: Phesheya Primary School – Ngwelezane – B

ENVIRONMENTAL AND RECREATIONAL SERVICES

SPORT AND RECREATION

❖ **Sport and Recreation Development and Programs**

The short and long term objectives of this section are:

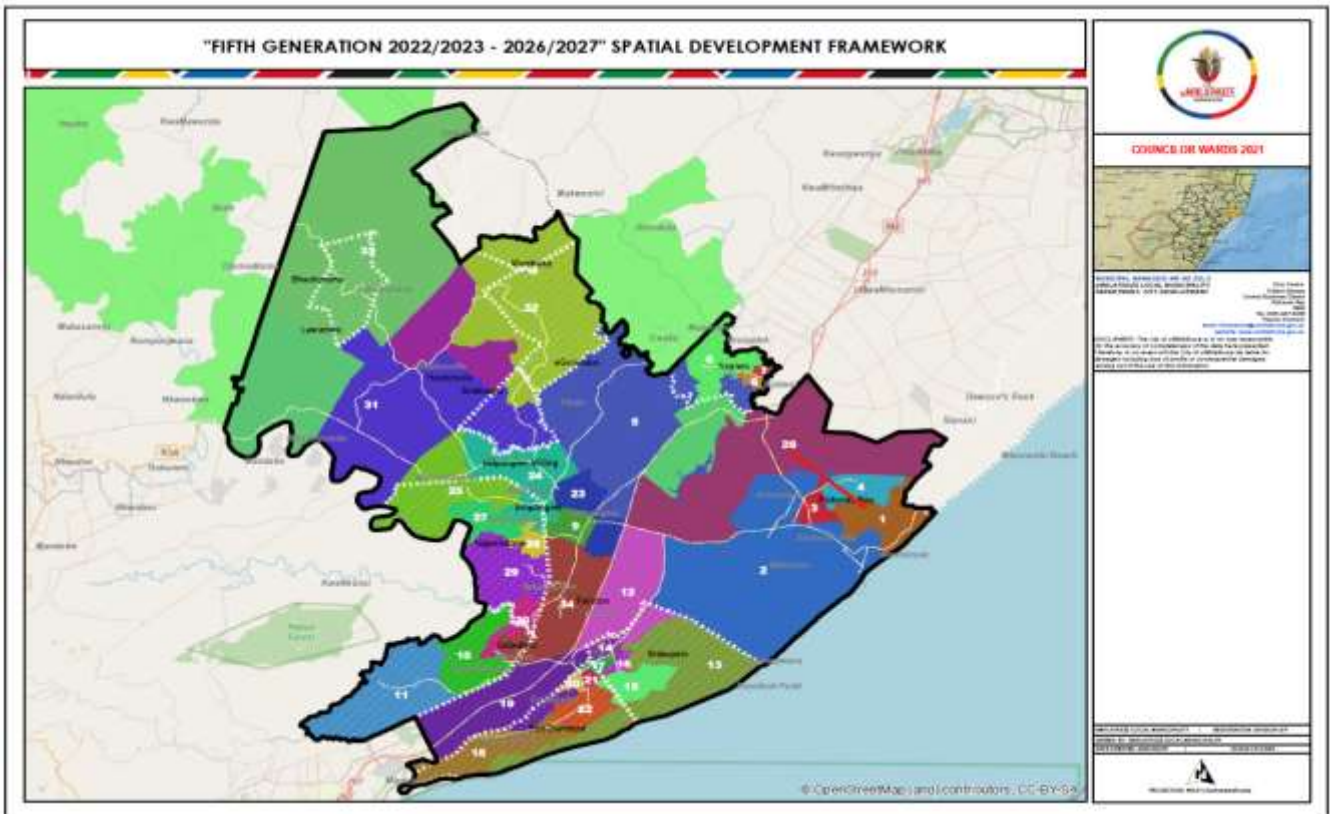
- To proactively address the promotion of sport in the rural areas through the establishment of sport and recreation structures and presentation of programmes and activities to these communities
- To establish closer links with district sport federations by means of co-operative governance, including reinforcing the existing relationship with government structures as well as federations at all levels.

- To restructure several local community-based structures to ensure efficiency and streamlining
- To address the promotion of recreation to all uMhlatuze citizens including children, women, senior citizens and people with disabilities
- To ensure the existence of skills development, education and training of sport administrator's, technical officials and coaches by presenting courses and workshops through SETA-accredited service providers

During the 2022/2023 financial year, emphasis was put on the SALGA Games which started at Ward Level where different sport codes were played in the 34 wards of uMhlatuze. Best performing athletes were selected to represent their respective wards at Cluster Level. A total of 7 Cluster Elimination Games were held at Richards Bay, eNseleni, Vulindlela, Ngwelezane, eSikhaleni, Port Dunford and Ntambanana.

Apart from the Salga Games, other programmes and events such as uMhlatuze Challenge, Mgabhi Soccer Tournament, KZN Athletics Track and Field League, Netball Tournament, Aerobics Tournament etc were presented.

❖ Mayoral Sport Day



After the completion of Cluster Games, the Mayoral Sport Day Media Launch and Fixture Draw was held. On the 5th October 2022, about 1 500 athletes from the seven clusters competed in 16 different sport codes on the Mayoral Sport Day at uMhlatuze Central Sport Complex and other nearby venues.

Political leadership led by Honorable Mayor Cllr X. Ngwezi and administration led by the City Manager Mr NG Zulu was present to offer support. Best performing athletes at the Mayoral Sport were selected to represent the City of uMhlatuze at King Cetshwayo District Games. More than half of athletes selected at the King Cetshwayo District Games to represent the District at the 2022 KZN Salga DSAC Games were from uMhlatuze.



Honorable Mayor Cllr X Ngwezi and City Manager Mr NG Zulu at the Mayoral Day Media Launch



Rugby on the Mayoral Sport Day

❖ uMhlathuze Challenge

In partnership with Richards Bay Harriers Athletics Club and KZN Athletics, the City presented uMhlathuze Challenge. This event included 10km, 21km and 32km races and it proved to be a huge success with athletes from all over KZN participating. Many athletes from afar spent the whole weekend in the City, immensely boosting local economy.



Honorable Mayor Cllr X Ngwezi and Community Services Deputy City Manager, Mr PN Mhlongo congratulating the winner of the 32km race

❖ KZN Track and Field League

The league was hosted in partnership with KZN Athletics. Athletes from all over the Province got an opportunity to compete at a higher level. UMhlathuze athletes from all wards were transported to the event with each ward having at least 3 representatives.

❖ Netball opening tournament

In collaboration with uMhlathuze Netball Federation, Council presented the Netball Opening Tournament. This tournament was aimed at launching the season for uMhlathuze Netball League and was also used as a build-up programme to the Netball World Cup to be hosted in South Africa from July to August 2023. Each team adopted a country and carried her flag during the opening ceremony.

❖ Sport Facilities

The City prides itself on having some of the best facilities in the Province and this attract many federations and organizations to host their events in uMhlathuze. In the year 2022/2023 Sport and Recreation did the maintenance of sport facilities in all wards.

Maintenance entails, grass cutting, turf marking, turf rehabilitation, cleaning of ablution facilities, litter picking etc. Many Regional and Provincial events were hosted at our facilities.



Teams carrying flags of their adopted countries during the opening Ceremony

❖ Mgabhi Soccer Tournament

This tournament was presented in Ward 11 and more than 40 soccer teams from all over KZN participated. Some of these teams stayed in the City for the duration of the tournament thus contributing to local economy. With talent scouts from professional soccer teams present, a lot of talent was unearthed at this tournament.

❖ Signature Kick Aerobics Marathon

This was an international event attended by athletes from as far as eSwatini. Both the youth and adults participated in a day-long event aimed at promoting healthy lifestyle.

❖ Sport Facilities/Amenities

The City proud itself with having some of the best facilities in the Province and this attract many federations and organizations to host their events in uMhlathuze. In the year 2022/2023 Sport and Recreation did the maintenance of sport facilities in all wards. Maintenance entails, grass cutting, turf marking, turf rehabilitation, cleaning of ablution facilities, litter picking etc. Many Regional and Provincial events were hosted in our facilities

❖ Swimming Pools

Council also promotes the utilization of swimming pools for competitive swimming where by different swimming clubs present swimming galas. Swimming clubs are also encouraged to conduct learn to swim programmes.

The swimming pools opened on the 1st September 2022 for the new season and closed on 31 May 2023. The hot conditions during this season attracted large number of visitors. Lifeguards at the swimming pools kept themselves busy by assisting schools with the Learn to Swim Program.



Learn to swim session presented by the swimming club (Left) with Learn to swim coaches training (Right)

❖ Beaches

The amazing weather all year round and the well-protected beaches attracted crowds of people throughout the year. The shark nets provided by Council, extends a few hundred meters north and south of the main beach. The safe bathing environment and good weather create an ideal destination for tourist from far and wide.

The Alkantstrand beach is the official bathing beach with lifeguards present 365 days a year and the beach is open for bathing from 08h00 to 17h00. The highly qualified lifeguards are well trained in sea rescues and certified in using the In-shore Rescue Boat and Jetski. The lifeguards also respond to incident at various other beaches such as Palm Beach, Bay Hall, Naval Island, Five Mile and Newark.

Alkantstrand beach has 24-hour security based at the beach to ensure the safety of all beach goers. South African Police Service also do patrols on regular basis.

During the festive season activities were well coordinated with no major incidence. Council added more security guards and traffic officials for an incident free season. The season had an average of 10 000 visitors per day and about 25 000 visitors arrived to the beach area on New Year's day.



Bathers at Alkantstrand during the festive season

The Sport and Recreation Section operated like a well-oiled machine and looks forward to making the city amenities a better place for all users.

HORTICULTURE AND CEMETERIES

Parks Services incorporates operations such as grass cutting, arboriculture, eradication of alien invasive plants, tree planting, horticulture, development of public open spaces and cemetery. A Technical Workshop within this section provides for the repair and maintenance of machinery and equipment used during above operations. City of uMhlathuze has developed Environmental Greening policies as mandated by the National Environmental Management: Biodeversity Act of 2004, National Forest Act of 1998 and Conservation of Agricultural Resources Act.

The purpose of the environmental Greening Policy is to standardise procedures regarding the greening of the environment, especially as far as the planting of trees, the maintenance and care thereof, the conservation and protection of existing trees within the area of jurisdiction of the City of uMhlathuze, are concerned.

The key areas of focus for the Parks Services are as follows:

- Promote the achievement of a safe environment for the benefit of residents within the area of jurisdiction of the municipality and to provide procedures, methods and practices to manage the use and utilization of cemeteries in the area of a City.
- To cut grass and prune trees in order to keep the City looks aesthetics and safe
- To beautify Municipal buildings using hard and soft landscaping including floral arrangements/decorations during the municipal events.
- To develop Parks and Recreation for Citizen to connect with nature and recreate outdoors

- To plant trees in order to improve air quality, beautify the City, reduce urban heat and decrease the circulation of greenhouses gases like carbon dioxide and Ozone
- To cut grass and prune trees in order to keep, the City looks aesthetics.

❖ **Grass cutting and Arboriculture:**

Parks Services deals with the grass cutting and pruning of trees in all areas within the jurisdiction of City of uMhlatuze in order to keep the city clean and safe for the Community. Grass cutting cycles take approximately 6-8 weeks to complete.

Areas maintained during the 2021/2022 financial year includes public open spaces, street verges, parks, municipal buildings, municipal vacant land and green belts behind properties situated in:

- Brackenham
- Birdswood
- Enseleni
- Mandlanzini
- Felixton
- Arboretum
- Mzingazi
- Mereensee
- Aquadine
- Esikhaleni
- Empangeni
- Hillview
- Ngwelezane
- Ntambanana

The City of UMhlatuze Parks Section is also responsible for the floral arrangement /decoration at events and function hosted by the City.

Due to vast areas that require maintenance, various contractors are employed to assist with grass cutting and functions with great success during the fast-growing season. The contractors are tasked to cut appointed areas twice a month. Long term contracts awarded commenced on 1 October 2020, to terminate on 30 September 2023.

❖ **Alien Invader/Plan Control**

The Partnership between the City of UMhlatuze and the Department of Economic Development, Tourism and Environmental Affairs (DETEA) for the alien invasive control Program ended on 31 March 2022. No clearing of alien invader plants took place during the 2022/2023 financial year but the Department is hard at work in identify alternative ways to address this problem.

❖ **Trees planted during 2022/2023**

A total number of nine hundred and sixty three (960) trees were planted during the 2022/2023 financial year. Fruit trees were planted at various Schools within City of UMhlatuze boundaries in an attempt to contribute to food security for students.

❖ **Cemeteries**

The provision of interment services is the integral part of our service provision to the community. Currently there are two operational cemeteries within the City of uMhlathuze, that being in Richards Bay and eSikhaleni. There also non-operational cemeteries at Empangeni, Nseleni and Vulindlela. General maintenance was performed during the past financial year at all of the above-mentioned cemeteries.

A total number of 702 burials were accommodated at the Richards Bay and eSikhaleni Municipal Cemeteries during the period of 1 July 2022 to 30 June 2023 (379 burials at Esikhaleni and a further 323 at the Richards Bay Cemetery)

Note: Empangeni, eNseleni and Vulindlela Cemeteries are at full capacity with only reserved graves remaining at Empangeni (Old Cemetery).

It is worth noting that Council is streamlining service delivery to the community by providing a “One Stop” facility for cemetery services that includes the booking/reservation at the following treasury offices

- Richards Bay Treasury Office (Civic Centre)
- eSikhaleni Treasury Office (Hlanganani and New Hall)
- Ngwelezane Treasury Office
- eNseleni Treasury Office
- Vulindlela Treasury Office
- Empangeni Treasury Office

❖ **Technical Workshop**

This unit deals with procurements of new equipment's, parts, repair and maintenance of all the machinery and equipment that are used to render service delivery in terms of grass cutting and pruning of trees for Environmental and Recreational Section.

ARTS AND CULTURE

The City of uMhlathuze has the unit of Arts and Culture under Community Services responsible for:

- Arts and Culture,
- Museum,
- Libraries and
- Community Halls and Thusong Centres.

❖ **Arts and Culture Programmes**

The Arts and Culture activities were focused on the presentation/hosting of Arts and Culture events and programmes and attracting visitors to the Museum situated in Empangeni. The IDP serves as the municipality's overarching framework strategy that shapes the programmes, policies and associated budgetary priorities within the area for a certain period of time. Although no explicit Arts and Culture programmes are reflected specifically within the IDP, several references could be made as reflected in the Arts and Culture's strategy.

In terms of the strategy the vision of Council's Arts and Culture is to create a socially cohesive environment within the City of uMhlathuze through Arts and Culture. Furthermore the aim is to provide world class services relating to the Arts and Cultural environment, to the people of the City of uMhlathuze, by developing creative ways to provide an enabling environment for Artistic and Cultural expression for the City of uMhlathuze.

The City of uMhlathuze hosted in the region of 12 Programmes during the 2022/2023 Financial year, amongst which was the following;

- **New Year's Eve Gumba Fest**

Community Services Arts and Culture in collaboration with Afrotainment hosted the Gumba New Year's Eve Festival. The report will give account to activities that were undertaken in order to ensure that the New Year's Eve Festival event was held successfully.

The event held on 31 December branded the City of uMhlathuze through its nature and the organizers magnitude.

- **Mr and Miss uMhlathuze 2023**

Community Services: Arts and Culture hosted a successful Annual Mr and Miss UMhlathuze 2023 Competition. The programme was held on 23 June 2023 at the Empangeni Civic Hall. The event was initiated as an educational event that seeks to embrace the talent and intellectual abilities of young men and women from and around the City of uMhlathuze with the slogan "Beauty with vision in action".

Auditions were done online through social media platforms (Facebook, Instagram and Twitter). Fifteen (15) female models and seven (7) male models were selected and participated at the main event. The models got a chance to win a share of R40 000 for both categories. Local artists were also utilised in the provision of entertainment.

The event aimed to reach out to the uMhlathuze community and provide a positive atmosphere to celebrate our dynamic and rich cultural heritage. Through this event great potential of Youth was nourished, exposed and directed to higher levels of participation which is Mr and Miss King Cetshwayo District Municipality earmarked for 21 July 2023 at the University of Zululand.

❖ **Libraries**

The City of uMhlathuze have nine libraries that offer the following services to the community:

- Circulation of Books
- Provision of a safe environment to enable studying, internet access, photocopying etc.
- Creation of library services awareness through displays, outreach programmes and library orientation.

A total number of 44025 books were circulated by the Municipal libraries during the 2022/23 financial year. A breakdown of this figure below indicates circulation numbers at each of the 9 Libraries:

LIBRARY	NUMBER OF BOOKS CIRCULATED
Aquadene Library	728

Brackenhams Library	2268
Empangeni Library	11877
Enseleni Library	1460
Esikhaleni Library	3515
Felixton Library	4180
Ngwelezane Library	1288
Ntambanana Library	466
Richards Bay Library	18243
TOTAL NUMBER OF BOOKS CIRCULATED	440525

Library Membership records during 2022/2023 reflected a total of 85109 registered members: across the 9 Libraries:

LIBRARY	NUMBER OF LIBRARY MEMBERS
Aquadene Library	1219
Brackenhams Library	3273
Empangeni Library	20747
Enseleni Library	11921
Esikhaleni Library	16511
Felixton Library	1798
Ngwelezane Library	4385
Ntambanana Library	1665
Richards Bay Library	23590
TOTAL NUMBER OF LIBRARY MEMBERS	85109

The Libraries received total number of 458 975 visitors during the 2022/2023 financial year.

Number of Computer Users/Internet Café:

LIBRARY	NUMBER OF INTERNET USERS
Aquadene Library	3751
Brackenhams Library	0
Empangeni Library	8822
Enseleni Library	2275
Esikhaleni Library	8823
Felixton Library	1519
Ngwelezane Library	18731
Ntambanana Library	1654
Richards Bay Library	13853
TOTAL	59428

Number of Group Activity Room Bookings:

LIBRARY	NUMBER OF BOOKINGS
Aquadene Library	160
Brackenham Library	0
Empangeni Library	233
Enseleni Library	124
Esikhaleni Library	141
Felixton Library	0
Ngwelezane Library	268
Ntambanana Library	0
Richards Bay Library	433
TOTAL NUMBER OF GROUP ACTIVITY BOOKINGS	1359

Library promotion and outreach programs were conducted throughout the year and include:

- Literacy Month Celebration in eNseleni Library
 September is regarded as a National Literacy Month and a time to encourage communities to go to the library in promoting literacy within our communities by picking up a good book and exploring new worlds. The City of uMhlathuze libraries nominated eNseleni library to host the celebration of Literacy Month to encourage teachers and learners from local early learning centres to utilize the library. The theme for the programme was "Hats Off to Reading". The celebration included all librarians from uMhlathuze libraries, teachers and 60 learners from two early learning centres from eNseleni.

The celebration focused on improving levels of literacy at the early ages between 5-6 years. There was storytelling session from books age appropriate to target market, competition in recognition of numbers and alphabets by using flashing alphabets for children to recognize the first letter of their name and shout it. Letter movement, alphabet activity paddles (do a movement to go with the letter). There was also be colouring in competitions and fun activities using educational toys.

Literacy Month Celebration in Richards Bay Library was done on the 22 September 2022. With school visits we had Literacy Day with Babanango Primary School where we educated Learners about the importance of Literacy and numeracy.

- Library Week Celebration in Esikhaleni Library: 24 March 2023
 The Library and Information Association of South Africa (LIASA) and all public/community libraries are celebrating South African Library Week (SALW) with the theme "Libraries: telling powerful stories" from 20-26 March 2023.07.27

The City of uMhlathuze libraries celebrated Library Week is celebrated on the 24th of March 2023 in Esikhaleni library. The target audience was Primary and High School learners, early childhood development centres, local authors, youth and senior citizens using the library. Local

cultural groups were also be invited for entertainment purposes. Planned activities for the day are aligned to the theme provided by LIASA every year. The planned activities were focusing on telling stories of success and the impact of libraries in our communities and learning institutions. The purpose of the event was to encourage usage of libraries and also to create awareness of library services available

- **World Play Day in Aquadene Library: 31 May 2023**

World Play Day is celebrated internationally on 28 May each year. This day commemorates the day in 1987 when the International Toy Library Association was first proposed. World Play Day is celebrated to emphasize the importance of play in the child development process. Libraries play a vital role in child development. World Play Day is also used to market and enhance effective usage of toy libraries.

City of uMhlathuze libraries jointly celebrated World Play Day through outreach programme which was held in partnership with Floraton Primary School in Aquadene on 31 May 2023. Educational toy collection was set up in the school yard and play sessions were conducted per class. Educational toy collection consists of puzzles, building blocks, music instruments, different sports equipment, indigenous gaming equipment etc. The target group was grade R to grade 3. Winners in every play session were presented with water bottles. The output of the program is increasing usage of toy library in Aquadene library

- ❖ **uMhlathuze Library Meetings with external Stakeholders**

Libraries are conducting quarterly stakeholder engagements in different libraries. The purpose of the engagements are to build a working relationship with local stakeholders and also market existing library services with an intension of enhancing effective usage of libraries.

Engagements completed during the 2022/2023 financial year include:

- Ntambanana library stakeholder engagement was held on 19 August 2022;
- Aquadene library stakeholder engagement was held on 23 November 2022; and
- Ngwelezane library stakeholder engagement was held on 08 June 2023.

- ❖ **Museum**

A total number of 1231 patrons visited the museum during the 2022/2023 financial year. Various displays/programs were made possible during the perion July 2022 and June 2023 and include:

- “Memories, Moments and More by Gift T Marovatsanga Exhibition
During the months of July - September, the Museum hosted Art works done by a local artist. The exhibition was called “Memories, Moments and More by Gift T Marovatsanga

Gift is a lecturer at the University of Zululand and not only practice his hand at fine arts but he is an accomplished musician as well. This exhibition was only supposed to be two months but the schools and other young artist requested it to be extended until September.

An art display was presented at the Museum during the months of October through to December 2022

This display consisted of Art work by local parties that were interested in displaying their works. It consists of painting (mixed media), acrylic and oil, local bead work crafters.



Artist: Ms Mbatha



Artist : Mr B Thusi



Artist: Mr A Taylor

The Museum uses the Art Gallery as a platform to showcase young and upcoming artist, together with artists that have already made a name for themselves.

Some of the works displayed were provided by artists that include Mr. B Thusi, Ms. Mbatha, Mr. A Taylor , Ntombikhona Mgenge and Mantombi Lucy Mkhwanazi.

- Charlotte Maxeke Display
During the period of January through to March 2023 a Charlotte Maxeke display, which was on short loan from the department of Sports, Arts and Culture Museum services, was accommodated at the Museum.
- Evening at the Museum program

The Empangeni Museum in partnership with the Department of Sports, Arts and Culture: Museum Services held the “Evening at the Museum program” on the 10th of February 2023. The purpose of the exhibition is to draw attention to the presence and value of the Empangeni Museum. There was a display of music instruments both indigenous western and how they were developed. There were artists playing indigenous instruments like umakhweyane, uhadi, umrhube, etc, and their participation in the event can enhance its pedagogic value and entertainment.

- Art Displays: April 2023 – June 2023

During the months of April and May 2023 the Museum hosted works of young artists in and around the UMhlatuze area. It is the galleries purpose to promote new artist and create a platform for them to showcase their work.



These are a collection of pen/pencil and ink on paper.

- Micro Aeroplanes June 2023

The Museum displayed small aircrafts/aeroplanes that were handmade and flown by the owner, Mr. Sonnekus. This is a specialized hobby and the planes use electronics with mechanical parts (propellers) and moveable wings.

This was on loan (for two months) to the Museum, and will appeal to all the scale model enthusiasts. The younger and older generations found these planes fascinating.



Mr. ZA Gwamanda is sitting next to one of the planes on show to serve as a scale to the size of the planes

The Museum was also used as a venue to accommodate an interactive session between American Students and a University of Zululand Lecturer during the 2022/2023 financial year.

❖ **Community Halls and Thusong Centres**

The City of uMhlathuze have Twenty-Four (24) Community Halls and Three (3) Thusong Service Centres that offer the following services to the community;

Halls are booked for different events some of which are paid for and some for free use based on approval.

- Provision of well-maintained facilities to the public
- Provision of free Wi-Fi internet access to the public
- Outreach programmes by the Centres and Halls as satellite service stations.

A total number of 8960 bookings were received during the 2022/23 financial year with a further 17304 “Walk-in” Users. A breakdown of the figures below indicate circulation at each of the 24 Community Halls and Thusong Service Centres.

COMMUNITY HALL / THUSONG CENTRE	NUMBER OF BOOKINGS RECEIVED
Veld en vlei Community Hall	1600
Brackenham Community Hall	768
Nseleni Community Hall	1440
Bhejane Community Hall	360
Mzingazi Community Hall	1120
Mandlanzini Community Hall	816
Ngwelezane Community Hall	1840
eMpangeni Community hall	2384
eSikhaleni New Hall	1688
Hlanganani Community hall	2416
Bhekizwe Community Hall	120
Mandlankala Community Hall	560
Gobandlovu Community Hal	530
Ntuze Community Hall	320
Nhlanganyuka Community Hall	10
Bhukhanana Community hall	280
Ubizo Thusong Service Centre	460
Port Dunford Thusong Service Centre	2400
Umsasandla Thusong Service Centre	30
Nkosi Madoda Community hall	210
TOTAL NUMBER OF BOOKINGS RECEIVED	8960

COMMUNITY HALL / THUSONG CENTRE	BOOKINGS BY REGULAR USERS
Veld en vlei Community Hall	320
Brackenhams Community Hall	320
Mzingazi Community Hall	120
Mandlankala Community Hall	160
Ngwelezane Community Hall	160
eSikhaleni New Hall	320
Hlanganani Community hall	320
TOTAL NUMBER OF REGULAR USERS	1720

Thusong Services Centres promotion and outreach programs hosted during the 2022/2023 financial year includes:

- The Delivery Imbizo – TSC Services Kubantu

The first of its kind, TSC Kubantu programme took place with the aim of promoting the Thusong programme in other areas within the City. The programme was collaborated with the Mayoral Imbizo which amongst other things was set at addressing service delivery issues around the area of Mandlakala.

The programme took place on Friday, 12 August 2022 at Mandlakala Ward 12 where stakeholders gathered for an effective operation of Integrated Services and Information. Stakeholders that formed part of the programme included; Department of Health, Eskom, City of uMhlathuze LED-Business Unit, SASSA, SAPS, EASYPAY, NEDBANK, Department of Social development, ITHALA bank, Local NGO's and NPO's. The community came out in numbers to access these services and also attain information.

- Halls and Thusong Centre Integrated Services Program
Community Services: Arts and Culture in partnership with various Government Departments hosted a successful Halls and Thusong Integrated Services Programme. The programme held on 15 June 2023 at Madlankala Community Hall. The programme was initiated by the sub unit with the purpose to extend the Thusong Services function to Community Halls as satellite offices.

The programme aims to render services closer to the communities of Ward 12, eSikhaleni Reserve. The following Departments participated on the programme namely; Department of Home Affairs, Department of Health, Department of Labour, Department of Social Development, Legal Aid South Africa, Para Legal, IEC, South African Social Service Agency, Life Line Zululand, South African Police Services and Eskom. One hundred and twenty (120) food parcels were issued to community members and more than two hundred (200) community members participated in the programme.

PUBLIC SAFETY AND SECURITY

TRAFFIC OPERATIONS AND LICENSING

As part of the Security Cluster within the City of uMhlatuze, the Traffic Services in partnership with the other role-players (in this cluster) has worked tirelessly to ensure the safety of citizens and visitors to the City on a daily basis and especially over festive / peak seasons and during special events. The success of the festive season programmes can be, to a large degree, ascribed to the collaborative approach we have adopted in order to address our crime problems, this is strongly evident in the level of attendance at the festive season priority meetings.

The department's ability to strategize and adapt operational concepts in order to address changing crime threats and needs remains instrumental in the combatting of crime in our communities and central business districts.

In addition to the department's pro-active and re-active enforcement initiatives we have also increased the social crime prevention initiatives in terms of securing a Council resolution of the reestablishment of the Community Safety Forum and the implementation of the Crime Prevention Safer City Project.

Road Safety Educational shows at schools is proving to be increasingly popular with more and more schools and other educational facilities requesting shows for their learners, this presents a three-fold function / opportunity for the department in that it allows us to educate the youth, it also provides the foundation for gathering of information at school level and enhances community re-assurance.

As in past years the department will continue to support the South African Police Services with joint ventures, this support will be crucial and part of our collaborative approach to crime prevention, traffic policing and bylaw enforcement we will continue to work shoulder to shoulder with strategic partners, internal role players and the community alike on a local, provincial and national level.

❖ **Road Safety Education Programmes**

"Child in Traffic" training programmes were conducted at schools situated in the following areas:

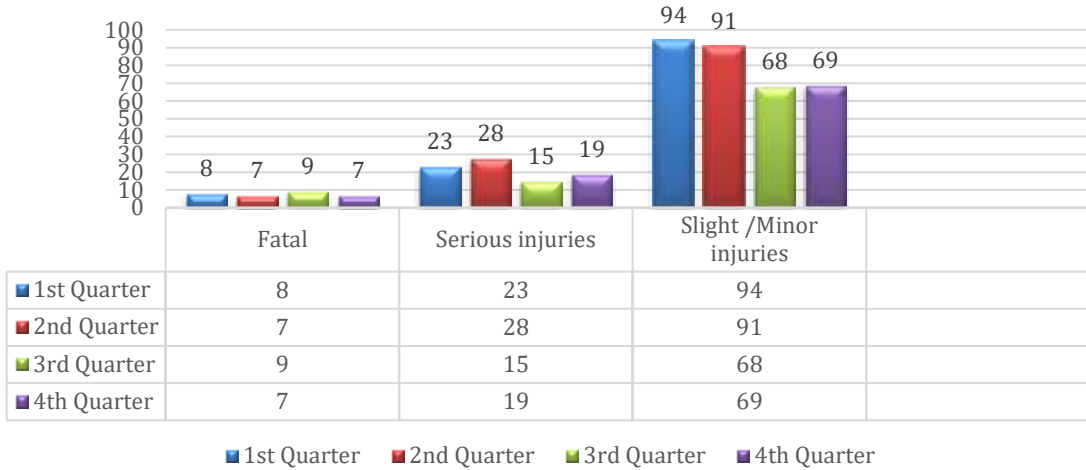
- Esikhaleni
- Ngwelezane4
- kwaDlangezwa
- Enseleni
- Mandlazini
- Mzingazi
- Dover Farm; and
- Zidedele

A total of 5880 students were reached and made aware of various road safety aspect.

❖ **Road Accidents**

One death is still one too many. Fifty seven (57) people sadly lost their lives through road traffic crashes, and a total of seventy-eight (78) people were seriously injured. A total of 401 people were injured but sustained minor injuries.

Road Accident stats



❖ Revenue Generation/Collection

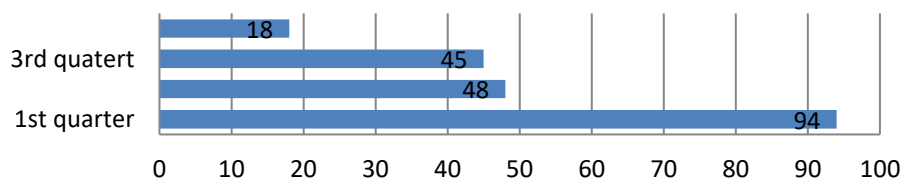
- Revenue Generated from Notices Issued by Law Enforcement

The Traffic Section issued and delivered (by hand) 3225 Section 56 Notices and 3753 Section 341 Notices (On vehicle/Windscreen) during the 2022/2023 financial year. The total revenue amount successfully collected from the above Notices amount to R36 700.

- Abnormal Loads and Escorts
The standard tariff applicable for abnormal loads and escorts during the 2022/2023 financial year was set @R616.51/vehicle/Officer and per hour (Vat exclusive).

In total, 205 Escorts were provided during the 2022/2023 financial year that contributed to revenue generation in the amount of R331 409.

Escort of abnormal loads Number of escorts



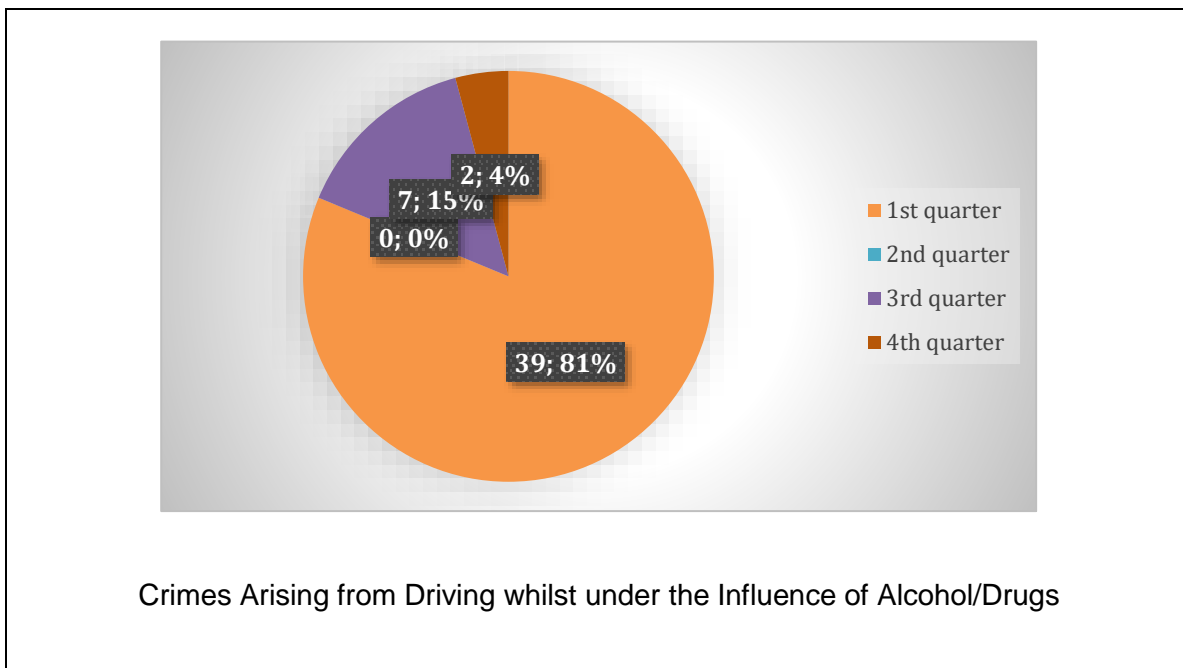
	1st quarter	2nd quarter	3rd quarter	4th quarter
Escort of abnormal loads Number of escorts	94	48	45	18

❖ **Procedural Law Enforcement - Execution of Warrants**

Without procedural law enforcement, the effect of any law enforcement effort is severely impacted because the absence thereof, allows offenders to get away without facing consequences for their actions and for impunity to abound.

❖ **Crimes and Arrests by Officers**

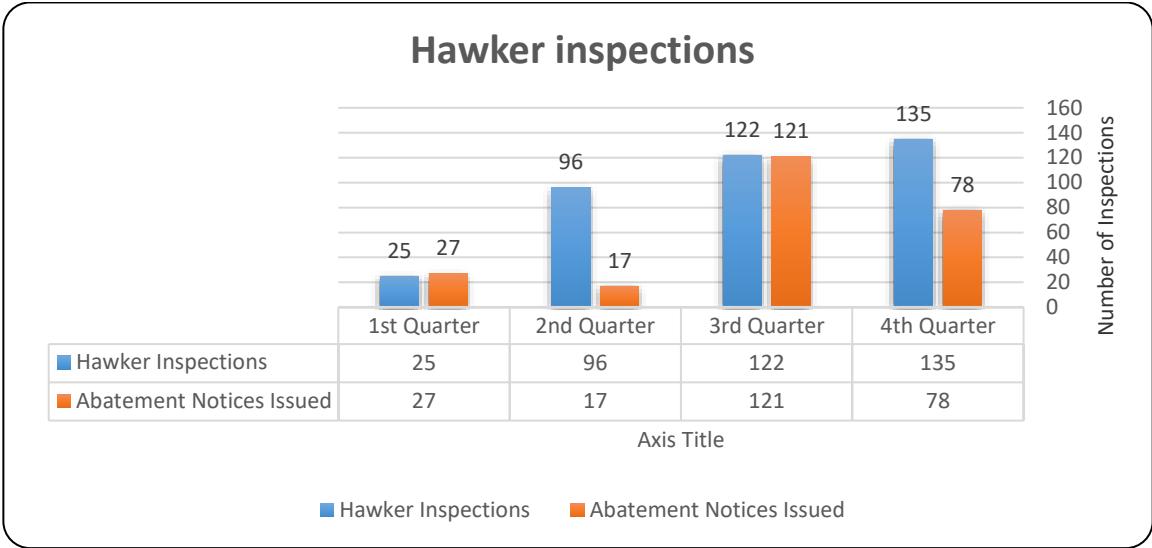
Officers, as peace officers, have executed arrests on offenders for various criminal conduct witnessed in the course of their patrols and conduct of vehicle checkpoints. The nature of the offences acted on during the 2022/2023 financial year include 48 “Driving Whilst under the Influence of intoxicating liquor/Drug having a narcotic effect” and 9 “Pedestrian crossing” related offences.



❖ **Compliance Inspections Executed**

A total of 620 Bylaw Compliance inspections were carried out during the 2022/2023 financial year and include:

- 377 Informal Trade (“Hawker”) Inspections; and
- The issue of 243 Compliance (Abatement) notices



❖ **Bylaw enforcement compliant investigations**

Many complaints about violation of by-laws were reported to the Section and law enforcement officers and traffic officers investigated these complaints. In their most number, the violations relate to nuisances and informal trading. The reported 389 complaints received were all investigated and included 41 Illegal Dumping complaints

❖ **Operations and Roadblock**

- 524 Patrols were conducted during the financial year and covered the following areas:
 - Ngwelezane Township
 - Hillview
 - Empangeni CBD
 - Richards bay CBD
 - eNseleni
 - Vulindlela
 - Port Durnford
 - Esikhaleni
 - N2
- 47 Roadblocks were conducted during the financial year and covered the following areas:
 - N2 Chicken Station
 - R102 Canefields
 - KwaDlangezwa Traffic Circle
 - Empangeni Rail
 - John Ross Highway
 - Bhuchanana
 - Esikhaleni
 - Ngwelezane
 - Richards bay
 - Empangeni
 - Nseleni
 - N2



Roadblock activity at N2 Mtunzini

❖ **Event Support Services**

The Traffic department provided support services during the “Armed Forces Day 2023” preparation/event that took at the Richards Bay Central Sports Complex place over the period 15 to 21 February 2023.

❖ **Animal Impoundment**

- The municipality continues to operate animal pound services. The Traffic department is responsible for seizing stray animals (e.g. cattle, goat, pig etc.), transporting them to the approved pound and handing them over for impoundment. Traffic officers and members of Select Security have undergone orientation in operational aspects of the pound trailer and removal of animals.



Stray Cattle being impounded



Impounded Cow being transported to Animal Pound

❖ **Influx of trucks**

Due to the sudden rise in trucks transporting commodities such as chrome and coal to the Transnet Port Terminal (TPT) located in Richards Bay Transnet National Port Authority, the Traffic Services human resources (traffic personnel) has been stretched beyond its limits.

As a result, Traffic Officers are compelled to work beyond their shift hours to maintain free flow of traffic during peak hours.

One of several interventions is the **traffic diversion programme**. The programme's goal is to prevent Trucks from utilising the East Central Arterial (R619) by channelling them to the John Ross Parkway (R34). A similar intervention was implemented in Empangeni Main Road, between MR166 (bypass road) and Tanner Road.

Furthermore, interventions continued in Alton, Richards Bay. The intervention addresses the congestion caused by trucks parking on the public roads, blocking drive ways and causing damage to infrastructure as a result of it.

This has created "hotspots" within the Alton area i.e. Kabelkring, Craft Link, etc. The Traffic Department with the Roads Department has installed **No Stopping signs** along the Chalkline in Geldengraght and Emalje Draai in Alton. This was in order to address illegal stopping and parking on the public road streets within the affected areas.



Example of serious violations address and acted upon by the Traffic Officers on duty.

4.2 SECURITY

The Mandate of the Security Section is to protect Councils assets and Employees as well as Office Bearers. We have a legislated mandate from PSIRA Act 56 OF 2001, MISS document of 1996 (miss) and Criminal procedure act 51 of 1977.

The Security Section also deal with illegal occupation of Municipality land issues and demolitions if there is a Court order. We also deal with enforcement of bylaws. At times we are affected by community protests whereby protesters end up coming to the civic and violently demand to see Public Office Bearers.

Several contracts in place with private security companies to protect Council buildings and facilities. Tender number 8/2/1/UMH642-19/20 was awarded to the following companies who are responsible for the provision of security in the following areas:

- Fidelity Security Services: Provision of Security at Cash Offices and Electrical Substations.
- Freeman Security: Provision of Security at Council's Major Buildings and facilities
- Select Security Services: Diverse Security Services (squatter control, beaches and swimming pools)
- Pro Secure Security: Security at water treatment works and related amenities.
- Isidingo Security: Bicycle Project

❖ POB Protection

The Security Section is responsible for the Protection of Public Office Bearers and up to 30 professionals are employed specifically for this purpose.

Various new additional fire arms have been purchased on the Capital budget during the year to assist them with protection work.

This Unit performed an essential task during the Election period, especially at the Civic Centre during the inauguration of Council after the elections.

Protectors were also extensively used during security arrangements for Ward Committee Election meetings after the elections.

❖ Squatting and Vagrant Control Team

Council has a team of 15 guards doing "*SQUATTING AND VAGRANT CONTROL* " These guards are provided by a private security company contracted to do the work in greenbelts and open spaces around the city.

These functions include the protecting of Councils assets, i.e. the closing off of the Beach and protection of people going to the beach during Festive days in December/ January. Further functions include responding to problems being reported by the public, and serving in the prevention of crime.



Inspection of unoccupied buildings / construction sites and removal of squatters is attended to by Vagrant and Squatting control team



Illegal Structure identified and removed by Vagrant and Squatting control team

The “Squatter and Vagrant Control team” has also successfully assisted SAPS on numerous occasions during night raids in the CBD areas with many arrests made with the assistance of the police. Arrests in this regard ranged from the confiscation of drugs, arrest of illegal immigrants, arrest of wanted criminals and various other offences. These activities were performed at no additional cost to Council and was done as part of their social responsibility commitments. The SAPS was assisted on numerous occasions.



Drugs confiscated during raids

Various multi-disciplinary operations including the Security Contractor and the Police were performed during the 2022/202 financial year.

❖ Beach Protection

The security team is also responsible for beach protection and additional security is provided in this regard over the Festive season. uMhlathuze area is a popular destination during the festive season and receive a large number of visitors and tourists who utilise our beaches. Select Security assists SAPS during this time to successfully curb crime.

❖ Swimming Pools

The Security Section posted additional guards (on request of the relevant section) at the Pools during peak periods such as school holidays and during the festive. The main reason for this is to help to maintain law and order at the pools when a huge number of people are utilising the public pool facilities.

❖ Protection of Cash offices

Security contractors are also responsible for the 24/7 protection of uMhlathuze Municipality satellite Cash Offices in areas such as Esikhaleni, Ngwelezane, Vulindlela and Nseleni.

❖ Bicycle Project

The Security Section has also started up a bicycle patrolling project in the suburbs in liaison with the Police. A private security company is managing the project assists the bicycle patrols with back-up armed response vehicles if and when required.

This initiative has been very successful thus far. The Security company is working hand in hand with the police and focus on “crime hot spots “areas in certain suburbs, as well as the Civic Centre

❖ Stray cattle Impound and control

The Traffic and Bylaw Enforcement Section secured a new tender for animal impound. Traffic as well as Security Officers were re-trained in the setting up of the mechanism to impound cattle, load them on a trailer and successfully transport them to the Animal Pound situated in Umlalazi area.

❖ Richards Bay Airport

The Airport was officially opened on 19 September 2022 and Council Security contractors were in place. Various dignitaries attended the opening.



INFRASTRUCTURE SERVICES DEPARTMENT

INFRASTRUCTURE SERVICES



MR EMMANUEL SIBUSISO NGCOBO
DEPUTY CITY MANAGER INFRASTRUCTURE SERVICES

INTRODUCTION

The Department of Infrastructure Services (IS) in the City of uMhlatuze is charged with the responsibility to ensure *inter alia* provision, development, extension and maintenance of infrastructural networks and bulk supplies. This is in accordance with section 152 of the Constitution of the Republic of South Africa, 1996 which stipulates the objects of local government, that is provision of services to communities in a sustainable manner and promotion of safe and healthy environment, among others.

Services rendered by IS Department:

- Water and Sanitation Services
- Engineering Support Services
- Transport, Roads, Storm water and Coastal Management Services

WATER AND SANITATION SERVICES

2.1 Services rendered by Water and Sanitation Section:

- Infrastructure Maintenance
- Water and Waste Water Treatment Plants (Operations)
- Scientific Services
- Customer Services, Retail and Marketing
- Water Demand Management

2.2 Strategic objectives

The City of uMhlatuze in its capacity as the Water Services Authority and juristic entity is committed to uphold the **right of access to basic water supply and basic sanitation** by:

- Recognising the rights of access to basic water supply and basic sanitation necessary to ensure sufficient water and an environment not harmful to health or well-being,

- Recognising that in striving to provide water supply services and sanitation services, all spheres of government must observe and adhere to the principles of co-operative government,
- Recognising that the provision of water supply services and sanitation services, although an activity distinct from the overall management of water resources, must be undertaken in a manner consistent with the broader goals of water resource management,
- Ensuring that the quality of the city's water resources, potable water and wastewater Systems are continually monitored in an endeavour to maintain quality and evaluate against set Standards / specifications / guidelines.

2.3 List of Achievements for Water and Sanitation Services

- Upgrading of Pearce crescent Pumpstation for adequate water supply to Maguzulu Reservoir which supplies Madletshe North Area which also supplement Ngwelezane Water Works Supply.
- Upgrading of Pumpstations to improve efficiency and increase redundancy (Aquadene 1, Nkoninga Pumpstation , MS Main, Alton Marcerator and Arboretum Marcerator)
- Upgrade of Ntambanana Water Supply: Construction of a 5 ml Reinforced Concrete Reservoir, Inlet and Outlet Pipework and Works: Hlaza, Ward 32
- Valve Replacement at eSikhaleni Water WTP to improve water purification process.
- Green drop critical risk rating improvement
- Commencement of Alton Pipe Replacement Projects
- KwaDube Water Improvements Project (90% Complete)
- eSikhaleni Water Interventions Projects – Metering and Reticulation

3. INFRASTRUCTURE MAINTENANCE

The infrastructure Maintenance is responsible for Operation and Maintenance of all Water and Wastewater delivery infrastructure, including stakeholder management. This section is also responsible for management of in-house capital funded programmes.

The key performance areas for the Infrastructure Maintenance Section as prescribed in the Maintenance Plan are as follows:

- a) Operations and Maintenance - Potable Water Infrastructure Network.
- b) Operations and Maintenance - Sanitation Infrastructure Network.

Infrastructure Maintenance (Urban & Rural) has the following sub sections:

- Northern Areas (Richards Bay and surroundings)
- Southern Areas (Esikhaleni, Dlangezwa and surroundings)
- Western Areas (Empangeni, Ngwelezane and surroundings)
- Waster water and water plant operations

3.1 Operations and Maintenance – Water and Sanitation infrastructure network

Water reticulation network

Asbestos Cement (AC) pipes installed from the early 1970s at the City of uMhlatuze's water network are used to reticulate water to the community. AC pipes were installed mainly because they were affordable, non-corroding alternative to metallic pipes in areas prone to corrosion.

AC pipes deteriorate as a result of a variety of factors, including working environment, operational conditions over the years with little or no maintenance attention and when stresses such as pressure and soil bearing exceed their strength, consequently they fail. Due to the variability in the deterioration rate of AC pipes, the condition of AC pipes is of utmost importance.

AC pipes deteriorate by degradation depth (thickness) of the inner and outer walls, thus compromising the overall strength of the pipe to an extent that the pipe size itself contributes to breakages if differential pressures between internal pressures due to water and soil bearing are not in equilibrium. In other words, factors such as vibrations can cause a tilt from the equilibrium, thus posing stress to the already deteriorated pipe.

Pipe degradation depths are correlated with pipe residual strengths, microstructure characteristics, pipe age, water quality, and flow dynamics due to unevenly eroded internal surface of the pipe and soil properties.

Listed below is the range of internal degradation with respect to AC pipes:

- a) Water with low aggressiveness index.
- b) Soft water or water with low alkalinity
- c) Soil movement especially to small diameter pipes as AC pipes are extremely brittle when considering the mechanical property.

Furthermore, constructed structures on pipe servitudes or grounds compromise the integrity of the AC pipe. Therefore, re-routing of pipes is required.

Sanitation reticulation network

There are two causes of blockages and collapse or failure of an Asbestos Cement (AC) pipes in a sewer system:

- a) Introduction of foreign unsolicited objects into the sewer system, such as through open manholes covers.
- b) Corrosion due to hydrogen sulphide.

Open manholes have been a consequence of theft of steel covers, vandalism of concrete covers and effects of hydrogen sulphide on the concrete covers. Also, due to open manholes, sand is introduced into sewer systems.

Since most sewer manholes are constructed from concrete, bricks and mortar, hydrogen sulphide attacks mortar thus resulting in a weakened or compromised manhole structure, resulting in the bricks falling into the system. Procurement of polymer plastic covers is on-going to curb factors that result in open manholes.

3.2 Water access backlogs

The Municipality currently receives funding through the Municipal Infrastructure Grant (MIG) of which **70%** is for water and **30%** for sanitation. It has been proven that such funding is not adequate to reduce backlogs for sanitation. The baseline information in the 2013/2014 Integrated Development Plan (IDP) with regards to the basic services delivered were previously aligned with the most recent 2011 Census figures as recorded by the National Statistics South Africa. A total of 96.75% households had access to basic RDP level of water supply service as at 31 December 2016. The basic level for the provision of water is communal supply less than 200 metres from a household. The total percentage of households with basic level of service changed in 2017/18 due to the municipality inheriting three (3) Wards from former Ntambanana Municipality.

• Water

A total of **96,96%** households had access to the basic RDP level of water supply service as at 30 June 2022. The basic level for the provision of water is communal supply less than 200 metres from a household. The approved target for households to be upgraded to yard-taps for the 2022/2023 financial year was set at **250**:

Service Level	Baseline (2021/2022) (Audited)	2022/2023 Target	Stats Ending June 2023
Total households = 110 503 (2011 Stats SA) Revised Stats	Households with access to water	Targets	Household with access to water
ACCESS TO WATER	107 107	107 357	107 732
House connections	47 511	47 511	47 511
Yard Connections	57 965	57 848	58 221
Communal Supply < 200 m (Backlog) Supplied with JOJO Tanks	2 000	2 000	2 000
Communal Supply > 200 m (Backlog) Supplied with JOJO Tanks	3 396	3 146	331
New Installations reducing Backlogs (Target)	630	250	Actual Q1 = 50 Actual Q2 = 15 Actual Q 3 = 62 Actual Q 4 = 498

Access to water as at 30 June 2023 is **97,49%** and water backlog is **2,51%**. The annual target of 250 was exceeded since 619 connections were carried out on 2022/23 financial year. This include 494 oversight water meters installed by the Contractor. The large number increase of meters installed is a result of implementation of reticulation Projects for Mkhwanazi South.

- Water Projects**

DESCRIPTION	START AND END DATE	STATUS
EMPEMBENI BULK WATER SUPPLY Laying of a 6km Rising Main and 1ml elevated tank	Start Date: End Date: Revised End Date: September 2023	78% Complete. An accelerated plan was submitted to Engineers to ensure a new revised completion date is achieved.
EMPEMBENI BULK WATER SUPPLY Construction of Pump Station at Cubhu	Start Date: End Date: Revised End Date: September 2023	64% complete Project is progressing well; pump house is 90% complete. Mechanical and Electrical panels are in progress
NTAMBANANA WATER IMPROVEMENTS Construction of Bulk pipeline from	Start Date: End Date: Revised End Date: 31 July 2023	63% complete Laying of 450mm ductile iron pipeline is in progress. Employment of more Sub Contractors helped to accelerate progress.

Hillview to Macekane		
NTAMBANANA WATER IMPROVEMENTS Construction of 5ML Reservoir	Start Date: February 2021 End Date: Revised End Date: September 2023	The reservoir is complete but there is additional scope that the Contractor is busy with. BAC approved extension of time to address additional scope.
Esikhaleni 15MI Package Plant	Start Date: December 2021 End Date: Revised End Date: 31 August 2023	Site establishment is 100% complete, Bulk earthworks is 50% complete, Package plant manufacturing is 90% complete, High lift pump station is 10%, Interconnecting pipe works is 30%, Esikhaleni WTW pump station upgrade is 40% complete, ESKOM connection is 0% and Commissioning is 0% overall progress.
Mkhwanazi South Water Reticulation Projects (Wards 18 and 22)	Start Date: February 2022 End Date: Revised End Date: 30 September 2023	<ul style="list-style-type: none"> • UMH817-20-21 Project is at 99% completion (Construction of Mkhwanazi South Water Reticulation Phase 4: To Supply Area B (Ward 22) Contractor is busy testing final 300 of pipe. • UMH818-20/21 Project is at 96% completion (Construction / Replacement of Mkhwanazi South Water Reticulation Phase 4: To Supply Area D (Ward 22) Contractor is busy with testing. • UMH819-20/21: Project is at 85% completion (Construction / Replacement of Mkhwanazi South Water Reticulation Phase 4: To Supply Area E1 (Ward 18) – Contractor is currently busy completing main reticulation line, water meter and standpipe installation, pipeline pressure testing and installation of precast concrete chambers for scour and air valves. Delays being experienced with pressure testing due to community using water in pipes meant for pressure testing. • UMH820-20/21: Project is at 77% completion (Construction / Replacement of Mkhwanazi South Water Reticulation Phase 4: To Supply Area E2 (Ward 18) – Contractor is currently busy completing main reticulation line, water meter and standpipe installation, pipeline pressure testing and

		installation of precast concrete chambers for scour and air valves. Delays being experienced with pressure testing due to community using water in pipes meant for pressure testing.
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4. ACCESS TO WATER / NEW CONNECTIONS

4.1 Infrastructure Maintenance – Northern Areas

Table 1.1: Operations and maintenance - Potable Water Infrastructure Network for the period 01 Jul 2022 – 30 June 2023)

Ward	Pipe burst	Valve maintained	Air Valve maintained	Meter maintained	Meter replaced	New Water Meter connections		Fire hydrant maintained/ Others
						Domes tic	Business / Commercial	
1	10	5	0	108	25	3	0	22
2	16	20	0	222	68	4	0	107
3	20	18	3	165	47	2	0	134
4	32	60	3	500	335	37	0	238
5	21	1	0	84	26	11	0	22
6	18	3	0	127	38	19	0	2
7	1	2	0	73	20	5	0	0
8	20	17	2	120	28	0	0	4
26	2	7	0	238	103	11	0	32
TOTAL	140	133	8	1637	690	92	0	561

Ward 4 experienced the highest number of burst pipe

Ward 4 & 26 experienced the highest number of replaced meters.

Table 1.2: Operations and Maintenance - Sanitation Infrastructure Network for the period 01 Jul 2022 – 30 June 2023)

Ward	Sewer blockages / overflows	Sewer pipe jetting	Manhole repaired	Sewer connections repaired	New Sewer connection
1	68	118	3	1	0
2	0	6	0	0	0
3	44	99	10	4	0
4	41	72	12	8	0
5	0	0	0	2	0
6	0	0	0	0	0
7	21	30	0	0	0
8	39	111	4	1	0
26	32	109	10	2	0
TOTAL	245	545	39	18	0

Ward 1 experienced the highest number of sewer blockages / sewer overflows.

Wards 1, 8 and 26 had the most sewer pipe jetting.

4.2 Infrastructure Maintenance – Southern Areas

Table 1.3: Operations and maintenance- Potable Water Infrastructure Network for the period 01 Jul 2022 – 30 June 2023)

Ward	Pipe burst	Water leaks / Mainline Maintenance	Main line maintenance	Valve Maintenance	Building Maintenance	Meter maintained	Meter replaced	New Water Meter connections	Fire hydrant maintained
10	4	1270	0	0	0	0	0	0	0
11	0	269	0	0	0	0	0	0	0
12	1	214	0	34	0	6	22	0	0
13	0	376	0	119	0	13	26	0	0
14	4	230	0	70	0	19	45	0	0
15	0	82	0	21	0	0	0	0	0
16	1	109	0	34	0	32	38	0	0
17	1	241	0	28	5	10	30	0	0
18	2	85	0	20	0	16	16	0	0
19	0	132	0	55	5	14	22	0	0
20	1	72	0	0	0	7	12	0	0
21	0	213	0	61	0	15	46	0	0
22	1	116	0	3	0	4	0	0	0
30	6	284	0	0	0	1		0	0
34	0	22	0	0	0	0	0	0	0
TOTAL	21	3 715	0	445	10	137	257	0	0

Ward 30 experienced the highest number of burst pipe

Ward 21 experienced the highest number of replaced meters.

Table 1.4: Operations and Maintenance - Sanitation Infrastructure Network for the period 01 Jul 2022 – 30 June 2023)

Ward	Sewer blockages / overflows	Sewer pipe jetting	Sewer mainline maintenance	Manhole Inspection	Manhole repaired	Sewer connections repaired	New Sewer Connections	Sewer Mainline Inspection
10	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0
16	0	0	0	0	0	0	0	0
17	132	79	0	0	0	0	0	17

18	0	0	0	0	0	0	0	0
19	70	9	0	0	0	0	0	60
20	108	10	0	0	0	0	0	108
21	165	10	0	0	0	0	0	165
22	108	11	0	0	0	0	0	0
30	49	15	0	0	0	0	0	49
34	20	4	0	0	0	0	0	65
TOTAL	652	138	0	0	0	0	0	464

Wards 17, 20, 21, 22, and 30 experienced highest number of sewer blockages/sewer overflowing
Ward 17, 22 and 20 experienced highest sewer pipe jetting.

4.3 Infrastructure Maintenance – Western Areas

Table 1.5: Operations and maintenance- Potable Water Infrastructure Network for the period 01 Jul 2022 – 30 June 2023)

Ward	Pipe Burst	Water leak/installation of pipes	Building Maintenance	Valve and air valve maintenance	Meter maintained	Meter Replaced	New water meter connection	Fire Hydrant maintenance
9	31	219	3	38	169	128	12	1
23	42	241	2	42	227	126	3	1
24	32	425	0	47	133	185	0	0
25	9	113	0	5	5	33	11	0
27	5	95	1	4	23	165	37	0
28	17	136	0	0	49	75	58	0
29	8	103	0	1	12	44	18	0
31	3	117	0	0	7	7	0	0
32	8	193	0	1	0	2	1	0
33	2	125	0	2	0	0	0	0
Total	157	1 767	6	140	625	765	140	2

Wards 23 had the most Burst pipes (42 pipes bursts);

Ward 24 had the most water leaks at (425 leaks).

Ward 23 had the most number of meters maintained (227 water meters),

Ward 24 had the most meters replace (185 meters replaced) .

Ward 31 had the most number of leaks on Jojo Tanks (84 leaks).

Table 1.6: Operations and Maintenance - Sanitation Infrastructure Network for the period 01 Jul 2022 – 30 June 2023)

Ward	Sewer blockages / overflows	Sewer pipe jetting	Manhole repaired	Sewer connections repaired	New Sewer connection
9	260	125	7	1	0
23	256	124	2	1	0
24	232	97	5	0	0
27	44	72	0	1	0
28	138	185	2	1	0
Total	930	603	16	4	0

Wards 9 experienced the highest number of sewer blockages/sewer overflowing which were 260 and ward 28 had the highest sewer pipe jetting (185 pipes jetted).

Most sewer spills were attributed to by foreign elements thrown/dumped into our sewer system and breaking of the existing sewer pipelines when excavating sites. The capacity issue of our pipelines as a result of illegal sewer connections, construction of structures of top the existing pipes and connection of roof down pipes in the system has contributed immensely to the overflows and blockages.

Communities have to be made aware about dumping of foreign objects into sewer manholes as this causing more sewer backups. Sewer overspills are both health hazards and cause environmental pollution.

5. MECHANICAL SECTION

5.1 Operations and Maintenance of Water and Sewer Pump stations

The City of uMhlathuze is mandated to provide services in terms of regulation Section 9 of the Water Services Act [Act No. 108 of 1997]: Norms & Standards for Quality Water Service applicable to water and sanitation operations.

This report outlines the detailed information regarding Maintenance and Operational challenges experienced on site, which lead to service delivery obstructions, safety, and environmental incidents. The financial year 2022/23 was had challenges where the Western region i.e. Ngwelezane & Empangeni (John Ross Macerators, Felixton Main & LCH1, LCH2, LCH3 & Wilton Park) pump-stations, Northern Region i.e. Aquadene, Alton, Velden Vlei & Meerensee (MS2, MS8, MS9, V1, VV Main, Aquadene1, Alton Macerators) pump-stations and Southern Region i.e. Esikhaleni (Pump-F). These pump-stations had high number of blockages and overflows due to debris and power outages.

The pro-longed power outages at DMV which are not due to load-shedding was another contributing factor to the sewer pump-stations overflows.

The two T4 self-priming pumps were fully commissioned at Felixton Main pump-station and a detailed close-out report was sent for MAE GRANT perusal and attention. At Low Cost3 (LCH3) the two T6 self-priming pumps were also fully commissioned.

The Northern Region Alton Macerator, Aquadene1 pump-station T10 self-priming pumps were installed and commissioned. MS2 new pump-set were installed but one failed due to cavitation and the responsible contractor was busy with the warranty repairs. There was a need for a new generator for MS2 which has been procured.

Telemetry, control and instrumentation were still a major concern for all the pump-stations because there is an independent contractor appointed for its installation and maintenance. There were various pump-stations that were undergoing upgrades due to aging infrastructure and insufficient pumping capacity namely MS2 100% complete, MS Main 90% complete, VV Main 85% complete, MS9 60% complete, Alton Macerators 100%, LCH3 100% complete, Aquadene 1 100% complete and ARB Macerator 60% complete. These completion measurements were purely Mechanical and Electrical installation with exception of Telemetry, Control and Instrumentation (C&I).

The Foskor and the municipality project (IOF2 Pump-station Re-instatement) was successfully commissioned on the 30/05/2023 and the pump-station was functional as of the 02/06/2023. Both the municipality and Foskor have agreed on a common sampling point at the pump-station as per the sampling schedule since Foskor is stabilizing its sewer effluent to curb acid contamination which is compromising the municipality sewer pumping system. IOF1 pump-station was also commissioned and functional since IOF2 is pumping into it. The availability of funds was a challenge during the financial year for the plant hire contract in acquiring the super-suckers and jetting machines for pump-stations cleaning and this resulted in slippage for the adhering of the pump-stations cleaning schedules. The pump stations listed below, table 2.1 indicate the challenges that affected the operation and supply of services to the community, in some instances leading to environmental issues where raw sewerage was discharged into the environment. This resulted in Non-Compliance Notices issued to the municipality to respond, the persistent issuing of such notices by DWS will jeopardise the municipality operating licence and it is critical that sewer overflows be mitigated and curbed timeously. Low Cost1 (LCH1), Alton Macerator, Hillview, VV Main and MS2 pump-stations were issued with the non-compliance notices and mitigating measures were implemented as it is mentioned in the report that the DMV area is prone to prolonged power outages with the exception of load shedding which have a negative effect on the functionality of sewer pump-stations in that area.

5.2 Operations and Maintenance- 69 Water and Sewerage Pump Stations

Table 1.7: Table: Operations and Maintenance Planned and Unplanned Maintenance

PUMP STATION	BLOCKAGES	OVERFLOWS	ELECTRICAL/TELEMETRY/LEVEL CONTROL FAULTS	PUMPS, MOTORS FITTED/REPLACED	PUMPS/MOTORS IN FOR REPAIRS/SERVICE	SCHEDULED/EMERGENCY CLEANING OF PUMPSTATIONS/S	THEFT/BURGLARY
NORTHERN REGION							
ALTON							
ALTON 1	3	1	0	0	0	0	0
ALTON 2	0	0	1	0	0	0	3
ALTON 3	5	0	0	0	0	0	3
ALTON 4	9	0	0	0	0	0	1
ALTON 6 (Stinkgat)	0	0	0	0	0	0	0
ALTON 7	0	0	1	0	0	0	1
ALTON 8	0	0	0	0	0	0	0
ALTON 10	4	0	0	0	0	1	0
ALTON MACERTOR	1	0	2	0	0	0	0
I.O.F 1	0	0	1	2	2	0	1
I.O.F 2	1	0	0	3	2	1	0
POLARIS	0	0	0	0	0	0	0
V1 (INDUSTRIAL)	0	0	1	0	0	0	0
V2 (INDUSTRIAL)	2	0	1	1	1	0	0
TOTAL	25	1	7	6	5	2	9
AQUADENE							

PUMP STATION	BLOCKAGES	OVERFLOWS	ELECTRICAL/TELEMETRY/LEVEL CONTROL FAULTS	PUMPS, MOTORS FITTED/REPLACED	PUMPS/MOTORS IN FOR REPAIRS/SERVICE	SCHEDULED/EMERGENCY CLEANING OF PUMPSTATIONS/SUMPTS	THEFT/BURGLARY
AQUADENE 1	28	1	12	10	1	2	1
AQUADENE 2	13	0	4	5	2	3	1
TOTAL	41	1	16	15	3	5	2
ARBORETUM							
ARBORETUM 1	0	0	1	1	1	0	0
ARBORETUM 2	0	0	0	0	0	0	0
ARBORETUM 3	0	0	0	0	0	0	0
ARBORETUM 4	0	0	0	0	0	0	0
ARBORETUM MACERATOR	1	0	1	0	0	3	0
ARBORETUM MAIN	0	0	1	3	0	3	0
TOTAL	1	0	3	4	1	6	0
BIRDWOOD							
AIRPORT	0	0	0	0	0	0	0
BIRDWOOD	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0
BRACKENHAM							
BRACKENHAM	8	0	3	4	4	4	1
TOTAL	8	0	3	4	4	4	1
CBD							
C.B.D	0	0	0	0	0	0	0
CIVIC CENTRE	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0
MEERENSEE							
ALKANSTRAND 1	9	0	0	0	0	0	0
ALKANSTRAND 2	1	0	0	0	0	0	0
ALKANSTRAND 3	0	0	0	0	0	0	0
ALKANSTRAND 4	1	0	0	0	0	0	0
CARAVAN PARK 1	7	0	0	0	0	0	0
MEERENSEE 1	0	0	0	0	0	0	0
MEERENSEE 2	1	4	9	1	1	1	0
MEERENSEE 3	8	0	0	0	0	0	0
MEERENSEE 4	4	1	1	0	0	0	0
MEERENSEE 5	2	0	1	0	0	0	0
MEERENSEE 6	8	0	0	0	0	0	0
MEERENSEE 7	1	0	0	0	0	0	0
MEERENSEE 8	1	0	0	0	0	0	0
MEERENSEE 9	1	0	4	0	0	0	0

PUMP STATION	BLOCKAGES	OVERFLOWS	ELECTRICAL/TELEMETRY/LEVEL CONTROL FAULTS	PUMPS, MOTORS FITTED/REPLACED	PUMPS/MOTORS IN FOR REPAIRS/SERVICE	SCHEDULED/EMERGENCY CLEANING OF PUMPSTATIONS/SUBSTATIONS	THEFT/BURGLARY
MEERENSEE 10	9	3	7	1	1	2	0
MEERENSEE MAIN	5	0	14	0	0	1	0
SMALL CRAFT 2	3	0	16	0	0	1	0
SMALL CRAFT 3	3	0	9	1	2	1	0
V1 (MEERENSEE)	2	0	0	4	0	1	0
V2 (MEERENSEE)	2	0	0	0	0	0	0
TOTAL	68	8	61	7	4	7	0
VELD EN VLEI							
VELD EN VLEI MAIN	14	1	6	3	0	4	0
TOTAL	14	1	6	3	0	4	0
WESTERN REGION							
FELIXTON							
FELIXTON 1	9	0	2	0	0	0	0
FELIXTON 2	3	1	1	1	0	0	0
FELIXTON 3	0	2	7	2	2	0	0
TOTAL	12	3	10	3	2	0	0
EMPANGENI							
HILLVIEW FRESH WATER	0	0	0	0	0	0	0
HILLVIEW SEWER	4	0	0	0	0	0	0
KULEKA	2	1	1	4	0	0	0
KRITZINGER	16	0	0	0	0	2	2
NORTH ROAD	0	0	0	0	0	0	0
PEARCE CRESENT	0	0	12	0	0	0	0
TICOR	5	0	8	0	0	0	0
WILTON PARK	16	0	5	0	0	0	3
FIDDLEWOOD	0	0	0	0	0	0	0
JOHN ROSS FRESH WATER	0	0	0	4	0	0	0
JOHN ROSS MACERTOR	6	0	0	0	0	0	0
JOHN ROSS PUMPSTATION	1	0	1	0	0	2	0
TOTAL	50	1	27	8	0	4	5
NGWELAZANE							
UMHLATUZE VILLAGE 1	23	1	0	0	0	0	0
UMHLATUZE VILLAGE 2	21	0	0	0	0	4	0

PUMP STATION	BLOCKAGES	OVERFLOWS	ELECTRICAL/TELEMETRY/LEVEL CONTROL FAULTS	PUMPS, MOTORS FITTED/REPLACED	PUMPS/MOTORS IN FOR REPAIRS/SERVICE	SCHEDULED/EMERGENCY CLEANING OF PUMPSTATIONS/SUBSTATIONS	THEFT/BURGLARY
UMHLATUZE VILLAGE 3	19	3	10	0	0	1	0
MAGAZULU RESERVOIR	0	0	0	1	0	0	0
TOTAL	63	4	10	1	0	5	0
SOUTHERN REGION							
ESIKAHLENI							
ESIKALENI PUMP F	3	0	2	0	0	0	1
TOTAL	3	0	2	0	0	0	1
TOTAL FOR THE YEAR	285	19	145	51	19	37	18

The blockages are caused by foreign objects deposited into the sewer system, damaging the pumps impellers; restricting the volume inside the volutes; restricting or preventing self-priming valves to release the air from the pumping system reducing efficiency and, in some cases, the foreign objects damage the volutes. The Electrical/ Telemetry/ Level Control faults include electricity dips by Eskom and fault on level controls leading to some overflows. Load shedding and power outages are other contributing factors for pump-stations overflows and this also affects the electrical phasing where phases are not balancing when power is restored and damaging motors.

It must be noted that the blockages and overflows were caused by heavy rainfalls, persistent load shedding and power outages. Provision for physical manning of the sewer pump-stations reduced immensely pump-station vandalism and improved its operation because the stationed guards report any operation abnormalities. In mitigating the sewer pump-stations blockages, overflows and other operational deficiencies the following mitigating measures were implemented:

- The sewer pump-stations upgrades are work in progress as stipulated above.
- The compiled sewer pump-station cleaning schedule was adhered to and monitored but during the financial year there was a deficiency in funding for plant hire.
- Sewer pump-station maintenance teams were closely monitoring and inspecting the pump-stations including planned inspections over the weekends.
- The mechanical maintenance teams were vortexed /rotated to new sections in building capacity for new pumps installations.
- SAP planned maintenance job cards are being generated and actioned.

Infrastructure maintenance major challenges

Challenges	Effects
Vehicle breakdowns	This causes delays in responding to the reported breakdowns.
Electrical Supply Cuts	Causes sewer overflows in the pump stations once the pumps stop pumping.
Theft	The theft of manhole lids results in open sewer which makes it easy for people to throw object in the manholes. And the theft of electric cables in the pump stations also causes unnecessary sewer overflows.
Insufficient pumps in pump station	Causes pumps to run continuously without being serviced which contribute to frequent pump failures.

Ageing infrastructure/ Insufficient Capacity	Causes overflows due to growth in the City and infrastructure not meeting with demand. Thus causing overflows at peak hours and when we have heavy rain.
Shortage of staff	Causes delays in responding to the complaints and causes failure in achieving the targeted planned maintenance.

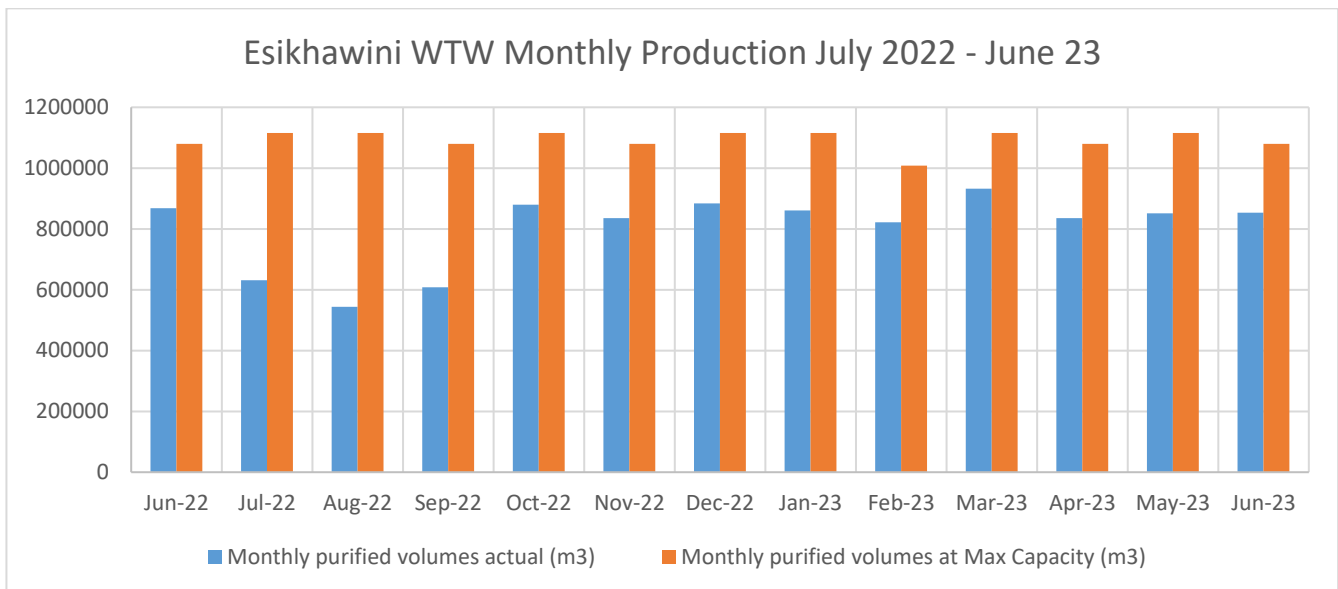
6. WASTE WATER AND WATER PLANTS OPERATIONS

The City of uMhlathuze Municipality is mandated to provide services in terms of regulation Section 9 of the Water Services Act [Act No. 108 of 1997]: Norms & Standards for Quality Water Service applicable to water and sanitation operations.

The table below outlines detailed information regarding the operations of the plants and operational challenges experienced at the various water and waste water treatment plants as well as associated bulk infrastructure.

6.1 Water treatment plants and associated bulk infrastructure

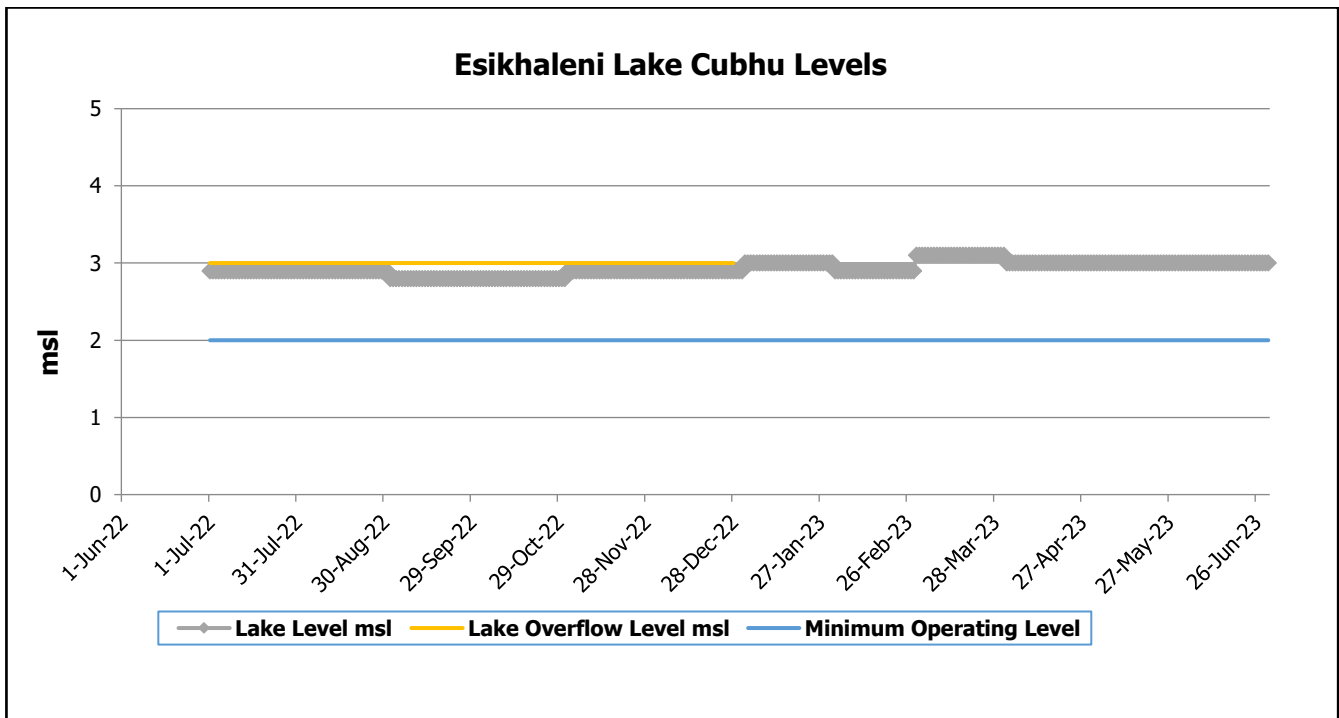
(a) Esikhaleni WTW



Plant Production:

VOLUME (m ³)	JULY 2022 -JUNE 2023
Purified Water pumped	9538341
Average per day	26132
Plant Utilization (%)	72,6%

Lake Cubhu level



The lake level went above the overflow level of 3MSL twice , which occurred for the first time in Dec 2022 and February 2023.

Esikhaleni Water Treatment Works Major Challenges:

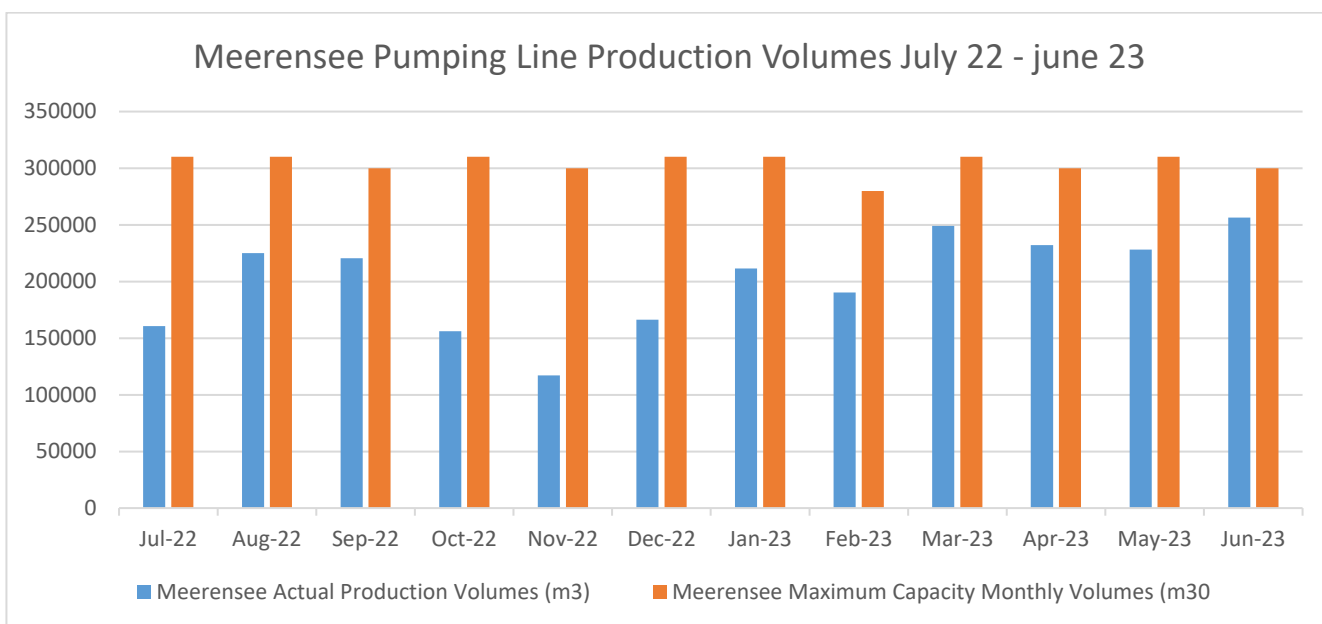
- Normal operating interruptions (Backwashing of filter beds, Chemical dosage adjustments) were experienced in the month of July.
- Eskhawini WTW pumproom flooding occurred on the 31st of July due to a VJ Coupling fitting failure on the delivery line of HLP no 1. Service providers worked tirelessly to resuscitate the plant, pumping effectively resumed on the 3rd of August 2022.
- On the 20th of August 2022, the transformer that supplies the Eskhawini WTW facility with Eskom power exploded, the entire pumpstation was affected including the electrical and mechanical components that were inside the pumproom, Emergency service providers were appointed and worked diligently to ensure full restoration of the facility. Pumping resumed and potable water flow meter displays powered up on the 1st of September 2022.
- Mhlathuze water strike on the 28th of October 2022 occurred , Nsezi WTW and Mhlathuze Weir were shut down , raw water supply to the Esk WTP was hindered.
- The Water Treatment Plant experienced multiple Eskom power outages in the period under review, However 2 x 800KVA generators were available for backup power supply to minimize the impact of the outages, Investigation was carried out and it was discovered that the Eskom supply network was being overloaded by the residents electrical consumptions, Resolution was concluded by the OPS and Electrical department of a new electrical supply line which will only be delegated for the facility.

Esikhaleni Bulk

- Air valves, Anchor Blocks and a higher class of HDPE pipematerial have been installed in July 2022 , this being an implementation of a corrective action to prevent the frequent pipe bursts on the 450mm and 60mm pumpinglines.

- Bulk line inspections and verifications are still mandatory, Line pressure is also being monitored on the installed pressure gauges. Leakages or water losses identified are restructified as soon as possible to ensure that the bulk systems are not affected negatively.
- Esikhaleni Cluster System has been impacted by Isolation Valve breakdowns in the period under review, the valves which to which service providers were appointed for was the 600mm main outlet and 450mm bypass valve at Forest , Maholoholo Gravity line towards Esikhaleni T/ship valve and the Vulindlela Gravity scheme valve near the traffic circle.
- During this period restrictions were being done on the 315mm Supply Reservoir outlet valves until valve repairs/replacement was completed on the 600mm main outlet valve in March 2023.
- 600mm gravity pipeline leak occurred near Eskhaleni mall on the 1st of June 2023, the emergency work was attended too by the Southern reticulation maintenance team together with a service provider. Once repairs were completed water supply was restored.
- Ward 10 meeting was held between the CoU officials and ward CLLR at Reservoir U which is situated along R102, the meeting was scheduled following multiple trespassing incidents which have resulted in the delays in reservoir buildup and interruptions in water supply to the community, Amongst some of the resolutions taken it was agreed that a permanent security personell would be allocated at the site and will be overseeing the reservoir on a 24 Hour basis in the beginning of the new financial year.

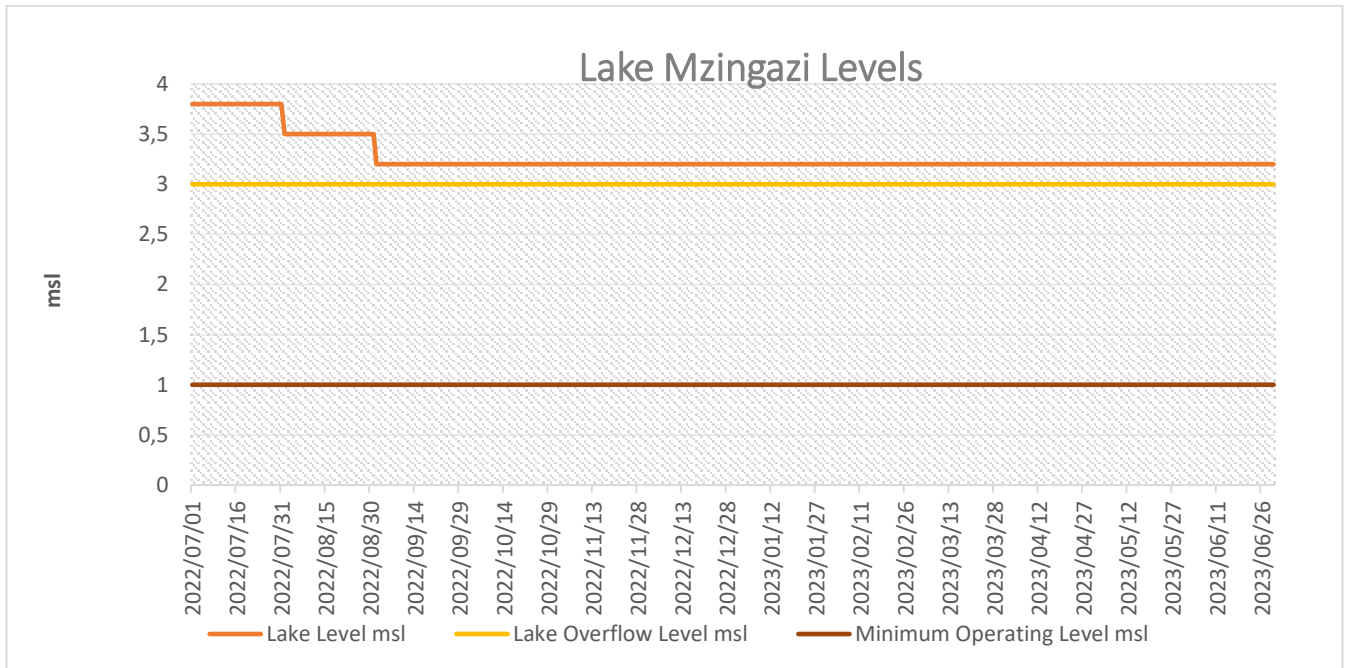
(b) Mzingazi Water Treatment Works



Plant Production:

VOLUME (m ³)	JULY 2022 -JUNE 2023
Purified Water pumped	2413109
Average per day	6611
Plant Utilization (%)	66,1%

Lake Mzingazi level



The lake level increased to above the overflow level to 3.8 msl during July 2022 , there after decreased to 3,2 msl in september 2022 and has remained constant for the remaining period. The lake is overflowing.

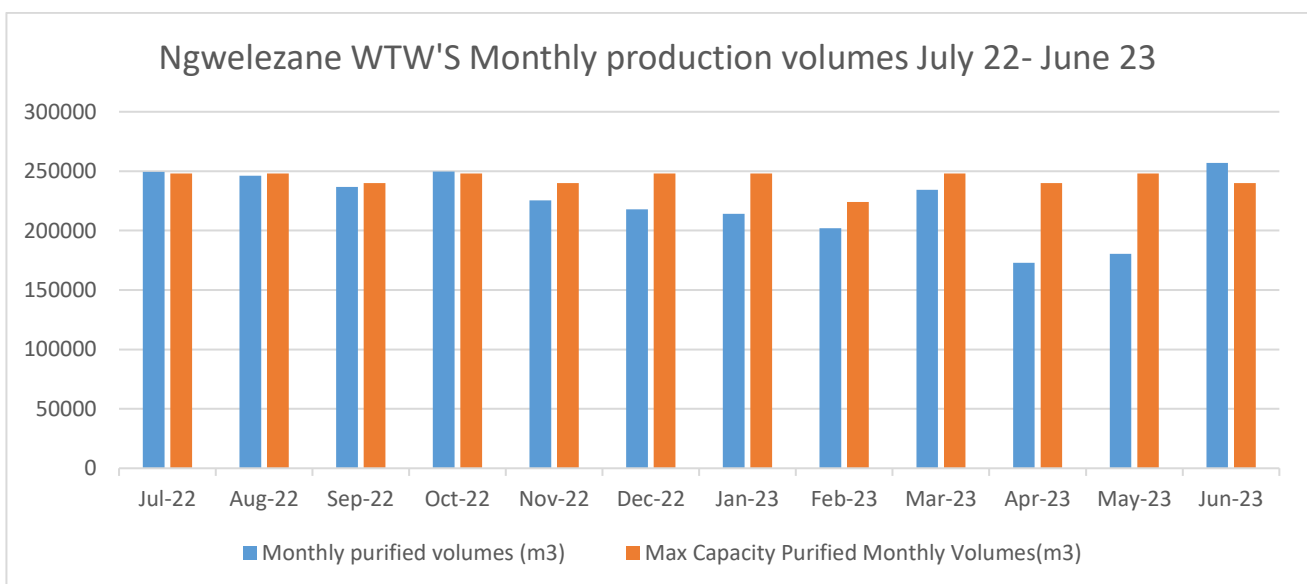
Mzingazi Water Treatment Works Major Challenges

- Supply, Installation and Commissioning of New Filter Media and Nozzles tender has been undergoing the evaluation process and is currently with the Bid Adjudication Committee, once service provider is appointed the works will commence for a period of 6 months until completion.
- Nsezi WTW is still requested to augment the system on an as and when required basis when repairs on the bulk lines are in progress or Eskom load shedding is being implemented.
- Mzingazi WTW chlorination heavy equipment lifting system was refurbished by an appointed service provider in March 2023 and will be officially handed over to the Operations department in the month of April 2023. Meerensee interlink was utilized during this period for direct water supply feed into the scheme.
- Mzingazi WTW'S Raw water flow meter installation and commissioning process was concluded on the 02nd of May 2023 thereafter the facilities pumping line flow meter to Mandlanzini was repaired, both meters are functioning and are being utilized for water balancing purposes, water loss monitoring and chemical dosage rate calculations.

Richards Bay Bulk

- Water restrictions were maintained in eNseleni with all reservoir outlet valves restricted at night in order to maintain reservoir levels.
- The Nseleni pump station was affected by Eskom load shedding during this period and as a result water supply was affected. A generator is required for this pump station.
- Foskor Clarified water line repair and installation of flow meter commenced on the 3rd of October 2022 when a service provider was appointed to do the works, the works on the clarified water line was completed on the 4th of October 2022.
- Nsezi planned maintenance of a 24hour shut commenced from the 19th of October 2022, Pumping to Mandlanzini Reservoirs was affected.
- Mhlathuze water planned shut proceeded on the 29th of October 2022 at 18h00pm and was completed 12h00pm on the 30th of October 2022. Meerensee and Mandlanzini pumping lines were supplied by the Mzingazi WTP.
- 2 X 220KVA Generators have been installed at Nseleni Pumpstation for backup supply for the Khoza and Tower pumpstations.

(c) Ngwelezane Water Treatment Works



Plant Production:

VOLUME (m ³)	JULY 2022 -JUNE 2023
Purified Water pumped	268 6680
Average per day	7361
Plant Utilization (%)	92%

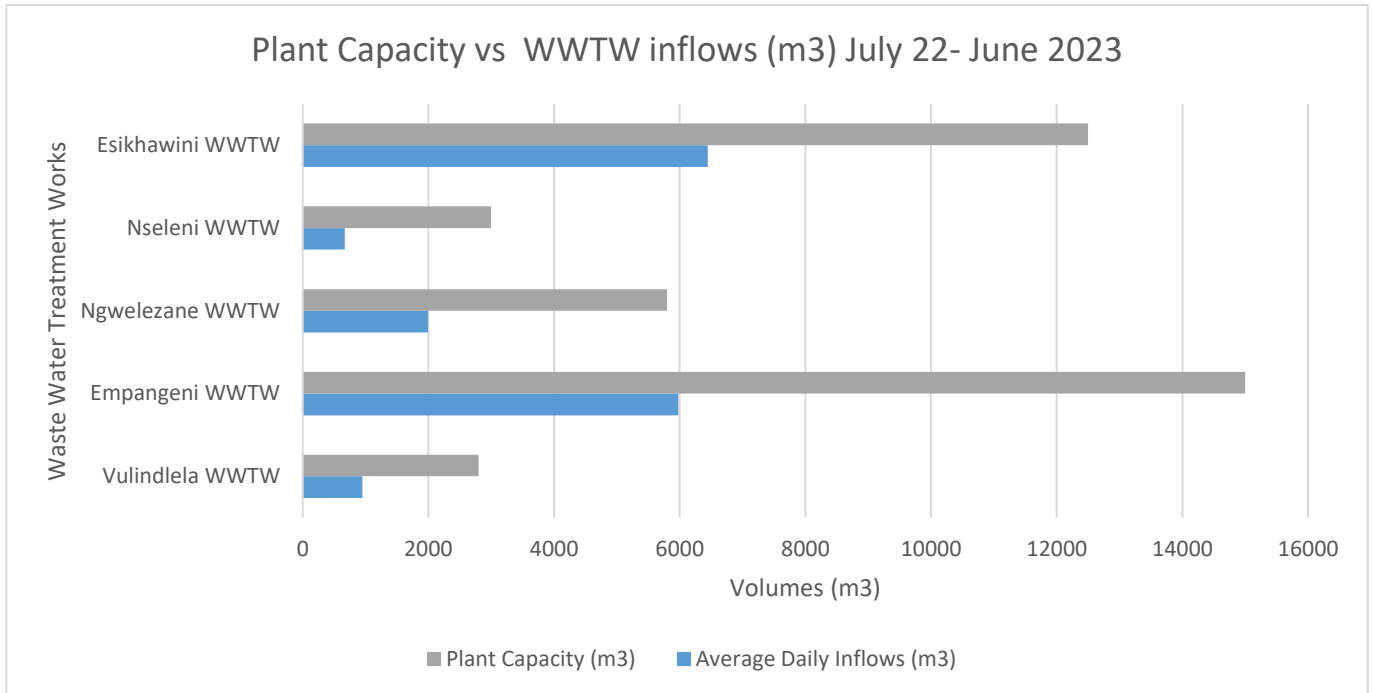
Ngwelezane Water Treatment Works Major Challenges

- Dredging near the abstraction point is still performed on an as and when required basis and is necessary to ensure that the mechanical equipment within the facility is protected from any damages.
- There were minimal pipe bursts along the 225 and 250mm pumping lines which led to the plant being shut in the period under review, Magazulu Interlink has been utilized to ensure Ngwelezane Pumpstation reservoirs remain in a healthy state when repairs on the lines had commenced.
- Minor desludging of sludge blanket formations is still being performed on a daily basis as the de-sludge valves are now available and are fully functional.

Ngwelezane Bulk

- Frequent Eskom power outages were experienced between August and September 2022 due to the power generation capacity limitation experienced and Ngwelezane together with Matshana pumpstations were affected, Proposals for the installation of permanent generators have been considered and will be actioned in due course.
- MW potable water pumping supply to Pearce Crescent was stopped due maintainence on a leak on the delivery manifold. (03/10/22)
- Matshana Pumping line towards the primary reservoirs was leaking, Madlebe Cluster was affected (Matshana, Mevamlhlophe, Nqutshini, Sgisi and Iniwe). Repairs were completed on the 15th of December 2022.
- Magazulu pumpstation which is at Pearce Crescent Reservoirs was upgraded on the 24th of April 2023, this was initiated so as to ensure that the Magazulu reservoirs always remain healthy since a greater portion of residents within Madlebe Tribal authority solemnly depend on the system for water supply.

6.2 Wastewater treatment plants



SITE (Waste Water Treatment Works)	Inflow (m ³ /day)	Plant Capacity (m ³ /day)
Vulindlela WWTW	950	2800
Ngwelezane WWTW	1994	5800
Empangeni WWTW	5980	15 000
Esikhaleni WWTW	6449	12 500
Nseleni WWTW	670	3 000

6.3 Waste Water Treatment Works Major Challenges

Vulindlela WWTW

Anoxic zone process has been affected as 1 of 2 mixers is currently onsite due to repairs which are in progress, Maintenance repairs on the Clarifier wheel bridge were completed after the super sucking and vacuuming process was completed by an appointed service provider. The Huber screen which is situated at the facilities Head of Works has been resuscitated during the period in review, 1 of 2 Aerators are functioning since the motor was taken by a service provider for repair works.

Empangeni WWTW

Service provider has been appointed to attend to both Primary and Secondary Clarifier ongoing faults, Clarifiers have been vacuumed and maintenance work is still ongoing on all components. Chlorination system has been resuscitated and is now fully operational dosing at contact tank is occurring for the disinfection process. Security and Camera system has been installed at the plant to prevent vandalism and theft near the chlorination system. Stockpile inside the drying beds has been cleared out, drying beds refurbishments have been completed.

Esikhaleni WWTW

5 out of 8 Rotors are currently functional at the plant, 3 rotors are currently with a service provider for repairs. The effluent flow from the Aeration ditch towards the Secondary clarifiers has been hindered due to a blockage, Jetting will be implemented to clear the channel. Secondary Clarifiers centre bearings and gearbox has been serviced and installed. Service provider is currently onsite to assist with the design of new sluice gates to assist when the supersucking of clarifiers is being initiated. Contact Tank effluent is currently being reused for the chlorination system until the potable water issue is resolved. RAS pumps station for settler 2 has been refurbished.

Ngwelezane WWTW

The aeration basin is currently operating at 83% capacity due to 1 aerator which is currently out for repairs. Huber Screen has been repaired and is available for usage at the facility. Service provider will be appointed to unblock the channel between the splitterbox and clarifiers in July 2023. Bioactivator is currently being dosed at the head of works to assist with minimizing sludge within the process units and also to lessen unpleasant odour. Chlorination system will be refurbished in the new financial year.

Nseleni WWTW

The plant currently has three aerators that are non-operational. Repairs are urgently required on the malfunctioning aerators. The treatment process has been thus affected. The clarifier was not operational during June 2023 due to repairs required on the clarifier bridge wheel.

6.4 Sanitation Backlogs

A total of **80.94%** households had access to the basic level of service for sanitation as at 30 June 2019. The basic (RDP) level is one VIP toilet per household. The target for 2020/2021 for basic RDP level of sanitation service is set at **81.12% (81.20%)**. The approved target for 2022/2023 financial year of VIP toilets to be constructed is not yet set due to delays in advertising the new tender. Access to Sanitation as at 30 June 2022 is **80.94%** and the Sanitation backlog is **19.06%**. The Department has two sewer projects planned for Mandlazini Agri-Village and Mzingazi to upgrade from VIP to waterborne sewage. The target of 280 new connections was based on the success of the two projects being implemented:

Service Level	Baseline (2021/2022) (Audited)	2022/2023 Target	Stats Ending June 2023
Total households = 110 503 (2016 Stats SA)	Households with access to sanitation	Targets	Households with access to sanitation
ACCESS TO SANITATION	89 444	89 924	89 444
Waterborne Sewerage	43 068	43 348	43 068
VIP Toilets	46 376	46 376	46 376
Backlogs	21 059	20 579	21 059
New Installations (VIP)	0	280	Actual Q1 = 0 Actual Q2 = 0 Actual Q3 = 0 Actual Q4 = 0

The Department is still awaiting the appointment of contractors. Therefore, the target on the construction of VIP's was deferred to the 2023/2024 financial year.

SEWER SERVICES PROJECTS

DESCRIPTION	START AND END DATE	STATUS
Mandlazini Sewer	Start Date: February 2022 Construction commencement: May 2022 Completion: November 2023 Implementation: 20 months	Progress on site is at 22%. The contractor is in the process of preparing to cast deck slab for pump station 09. Sewer reticulation and installation of manholes in progress as well. Delays being experienced due to the number of deep excavations required and the collapsible soils on site. Also original sewer reticulation routes require changing on an ad hoc basis on site due to newly constructed infrastructure in the area.
Mzingazi Sewer Upgrade – Phase 2	Sod-Turning: TBC Construction commencement: TBC Completion: TBC Implementation: 12 months	Tender documentation is being revised as per recently update tender document template provided by SCM. BID specification report is being drafted and will be submitted to SCM. Once it is approved the project will then be advertised. All funds for the project have been re-directed to other projects for the current financial year. Outstanding payment certificate due to Consultant.
Rural Sanitation Supply And Installation Of 4500 Pit Latrines In The Traditional Authority Area Of Ntambanana: Wards 31, 32 And 33	Sod-Turning: June 2023 Construction commencement: June 2023 Completion: June 2025 Implementation: 24 months	The previous tender 8/2/1/UMH607-19/20 was cancelled and the cancellation was advertised on the media. Tender documentation is being revised as per recently update tender document template provided by SCM. BID specification will be resubmitted to SCM. Once it is approved the project will then be advertised. Bid Specification planned /scheduled to be presented before BID Specification Committee on 09/06/2023.
Rural Sanitation Supply And Installation Of 2000 Pit Latrines In Infill Area 1 And Infill Area 2 Of The Traditional Authority Areas Of Madlebe, Mkhwanazi South, Mkhwanazi North And Khoza	Sod-Turning: June 2023 Construction commencement: June 2023 Completion: June 2025 Implementation: 24 months	The previous tender 8/2/1/UMH607-19/20 was cancelled and the cancellation was advertised on the media. Tender documentation is being revised as per recently update tender document template provided by SCM. BID specification will be resubmitted to SCM. Once it is approved the project will then be advertised.

7. SCIENTIFIC SERVICES SECTION

7.1 Overview

Scientific Services relates to ensuring that the quality of potable water and raw water and that of sewer and industrial effluent discharge is within the acceptable specifications.

The City of uMhlathuze in its capacity as the Water Services Authority and juristic entity is compelled by the **Water Services act 107 of 1997** and **National Water act 36 of 1998** to ensure that the quality

of the city's water resources, portable water and wastewater systems are continually monitored in an endeavour to maintain quality and evaluate against set standards/specifications/guidelines. The Scientific Services section is responsible for the effective management of this function within the Water Services Authority Division.

Various key functional areas within the Scientific Services contribute to the reliability and credibility of an effective water quality management system. The two major sections of the Scientific Services are the Laboratory and Water Quality Management sections. Together these sections exist in a cooperative relationship in an endeavour to combat water pollution.

7.2 Laboratory testing services (Chemistry & Microbiology)

Formal recognition that laboratories are competent to carry out specific tasks/tests is given by the South African National Accreditation System (SANAS) in a form of accreditation. Although achievable by all labs, SANAS accreditation historically believed to be a status awarded to only large laboratories (centred on the major metropolitan areas).

Department of Water and Sanitation (DWS) with sector partners developed the strategy to ensure institutions use laboratories deemed competent & produce credible results to manage and report on their drinking and wastewater quality. Strategy denotes process whereby DWS shall approve the use of laboratories competent to analyse drinking- and wastewater samples.

The laboratory is currently undergoing method development and validation as well as phased implementation of ISO 17025. The laboratory is also participating in Proficiency Testing schemes for Chemistry and Microbiology in order to continually improve accuracy and precision when compared to other laboratories.

Laboratory Testing

The laboratory comprises two sections namely Chemistry, Microbiology. These sections analyse samples on various water types:

Number of Tests per Sample Type from July 2022 to June 2023

CHEMISTRY	
SAMPLE TYPE	TOTAL NUMBER OF ANALYSIS
Lakes (Cubhu & Mzingazi)	9156
Surface Water	13868
Waste Water	9067
Drinking Water (Adhoc)	2611
Ground Water	2472

Grand Total of analysis per sample type	37 174
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Number of Tests per Sample Type from July 2022 to June 2023

MICROBIOLOGY	
SAMPLE TYPE	TOTAL NUMBER OF ANALYSIS
Lakes (Cubhu & Mzingazi)	397
Surface Water	702
Drinking Water (Adhoc)	465
Ground Water	108
Grand Total of analysis per sample type	1672

Laboratory Achievements:

- Both Chemistry and Microbiology achieved good z-scores in Proficiency Testing
- Completion of Method validation for Chemistry and Microbiology methods
- Development of the risk management strategy and implementation of risk management within the laboratory

Major Challenges

- Laboratory space – shortage of working and storage space in the laboratories.
- Procurement – challenges when purchasing chemicals and consumables due to delays in issuing of purchase orders.
- Vehicles shortage- affects sourcing of laboratory consumables, safety equipment and other important tasks like attending meetings off-site.
- Power outage – damaged laboratory equipment and the computer that monitors environmental conditions and corrupted the software.

Future plans for the laboratory include

- Introduction of new methodology
- Installation of biometrics system
- Accreditation to ISO17025
- Procurement of a generator

7.3 Water quality management

Water Quality Functions

- Water & wastewater quality monitoring as per the Water Quality Monitoring Program (WQMP)
- Drinking Water Quality Management (including consumer complaint management)
- Industrial Effluent Permit Management
- Industrial Pollution Management
- Industrial Inspections
- Stakeholder Engagements and Forums
- Water pollution incident investigations
- Stormwater Inspection and Pollution Management

Sample Management

Samples from various sources are collected for analysis of key parameters to determine water quality.

Total samples for the period 01 July 2022 to 30 June 2023

SOURCE	SAMPLES
Surface Water (Industrial)	156
Surface Water (Pumpstations)	252
Surface Water (Urban/Rural Suburbs)	55
Surface Water (Canals)	55
Industrial Effluent	360
Surface Water (Lakes)	300
Alton Landfill (Boreholes)	84
External Service Provider (MW)	234
TOTAL	1496

Drinking Water Compliance

Month 2022/23	Microbiological % Compliance	Chemical % Compliance	Physial % Compliance	Operational % Compliance
Jul-22	99,9	96,9	99,9	99,9
Aug-22	99,9	99,8	99,9	99,9
Sep-22	99,9	99,9	99,9	99,7
Oct-22	99,9	99,9	99,6	99,2
Nov-22	94,6	99,9	99,9	95,6
Dec-22	99,2	99,9	99,6	90,5
Jan-23	99,37	99,9	57,9	95,7
Feb-23	98,8	99,9	56,8	87,6
Mar-23	97,63	99,9	51,8	90,6
Apr-23	97,5	99,9	52,8	92,8
Average	98,67	99,59	81,8	95,15

7.4 Drinking Water and Wastewater Systems

Council is responsible for the water and wastewater purification and distribution function. An extensive water quality-monitoring program for drinking water and wastewater quality has been implemented. The monitoring program contains the following:

a) Water Treatment Works

- Esikhaleni Water Treatment Works
- Mzingazi Water Treatment Works
- Ngwelazane Water Treatment Works

b) Drinking Water Reticulation monitoring

There are a number of sample points along the water networks that serve to ensure that the quality of potable water (to the consumer) complies with national standards (SANS 241:2015). There are 56 samples tested per week/month by Mhlathuze Water.

c) Waste Water Treatment Works includes:

- Alton Macerator Station
- Arboretum Macerator Station
- John Ross Highway Macerator Station
- Nseleni Wastewater Treatment Works
- Esikhaleni Wastewater Treatment Works
- Empangeni Wastewater Treatment Works
- Ngwelazane Wastewater Treatment Works
- Vulindela Wastewater Treatment Works

d) Wastewater Treatment Monitoring

There are 7 sample points at the wastewater treatment works and macerator stations, which ensure that the final effluent quality complies with Licence conditions before discharge. Additional monitoring from the councils own laboratory adds credibility to the monitoring program.

7.5 Water Pollution Management

The **Water Quality Monitoring Program (WQMP)** has been developed and implemented, so that council meets the statutory requirements and for the sustainability of water resources within its area of jurisdiction.

The WQMP is the monitoring programme that the laboratory follows to conduct its analysis. The WQMP comprises the standards/guidelines and regulations that are required to effectively and efficiently monitor the entire city's water sources. Trend analysis will in future assist Council to detect from early on the water quality status of the water sources and timeously put in mitigation measures. The WQMP will not only be utilised as a tool in decision making on water resource management but will also be an invaluable database of reference data of individual sample locations. The programme has been developed taking into consideration work currently being performed in other departments.

The following areas are monitored for possible pollution:

Sample types being monitored by the WQMP

SAMPLE TYPE	DESCRIPTION
Surface Water	Lakes (Cubhu & Mzingazi) Rural/Urban Suburbs (stormwater steams) Rivers/Streams/ Canals Industrial (stormwater streams) Pump-stations (streams close to pumpstations)
Groundwater	Landfill Site
Sewage	Industrial Effluent (sewage network)

7.6 Water Pollution Control

Water pollution control includes monitoring of Waste Water Treatment Works, streams and rivers, water bodies and borehole monitoring. These all are influenced by industrial waste, pump station- and sewer overflows and non-compliances of industry and WSP's to national effluent standards. The following are some of the elements indicative of pollution:

- pH
- Conductivity
- Suspended solids

- Turbidity
- Total dissolved solids
- Turbidity
- Sulphate/chloride ratio
- Ammonia
- Faecal coliforms
- *E.coli*
- Heavy metals and other inorganic constituents

Various pollution incidents that occur are mentioned, as well as compliance notices issued in terms of contravening specific sections of Water Services Bylaw. Also permit issued in terms of Water Services Bylaw.

Compliance Activity of the Water Quality Section (July 2022 to June 2023)

ASPECT	AMOUNT	DESCRIPTION
Industrial inspection	20	Inspection of industries for their compliance to Water Services Bylaw requirements
Permits issued	26	Permits issued to companies as per section 88 and 86 of Water Services Bylaw to discharge via municipal sewer system.
Water Complaints	06	Consumer complaints on drinking water quality.
Pollution incidents	03	Incidents that resulted in pollution of open water source or open ground areas.
Forums attended	24	Meetings with industry in presenting their environmental performance to relevant stakeholders.
Internal Non conformances	215	Non-conformances generated from laboratory results, which are out of the specified range according to WQMP.

Wastewater compliance (July 2022 to April 2023)

Month 2022/23	Microbiological % Compliance	Chemical % Compliance	Physial % Compliance
Jul-22	12,5	40	77
Aug-22	20	33	77
Sep-22	40	44	76
Oct-22	20	43	81
Nov-22	15	53	75
Dec-22	20	57	78
Jan-23	0	55	71
Feb-23	0	60	77
Mar-23	0	57	76
Apr-23	0	55	76
AVERAGE	12,75	49,7	76,4

7.7 Blue & Green Drop Incentive Based Programmes

The Minister of Water and Sanitation introduced the concept of Incentive-based Regulation on 11 September 2008 to the water sector at the National Municipal Indaba held in Johannesburg. The concept was defined by two programmes: The Blue Drop Certification Programme for Drinking Water Quality Management Regulation and the Green Drop Certification Programme for Wastewater Quality Management Regulation.

Blue Drop Incentive Based Program

The Blue Drop process measures and compares the results of the performance of Water Service Authorities and their providers, and subsequently rewards (or penalizes) the municipality upon evidence of their excellence (or failures) according to the minimum standards or requirements that have been defined. Awareness of this performance is obtained by pressure through the customers, the media, political classes and Non-Government Organisations. The strategy revolves around the identification of mediocre performing municipalities who consequently correct the identified shortcomings, as well as the introduction of competitiveness amongst the municipalities and utilising benchmarking in a market where competition is difficult to implement.

The Blue Drop incentive based regulation programme endeavours to facilitate and drive this continuous improvement process, seeking sustainable improvement in service delivery, progressive improvement in drinking water quality and steadfast coverage of unserved areas. This form of incentive and risk-based regulation holds the intent to synergise with the current goodwill exhibited by municipalities and existing Government support programmes to give the focus, commitment and planning needed. Regulation is important to ensure effective and efficient delivery of sustainable water services.

Criteria to be complied with in order to be awarded a Blue Drop Status



The Department of Water and Sanitation last released both the criteria and status results in 2014 hence the below tables reflect 2014 status. Assessments for 2022 were conducted, however, the results are not yet released.

The Water Services Authority responsible for the provision of water is required to ensure that the following criteria are met in each drinking water treatment works:

Blue Drop Criteria

Criteria		Allocated Weight (%)	2014 Score per Criteria (%) CURRENT SCORE			
			Mzingazi WTW	Esikhaleni WTW	Ngwelezane WTW	Nsezi WTW
1	Water Safety and Security Plan	35	97	92	100	98
2	Drinking Water Quality process management & control	8	85	75	100	100
3	Drinking Water Quality Verification	30	55	89	82	89
4	Management, accountability & local regulation	10	81	81	89	81
5	Asset Management	14	100	100	100	100

Comparative Table – Blue Drop Status

Blue Drop Systems	2010 Score	2011 Score	2012 Score	2014 Score
Mzingazi WTW	81.25%	89.28%	89.91%	85.45%
eSikhaleni WTW	79.75%	90.07%	92.35%	91.85%
Ngwelezane WTW 	79.75%	91.35%	96.37%	95.02%
Nsezi WTW 	NA	88.90%	98.39%	95.38%
The Average Score*	80.4%	89.26%	92.94%	89.60%

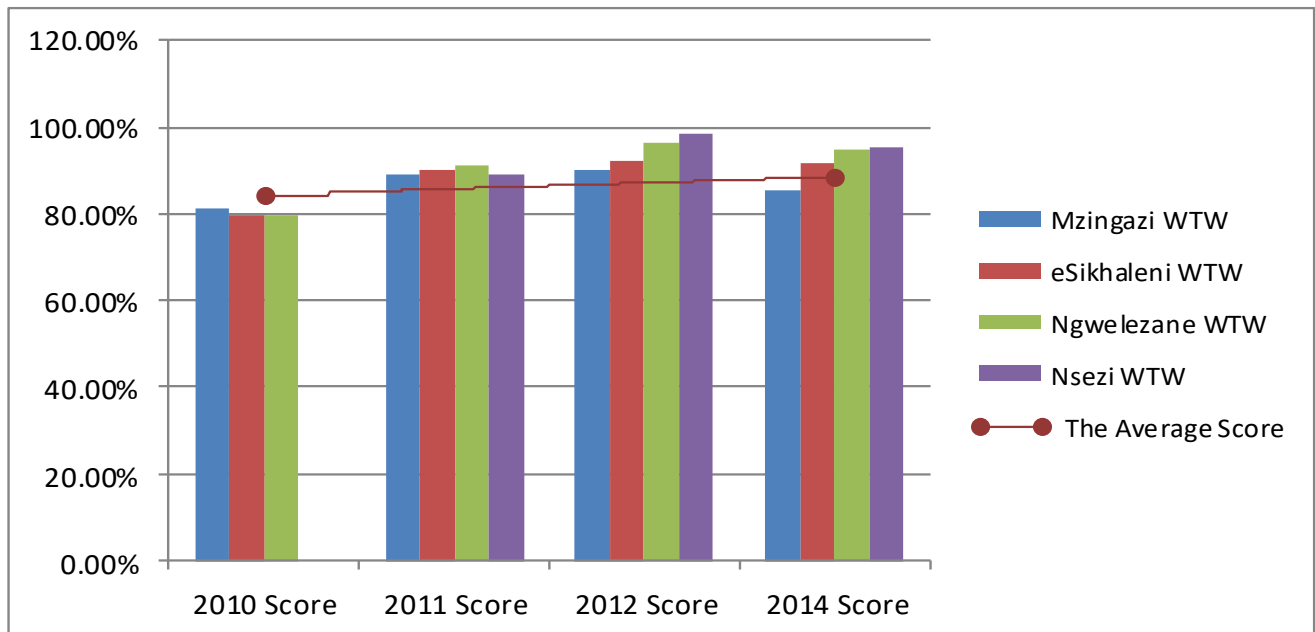


Figure: Blue Drop Status

Provincial performance profiles are the summation of the respective municipal performances. Each Province has different dynamics with municipal participants that perform exceptionally well, on average, unsatisfactory or very poorly.

Cumulative Risk Rating (CRR)

DWS risk development has taken place in 3 consecutive stages – each stage providing an improved and more representative risk status of municipal wastewater services in SA. The same process of continuous development will be used to broaden risk determination until it also includes wastewater collection systems and eventually the full context of Integrated Asset Management regarding wastewater services. The CRR for the municipal systems are as follows:

Blue Drop CRR Scores 2021

Blue Drop Systems	2013 CRR Score	2014 CRR Score	2021 CRR Score
Nsezi WTW	33.62%	32.00%	42%
Mzingazi WTW	39.10%	47.70%	28.5%
eSikhaleni WTW	39.10%	39.60%	30.8%
Ngwelezane WTW	64.95%	31.80%	28.2%
The Weighted Average Score	36.19%	42.00%	32.4%

Green Drop Incentive Based Program

The Green Drop process measures and compares the results of the performance of Water Service Authorities and their Providers, and subsequently rewards (or penalises) the municipality upon evidence of their excellence (or failures) according to the minimum standards or requirements that have been defined. Awareness of this performance is obtained by pressure through the customers, the media, political classes and Non-Government Organisations. The strategy revolves around the identification of mediocre performing municipalities who consequently correct the identified shortcomings, as well as the introduction of competitiveness amongst the municipalities and using benchmarking in a market where competition is difficult to implement.

Criteria to be complied with in order to be awarded a Green Drop Status

The Department of Water and Sanitation last released both the criteria and status results in 2021 hence the below tables reflect 2021 status. Assessments for 2023 are yet to be conducted.


The Water Services Authority responsible for the provision of water is required to ensure that the following criteria is complied with in each wastewater water treatment works:



Green Drop Criteria

Key Performance Area	Allocated Weight (%)	2021 Score per Criteria (%) INCLUDE RECENT SCORES				
		Empangeni WWTW	eSikhaleni WWTW	Ngwelezane WWTW	eNseleni WWTW	Vulindlela WWTW
A Capacity Management	15	80	70	90	80	50
B Environmental Management	15	57	57	61	78.5	61
C Financial Management	20	83.5	79.5	85.5	85.5	85.5
D Technical Management	20	50	52	52	52	51
E Effluent & Sludge Compliance	30	21	21	41	21	21
F Bonus		34.5	33.5	34.5	34.5	36.5
G Penalties		0	0	0	-25	-25
H Disqualifiers		None	None	None	None	None

Green Drop Certification seeks to improve Municipal Wastewater Services through the effective and efficient management of wastewater treatment and effluent discharge while promoting transparency and subsequent accountability. The national position on Wastewater Service Performance is a variation from excellent to very poor. The one accomplishment that can be attributed to municipalities in South Africa is the marked increase in submission of evidence for Green Drop Assessment, and the subsequent 100% coverage of all systems. A marked improvement in the overall scores for the Green Drop Systems within the City can be noted in the table below:

Green Drop Score for City of uMhlatuze

Green Drop Systems	2009 Score	2011 Score	2013 Score	2021 Score
Empangeni WWTW	72%	84.30%	77.20%	57%
eSikhaleni WWTW	72%	82.60%	86.73%	55%
Ngwelezane WWTW 	72%	83.20%	91.18%	66%

eNseleni WWTW		72%	83.20%	95.99%	58%
Vulindlela WWTW		72%	86.10%	90.74%	52%
The Average Score*		72%	83.3%	84.94%	58%

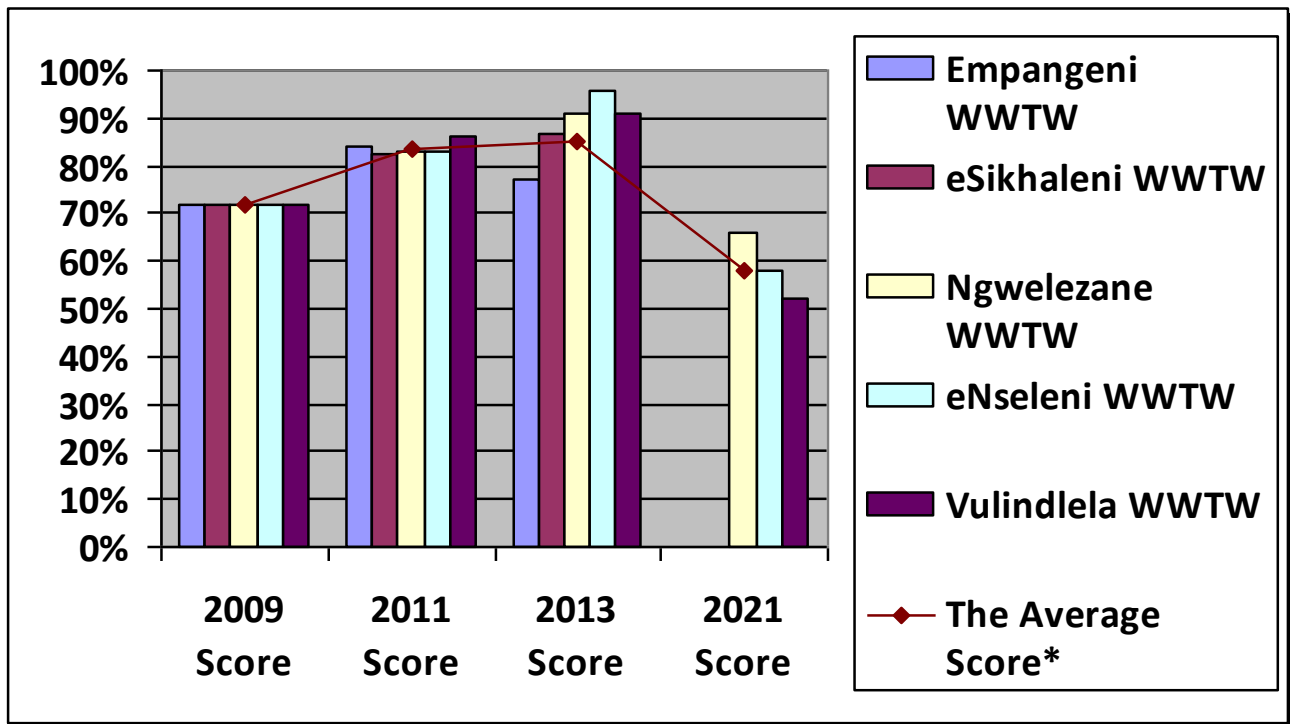


Figure: Green Drop Status

Cumulative Risk Rating (CRR)

DWS risk development has taken place in 3 consecutive stages – each stage providing an improved and more representative risk status of municipal wastewater services in SA. The same process of continuous development will be used to broaden risk determination until it also includes wastewater collection systems and eventually the full context of Integrated Asset Management regarding wastewater services. The CRR for the municipal systems are as follows:

Green Drop CRR Score

Green Drop Systems	2011 CRR Score	2012 CRR Score	2013 CRR Score	2014 CRR Score	2021 CRR Score
Empangeni WWTW	35%	50%	54.55%	54.50%	50%
eSikhaleni WWTW	52%	50%	50.00%	54.50%	63.6%
Ngwelezane WWTW	48%	36%	40.91%	31.80%	45.5%
eNseleni WWTW	33%	35%	29.41%	29.40%	52.9%
Vulindlela WWTW	22%	35%	41.18%	23.50%	58.8%
The Average Score	38.1%	41.4%	43.21%	38.70%	54.16%

Future Plans for Water Quality

- Complete Lake Cubhu management plans.
- Improved efficiency of permit management system by initiating an online application process

- Development of Document Control Management system as per ISO 9001.

Major Challenges

- Inadequate staff to ensure compliance with the Municipal Water Services by-laws regarding authorisation of industrial effluent discharges including incentive based programs (Blue and Green Drop).
- Illegal discharge of sewage and industrial effluent into sewer manholes.

7.8 MAJOR PROJECTS

Laboratory ISO 17025 accreditation

The Scientific Services laboratory is in the process of ISO/IEC 17025 accreditation. ISO/IEC 17025 is a standard for general requirements for the competence of testing and calibration laboratories. Accreditation is the procedure by which an authoritative body gives formal recognition that a body is competent to carry out specific tasks.

Tender 8/2/1/UMH429-18/19 - Provision of Consulting Services for Implementation of ISO 17025 Accreditation was awarded. It is to be noted that the project has commenced and is at 85% completion however due to Covid 19 pandemic it has caused enormous delays in the process of attaining ISO/IEC 17025 accreditation

The laboratory aims to accredit the following tests methods:

- **Chemistry:** Ammonia, Chloride, Nitrates, Cyanide, COD, Phenols, Ortho-Phosphates, TDS, Turbidity, pH, Conductivity.
- **Microbiology:** *E.coli*, Total Coliforms, Faecal Coliforms, Faecal streptococcus, Heterotrophic Plate Count.

8. CUSTOMER SERVICES, MARKETING AND RETAIL

8.1 Overview

Customer Services, Retail and Marketing: The customer services, retail and marketing management section covers the management of internal and external stakeholders. The section also ensures that all reported incidents in relation to Infrastructure are attended to timeously.

8.2 Discussion

The report covers the aspects that relate to the management of the plants, as it talks to the effect it has on customer services. The following were discussed to ensure speedy repair of leaks, pipe bursts and water loss:

- All pipe servitudes cleared of any construction and vegetation.
- Daily inspection of pipes.
- Aggressive leaks detection
- Regular water forums

Table: Plant Production Capacity – 2022/23

DISCRIPTION	PRODUCTIO N CAPACITY Q1	PRODUCTION CAPACITY Q2	PRODUCTION CAPACITY Q3	PRODUCTION CAPACITY Q4
Goedertrouw Dam	95%	100%	95%	83%
Lake Mzingazi	100%	24.1%	75%	83%
Lake Cubhu	100%	80.3%	80%	83%

Table: Total complains received related to water and sanitation.

STATUS	TOTAL
Closed	500
Completed	2481
Investigation	1581
Created	4521

Table: Number of New Water Connections

QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	TOTAL
50	15	56	498	619

8.3 Stakeholder Engagement

- Mandela month programme was held at Esikhawini Amandosi sport ground on 25 July 2022.



The above pictures were taken at the Mandela month programme at Esikhawini Amandosi sports ground.

8.4 Public Community Meetings held during 2022/23 financial year

Date	Ward	Venue
5 July 2022	26	Aquadene
6 July 2022	26	Brackenham
4 September 2022	10	Mbuyiseni High School
4 September 2022		Msasandla Thusong Cntr and Halls
19 February 2023	10	Mvuzemvuze Primary School
7 March 2023	11	Entuze community Hall
13 May 2023	10	Vulindlela Community Hall
20 June 2023	13	Mpembeni Sports ground
25 June 2023	32	Zenzele Crèche

8.5 Water Awareness

November is declared as World Toilet Month, and World Toilet week commenced on the 14th to the 18th of November 2022. The City of UMhlatuze visited schools to do a World Toilet Month Campaign. The aim was to inform the stakeholders about the importance of taking care of toilets and ensuring that the stakeholders do understand that toilets are not to be used as bins for any disposables but as a place used to release one's self

The following schools listed below where visited:

NGULUZANE PRIMARY SCHOOL



PHALANE PRIMARY SCHOOL



March is declared as water month. The National Water Week commenced from 13 to 17 March 2023. The City of uMhlatuze in partnership with the Department of Environmental Affairs visited different schools to perform Water Awareness Campaigns. The aim was to inform the stakeholders about the water status quo, placing emphasis on keeping the importance of water conservation and also encouraging the community to harvest rainwater.

The following schools were visited by City of uMhlatuze, Department of Environmental Affairs officials and ward councillors during the water week;

- Phiwayinkosi Primary School
- Cebekhulu Primary School
- iNiwe High School
- Fatima Primary School
- Mevamlhlope High School
- Mzikayifani Primary School
- Mandela Primary School
- Esikhawini Primary School
- Ezikhonkwaneni Primary School
- Nsezi Primary School
- Phesheya Primary School
- Wooden Raw Primary School

Photos below indicates the highlights of the day during the visits.

Phiwayinkosi Primary School

Cebekhulu Primary School



Mandela Primary School



9. WATER DEMAND SECTION

9.1 Overview

Water Demand Management: Relates to Management to Water Supply equally to all the Citizen under uMhlathuze Jurisdiction.

The quantity of water lost is an important indicator of the positive or negative evolution of water distribution efficiency, both in individual years, and as a trend over a period of years. A leak-free network is not a realizable, technical nor economic objective, and a low level of water loss cannot be avoided, even in the best operated and maintained systems, where water suppliers pay a great deal of attention to water loss control. Reductions in Non-Revenue Water (NRW) are an attractive and economically viable means of increasing the headroom between supply and demand. NRW comprises the following categories: unbilled metered, unbilled un-metered, illegal connections, inaccurate meters, mains leaks, reservoir overflows and service connection leaks

The report below comprises of Water Balance of the entire City of uMhlathuze.

9.2 Water Losses in the City of uMhlathuze

The Water Loss report is based on the IWA standard of reporting as it is a requirement from the Department of Water and Sanitation for Municipalities to report their Water Losses in the required

format. The Department of Water and Sanitation (DWS) introduced the new format of reporting water losses and they have given each Water Services Authority (WSA) a new template that the WSA must report on.

In the WCWDM Forum for all 14 WSA's in KZN it was agreed that the WSA must start reporting in this new format which became compulsory since 1 July 2017.

The Water Demand Management (WDM) Section is currently looking at procuring the services of a GIS Specialist who will assist with billing data analysis to report the losses per zone. This will assist the Council in planning as well as prioritising the areas that need special attention based on the result of each zone. The reduction of non-revenue contract created a number of discrete zones, whereby the area is divided into small discrete zones with its water meter and a pressure reducing valve. This has led to a total of forty-eight (48) Pressure Reducing Valves being installed in the urban and rural areas of the City of uMhlathuze. Following the recommendation by the Portfolio Committee: Infrastructure, the report has been adjusted to provide concise information while staying true to what is happening on the ground.

9.3 Water losses

Water losses as per the water balance is defined as the sum of the real losses and apparent losses. It could also be defined as sum of the Billed Authorised Consumption and the Unbilled Authorised Consumption subtracted from the System Input Volume.

- **Basic Terminology**

Figure 1 represents the standard IWA Water Balance reporting format used for Municipal Networks. Standard definitions for components have been included below for ease of reference and understanding:

- **System Input Volume (SIV)** is the volume of water input to a distribution system;
- **Authorised Consumption** is the volume of metered and/or unmetered water taken by registered consumers, the water supplier or others who are authorised to do so, for domestic, commercial and industrial purposes (authorised consumption includes items such as firefighting and training, flushing of mains and sewers, street cleaning, watering of municipal gardens, public fountains and building water. These may be billed or unbilled, metered or unmetered according to local practice);

Water Losses of a system are calculated as:

- Water losses = SIV – Authorised Consumption; and
- Water losses can be considered as the total volume for the whole system, or for partial systems such as bulk or reticulation. In each case the components of the calculation would be adjusted accordingly. Water losses consist of Real and Apparent losses.
- **Real Losses** are physical water losses from the distribution system, up to the point of consumer metering. The volume lost through all types of leaks, bursts and overflow depends on frequencies, flow rates and average durations of individual leaks;
- **Apparent Losses** consist of unauthorised consumption (theft or illegal use) and all types of inaccuracies associated with bulk and consumer metering. For example, under-registration of bulk meters and over-registration of consumer meters leads to under-estimation of losses. Conversely, over-registration of bulk meters and under-registration of consumer meters leads to over-estimation of real losses;

- **Unauthorised Consumption** is generally associated with the misuse of fire hydrants and fire service connections, and illegal connections; and
- **Non-Revenue Water (NRW)** is the difference between the SIV and Billed Authorised Consumption (BAC).

System Input volume m ³ /year (± x%)	Authorised Consumption m ³ /year (±x%)	Billed Authorised Consumption m ³ /year (±x%)	Billed Metered Consumption	Potential Revenue water m ³ /year (±x%)	Free Basic
			Billed Unmetered Consumption		Revenue
	Water Losses m ³ /year (±x%)	Unbilled Authorised consumption m ³ /year (±x %)	Unbilled, Metered Consumption	Non-Revenue Water m ³ /year (±x%)	
			Unbilled Unmetered Consumption		
		Apparent Losses m ³ /year (±x %)	Illegal Connections		
			Metering Inaccuracies		
		Real Losses m ³ /year (±x %)	Mains Leaks		
Reservoir Overflows					
	Service Connection Leaks				

Figure: Components of a Standard IWA Water Balance used for Municipal network

Table 1: Overview for the 2022/23 Financial Year

Table 1: City of uMhlatuze Monthly Water Balance Tracking July 2022 to June 2023

	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Component	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month	kl/Month
Own Sources	2 284 024,17	2 216 195,02	2 240 384,27	2 579 456,07	2 501 772,99	2 543 387,24	2 513 563,12	2 873 876,89	3 497 161,20	2 107 248	4 049 146	5 583 662
Other Sources	2 328 683,62	2 009 461,00	1 823 107,00	1 821 604,00	1 799 403,00	2 111 566,00	2 561 366,00	1 728 416,00	1 878 376,00	1 341 016	1 401 624	1 247 168
System Input Volume	4 612 707,79	4 225 656,02	4 063 491,27	4 401 060,07	4 301 175,99	4 654 953,24	5 074 929,12	4 602 292,89	5 375 537,20	3 448 264	5 450 770	6 830 830
Billed Metered Consumption-Domestic	1 432 471	553 978	385 770	736 254	697 980	805 637	715 371	787 002	751 474	1 312 693	2 322 546	3 105 044
Billed Metered Consumption-Non-Domestic	1 110 416	886 635	897 286	1 242 579	1 035 597	1 101 681	1 654 147	1 258 501	1 500 904	935 415	1 033 089	772 892
Water Exported	433 702	704 806	661 588	2 127 918	2 229 160	2 381 103	1 106 305	1 589 291	1 633 783	416 561	369 205	510 503
Billed Unmetered	-	-	-	165 542								
Billed Authorised Consumption	3 165 576	2 778 820	2 577 980	3 169 436	2 782 453	2 975 817	3 490 112	3 146 275	3 370 619	2 664 669	3 724 840	4 388 439
Unbilled Metered Consumption	63 403	68 158	68 305	129 874	289 076	298 765	159 098	198 076	392 127	104 209	184 941	368 170
Unbilled Unmetered Consumption	147 564	177 313	164 614	298 769	397 098	402 908	327 903	346 731	499 097	26 647	37 248	43 884
Unbilled Authorised Consumption	210 967	245 471	232 919	428 643	686 174	701 673	487 001	544 807	891 224	130 856	222 189	412 054
Unauthorised Consumption	61808	60068	62630	40149	41627	48873	54891	45561	55685	32 637	75 187	101 517
Metering Inaccuracies	111255	108123	112733	72268	74929	87972	98803	82009	100232	58 746	135 337	182 730
Apparent Losses	173 063	168 191	175 363	112 417	116 557	136 845	153 694	127 570	155 917	91 383	210 524	284 247
Mains and Distribution Leaks	302984	294454	307011	196811	204058	239576	269075	223338	272966	159 986	368 567	497 636
Reservoir Overflows	53155	51659	53861	34528	35800	42031	47206	39182	47889	28 068	64 661	87 304
Service Connection Leaks	706963	687060	716358	459225	476134	559011	627841	521122	636922	373 301	859 989	1 161 150
Real Losses	1 063 102	1 033 173	1 077 230	690 564	715 992	840 618	944 122	783 642	957 777	561 355	1 293 217	1 746 089
Water Losses	1 236 165	1 201 364	1 252 592	802 982	832 549	977 463	1 097 816	911 211	1 113 694	652 739	1 503 740	2 030 336
Non-Revenue Water	1 447 132	1 446 836	1 485 511	1 231 625	1 518 723	1 679 136	1 584 817	1 456 018	2 004 918	783 594	1 725 930	2 442 391
Real Losses %	23%	24%	27%	16%	17%	18%	19%	17%	18%	16%	24%	26%
Water Losses %	27%	28%	31%	18%	19%	21%	22%	20%	21%	19%	28%	30%
Non-Revenue Water %	31%	34%	37%	28%	35%	36%	31%	32%	37%	23%	32%	36%

Table 2: Current Quarter Statistics

Table 2: Current Month's Water Balance in International Water Association Format

Jun-23							
System Input Volume 224 698 kl/day 95% Confidence Level ± 3,0%	Authorised Consumption 157 911 kl/day 95% Confidence Level ± 8,2%	Billed Authorised Consumption 144 357 kl/day 95% Confidence Level ± 8,9%	Exported Water 16 793 kl/day 95% Confidence Level ± 10,0%	Potential Revenue Water 144 357 kl/day 95% Confidence Level ± 8,9%	Main system characteristics		
			Billed Metered Consumption 127 564 kl/day 95% Confidence Level ± 10,0%		Nc (no. of services connections): 59 283		
			Free Basic Water (Standpipes) - kl/day 95% Confidence Level ± 6,0%		AzP [m]: 52		
	Water Losses 66 787 kl/day 95% Confidence Level ± 3,2%	Unbilled Authorised Consumption 13 554 kl/day 95% Confidence Level ± 4,8%	Unbilled Metered Consumption 12 111 kl/day 95% Confidence Level ± 5,0%	Non-Revenue Water 80 342 kl/day 95% Confidence Level ± 2,8%	Lm (Length of mains) [km]: 2 420		
					Unbilled Unmetered Consumption 1 444 kl/day 95% Confidence Level ± 10,0%	Lp (total length of private pipe, property line to customer meter) [km]: -	
					Unauthorised Consumption 1 832 kl/day 95% Confidence Level ± 20,0%	no. of properties: 104 570	
	Apparent Losses 5 129 kl/day 95% Confidence Level ± 7,5%	Real Losses 58 875 kl/day 95% Confidence Level ± 3,6%	Meters and Distribution Leaks 16 779 kl/day 95% Confidence Level ± 5,0%	Service Connection Leaks 39 152 kl/day 95% Confidence Level ± 5,0%	est. served population: 342 239		
					Metering Inaccuracies 3 297 kl/day 95% Confidence Level ± 3,5%	Main KPIs	
					Reservoir Overflows 2 944 kl/day 95% Confidence Level ± 1,0%	ILI: 12,44	
					Service Connection Leaks 39 152 kl/day 95% Confidence Level ± 5,0%	Non-Revenue water (NRW/SIV) [%]: 35,8%	
					Inefficiency of Use (RL/SIV) [%]: 26,2%		
					CARL (Real Losses) [kl/day]: 58 874,84		
					UARL (kl/day): 4 731		
					$((18xLm+0.8xNc+25xLp) \times P) / 1000$		
					Water losses / SIV: 30%		
					Apparent losses/Water Losses: 8%		
					Illegal connections (estimation) person/property: -		
					quota or average consumption (litres/person/day): 3,3		
					SIV per connection kl/day: -		
					Time system Pressurised: 100,00%		

The Table 3 and figure 2 below show the Water Loss tracking as per the Water Balance

Table 3: Water Loss Tracking

2022-2023 FY												
	Water Losses Quarter 1			Water Losses Quarter 2			Water Losses Quarter 3			Water Losses Quarter 4		
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
SIV	4 612 708	4 225 656	4 063 491	4 401 060	4 301 176	4 654 953	5 074 929	4 602 293	5 375 537	3 448 264	5 450 770	6 830 830
WL	1 236 165	1 201 364	1 252 592	802 982	832 549	977 463	1 097 816	911 211	1 113 694	652 739	1 503 740	2 030 336
NRW	1 447 132	1 446 836	1 485 511	1 231 625	1 518 723	1 679 136	1 584 817	1 456 018	2 004 918	783 594	1 725 930	2 442 391
WL%	27%	28%	31%	18%	19%	21%	22%	20%	21%	19%	28%	30%
NRW%	31%	34%	37%	28%	35%	36%	31%	32%	37%	23%	32%	36%

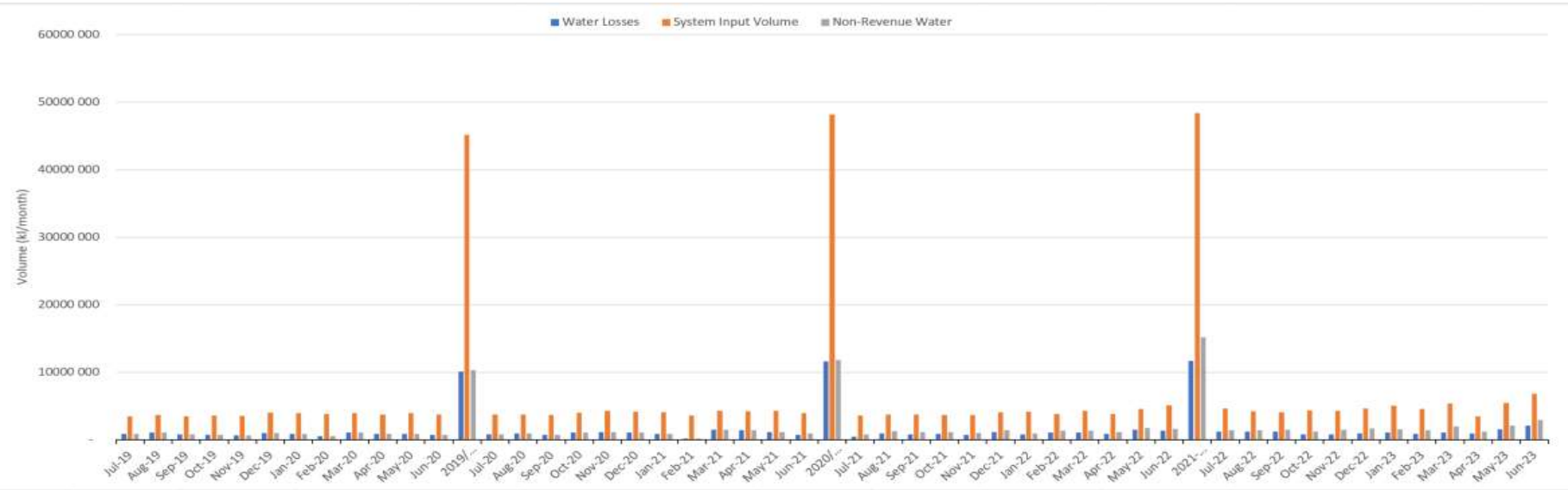


Figure 3: SIV, Water Loss and NRW Component Comparison

Water Loss Analysis

The **Figure** below displays the Water Losses tracking for up to June 2023

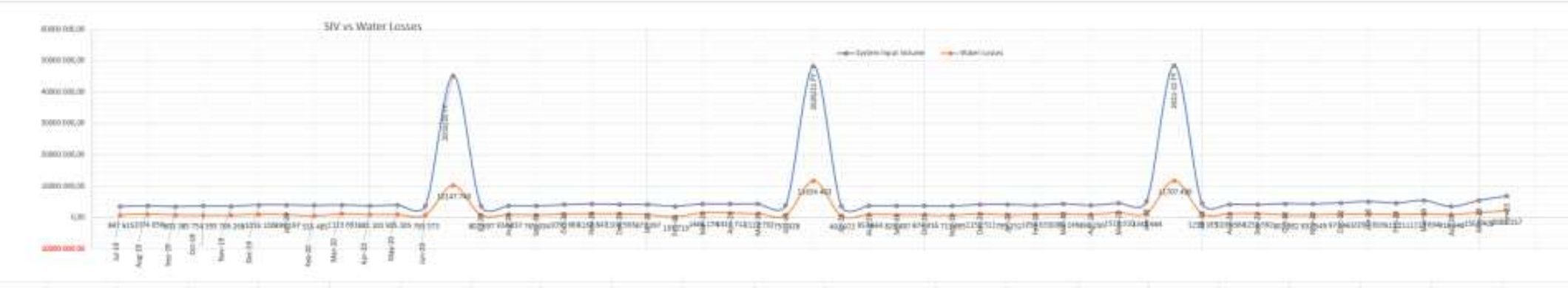


Figure 4: Water loss Volume Tracking vs SIV

The graphs above indicate how the system has been behaving in the last Financial Year. The internal Water Losses monitoring will continue on a monthly basis. The appointment of a professional services provider to implement interventions to reduce NRW, monitoring and maintenance of the system is highly recommended at this stage. Funding is required to implement further initiatives to reduce Water losses.

ENGINEERING SUPPORT SERVICES SECTION

This section is responsible for the following sections:

- **Project Management Services**
- **Building & Structures Section**
- **Infrastructure Asset Management**

10.1 Project Management Unit

This section is responsible for the implementation of capital projects on behalf of other departments which do not have the capacity to execute. The section also prepares tender specifications. Project Management Unit is responsible for Intergrated Urban Development Grant (IUDG) which is a conditional Grant. The section also deals with its part of contribution into the creation of job opportunities in all its budgets which then feed into the municipality's Expanded Public Works Program as we deal with service delivery.

Duration of the programme

The grant received from National Treasury was changed in July 2020 from Municipal Infrastructure Grant (MIG) to the new Infrastructure Urban Development Grant (IUDG). The purpose of this grant is for urban local municipalities to support spatially aligned public infrastructure that will lead to functional and efficient urban spaces.

To ensure that non-metropolitan cities can focus on integrated development in cities. Capital investment align to three-year capital programme aligned to 10-year capital expenditure framework (CEF).

- Qualification criteria:
 - Management stability
 - Audit findings
 - Unauthorised, irregular, fruitless and wasteful expenditure
 - Capital expenditure
 - Reporting in terms of MFMA
- Performance Improvement Plan (PIP)

The following table above details the multi-year consolidated infrastructure investment programme for the Municipality.

DESCRIPTION	2020/2021(IUDG)	2021/2022 (IUDG)	2022/23 (IUDG)
Approved budget amount	R 159 963 000.00	R 134 750 000.00	R 209 302 000.00
Spent budget amount	R 159 963 000.00	R 134 750 000.00	R 209 302 000.00

Difference	R 0	R 0	R 0
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TABLE OF AMOUNT ALLOCATED FOR THE PAST 3 YEARS

Key challenges since onset of programme and current challenges:

- a. Wherever the City of uMhlathuze has / is addressing the issue of basic level of service, the increasing number of households is being experienced in the area of its jurisdiction as it is seen as a centre of attraction to services. The Municipality also took a resolution to ensure that when it comes to water, individual households' connection is done in order for proper billing system;
- b. The provision of sanitary facilities in areas around townships under the Ingonyama Trust/ Amakhosi due to the fact that some of those households are allocated land in wet areas within flood lines in areas of high water table and under electricity pylons;
- c. Upgrade of water supply pipe lines as a result of inadequate capacity of those areas inherited from the previous developmental sectors on a small scale as well as the aging infrastructure like the AC pipes. Council needs to also concentrate on the pipe replacements projects within the whole municipality;
- d. The issue of cross boundary type of schemes meant to benefit other municipalities at the expense of another municipality because it calls for one to compromise his projects in order to address the bulk Infrastructure; and

Evaluation As Per Practice Note

Part 1: Progress to date on Projects

Results based management principles should be used as the underlying principles to evaluate interventions and outcomes:

ITEM NO	ACTIVITY	ROLE PLAYER AND ROLE PLAYED
1.	Development of business plans	Consulting Engineers – Development of Business Plans
2.	Submission of business plans to uMhlathuze LM	Infrastructure & Technical Services Department – Approval of Business Plans Exco Council – Approval of Business Plans
3.	Submission of Business Plans to DWAF for approval	DWAF - Approval of Business Plans
4.	Development of Preliminary Design and Final Design of active BPs for the financial year	Consulting Engineers and Water Planning & PMU
5.	Preparation of Tender Documents	Consulting Engineers, PMU and Specification Committee
6.	Tender adverts	SCM, PMU & Corporate Services
7.	Adjudication of Tenders	Consulting Engineers – preparation of Adjudication Reports
8.	Submission to the municipality for recommendation	Evaluation and Adjudication Committee
9.	Appointment of the contractors	Municipal Manager
10.	Execution of the Projects	Consulting Engineers, Contractors, ISDs, Project Managers and PMU
11.	Completion of Projects	Consulting Engineers, Contractors, Project Managers and PMU
12.	Physical Completion	Consulting Engineers, Contractors, Project Managers and PMU

13.	Final Completion (Defects Liability Period)	Consulting Engineers, Contractors, Project Managers and PMU and Operations and Maintenance
14.	Operation and Maintenance	Water Services – Operations & Maintenance Section

Implementation of the approved business plan –

Council registered a combined rural sanitation business plan amounting to R493 million with the former MIG and this program is a continuous set up which targets the wiping off of the backlogs in all rural areas. This project deals with providing VIP sanitation to areas where waterborne sewer reticulation is impossible due to the terrain of the area. It be noted that before we inherited a portion of Ntambanana wards, we conducted a study and out of the total 46 873 backlogs were initially registered, the city has covered 35 958. It should be noted that the backlogs and basic services will still be addressed within the new grant Integrated Urban Development Grant (IUDG) whilst we align public infrastructure that will lead to functional and efficient urban spaces.

Council also registered a water reticulation business plan amounting to R 244 million with the former MIG and this program is a continuous set up, which targets the wiping off of the water backlogs in all rural areas. This business plan deals with the installation of water supply in the rural areas where yard taps are installed for every household as the City is moving away from the communal tap stands in the rural areas.

Council also registered a waterborne sewer reticulation business plan amounting to R 200 million with the former MIG and this program is a continuous set up, which targets to provide waterborne sewer to semi-rural areas in two areas in the municipality (Mandlazini Agri-village and Mzingazi).

Council also registered a rural road upgrade business plan amounting to R 90 million with the former MIG and this program is a continuous set up, which targets to upgrade the gravel roads within the municipality to asphalt surfacing.

It should also be noted that the more council provides these basic level of services more people move to these areas and we end up having to cover more infill households than initially planned.

PART 2: Monitoring

Define the monitoring approach; map the process (on what basis is data collected; issues around data sources and data collection methodologies). Who is responsible for each of the tasks within the map?

How is data analysed and reported for implementation purposes:

Through the Water Planning Manager/WSA Manager and the PMU manager together with the project leader or designer, the reports are read in conjunction with the drawings versus the demand on that area(s) and taking into account the future demand/ growth, the Water Planning Manager/WSA Manager or the PMU manager must call for adjustment on the proposal or approve based on the fact that it meets the community's needs. From there it must be carried into the implementation stage.

Selected Major IUDG Projects under PMU

Tender No	Project Description	Progress
8/2/1/UMH745-20/21	MKHWANAZI NORTH PHASE 5: RETICULATION ZONE R	Construction
8/2/1/UMH605-19/20	THE ESTABLISHMENT OF THE CENTRAL INDUSTRIAL AREA (CIA) – PHASE 1: THE CONSTRUCTION OF A LINK ROAD WITH BULK SERVICES IN THE CITY OF UMHLATHUZE	Construction
8/2/1/UMH574-19/20	MANDLAZINI AGRI-VILLAGE SEWER NETWORK INSTALLATION PHASE 2B	Construction
8/2/1/UMH1177-22/23	RICHARDS BAY TAXI RANK - PHASE 2	Commencement of designs
8/2/1/UMH1177-22/23	UPGRADE ALTON TRANSFER STATION (PHASE 1 & 2)	Commencement of designs
8/2/1/UMH1177-22/23	CONSTRUCTION OF 5ML PACKAGE PLANT AND 2 X 3ML RESERVOIRS	Construction

Building and Structures Section

The Buildings and Structures Section forms part of the Department of Infrastructure and Technical Services under Engineering Services. Subdivisions are as follows:

- Buildings Maintenance
- Mini Buildings Projects (Maintenance Contractors)
- Lighting Services
- Air conditioning and Refrigeration

This section is responsible for the maintenance / servicing of the building maintenance works. The small works are done by this section on behalf of other Departments. The budget of the small works is done by this section on behalf of other departments and the section works on their demands and needs on their budget. The maintenance budget is done by sub-section.

Achievements

They are various mini projects and small scale repairs executed on behalf on behalf of the other sections throughout the year.

List of Mini Projects

SC/PO Number	Project Description	Status
RFQ 10025244	Demolition and construction of Brick wall at Carina Sub Station	Completed
RFQ 10025237	Design and Construction of concrete staircases at Alton Electrical Workshop	Completed
RFQ 10032240	Construction of Park Home Concrete slab at Alkandstrand Beach	Completed
RFQ 10030101	Phase1: Construction of Car ports in Alton	Completed
RFQ 10030104	Phase2: Construction of Car ports in Alton	Completed

PO 4593001238	Server room air conditioners	Completed
RFQ 10031581	Repair water cooling towers, aircon ducting and central aircon package plants at Richards Bay Civic Centre	Completed
PO 459001309	Install air conditioners at Legal Section and Council Chamber	Completed
SC 1000101193	Replacement of burnt evaporator fan motors	Completed
PO 4510005298	Public Safety and Licencing air conditioners	
PO 4510005458	Air Conditioners at C020 and C039 Office	Completed
RFQ 10031579	Replacement of air conditioners at Richards Bay Civic Centre control room, C212, C250, repair central plant, water cooling towers and service 10 air conditioners	Completed
RFQ 10031581	Servicing of Richards Bay Civic Centre water cooling towers	Completed
RFQ 10031579	Three-Months contract on air conditioners and other appliance corrective maintenance including, services and repairs in all Municipal Buildings	Completed
SC 100037751	Repairs of lifts at Richards Bay Civic Centre	Completed
RFQ 7000004699	Replace air-con at Richards Bay Civic Centre D071	Completed
PO 4593001817	Supply cable at Alkanstrand park home	Completed
PO 4510006456	Electrical repairs at Hlanganani Rates Hall	Completed
PO 4510009254	Structural maintenance to Ablutions building at Empangeni Western Depot	Completed
PO 4510010020	Structural maintenance at Mzingazi WWTP	Completed
PO 4510009839	Structural maintenance at Lake Cubhu WTW.	Completed
PO 4510008543	Refurbishment of Offices at Richards Bay Civic Centre	Completed
PO 4510007420	Repair palisade fence at Neptune Sub-Station.	Completed
PO 4510007118	Convert storeroom to disable toilet at Building and Structures Section	Completed
PO 4510007126	Minor Structural Maintenance at Ngwelezane Community Hall	Completed
PO 4510007699	Refurbishment at Alton Electrical Workshop	Completed
PO 4510008244	Renovations at Richards Bay Cemetery	Completed
PO 4510008661	Repair palisade fence at Neptune Leo-Station.	Completed
PO 4510009507	Renovations and Repairs at Empangeni Parks Depot	Completed
PO 4510009254	Structural maintenance to Ablutions building at Empangeni Western Depot	Completed
PO 4510010020	Structural maintenance at Mzingazi WWTP	Completed
PO 4510009839	Structural maintenance at Lake Cubhu WTW.	Completed
PO 4510011801	Maintenance and repairs at Electrical Depot.	Completed
PO 4510012200	Refurbishment at Empangeni Civic 1	Completed
PO 4510012166	Replace trench covers at Scpio Sub Station	Completed
PO 4510012901	Minor maintenance and Repairs at Electrical Worksop.	Completed
PO 4510013512	Revamp at Carsdale Sub Station.	Completed

PO 4510013583	Structural maintenance at Ngwelezane Rates Hall.	Completed
PO 4510013576	Demolishing of various Mini Sub Station Buildings.	Completed
PO 4510013670	Structural maintenance at Vulindlela Standby Quarters.	Completed
PO 4510013457	Structural maintenance at Madlankala Community Hall.	Completed
PO 4510014714	Supply and Installation of Galvanized Steel double doors at Hydra Sub Station.	Completed
PO 4510013905	Supply, Deliver and Install Galvanized gate and Precast fence at Port Dunford Thusong Centre	Completed
PO 4510014916	Structural maintenance of Paul Avenue Mini substation	Completed
PO 4510014038	Renovation of Northern Service Depot Guard house.	Completed
PO 4510015020	Supply and installation of steel palisade fence and gate at eMpembeni Library	Completed
PO 4510014291	Structural maintenance at Alton male ablution facilities	Completed
PO 4510013515	Structural maintenance at Alton standby facilities	Completed
PO 4510013993	Refurbishment of Offices at Richards Bay Civic Centre	Completed
PO 4510013992	Structural maintenance at Ngwelezane WWTP facilities	Completed
PO 4510013469	Structural maintenance at Nseleni sportfield ablution facilities	Completed
PO 4510014295	Structural maintenance at Esikhaleni TVET ablution facilities	Completed
SC 10061861	Structural maintenance at Water & Sanitation depot (Esikhaleni)	completed

10.3 Maintenance/Repair Work

Maintenance planned programs gets attended to, based on daily complains received and execution are monitored. The maintenance part is carried out by the below sub-sections

BUILDING AND STRUCTURES VEHICLE REPORT					
Item	V Number	Vehicle Make	Registration	Estimated year	Remarks
1	V 1028	Ford ranger 1800 Single Cab	NRB	2001/2	Auctioned and was not replaced
2	V 1085	Isuzu KB 200 Single Cab	NRB	2008/9	Auctioned and was not replaced
3	V 1082	Isuzu KB 200 Single Cab	NRB	2008/9	Auctioned and was not replaced
4	V 1115	Isuzu KB 200 Single Cab	NRB	2008/9	Auctioned and was not replaced
5	V 0232	Isuzu KB 200 Single Cab	NRB 41702	2008/9	The vehicle has been scrapped.
6	V 1083	Isuzu KB 200 Single Cab	NRB 46578	2008/9	Vehicle loaned from Mechanical workshop ,and was scrapped by mechanical workshop due to the bad condition.
7	V 1212	Opel Corsa Utility 1.4	NRB	2010/2011	Vehicle loaned from mechanical workshop, the exhausts pipe needs to be welded. We sent the vehicle several times at Mechanical workshop but we didn't get assistance. Said vehicle is still at mechanical workshop.
8	V 1170	Nissan NP300 Single Cab	NRB 53160	2010/11	At work shop, it has a problem of an exhaust pipe that needs to be welded. We sent the vehicle several times at Mechanical workshop but no assistance. Windscreen is cracked which can cause hazard to the Driver ,but however it needs to be replaced due to lot of mechanical problems now and then. Said vehicle is still at mechanical workshop.
9	V 1244	Nissan NP300 Double Cab	NRB 26084	2015/16	Said vehicle is still at mechanical workshop. Windscreen is cracked which can cause hazard to the Driver, but it also have lot of mechanical problems now and then.
10	V 1459	Ford ranger 2.2 Double Cab	NRB 89416	2018/19	Operational.
NB: Most of these vehicles are old and often, they require mechanical repairs however some of them were taken from scrapped vehicles at the mechanical workshop.					

under Building & Structures: -

- Carpentry and Glazing Maintenance team
- Bricklaying & Plaster/Paving/Tiling Maintenance team
- Painting and Decoration Maintenance Team and
- Lightning services maintenance team

INFRASTRUCTURE ASSET MANAGEMENT

The Infrastructure Asset Management unit is a cross cutting function that supports the facilitation of various key asset management activities in consultation with asset intensive departments to enable an effective, efficient and compliant management system for the management of the Municipality's immovable assets. The Management system is integrated to the Municipality's ERP system and aligned spatially to the Municipality's GIS.

The composition of the unit comprises of the following sub-sections:

- a) GIS civil section;
- b) Infrastructure Asset management.

The achievements of the sub-sections are indicated below:

11.1 GIS Civil Section

The role of GIS is to ensure a relevant spatial and geographical representation of infrastructure networks are in place for the purpose of infrastructure planning, infrastructure renewal and maintenance. The primary function of this section is to ensure that the spatial representation of municipal above and below ground networks are updated and relevant to the field.

Achievements

Implementation of systems integration between Infrastructure Asset Management system (IAMS) and Geographical Information Systems (GIS) and Enterprise Revolution Plan (ERP) pertaining to immovable assets.

11.2 Infrastructure Asset Management

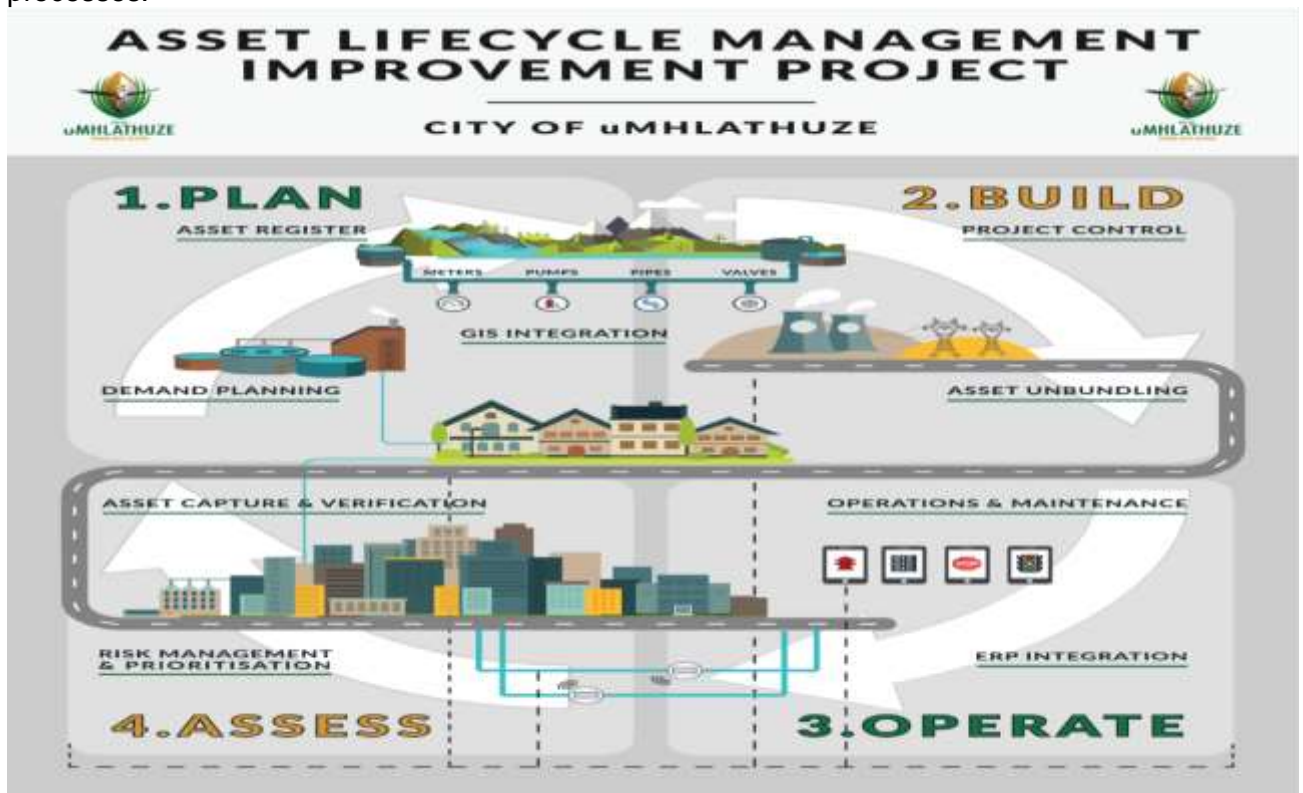
Background

The Department Infrastructure Services implemented an integrated Infrastructure Asset Management System (AMS). The Management System is underpinned by various engineering and asset life cycle systems, models and plans. The effectiveness of the AMS aims to position the organisation to operate from a proactive and preventative position in the management of infrastructure assets over time.

The Department has since achieved the following key milestones:

1. **Technical Asset Register (TAR)** - Alignment of all immovable asset services into an aligned and compliant framework ;
2. Enables **GRAP** and **mSCOA** Compliant outcomes;
3. Alignment of Technical Asset Register (TAR) to the **Financial Asset Register (FAR)**;
4. Implemented a **Maintenance Management** system aligned to the Technical Asset Register;
5. Designed and implemented **maintenance plans** at component level on infrastructure /components deemed critical;
6. Developed **Asset Management Plans** from TAR for each sector.
7. Maintains an appropriate Capital Replacement Cost (**CRC**) **model** in the TAR supporting the dynamics of the Municipality;
8. Establishment of Capital **renewal plans and maintenance plans** for MTREF purposes from TAR;
9. Strives to annually produce **Clean** audit status on Assets;

Below is a high level illustration of the key concept applied in various asset management processes:



The informational systems address lifecycle needs and are therefore responsive to specific asset failure mode outcomes pertaining to condition, performance, utilisation, etc. to direct decision making and reporting associated with infrastructure planning, maintenance and renewal strategies.

The following informational systems have been implemented in the department:

- **Engineering Systems**
- **Water and Sanitation Engineering Systems**

- **Water Demand Management**

The system provides visibility of the consumption of water from source to customer. The module is designed to inform responses to the loss of revenue water by enabling the determination of water consumption at stand level, across bulk meter zones, etc. The Department of Water and Sanitation is in an informed position to initiate Demand Management initiatives, tighten Demand Management controls and inform Capital investment programs and plans accurately.

Figure 2 and 3 below illustrates (on the right-hand side) some of the detailed attribute data available on stands, providing a further level of detail to inform responses.

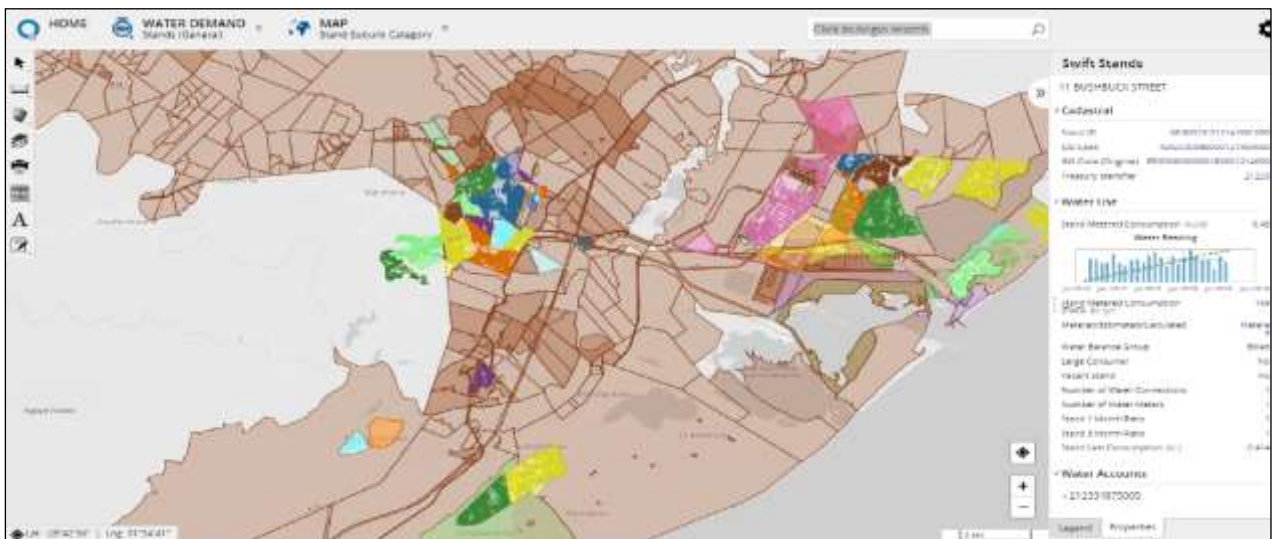


Figure 2: Example - Water Demand Management System Report on Stands (General)

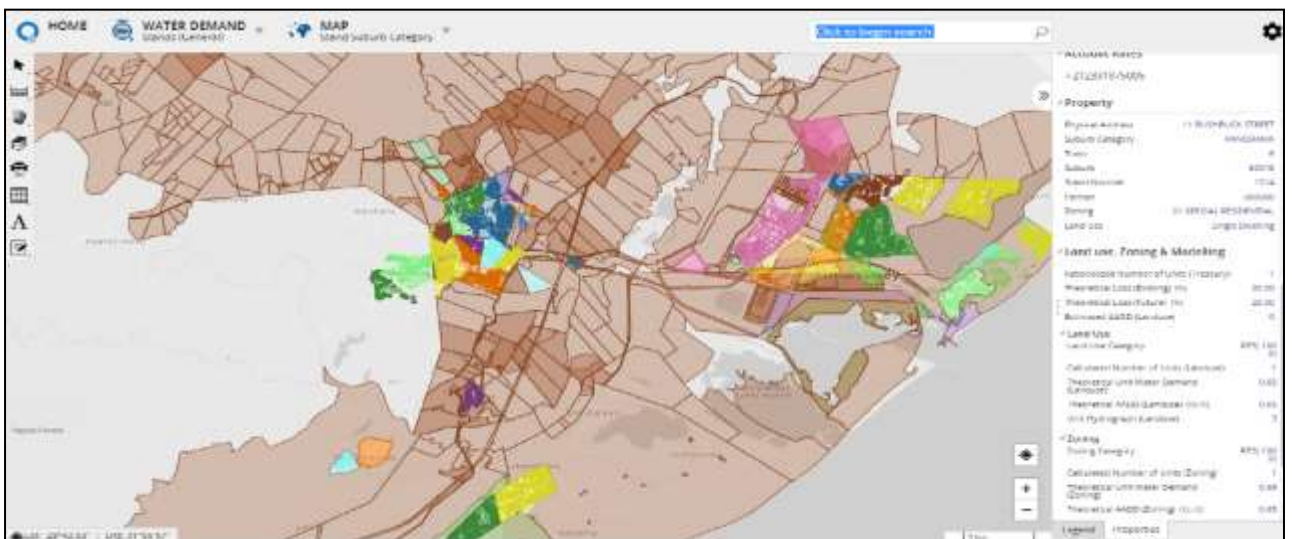


Figure 3: Water Demand Management System on Stands (General) (Continuation of Attribute Table)

Figure 4 illustrates spatial reporting and information available on the system indicating Demand Management Areas (DMAs) and the location of bulk meters.

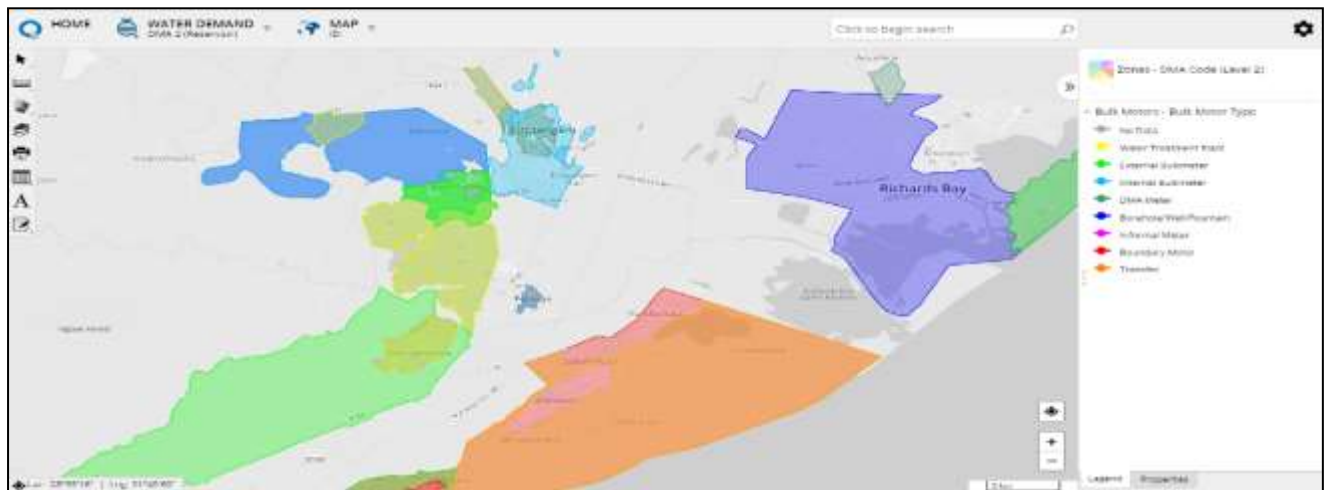


Figure 4: Water Demand Management System on DMA 2 Reservoirs Water Pipe Prioritisation Replacement

In order to render reliable service delivery, the Department of Water & Sanitation is in a position to identify the water pipes in the system that contain the highest risk of potential failure. The high risk pipes are flagged as a priority for replacement and handled via the Department's replacement strategy in order to direct Capital investment programs and plans.

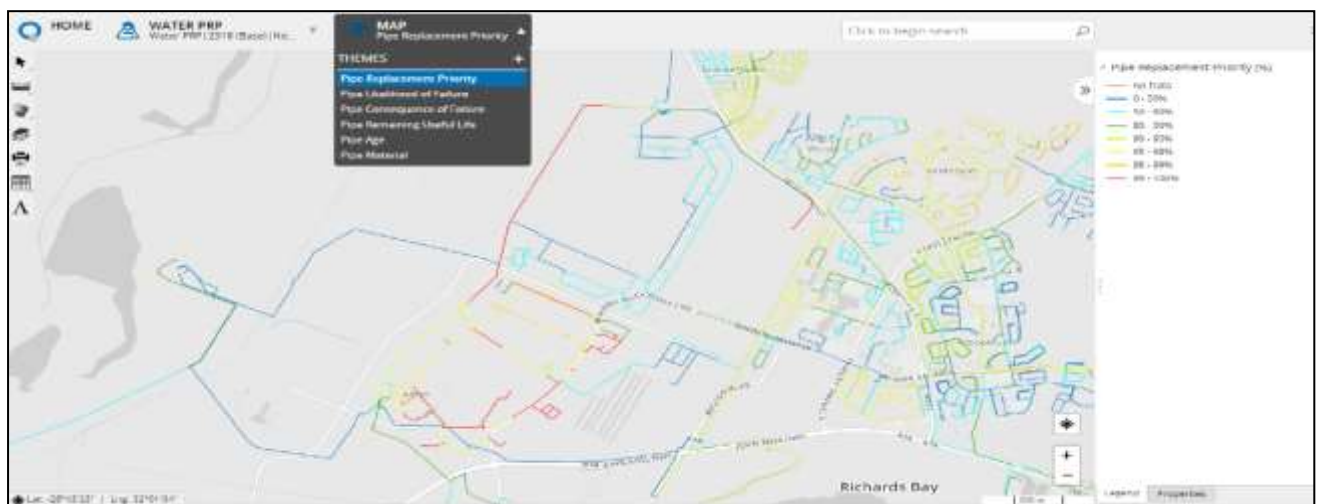


Figure 5: Example Water Pipe Replacement Priority

Water Network System

The Water Network System module provides visibility of the spatial distribution of the water network and displays attribute data in selected layers. The module includes outputs from specialist hydraulic analyses. The module will support and direct the business needs of the Department of Water & Sanitation in response to capital development (such as network development or enhancement), operational planning and reporting, maintenance activities (with data on the location of pipes, meters and isolation valves), etc.

Similar to the Sanitation module, data includes failure mode outcomes i.e.: performance, utilization, condition; asset criticality and capital replacement value (CRC). In addition, the

module contains technical information such as pipe location, layout, connectivity, length, material and diameter, etc. in order improve maintenance response times and the efficiency of the repair activities.

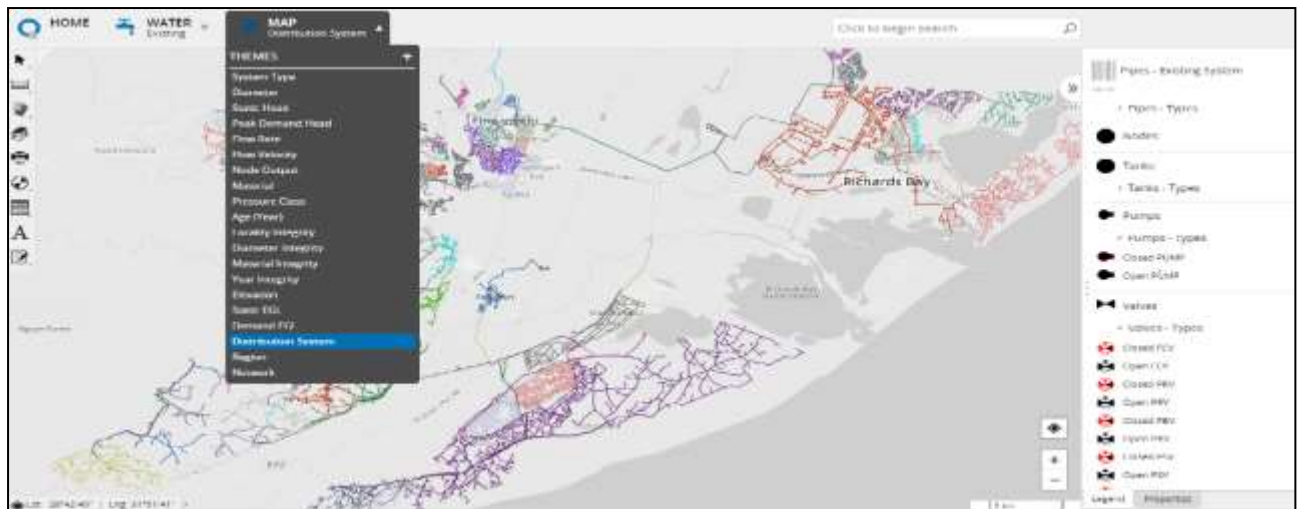


Figure 6: Water Network System Report indicating the Distribution Systems

Sanitation Pipe Replacement Prioritisation

In order to render reliable service delivery, the Department of Water & Sanitation is in an informed position to identify the sewer pipes in the systems that contain the highest risk of potential failure. High risk pipes are flagged as a priority for replacement and handled via the Department’s replacement strategy in order to direct capital investment programmes and plans.

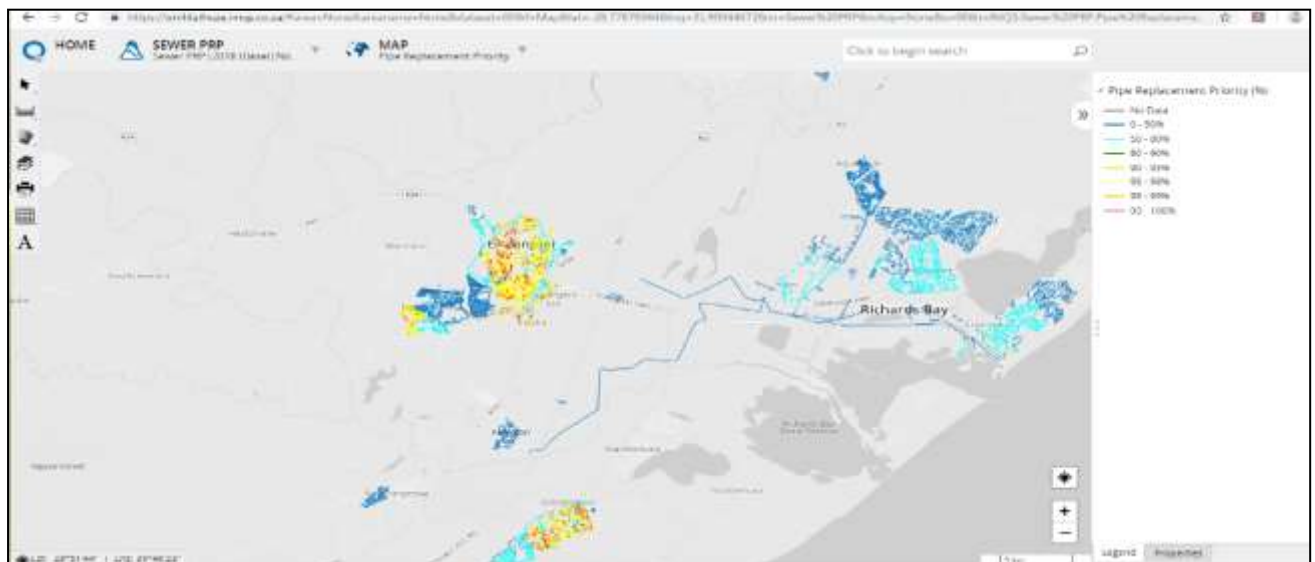


Figure 7: Sewer Pipe Replacement Priority

Sanitation Network System

The Sewer Network System module provides visibility of the spatial distribution of the sewer network and displays attribute data in selected layers. The module includes outputs from specialist hydraulic analyses. The module will support and direct the business needs of the Department of Water & Sanitation in response to capital development (such as network

development or enhancement), operational planning and reporting, maintenance activities (with data on the location of pipes, meters and isolation valves), etc.

Similar to the water module, data includes failure mode outcomes i.e.: performance, utilization, condition; asset criticality and capital replacement value (CRC). In addition, the module contains technical information such as pipe location, layout, connectivity, length, material and diameter, etc. in order improve maintenance response times and the efficiency of the repair activities.

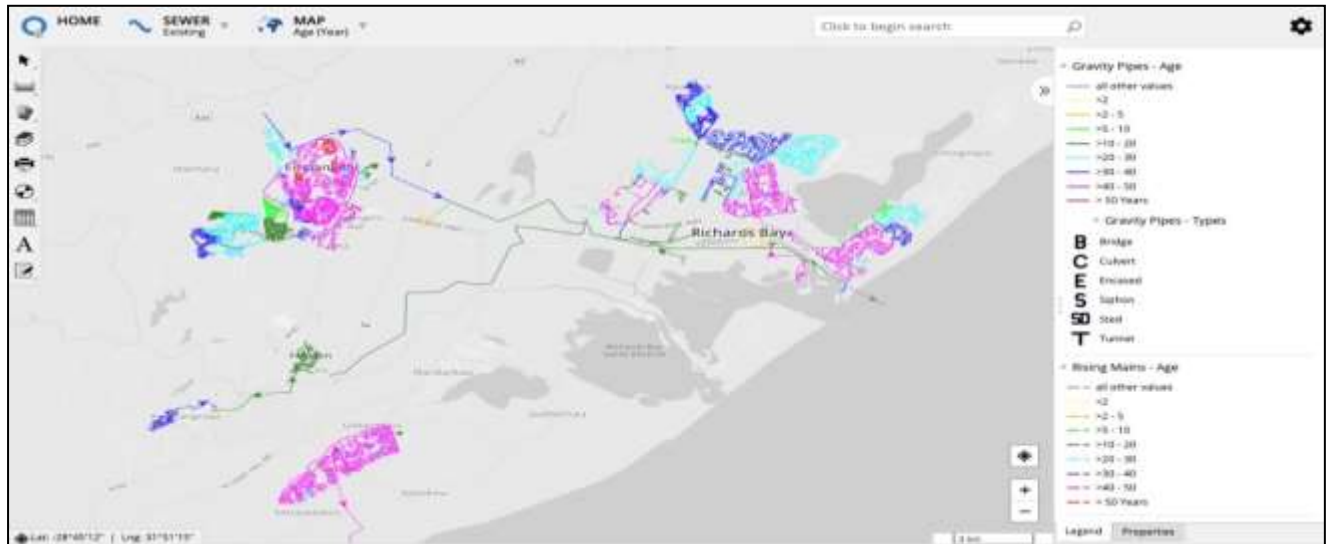


Figure 8: Sanitation Network System illustrating pipe Age (Years)

Electricity Engineering Systems

Electricity Demand module

The Electricity Demand module enables the Department of Electricity & Energy to geographically view key attributes of the electricity infrastructure network, current electricity consumption and forecast future demand scenarios. The free basic electricity consumption is overlaid on the electricity network to guide the Department in crafting appropriate demand management tactics, demand management controls, direct improvement in the operations and maintenance efficiencies, inform capital investment programs, etc.

Figure 9 illustrates a spatial report in the electricity demand module characterizing demand in various areas.

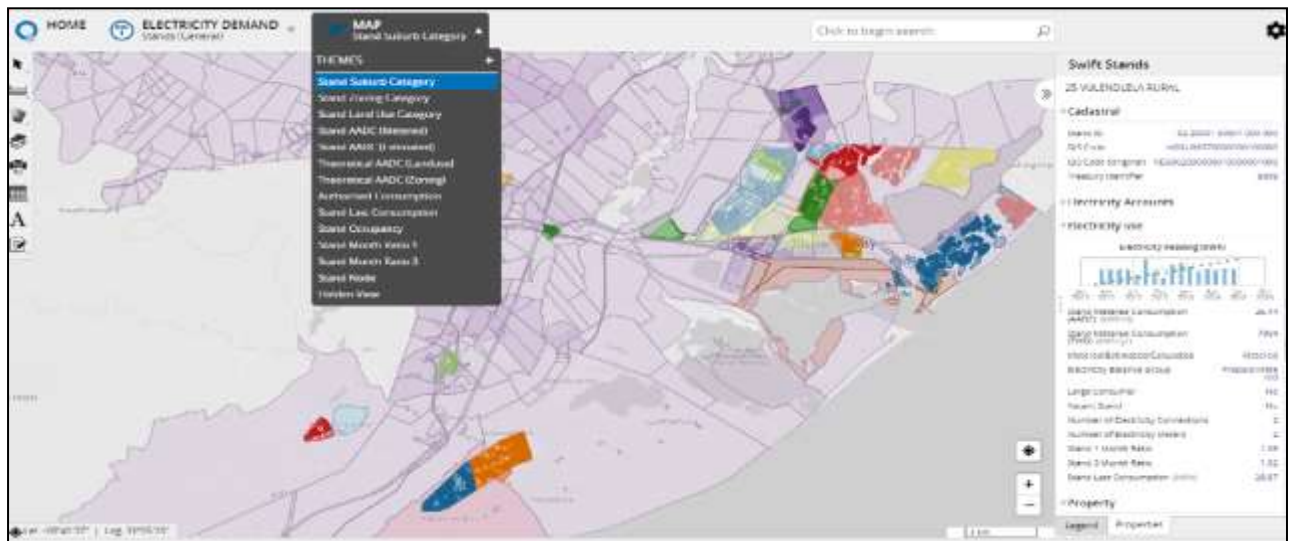


Figure 9: Electricity Demand System - Stand Suburb Category (General)

Electricity Network Module

The module provides the Department of Electricity & Energy with key attribute data in terms of the nature, layout and extent of the City's electrical infrastructure that informs and links to the asset register data. The module will support and direct the business needs of the Department of Electricity & Energy in response to capital development (such as network development or enhancement), operational planning and reporting, maintenance activities, etc.



Figure 10: Electricity Network Module – Voltage Analysis

Roads and Storm Water Engineering Modules

Roads Network module

The Roads Network module provides detail to the nature, extent and condition of the road network infrastructure and the outcomes of detailed pavement analysis and renewal work optimization. The system supports the Department of Roads & Storm water in implementing a programme of structured maintenance, renewal activities and updating the status for effective monitoring and reporting. Similarly, to other sectors, the system informs the modelling and preparation of the AM Plans for the sector.

Figure 11 illustrates a high level overview of the layout and nature of the roads network of the City's jurisdiction.



Figure 11: Roads Network module indicating distribution of the different surface types

Storm water Network Module

The Storm water network module provides spatial visibility of the storm water infrastructure network and contains visibility of key data attributes. The module aims to support and direct the business needs of the Department of Roads & Storm water in response to capital development (such as network development or enhancement), operational planning and reporting, maintenance activities, etc. In addition, includes data pertaining to failure mode outcomes i.e.: performance, utilization, condition; asset criticality and capital replacement value (CRC). In addition, the module contains technical information such as pipe location, layout, connectivity, length, material and diameter, etc. in order to improve maintenance response times and the efficiency of the repair activities.

Illustration of the Storm water network is provided in Figure 12 below:



Figure 12: Storm water Network Module Illustrating the Layout

Life Cycle Management Systems Project Management

To enable a fully functional systems environment, project management related to infrastructure capital projects are supported by SAP Project systems (PS) and IMQS Project control systems (PCS). The SAP PS module supports the Financial Management of Infrastructure projects enabling the pay to procure processes. IMQS Project Control system (PCS) enables the institution to project plan, project delivery and tracking of Infrastructure projects in the organization.

Project Managers and Project administration are in a position to systematically create, track, monitor and report on project activity in a transparent and accountable manner. The implementation of Project Management systems aims to ensure effective use of allocated budgets, delivery of improved access to services and service performance.

Below is an illustration from the Project Control system (PCS):

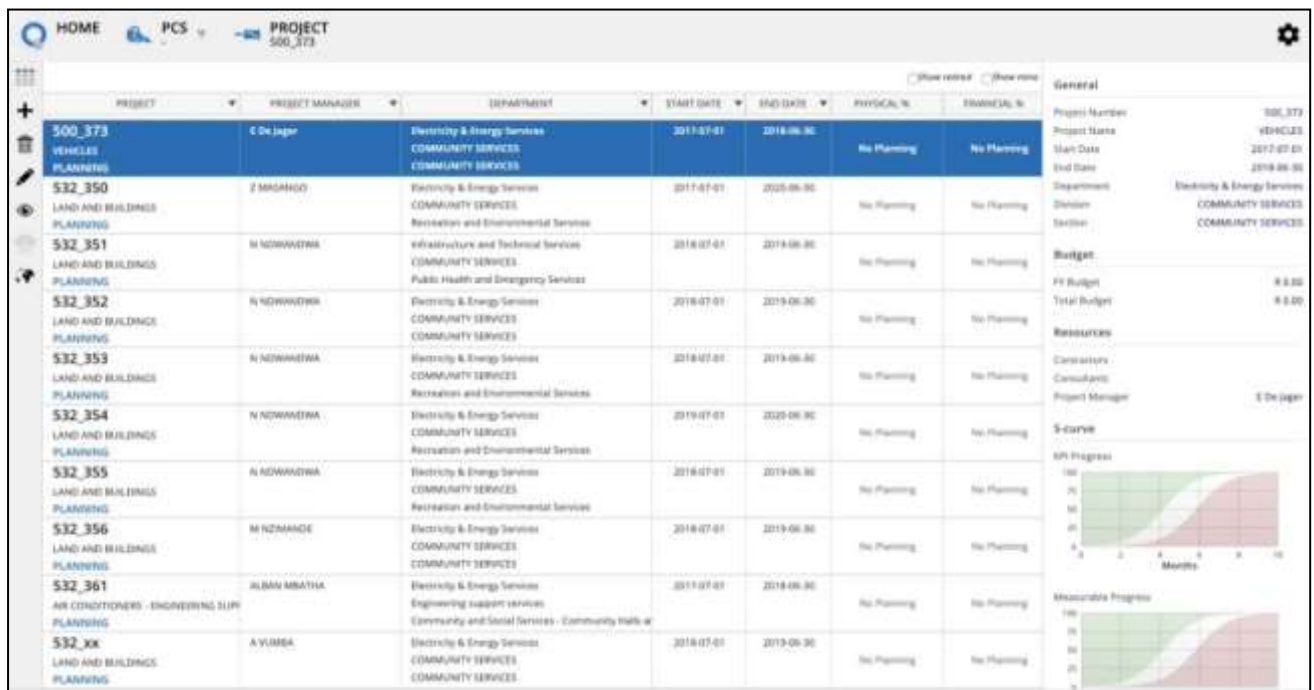


Figure 13: Project Control System Project List View

Operations & Maintenance

The Department has implemented a centralised maintenance management system (CMMS), SAP Plant Maintenance (PM). The system has been designed to address reactive maintenance (emergencies and breakdowns) and preventative maintenance (corrective and planned maintenance) that is aligned to a single asset data hierarchy contained in the infrastructure asset register. The single asset data hierarchy is in line with CIDMIS standards, Graph standards, mSCOA classification, all in accordance to the Municipality's Fixed Asset Management Policy.

Maintenance plans in line with respective assets/component were designed following a maintenance optimisation exercise. These plans have been created and activated in the maintenance system automating work orders as and when respective services and inspections become due. Maintenance plans for all sectors have been implemented namely Water & Sanitation, Roads and Stormwater, Electricity & Energy, Municipal buildings and facilities, etc.

The maintenance plans are designed at a component level to incorporate life cycle strategies (frequencies and intervals), resource planning (labour, transport, material, services, etc.), operations (list of operations, task lists), etc. The system contains a map widget functionality, i.e a map viewer of municipal above and below ground networks. This functionality will speed up the search capability on the asset component hierarchy when raising a maintenance order. In addition, enable end-users to select the correct asset/components when raising maintenance costs. Maintenance costs from closed work orders are replicated to the asset/components contained in the infrastructure asset register. This will assist departments during infrastructure planning and asset renewal strategies.

The mobility solution is in work in progress status and has therefore not yet been adopted.

Maintenance departments now have the capability of creating and designing maintenance plans as and when they become a need.

Below is an indication of the approach in design to the functionality and capabilities discussed above:

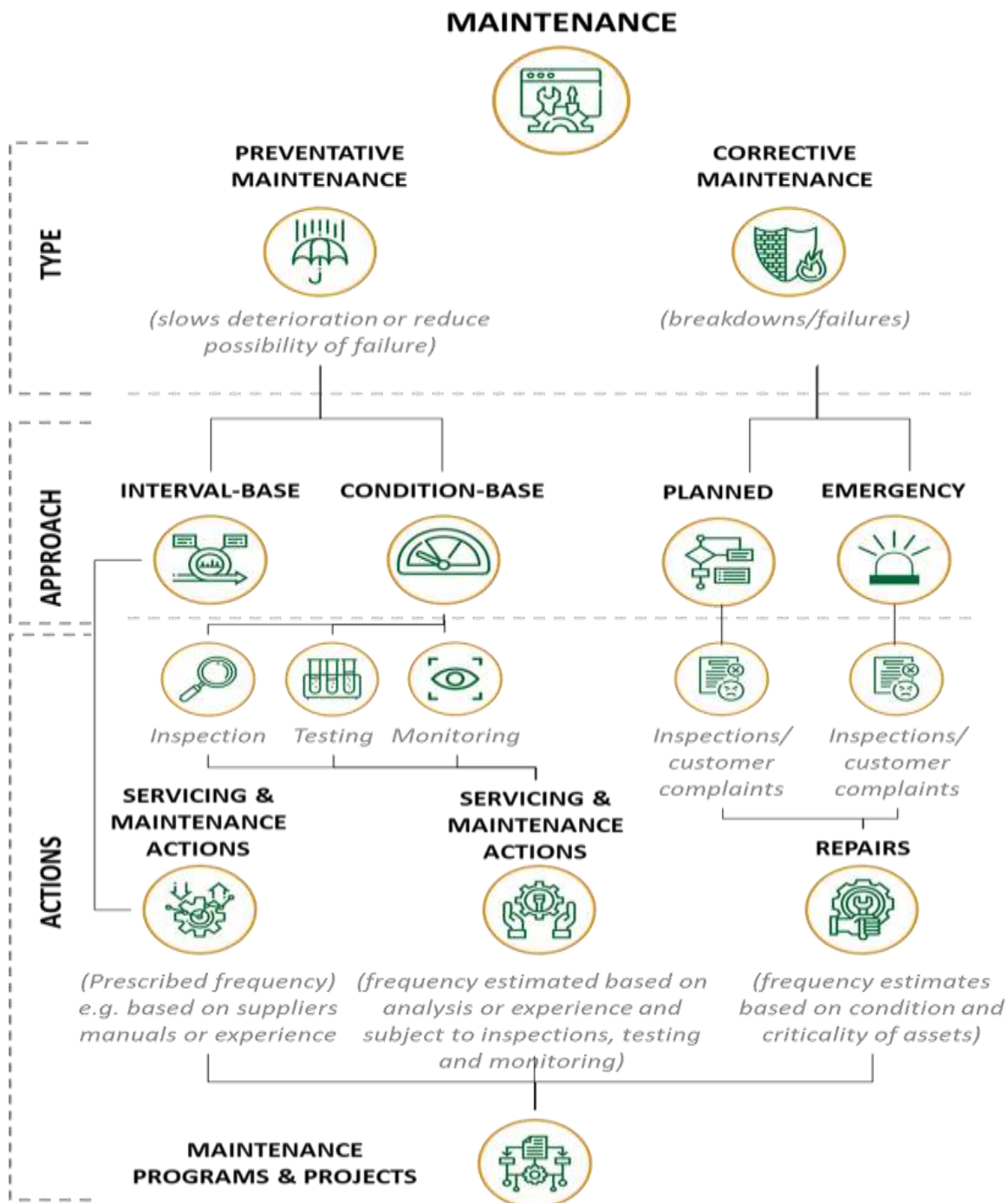


Figure 14: System build approach undertaken for Maintenance management

The following is an indication of maintenance plans per sector that have in activated in the maintenance management system. Works orders are automated as and when a plans become due.

Water & Sanitation Maintenance Plans:

Section	Mnt Plan	No of Orders	Frequency
Water	Valve Inspection 6M and Service 1Y	90	6M/1Y
Sanitation	Valve Inspection 6M and Service 1Y	66	6M/1Y
Water	Motor Monthly Service	21	Monthly
Sanitation	Motor Monthly Service	14	Monthly
Water	Pump - water Monthly Service	9	Monthly
Sanitation	Pump - sewer 3 Monthly Service M1	23	3 Mon
Sanitation	Pump - submersible 6M Service	58	6 Mon
Sewer	Pipe - sewer 6 Monthly Insp	44	6 Mon
Sewer	Pipe - sewer 6 Monthly Serv	44	6 Mon
Water	Pipe - water Line 3 Yearly Service	91	3Y
Water	Pipe - water Ending 3 Yearly Service	91	3Y
	Scheduled orders	551	
	% Scheduled	46,42%	

Roads & Stormwater Maintenance Plans:

Section	Mnt Plan	No of Orders	Frequency
Roads	Urban	33	Yearly
	Rural	40	Yearly
Road Furnature	Urban	33	Yearly
Open Drains	Urban	29	Monthly
	Rural	7	Monthly
Open Drains	Urban	29	3 Monthly
	Rural	7	3 Monthly
Culverts	Rural	8	Monthly
Culverts	Urban	52	3 Monthly
	Rural	8	3 Monthly
Kerb	Urban	59	3 Monthly
Kerb Inlet	Urban	31	Monthly
	Urban	31	3 Monthly
Road Markings	Urban	27	Yearly
	Scheduled o	394	
	% Scheduled	90,16%	

Buildings & Structures Maintenance Plans:

Section	Mnt Plan	No of Orders	Frequency
Buildings & Structures	Lifts 3 Monthly Inspection	2	3 Mon
	Lifts 6 Monthly Mechanism Service	2	6 Mon
	Lifts 6 Monthly Lighting Service	2	6 Mon
	Electrical inst. Yearly Insp & Rep	216	1 Year
	Civic centre yearly inspection	3	1 Year
	Housing 2 yearly inspections	23	2 Yearly
	Carports 3 Yearly Service	40	3 Yearly
	Operational building 3 yearly insp	12	3 Yearly
Scheduled orders		300	
% Scheduled		14,56%	

Electricity & Energy Maintenance Plans:

Section	Mnt Plan	No of Orders	Frequency
Electrical	HV Substation 1M inspections	12	Monthly
	MV Substation 1M inspections	32	Monthly
	Subst Protection 3Yr Maint Plan	49	3 Yearly
	Scheduled orders	93	
% Scheduled		27,76%	
Street Lights	Photocell 1Y Insp	40	Yearly
	Lum 1Y Serv	40	Yearly
	Pole 1Y Insp	40	Yearly
	High Masts		Yearly
	Scheduled orders	120	
	% Scheduled	91,60%	

Parks Maintenance Plans

Section	Mnt Plan	No of Orders	Frequency
Parks	Grass cutting internal 3 Monthly	32	3 Mon
	Tree pruning 3M	97	3 Mon
	Clearing green belt 6 Monthly Serv	102	6 Mon
	Fertilizing Landscaping Yearly Serv	97	1 Yearly
	Scheduled orders	328	
	% Scheduled	91,11%	

Asset Register Systems

The Municipality's asset register is supported by an integrated solution comprising of the infrastructure asset register module, infrastructure work in progress register module and SAP Fi. The role of the infrastructure asset registers are to handle the complexities and infrastructure detail represented by the immovable category. SAP Fi is the financial asset register for the Municipality.

Data from key asset related activities are replicated from the infrastructure asset register to the financial asset register, SAP Fi for financial and auditing purposes. Simultaneously key maintenance related data is replicated to SAP PM for maintenance purposes as and when there are movements identified in asset renewal and decommission.

The infrastructure asset register is interfaced to the engineering and life-cycle modules where key engineering data are replicated from these systems to the infrastructure asset register updating the failure mode and criticality outcomes, i.e. condition, utilisation, performance, etc.

The module provides asset information to engineers, financial officials, planners, etc. in order for them to easily query, interrogate and analyse infrastructure information for infrastructure planning, decision-making, maintenance and renewal strategies. Asset intensive departments are able to optimize and manage business resources such as time, money, strategies, plans to direct resources to improve service delivery, improve customer satisfaction, and attain clean audits.

Below is an illustration of the Infrastructure Asset Register:

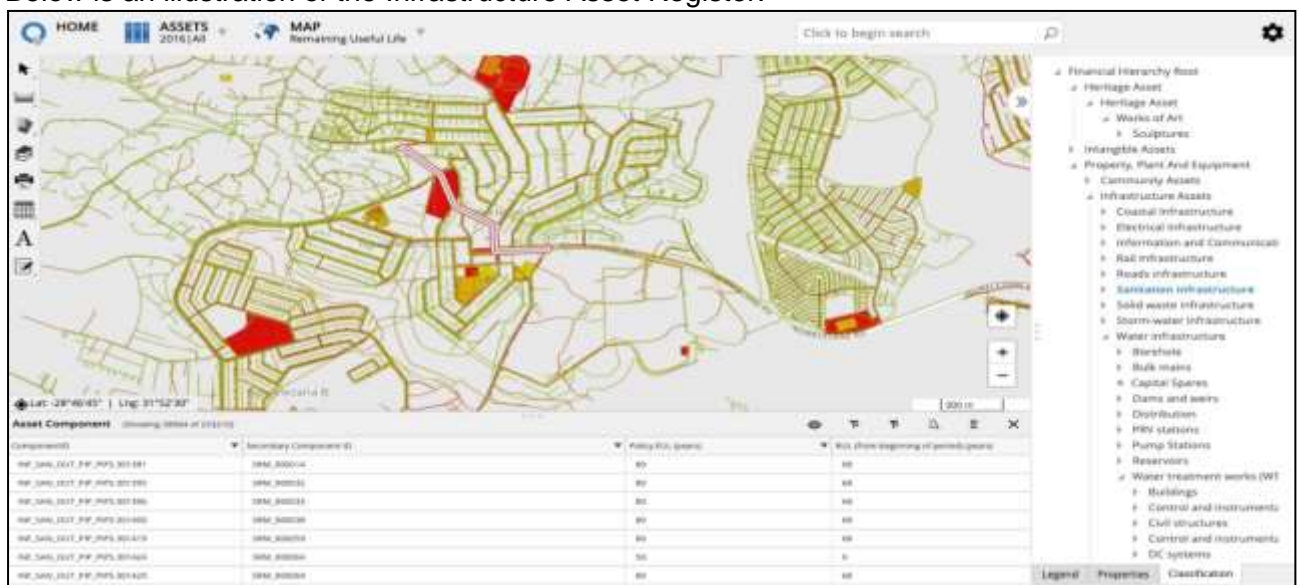


Figure 15: Assets Register Data on Remaining Useful Life

ERP and GIS Systems Integration

The Department implemented an integration system landscape between significant systems in the overall solution in order to speed up business processes, implement controls and eliminate manual interventions, on key municipal processes.

The following integration environments have been established:

- GIS AMS Integration – integration between GIS and infrastructure asset register that enables the replication of spatial data from GIS to be replicated and linked to asset and components contained in the infrastructure asset register in response to constructed municipal infrastructure. This enables spatial representation of municipal

assets are maintained and relevant for infrastructure planning and decision making, etc.;

- b) ERP AMS Integration – integration between the infrastructure asset register and ERP at specific points related to key systems in the solution in terms of key asset related activities. The design of the Integration is aligned to the main life-cycle activities and processes namely infrastructure projects, asset register and maintenance management.

Below is an illustration of the Integration environment built for the Municipality’s significant systems indicated above:

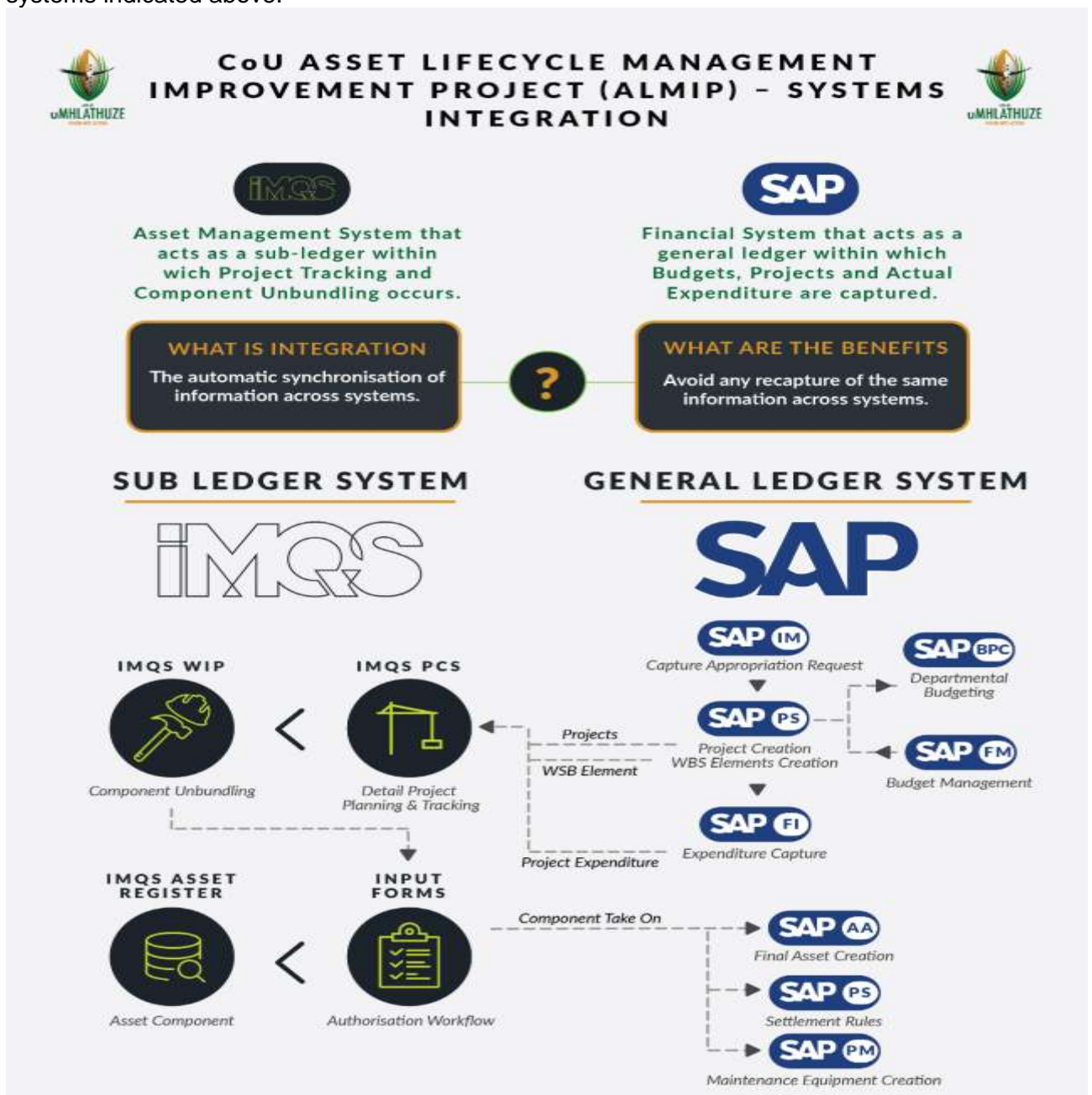


Figure 16: Overview of System Integration Diagram

Development of Initial Asset Management Plans

The Asset Management system (AMS) produced the first set of Asset Management Plans (AMP), Capital and Maintenance renewal strategy per sector. The Asset Management Plan is a strategic document that puts forward the strategy the sector must undertake in order to improve in achieving the organization's asset management objectives. In addition, the plan provides a long term forecast of asset renewal needs per facility. The sector is in an informed position to strategically make provision of financial resources and budgets in the MTREF processes in order to ensure funds are directed to infrastructure need that will reach its end of useful life.

Alignment of Technical and Financial Asset Registers

The Municipality has achieved a "big win" by aligning and synchronizing the Financial Asset Register (FAR) and Technical Asset Register (TAR). Through a centralised master database containing structured and scalable models, Asset intensive Departments moving forward are in a position to inform high level strategic, tactical and operational decision making with integrated financial, technical, engineering and spatial information.

TRANSPORTATION AND COASTAL MANAGEMENT SERVICES

Provision and maintenance of Roads, Storm water, Coastal management including Rail Infrastructure.

The Section comprises of the following units:

- 1. TRANSPORTATION PLANNING AND STRATEGY**
- 2. URBAN ROADS & RAILWAY SIDINGS**
- 3. STORMWATER AND COASTAL MANAGEMENT SYSTEM**
- 4. RURAL ROADS OPERATIONS**

The Section strives to expand and maintain road infrastructure in order to improve access and promote Local Economic Development including infrastructure in rural areas and the maintenance of storm water facilities.

12.1 Transportation Planning and Strategy

The section ensures that the City of uMhlathuze remains up-to-date with development and to provide efficient and sufficient, modern and futuristic infrastructure as required, by attending to Signalised intersections, Roads upgrade and improvements, New developments and stormwater related contracts and quotations, Transportation planning to improve public transport and projects to improve pedestrian movement and safety.

Service delivery projects achieved

Various projects were completed during the period under review as listed in the table below:

NO	PROJECT DESCRIPTION
(i)	Annual Construction of Walkways through quotations in various areas.
(ii)	Annual Construction of Speed humps in various areas.
(iii)	Annual Construction of Bus shelters in various areas.

12.1.1 Annual Construction of Walkways in various areas of the City of uMhlatuze.

- a. Construction of the walkway along Main Road Empangeni: Queller Construction (Pty) Ltd



- b. Construction of the walkway in Ward 01 Mzingazi: Emoji Projects



c. Construction of the walkway in Ward 22 Esikhaleni: Emoji Projects



12.1 2 Annual Construction of Traffic Calming Measures (Speed humps) in various areas in the City of uMhlatuze.

- a. Construction of Traffic Calming Measures: Qajana / STM JV







12.1.3 Construction of Bus Shelters in various areas in the City of uMhlatuze.

- a. Construction of Bus Shelters in Wards 01, 24, 25, 27 and 28



13. URBAN ROADS & RAILWAY SIDINGS

The Urban Roads Section services the City of uMhlathuze's total urban area from three main Depots and the main Civic Centre in Richards Bay. The City is divided into the following three areas:

- Western Area: Empangeni, Ngwelezane and Wards 9, 23 to 29.
- Southern Area: eSikhaleni, Vulindlela and Wards 10 to 22 and 30.
- Northern Area: Richards Bay, eNseleni and Wards 1 to 8.

A total of 603.14 km of Urban roads are maintained within the City. The description of work performed as per Works Orders are reflected in the table below:

NB: NORTH = Richards Bay, Mzingazi, Mandlazini and eNseleni
SOUTH = eSikhaleni & Vulindlela
WEST = Empangeni, Ngwelezane, Dumisane Makhaye Village and Felixton.

13.1 Maintenance Works carried out on the 2022/2023 Financial Year

ROADS AND STORMWATER OPERATIONS AND MAINTENANCE	UNIT OF MEASURE	ANNUAL REPORT 2022/2023		
		North	South	West
ANNUAL REPORT	Unit			
Walkways – Cleaned (Contractors)	m	22	-	24
Walkways - Replaced (Internal Teams)	m ²	-	12	61
Kerbing – Repaired/Replaced (Internal Teams)	m	100	-	16
	Area	North	South	West
ANNUAL REPORT 2022/2023				
	Unit	Total	Total	Total
Pothole Repairs	m ²	327	623,82	2414
Pothole Patching	m ²	9556	2150,73	6950
Pothole Preparations	m ²	971	905,83	9042
Guardrails - Repaired /Replaced	No	12	-	-
Speed Humps	No	0	5	7
Driveways Repaired	m ²	64	1	124
Public parking repaired	m ²	-	117	-
(1) Total number of potholes complaints responded to within Municipal standard / (2) Total number of pothole complaints received *(100) DMS 1198289 = 187/221 (84,62%)	No.	80/103	11/11	96/107

	%	77,67%	100%	89,72%
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Empangeni: Pothole repairs- Gemini Street



13.2 Municipal Railway Sidings

The Municipality owns 17 kilometres of rail sidings of which 4,13 km for Empangeni is not currently in use due to lack of demand from the surrounding businesses and only 12,87 km that is operational in Richards Bay. The application for a Rail Safety Permit is done on an annual basis and the operator has to compile quarterly reports that will be sent to the Rail Safety Regulator which is the statutory body responsible for the safe operation of the railway lines nationwide.

The Safety Rail Regulator (RSR) has approved the application and granted a new permit which expires on 31 December 2023. All the funds required to maintain the sidings are paid by the respective industrial and commercial landowners whose properties are adjacent to the

rail tracks. These businesses are levied once a year based on the previous year's maintenance expenses incurred by Council on a pro-rata basis depending on the size of their respective properties.

All the funds required to maintain the sidings are paid by the respective industrial and commercial landowners whose properties are adjacent to the rail tracks. These businesses are levied once a year based on the previous year's maintenance expenses incurred by Council on a pro-rata basis depending on the size of their respective properties. In order to comply with the Rail Safety Permit conditions, monthly inspections and maintenance of railways lines must be ongoing on a daily basis. The latest maintenance schedule for this quarter resulting from the inspections done on site.

The maintenance work is overseen by uMhlathuze Municipality and the contractor is responsible for all daily inspections and attend to the railway maintenance matters. Once a month the risk assessment inspections are conducted with the representative from Transnet, Contractor and uMhlathuze Municipality. The maintenance is mainly on the 12,87 km railway tracks, 32 sets of turnouts, ballasts screening & temping, sleepers, rail signage, rail welding & replacement, rail uplifting, points lubrication, replacement of rail bolts & washers, switch replacement and vegetation control.

Elamathebza Trading (Pty) Ltd is the service provider responsible for the overall maintenance of municipal rail infrastructure.



Railway line repairs (Siding No. PS 651613) Alton



Repairs to Feeder line Bizolo Station (Siding No. PS 647322)



13.3 Maintenance activities related to road markings and signage

Road marking section

The following work has been performed by the Road Marking and Signage Section for 2022-23 financial year (See DMS 1557635, 1575840, 1592166 & 1608871)

DESCRIPTION	UNIT	QUANTITY
Pedestrian line	Kilometre	1.4
Yellow arrows	Number	230
White arrows	Number	279
White solid line	Kilometre	14
White broken line	Metre	8.8
Pedestrian cross	Metre	238
Yield	Number	288
Stop	Number	357
Speed hump	Number	457
Island	Metre	869
Parking lots	Number	1606
Stop line	Metre	414
Yellow box	Metre	218
Bus Stop	Numbers	206
Loading zone	Meter	72
No parking	Number	46
Zig zag	kilometre	2.1
Red solid line	Metre	28
Yellow solid line	Metre	56
White kerbs	Metre	15
Yellow parking	Metre	1
Disable parking	Number	1
Disable parking	Number	2

MATERIAL USED

WHITE PAINT – 2367 x 5LITRE

YELLOW PAINT – 201X 5LITRE

SIGN ERECTED: ALL URBAN AREAS COMBINED FOR 2022/23 FINANCIAL YEAR

DESCRIPTION	QUANTITY
Stop	104
Street name	372
Speed hump	191
Pedestrian cross	7
Bus stop	10
No entry	21
Yield	100
Cross road ahead	3
Dual road ahead	4
20km/h	18
Children ahead	2
60km/h	11
Pedestrian priority	18
Gentle curve	4
40km/h	15
Keep left	16
Cul -de -sac	18
No stopping	14
T-junction	4
Winding rd	1
Chevron	17
Traffic light ahead	7
Side junction	2
Stop ahead	38
30km/h	2
One way	5
Sharp curve	2
Traffic circle ahead	1
Height restriction sign	1
No stopping	126
10 ton	6
No U-turn	1
Warning sign	1
Number 4 for four way sign	1
Number 3 for three way sign	1
Tow away zone	36
Circle ahead	2

Empangeni - Ngwelezane highway



Esikhaleni – Mdlebe-ntshona road



**ROAD SIGNS INSTALLATION
Western arterial road in Alton**

Richards Bay – Betastraat Street

Esikhaleni - Mississippi Road



Richards bay – Saligna road



Nseleni Uqhume & Umviyo road

Esikhaleni Inyengelezi Street



Challenges:

- The vehicle status updates report indicates that most of the fleet for the Section are at the Mechanical Workshop under repairs for a long time. The vehicles breakdowns have caused a huge negative impact in the performance and productivity of the Urban Roads. This major challenge is what the Section is facing on a daily basis.
- Payment delays beyond 30 days to pay the service provider for asphalts materials also impacts negatively. When the service provider has not been paid within 30 days after the invoice is received, the account is automatically closed and no materials will be made available until payment is made.
- Shortage of staff at the operational level also negatively impacts in achieving high production levels. This can only be addressed once the new organogram as per the new job evaluation is funded on the proposed new vacancies and fully implemented.
- Shortage of funds at the operational budget also negatively impacts the performance and production from Urban Roads Sub-Section.

Intervention required

- Intervention is required for all fleet to be repaired timeously in order to avoid delays in service delivery to the community.
- Financial Services (SCM) timeously processes invoices for the service providers to avoid suspension of services by the service providers.
- Additional operational budget be made available for the effective execution of day-to-day maintenance of Urban Roads.
- More budget be made available for hiring to substitutes most of the fleet that are out of commission.

14. STORMWATER AND COASTAL MANAGEMENT SYSTEM

The Storm-Water and Coastal Management is a Sub-section of the Transport, Roads, Storm-Water and Coastal Management Section within the Department Infrastructure Services. The Subsection has a two-fold area of responsibility, namely as follows:

- The overall storm-water management and operations functions throughout the City; and
- The Coastal Management functions such as beach rehabilitation and maintenance through the cooperation of various stakeholders such as King Cetshwayo District Municipality, Transnet National Ports Authority and KZN Wildlife Authority that are involved in all activities and functions along the City's coastline.

This report will deal with two functions of the section. The first part of the report is to report on the storm-water systems operations and maintenance functions of the Section. The second part of the report will report on the coastal engineering management and functions of the section.

Storm-water Systems Operations and Maintenance

The first function of this section is operations and maintenance work for storm-water systems under this section are executed in two-folds, namely in-house which forms part of the unplanned maintenance and outsourced which forms part of the planned maintenance.

The second function of this Section is to report on all operation and capital projects undertaken by the Section during the period 1 July 2022 to 30 June 2023. These projects may address current infrastructure development issues, future planning and design matters or research and development initiatives undertaken by the Section.

The in-house function is shared with the Urban Roads Section and progress is recorded within their Quarterly Key Performance Report.

It must be noted that the Urban Roads Section operates under three (3) different areas or zones within the City of uMhlatuze as follows:

NB: NORTH = Richards Bay, Mzingazi, Mandlazini and eNseleni
SOUTH = eSikhaleni and Vulindlela
WEST = Empangeni, Ngwelezane, Dumisane Makhaye Village, Hillview and Felixton

The **Planned Storm-Water Maintenance** activities undertaken in-house under the Urban Roads Section for the period 1 July 2022 to 30 June 2023 are as follows:

STORMWATER OPERATIONS AND MAINTENANCE -	Year	2022 / 2023				Total
	Quarter	1	2	3	4	
PLANNED MAINTENANCE	Unit					
Stormwater Kerb Inlet / Junction Box / Wingwall - Repaired	No	39	12	1	1	14
Stormwater Kerb Inlet / Junction Box / Wingwall -Cover Replaced	No	11	4	16	13	44
Stormwater Kerb Inlet / Junction Box / Wingwall -Cleaned	No	184	245	116	261	806
Stormwater Pipes – Repair / replace	m	1	8	9,6	48	66.6
Stormwater Pipes – Cleaning / High Pressure Jetting	m	296	81	210	422	1009
Stormwater Subsoil Drains - Cleaning	m	1	-	-	55	56
Open Stormwater Earth/ Concrete Drain Cleaning	m	-	866	16 474	8683	26023
Open Storm-wtaer earth/ Concrete drain Repair / Replaced	m	2152	-	410	-	2562
Street Cleaning	m	14013	30451	66 005	5407 9	164548

The above records indicate unplanned storm water maintenance work, undertaken in-house. It must be noted during this year no planned storm water maintenance work was carried out due to the absence of the Annual Storm water maintenance contracts, which is an outsourced function to small emerging contractors.

Other Operational Maintenance Projects undertaken within the year are as follows:

- Structural Road Brides and large Culverts assessment and compilation of maintenance plans. (Planning = 90%)
- Compilation of a Master Storm water Drainage Plan and Catchment Management Plan. (Planning = 30%)

Empangeni: Cleaning of Storm-water drainage – R34

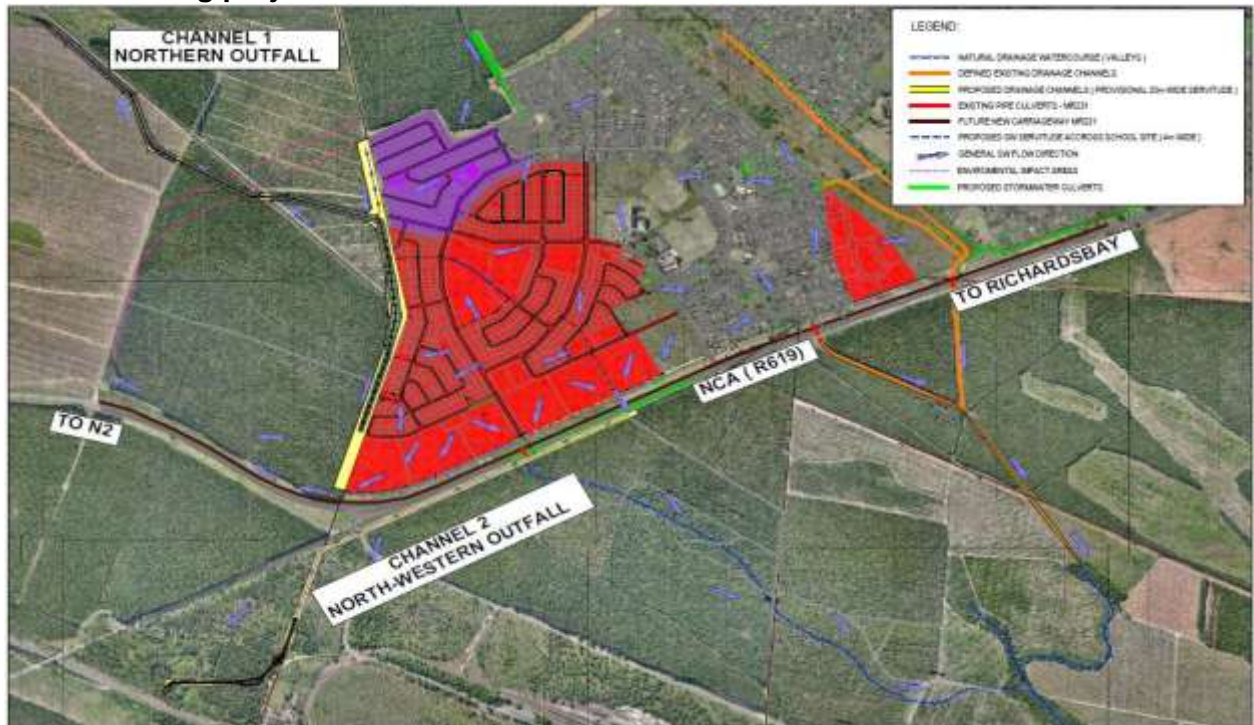


Empangeni: EPWP Employees Cleaning of Storm-water drainage – Maxwell Street



Capital Stormwater Projects that had to be performed during the 2022/2023 annual period are mentioned below together with progress. They are listed as follows:

a) Construction of the North Western Bulk stormwater channel for the aquadene housing project



The North-Western Channel 2 – Transnet Channel is awaiting commencement of construction.

b) Aquadene Bulk Storm-Water Outfall Projects

This project originated from the Human Settlements Section which was the introduction of a medium income residential housing development north-wards of Aquadene. As part of this housing development project, roads and Storm-Water network infrastructure needed to be introduced and the storm water reticulation requires a bulk storm-water outfall.

Phase 1 is complete.

The second Phase of this Project is the southern bulk storm-water outfall over the land of Transnet. This project has been awarded to the Contractor, **JAMJO CIVILS cc**. The Consultant overseeing the Project is **ILIFA Africa Engineers**. An item for the contractor, Jamjo Civils, for the approval of the new tender amount due to price escalation, as agreed on with appointed contractor has to be submitted to Bid Adjudication Committee (BAC). The item was submitted but referred back by the committee to request more information. It was resubmitted to BAC to serve on 14 July 2023 for consideration.

c) Alkantstrand Veiwing Deck and Staircase – Design

Ilifa Consulting had been appointed under Tender 8/2/1/UMH338-18/19. Their appointment for this project was extended. The Consultants, Ilifa are busy with the final designs and 3D project rendering. The Environmental Consultant is busy with the EIA and Coastal Studies. Planned to receive authorization in January 2024.

d) Construction of 8 Pedestrian Bridges

SKYV Consulting had been appointed under Tender 8/2/1/UMH338-18/19. Their appointment for this project was extended during the month of June 2022. The project has faced challenges in obtaining consent from the land owners as some of the bridges will be anchored in residents

and in traditional authority land. SKYV had appointed ECA to conduct the environmental assessment of the project including EIA application. Due to the challenges faced gaining consent and signing of forms required for EIA application, the project has been greatly delayed. The process is still underway and yet the contractor has been appointed in July 2022 for this project. The Service Level Agreement document has been concluded and signed by both parties, the City and the Contractor. Environmental Consultant is in progress updating environmental studies and WULA application process.

e) Coastal Engineering Section

This Section of the report deals with the Coastal Engineering and operations functions of the Section.

The first part of this section is to report to Council on the responsibility of Transnet National Ports Authority (TNPA) to ensure that sufficient beach sand is deposited onto the beach through dredging activities.

The second part of this section is to report on all maintenance related activities and capital projects undertaken by the Section during 2022/2023 Financial Year, for the erosion protection and beach/shore rehabilitation of the City's coastal areas ranging within the following geographical scope:

- Mzingazi Canal
- Pelican Island and Pelican Bay
- Alkantstrand and Northern Beaches

The third and last part of this section is to address future planning and design matters or research and development initiatives which require to be undertaken through Coastal Studies along the City's Coastline. The importance for Council to invest in Coastal Development and Rehabilitation initiatives and projects is also to be highlighted.

15. RURAL ROADS OPERATIONS

The Rural Road Operations Section constructs and maintain all work for the citizens of the City living in Rural Areas. The operations include the following: -

- **RURAL ROADS**
- **ACCESS ROADS**

In the 2022/2023 Financial Year, Rural Roads Graded 436.6 km's of roads and Gravelled 68.65 km's and Cleaning Congested Pipe Culverts on a continuous basis thereby assisting hundreds of residents residing in the Rural Areas.

The table below represent the total work executed in the 2022/2023 Financial Year: 1 July 2022 to 30 June 2023

DATE	Roads Graded		Roads Gravelled	
	Km's Graded	Work in Wards	Km's Gravelled	Work in Wards
30 July 2022	48,38	16,12,5,8,6,5,4,11,10,30,29,31,25,24	11,3	19,13,17,14,8,5,34,10,30,29,28,31,25,32
30 August 2022	40,03	19,12,18,13,6,4,5,8,30,10,11,32	7,1	12,1,11,33,24
30 September 2022	44,31	12,4,5,34,11,10,30,24,25,27,29	2,36	12,19,16,17,24
31 October 2022	32,88	13,14,5,6,34,25,27	7,01	15,22,19,13,7,25,27
30 November 2022	14,66	6,5,4,34,11,29	4,54	13,18,19,7,28
31 December 2022	13,12	18,15,19,13,20,6,10,11,34	5,76	13,18,6,10,29
31 January 2023	14,17	4,5,10,11,13,25,27,32,33,34	4,21	5,18,19,22,29
28 February 2023	37,14	1,4,5,6,10,14,18,30,32,33,34	5,7	5,10,12,13,29
31 March 2023	54,93	4,5,6,8,10,11,14,15,16,18,19,22,25,27,31,32,33,34	8,06	5,10,20,22,29,31
30 April 2023	50,31	13,12,14,5,4,6,10,11,30,32,29	5,29	20,15,12,16,19,10,11,34
31 May 2023	38,38	12,6,4,1,10,11,30,27,32,29,24	3,56	22,19,8,32
30 June 2023	48,29	22,20,15,14,5,1,6,4,10,11,31,25,28,24,27,29	3,76	18,15,19,22,13,12,32
	436,6		68,65	

Various Earth Moving Plant are used by the Section to carry out their function and Council has already invested in its own Plant in order to best execute its mandate.

It is worth mentioning that more resources are still required to best equip the section with the necessities for it to perform at its level best and archive its set goals.

The 4 different areas set out to cater for the whole of uMhlathuze Municipality each have their own Plant namely: -

- **TLB**
- **GRADER**
- **ROLLER**
- **WATER TANKER**
- **TIPPER TRUCK**

15.1 Grading programme and other information

A Total of 436.6 kilometres of Grading was done in all Wards for the financial year 2022/2023 and the work was carried out throughout the 12 months.

15.2 Pipe culvert bridges

Various Pipe Culvert bridges are installed around the rural area in assisting with crossing in high demanding areas. The section identifies areas that require the bridges urgently on an annual bases assisted by the ward Councillors.

Total work carried out/executed

This is all the Grading, Graveling and Pipe Culvert that has been carried out in 2022/2023.

TOTALS	KM'S GRADED	KM'S GRAVELLED	PIPE CULVERT
2022/2023	436.6 km	68.65 km	0 Sites

Ward 32 road damaged by heavy rains

Pictures Before



Pictures After



Ward 15 road damaged by heavy rains
Pictures Before



Pictures After





ELECTRICAL AND ENERGY SERVICES SERVICES DEPARTMENT

ELECTRICAL AND ENERGY SERVICES



RUDOLF MARAIS

DEPUTY CITY MANAGER: ELECTRICAL AND ENERGY SERVICES

Introduction

The Electrical and Energy Services is comprised of 5 sections which are:

Customer Services, Marketing and Retail;

Operations and Maintenance;

Infrastructure Planning and Asset Creation;

Process Control and Public Lighting; and

Fleet and Transportation

City of uMhlathuze receive electricity from eight (8) different Eskom Supply Points and supply electricity to about 39 171 customers with 33 700 of them being pre-paid meter customers. Of these 39 17 customers eight (8) are key customers, which include Richards Bay Alloys, Mondi Group, Transnet Freight Rail (TFR) and Transnet National Ports Authority (TNPA) which are all supplied at 132kV. The remaining four (4) key customers are supplied at 11kV and they are Richards Bay Coal Terminal (RBCT), Bid Tank Terminals (BTT), Foskor and Transnet National Ports Authority.

City of uMhlathuze, Department of Electrical and Energy Services strives to provide a safe, secure and reliable supply of energy in a cost-effective manner during 2022/23 fiscal year. The City applies well established electrical network planning principles and invest in line with Council's Asset Management strategy and the GRAP17 Capital Investment Process (CIP). This ensured that planned projects were well executed and capital expenditure effectively spent. The Planning and Strategy Section addresses strategic planning relating to capital investments and the renewal of electrical assets. The technical decisions taken with regard to designs and operation of the network comply with network management legislation, regulations and related codes of practice as per National Energy Regulator of South Africa (NERSA), and reflect recognised industry best practices and standards relating to the management of electricity infrastructure assets.

The City has total of 43 Substations, of which 12 are 132 kV and 31 are 11 kV, and we have the following electrical infrastructure.

88.087 km of HV Over headlines.
87,244 km of MV Over headlines
142.244 km of LV Over headlines
19 194 km of HV underground cable.
362.115km of MV underground cable
789.969km of LV underground cable
941 Mini-substations.
53 Ring Main Units.
205 Pole-mounted transformers.
7280 customer distribution kiosks
17583 Streetlight Poles
91 Traffic Signals Intersections and
72 High Masts

The total notified maximum demand (NMD) is as follows:

1. Richards Bay 151MVA Maximum (149MVA)
2. Empangeni Main 20MVA: Maximum (11MVA)
3. Empangeni Western 20MVA: Maximum (20MVA)
4. Felixton 0.7MVA: Maximum (0.5MVA)
5. Vulindlela 1MVA: Maximum (0.86MVA)
6. Esikhaleni 16MVA: Maximum (19MVA of which 11MVA is Eskom load)
7. Nseleni 2.7MVA: Maximum (2.65MVA)
8. Ngwelezane 7MVA: Maximum (7.5MVA)

Key achievements of the Department:

1. Supply, Delivery and Off-Loading and Installation of 2x 132/11kV 40MVA Power Transformers and Associated Transformer Bay Equipment at Hercules Substation to stabilize electricity supply network within CBD, Alton and surrounding residential areas.
2. Replacement of 293 units of 125Watts HPS Streetlights with 55Watts LED's to reduce load consumption and carbon footprint.
3. Hydra – Capella Oil Filled Replacement
4. Polaris Substation transformer installation
5. Hercules Substation transformer installation

CUSTOMER SERVICES, MARKETING AND RETAIL

All customers consumed a total of 886 GWhs, a decrease of 71 GWh from 2021/2022's 870 GWhs of electricity while 956 GWh was purchased from Eskom (period July 2022 to June 2023) which is a decrease of 1 GWh from the 957 GWhs purchased from Eskom over the same period in 2021/2022. A total energy loss of 74 GWh which amounts to an average loss of 8 % over the financial year. This figure includes both technical and non-technical losses.

Figure **: Graphical network load performance

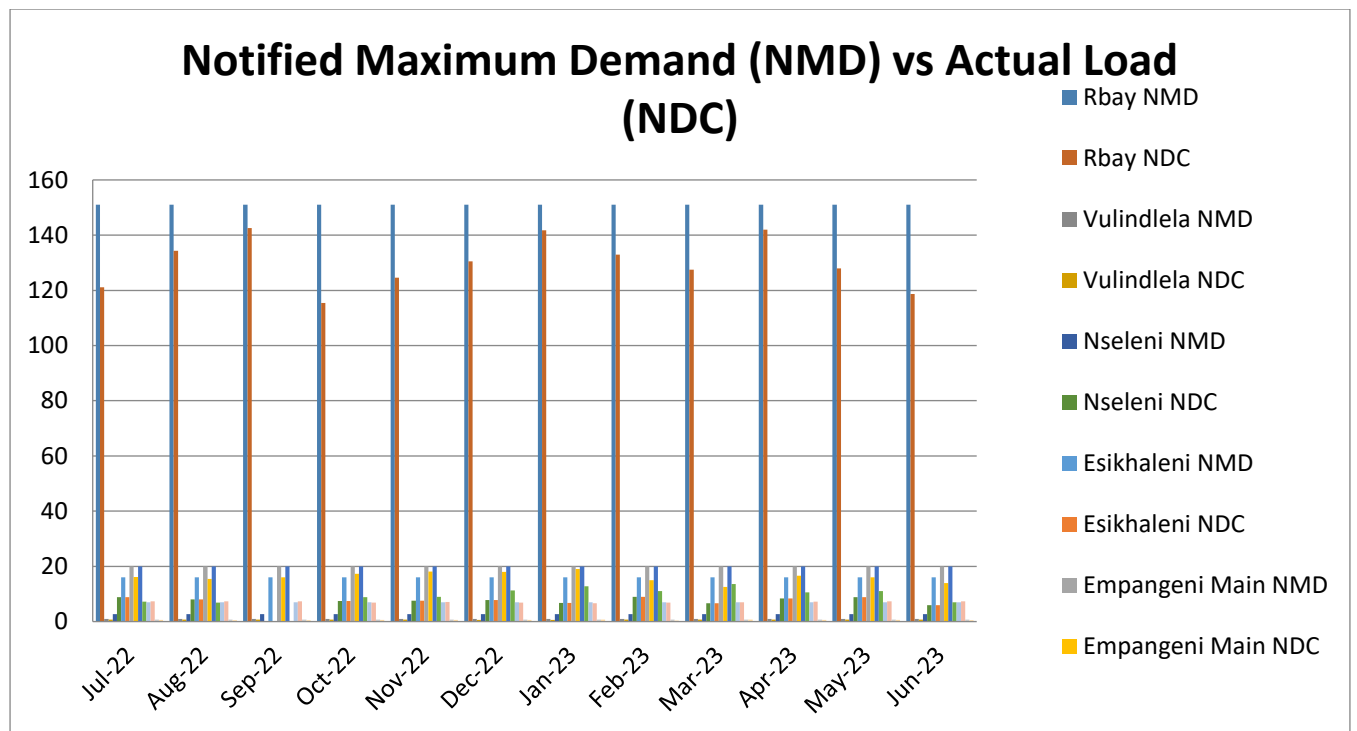


Table **: Notified Maximum Demand (NMD) vs Actual load (NDC)

Notified Maximum Demand (NMD) vs Actual load (NDC)												
Town	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Rbay NMD	151	151	151	151	151	151	151	151	151	151	151	151
Rbay NDC	121	134	143	115	125	131	142	133	127	142	128	119
Vulindlela NMD	1	1	1	1	1	1	1	1	1	1	1	1
Vulindlela NDC	0.7	0.7	0.8	0.7	0.7	0.7	0.6	0.7	0.7	0.7	0.7	0.7
Nseleni NMD	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Nseleni NDC	2.7	2.2	2.7	2.7	2.4	2.7	2.7	2.3	2.2	2.7	2.4	2.7
Esikhaleni NMD	16	16	16	16	16	16	16	16	16	16	16	16
Esikhaleni NDC	9	8	0	7	8	8	7	9	7	8	9	6
Empangeni Main NMD	20	20	20	20	20	20	20	20	20	20	20	20
Empangeni Main NDC	16	16	16	17	18	18	19	15	13	17	16	14
Empangeni Western NMD	20	20	20	20	20	20	20	20	20	20	20	20
Empangeni Western NDC	7	7	0	9	9	11	13	11	14	11	11	7
Ngwelezane NMD	7	7	7	7	7	7	7	7	7	7	7	7
Ngwelezane NDC	7.3	7.3	7.3	6.9	7.1	6.9	6.6	6.9	7.0	7.3	7.4	7.3
Felixton NMD	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Felixton NDC	0.6	0.5	0.5	0.6	0.6	0.6	0.7	0.4	0.7	0.6	0.6	0.5

There appears to be a decrease in Energy losses in certain areas

Town	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Richards Bay	2%	3%	3%	5%	4%
eSikhaleni	12%	11%	11%	18%	19%
eNseleni	14%	4%	3%	18%	18%
Vulindlela	12%	9%	11%	12%	12%
Empangeni	7%	9%	10%	6%	7%
Ngwelezane	10%	13%	13%	22%	21%

The national average is 10% while the current overall average of the City is 8% (calculated using purchases and sales figures). Those areas exceeding the national average will be prioritized during the audit program. An audit tender has been prepared to address energy losses.

Figure: ** Energy losses for the last 5 years

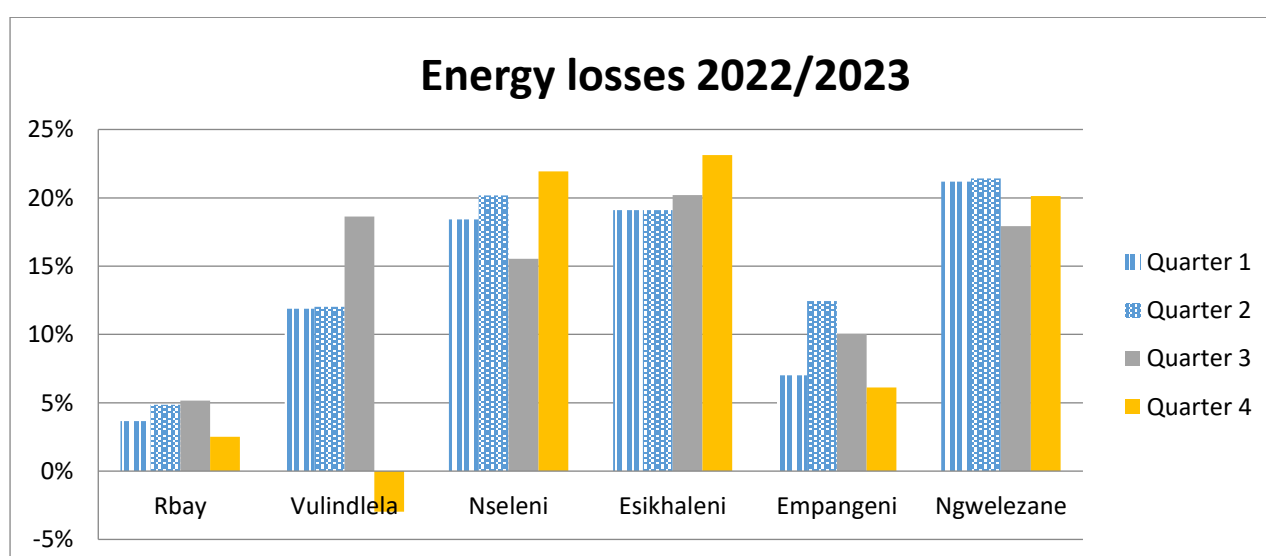
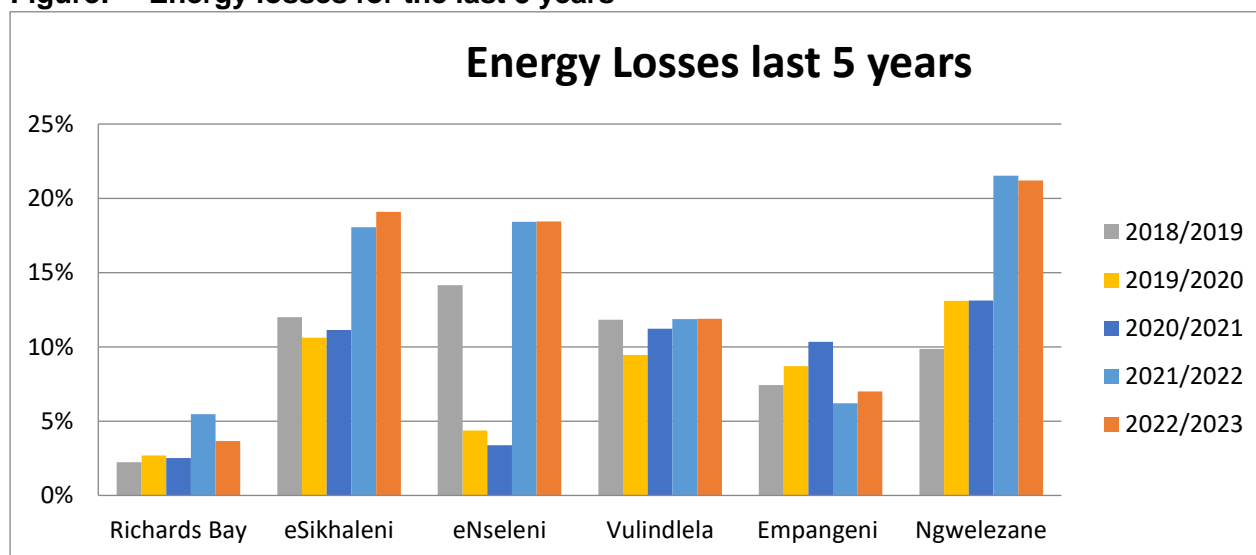


Figure: ** Energy losses for the last 5 years

Revenue Protection

Houses are audited as per list extracted from the vending system. The tables below indicate audited houses as well as clearances issued by Finance Department. The clearance certificate applications have increased to the extent that it does not allow the current teams to address the revenue protection for the **37 025** prepayment customers effectively. The need to improve capacity is evident.

Table: ** Meter audits

Prepayment Meter Audits: All Areas	Annual Total
Houses Visited (General Audits EES)	256
Number of Customer billed for Tampering	61
Number of Customer billed for Faulty Meters	11
Number of Customer billed for Illegal Connections	2
Clearance Certificate Audit Requests from Finance	738
Tampers billed from Clearance Certificate Audits	35
Year Total	1103

Table : The total Revenue billed out IRO tampered / illegal connections or faulty meters during 2022/2023**

Town	Tamper Fee	Amount consumed	Damaged Meter Charge	Faulty meter amount	Illegal Connection Fee	kWh Consumed
Richards Bay	R 214 160.56	R 1 326 215.66	R 26 162.43	R 150 255.3 1	R 883.43	728 692
Mandlazini	R 0.00	R 0.00	R 0.00	R 685.8 8	R 0.00	503
Mzingazi	R 5 299.13	R 0.00	R 4 337.40	R 0.00	R 0.00	0

Empangeni & Felixton	R 47 692.17	R 386 469.49	R 9 636.53	R 86 699.7 6	R 2 168.70	215 372
Ngwelezane	R 26 108.69	R 131 301.07	R 6 506.10	R 8 740.8 6	R 0.00	78 486
Dumisani Makaye Village	R 93 088.03	R 165 626.89	R 17 349.60	R 0.00	R 883.48	102 423
eSikhaleni H	R 76 672.91	R 363 880.93	R 8 674.80	R 10 017.8 8	R 0.00	93 716
eSikhaleni J	R 67 290.43	R 134 009.67	R 17 349.60	R 2 805.0 4	R 0.00	78 778
eNseleni	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	0
Vulindlela	R 9 799.13	R 5 926.42	R 0.00	R 3 144.6 0	R 0.00	4 631
Totals	R 540 111.05	R 2 513 430.13	R 90 016.46	R 262 349.3 3	R 3 935.61	1 302 601
			Year Total	R 3 409 842.5 8		

Free Basic Electricity (FBE)

The number of customers from the 2021/2022 Financial year to the 2022/2023 Financial year has increased from 791 in July 2022 to 929 at the end of June 2023. The number of customers who claimed their free 50kWh per month has also increased from 573 to 717 for the same period as above.

OPERATIONS AND MAINTENANCE (SUBSTATION, HV & MV OPERATIONS)

Operations and maintenance business unit is responsible for maintenance of electrical network order to improve performance. The strategies being used is both time base pro-active and condition based maintenance strategies. The risk base approach has been used since 2021/22 financial year in order to move away from firefighting mode to pro-active maintenance.

Activities performed to implement maintenance strategies are as follows:

- Visual inspections on substations, transformers, overhead lines, mini substations and kiosks.
- Performing infrared scanning on electrical equipment to check for hot connections.
- Partial Discharge Testing on electrical MV switchgears
- Do equipment (transformer & switchgear) oil sampling once a year. This will be increase to twice a year in 2022/23 financial year.
 - Analyse results,
 - And perform purification procedures.
 - Attend to oil leakages and repair them.

- Attend to all emergency/ unplanned outages

The Operations and Maintenance has worked together with Asset Management unit to implement SAP PM for maintenance planning. The implementation of SAP PM Maintenance Scheduling started in 2022/23 financial year. Some areas of improvements have been identified such as the naming of some mini substations. The identified issue being the street names or addresses are not correct or duplicate and some not correctly identified. This issue is being addressed and should be corrected in 2023/24 financial year. Converting notification into a works order takes longer than usual and the entire process needs to be reviewed.

BUSINESS UNIT (OPERATIONS AND MAINTENANCE SECTION)

SUB UNITS

- DISTRIBUTION
- PROTECTION
- WEST SECTION
- NORTH SECTION
- SOUTH SECTION

1.2 KEY ACHIEVEMENTS FOR THE FINANCIAL YEAR (2022/2023)

The main focus during the 2022/23 financial year was on 132kV Distribution Network stability. Some major repairs were also done on the 11kV Reticulation network.

The following milestones were achieved to stabilize 132kV Distribution Network:

- Scorpio Neptune Overhead Line Commissioning Completed
- Supply, Delivery and commissioning of 2 X 40MVA Transformer at Hercules Substation completed.
- Supply, delivery and Commissioning of Polaris 45MVA Transformer 1 completed.
- Polaris substation MV room refurbishment after fire and replacement of MV Board Completed.
- Scorpio Substation replaced 132 kV transformer breaker and 132 kV bus-bar isolator.
- Supply, Install and Commissioning of 40MVA transformer at Scorpio Substation completed.
- Supply, Install and Commissioning of Scorpio MV switchboard completed.
- 132kV Circuit breaker replacement completed in the following substations (at Leo Substation Mondri 2 breaker, at Polaris Impala 1 and Capella 2 breakers, at Carina Transformer 2 breaker)
- 132kV substation Current transformer replacement (at Polaris Scorpio Feeder, Impala 2 Feeder, at Scorpio Transformer 1, at Hercules Transformer 2 and 3)
- 132KV Surge Arrester Replacement (at Leo Mondri 1 and 2 Feeders, at Scorpio Hercules 2 Feeder, at Hercules Scorpio 2 Feeder and at Polaris Impala 1 and 2 Feeders)

The following milestones were achieved under 11kV Reticulation Network:

Retic West Sub-Section

- Cable replacement Project Completed (Jameson to Carsdale substation, Jameson to Western substation and Ngwelezane Main to Satelite 2 feeder)
- Converting of Eight (8) Consumer Substations to Mini Substations in eMpangeni (Louis Botha, Hibiscus, Golf Course, McDivitt, Wildebees, CTR and New Rail)
- Replacement of five (5) mini substations. (Thrush, Zidedele, Wessels, Mongoose and SMS mini substations)
- Replacement of three (3) RMUs (Inyathi 1 and 2 and Sixth Street)

- Replacement of 50 Cubicles in eMpangeni
- Replacement of 50 pole boxes in Ngwelezane
- Replace of 30 MV poles and 50 LV poles in Ngwelezane
- Refurbishment of substation Buildings (Carsdale Substation and Paul Avenue Consumer Substation)
- Replacement of substation doors at Crawford Substation.
- 11kV Overhead Lines Pole Mounted Breaker Pilot Project completed at DMV.

Retic South Sub-Section

- Replacement of Mini Substation with New Ones (Golf 3, Hibbert Drive, Mini Sub 7, J 500, MS 32)
- Installation of New RMU between Kolsterkring 3 and Perlemoen 2.
- Cable Replacement between MS12c and MS13
- Replacement of twenty (20) cubicles in Meer en See
- Replacement of fifty (50) pole boxes at uMzingazi
- Replacement of 128 nine-meter pole replacement (78 in eSikhaleni and 50 at Vulindlela)

Retic North Sub- Section

- Repair of Pegasus Polaris feeder by inserting new 500m cable.
- Repair Phoenix Tucana Cable that was burnt down 400 meters
- Replaced 20 cubicles in Brackenhams
- Replaced 15 pole boxes in Brackenhams
- Replacement of 20 nine meter poles in Brackenhams.
- Replacement of RMU (Madlanzini RMU, Airport RMU and Town Square)
- Replacement of three Pole Mounted Transformers in Madlanzini
- 11KV Breaker Maintenance (Tucana, Vega, Hercules and Phoenix)
- Installation of new MV cable from Haakdoring rug to Pump Station
- Replacement of pin insulators at Madlazini overhead line to improve Line Performance

SUBMISSION OF PHOTOGRAPHS (DMS 1611947)

- 1.2. Achievement
- 1.3. Activity Conducted
- 1.4. Location of Site Photographed
- 1.5. Key Deliverables

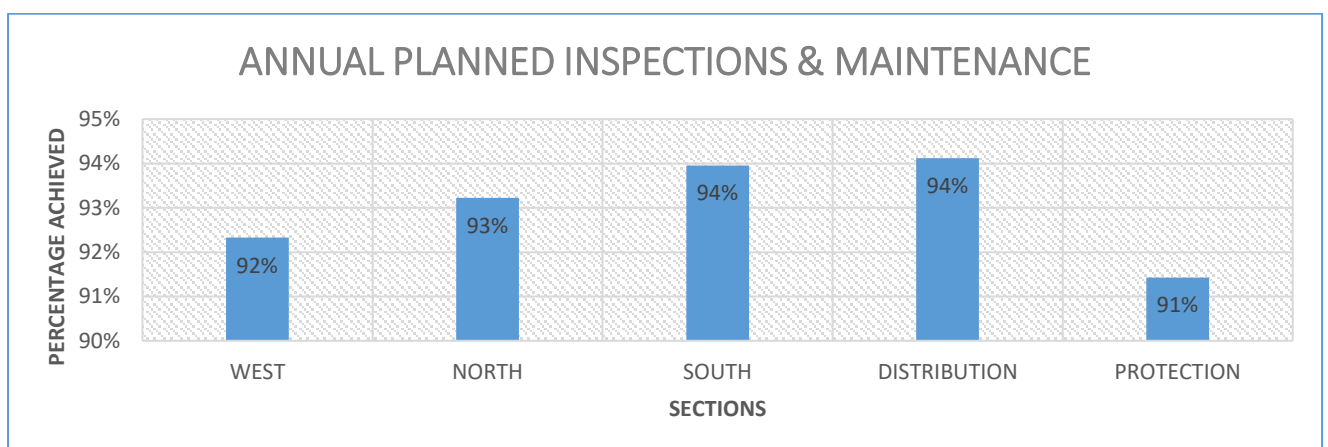


Figure 5: Annual Planned Inspections and Maintenance

Figure 1 depicts the percentage of inspections and maintenance that were achieved by each sub-unit in the Operations and Maintenance business unit from the 1st of July 2022 – 30th of June 2023. The annual planned maintenance target achieved is 93% in 2022/23 financial year compared to 99% in the previous year. The challenge this financial year was Load Shedding that came up to stage 6, Vehicle Shortage and High Volume of Breakdowns during Heat Wave and Storm.

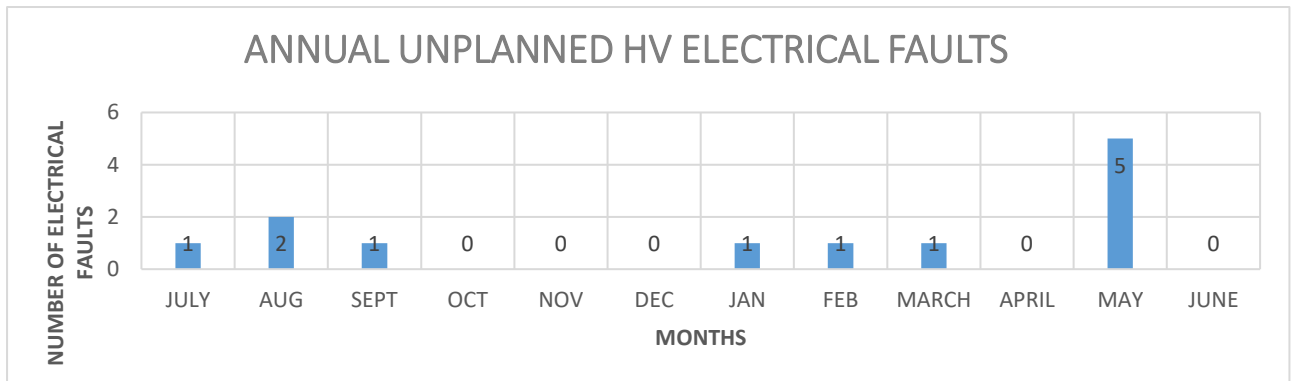


Figure 6: Annual Unplanned Electrical Breakdowns for the HV Network

There has been a drastic improvement of the 132kV Distribution Network Performance in 2022/23 financial year with a total number of 12 major faults compared to 29 faults in 2021/22. This means that the number of faults in 2022/23 has been reduced by 17 faults. The interventions to reduce these faults includes Scorpio Neptune OHL commissioning to have a ring in the event of a fault on Polaris Scorpio or Polaris Neptune Line. Replacement of some 132kV Insulators and Surge arresters on 132kV Network. The replacement of isolators, Cts and circuit breakers on Major 132kV Overhead Lines.

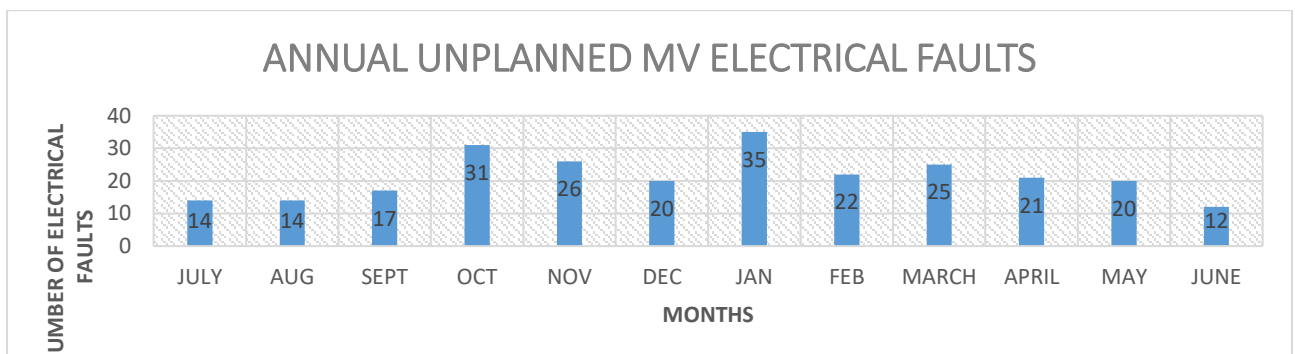


Figure 7: Annual Unplanned Electrical Breakdowns for the MV Network

Figure 3 shows the medium voltage (MV) network fault trends. There has been an increase in the number of MV network faults. Some of the contributing factors includes cable termination failures on the new RMUs recently installed. The Original Equipment Manufacturer (OEM) has been on site to train all the electricians on the latest development in cable terminations and an improvement has been noticed. The second contributing factor has been severe weather conditions (heat waves and heavy storms) and cable failures after load shedding.

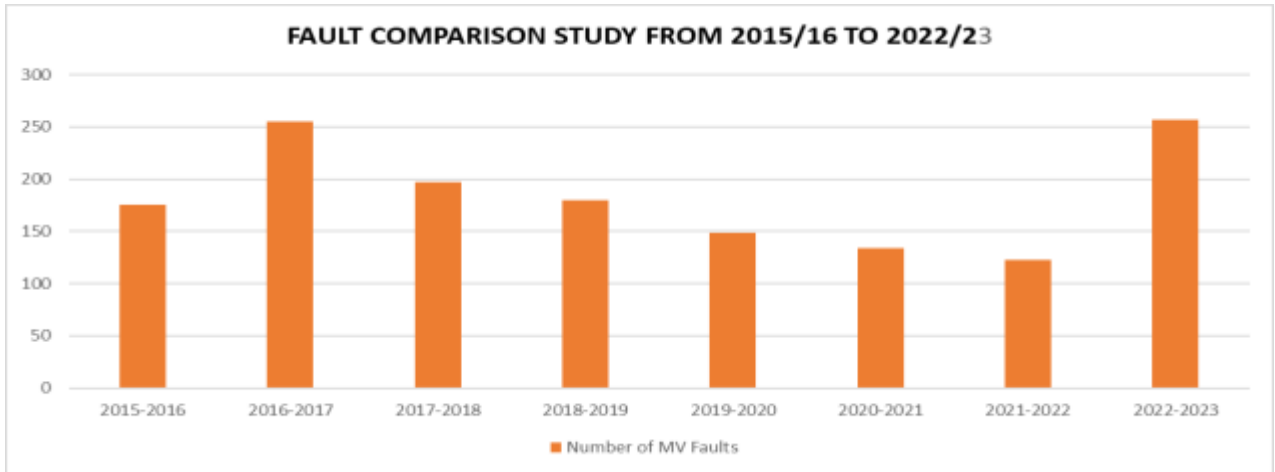


Figure 8: Performance of the MV Network for Eight (8) Financial Years (2015/2016 – 2022/2023)

Figure 5 compares the MV Reticulation Network Performance for eight (8) financial years from 2015/2016 to 2022/2023.

There has been a rise in the number of faults; the same as the 2016/27 financial year. More focus will be on the MV Network in 2023/24 Financial year.

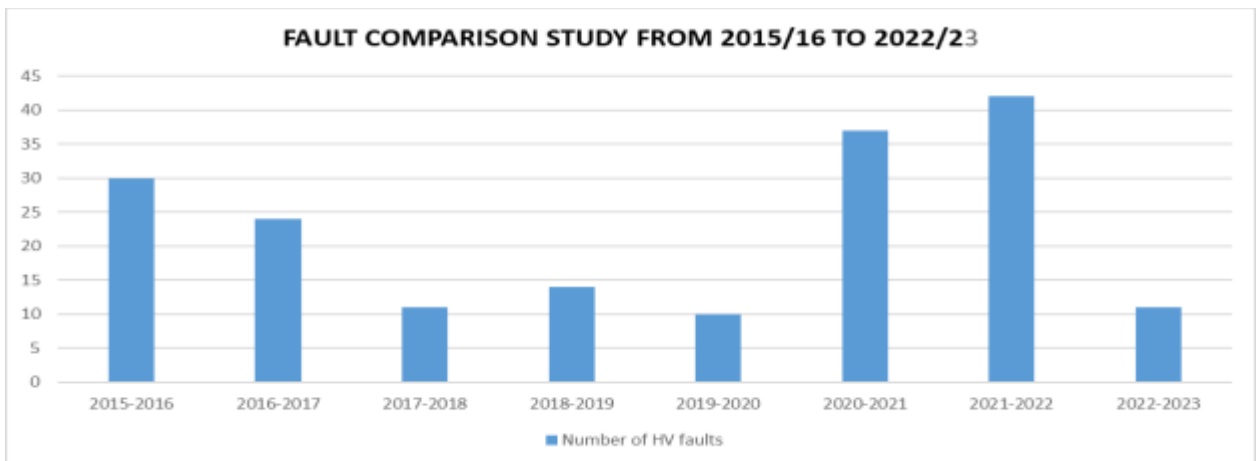


Figure 9: Performance of the HV Network for Eight (8) Financial Years (2015/2016 – 2022/2023)

Figure 6 compares the HV network performance for the last eight (8) financial years, from 2015/2016 to 2022/2023. It shows slow progress in reduction of HV faults. The interventions applied from 2021/22 and 2022/23 financial years has improved the Network performance.

COMPARISON OF BOTH HV AND MV NUMBER OF FAULTS.

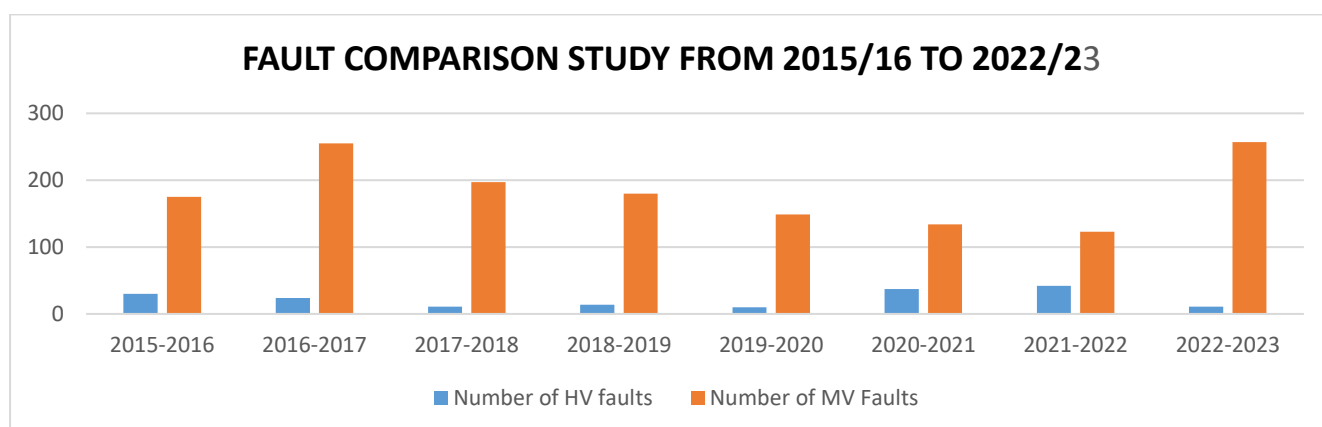


Figure 7: Performance of both HV and MV network.

SUBMISSION OF TABLES

ANNUAL PLANNED INSPECTIONS & MAINTENANCE REPORTING															
SECTIONS	MONTHS												TOTAL ANNUAL TARGETS		
	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	Actual	Target	Percentage
WEST	55	14	9	27	26	54	7	12	13	24	82	62	385	417	92%
NORTH	31	42	58	51	43	45	42	50	42	67	51	56	578	620	93%
SOUTH	55	48	50	41	84	56	56	63	47	49	56	32	637	678	94%
DISTRIBUTION	16	14	14	11	12	14	16	16	15	16	16	16	176	187	94%
PROTECTION	3	1	1	3	8	4	3	2	3	2	0	2	32	35	91%
	160	119	132	133	173	76	124	143	120	158	205	168	1808	1938	93%

TABLE 3: ANNUAL PLANNED INSPECTIONS AND MAINTENANCE PERFORMED

Table 1 provides information on the number of inspections and maintenance conducted by each sub-section in Operations and Maintenance section.

TABLE 4: ANNUAL UNPLANNED BREAKDOWNS

ANNUAL UNPLANNED ELECTRICAL FAULTS REPORTING														
NETWORK	MONTHS													TOTAL
	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE		
HV	1	2	1	0	0	0	1	1	1	0	5	0	12	
MV	14	14	17	31	26	20	35	22	25	21	20	12	257	

Table 2 provides information on the number of electrical faults or breakdowns that were attended by Operations and Maintenance section.

Table 5: A COMPARISON STUDY FOR THE NUMBER ELECTRICAL FAULTS THAT OCCURRED BETWEEN 2015/2016 – 2022/2023

FAULT COMPARISON STUDY								
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Number of HV faults	30	24	11	14	10	37	42	11
Number of MV Faults	175	255	197	180	149	134	123	257

Table 3 gives a summary of a comparison study that was conducted in order to analyse the performance of the network for the period of 2015/2016 to 2022/2023 financial years.

ELECTRICITY PLANNING AND STRATEGY

Electricity Planning and Strategy section is responsible for ensuring that there is sufficient electricity capacity within City of uMhlathuze Municipality's license area through planning, design and development in order to accommodate new developments and provision of basic electricity supply service to communities as well as improving reliability and service life of municipal electricity infrastructure. The section ensures that planning, design and development is undertaken in accordance with the National Regulator of South Africa Standard NRS 034-1:2007 for Sub-transmission (132kV substations and Switching Stations as well as 132kV Feeders) and Distribution Network (11kV, 400V and 220V networks) Planning Criteria and Guidelines and also supports climate change as per South African's National Climate Change Response White Paper (NCCRWP) (DEA, 2011).

Electricity Planning and Strategy develop projects under following categories in order to achieve the smooth running and operating of the electricity network as well as provision of basic services to the communities within City of uMhlathuze' jurisdiction:

- Network Refurbishment/Renewal projects
- Network Strengthening projects
- Network Reliability projects
- Electrification projects
- Private Development projects
- Public Lighting projects
- Energy Efficient Demand Side Management and Renewable Energy project

The section comprises of the following sub-sections namely:

- Network Planning and Design
- Draught services
- Project Execution and
- Energy Management

All sub-sections are involved in electricity infrastructure asset creation projects value chain.

Table : ** Network Planning Projects and their categories

Project Name	Project Description	Category	Comment
Mandlazini / Vega MV network normalization	Installation of 11KV feeder from Vega Switching Station to Mandlazini. Replacement of MV switchgears at Vega	New	Project is 20% complete
Hercules Substation transformer installation	Supply, Delivery and Off-Loading and Installation of 2x 132/11kv 40MVA Power Transformers and Associated Transformer Bay Equipment at Hercules Substation	Renewal	Project is 100% complete

Project Name	Project Description	Category	Comment
Polaris Substation transformer installation	Supply, Delivery and Off-Loading and Installation of 132/11kv 40MVA Power Transformers and Associated Transformer Bay Equipment at Polaris Substation	Renewal	Project is 100% complete
Cygnus Substation transformer installation	Supply, Delivery and Off-Loading and Installation of 132/11kv 30MVA Power Transformers and Associated Transformer Bay Equipment at Cygnus Substation	Renewal	Project is 60% complete
Scorpio Substation transformer installation	Design, Supply, Delivery, Off-loading and Installation of 132/11kv 30MVA Power Transformer at Scorpio Substation	Renewal	Project in construction phase. The contractor has just been appointed
Phoenix Substation transformer installation	Supply, Delivery, Off-Loading and Installation of 132/11KV 30MVA Power Transformer and Associated Transformer Bay Equipment at Phoenix Substation	New	Project is 50% complete
Hydra – Capella Oil Filled Replacement	Replacement 42km of 132kV Oil filled between Hydra and Capella substations	Renewal	Project is 100% complete

Table **: Energy Management Projects

Project Name	Project Description	Comment
Energy Efficiency Demand Side Management (EEDSM)	John Ross Main Ross HPS Streetlights Replacement 210 units of 250Watts with 108Watts LED's	Project completed
Energy Efficiency Demand Side Management (EEDSM)	Mandlanzini HPS Streetlights Replacement 293 units of 125Watts with 55Watts LED's	Project completed

Photos of projects and their locations:



Picture :** Cygnus Substation 132/11kV 40MVA transformer installation: Ward 22; Co-ordinates: 28°53'09.0"S 31°54'02.5"E



Picture :** Phoenix Substation 132/11kV 40MVA transformer installation: Ward 26; Co-ordinates: 28°43'27.1"S 32°02'04.0"E



Picture **: Hercules Substation 2x 132/11kV 40MVA transformers installation: Ward 2; Co-ordinates: 28°44'58.4"S 32°02'40.6"E



Picture **: Polaris Substation 132/11kV 40MVA transformers installation: Ward 2; Co-ordinates: 28°46'41.6"S 32°00'57.4"E

PROCESS CONTROL SYSTEMS

The department is responsible for overseeing the monitoring and control of various systems, including water reservoirs, sewer and water pump stations, traffic lights, street lights, and fleet management systems. It consists of two primary sub-sections: Process Control Systems and Traffic Signals.

- i. **Process Control Systems:** This sub-section focuses on the maintenance and management of water reservoirs, sewer and water pump stations. It ensures the optimal performance of these systems through monitoring, control, and corrective actions.
- ii. **Traffic Signals:** This sub-section handles the maintenance and operation of traffic lights, street lights, and fleet management systems. Its primary goal is to ensure efficient traffic flow, enhance road safety, and manage the city's transportation infrastructure.

The department follows a traditional maintenance approach, considering three types of maintenance based on the nature of the tasks performed:

- i. **Corrective Maintenance:** This type of maintenance involves addressing defects or issues found in the equipment on a day-to-day basis. It aims to correct these problems promptly to minimize downtime and restore optimal functionality.
- ii. **Preventive Maintenance:** The department maintains a certain level of service by regularly performing maintenance tasks such as equipment calibration and vulnerability interventions. It follows a systematic approach, inspecting equipment even if no symptoms of problems are evident. This proactive maintenance helps prevent potential issues and ensures the reliability of the equipment.
- iii. **Predictive Maintenance:** This type of maintenance focuses on continuously monitoring and reporting the status and operational capacity of the installations. It involves tracking specific variables that represent the condition and operational capability of the systems. By analyzing these values, the department can predict potential failures or performance degradation, allowing for timely maintenance interventions.

By considering these three types of maintenance, the department strives to maintain the efficiency, reliability, and safety of the process control and traffic signal systems under its responsibility.

Process Control System

The Technical Operations Centre is responsible for monitoring the behaviour of all pump stations and reservoirs under the Council's jurisdiction. This involves tracking the water levels in each reservoir and the status of each pump station. Real-time readings are recorded daily and averaged over specific intervals.

The mimic below displays event logs for analogue signals, expressed as percentages, showing the monthly average for each reservoir. These logs serve as a report to the Council, assuring them that all instruments installed in the specific reservoirs are operational and functioning as intended. The real-time readings are accessible at any given time, providing up-to-date information.

1. Theft and Vandalism

Acts of cable theft and vandalism are committed in the most of intersections, where Criminals steal infrastructure such as copper cables and electrical equipment to make easy money. Copper line theft has a significant impact on Robot functionality. (Figure 1 below)

Preventative measures have been taken by the department to curb the theft and vandalism of traffic lights which has reached alarming proportions by changing the cable routing from outside the road to inside Ireland and the department is in a progress that is to route the overhead line of supply since underground cable has been targeted, **John Ross / N2** is one of the example.

More than 10 cases of theft and vandalism of the city's traffic signals have been reported to the South African Police Services (SAPS) over the past year alone. "It costs more than R300 000 to replace a vandalized signal and Traffic signals are cut down for their copper wire, electrical components and traffic light poles. Such acts of vandalism lead to the disruption of essential services and jeopardize public safety.

The Department is **appealing to scrapyards owners** not to buy assets when approached with such items but to rather report this to the **COU (0800) 222 – 827, SAPS** and other security organisations. The Department is also requesting members of the community to engage in Active Citizenry and report all acts of vandalism and theft of road infrastructure and any other of the city's 'furniture'.

2. Load shedding

During load shedding the following factors effect performance:

1. High rate of crime affect the intersections whereby criminals use this opportunity to steal our infrastructure,
2. The frequent ON and OFF switching causes lenses to blow due to inrush currents.

ADROIT SMART UI SCADA

The Municipality migrated from classic Adroit SCADA to Adroit Smart SCADA due to technology enhancement and innovations.

Capabilities and Benefits

- The Graphics are better and more modern
- Classic UI is legacy software and there is more development being done for it. SUI has ongoing development with new features being added every time
- There useful additional features like checking performance anywhere and using secure mobile gateway etc which are not in Classic UI
- Accessing data via the SUI server makes it seamless and faster hence it improves the performance of the system overall
- Multiple language support



Water Distribution Network images

The following images show our water monitoring system for various places under the City of uMhlatuze jurisdiction, such as Empangeni, Esikhawini and Mzingazi as seen in figures 1 – 4.

Figure **: Esikhawini Water Overview

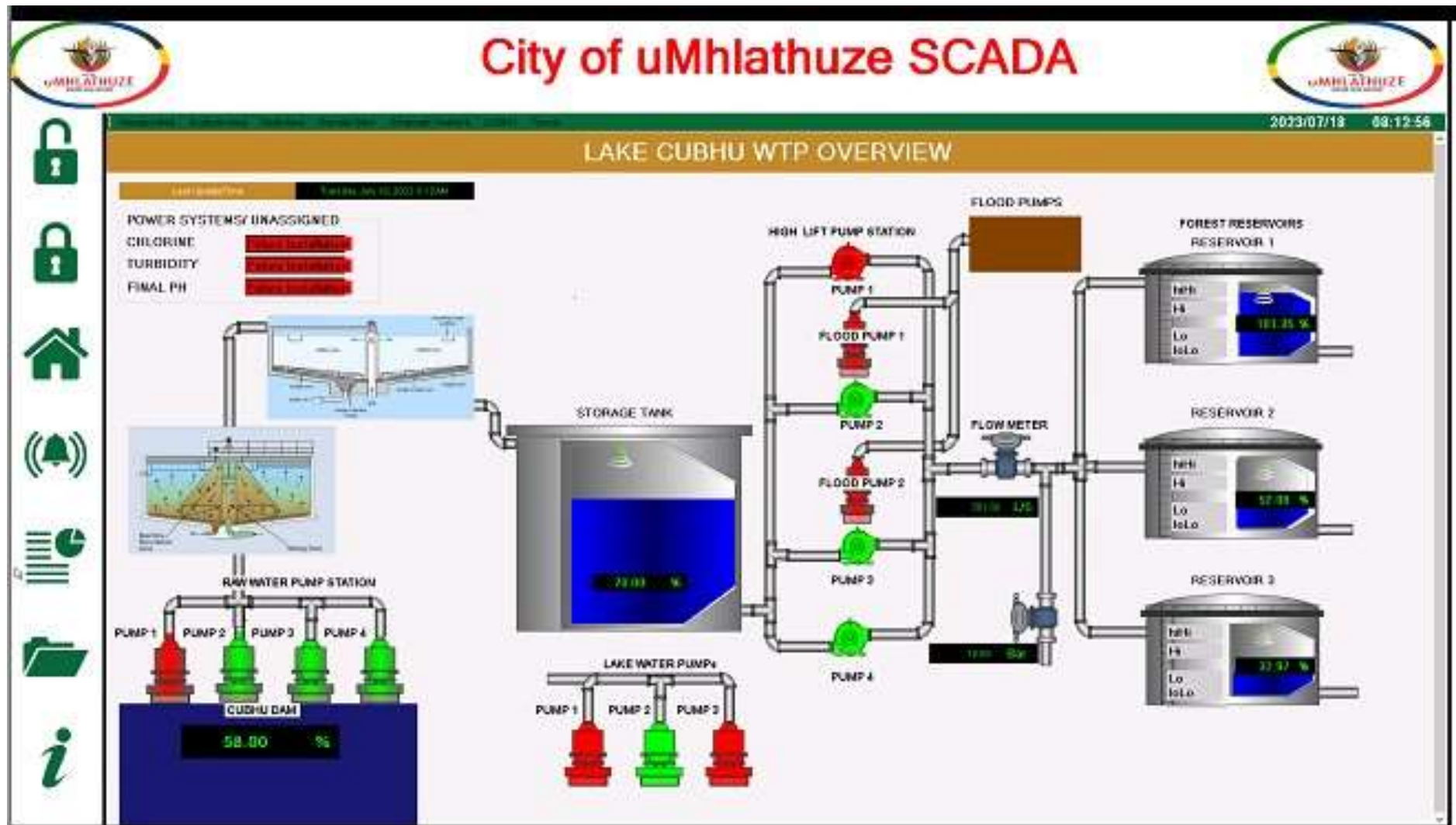


Figure **: Esikhawini Water Distribution Network



City of uMhlathuze SCADA



Western Area Southern Area North Area Remote Sites Submarine Network CUBHU Trends

2023/07/17 15:02:18

Esikhawini Water Distribution Network

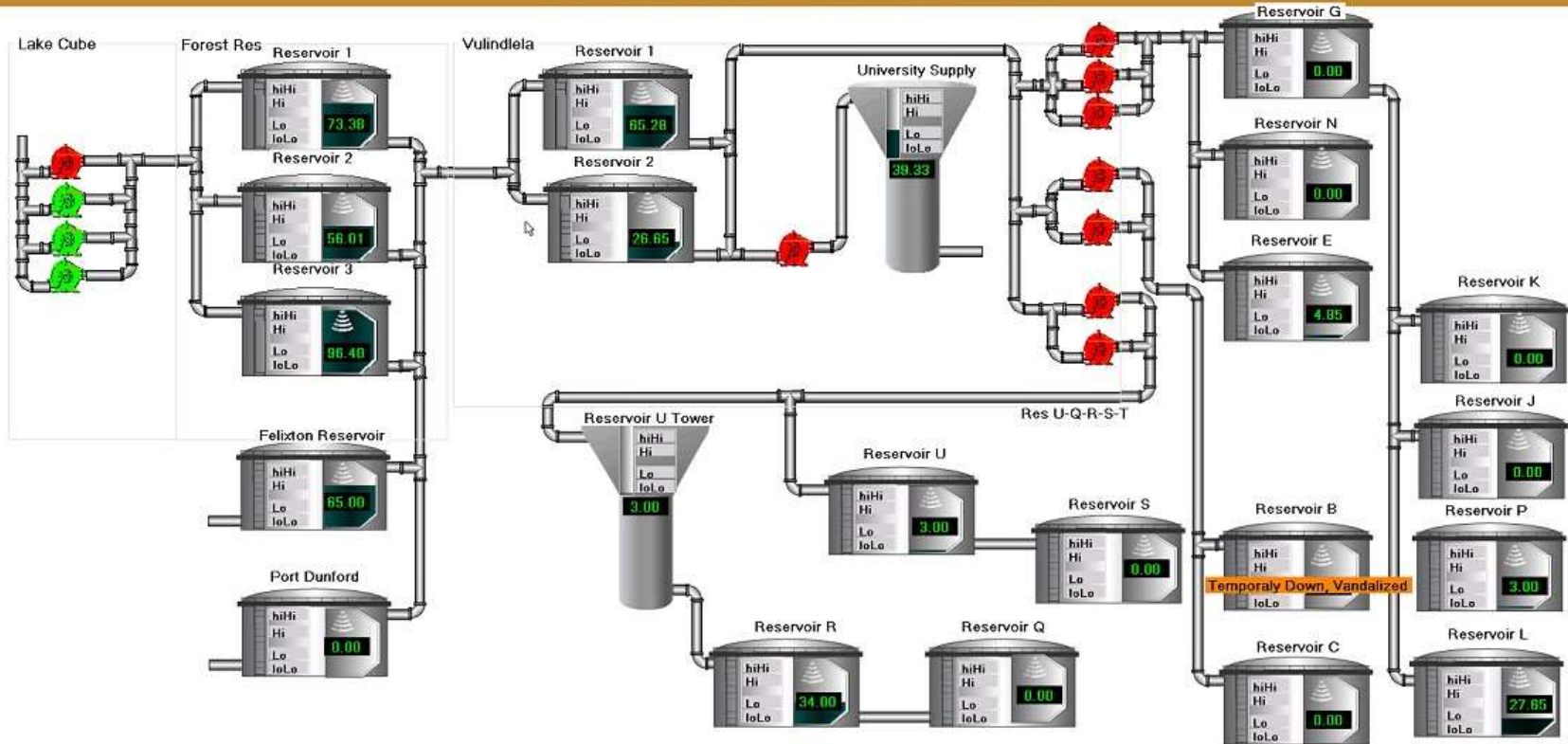


Figure **: Mzingazi Water Distribution Network

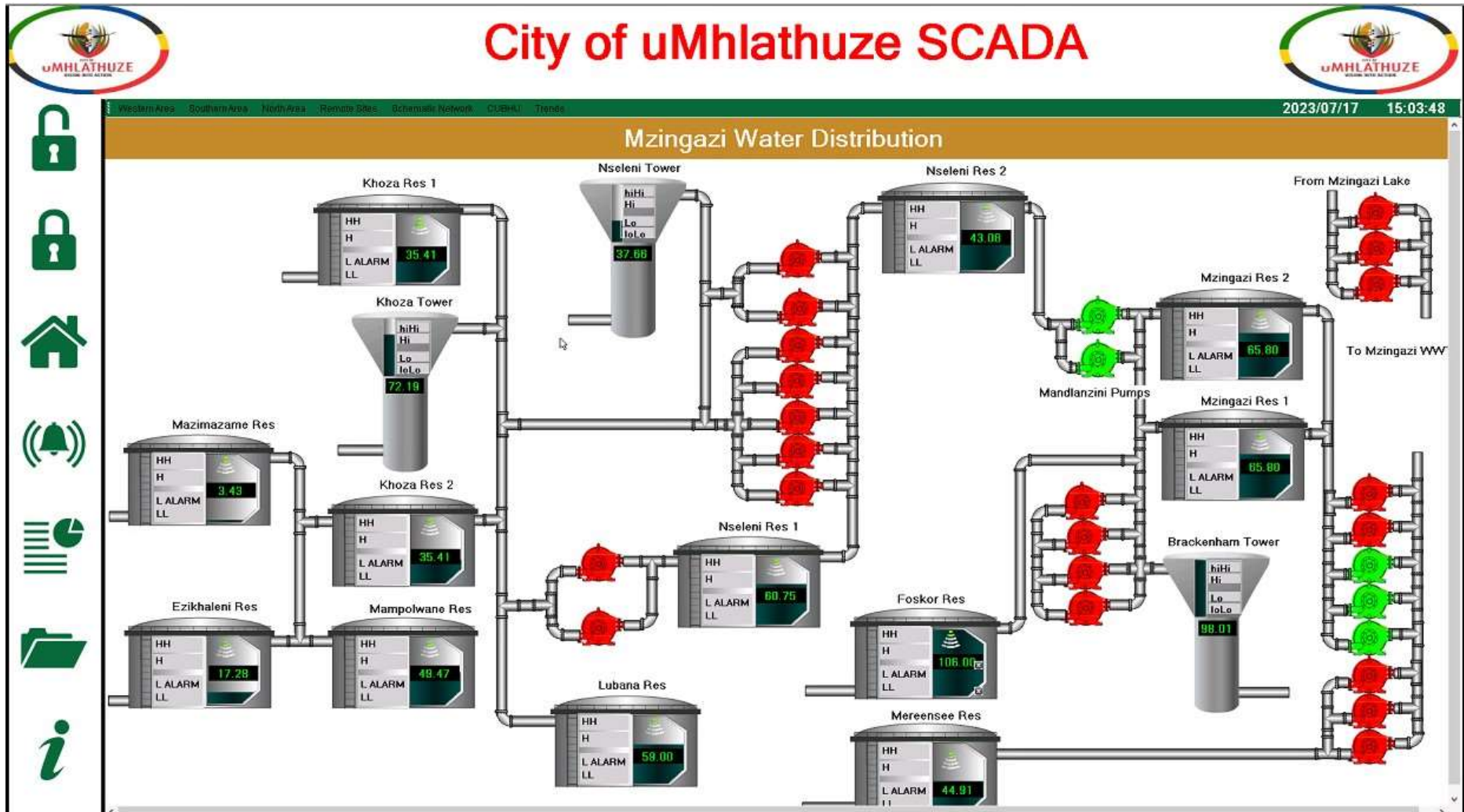
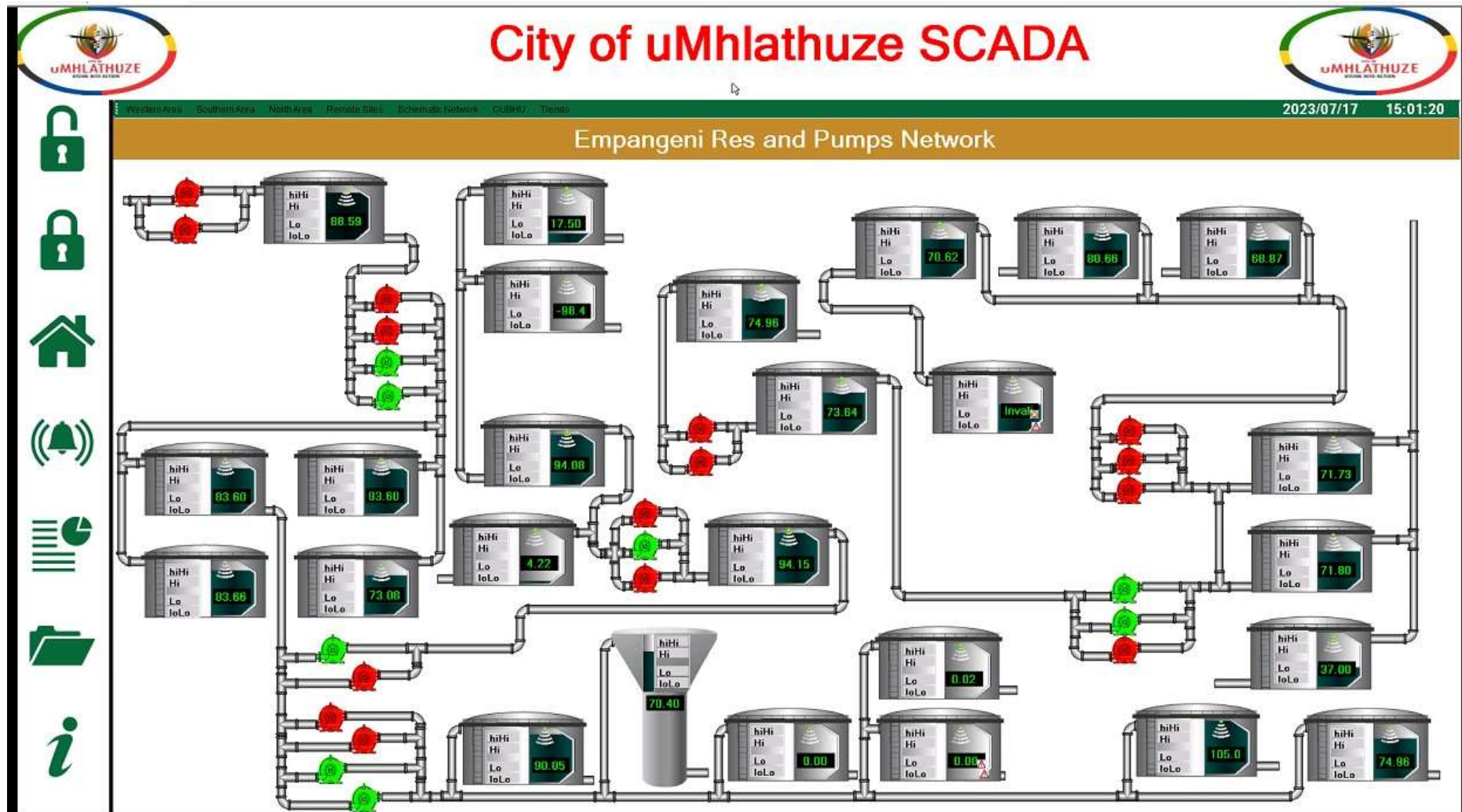


Figure **: eMpingeni/ Ngwelezane Water Distribution Network



PUBLIC LIGHTING

Total no of Public Lighting 17 583. The street lighting complaints via the call centre has processed a total of 821 works orders which 657 were streetlight fitting failures where streetlights were repaired, 155 cable failures, 9 cable thefts and 138 knocked down poles. On routine maintenance 396 streetlight works orders were created for repairs, 28 streetlight poles replaced, 111 photocells replaced and 84 streetlight cable faults repaired. Total number of works orders created and processed is 1 627. The total number of lamps replaced amounted to 3630 while 608 LED fittings were replaced. The call centre is operational 24 hours a day on 0800222827, also allowing complainants to log calls either via the website at www.umhlathuze.gov.za, or via e-mail to streetlights@umhlathuze.gov.za.

Graph 1 : Unplanned maintenance vs routine maintenance

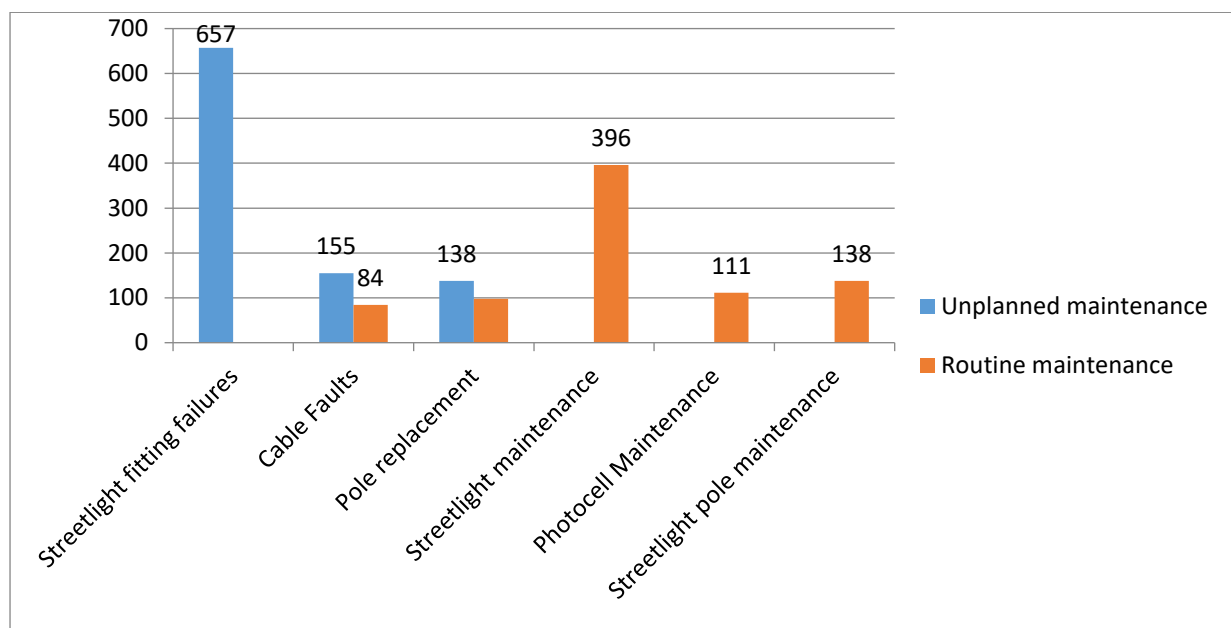


Table : ** Unplanned and Planned Maintenance

	Unplanned maintenance	Planned Maintenance
Streetlight fitting failures	657	631
Cable faults	155	84
Pole replacement	138 (Knocked down poles)	98
Photocell Maintenance	111	
Streetlight poles maintenance		138

FLEET AND TRANSPORTATION

The Fleet and Transportation Section is a support unit for the maintenance/ servicing and repair of the entire municipal fleet.

The fleet consists of trailers, passenger sedans, light commercial vehicles, minibuses, heavy goods vehicles and “yellow plant”

The section is responsible for utilising the Capital budget requirements for the replacement of existing fleet as well as new procurement as per end-user requirements on an annual basis (financial year).

End-User Departments are responsible for the daily operation, management and control of their respective Fleets that have been allocated according. All vehicles requiring repairs and maintenance are booked in to the Municipal Workshop in Alton by the Departments.

The Fleet and Transportation Section is a support mechanism to all departments that utilise official Municipal vehicles.

Departments are responsible for the, management and control of all vehicles and plant allocated to them.

Where possible all new vehicles are procured inclusive of a Maintenance Plan of 160 000km or 7 years. This also applies to specialized load bodies and equipment as per build specification.

These maintenance plans are included and paid to the supplier at the time the vehicles or plant are procured, this to ensure that they are maintained by the respective Original Equipment Manufacturer (OEM) for the period of between 5 and 7 years.

Certain vehicle manufacturers do not offer a 160 000 km/7 years' maintenance plan, in such cases the maximum plan available for eg. 5 years/120 000 km maintenance plan will be procured.

Special controls are required to ensure that Maintenance Plans and Warranties are not forfeited and therefore the Control of Services of Vehicles on Maintenance Plan has been monitored throughout the year jointly with the user departments who are beneficiaries in this case.

The task of monitoring service schedules of fleet on maintenance plans are managed by the official vehicle pool clerk, who obtains mileages on a monthly basis from the user departments in order to book vehicles for services.

Maintenance plans do not cover any items damaged that can be attributed to abuse.

Departments are required to submit incident reports where premature failure of a component is detected, or damages to vehicles occur.

Capital Projects

The capital projects consist of the fleet replacement and additional requirements as identified to render service delivery for the 2022/2023 financial year and onwards.

The following vehicles and Plant was procured

Vehicle	Quantity
Toyota Land Cruiser	2
Hino Tipper Truck	3
Volkswagen 22 Seater Passenger	3
Isuzu NPR 400 AMT Crew Cab with Rigid Crane	3
Woma Jetting Trailers	2
Hino Water Tankers	2
FAW Refuse Compactors	3
Fuso Refuse Compactors	4
Tafe Tractors	3
BMW X1	1
Toyota Fortuner	1
Toyota Prado	1
Isuzu Double Cab	1
Toyota Rumio	1
	30

TIPPER TRUCKS



NPR 400 AMT Crew Cab with Rigid Crane and Jetting Machine with Water Tankers



Water Tankers





CITY DEVELOPMENT DEPARTMENT

CITY DEVELOPMENT



NONTSUNDU NDONGA
DEPUTY MUNICIPAL MANAGER- CITY DEVELOPMENT

Introduction

The long term vision of the uMhlathuze Municipality is as follows:

“An aspirant metropolitan Port City focused on investing in quality infrastructure and service delivery in partnership with Traditional Councils, Communities and the Private Sector”

The City Development Department plays an integral role in planning for and facilitating the achievement of this vision.

The City Development Department directly addresses the following National Key Performance Areas (KPA's):

1. Basic Services and Infrastructure Provision
2. Local Economic Development
3. A number of relevant cross cutting KPA's are also addressed relating to urban and rural development as well as property management

The City Development Department also commits itself to the following Municipal Missions:

2. Job creation and inclusive economic growth through accelerated economic development and transformation;
3. Enhancing industry based skills development and strategic support to education priority programmes;
4. Creating safer city through integrated and community based public safety;
5. Planned and accelerated rural development interventions;
6. Promotion and maintenance of spatial equity and transformation;

7. Optimal management of natural resources and commitment to sustainable environmental management; and
8. Good governance, capable and developmental municipality

In context of the above KPAs, the City Development Department is divided into three sections, namely: Urban and Rural Planning, Economic Development Facilitation and Public Transport Facilities and Operations Coordination. The respective Units under each of these sections are indicated hereunder:

Urban and Rural Planning	Economic Development Facilitation And Public Transport
<ul style="list-style-type: none"> ▪ Land Use Management ▪ Development Administration ▪ Spatial and Environmental Planning ▪ Human Settlements Programmes ▪ Air Quality Management 	<ul style="list-style-type: none"> ▪ Business Support, Markets and Tourism ▪ Community Development ▪ Property Administration ▪ Public Transport Planning ▪ Public Transport Management and Operations

An overview is provided for each of the listed units and a thread drawn with the corresponding Municipality's IDP Goals, Objectives and Strategies.

URBAN AND RURAL PLANNING SECTION

The Urban and Rural Planning Section is divided into four distinct units, namely:

- Land Use Management;
- Development Administration;
- Spatial and Environmental Planning; and
- Human Settlement Programmes.

Relevant Council Goals, Objectives and Strategies for the sections are:

NATIONAL KPA 6: CROSS CUTTING		
Goals	Objectives	Strategies
6.1 Integrated Urban and Rural Development.	6.1.1 To plan and manage existing and future development.	6.1.1.4 Review and Implement uMhlathuze Land Use Scheme. 6.1.1.5 Compliance with national SPLUMA, SPLUM Bylaw, National Building Regulations and Municipal Building Control Bylaw. 6.1.1.6 Efficient processing of development application and building plans. 6.1.1.7 Review and implement Aesthetics Bylaw.

The achievements of these units are outlined below.

LAND USE MANAGEMENT

The Land Use Management Section is divided into three subsections, namely:

- Development Control;
- Building Control; and
- Outdoor Advertising

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

Responsibilities and Achievement of Development Control Sub-Section

The main responsibility of Development Control Sub-Section 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:

- Consent Applications;
- Building Line Relaxation Applications; and
- Parking and Loading Bay Relaxation Applications

The relevant and applicable policy and legislative framework applicable are:

- uMhlathuze Spatial Planning and Land Use Management Bylaw, 2017, as amended;
- uMhlathuze Land Use Scheme, 2021;
- Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013); and
- National Building Regulations and Building Standards Act, 1977, as amended (Act No. 107 of 1977).
- Municipal Building Control Bylaw, 2021
- Building Aesthetics Bylaw, 2018
- Outdoor Advertising Signs Bylaw, 2020

uMhlathuze Land Use Scheme, 2021

The first municipal Single Land Use Scheme was adopted by Council on 25 September 2019 in line with Spatial Planning and Land Use Management Act No. 16 of 2016 was reviewed in April 2021. The 2021 Land Use Scheme is used as tool to control and manage development within the jurisdiction of the City.

Land Development Applications

The day-to-day responsibilities carried out by Land Use Management Section (Development Control Sub-sections) includes site inspections, enforcement, processing of planning application and attending to general public queries in relation to statutory planning requirements. The table below illustrates the number of development control (Town Planning) applications dealt with during 2021/2022 financial year.

Table: Land Use Management Applications Assessed during 2021/2022 Financial Year

Application Type	No.	%
Building Line Relaxation	230	87
Consent	29	11
Parking and Loading Bay Relaxation	04	2
Total	263	100

The planning applications outlined in the above table are assessed and evaluated in terms of Section 27 (1) (b) of the Municipal Spatial Planning and Land Use Management Bylaw, 2017, as amended, Municipal Land Use Scheme, the Standard Operating Procedures and in line with Department's Key Performance Indicator, which requires that 100% of all applications received per quarter must be processed and finalized.

Development control remains a challenge due to development and operations without town planning approvals. However, enforcement actions are taken and/or advisory services are offered in line with the uMhlathuze Land Use Scheme, and Spatial Planning and Land Use Management Bylaw.

Responsibilities and Achievement of Building Control Sub-Section

Building control is the backbone of the municipality in terms of promoting structural integrity of all buildings erected within the municipal jurisdiction. Citizens, Architects/Draughtspersons 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.

Building Control Bylaw

The Municipal Building Control Bylaw was adopted by Council on 24 March 2021 and gazetted on 10 June 2021. The objectives of the Bylaw are:

- to provide a regulatory framework for the construction of buildings in formal areas and traditional settlement areas within the municipal jurisdiction.
- to promote uniformity in formal areas and traditional settlement areas in terms of building structures that are sustainable, structurally sound and comply with energy efficiency requirements.
- to bridge a gap between the stringent National Building Regulations and Standards Act No. 103 of 1977 and the unregulated traditional settlement areas.
- to establish a building standard and regulate the construction of structures.
- to provide guidelines for property owners regarding problematic buildings within the municipality.

The Bylaw is used in conjunction with the National Building Regulations and Building Standards Act No. 103 of 1977, the Municipal Land Use Scheme and Municipal Aesthetic Bylaw to ensure safety, aesthetically appealing buildings and sustainable development within the municipality.

Building Plans

The submission and assessment of building plans are based on the following relevant policy and legislation

framework:

- National Building Regulations and Building Standards Act No.107 of 1997 as amended.
- uMhlathuze Spatial Planning and Land Use Management Bylaw, 2017, as amended.
- Spatial Planning and Land Use Management Act No. 16 of 2013.
- uMhlathuze Land Use Scheme, 2021.
- Building Aesthetics Bylaw, 2018.
- Building Control Bylaw, 2020
- SANS 10400

The table below illustrates the number of building plans submitted over four subsequent financial years and estimated building cost of proposed buildings and structures at the end of each financial year.

Table: Building Plans Submitted in Four Different Financial Years

Financial Year	Total Number of Building Plans Submitted	Total Estimated Building Cost of Proposed Buildings and Structures (R)
2018/2019	450	123 399 000
2019/2020	265	133 997 000
2020/2021	257	163 023 000
2021/2022	345	121 181 000
2022/2023	311	970 001 860

The table above indicates decline in construction industry between 2020/2021 and 2021/2022 financial years. This is due to the economic related challenges and July 2021 social unrest.

Building Plans outlined in the above table were assessed and evaluated in terms of the National Building Regulations and Building Standards Act No.107 of 1997, Municipal Building Control Bylaw, SANS 10400, and the Standard Operating Procedure and in line with Department's Key Performance Indicator, which requires that 100% of building plans applications received per quarter must be processed and finalized.

In terms of the Standard Operating Procedure, building plans for residential development are approved within 30 days, while building plans for commercial and industrial development are approved within 60 days.

Enforcement of building control legislative and policy framework remains a challenge due to mushrooming illegal structures being constructed. However, appropriate enforcement actions are taken and/or advisory services are offered in line with the relevant legislative and policy framework and Standard Operating Procedures.

Responsibilities and Achievement of Outdoor Advertising Sub-Section

The day-to-day responsibilities carried out by Outdoor Advertising Sub-sections includes site inspections, enforcement, processing of planning application and attending to general public queries.

Currently there are eleven (11) Service Providers who are on month to month contract for Outsmart Outdoor Advertising, which includes amongst others the following:

- Litter bins
- Composite signs
- Taxi Rank Branding
- Illuminated Street Name Signs
- Illuminated Billboards
- Static Billboards
- Street Light Poles
- Indoor Television Screens
- LED Screens

The table below illustrates the total revenue generated by the municipality for 2022/2023 financial year.

Table: Outdoor Advertising Municipal Revenue and Expenditure for 2022/2023 Financial Year

DEVELOPMENT ADMINISTRATION

In line above	Quantity	Type of Street Furniture	Name of comp	with the IDP
	3	Static Billboards	Outsmart Outdoor	
	5	Static Billboards	Outdoor Network	
	150	Street Pole Advertising	Outdoor Network	
	200	Composite Signs	Directosign	
	250	Litterbins	Combo Signs	
	1	Bulk Branding	Comutanet	
	8	Static Billboards	Jcdecaux	
	6	Illuminated Billboards	Jc Decaux	
	55	Illuminated Street Signs	Primedia Outdoor	
	2	Illuminated Billboards	Primedia Outdoor	
	10	Static Billboards	Primedia Outdoor	
	2	Illuminated Billboards	Outdoor Network	
	5	Static Billboards	UMhlathuze Municipality	

objectives, the following has been achieved as per the SDBIP for the year under review.

Planning Applications Received

Applications administered by the Development Administration Unit include rezoning, township establishment, subdivision and consolidation of land, phasing, cancellation or amendment of approved layout plans or general plans for subdivision or development of land, the alteration/suspension/deletion of restrictions relating to land and permanent closure of municipal roads and public places.

The section attended to the following planning applications received during 2022/2023:

	Pre-applications Received and Processed	Formal Applications Received and Processed
Q1	14	9
Q2	5	6
Q3	5	3
Q4	13	20
Total	37	38

The formal applications could be categorised as follows:

Applications for amendment of approved conditions	2
Removal of restrictive conditions as set out in a property's title deed	10
Applications for minor subdivision or consolidation of land	8
Mixed use, office, filling station or commercial developments	6
Institutional or social developments such as hospitals, schools, crèches, arts and culture, worship, etc.	4
Industrial developments	9
Planning applications for key Municipal Projects	3
Residential Establishments such as Bed-and Breakfast, Medium or High Density Development, etc.	4
Applications cancelled	0
Total	48

In terms of timeframes, the Spatial Planning and Land Use Management Regulations detail that the "Administration Phase" must be finalised within a period of 12 months. The Regulations define the "Administration Phase" as commencing after an application is considered complete and ready for public participation.

During this phase, all public participation notices must be published and responded to, parties must be informed, public participation processes finalised, intergovernmental participation processes finalises and the application referred to the Municipality Planning Tribunal or Authorised Official for consideration and decision-making.

The Municipality performs exceptionally well in this regard, and generally finalise applications within the following timeframes:

Decision-making Authority	Average timeframe to submit application for decision-making (after application is considered complete)
Decision by the Authorised Official (no public participation necessary)	14-21 days
Decision by the Authorised Official (incl. mandatory 30 day public participation process)	8 weeks
Decision by the JMPT (incl. mandatory 30 day public participation process)	3-4 months

Planning Applications Drafted on behalf of Council

The relevant section also assists in drafting and finalising planning applications on behalf of the Municipality.

During the reporting year, the section attended to 3 key Council projects, including:

- the subdivision of the Vulindlela Parent Property to give effect to a donation agreement;
- Approved Surveyor General Diagrams for the Empangeni A-Rank development; and
- Approved application for the Transnet Port Expansion Area as part of the City and Port Land Exchange Agreement.

The Unit is further attending to an application to facilitate Mzingazi Village Formalisation Project. All supporting specialist studies and authorisations have been received for the project. Once the Vulindlela Parent Property subdivision has been registered, it will be followed by a township establishment process. The municipality is also committed to a project to address various planning, cadastral and ownership issues identified in former R293 towns namely eSikhaleni, Nseleni, Ngwelezane, and others.

Decision-making Authorities

The Spatial Planning and Land Use Management Act and the uMhlathuze Spatial Planning and Land Use Management Bylaw make provision for two decision-making authorities responsible for considering and approving planning applications:

- (i) **The Municipal Planning Tribunal**

The King Cetshwayo North Joint Municipal Planning Tribunal consists of five (5) external members and officials from the uMhlathuze and uMfobozi Local Municipalities and King Cetshwayo District Municipality. The JMPT is in its second 5-year term for the period 28 October 2021 to 28 September 2026.

The Tribunal considers applications as categorised in terms of Schedule 3 Item 7 of the uMhlathuze Spatial Planning and Land Use Management Bylaw, which include higher impact activities such as applications for township establishment, rezoning, permanent closure of public places, applications where objections were received during the public participation process and the like.

The Tribunal considered 19 reports during 8 meetings held between 1 July 2022 and 30 June 2023, compared to 24 reports during 8 meetings held between 1 July 2021 and 30 June 2022.

In terms of timeframes for decision-making, the Tribunal generally must decide on an application within 60 days after the public participation process, or receipt of a reply to objections received. **The Tribunal performs exceptionally well in this regard. On average, the King Cetshwayo North Joint Municipal Planning Tribunal finalises a decision within the prescribed 60 days after the public participation process, or receipt of a reply to objections received, thereby improving service delivery.**

(ii) The Municipal Authorised Official

There are two Municipal Authorised Officials appointed by Council:

- Deputy City Manager: City Development; and
- Head of Section: Urban and Rural Planning (City Development).

The Municipal Authorised Official considers applications as categorized in terms of Schedule 3 Item 8 of the uMhlathuze Spatial Planning and Land Use Management Bylaw, which include lower impact activities such as applications for minor subdivisions, consolidations, applications in traditional settlement areas, removal of restrictions and the like.

The Authorised Officials considered 14 planning application reports processed by the Development Administration Section during the 2022/2023 financial year, compared to 9 planning application reports processed during the 2021/2022 financial year.

In terms of timeframes for decision-making, the Authorised Official generally must decide on an application within 60 days after the public participation process. There were instances where no public participation process was necessary.

The Authorised Official performs exceptionally well in this regard, and often a decision is taken within 14-21 days after the closing date for public participation, or in cases where no public participation is required, after the application is considered complete.

Appeals Received

Section 51 of the Spatial Planning and Land Use Management Act and Chapter 5 of the uMhlathuze Spatial Planning and Land Use Management Bylaw deal with the establishment and functioning of a Municipal Appeals Tribunal.

The Municipality has elected its Executive Committee as its Appeals Tribunal.

One appeal was received during the 2022/2023 financial year in response to planning decisions made, compared to one appeal received respectively during the 2020/2021 and 2021/2022 financial years.

SPATIAL, ENVIRONMENTAL PLANNING & AIR QUALITY MANAGEMENT

Relevant Council Goals, Objectives and Strategies for this business unit are as follows:

NATIONAL KPA 6 : CROSS CUTTING

GOALS	OBJECTIVES	STRATEGIES
6.1 Integrated Urban and Rural Development	6.1.1 To plan and manage existing and future development in a sustainable manner	6.1.1.1 Review and Implement Spatial Development Framework
		6.1.1.2 Development of a hierarchy of plans (i.e. precinct, nodal, concept etc.)
	6.1.2 to ensure effective Environmental Management in compliance with legislation	6.1.2.1 Incremental development of strategic environmental assessment for the entire municipal area
		6.1.2.2 Review and implement Climate Change Action Plan
		6.1.2.3 Air quality monitoring and implementation of the Air Quality Management Plan
		6.1.2.4 Efficient processing of environmental applications

In line with the above IDP Objectives, a number of targets and initiatives have been achieved for the year under review.

SPATIAL PLANNING

As its primary function, Spatial Planning is responsible for forward planning which largely focuses on the review and implementation of the Municipal Spatial Development Framework (SDF). Inherent in the implementation process is an array of spatial interventions, notably the development of Master plans, conceptual/precinct plans, framework plans for rural and urban areas, coordination of development as well as catalytic project coordination.

SPATIAL DEVELOPMENT FRAMEWORK

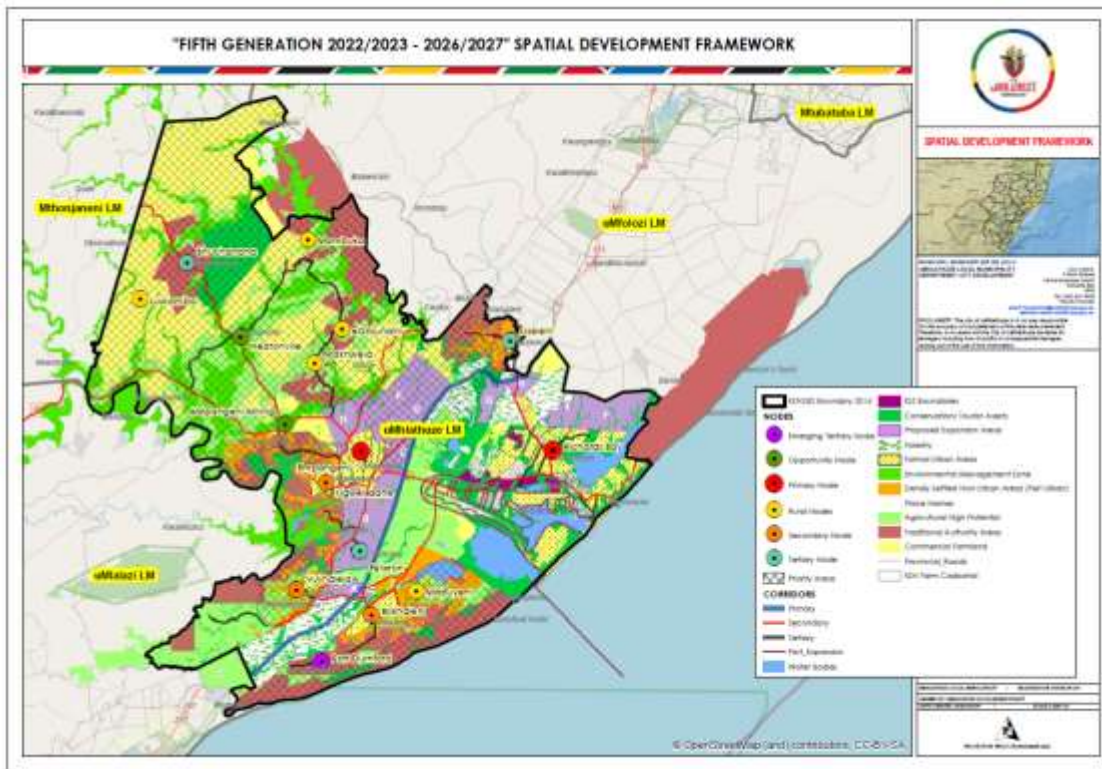
The Spatial Development Framework (SDF) of the Municipality is a visual presentation of the municipality's development vision and strategies as a result it reflects the current reality, but also the logical future development options. It represents the municipal response to the structural impediments and challenges and toward attaining spatial transformation. Amongst others, the municipal SDF provides guidance to development/investment interventions by way of:

- The identification of Nodes and Corridors

- Restructuring Zones (Human Settlement Intervention) and Priority Housing Intervention Areas
- Spatial Intervention Areas, including areas of basic and social services intervention
- Catalytic and Strategic Projects
- The compilation/review of a Capital Expenditure Framework which is consolidated, high-level view of infrastructure investment needs in a municipality over the long-term (10 years) that considers not only infrastructure needs but also how these needs can be financed and what impact the required investment in infrastructure will have on the financial viability of the municipality going forward.

In recent years, there has been steady progress toward the development of an SDF that is compliant with the all the provisions of the Spatial Planning and Land Use Management Act, 2013 (SPLUMA). Also, updates to various municipal sector plans in undertaken and reflected in the SDF and updated sectoral information is included into the SDF as it becomes available. The First Review of the Fifth Generation uMhlathuze SDF (2021/2022 - 2026/2027) was adopted on 25 May 2023

Map 1: Consolidated uMhlathuze Spatial Development Framework



CATALYTIC PROJECTS

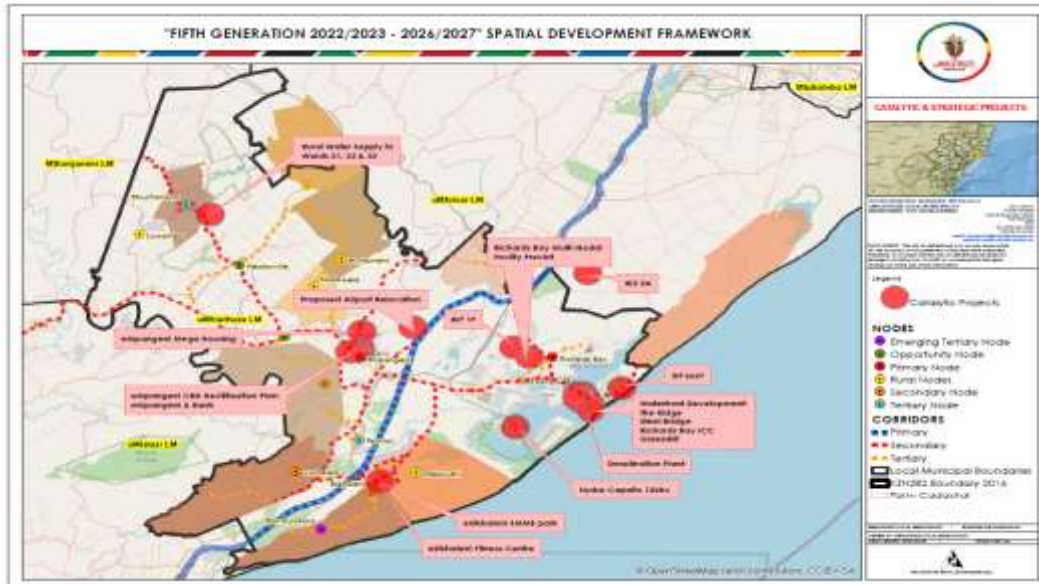
Quarterly reporting is undertaken on the implementation of Catalytic and Strategic Projects in the Municipality. A catalytic/strategic project promotes cross-cutting sustainability outcomes that mirror the goals and targets of promoting the overall sustainability of the Municipality. The uMhlatuze Municipality is pursuing a number of catalytic projects/interventions as listed hereunder.

1. Airport Relocation and Redevelopment
2. Waterfront Development
3. The Ridge Development
4. Green Hills Park
5. Richards Bay Multi-modal Facility Precinct
6. Expression of Interest for the Remainder of Erf 2627 (Imvubu Lodge)
7. Hydra-Capella 132 kV Cables
8. Steel Bridge (Mzingazi Bridge)
9. Comprehensive Integrated Transport Plan (CITP)
10. Empangeni CBD Revitalisation
11. Empangeni Mega Housing
12. Waste Water Re-use
13. eSikheleni Fitness Centre
14. Desalination Plant

The Hydra-Capella 132 kV cables project (#7) has been completed during the reporting year and the Comprehensive Integrated Transport Plan (#10) has also been completed.

A map has been inserted hereunder providing the locality (where relevant) of the above listed projects in relation to significant investment being proposed by, amongst others, the Richards Bay Industrial Development Zone (RBIDZ).

Map 2: Catalytic and Strategic Projects



The City Department is responsible for the current **Feasibility Study for the proposed relocation and redevelopment of the Richards Bay Airport project**. To this end, a Transaction Advisor was appointed during 2020 and the project has progressed with the compilation of the draft Value Assessment by the end of the reporting period. The project is being undertaken in terms of the National Treasury PPP (Public Private Partnership) Cycle.

Figure1x: PPP Project Cycle



The Project Core Team and the Finance Department of the Municipality have been engaging on the funding scenario models developed as part of the Value Assessment in order to finalise the Feasibility Study. Once finalised the process of eliciting comments on the report and onward submission to Council will follow. During the reporting period, detailed consultations on the project and its progress took place with the following structures:

- uMhlatuze Local Labour Forum
- General Public and Business Interest
- City Development Portfolio Committee
- The Economic Sectors and Infrastructure Development (ESID) Cluster, Technical Hub and Political Hub as part of the King Cetshwayo District Municipality (KCDM) District Development Model (DDM)

CAPITAL EXPENDITURE FRAMEWORK REVIEW

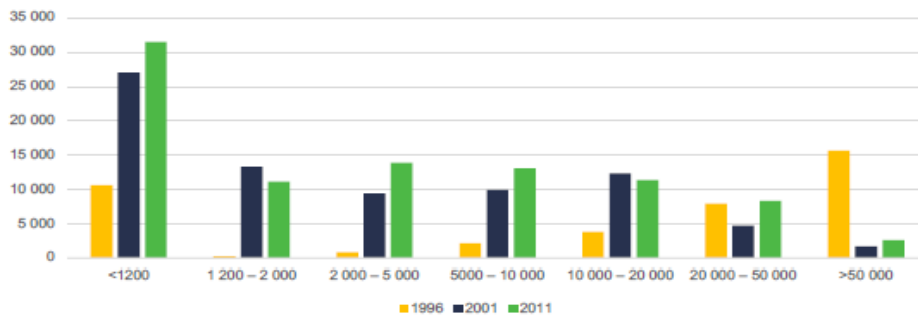
The Review of the Capital Expenditure Framework (CEF) was completed during the reporting period. A Capital Expenditure Framework is a consolidated, high-level view of infrastructure investment needs in a municipality over the long-term (10 years) that considers not only infrastructure needs but also how these needs can be financed and what impact the required investment in infrastructure will have on the financial viability of the municipality going forward.

The main outputs of the CEF was as follow:

- i. Analysis: Socio-economic profiling, etc.
- ii. Functional Areas
- iii. Demand Quantification
- iv. Planned Capital Demand (Integrated Infrastructure Investment Framework)
- v. Long Term Financial Model
- vi. Capital Prioritization Framework
- vii. Programme Based Analysis
- viii. Capital Expenditure Implementation Plan

As part of the process, the population dynamics was analysed, including the current spatial distribution of the poluation as well as the nett change in the population distribution. With regard to unemployment it was noted that population increase of the working age population is higher than the overall population growth rate and that the ability of the economy to employ job-seekers is below the above increase. An income analysis indicated an increase in population segment earning less than R1200 per month between 1996, 2001 and 2011 whereas there was a decrease in the population segment earning more than R50 000 per month over the same period as illustrated hereunder.

Figure 2: Comparative Household Income Distribution



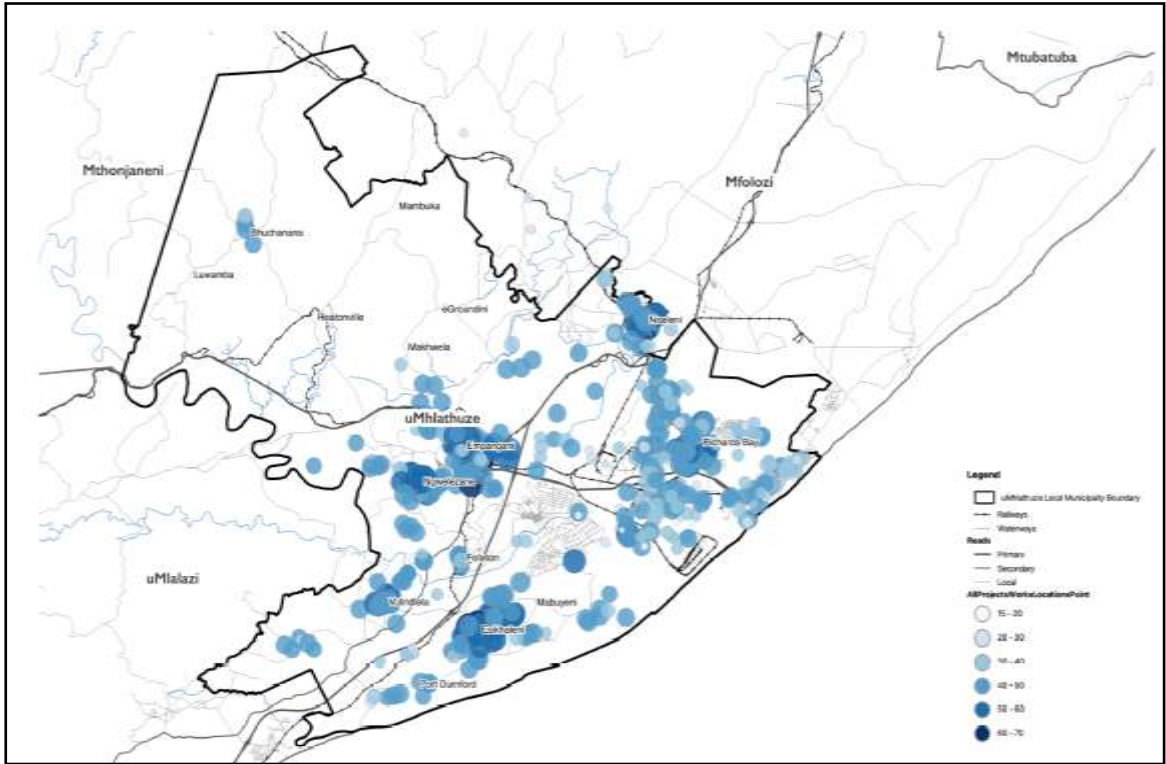
As part of the process, various sources were utilized to consolidate details of planned capital expenditure (per year and asset type) including various asset management plans, bulk master plans, sector plans, renewal strategies. The mentioned planned expenditure is significantly higher than the available budget and a process was undertaken to prioritize such and reflect the outcomes per functional areas (FAs), which area areas that have similar characerrisics from a development and services demand perspective.

The prioritisation rationale was informed by the following criteria grouping:

- Economic Alignment: Revenue generating assets, economic activity index, population density, priority portfolio (catalytic projects)
- Financial Alignment: Monetary impact, co-funding, affordability
- Social Alignment: Social facilities and responsible units, priority programmes, social facilities index
- Technical Alignment: Services, urban morphology index, service based priority index, ruggedness index, population index
- Strategic Alignment: Functional area, priority development area, specific development area, urban development boundary

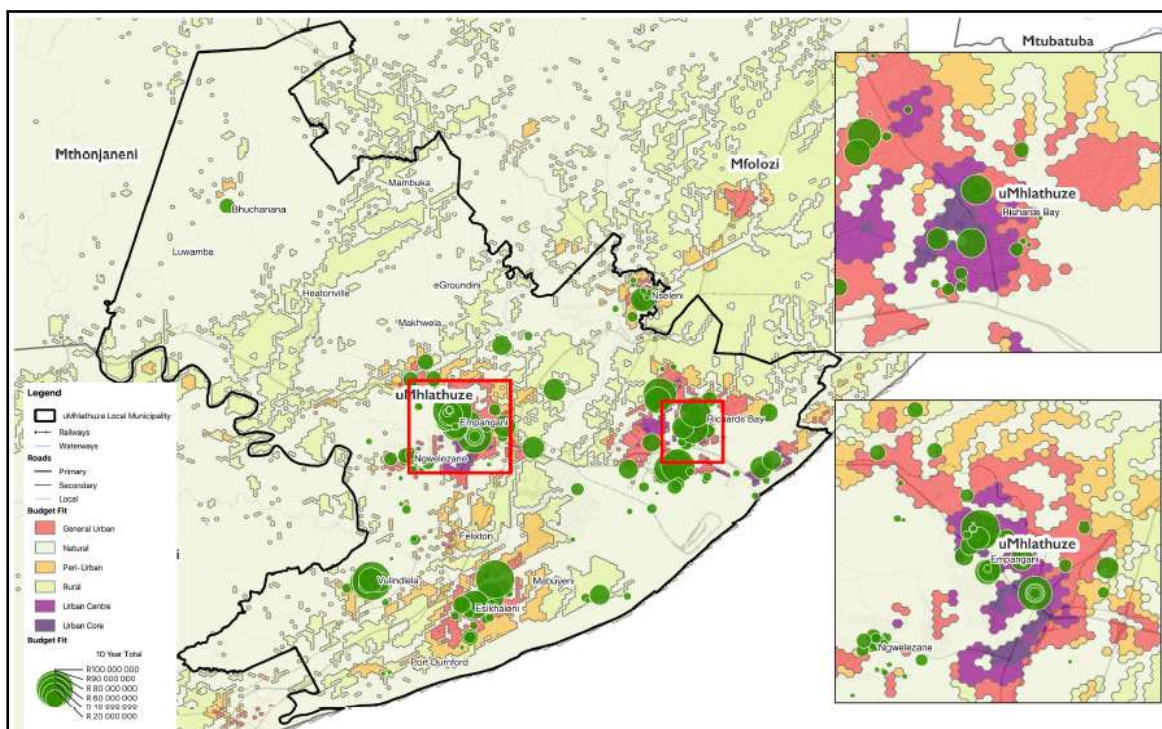
The prioritization results (scores) and budget scenarios per Funcaiton Areas are outlined in the following maps.

Map 3: Priortiiization Results



Of note it that priority areas' (as per the model) influence the total score of the projects, i.e. the secondary and tertiary nodes of Empangeni, Ngwelezane, Nseleni and Esikhaleni – within the urban edge – received higher score values. Richards Bay and the secondary corridor from Richards Bay to Nseleni, hosts some of the highest concentration of scoring projects while nodes like Buchanana, Felixton and Nseleni received good scoring, indicating that these projects have sufficient information and readiness to be considered.

Map 4: Budget Scenario Per Funcational Area



With reference to the budget scenario outcome per Functional Area (10-year horizon) as indicated above it is noted that many projects are located within the General urban, Urban Centre and Urban Core. The investment intent has the focus on upgrading and renewal of existing infrastructure to maintain specific level of service and enhance attractiveness of areas with spatial economic agglomeration

RURAL PLANNING AND DEVELOPMENT

In recent years the Municipality has endeavoured to prepare to prepare Rural Development Frameworks at identified nodal areas in the Municipality. To date, three such Rural Development Frameworks have been completed, notably for Port Dunford (Mkhwanazi Traditional Council), Buchananana (Obuka Traditional Council) and Hluma (Khoza Traditional Council). The respective implementation plans and priority projects extracted from the above completed Rural Framework Plans outlines the importance of signage for directional and information purposes. During the reporting period a process was initiated for the provision of rural signage. The process of installing rural signage commenced and directional rural signage was installed as per the following:

Figure 3: Installed Rural Directional Signage



INTEGRATED URBAN DEVELOPMENT FRAMEWORK (IUDF) IMPLEMENTATION

The IUDF is a policy framework guiding the reorganization of the urban system of South Africa so that cities and towns can become inclusive, resource efficient and adequate places to live, as per the vision outlined in the National Development Plan (NDP). This new focus for South Africa steers urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns. The IUDF implementation plan identifies a number of short term proposals to achieve spatial transformation. The overall objective of the IUDF is to create efficient urban spaces by:

- Reducing travel costs and distances
- Aligning land use, transport planning and housing
- Preventing development of housing in marginal areas
- Increasing urban densities and reducing sprawl
- Shifting jobs and investment towards dense peripheral townships
- Improving public transport and the coordination between transport modes

The IUDF further has a number of cross cutting priorities, i.e. rural-urban linkages, urban safety and urban resilience



The Municipality have been an active participant in IUDF related processes since 2017/2018 and the most recent process being championed by the Municipality is “Dialogues for Urban Change (D4UC)” which has as its focus **liveable neighborhoods and quality spaces with special regard to equity, social cohesion and citizen safety, specifically for the most vulnerable.**

The Municipality is part of a learning network that includes the South African municipalities/cities of Nelson Mandela Bay, Stellenbosch, KwaDukuza and uMhlathuze as well as the German cities of Karlsruhe, Ludwigsburg and Nurnburg. A demonstration projects has been confirmed for each of the listed municipalities/cities and the project for uMhlathuze is the Empangeni Central Business District (CBD) and Public Transport Facility Revitalization.

Involving local stakeholders in the planning and implementation process and improving connectivity of the A-Rank to the CBD are seen as opportunities. A contractor has been appointed for the provision of informal traders’ stalls, ablution facilities as well storage areas in the precinct from the Emapngeni Civic Centre and Library toward Lot 93. The concept design for the upgrade is provided hereunder

Figure 2: Empangeni CDB Revitalization Concept Layout



MASTER PLANNING: RICHARDS BAY WATERFRONT

The Richards Bay Waterfront is an important focus area for tourism and recreation and also serves the surrounding region. The Municipality initiated a process to prepare a Master Plan for Richards Bay Waterfront area in 19/20. The preparation of the Richards Bay Waterfront Master Plan advanced the following objectives:

- A waterfront that can accommodate and unlock further economic development;
- A waterfront that provides in all the needs of local people, visitors and tourists; and
- A waterfront that will advance the spatial transformation agenda of the uMhlathuze Municipality.

Subsequently, the Municipality have appointed a team of specialists to finalise a detailed town planning processes and preliminary engineering designs in order to package developable properties within the Richards Bay Waterfront, inclusive of the Alkantstrand and Newark Beach area.

The project consists of the following phases:

1. Project Inception
2. Environmental Due Diligence and Environmental Screening
3. Finalization of Town Planning Layout
4. Preliminary Engineering Design Report
5. Environmental Impact Assessment
6. Town Planning (SPLUMA) Application
7. Survey and General Plans
8. Specifications for Detailed Engineering Designs
9. Project Closeout

The Environmental Authorisation received during February 2023 and the Town Planning (SPLUMA) application is being processed. The final development layout that informed the EIA process and will be used during the detailed planning is provided hereunder:

Map 1: Waterfront Development Layout



CLIMATE ACTION

The Municipality has identified Climate Change as a strategic risk, which could, and has, adversely impacted the lives of communities and compromised service delivery. There has been a compelling resurgence to scale up on climate change responses so that localised impacts of climate risks can be adequately and also proactively responded to. The City Development Department is tasked with coordinating climate change actions interdepartmentally and also recording and reporting accordingly. The adopted Climate Change Action Plan (2018-2023) presents a framework for mitigation and adaptation work. The plan adopts a risk-based approach and focuses on the following ten priority areas where intervention is needed:

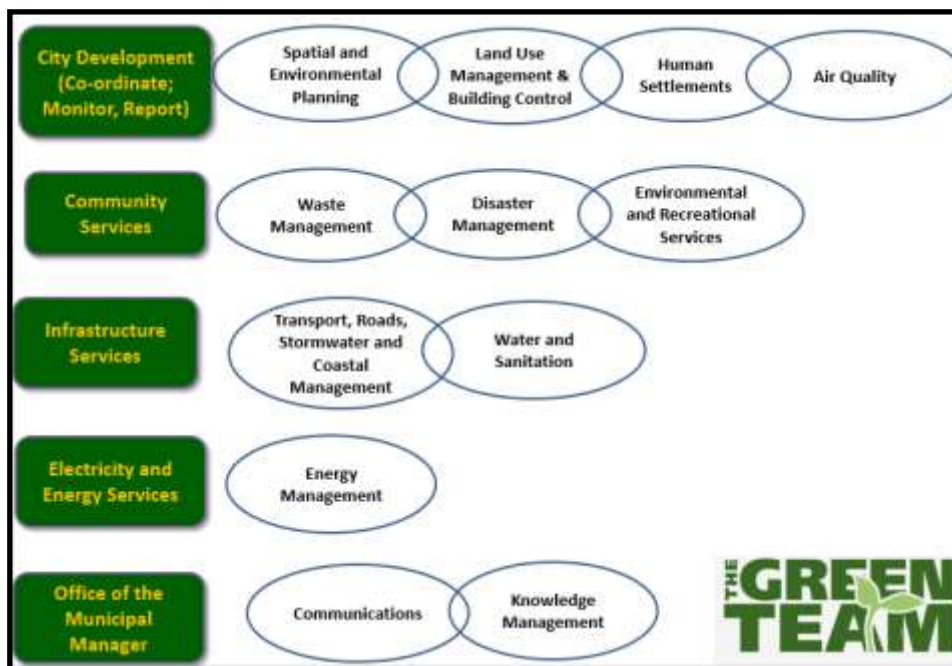
- Disaster management
- Coastal management
- Storm water management
- Water resource management
- Biodiversity and Open space management
- Air quality management
- Waste management
- Energy management
- Transport planning
- City planning catalytic initiatives

Reporting on the Climate Action Plan feeds into various strategic and institutional instruments, i.e.

- The IDP (Integrated Development Plan), SDF (Spatial Development Framework) and emerging policy frameworks such as the IUDF (Integrated Urban Development Framework) for which the Municipality is a pilot institution;
- Climate Change programmes and policy mechanisms initiated by Province and National Government;
- Reporting to global affiliations such as the Global Compact of Mayors on Climate and Energy; and

The City Development Department facilitates quarterly meetings of the Green Team to take stock of various interventions documented in the Climate Change Action Plan. The Green Team is an interdepartmental structure that has the mandate to ensure that the municipal Climate Change Strategy and Action Plan are implemented. The following figure is a schematic of its composition

Figure X: Composition of the Green Team



Green Team meetings took place of the following dates:

- 16 September 2022
- 2 December 2022
- 22 March 2023
- 20 June 2023

Strategic Partnerships and Associated Programmes

As part of the Climate Change Action Plan, the uMhlathuze Municipality has recognized that strategic partnerships are imperative for profiling, networks and access to other programs and climate finance. As such, the Municipality has embarked on programs with various partners in efforts to scale up responses to climate threats. Programs associated with each partner are elaborated on below.

ICLEI and the Covenant of Mayors

The City of uMhlathuze remains a member in good standing with ICLEI and through their programs signed a compact with the Covenant of Mayors. Being part of the compact requires the Municipality to declare their climate action on the Carbon Disclosure Project (CDP). This is a universal online platform that streamlines climate reporting. The CDP seeks to address the followings sectors:

- Governance and leadership
- Energy
- Waste
- Transport
- Climate Hazards and adaptation responses

- Resilience

The City participated in the African Circular Cities Initiative (ACCI) and other Circular Activities initiatives through the ICLEI partnership and the aim of this initiative being to develop a system of resource management which ensures continuous use of materials, goods, energy and waste, retaining their highest value throughout their lifecycle. Also coordinated by ICLEI was the Transformative Urban Mobility Initiative (TUMI) African City Network with the aim of providing a global response to climate change using low emissions and energy efficient urban transport systems. This is in line with the Paris Climate Agreement to keep global temperature rise this century well below 2°C and to pursue even greater efforts to limit it to 1.5°C. The network aims to support cities transition into electric bus systems. Through this network, the City Network will have access to the following:

- Capacity building
- Knowledge Hub
- Trainings
- Technical online workshops
- City-to-City exchanges and Networking
- Communications kit and programme within TUMI Network and at TUMI Partners' events

As part of the process, a series of exchange workshops were held with city participants and a member of the Green Team also attended the TUMI e-Bus Mission City Network Learning Exchange from in Dakar, Senegal during October 2022.

The following conclusions and lessons learnt from the above learning exchange were captured noting that some form part of the Dakar Declaration that was signed at the conclusion of the session:

- The need to further understand and investigate the unbundling transit models that help distribute risks for e-bus adoption.
- The need to strengthen access to all types of financing at the local level.
- The need for innovation in green financing, which must be more accessible to developing countries.
- The establishment of partnerships and the role of collaboration to enable a successful modal shift to e-Buses.

Net-Zero Carbon City Workshop

The City of uMhlatuze Net-Zero Carbon Cities workshop together with Accenture in partnership with the World Economic Forum was hosted on 11 August 2022. The mission was to create an enabling environment for clean electrification and circularity, resulting in urban decarbonisation and resilience dialogue with key role players within the City. The programme was aimed at fostering public-private collaboration to bridge the gap across the energy, built environment and transport sectors.

The workshop convened multi-departmental and cross sectoral stakeholders within the industrial cluster setting and accelerate collaboration, collectively problem solve and identify targeted approaches for locally-led net zero solution and shape sustainable models. The workshop focused on and anchored on four emissions drivers (Power and Energy, Transport and Mobility, Water and Waste, and Buildings and Construction) which align with the City's climate change trajectory.

Figure x: Net-Zero Carbon City Workshop Attendees



Cities-Adapt Programme

The Cities Adapt project is a partnership between the South African National Department of Forestry, Fisheries and the Environment (DFFE) and the South African National Department of Cooperative Governance and Traditional Affairs (CoGTA) with support from GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). The project is funded by the International Climate Initiative (IKI) of the Government of Germany.

The purpose of this project is to build the resilience to climate change impacts in selected cities and disadvantaged urban neighbourhoods in South Africa and Mexico and the project is planned to run until August 2025. The partners noted above, i.e. DFFE, COGTA and GIZ were searching for a South African Partner Municipality to support one selected disadvantaged neighbourhood to transform towards a more climate-resilient and pro-poor urban development pattern and during August 2022, the City received a favorable response to their application for selection as a partner city. The project location motivated by the Municipality was Esikhaleni/uMzingwenya.

More specifically, the objective of the project is to:

1. Mainstream climate change adaptation measures into urban development strategies and capacity building of key stakeholders
2. Support the planning and implementation of a concrete demonstration project for adaption in a public space.

It is important that the above demonstration project has to be scalable and easily replicable to other areas in the province and country. The demonstration project has to be innovative should have a sustainable impact that can be continued by the Community and/or the Municipality after the end of the Cities Adapt project.

A kick-off workshop was held with members of the Green Team, GIZ, DFFE and DCoG during January 2023 and the first network meeting with Mexican partners took place virtually on 29 March 2023.

During June 2023, relevant Ward Councillors from the Esikhaleni cluster were engaged and the project was introduced to lay the foundation for further community engagement.

ENVIRONMENTAL AUTHORIZATION APPLICATIONS

In addition to advising on Development/Land Use as well as lease applications, the Municipality is required to comment as an organ of state on relevant Environmental Authorisation applications. The following applications were processed and commented on during the 2022/2023 financial year:

Table x: Environmental Impact Assessments processed

	DATE APPLICATION RECEIVED	PROJECT DESCRIPTION	CO-ORDINATES ; LOCATION	FINALIZED WITHIN TIMEFRAME	
				Y	N
1.	6 June 2022	PROPOSED DEVELOPMENT OF THE PHAKWE RICHARDS BAY GAS POWER 3 COMBINED CYCLE POWER PLANT, IDZ 1F.	Richards Bay IDZ, Phase 1F	Y	
2.	8 June 2022	DRAFT BASIC ASSESSMENT RICHARDS BAY WATERFRONT REZONING AND REDEVELOPMENT. (DC28/0007/2022). <i>INTERNAL APPLICATION</i>	Richards Bay Waterfront area	Y	
3.	27 June 2022	PROPOSED PICTOR THERMAL POWER PLANT ON PORTION 1 OF ERF 15665 AND ASSOCIATED INFRASTRUCTURE	Portion 1 of Erf 15665	Y	

		ON VARIOUS PROPERTIES IN RICHARDS BAY, UMHLATHUZE LOCAL MUNICIPALITY.			
4.	28 June 2022	PROPOSED RICHARDS BAY MINERALS MAIN SITE WESTERN AREA PHOTOVOLTAIC INFRASTRUCTURE.	Rio Tinto (RBM) site in uMfolozi Municipality	Y	
5.	12 August 2022	ENVIRONMENTAL AUTHORISATION AND A WASTE MANAGEMENT LICENCE FOR THE PROPOSED 80 000 TONNES PER ANNUM TITANIUM DIOXIDE (TiO ₂) PIGMENT PLANT IN THE IDZ.	Richards Bay IDZ, Phase 1F	Y	
6.	27 August	CFCI ESIKHALENI CHURCH AUDITORIUM.	Erf 1976 Esikhaleni	Y	
7.	September 2022	DRAFT BAR FOR THE PROPOSED NTAMBANANA WATER SUPPLY SCHEME. INFILL AND EXCAVATION WITHIN WATERCOURSES FOR THE CONSTRUCTION OF RESERVOIRS, PIPELINES AND BULK WATER INFRASTRUCTURE.	Wards 24, 31, 32 and 33 uMhlathuze Municipality	Y	

8.	November 2022	PORT OF RICHARDS BAY STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA) SCOPING REPORT.	Port of Richards Bay	Y	
9.	November 2022	DRAFT BAR FOR THE PROPOSED STORING, PROCESSING AND HANDLING OF ANTHRACITE ON PORTION 5 OF LOT 225, FARM 12052 EMPANGENI, KWAZULU-NATAL.	Portion 5 of Lot 225, Farm 12052 Empangeni	Y	
10.	November 2022	DRAFT ENVIRONMENTAL IMPACT ASSESSMENT REPORT FOR PROPOSED GAS TO POWER VIA POWERSHIP PROJECT AT PORT OF RICHARDS BAY, UMHLATHUZE LOCAL MUNICIPALITY, KWAZULU-NATAL.	Port of Richards Bay	Y	
11.	December 2022	DRAFT BAR FOR THE PROPOSED RICHARDS BAY MINERAL MAIN SITE WESTERN AREA PHOTOVOLTAIC INFRASTRUCTURE.	uMfolozi Municipality, adjoining Ward 1 of uMhlathuze Municipality	Y	
12.	January 2023	NOTICE OF INTENT TO APPLY FOR EXEMPTION IN TERMS OF 24M OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT (ACT NO. 107 OF	Port of Richards Bay	Y	

		1998), AS AMENDED FROM THE REQUIREMENT TO OBTAIN 'LANDOWNER CONSENT IN TERMS OF THE REGULATIONS 39(1) OF THE ENVIRONMENTAL IMPACT ASSESSMENT (EIA) REGULATIONS, 2014.			
13	24 January 2023	DRAFT BASIC ASSESSMENT REPORT FOR THE PROPOSED UPGRADE OF TRANSNET HELIPAD AND ASSOCIATED INFRASTRUCTURE AT THE PORT OF RICHARDS BAY.	Port of Richards Bay	Y	
14.	24 January 2023	DRAFT ENVIRONMENTAL IMPACT ASSESSMENT REPORT FOR ENVIRONMENTAL AUTHORISATION (EA) AND WATER USE AUTHORISATION, WASTE MANAGEMENT AND AIR EMISSIONS LICENCE FOR THE PROPOSED 80 000 TONNE PER ANNUM (TPA) TIO2 PLANT (PHASE 2)	Richards Bay IDZ Phase 1F	Y	

15.	February 2023	DRAFT BASIC ASSESSMENT REPORT PROPOSED PETROL FILLING STATION AND REDEVELOPMENT OF ERF 58	Khuleka, Empangeni Rail	Y	
16.	22 February 2023	DRAFT AMENDMENT REPORT FOR THE PROPOSED REPLACEMENT MULTI-FUEL BOILER AT MONDI RICHARDS BAY MILL	Mondi, Richards Bay	Y	
17.	8 March 2023	DRAFT WATER USE LICENSE APPLICATION REPORT FOR THE PROPOSED STORING, PROCESSING AND HANDLING OF ANTHRACITE ON PORTION 5 OF LOT 225, FARM 12052 EMPANGENI.	Along R34 main regional road (John Ross Highway/ Old Eshowe Road) just outside the Empangeni central business district. Portion 5 of Lot 225, farm 12052.	Y	
18.	18 May 2023	DRAFT ENVIRONMENTAL IMPACT ASSESSMENT REPORT FOR THE PROPOSED GAS TO POWER VIA POWERSHIP PROJECT AT THE PORT OF RICHARDS BAY, UMHLATHUZE MUNICIPALITY WITHIN KING CETSHWAYO DISTRICT MUNICIPALITY. (EA NUMBER: 14/12/16/3/3/2/2007)	The Port of Richards Bay, located within Ward 2. Within proximity to the Richard's Bay Industrial Development Zone (RBIDZ) in the uMhlathuze Local Municipality	Y	

19.	23 May 2023	DRAFT BASIC ASSESSMENT REPORT FOR THE PROPOSED UPGRADE OF SECURITY FENCE, TRANSNET NATIONAL PORTS AUTHORITY, RICHARDS BAY, UMHLATHUZE LOCAL MUNICIPALITY, KWAZULU-NATAL.	28°47'58.14"S; 32°2'2.59"E. Farm 16230 of Lot 223, in Ward 02, at the Port of Richards Bay.	Y	
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AIR QUALITY MANAGEMENT

The role of the Air Quality Management Unit (AQMU) is to ensure that the environment is protected by providing reasonable measures for the prevention and enhancement of air quality for the sake of the Citizens within the City of uMhlatuze.

The objectives of Air Quality Management are as follow:

- To comply with the Constitution, National Environmental Management: Air Quality Act (NEM: AQA) 2004 and other related pieces of legislation
- To be in line with the National Framework for Air Quality Management in attaining compliance with ambient air quality standards, and give effect to the Republic's obligations in terms of international agreements
- To effectively communicate air quality status information to all levels of the society, from experts in the field to primary school children and the ordinary citizen on the street.
- To improve information sharing with other spheres of government and relevant institutions dealing with air quality.

The City of uMhlatuze has an obligation/mandate to ensure adherence that Section 24 of Chapter 2 of The Constitution of the Republic of South Africa (1996) stating that “**Everyone has the right an environment that is not harmful to their health or well-being**”. Furthermore, the organization has a mandate to adhere to various pieces of legislation such as National Environmental Management Air Quality Act of 2004.

The City of uMhlatuze manages and operates three Ambient Air Monitoring Stations which include meteorological stations. The Ambient Air Quality Monitoring Stations are located at the eSikhaleni Library, Arboretum Mzingazi Water Treatment Plant and Brackenhams Cemetery (refer to Figure 1 and Figure 2). The pollutants measured by these stations include sulphur dioxide (SO₂), nitrogen dioxide (NO₂), particulate matter with an aerodynamic diameter less than 10 microns (PM₁₀), particulate matter less than 2.5 microns (PM_{2.5}) and ozone (O₃). The stations also monitor meteorological data, including Wind Direction (WD), Wind Speed (WS), Temperature (T), Relative Humidity (RH) and Rainfall (RF).

Figure 1: Map Indicating Ambient Air Quality Monitoring Stations depicted in yellow pins

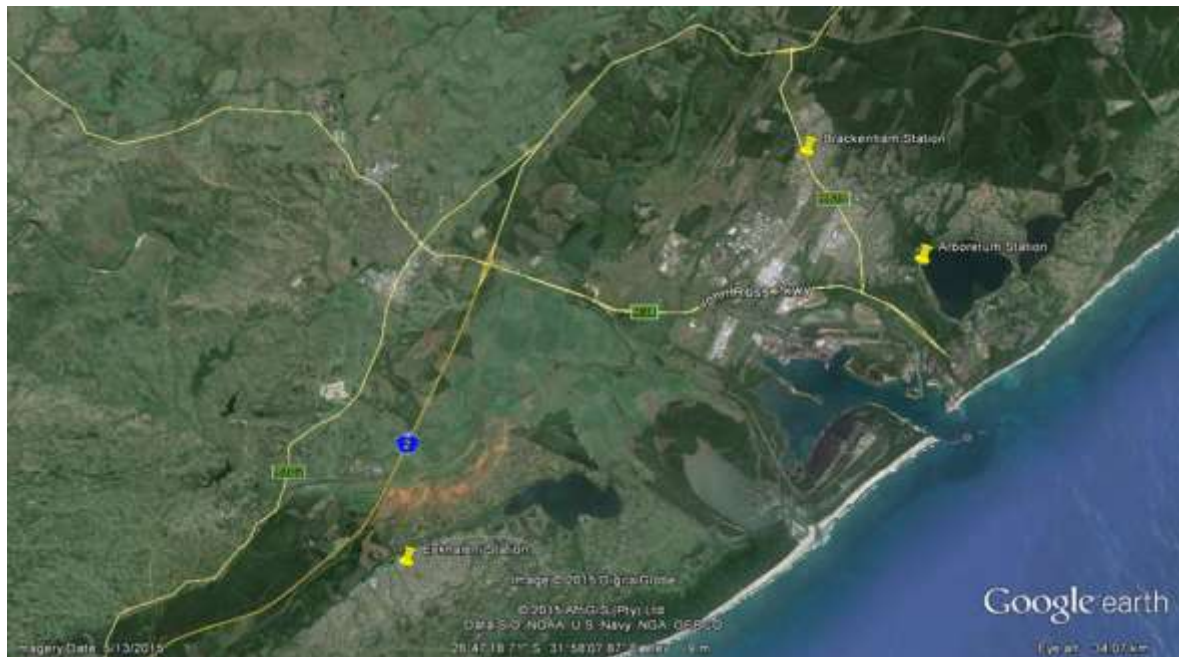


Figure 2: Ambient Air Monitoring Station



Objectives of Monitoring Ambient Air

- To fulfil the legal obligation in terms of the National Environmental Management: Air Quality Act No 39 of 2004 for the local authority to monitor ambient air.
- To determine the impacts of the air pollutants on the environment, as well as human health.
- To track progress on the implementation of pollution control measures.
- To monitor compliance with National Ambient Air Quality Standards.
- To analyse and verify complaints.

Pollutants Monitored by Each Monitoring Station

TABLE 1: Reflects pollutants measured in each monitoring station

Station Name	SO ₂	NO _x	PM ₁₀	PM _{2.5}	O ₃
Arboretum	√	√	*	*	*
Brackenham	The station was not operational during the period in review				
eSikhaleni	√	√	√	√	*

√ Denotes pollutants measured at each station

TABLE 2: Reflects meteorological station and parameters that are monitored

Station Name	Int Temp	WD	WS	RH	SR	BP	RF
Arboretum	√	√	√	√	√	√	√
Brackenham	The station was not operational during the period in review						
eSikhaleni	√	√	√	√	√	√	√

√ Denotes meteorological data measured at each station

National Ambient Air Quality Standards (NAAQS)

National Ambient Air Quality Standards refer to the level of pollutants prescribed by National Environmental Management: Air Quality Act (NEM: AQA) to provide public health protection, including protecting the health of sensitive populations such as asthmatics, children and the elderly. Standards also provide public welfare protection, including protection against decreased visibility and damage to crops, vegetation and buildings. The averaging period and the limit values are based on the vulnerable group. This means that an exposure to 10-min SO₂ average period of a vulnerable human being will have negative impact on the well-being. For example, an asthmatic person is more susceptible compared to healthy person.

In Table 3 below shows the most recent National Ambient Air Quality Standards (NAAQS) for criteria pollutants monitored at the City of uMhlatuze Air Quality Monitoring Stations, as contained in SANS 1929:2009.

TABLE 3: National Ambient Air Quality Standards for criteria pollutants

Parameter	Averaging Period	Limit Value / Concentration	Frequency of Exceedance Per Year	Comments
SO ₂	10-min	500 µg/m ³ (191 ppb)	526	NAAQS
	1-hour	350 µg/m ³ (134 ppb)	88	NAAQS
	24-hour	125 µg/m ³ (48 ppb)	4	NAAQS
	1-year	50 µg/m ³ (19 ppb)	0	NAAQS
NO ₂	1-hour	200 µg/m ³ (106 ppb)	88	NAAQS
	1-year	40 µg/m ³ (21ppb)	0	NAAQS
PM ₁₀	24-hour	75 µg/m ³	4	NAAQS
	1-year	40 µg/m ³	0	NAAQS
PM _{2.5}	24-hour	40 µg/m ³	4	NAAQS
	1-year	20 µg/m ³	0	NAAQS

Air Quality Index

The Air Quality Index (AQI) is a nationally defined yardstick that informs the community on how clean or polluted the air is on the scale of one (1- clean air) to ten (10 - polluted air). It also provides the health effects that might be of concern, where the higher the AQI the greater the level of air pollution hence the greater the health concerns from exposure to poor air quality. The South African Air Quality Information Systems (SAAQIS) receives air quality data from the monitoring stations and sends message to the public on the state of air quality.

Table 4: National Air Quality Index



Table 5: Air Quality Index

Air Quality Index in SAAQIS

AQI for South Africa based on NO ₂ , SO ₂ , O ₃ , PM ₁₀ , PM _{2.5} and CO														
Air Quality Status	Summary Message	NAAQS	NO ₂		SO ₂		Ozone		PM ₁₀		PM _{2.5}		CO	
			106 (1hr) ppb	106 (1hr) ppb	134(1hr) ppb	134 (1hr) ppb	80 (1hr) ppb	80 (1hr) ppb	150(1hr) ug/m ³	150(1hr) ug/m ³	103 (1hr) ug/m ³	103 (1hr) ug/m ³	ppm	ppm
			0-36	0	0-44	0	0-26	0	0-65	0	0-35	0	0	0-10
Low	Good	2	37-71	36	45-89	44	27-53	27	66-129	65	34-68	33	10	10.1-20
		3	72-106	71	90-134	89	54-80	54	129-190	128	69-103	68	20	20.1-30
Moderate	Moderate	4	107-143	107	135-153	134	81-107	81	191-215	190	104-128	103	30	30.1-35
		5	144-178	143	154-172	153	108-134	108	216-240	215	129-153	128	35	35.1-40
High	Unhealthy	6	179-213	178	173-191	172	135-160	135	241-265	240	154-178	153	40	40.1-45
		7	214-249	213	192-210	191	161-187	161	266-290	265	179-203	178	45	45.1-50
Very High	Unhealthy	8	250-285	249	211-230	210	188-213	188	291-315	290	204-228	203	50	50.1-55
		9	286-320	285	231-249	230	214-240	214	316-340	315	229-253	228	55	55.1-60
Hazardous	Hazardous	10	>321	320	>290	289	>241	241	>341	340	>254	253	60	>60

Table 6: Health messages associated with Air Quality Index

When the AQI is...	At-risk individuals such as children, the elderly and persons with health concerns should...	The general population should...
Low (Green)	Enjoy your usual outdoor activities.	Enjoy your usual outdoor activities.
Moderate (Yellow)	Adults and children with lung problems, and adults with heart problems, who experience symptoms , should consider reducing strenuous physical activity, particularly outdoors.	Enjoy your usual outdoor activities.
High (Orange)	Adults and children with lung problems, and adults with heart problems, should reduce strenuous physical exertion, particularly outdoors, and particularly if they experience symptoms. People with asthma may find they need to use their reliever inhaler more often. Older people should also reduce physical exertion.	Anyone experiencing discomfort such as sore eyes, cough or sore throat should consider reducing activity, particularly outdoors.
Very High (Red)	Adults and children with lung problems, adults with heart problems, and older people, should avoid strenuous physical activity. People with asthma may find they need to use their reliever inhaler more often.	Reduce physical exertion, particularly outdoors, especially if you experience symptoms such as cough or sore throat.
Hazardous (Purple)	Adults and children with lung problems, adults with heart problems, and older people, should avoid strenuous physical activity. People with asthma may find they need to use their reliever inhaler more often.	Reduce physical exertion, particularly outdoors, especially if you experience symptoms such as cough or sore throat.

The Air Quality Index for the City of uMhlatuze can be viewed on the SAAQIS website; select Air Quality Index and zoom in to Richards Bay, alternatively by downloading the SAAQIS APP on a smart phone.

The stations data availability was **57.25%** which is below the national standard requirement of 90% for the period 1 July 2022 to 30 June 2023. This can be mainly attributed to equipment failures and actions have been taken to prevent such failures going forward. There were no exceedances for 10 minutes, hourly and daily SO2 national standard for the period in review at all stations.2

Met Data Interpretation

The following figure shows wind roses for eSikhaleni and Arboretum Stations as derived from meteorological data.

Figure 3: 5 -minute wind roses for eSikhaleni and Arboretum Stations



2022/23 Milestones

Inspections

There were one hundred and twenty (120) inspections conducted. These inspections include various types of industries such as smelters, pulp and paper mills, chemicals, harbour, iron steel, fertiliser, coal exporters, mineral mining, forests, blasting and sugarcane.

Complaints

There were fifty-five (55) complaints attended to. These complaints include spillages, odour, burning, industry stack emissions and other incidents having negative impact to the environment especially air quality.

Awareness Programs

The awareness programs are based on bringing awareness to various stakeholders including schools, clinics, ward meeting and informal industries. The awareness focuses on:

- Sources of air pollution
- Effects of air pollution on the environment and human health
- Strategies to embark on to minimize air pollution

There were twelve (12) community awareness campaigns conducted during the period of 1 July 2022 to 30 June 2023. These were done in various libraries within the jurisdiction of the City.

Figure 4: Awareness Campaigns



Scheduled Trade Permits

All facilities / industries conducting activities that pose a threat or are likely to cause harm to public health and the environment are required to have a Scheduled Trade Permit (STP) as stipulated in terms of the Council’s Environmental Health Bylaws. There were twenty (20) applications received including renewals and new applications. No Scheduled Trade Permits were issued and ten (10) were in progress by the end of reporting period.

Notices

There were no compliance notices issued in various industries during the period of July 2022 to June 2023.

Capital Projects

Table x: Notices Issued

SAP PROFIT CENTRE	FUNCTION	SAP GL	PROJECT NUMBER	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	AMOUNT SPENT
AR7BA1D0 01	Pollution Control	100301010 0	N/ARBDA1.0 05	Replacement of air conditioners	R 53 475.00
AR7BA1D0 01	Pollution Control	100301010 0	N/ARBDA1.0 06	Installation of alarm systems	R 21 487.03
AR7BA1D0 01	Pollution Control	100301010 0	N/ARBDA1.0 07	Installation of alarm systems	R 21 487.03
AR7BA1D0 01	Pollution Control	100301010 0	N/ARBDA1.0 08	Installation of alarm systems	R 21 487.03
				TOTAL	R 117 936.09

Operational Projects

Table x: The operational budget for the period of 1 July 2022 to 30 June 2023 is as follows:

SAP PROFIT CENTRE	FUNCTION	SAP GL	SAP GL DESCRIPTION	DETAILED DESCRIPTION (LOCATION - QUANTITY & OUTPUTS & OUTCOMES)	PROJECT & AMOUNT SPENT
AR7BA1 D001	Pollution Control	440000 3800	Maintenance of Equipment	Calibration of Met Sensors	R 88 780.00
AR7BA1 D001	Pollution Control	440000 1200	Research & Advisory	AQMP- Gap and Problem analysis, Intervention Strategies & Action Plans Implementation	R 135 700.00
AR7BA1 D001	Pollution Control	440000 1200	Research & Advisory	AQMP- Final Baseline Report	R 75 000.00
AR7BA1 D001	Pollution Control	440000 1200	Research & Advisory	AQMP- Draft AQMP	R 39 100.00
				TOTAL	R 338 580.00

HUMAN SETTLEMENTS UNIT

Human Settlements Section falls within the Urban and Rural Planning Section. The relevant Council Goals, Objectives and Strategies for this business unit are as follows:

NATIONAL KPA 2 : BASIC SERVICES AND INFRASTRUCTURE PROVISION		
Goals	Objectives	Strategies
2.1 Integrated infrastructure and efficient services	2.1.2 To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlements and quality housing	2.1.2.1 Improve community standard of living through accelerated development of Integrated Human Settlement

NATIONAL KPA 2 : BASIC SERVICES AND INFRASTRUCTURE PROVISION		
Goals	Objectives	Strategies
6.1 Integrated Urban and Rural Development	6.1.1 To plan and manage existing and future development	6.1.1.3 Review of Human Settlement Sector Plan

The Primary objectives of the section in line with its strategic objective as documented in the IDP are as follows:

1. Pursuing all available options for the release of suitable, well located state owned land for sustainable human settlements;
2. Promoting a variety of Housing Typologies and Densities to provide for all Demand Categories;
3. Improving the living environment of households in the informal settlements through incremental access to basic services and structured in situ upgrading (where suitable);
4. Creating other forms of tenure through Social Housing/Rental and building new Community Residential Units whilst upgrading the existing hostel blocks;
5. Enabling opportunities in the GAP market for households earning between R3501-R22 000 per month; and
6. Provision of security of tenure through issuing of title deeds.

HUMAN SETTLEMENTS SECTION KEY ACHIEVEMENTS FOR THE FINANCIAL YEAR

REVIEW OF HUMAN SETTLEMENTS PLAN

Council adopted the Human Settlements Plan Review for 2022/23 in May 2022.

MUNICIPAL ACCREDITATION (HUMAN SETTLEMENTS)

The three years' circle ended in March 2023 and the Implementation Protocol has been renewed for another 3 years.

IMPROVING COMMUNITY STANDARD OF LIVING THROUGH ACCELERATED DEVELOPMENT OF INTEGRATED HUMAN SETTLEMENTS

INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMMES (IRDP)

Figure1: Dumisani Makhaye Village Phase 6 & 8



Dumisani Makhaye Village Phase 8 slabs

BNG/Low Income Houses: About 110 beneficiaries have been approved on Housing Subsidy System (HSS). 93 title deeds have been done for beneficiaries prior to construction to avoid title deed backlog. Construction has commenced with five (5) slabs constructed.

Program me	Backl og	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	Total Deliver ed
Pre-1994 (EEDBS)	405	105	92	87	21	19	-	34	-	358
Post-1994	555	-	65	159	108	86	39	33	43	533

Figure2: Finance Linked Individual Subsidy Programme (FLISP) houses:

Dumisani Makhaye Village Phase 6 FLISP

The IA has built twenty-two (32) FLISP houses. Eleven (11) were constructed and completed in the previous financial year, while eight are still at construction

Table 1: Empangeni Mega Housing Phase 1, Phase 2 and Phase 3 (Catalytic project)

Phase 1:

This phase has been completed in-terms of installation of services and it ready for construction. It has Phase 1A (Serviced sites), Phase 1B (FLIPS) and Phase 1C (RDP and Social Housing).

For Phase 1C (RDP) funding for stage 3 which is top structures has been approved and we finalising the township establishment prior to construction of houses as we need to transfers site to beneficiaries prior to construction. The beneficiary administration has been done and applicants captured on the Housing Subsidy System (HSS). Hundred and ten (110) have been captured on HSS and seventy (70) approved.

Figure3 : Phase 2:



Empangeni Mega Housing Phase 2 Internal Bulk Construction

This phase is **94%** complete and comprises of roads, water line, stormwater pipe and sewer. Revised completion date is the 31 July 2023.

Figur4 : Phase 3



Empangeni Mega Housing Phase 3 Internal Bulk Construction

This phase is **45%** completed and comprises of roads, water line, stormwater pipe and sewer.

HUMAN SETTLEMENT INTERVENTION ON OPERATION SUKUMA SAKHE (OSS) PROGRAMME

The funding for top structure has been approved by the Department of Human Settlements. The municipality and the Implementing Agent (IA) are busy with project preparation and beneficiary administration. About one hundred and seventy-nine (179) applicants/beneficiaries have been captured and one hundred and fifty (150) approved on the HSS. Construction is anticipated to commence in July 2023.

Figure 5: Temporal Shelter



One of the temporal structures done

Twenty-Eight (28) temporal structures were constructed in different wards especially those that were affected by 2022 April Floods.

ERADICATION OF TITLE DEED BACKLOG

Table 2

Programme	Backlog	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	D
Pre-1994 (EEDBS)	405	105	92	87	21	19	-	34	-	
Post-1994	555	-	65	159	108	86	39	33	43	

The municipality manage to transfer 43 properties in the previous financial year to beneficiaries at Dumisani Makhaye Village (Post-1994).

HOUSING CONSUMER EDUCATION

Housing Consumer Education (HCE) is a programme that educates communities on their rights and obligations on government subsidies and to provide them with information to make informed decisions. The municipality was able to conduct 12 awareness programmes as well as 4 social media posts on FaceBook.

JOB OPPORTUNITIES CREATED THROUGH HUMAN SETTLEMENTS PROJECTS

More than 30 job opportunities through general workers were created through Empangeni Mega Housing project.

ECONOMIC DEVELOPMENT FACILITATION AND PUBLIC TRANSPORT

ECONOMIC DEVELOPMENT FACILITATION SECTION

The Economic Development Facilitation Section is divided into three distinct units, namely:

- Business Support, Markets and Tourism
- Community Development Section; and
- Property Administration.
- Public Transport Facilities & Operations Coordination

The achievements of these units are outlined below.

BUSINESS SUPPORT BUSINESS SUPPORT, MARKETS AND TOURISM

Relevant Council Goals, Objectives and Strategies

NATIONAL KPA 3: LOCAL ECONOMIC DEVELOPMENT

GOALS	OBJECTIVES	STRATEGIES
3.1 Viable Economic Growth and Development	3.1.1 To promote the agricultural potential	3.1.1.1 Review and Implement Agricultural Support Plan
		3.1.1.2 Package council land to facilitate agricultural programs
		3.1.1.3 Provide support for prioritised agricultural sectors
	3.1.2 Enhanced sectoral development through trade investment and business retention	3.1.2.1 Review and implement Economic Development Sector Plans
		3.1.2.2 Develop investment promotion and facilitation plan
	3.1.3 To create an enabling environment for the informal economy	3.1.3.1 Review and implement Informal Economy Bylaw and Policy
	3.1.4 Clear City identity	3.1.4.1 To promote the city as a destination of choice
		3.1.4.2 Review and Implement Tourism Marketing Strategy
3.1.6 Promote SMME and Entrepreneurial development	3.1.6.1 Facilitate SMME's access to finance, markets, trading facilities and infrastructure with linked services	
	3.1.6.2 Implementation of the emerging contractor development programme	

In line with the above IDP Objectives, the following are the targets that have been achieved as per the SDBIP for the year under review.

TOURISM

The following tourism projects were successfully implemented during the year under review:

Profiling of the Destination

Speed Marketing and Tour

This was a partnership programme between uMhlathuze Municipality, uMlalazi Municipality and South African Tourism (SAT). Speed marketing is a market access platform created to provide tourism businesses with an opportunity to interact and forge relations between products and buyers.

The session spanned over four days; wherein tourism business owners were given an opportunity to market their products to Tourism buyers as well as tour operators (who are responsible for creating packages sold to different markets). These sessions were then followed by a tour for the buyers to experience what the area has to offer.

The uMhlathuze session was held on 25 August 2022 and was very well attended. The Product owners indicated that this free marketing platform will assist them greatly in reaching markets that would have been impossible to reach without the assistance of SAT and the Municipality.

Figure 1: Media buyers with product owners and officials during the Speed marketing session.



Figure 2: Photographs of the tour – taken at Thula Thula Nature Reserve (Ward 33)



Profiling uMhlathuze in Tourism Publications

The purpose of the advertorials is to market the uMhlathuze area as well as the activities taking place around uMhlathuze. It also assists in promoting members and products of the Community Tourism Organisation (uCTO).

The strategy is and has been to advertise in publications that are well received in the tourism space and reach a wide audience as they are distributed at tourism shows, airports and tourism offices around the country. The municipality also received an opportunity to be profiled in Germany during the ITB (Internationale Tourismusbörse) Berlin show

Figure 3: The advert as it appeared on the German publication for the ITB Show

HERRLICHES uMHLATHUZE!

BETRACHTEN SIE DIE STADT uMHLATHUZE ALS DEN SPIELPLATZ FÜR IHREN NÄCHSTEN URLAUB

Die Stadt uMhlathuze liegt an der wunderschönen Küste von Natal, die die Grenze von Zululand bildet. Sie ist eine der schönsten Städte Südafrikas und bietet eine unvergleichliche Aussicht auf den Indianischen Ozean. Wir laden Sie ein, die Stadt uMhlathuze zu besuchen und die Schönheit der Natur zu genießen. Die Stadt uMhlathuze ist ein ideales Reiseziel für alle, die die Natur lieben und die Schönheit der Küste genießen möchten. Die Stadt uMhlathuze ist ein ideales Reiseziel für alle, die die Natur lieben und die Schönheit der Küste genießen möchten.

Willkommen in der Stadt uMhlathuze

Wir freuen uns darauf, Ihren Besuch zu einem unvergesslichen Erlebnis zu machen.

KONTAKTINFORMATIONEN
 Adresse: 5 Mark Street, Civil Centre, uMhlathuze, 3003
 Tel: 035 937 5615/315 937 5018
 Email: Tourism@umhlathuze.gov.za

The

advertisement is available on the following link:

<https://linkshield.synag.com/link/id/1ovcfG-0005wR-UL/ts/1668686892/url/OUFBQW4KBCxPCMwELHicBP4xFcUcliFQzEIvaw--/>

The advert below was commissioned for the Tourism Month, and was also widely profiled on platforms of Council as well as the Tourism tab on the Municipal Website.

Figure 4: Tourism Month Special feature September 2022 as it appeared on the municipality's social handles



The advertisement is available on the following link on the Website:

https://www.umhlathuze.gov.za/images/ADVERT_TOURISM_MONTH_2022.jpg

Attendance of Tourism Shows

uMhlathuze Municipality attended three (3) tourism shows for the year under review:

Meetings Africa 2023

The Annual Meetings Africa 2023 was held from 28 February to 1 March 2023 at Sandton Convention Centre in Johannesburg. The City of uMhlathuze had a cubicle under the banner of the KwaZulu-Natal Convention Bureau.

Figure 5: uMhlathuze Municipality represented at Meetings Africa 2023



World Travel Market (WTM) Africa 2023

The World Travel Market Africa 2023 took place from Monday, 3 April to Wednesday 5 April 2023 at the Cape Town International Convention Centre. uMhlathuze Municipality was an exhibitor in partnership with the uMhlathuze Community Tourism Organisation (uCTO)

Figure 6: Cllr Botha (2nd from left on first photo) with officials and uCTO representation at the uMhlathuze stand at WTM Africa 2023



Africa's Tourism Indaba

The Africa's Travel Indaba 2023 took place from Tuesday, 9 May to Thursday, 11 May 2023 at the Inkosi Albert Luthuli International Convention Centre. uMhlathuze Municipality was an exhibitor in partnership with the King Cetshwayo District Municipality.

Figure 7: Cllr Govender (3rd from left on first photo) with tourism product owners and KCDM representation at Africa's Travel Indaba 2023



Tourism Training Initiatives

Hospitality Youth Training Programme 2023

The National Department of Tourism has appointed Tourism World Academy (Pty) Ltd as the Implementing Agent for the programme in KwaZulu-Natal. The City of uMhlathuze

Municipality was identified to be part of this programme and was allocated 25 spaces for the unemployed youth trainees. The programme is mapped out as follows:

1. Twenty Five (25) Learners / Beneficiaries.
2. Three (3) months of theory (classroom training) and nine months of work placement.
3. Twelve-month (12) duration (March 2023 to February 2024).
4. Monthly stipend of R3 300.
5. Enrolment for the National Certificate in Food and Beverage Services (SAQA ID: 14113).

Training on Health and Safety Norms and Standards for Tourism product owners

The National Department of Tourism in collaboration with KZN Department of Economic Development and Environmental Affairs invited tourism enterprises and tourism practitioners from around the King Cetshwayo District Municipality to participate in the Occupational Health and Safety norms and standards for Covid-19 training on 25 October 2022.

The main aim of the programme was to train SMME's on the Covid-19 and other related pandemics in order to adhere to the health and safety protocols in support of the industry's safe operation. The participants were taken through the training on how to implement and ensure that Covid-19 safety measures and adhered to. The Disaster Management Act occupational health and safety measures are important in order for any establishment to appeal to the health conscious traveller post the Covid-19 pandemic. The session was attended by 25 participants.

Armed Forced Day (AFD23) Readiness

As part of the preparations for AFD23, all establishments were inspected to ensure that they meet the criteria given by the SA National Defence Force. Forty eighth (48) establishments were visited and shortcomings addressed with the product owners. Below is the list of inspections:

Table 1: Inspected establishments as part of the readiness exercise

NO.	NAME OF ESTABLISHMENT	PHYSICAL ADDRESS
1.	Bon Hotel Empangeni	64 Turnbull Street, Empangeni Central, Empangeni, 3880
2.	uMfolozi Casino & Hotel	2 Copper Dr, Kuleka, Empangeni, 3880
3.	Zanele Executive Guest House	5 Aylen Street, Empangeni Central, Empangeni, 3880
4.	Charters Lodge	Charters Street, Empangeni
5.	Nyala Park Inn	5 Thrush Rd, Nyala Park, Empangeni, 3880
6.	Luqa B&B	Ngwelezane B, eMhlanga
7.	ESA Guest House	Ngwelezane B 963
8.	La Renee	1 Davidson Lane Meerensee
9.	VBC Guesthouse	Exit 20, 3 Von Braun Hill Dr, Empangeni
10.	Holy & Joy B&B	67 Farewell Rd, Kildare, Empangeni, 3880
11.	Kwanhliziyo B&B	D312 Buchanana Main Rd, Empangeni, 3880
12.	Italian B&B	Qhakaza Street, eSikhaleni
13.	Hong Kong B&B	eSikhaleni H, eSikhaleni, 3887
14.	Just Like That B&B	No 1108, Thokozani Street, eSikhaleni
15.	E. Zwide Guesthouse	Thokozani Street, eSikhaleni
16.	Imvubu Lodge	Krewelkring & Hibberd Dr, Meerensee, Richards Bay, 3900
17.	Benguela Guest House	22 Bream Hill Meerensee.
18.	Gecko Inn	48 Bottlebrush Bend, Veldenvlei Richards Bay.13 min (8,2 km)
19.	Seagull Lodge	97 Via Cassiandra, Arboretum. 8 min (5,1km) from Town
20.	Umuzi Guest House	17 Mussle Cracker, Meerensee. 16 min (11,7 km)
21.	The Bay Lodge	6 Kiepersolkolk, Arboretum, Richards Bay
22.	Serendipity Bed & Breakfast	1 White Eye Way Birdswood
23.	Tussen Die Maroelas	Grunter Gully No 13

24.	Duneside	29 Pipe Fish, Meerensee
25.	La Rochelle	Anglers Rod / Cryfish Creek
26.	Bay View Lodge	22 Davidson Lane, Meerensee
27.	Duck Inn	3 Dageraad, Meerensee
28.	Hippo Inn	149 Krewelkring, Meerensee
29.	Road Lodge	12 Tassel-Berry, Arboretum. 9 min (5,6 km) from town
30.	The Ridge Guest House	1 Jacks Corner, Davidson Lane, Meerensee, Richards Bay, 3901
31.	Awethu Guest house	9 Wonder Boom, Arboretum, Richards Bay
32.	La Mere Lodge	48 Bottlebrush Bend, Veld En Vlei, Richards Bay.13 min(8,2 km
33.	Isibaya Guest House	149 Krewelkring, Meerensee. 13 min (9.8 km) from town
34.	Woodpecker Inn	Pelican Parade, Birdswood. 14 min (9,0 km) from town
35.	African Sun	24 Marlynhoeck, Richards Bay
36.	Nomusa Bed and Breakfast	16 Disa Dives, Veldenvlei, Richards Bay
37.	Aristor Manor	16 Whydah 79 Wind, Birdswood, 15 min (9,1 km) from town
38.	Elephant Hills Guest House	12 Marlynhoeck, Meerensee, Richards Bay, 3900
39.	The Royal Pelican	7 Anglers Rod, Meerensee, 1 min (8,8 km) from town
40.	Ushaka B&B	6 Carol Shower, Veldenvlei, 12min (7.3km) from town
41.	Umqhele B&B	5 Olienhout Koppie, Arboretum, 10 min (6,6 km) from town
42.	Nyathi Lodge	21 Drongo Domain, Birdswood, 15 min (9,6 km) from town
43.	Travel Inn	Knorhanabaai, Meerensee
44.	Mzingazi Lake B&B	13353 Mandlazini Ward 4,20 min (10,5 km) from town
45.	Sun 1 Hotel	6 White Pear, Arboretum, Richards Bay

46.	Treetops	17 Davidson Lane, Meerensee
47.	Amble Inn	93 Old Main Road, Fairview, Empangeni, 3880

Review of the Bed & Breakfast and Accommodation Establishments Bylaw

The objectives of the draft Bylaw are to ensure that all accommodation establishments located within the area of jurisdiction of the Municipality are managed and operated in a manner that:

- Gives a generic aesthetical appeal to how the accommodation establishments should be managed
- Standardise the quality of service that may be expected from accommodation establishments operating within the uMhlatuze area of jurisdiction;
- is not harmful to the environment, health and safety of the occupants of such facilities and the public;
- does not create a nuisance;
- does not violate or undermine the relevant Municipal Bylaws and the Land Use Scheme;
- Creates an enabling working environment for tourism product owners, Council officials as well as other relevant stakeholders; and
- Protects the tourists from false advertising where a certain quality standard was expected but not received

The Bylaw went through the public participation in December process and comments received. The final step herein is now for the bylaw being gazetted

Women in Tourism networking session

The uCTO hosted a Women in Tourism Networking session. The invitation was sent out to all the female members of the uMhlatuze Community Tourism Organisation (uCTO), as well as Municipal role players.

Figure 8: uCTO members at the networking session



Assistance to the uMhlathuze Community Tourism Organisation (uCTO)

uMhlathuze Municipality has assisted the uCTO with a free office at the One Stop Shop in Empangeni; this to ensure that the organisation can focus the available funds to marketing the area and capacitating its members.

Over and above, the municipality received an application for grant funding from the uCTO, and the application served at the Grant – In – Aid portfolio committee. The amount of R300 000.00 was approved for the uCTO for the 2022/2023 financial year.

SMALL, MICRO AND MEDIUM ENTERPRISES (SMME) SUPPORT

National Construction Incubator

National Construction Incubator signed its Memorandum of Agreement with City of uMhlathuze in May 2019, to implement a mentorship and skills programme at eSikhaleni, a township within the City of uMhlathuze jurisdiction, situated at H3133, 12 Makethe Street, eSikhaleni in KwaZulu-Natal, the uMhlathuze Branch is one of NCI's new branches.

Table 1: Training interventions at the NCI

DATE	TRAINING	ATTENDANCE REGISTER
19 - 21 September 2022	Quality Management System	Yes
16 February 2023	Programming for Construction Work	Yes
17 March 2023	CIDB Contractor Management Guidelines	Yes
11 April 2023	Technical Building Skills	Yes
16 May 2023	Basic Principle of pricing for construction work	Yes

On 13 October 2022, NCI held an Open Day which aimed at addressing tools to facilitate success of SMME's. The event highlighted the tools to conduct a successful business and the role played by compliance and access to markets in the business. Different services on offer were unpacked including programmes such as Outreach, Pre-Incubation, Mainstream and Post Incubation. Various funding opportunities are shared with SMME in order to assist them in accessing funding for their business ideas. The stakeholders who joined during the presentations include SARS, SEDA, Ithala Bank and ABSA Bank. A total of fifty-nine (59) SMME's attended the Open Day Event ranging from CIDB grade level 1 – 5.

NCI conducted the following mentorship programme for Incubates through Webinars

Table 2: Virtual Webinars

TYPE OF WORKSHOP	DATE	CONTENT	
ABSA – Writing a winning Business Proposal Master	14 July 2022	This masterclass focused on writing a winning short business proposal for SMME's. It included financial projections,	
FOCUS AREA	INSTITUTION	START	CONTENT OF ENGAGEMENT
SEDA – Create and maintain trust with your small business advisory	SEDA 21 July 2022	3 October 2022	An introduction to Lean Start-up Methodology.
Business Webinar Advice Webinar	ABSA-Biz Clinic	7 October 2022	Q & A Webinar for solutions for business challenges faced by the SMME's.
Marketing Workshop through Smart Finances Winning Financial Strategies	ABSA-Biz Clinic 28 July 2022	20 October 2022	Marketing strategies to increase company awareness for project opportunities. How to create and deliver a great sales Pitch.
Webinar Conversation with a Quantity Surveyor	Cost estimating methods, types of contracts	Finance Opt 2 November 2022	Basic QS services, cost estimating methods, influence of design on costing, types of contracts.
SMME Clinic Masterclass- Companies Act Compliance Master Class	SEDA 11 August 2022	3 November 2022	The purpose was to guide SMME's in to complying with the Companies Act and how to file for CIPC returns.
GIDB Training-Embracing Technology and Innovation for Sustainable Construction	ABSA-Biz Clinic 17 August 2022	4 November 2022	Q and A session - SEDA Business advisors providing guidance on business questions and solutions for challenges that SMME's are facing.
PRM Webinar Marketing Strategies Webinar	BMP 8 September 2022	16 November 2022	Addressing turnaround marketing strategies for SMME's through the recession times, promotion of direct engagements and positioning the business with possible clients for opportunities.
Networking-SMME Engagement	Zululand Chamber of Commerce and Industry	16 November 2022	Business networking session hosted by ZCCI in partnership with Business Partners with the purpose of affording SMME's an opportunity to build business relations and enter into local markets.

The National Youth Development Agency conducted the following training sessions for the local youth through the SMME One Stop Shop:

NO.	TRAINING	DATE	BENEFICIARIES
1.	Life Skills for Youth in Business	24 October 2022	11
2.		22 November 2022	11
3	Business Management	8 to 12 November 2022	17

RBIDZ NAL'THEMBA ENTERPRISE DEVELOPMENT PROGRAMME

The Nal'ithemba Enterprise Development Programme strive to complement industrial investment through upstream and/ or downstream participation by local SMMEs resulting in localisation that leads to job creation and a contribution towards inclusive growth. The RBIDZ develops and fosters a collaborative approach with its investors in order to establish a mutually beneficiary programme. The programme is having eleven (11) participating companies. The participating companies went through all the selection processes that were coordinated by RBIDZ in partnership with the municipality. On the 22nd of May 2023 there was a formal opening ceremony for this program. It was held at Techno Park which is in Phase 1A of RBDIZ.

Figure 1: Official opening of Naliithemba



DOWNSTREAM ALUMINIUM CENTRE FOR TECHNOLOGY (DACT)

The Downstream Aluminium Centre of Technology (DACT) is an Aluminium Incubator that strives to provide the relevant infrastructure, including a manufacturing environment, where trainees can be effectively and safely trained to cast, manufacture and weld aluminium products. The main objective being to assist potential entrepreneurs from local and emerging communities with establishing manufacturing enterprises and assisting them from start up to sustainability

Currently 125 SMME's are supported and all are situated within uMhlatuze's area of jurisdiction.

For 2022/2023 Financial Year, the Municipality has granted DACT an amount of R220 000.00 to be used for the support of local SMME's.

BUSINESS EXPO 2023

The Business Expo took place from Thursday, 20 to Friday, 21 April 2023 at the ZCBF Grounds. The planning commenced in December 2022, with partnership letters and invitation to exhibitors being sent out.

The main strategic objectives of the Expo were as follows:

- Create a platform for the City and its partners to showcase all the entrepreneurial Support programmes.
- To create interactions between large and small businesses.
- To provide a sharing session for small business owner.
- To make local SMMEs visible in the business environment.
- To encourage young people to think entrepreneurship and Innovation as a solution to job creation.

The two-day event was officially opened by the Honourable Mayor, Councillor X Ngwezi, wherein he reiterated the Vision of the City *“To ensure a better quality of life for all citizens through sustainable development and economic growth.”* It was noted in his opening address that the sectors that the municipality is focusing on for opportunities are Agriculture, Mining, Agro Processing as well as Tourism and Events.

Figure 2: Business Expo 2023 Keynote address



In attendance were Government Officials, Public Sector, Youth Organisations and Entrepreneurs. The Expo was successful in creating an enabling environment for open dialogue between all the attendees. Various businesses operating within the City and SMMEs wishing to forge partnerships and linkages for the medium to long term, used the opportunity optimally. Entrepreneurs had an opportunity to engage in focused discussions about local beneficiation, access to opportunities, one-on-one clarification meetings with Funding Agencies, Supply Chain Management personnel and interactions and networking with the exhibitors.

Programme and Plenary

Panellist over a 2-day period include but not limited to the following:

1. Department of Agriculture and Rural Development
2. Ithala Bank
3. KZN Growth Fund
4. Agrowex
5. Green Arch Innovation (Pty) Ltd
6. TiKZN

The summary of the programme included the following topics:

- Opportunities and prospects in Agro-processing;
- Agricultural Market Opportunities;
- Funding Opportunities for SMMEs in Agriculture and Innovative Emerging Manufacturers;
- Innovative Agricultural Methods;
- Importing / Exporting Marketing Opportunities in the Manufacturing Value Chain Sector;
- SABS Compliance / Acceptable Standards; and
- International Perspective on Agro-processing: Case Study of Ghana.

Figure 3: Below are some photographs depicting the activities in the exhibition hall.



In light of the above, the Business Expo succeeded in achieving the objectives it had set out to achieve. It brought together people coming to seek business related information and promote their products, businesses and services.

The platform was optimally utilised by the exhibitors to form business networks and linkages for future projects and peer learning. Other businesses were also fortunate to be hand-picked for Incubation Programmes from the industries operating within the City.

INFORMAL TRADING SUPPORT

Informal Trading By-law Awareness Campaign

The department is obligated to educate the Informal Traders on the approved By-Law in order to ensure that all Informal Traders understand it completely. The workshops are in line with the Informal Trading By-Law, which requires that Informal Traders who want to trade in foodstuff must undergo a One-day Environmental Health education where all details of food handling for public consumption are dealt with.

Figure 1: A sample of Informal Traders attending Bylaw Awareness Campaigns



Table 1: Informal trading Bylaw workshops for the year under review

	PROGRAM	DATE	NUMBER OF WORKSHOPS
Q1	Informal Trading By-Law	08 July 2022 and 22 September 2022	2
Q2	Informal Trading By-Law	17 October 2022 to 12 December 2022	22

Q3	Informal Trading By-Law	06 February 2023 to 10 February 2023	5
Q4	Informal Trading By-Law	18 May 2023	1

EMPANGENI REVITALIZATION PLAN: CONSTRUCTION OF MARKET STALLS

The Empangeni Revitalization Project is planned to start during July 2023. The consultation meeting to introduce the project to the beneficiaries which is the informal Traders was held at Empangeni SMME One Stop Shop on 9 September 2022. The aim of the meeting was to introduce the project as well as to discuss other issues such as temporary location during the construction period. There will be hundred and eleven new market stalls as per phase 1A of the project.

Figure 2: Informal traders attending the Public participation for Empangeni Revitalization Plan



AGRICULTURAL SUPPORT

Council has been supporting small-scale farmers for the past years as per the approved Agricultural Support Plan.

Capacity Building of Emerging Crop Farmers

uMhlathuze Municipality partnered with the National Development Agency (NDA), Owen Sithole College, Department of Agriculture as well as Small Enterprise Development Agency (SEDA) to train emerging farmers. The following table summarises the trainings that were held for the year under review.

Table 2: farmers training per quarter

	TYPE OF TRAINING	NO. OF PARTICIPANTS	DATE OF TRAINING
Q1	Information Day	33	17 August 2022
	business management	35	22 to 26 August 2022

	Information Session for Agro-Processors	42	29 August 2022
	Youth and Women in Agro-Processing Summit	84	30th August 2022
	Business development training	20	5 to 9 September 2022
Q2	financial management	14	21 to Friday, 25 November 2022
	Basic Business Skills	23	30 November to Friday, 2 December 2022
	Crop and Poultry	17	29 November 2022
Q3	Agro-processing Awareness	50	9 February 2023
	Goat Farming Training	23	27 March 2023
Q4	Financial Literacy	115	7 June to Thursday, 8 June 2023

Registration of Co-operatives

To ensure successful implementation of the Agricultural Support Plan, the Department of City Development collaborated with the Small Enterprise Development Agency SEDA to formalise Co-operatives or people working in groups to achieve similar goals.

Requirements for Co-operative registration:

- Roles and responsibilities of committee members and staff and criteria for electing the board
- Organisational Planning
- Organisational Structure
- Principles of a Co-operative
- Co-operative Act
- Types of Co-operatives

Table 3: Co- operatives were registered from different wards:

NO	PROJECT NAME	NO. OF BENEFICIARIES	WARD
1.	SOBUSA SONKE AQUAPONICS COOPERATIVE	09	13

2.	MADLANKALA ZIZAMELE COOPERATIVE	05	12
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Handover of Agricultural Implements and Inputs to Co-operatives

The City of uMhlathuze in partnership with the King Cetshwayo District municipality handed over agricultural implements and inputs to various farmers within the Municipality.

Table 4: Handed Over Items to Farmers.

ITEMS	NUMBER OF BENEFICIARIES	VENUE AND DATE
Water pump engine with pipes and couplings. Water tanker 5000 L. Hand hoes with handles. Watering cans. Hand slasher. Knap sack 16 L. Spinach seedlings. Onion seedlings. Fertiliser 50 kg. Lan fertiliser 50 kg	05	Madlankala Community Hall 12 September 2022,
Poultry Feed Day Old Chicks Brooding Lights Drinkers and Feeders Vaccination Kit	05	
Laying Hens x 4 Layer Feed x 5 Plastic Cages x 1	04	
Water pump engine with pipes and couplings. Water tanker 5000 L. Hand hoes with handles. Watering cans. Hand slasher. Knap sack 16 L. Spinach seedlings. Onion seedlings. Fertiliser 50 kg. Lan fertiliser 50 kg	05	Kwa-Dlangezwa Sports Ground 19 October 2022

The Municipality through its Grant in Aid Scheme received applications for funding and approved 6 applications for grant funding, three farming groups from Ward 32 Obizo Area benefited by receiving crop farming inputs and the other 3 projects from Ward 18, 22 and 29 received poultry farming inputs.

Table 5: Handed Over Items to Farmers

ITEMS	NUMBER OF BENEFICIARIES	VENUE AND DATE	COMMODITY
Wheel Barrows concrete pan falcon lasher Watering Cans plastic+ rose 10L addis Garden Hoe Handle hoe Dry beans 25kg Maize 25kg Sprayer CP 15 Classic Plastic T&L 47072 16L 2.32(22)+ZN 50kg Fertilizer Lan 50kg Fertilizer Round Up powermax 540 20L Jojo tank water vertical 10000L Gloves garden (13005/PL)	34	30 June 2023 at Obizo Thusong Center	Crop Farming
300 Laying Hens 50 Bags of Layer Mesh Feed 3 Steel Cages	3	30 June 2023	Poultry Farming/Egg Production

Figure 3: Images of implements and inputs handed over to farmers



COMMUNITY DEVELOPMENT SECTION

Relevant Council Goals, Objectives and Strategies

NATIONAL KPA 3 : LOCAL ECONOMIC DEVELOPMENT		
GOALS	OBJECTIVES	STRATEGIES
3.1 Viable Economic Growth And Development	3.1.1 To Develop and promote the agricultural potential of uMhlathuze Municipality	3.1.1.3 Provide support for prioritised sectors
	3.1.2 Enhanced sectoral development trough trade investment and business retention)	3.1.2.1 Developing and implement economic development sector plan
	3.1.4 Clear City identity	3.1.4.1 Promote economic growth by successful implementation of EPWP and CWP community based projects
	3.1.5 To Improve the efficiency, innovation and variety of government-led jobs	3.1.5.1 Promoting economic growth by providing employment opportunities for Women and Youth
		3.1.5.2 Facilitate expanded access to the job fund
	3.1.5.3 Implementation of the emerging contractor development programme	
4.1 A Municipality that is Resourced and Committed to attaining the vision and mission of the organisation	4.1.1 To create an appropriate organisational climate that will attract and ensure retention of staff	4.1.1.4 Improve Citizens Skills levels and Education

In line with the above IDP Objectives, the following are the targets that have been achieved as per the SDBIP for the year under review.

Community Skills Development

The Strategic Road Map for Economic Development Transformation and Job Creation adopted by Council highlights the main concerns raised by businesses and the youth as a lack of access to economic infrastructure, lack of financial support, skills development, access to information and insufficient enterprise development initiatives.

During the year under review, the unit focused largely on creating an enabling environment where effective trade and skills development could take place, in order to address the concerns raised by the youth, small businesses, and the informal sector. The Section also reviewed the Community Skills Audit, focusing on the level of qualification youth has as well as looking into the skills required by the Corporates as well as upskilling the CWP and EPWP Participants for them to exit the programme by either be entrepreneurs alternatively seek permanent employment.

Table 1: Assistance to unemployed graduates/youth

Program	Activity	Beneficiaries	Outcome
Upskilling of Unemployed Youth	<ul style="list-style-type: none"> • Training of 30 CWP participants on Entrepreneurship Skill 	30 from different wards	Upskilling of CWP participants to enable them to be entrepreneurs
	<ul style="list-style-type: none"> • Training of 26 CWP participants on Arc Stick Welding 	26 from different wards	Upskilling of CWP participants to enable them to be entrepreneurs Provision of accredited qualification to become entrepreneurs/SMMEs.
	<ul style="list-style-type: none"> • Training of 24 unemployed community members on Entrepreneurship Skill NQF Level 2 	24 from different wards	Upskilling of CWP participants to enable them to be entrepreneurs Upskilling of EPWP participants to enable them to exit EPWP Programme and find permanent employment
	<ul style="list-style-type: none"> • Training of 614 CWP participants on Basic Financial Management Skill 	614 from different wards	Upskilling of EPWP participants to enable them to exit EPWP Programme and find permanent employment
	<ul style="list-style-type: none"> • Training of 9 EPWP participants on Business Administration Skill NQF Level 4 	9 from different wards	Upskilling of EPWP participants to enable them to exit EPWP Programme and find permanent employment
	<ul style="list-style-type: none"> • Training of 123 EPWP participants on Health and Safety NQF Level 2 	123 from different wards	Upskilling of EPWP participants to enable them to exit EPWP Programme and find permanent employment
	<ul style="list-style-type: none"> • Training of 14 EPWP participants on Computer literacy NQF Level 2 	14 from different wards	
Total			840

Figure 1: Training of CWP on Entrepreneurship Skill



Figure 2: Practical's on Arc Stick Welding



Figure 3: Training of CWP on Entrepreneurship Skill



Figure 4: Training of CWP on Financial Management Skill



Figure 5: Training of EPWP on Business Administration NQF Level 4



Figure 6: Training of EPWP on Health and Safety NQF Level 2



Figure 7: Training of EPWP on Computer Literacy NQF Level 2



Zikhulise NPO Community Projects

Zikhulise is a registered Non-Profit Organisation. The organisation is committed to positively contributing towards the reduction of poverty and unemployment by uplifting individuals who are unfortunate to be skilled, employed and consequently disempowered.

The Organisation implements training programmes that seek to address the following community challenges:

- Poverty, unemployment, and crime;
- Youth lack of skills to obtain employment / start own businesses;
- Empowering women;
- Vulnerability of women and children; and
- Vulnerability, loss of dignity and inability of people living with disabilities to earn a living.

The table below illustrates trainings conducted by Zikhulise during the 2021/2022 Financial year

Table 2: Training undertaken through Zikhulise and beneficiaries.

TRAINING	BENEFICIARIES			
	Q1	Q2	Q3	Q4
Baking	17	21	0	13
Business Management	31	13	0	16
Hand and Machine sewing	29		0	6
Bead Weaving	9		0	
Hair braiding skill	3		0	4
Productivity workshop	21		0	
TOTAL PER QUARTER	110	34	0	39
ANNUAL TOTAL				

Table 3: Summary: Community Skills Programs and Zikulise NPO Annual Trainings

Municipal Strategy	BENEFICIARIES PER QUOTER			
	Q1	Q2	Q3	Q4
Community Skills training: various training providers	80	220	403	137
Community skills Training: Zikhulise NPO	110	34	0	39
ANNUAL TOTAL	1023			

Job Creation Statistics

The table below shows the total number of job opportunities created by different funders per quarter for a 12 months period.

Table 4: Job Creation Statistics

Quarter	Funder	Number of Job Opportunities Created
First	Expanded Public Works Programme (EPWP): Infrastructure	765
	KZN Department of Human Settlements	37
Quarter	Funder	Number of Job Opportunities Created
Second	Expanded Public Works Programme (EPWP): Infrastructure	857
	KZN Department of Human Settlements	28
Quarter	Funder	Number of Job Opportunities Created
Third	Expanded Public Works Programme (EPWP): Infrastructure	1051
	KZN Department Forestry, Fisheries and Environment	43
Quarter	Funder	Number of Job Opportunities Created

Fourth	Expanded Public Works Programme (EPWP): Infrastructure	1151
	KZN Department of Human Settlements	45
Total Number of Job Opportunities Created in the 2021/2022 Financial Year		1239

Table 5: COMMUNITY WORKS PROGRAMME (CWP): DCOG INITIATIVE IMPLEMENTED WITHIN UMHLATHUZE LOCAL MUNICIPALITY

Participation Target	ACTIVITIES PERFORMED BY CWP GROUPS	Number of Job Opportunities Created
900	<ul style="list-style-type: none"> • Cleaning of illegal dump sites and skips • Cleaning of Municipal Public facilities and Traditional Council Courts • Community gardens 	916
	<ul style="list-style-type: none"> • Waste collection and litter picking 	
	<ul style="list-style-type: none"> • Cleaning of storm water drains 	

CSI CONTRIBUTION TO ANNUAL REPORT

Projects

Attention was given to completed but non-functional economic projects implemented by Richards Bay Minerals (RBM) and Tronnox KZN Sands as part of their Social Labour Plans. These projects included the following:

- i. Butterfield Bakery situated at Port Dunford, Ward 18
- ii. Woza Blocks (commonly known as Lugweba Blocks) at Lugweba Reserve, KwaDlangezwa, Ward 10
- iii. Tsetse Enterprise Primary Cooperative (Mkhwanazi Leather Works and Shoe Factory) based at Kwandaya, Reserve, Esikhaleni, Ward 22

Project evaluations of each of the project was conducted. Butterfield Bakery was visited on 16 August 2022; Woza Blocks was visited on 13 September 2022 whereas Tsetse Enterprise Primary Cooperative was done on 15 September 2022. The exercise was meant to get a deeper understanding of the reasons for non-functionality after completion of projects equipment set-up and hand-over to beneficiaries.

Various aspects of the project were scrutinized, including the following:

- Project Location
- Project Background
- Objectives
- Product Development
- Financial Management
- Business Governance and
- Human Resources Hiring and Development

A number of challenges were identified and recommendations were made for all relevant stakeholders, i.e. Mkhwanazi Traditional Council, Richards Bay Minerals, Tronox KZN Sands, City of uMhlathuze and Beneficiaries of the project to consider for the projects to be operational.

Interventions

Below is a list of interventions that were implemented:

- i. Sites visits by the Deputy City Manager: City Development to get the feel of the environment and make further recommendations and guide implementation.
- ii. Consultations with National Development Agency (NDA) to share ideas.
- iii. Regular stakeholders' meetings and tracking of response to tasks allocated.

- iv. Presentation to Mkhwanazi Traditional Council on the City of uMhlathuze support to Mkhwanazi Traditional Council Projects.
- v. Inviting project members to Annual Business Expo for exposure and networking.
- vi. Training on Cooperative Governance conducted by National Development Agency.
- vii. Continuous monitoring of the projects and sharing of funding information from various funding institutions.

Table 6: Projects Status

Project Name	Number of Beneficiaries	Progress
Butterfield Bakery	5	Cooperative registration process has initiated
Woza Blocks	12	Cooperative registration process completed, SARS compliant and operational
Tsetse Enterprise Primary Cooperative	10	Members are back on site although there are still some teething problems to monitor



Achievements

Woza Blocks is now functional and able to produce 1350 blocks or 1505 bricks per day. They have started to make sales. Pictures below show the operations and product of work done by Woza Blocks.



PROPERTY ADMINISTRATION

Relevant Council Goals, Objectives and Strategies

NATIONAL KPA 6: CROSS CUTTING		
Goals	Objectives	Strategies
6.2 Immovable Property Management	6.2.1 To ensure fair valuation of properties 6.2.2 Effective Management of Council-owned Immovable Properties	6.2.1.1 Development and maintenance of the valuation roll in line with the Municipal Property Rates Act. 6.2.2.1 Update the immovable asset register 6.2.2.2 Review and adopt the Land Sale and Lease Policy 6.2.2.3 Development of a Standard Operating Procedure for Land

The City of uMhlatuze manages its fixed assets through the Property Administration Business Unit, which falls under City Development Department. The Property Administration Unit, which is responsible for the management of lease agreements and alienation of municipal land, has three divisions, i.e. property valuation, property alienation and property leasing

PROPERTY VALUATION

The Municipal Valuation Division is responsible for the valuation of immovable properties for rating purposes. The valuation of these properties is in line with the requirements as set out in the Municipal Property Rates Act No. 6 of 2006 (MPRA), as amended.

The MPRA is a national law that regulates the power of a municipality to value and rate immovable properties (that is building and land) located within the boundaries of a municipality. In a nutshell, it standardizes the valuation of properties across the board.

General Valuation Roll

The Municipality is currently on the third cycle of the General Valuation which was implemented effectively from 1 July 2020 till 30 June 2025.

Supplementary Valuation Roll

The Third Certified Supplementary Valuation Roll (SV 03) was received on 31 March 2023, which constitutes Freehold and Sectional Title properties. The roll was published as follows:

Table 1: Publish of Supplementary Valuation Roll

Advertisement Platform	Date
Eyethu Bay Watch	5 April 2023 and 12 April 2023
Eyethu Bay watch erratum	10 May 2023
Provincial gazette	27 April 2023
Provincial gazette erratum	11 May 2023

Appointment of Valuation Appeal Board Members

Certificate of Endorsement and appointment of King Cetshwayo District Valuation Appeal Board Members was signed by the Honourable Mayor in June 2023.

PROPERTY LEASING

Table 2: Leases administered by the Municipal Leasing Division and Revenue derived:

Section	Public open space leases	Adopt-a-spot leases	Agricultural leases	Advertising leases	Diverse leases for commercial	Diverse leases for social	Leased hostels
Total number of registered leases	241	5	5	16	19	25	214

Projected Income derived from leased properties during the 2021/2022 financial year:	R 16 569 169.82
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Leases Approved for Execution

The following new leases were approved during the reporting period:

- Application for permission to lease an open space adjacent to erven H387 and H393 Juba Street in esikhaleni (RPT **173558**)
- Request for Permission to Lease Council Property for Gas Storage and Distribution on a Portion of REM/5333 Off Alumina Allee, Alton Richards Bay (RPT **172930**)
- Request for Permission to Lease a Portion of a Public Open Space on Erf 1702 Bauhinia Bend Arboretum Richards Bay (RPT **173679**)
- Request for Permission to Lease a Portion of Road Reserve, Adjacent to Erf 8944 Ceramic Curve in Alton (RPT **173681**)
- Request for Permission to Lease a Portion of a Public Open Space on Erf 1720 Olienhoutkoppie, Arboretum, Richards Bay (RPT **174366**)
- Application for Permission to Lease a Portion of Public Space on Erf 8528 Moerasruiter in Birdswood, Richards Bay (RPT **174481**)
- Request to temporarily lease portions 88, 89, 90, 91,92 and 159 of Erf 5333, Alton as an alternate long-term lease and development of council property on Portion 96 of Rem/5333 Harbour Arterial, Alton South (RPT **174610**)
- Leasing of a portion of the Museum Building for a Restaurant, Erf 56, Turnbull Street, Empangeni (RPT **174527**)
- Request for Permission for the Transfer of Various Lease Agreements from Old Property Owner to New Property Owners (RPT **173480**)
- Request for Permission to Lease Portion 4 of the Remainder of Erf 229-K on Tanner Road, Empangeni (RPT **174092**)
- Request for Permission to Lease a Portion of Public Open Space on Erf 7454 Pelserplaat, Meerensee (RPT **174367**)
- Request for Permission to Lease a Portion of the Road Reserve Adjacent to Erf 225-K Copper Drive in Kuleka, Empangeni (RPT**174801**)
- Request to Renew ATC South Africa Wireless infrastructure (Pty) Ltd Lease Agreement for Brackenhams Mast and to Sub-Lease Rain Networks Proprietary Limited (RPT **174390**)
- Request for Permission to Lease Council Land to Establish Temporary Medical Doctor's Consultation Facilities, Erf 8453 President Swart Avenue in Empangeni (RPT **174 962**)
- Request for Permission to Lease a Portion of Council Property for Purposes of Establishing a Materials Recovery Facility on a Portion of the Remainder of Erf 5333, Alton (RPT **175473**)
- Request to lease a portion of municipal road reserve next to Erf 7607 Richards Bay (RPT**175507**)
- Application for a Long Term Lease on Portion of Erf 18493 Meerensee, Richards Bay: Vresthena (Pty) Ltd (RPT **175734**)

Land made available for long term lease

- Tender 8/2/1/UMH 1203-22/23: Long-Term Lease and Development of a Portion of the Remainder of Erf 5333 John Ross Highway, Richards Bay. **DMS 1587563**
- Tender 8/2/1/UMH1198-22/23: Long-Term Lease and a Portion of Phase 1 of Council's Waterfront Park Development Project on Proposed Erven 30 and 32 Meerensee Richards Bay. **DMS 1587563**

PROPERTY ALIENATION

Land transfers administered by the Property Alienation Division

Although Council placed a moratorium on land sales in 2015, transfer of land, which was approved prior to the moratorium, is being facilitated by the Division.

Land made available for sale through Tender process

- **Tender: 8/2/1/UMH1180-22/23:** Alienation of Portions 2 of Erf 15373 Mzingazi (Fuel Filling Station)- **DMS 1610749**
- **Tender 8/2/1/UMH1182-22/23:** Alienation of Portions 5, 6, 7 and 8 of Erf 15373, Mzingazi, Richards Bay- **DMS 1610749**
- **Tender 8/2/1 UMH1173-22/23:** Alienation of Erf 7731 Meerensee, Richards Bay (Mayoral House)- **DMS 1610749**

Land approved for execution through alienation

- Alienation of Portion 1, 2, 3 And 4 Of Erf 11376 Richards Bay (Known as IDZ 1D): Richards Bay Industrial Development Zone (**RPT175293**).
- Alienation of Erven 8886 And 8887, Alton Richards Bay: Rav's Buildings and Maintenance (**RPT 175155**).
- Alienation of Erf 8551, The Remainder of Erf 8531 and Portion of Erf 8532 Birdswood, Richards Bay: Mr G Binaris (**RPT161870**).
- Alienation of Portion of Erf 11161 Richards Bay: Boardwalk Inkwazi Mall (**RPT 172013**).

Council's Land transfers 2022-2023

Table 1: Total revenue from sales

ERF No	PURCHASER	PURCHASE PRICE	REGISTRATION DATE
Portion 3 Reserve 4 Farm of Erf 15823	Dept. of Agriculture, rural development and land reform.	R310 000.00	17 February 2023
Erf 15410 Richards Bay	Dept. of Agriculture, rural development and land reform.	R24 120 000.00	09 January 2022
Erf 15424 Richards Bay	Dept. of Agriculture, rural development and land reform.	R31 280 000.00	9 December 2022

Total Revenue derived from Land Sales (**Zero rated VAT**) is **R55 710 000.00**

PUBLIC TRANSPORT FACILITIES AND OPERATIONS COORDINATION

PUBLIC TRANSPORT FACILITIES AND OPERATIONS COODINATION

NATIONAL KPA 2 : BASIC SERVICES AND INFRASTRUCTURE PROVISION

GOALS

OBJECTIVES

STRATEGIES

2.1.1.4 Provision of public transport

NATIONAL KPA 2 : BASIC SERVICES AND INFRASTRUCTURE PROVISION

GOALS	OBJECTIVES	STRATEGIES
2.1 Integrated infrastructure and efficient services	2.1.1 To expand and maintain infrastructure in order to improve access to basic services and promote local economic development	2.1.1.6 Strive to improve reliability and service life of Municipal infrastructure, facilities and assets
		2.1.2.1 Improve community standard of living accelerated development of Integrated Human settlement

NATIONAL KPA 3 : LOCAL ECONOMIC DEVELOPMENT

GOALS	OBJECTIVES	STRATEGIES
3.1 Viable Economic Growth and Development	3.1.1 To promote and facilitate investment	3.1.1.1 Develop investment promotion and facilitation plan
		3.1.1.2 Develop township economy
	3.1.3 To create enabling environment for the informal economy	3.1.3.1 Review and implement informal economy policy

Roles and responsibilities

- Development and review of public transport related policies;
- Concluding subsidised service contracts, commercial service contracts and negotiated contracts with operators for services within their areas;
- Development and management of public transport / intermodal facilities;
- Liaison with public transport stakeholders and role-players;
- Operator regularisation;
- Coordinate Council’s routine and periodical maintenance programmes; and
- Promotion of Transportation Committees.

Highlighted herewith below, are activities executed by City Development: Public Transport Section during the period as from 01 July 2022 until 30 June 2023:

Operator regularization

The National Land Transport Act 5 of 2009 designates Local Government as the planning authority. During the regularization or processing of authority applications by respective operators or aspiring operators, the planning authority heeds the principle of ensuring that public transport services and operator regularization is demand driven. This therefore requires for careful consideration of applications to determine whether the intended services will not exacerbate the already saturated transport industry. The table below illustrates the number of response letters issued;

Table 1: The number of response letters issued

Application category	July – Sept. 2022	Oct. to Dec. 2022	Jan. to Marc. 2023	Apr. to Jun. 2023	SUB-TOTAL

New operating license from source	11	9	6	15	41
Phase 3 new applicants	8	11	2	0	21
Renewal of operating license	56	18	36	38	148
Late renewal of an operating license	0	0	0	0	0
Renewal and change of vehicle	3	1	1	0	5
Renewal of Bus Transport Licenses	7	0	0	0	7
Conversion of Bus Permits	0	0	0	0	0
Tourism Services license	0	0	0	0	0
Conversion of Permits to Operating licenses	0	0	0	0	0
New application of Metered taxi license	5	3	5	6	19
Application for staff transport	0	0	0	0	0
Change of vehicle (Amendment)	41	50	59	31	181
Change of vehicle and capacity	2	0	0	0	2
Transfer of an operating license	0	0	0	0	0
Deceased Transfer of an Operating License	0	0	2	3	5
Reciprocal operating agreement	0	0	0	0	0
Additional authority (Local ass)	1	0	1	24	26
Additional authority (External ass)	6	9	28	11	54
Duplicate operating license	5	3	3	2	13
Scholar Transport license	16	0	8	3	27
Total	169	104	155	135	563

Public Transport Liaison

- KZN SANTACO and their stakeholders, DOT, CoU and Taxi industry public hosted launch of National Transport month awareness and activities included healthy life style promotion. The event of KZN SANTACO was hosted by our beautiful City of UMhlatuze which was graced by the presence of our KZN MEC for Transport, Community Safety and Liaison as well as our Mayor.

Figure 1: Launch of October Transport Month



MEC & KZN SANTACO conducting roadblock for vehicle road worthiness during the launch of October Transport Month



KZN MEC for Transport and Community Safety & Liaison taking part in Aerobics promoting Healthy lifestyle in taxi industry.

Transport Month

MEC & KZN SANTACO conducting roadblock for vehicle road worthiness during the launch of OCTOBER TRANSPORT MONTH

Rank Improvement Programmes

1. Richards Bay Rank Phase II Upgrade (Bus Terminals)

After overcoming the lodged objection that delayed realization of the project, Council was able to appoint Zamisanani Projects early in 2023. This enabled resuscitation of stakeholder facilitation, the development that was jubilantly received particularly the operators. To set the tone, His Worship the Mayor, Clr X Ngwezi presided over the sod turning ceremony held on 13 April 2023 within Richards Bay Intermodal Facility. The ceremony was attended by operators, informal traders, ward committee members, commuters, councillors and media people. In his speech the Mayor thanked the stakeholders for their patience. He also drew attention of people to the link between the rank redevelopment and the adjacent Central Industrial Area project, highlighting that upon completion, there will be a much better traffic flow, thus easing pressure on the central business district roads.

Figure 2: SOD turning event



SOD turning event to mark the start of Richards Bay bus terminals refurbishment



Figure 3: SOD Evidence

His Worship Cllr Xolani Ngwezi holding a spade with KCD SANTACO Chairperson and Bus Company CEO, Speaker, City Manager and other stakeholders including vendor's Executive committee members

2. B RANK

In demonstrating its relentless determination to address existing historical backlog in upgrading public transport facilities, Council moved by appointing DlaminiNdlovu Consultants to prepare detail designs and construction drawing for B-Rank. This is the intermodal facility situated at Empangeni area, one of the two primary economic nodes. The facility is used by operators of various modes, operating routes ranging from local, long distance and even cross-border ones.

Requirements / needs gathering was recognized and prioritized by facilitating numerous consultations with both internal and external stakeholders as well as walks about on the facility. The Consultants presented preliminary concepts on 5 April 2023 and 5 May 2023 to internal and external stakeholders respectively.

Figure 1: Concept Plan for B



CHAPTER 5: FINANCIAL PERFORMANCE

Financial Services



M KUNENE
CHIEF FINANCIAL OFFICER

Introduction

VISION OF THE DEPARTMENT

“A successful finance department that provides reliable, viable and sustainable short, medium and long term financial plan that gives effect to the strategic focus of the City.”

The Finance Department is established in terms of section 80 of the Municipal Finance Management Act. The department cuts across the strategic objectives of the municipality being a support department however in line with the IDP, the department responds to the City's fifth strategic objective which is Sound Financial Management.

The Finance department is made up of 3 sections namely:

- Revenue Management
- Expenditure Management and;
- Supply Chain Management Unit,

The Finance department is the engine of the municipality and has through tough economic times managed to keep the municipality afloat.

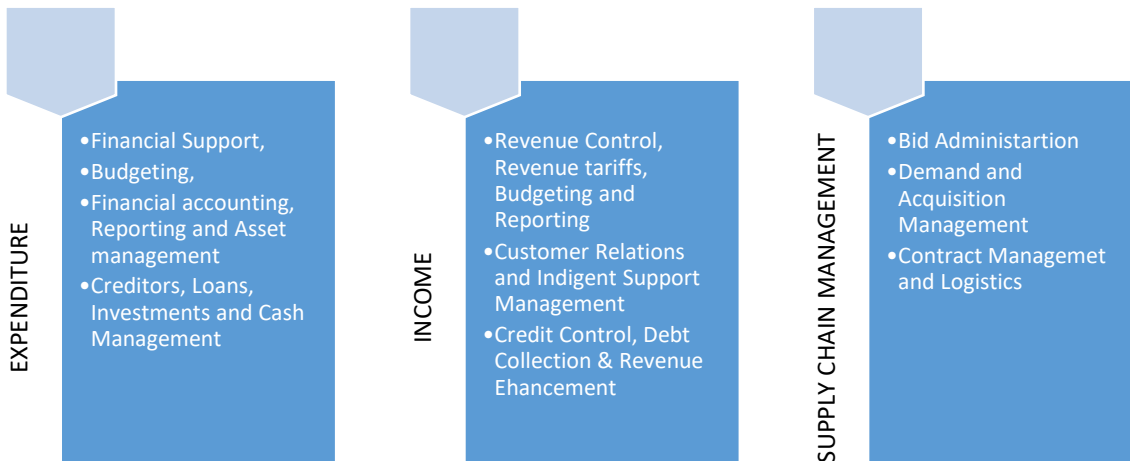
FINANCIAL OVERVIEW

This review is set out to highlight the Municipality's performance for the year ended 30 June 2023. Full details of the financial information will appear in the audited Annual Financial Statements. Based on the information on this document and draft financial information the Municipality is financially viable and sustainable.

We continue to invest in our people, systems, and infrastructure and supply chain and do not see these as isolated interventions, but ongoing necessary investment to achieve our vision of being a top-performing Municipality in the Province / Country and maintaining clean audit.

SECTIONS WITHIN FINANCIAL SERVICES DEPARTMENT

Financial Services department is under the control of Chief Financial Officer (CFO) and comprises of three (3) sections namely, Expenditure, Income and Supply Chain Management Unit.



OVERVIEW OF THE MUNICIPALITY'S FINANCIAL RESULTS

The steady progress made to date evidenced by a better cash coverage ratio and an increased ability of the Municipality to contribute towards its own capital projects have been the critical milestones of the municipality.

The financial performance of the municipality has been accurately forecasted with marginal deviation to the operational budget when comparing actual results to the budget. The cascading of performance information to all management levels with the organisation is another initiative that will bring accountability and ensure that departmental managers ability to plan, organise control and lead is evaluated at period intervals hence allowing for early detection of areas of weakness.

SUMMARY OF KEY FINANCIAL ACHIEVEMENTS FOR THE YEAR UNDER REVIEW

Sound financial management

The leadership of the CFO together with immediate management has formulated financial plans which are in line with the vision of the municipality in order to ensure sustainable service delivery. These plans includes amongst others an organization structure with specialized divisions in internal and external service delivery and financial management support for the Municipality as a whole. The strategy has been to:

- Be clear with the priorities or focus areas of attention for the department therefore eliminating any possible confusion of the future direction of the department.
- Ensure that the top management within the department are effective.
- Ensure the level of leadership within the department sets a professional tone and are exemplary of the ethos that is expected from employees.
- Ensure communication is enhanced such that even though each unit is specializing, information sharing is the culture so that accounting standards and internal controls are debated, thus learning takes place.
- The development of staff and monthly departmental meetings and contract management is done.

OPERATIONAL EXCELLENCE DURING 2022/23

- Maintaining the Clean Audit Finding by the Office of the Auditor General;
- Sound Liquidity Situation;
- Credible and Funded Budgets;
- Cash Backed Reserves, carried over Grant Funds and carried over unspent Borrowings;
- Finance Department Divisions working more in the collective than in silo's;
- Quality of Financial Reporting being amongst the best in the Country;
- Quality of Credit Control & Debt Management being the best in the Country;
- Quality of Creditors Management being the best in the Country;
- Quality of Inventory Management being amongst the best in the Country;
- Quality of Billings being close to faultless with one of the fairest socio/economically structured Tariffs in the Country;
- Successfully implementation of uMhlathuze kuBantu Program as a Batho Pele wheelbarrow in engaging, educating and delivering new innovations for the customers of uMhlathuze.
- Successful implementation of the bid administration unit for Supply Chain Management Unit
- Successful installation of prepaid water meters for the indigent and non-indigent customers of uMhlathuze

REVENUE MANAGEMENT SECTION

Revenue Section, despite many challenges during the year, has managed to achieve the following:

- Providing the lowest priced basket of services to all our Consumers with one of the widest range of free basic services for the poor and indigent residents of our Municipality, in the Country;
- Providing “Consumer Specific” indigent support to parentless households and to destitute households;
- Continued customer focused service through implementation of uMhlathuze kuBantu program which is the wheel barrow for Batho Pele
- Broadened the e-UMHLATHUZE portal to WhatsApp portal, which is a portal for ratepayers to access their municipal rates and services statements and easily pay electronically.
- Sale of prepaid services through third part vendors continues at no cost to customers as the costs remains the same as procuring at the municipal offices and this service is widely used by customers.
- Implemented various Batho Pele programs including a consumer education for ward councilors, visitations of all five traditional councils of The City of uMhlathuze and hosted a Pensioner’s day.

STAFFING

Critical positions in the Revenue Management Section have been successfully filled. Two top positions are filled as follows:

1. Head of Section: Revenue
2. Manager: Revenue Control, tariffs, budgeting and Reporting

Revenue Management Section is currently in the final stages of filling all junior levels positions in various division within Revenue.

STATUTORY REPORTING & COMPLIANCE

Monthly reports have been submitted in respect of revenue collection, debtor’s collection and indigent program in terms of each required regulation of the Municipal Financial Management Act.

BAPHO PELE IMPLEMENTATION

Revenue Section has implemented various Batho Pele programs including a consumer education for ward councilors, visitations of all five Traditional Councils of The City of uMhlatuze in establishing good working relations with Traditional Council and introduction of prepaid water system and credit control actions for business and affluent houses with permission to occupy the land under the Ingonyama trust

Revenue Section also hosted community programs including the Pensioner's and parentless household's day for various wards in this financial year under review.

INSTALLATION OF PREPAYMENT WATER METERS

Revenue Section started in 2021/2022 to install prepayment water meters to all Indigent families. The outcome was an overwhelming success and very positive responses were received. Council then resolved in May 2022 that the prepayment water meters be installed to non-indigent customers as well.

Revenue Sections plans to install 3000 prepaid water meters in the 2023/24 financial year. This project will bring the following benefits to the municipality:

- Reduce water losses
- Curb growing water debt

NEW INNOVATIONS - e-uMhlatuze WHATSAPP PLATFORM

Revenue Section has successfully launched the e-uMhlatuze WhatsApp number 072 445 0347 for the customers to access a range of municipal services which includes but not limited to

- View a summary of your municipal account
- Pay your municipal account
- Get a detailed statement in PDF
- Access various self-service and emergency services links

FUTURE INNOVATIONS – SMS NOTIFICATIONS FOR BILLING AND PAYMENTS DUE DATES

Revenue Section has completed a SMS functionality which is expected to go-live in September 2023, where customers will receive two courtesy SMS notifications for the following:

1. The statement of account readiness soon after billing
2. Reminder SMS for due date of payments five days before the due date.

This initiative will ensure that all rate payers are furnished with the municipal accounts in line with MPRA.

EXPENDITURE MANAGEMENT SECTION

Expenditure consists of 3 operational divisions, namely:

Creditors and Cash Management

- The creditors unit facilitated the training of six interns across all major sections of the Finance Department in the financial year. Rotations as well as Personal Development Plans were developed for interns. The progress with this program is very good, especially in the absence of other institutional platforms providing a suitable stepping-stone for aspirant local government financial managers.
- Providing cash flow relief for our SMME vendors by paying invoices within 7 days;
- Signing of Cession agreements with primary suppliers, to assist SMME's to receive materials on time;
- Guaranteeing every single creditor who has their invoices and associated orders "GRN'd", payment within 30 Days.
- Greater emphasis is being placed on maintaining a healthy and positive relationship with Council's suppliers.
- Stricter controls are being implemented in the payment/procurement process between municipal user departments and suppliers in ensuring Supply Chain Management processes are followed.
- Municipal funds are managed on a daily basis. Council has only short term funds available, hence are invested likewise accordingly. The balance of funds invested as at 30 June 2017 was R702 million (2016 – R432 Million). This lending itself very well to the fact that, debtors and cash management is soundly on track
- Managed the highest short-term investment portfolio in the history of the municipality to date and doubled its earnings on short term investments year on year.

Financial support, budget process management and budget reporting

The process of planning to the approval of each MTREF (Medium Term Revenue and Expenditure Framework) is a continuous cycle, commencing immediately after the ensuing years MTREF is approved by Council. The 2022/23 (MTREF) was tabled before Council on 30 March 2022. Thereafter a 5-week budget participation process was undertaken with cluster meetings at various locations. Attendance by the community at these meetings is improving and the understanding of the municipal processes by the community is also encouraging to note.

Following the budget participation process any amendments that have been identified by the community are incorporated into the Adopted 2022/23 Budget and Medium Term Revenue and expenditure Framework (MTREF). Council adopted the 2022/2023 MTREF on 25 May 2022.

The endeavour by National Treasury to ensure that municipalities prepare a budget document that provides concise and understandable financial and non-financial information, ensures that informed decisions are made to promote effective financial management and service delivery.

National Treasury created a template called “Batho Pele City” as a guide for municipal officials responsible to produce their real municipal budget documents. The aim of the Budget Guide is to provide more detailed guidance on the format and content of a municipal budget so as to ensure full compliance with both the letter and the spirit of Schedule A of the Municipal Budget and Reporting Regulations.

In light of the above, Council’s Tabled and Adopted Budget report was prepared in line with the template provided by National Treasury.

Financial support unit also includes payroll administration, which ensures that +/- 2400 employees (including 67 councillors) are paid their monthly salaries and allowances timeously and accurately.

FINANCIAL ACCOUNTING AND ASSET MANAGEMENT

The functions of this sub-section include ensuring that the Annual Financial Statements are completed and timeously submitted to the Auditor General for auditing purposes and that the Municipality has GRAP compliant Financial Assets Register.

STAFFING

Expenditure Management Section is in the final stages of filling the following critical positions:

1. Deputy Manager: Budget, Financial Support, Costing and Regulatory Reporting

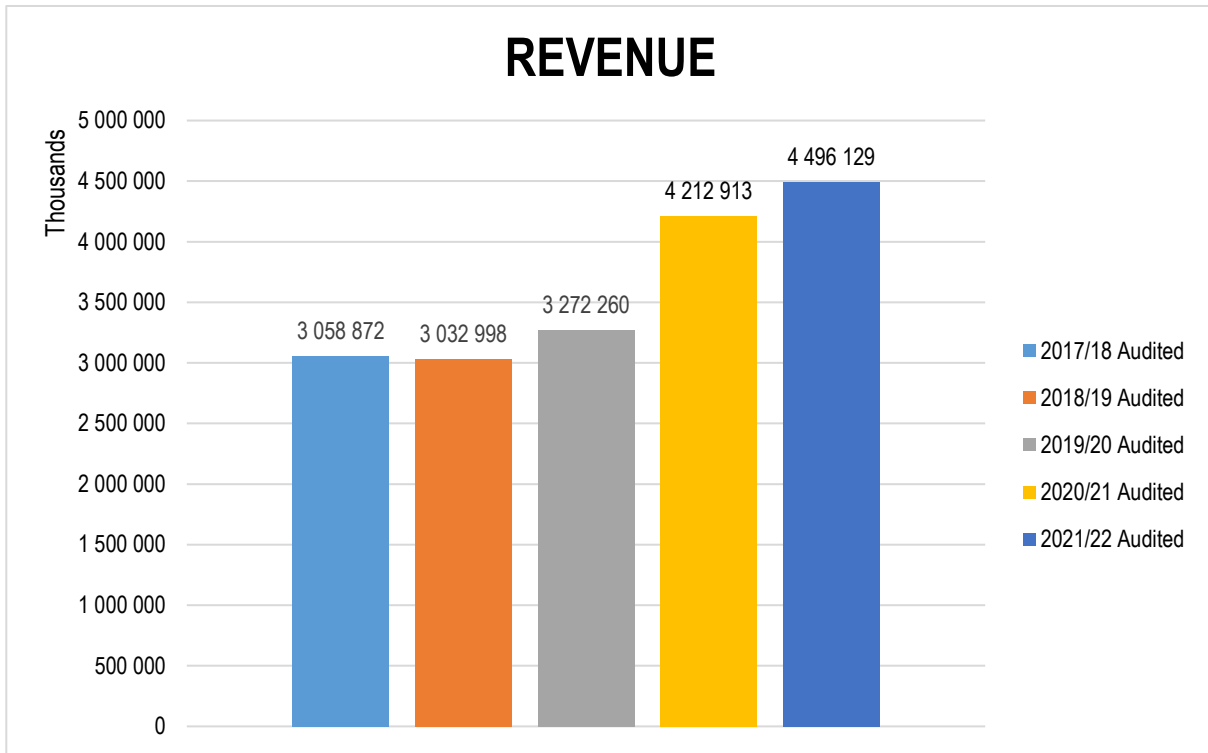
2. Deputy Manager: Budget, Financial Support, Costing and Regulatory Reporting
3. Deputy Manager: Assets Accounting and AFS
4. Deputy Manager: Creditors, Cash Management and Borrowing

STATUTORY REPORTING & COMPLIANCE

Monthly reports have been submitted in respect of expenditure management each required regulation of the Municipal Financial Management Act.

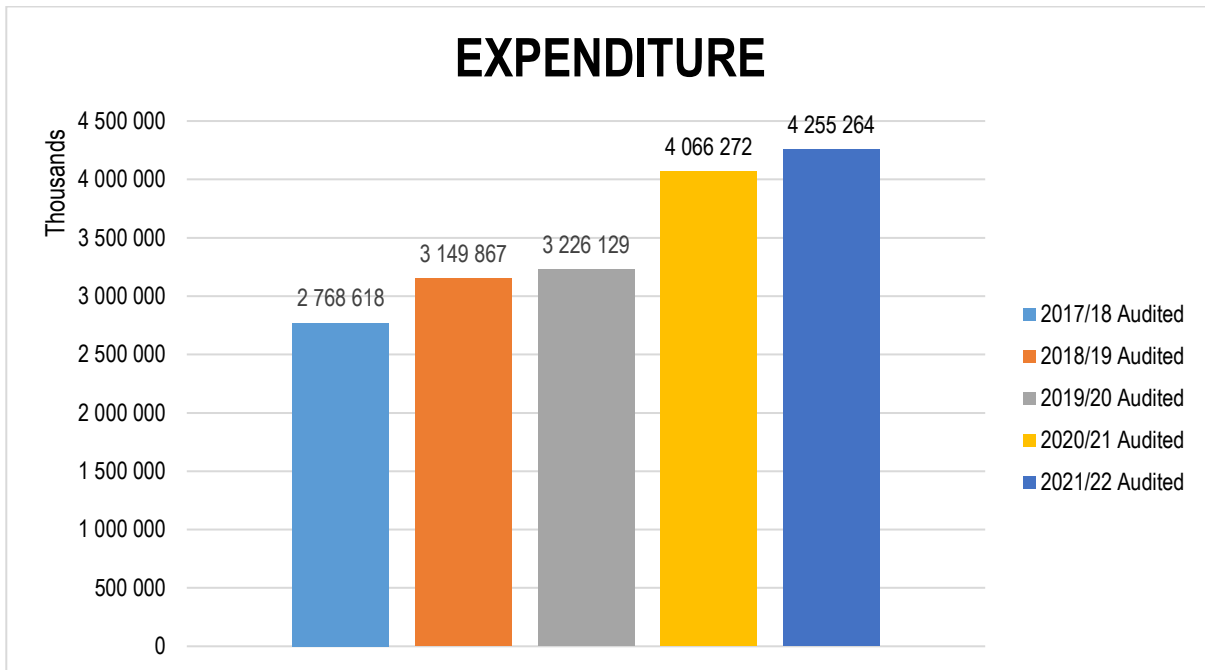
RESULTS FOR REVENUE AND EXPENDITURE FOR THE PAST 5 YEARS

The graph indicates actual revenue for the municipality over five years, and the growth thus far is 44,3%. This means the growth per year has been around 8.8%, and that has been above the average CPI over the five years. However, these figures incorporate the implementation of water balance model which requires recognition of revenue from own water sources as inventory gain which is a substantial amount (R527 million). The growth per year excluding water inventory gain is around 5,3%.



EXPENDITURE

The graph indicates actual expenditure for the municipality over five years, and the growth thus far is 53.6%. This means the growth per year has been around 10,7%, and that has been above the average CPI over the five years.



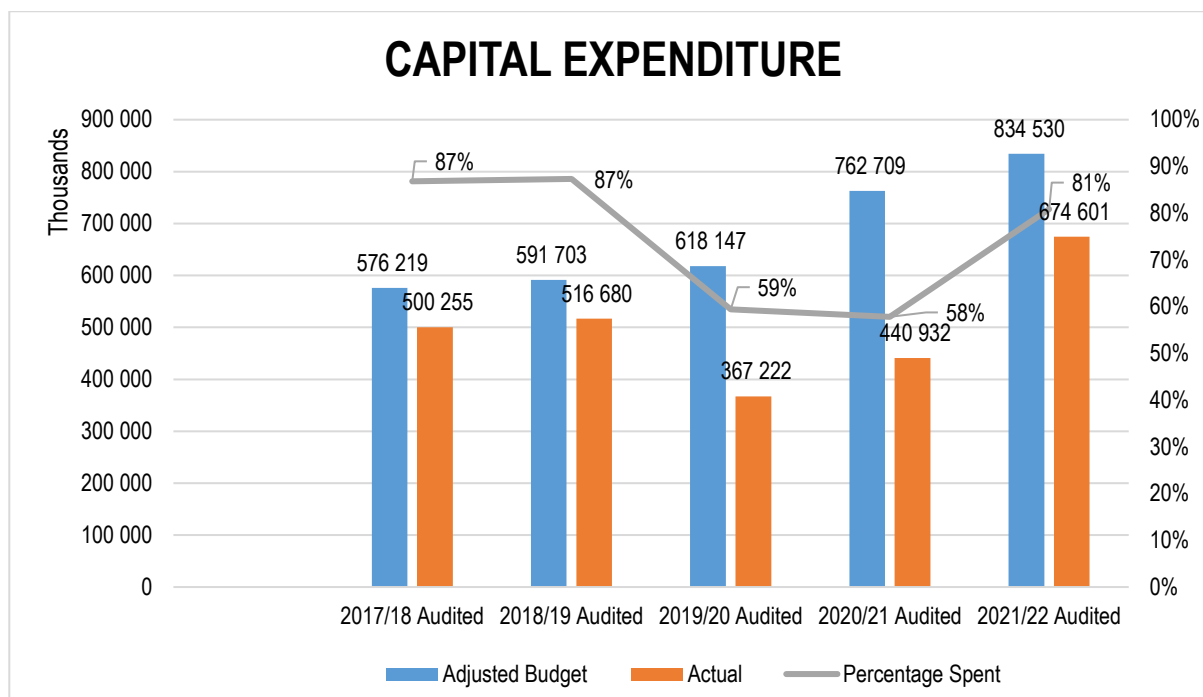
CAPITAL EXPENDITURE

In the past 5 years the municipality has been able to roll out its capital infrastructure to improve the quality of the citizens. Below there is graph for capital expenditure is tabulated which compares budget to actual.

There was substantial improvement in the year on the capital expenditure given that the expenditure is at 81% (2021:58%), respectively. This is a confirmation that the municipality has performed well, given the many challenges that the city has had though there is room for improvement to achieve 100% expenditure. In most instances capital infrastructure is seen as job opportunities and when individuals have not been successful in getting tenders, they easily close all the infrastructure sites. Although this is not only unique to uMhlathuze but if not attended to at a National level municipality will continue to struggle.

The municipality over the years has continued to be robust in the roll out of the infrastructure and the municipality has managed to put together a good funding mix. The ability to finance capital budget has not been a challenge for the municipality in the past 5 years, in fact the municipality has been able to finance substantially utilizing its own funds.

Capital Budget against Actual



NET SURPLUS RESULTS

As at the end of June 2022, the Municipality reported a net surplus from operations of R 57,5 million (2021: R147,4 million deficit) against a budgeted deficit of R 150,7 million. The municipality has cost reflective tariffs to which a portion fund future expenditure, such as the replacement of capital assets through accumulated depreciation. The surplus after appropriations is the best indicator of the Municipality's underlying financial performance and sustainability. The table below shows a reconciliation between annual financial statements' net surplus and an operating surplus.

	2022	2021
	R	R
Net surplus for the year	240 864 657	130 744 282
Less: Capital grants revenue	(183 194 282)	(188 216 565)
Less: Land sales revenue	(140 000)	(90 000 000)
Operating surplus/(deficit) for the year	57 530 375	(147 472 283)

mSCOA IMPLEMENTATION

uMhlathuze Municipality has managed to comply with the mSCOA Regulations, initially having been a pilot site on 1 July 2015 on version 5.3 up to the current of 6.7 version of mSCOA. The municipality continues to make strides in influencing certain changes to the mSCOA chart through National Treasury frequently asked question (FAQ). As a result, the municipality is able to upload its strings to the NT portal and have the green light. It is also noted that the chart itself is continuously improved due to collective knowledge sharing amongst municipalities together with both Provincial Treasury and National Treasury.

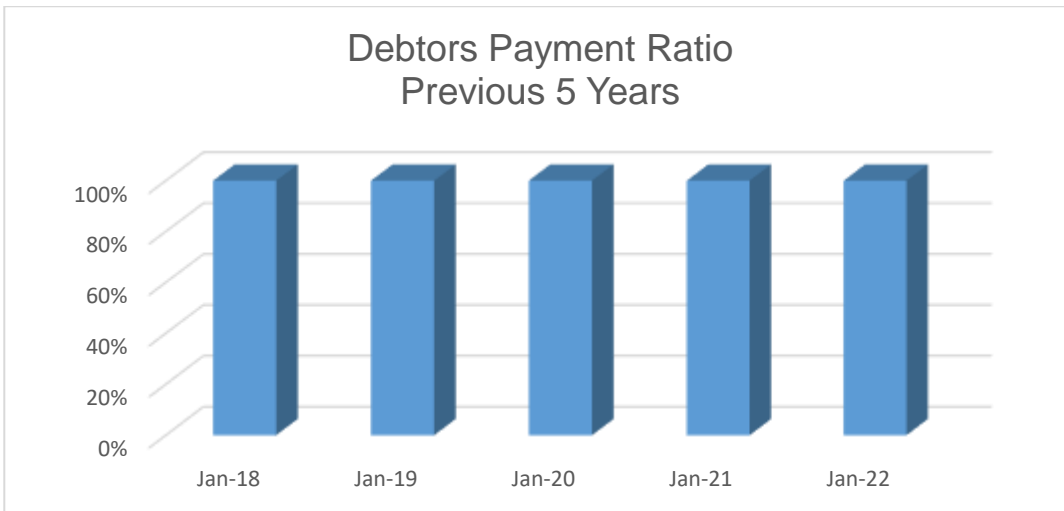
DEBT MANAGEMENT

The collection rate on average in the last five years has been generally good and above the norm of 95%, with the exception of a few months during lock down. Since the advent of COVID-19 in March 2020 and the resultant lockdown restrictions imposed on businesses and households, the City has seen varying levels of collection rates as consumers' earnings and income have been negatively affected. The full effect of the lockdown due to the COVID-19 pandemic, where credit control measures were suspended for the period from March 2020 to October 2020. The relationship between the ever-increasing tariffs and outstanding debtors is an indication that consumers are struggling to meet their obligations in terms of payment for services. The worsening economic climate puts pressure not only on the world economy, but also filters down to households in municipalities, which has just been worsened by the COVID-19 pandemic.

With these challenges some of the communities cannot afford to pay for municipal services, and others taking to the streets requesting for write-off, of their debt. In the 2022/23 financial year, the City has performed exceptionally well in recovering debt.

COLLECTION RATIOS

Year Ending	Debtors Payment Ratio
June 2023	104%
June 2022	94.67%
June 2021	100.33%
June 2020	93.08%
June 2019	99.71%
June 2018	95.17%



NETT DEBTORS IN DAYS

Year Ending	Nett Debtors Days
June 2023	70.31
June 2022	91.58
June 2021	57.37
June 2020	71.77
June 2019	43.48
June 2018	47.37

INVESTMENTS, CASH AND BORROWINGS

A prominent indicator of a going concerns financial viability is obviously the level of financial and business risk it brings on itself by the amount of long term debt the municipality exposes itself to and the extent to which the municipality can service such debt.

The strategy adopted of having a bias towards self-funding of capital spend helps paint a very healthy picture of Debt Liability Management with the last two years' indicators in this regard reading as follows:

RATIO	ACCEPTABLE NORM	2022	2021
Debt to Net Assets (Equity)	25% to 40%	14,6%	10,4%
Debt to Operating Revenue	45%	24%	18%
Debt Cost to Operating Expenditure	6% to 8%	3%	3%

Clearly there is room for further exposure. However, depending on the capacity both internally and the local environment allows to spend efficiently and effectively, such capacity will dictate how much further exposure Council will absorb.

Investments

The Municipality's healthy liquidity situation is used as effectivity as possible to generate further income from investing in the markets best short term deposits environment. The table below demonstrates the extent to which the short term market is exploited.

DESCRIPTION	2022	2021
	R	R
Short-term investments	550 432 205	630 000 000
Bank balances and cash on hand	134 331 558	190 690 308
Total cash and cash equivalents	684 763 763	820 690 308

SUPPLY CHAIN MANAGEMENT

STAFFING

Critical positions in the Supply Chain Management Unit (SCMU) have been successfully filled. Three top position filled are as follows:

1. Head of Section: SCM
2. Manager: Contract Management & Logistics Management
3. Deputy Manager: Demand & Acquisition Management

Supply Chain Management has also established and filled positions for the bid administration section which aims at managing the end-to-end process of all bids above R 200 000.00.

STATUTORY REPORTING & COMPLIANCE

Monthly reports have been submitted in respect of procurement of goods and services in terms of each required regulation of the Supply Chain Management Policy of the Council.

SUPPLY CHAIN MANAGEMENT POLICY (SCMP)

Council approved the SCMP annual review on 26 August 2020. The review was in line with Chapter 1, paragraph 3(c) of the Supply Chain Management Regulations, which state that “when the Accounting Officer considers it necessary must submit proposals for the amendment of the Supply Chain Management Policy to Council.”

The policy was not reviewed because the Constitutional Judgement of 16 February 2022 caused an administrative nightmare for public procurement. When National Treasury suspended all public procurement processes, a directive was received that Council’s Preferential Procurement Policy of 2017 should be amended, which was effected through RPT 172719. While Council was still digesting and preparing for those amendments of the Supply Chain Management Policy, on 30 May 2022, the National Treasury issued a media statement (DMS 1538966) following the Constitutional clarification (DMS 1538947) of the judgement passed by the Court on 16 February 2022. In summary, the ruling clarification said the Minister of Finance misread the ruling, and the Preferential Procurement Regulations of 2017 would remain inforce until 15 February 2023. The draft review of the Supply Chain Management has been done (RPT 171300), and will serve in the first quarter of 2022/2023.

CONTRACT MANAGEMENT POLICY

Contract Management Policy was developed and approved in 2017, which aims to assist and ensure efficient management of contracts. Section 116 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) stipulates the procedure that should be followed to manage a contract procured through Supply Chain Management of a municipality. There were no issues or amendments that necessitated the review.

INTERNAL AUDIT

Three new audits were conducted during the financial year: Mid-Year Stocktake in December 2021, P2P Data Analytics Review in March 2022, Procurement Plans in May 2022 and the Year Stocktake in June 2022. These were done together with Auditor-General Audit Findings Follow-ups from the previous years that were documented and reported by the Internal Audit during the year.

TRAINING AND WORKSHOPS

Staff capacitation remain critical for The Supply Chain Management Unit and following traings were done for officials involved in implementing the Supply Chain Management Policy as per the National Treasury guidelines on Supply Chain Management Training.

Programme description	Date	Service provider	Number of staff trained
MFMA CIRCULAR 106	19 to 21 June 2023	National Treasury	13
KWAZULU NATAL PROVINCIAL SUPPLY CHAIN MANAGEMENT FORUM	27 June 2023	Provincial Treasury	3
Presentations of the Four day Process mapping and improvement workshops for red tape reduction and ease of doing business in the City of uMhlatuze	5 to 9 June 2023	Department of Small Business.	5

SAP SYSTEM

The financial year under review was the fourth year since the SAP ERP was implemented. SAP modules for SCM are SRM (Supplier Relationship Management) and MM (Material Management).

The current SAP ERP for SCM are SRM – Supplier Relationship Management and MM – Material Management. SRM facilitates the procurement of goods via a web-based platform from procurement to payment. MM deals with Material Management and Inventory Management, Procurement Process, Master Data (Material and Vendor Master), Inventory Management, Valuation of Material Requirement Planning, Invoice Verification, etc. The SAP Consultant's assistance is required when there is a need.

During the quarter, as a requirement from National Treasury, we embarked on a project to interface Central Supply Database with Council's database. After the complete exercise, it will reduce the time and resources required to complete the database application forms. We will only need the MAAA_ _ _ _ _ CSD registration number and the confirmation of the bank details.

LINKING SAP WITH NATIONAL TREASURY: CENTRAL SUPPLIER DATABASE (CSD)

There is a project underway to interphase SAP with the national supplier database. The CSD is a single database that serves as the source of all supplier information for organs of state. The supplier information verifies with institutions such as the South African Revenue Service, Companies and Intellectual Property Commission, Department of Home Affairs, Banks, Organs of State Human Resources, etc. The interface ensures that organs of state do not do business with suppliers who are listed as SARS defaulters, blacklisted from doing business with the Government, or Government employees who have companies or relatives of Government employees but failed to declare their relationship. This includes suppliers who fail to report other companies they have the interest to avoid the collusive practice. The interphase is underway and full completion and implementation is expected during 2023/2024.

CONTROLLING EXPENDITURE

TOTAL TRANSACTION OF PURCHASE ORDERS ISSUED

The Supply Chain Management Unity (SCMU) scrutinises all Requisitions for material and verifies that the correct Budget as per the SDBIP is utilised for the procurement of materials and services.

Below is a 5-year summary of the purchase orders processed:

■ 2017 / 2018 total transactions	R2 033 977 529,00
■ 2018 / 2019 total transactions	R2 107 358 112,00
■ 2019 / 2020 total transactions	R1 791 227 317,08
■ 2020 / 2021 total transactions	R1 812 321 317,88
■ 2021/2022 total transactions	R1 364 468 034,39

MATERIALS MANAGEMENT

STOCK TAKE RECONCILIATION FOR THE PERIOD ENDED 30 JUNE 2022	
Details	Amount
Stock Value Before Stock Take (28/06/2022)	R29 100 108,02
Issues During Stock Take	-R 331 142,82
Receipts During Stock Take	R 5 299 212,41
Stock Written Off	-R 13 270,48
STOCK TAKE RECONCILIATION FOR THE PERIOD ENDED 30 JUNE 2022	
Details	Amount
Unfavourable Variances	-R 241 068,08
Favourable Variances	R 238 575,85
Stock Value After Stock Take	R34 052 414,93
Differences	-

The above figures, measured in the context of total value of orders managed by the SCMU, underpin the good management taking place within this unit.

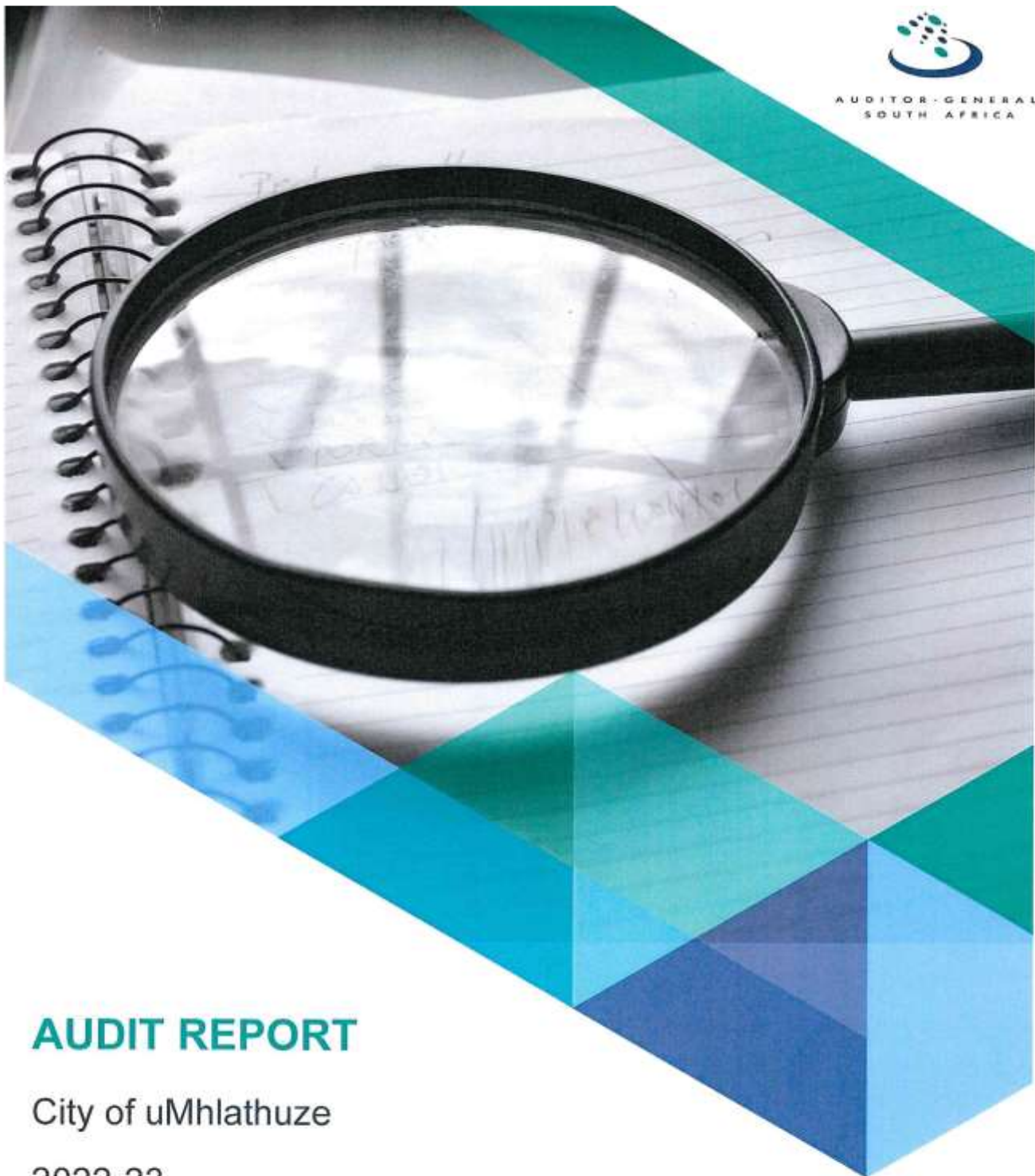
CONCLUSION

The Chief Financial Officer wishes to thank the finance team, the Municipal Manager, Finance portfolio committee, and the Office of the Auditor General for the continued support and guidance that the department has received over the past five years. The department endeavours to continue to improve as a department while ensuring that the support that we provide in the municipality is relevant and aligned to the objectives of the municipality.

CHAPTER 6: AUDITOR GENERAL'S FINDINGS



AUDITOR-GENERAL
SOUTH AFRICA



AUDIT REPORT

City of uMhlatuze

2022-23

Date: 30 November 2023

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on the City of uMhlathuze Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the City of uMhlathuze Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the City of uMhlathuze Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Receivables from exchange transactions – allowance for impairment

7. As disclosed in note 4 to the financial statements, an allowance for impairment of R120 million (2021-22: R276,21 million) on receivables from exchange transactions was raised as the recoverability of these amounts was doubtful.

Bad debts written off

8. As disclosed in note 32 to the financial statements, R245,95 million (2021-22: R119,89 million) was written off as bad debts.

Bulk purchases – water losses

9. As disclosed in note 33 to the financial statements, water distribution losses of R434,10 million (2021-22: R260 million) was incurred, which represented 57% (2021-22: 38%) of total water purchased. These losses were largely due to illegal connections, metering losses and leakages.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting

unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Basic service delivery and infrastructure development	XX-XX	Provision of infrastructure and delivery of basic services

18. I evaluated the reported performance information for the selected key performance area against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for any measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected key performance area.

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and measures taken to improve performance. Tabulated below are service delivery indicators that were not achieved for the basic service delivery and infrastructure key performance area.

24. The municipality plays a key role in delivering services to South Africans. The table that follow provide information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for measures taken to improve performance are included in the annual performance report on pages xx to xx.

Service delivery indicators not achieved – KPA 2 – Basic Service Delivery and infrastructure

Key service delivery indicators not achieved	Planned target	Reported achievement
Reduction of water losses (cumulative)	25%	88%
Wastewater Quality compliance of ≥90% as per Green Drop standard	>90%	42%
Percentage of planned maintenance performed	100%	88%
Kilometres of paved municipal road which has been resurfaced and resealed	3	0
Construction of Pedestrian Bridges	5	0
Number of subsidised housing units completed	20	0
Percentage of Pre 1994 Old Housing stock transferred	100%	0%
Number of Post 1994 Old Housing stock transferred	46	34

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
28. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected key performance area presented in the annual performance report that has been specifically reported on in this auditor's report.

30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. The other information I obtained prior to the date of this auditor's report is the draft annual report received with the submission of the annual financial statements. The final annual report is expected to be made available to us after 30 November 2023.
33. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
34. When I do receive and read the final annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
36. I did not identify any significant deficiencies in internal control.

Material irregularities

37. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

38. The material irregularities identified are as follows:

Overpayment for sports fitness centre

39. I identified non-compliance with section 78(1)(c) of the MFMA, which requires that each senior manager and each official exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that any unauthorised, irregular, or fruitless and wasteful expenditure and any other losses are prevented. In this regard, contracts for the development and construction of a fitness centre in Esikhaleni, Richards Bay, KwaZulu-Natal were awarded, and payments were made for goods and services not delivered. The overpayment was disclosed as irregular expenditure under assessment in note 48 to the 2022-23 financial statements. The overpayment is likely to result in a material financial loss if not recovered. The accounting officer was notified of the material irregularity on 29 March 2023. The following actions were taken:

- Disciplinary action against the officials that did not discharge their duties with due care as required by the MFMA and their agreed conditions of employment. These officials were suspended and their services later terminated.
- The project management consultant and contractor's contracts have since been terminated, and the process of financial recovery for the overpayment is underway through a legal process.
- Criminal cases against the suppliers have been lodged with the South African Police Service and the Directorate for Priority Crime Investigations.

40. I will follow up on the progress made to recover the overpayments during my next audit.

Auditor-General

Pietermaritzburg

30 November 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

APPENDICES:

APPENDIX A: COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE



**NAME: XOLANI NGWEZI
PARTY: IFP
MAYOR OF THE MUNICIPALITY**



**NAME: NKULULEKO NKONZO NGUBANE
PARTY: EFF
DEPUTY MAYOR OF THE MUNICIPALITY**



**NAME: TOBIAS SEZE GUMEDE
PARTY: IFP
SPEAKER OF COUNCIL**



**NAME: NKONZOYAKHE GODSHERO DONDA
PARTY: IFP
CHIEF WHIP OF COUNCIL**

WARD COUNCILLORS:



Ward 1 - Clr L. Cebekhulu
Cell: 078 225 9347
Party: ANC



Ward 2 - Clr C. M. Botha
Cell: 082 839 5816
Party: DA



Ward 3 - Clr H. P. C. de Wet
Cell: 081 433 6643
Party: DA



Ward 4 - Clr R. F. Kearns
Cell: 083 4413 752
Party: DA



Ward 5 - Clr S. H. Zulu
Cell: 073 656 7216
Party: IFP



Ward 6 - Clr M. Mthethwa
Cell: 071 043 9626
Party: IFP



Ward 7 - Clr I. N. Zwane
Cell: 073 641 7652
Party: IFP



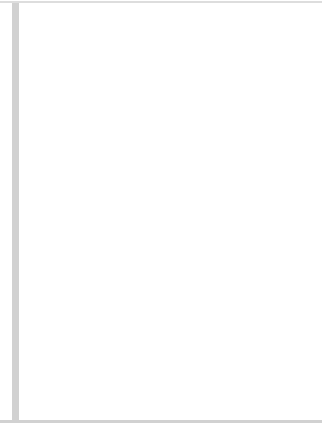
Ward 8 - Cnr N Mdhletshe
 Cell: 067 725 1090
 Party: IFP



Ward 9 - Cnr M Mdaka
 Cell: 072 720 8708
 Party: ANC



Ward 10 - Cnr M Dlamini
 Cell: 073 087 3752
 Party: ANC



Ward 11 - Cnr T Zibani
 Cell: 083 711 8907
 Party: IFP



Ward 12 - Cnr Thembelani Nsele
 Cell: 078 421 0651
 Party: ANC



Ward 13 - Cnr R Ndlovu
 Cell: 078 302 9362
 Party: ANC



Ward 14 - Cnr A Mthethwa
 Cell: 072 716 8259/063 477
 9577
 Party: ANC



Ward 15 - Cnr T Dube
 Cell: 082 535 9906
 Party: ANC

PROPORTIONAL COUNCILLORS



Msimango Muziwokuthula
 Cell: 072 689 2250
 Party: IFP
 WARD KCDM



Myaka John Funa
 Cell: 073 508 8697
 Party: ACDP
 PR



Mavimbela Clement
 Cell: 082 362 8194
 Party: NFP
 PR



Sabela Lucas
 Cell: 073 025 0102
 Party: IFP
 PR



Ntshaba Zakhele
Cell: 076 740 7172
Party: IFP



Naidoo Karanagie
Cell: 079 889 0411
Party: DA
PR



Mduduzi Mhlongo
Cell: 082 522 9895/0792343103
Party: ANC
PR



Madida Nompumelelo Makhosi
Cell: 078 785 4607
Party: EFF
PR KCDM



Mathaba Bhekinkosi
Cell: 072 806 8911
Party: IFP
PR



FisokwakheMkhize Zodwa Harriet
Cell: 066 048 7941
Party: IFP
EXCO PR



Mkhwanazi Kingdom Mbuso
Cell: 065 534 0545
Party: IFP
PR



Mkhwanazi Happiness Siphesihle
Cell: 067 284 3826
Party: IFP
PR KCDM



Mncwango Sandile Simo
Cell: 082 671 3538
Party: IFP
PR

Cele Vano Themba
Cell: 066 542 9538
Party: IFP
PR

Biyela Sfiso Wens
Cell: 083 541 1754
Party: EFF
PR

Gumedede Jeanne Simphiwe Sizile
Cell: 072 082 9211
Party: ANC
PR



Grobelaar Zonita
Cell: 078 102 9615
Party: IFP
PR EXCO



Lange Anneke
Cell: 078 772 1202
Party: VVP
PR KCDM



Mabaso Bongekile Prudence
Cell: 082 938 1515
Party: ANC
PR



Mbuyakhulu Fortunate Nelisiwe
Cell: 082 704 8484
Party: ANC
PR



Mntshali Mziwakhipe
Cell: 083 470 3000
Party: DA
PR KCDM



Mthembu Babhekile Constance
Cell: 072 256 6660
Party: ANC
EXCO PR

Mthembu Abraham
Cell: 071 409 9600
Party: EFF
PR



Nkosingiphile Mtshali Khululiwe Constance
Cell: 078 799 8343
Party: EFF
PR



Naidoo Ivan Jagannatham
Cell: 082 451 1179
Party: IFP
PR KCDM



Ntshangase Sthabelo Nkozenhle
Cell: 068 133 8211
Party: DA
PR KCDM



Nyawo Philile Princes
Cell: 072 888 1050
Party: EFF
PR



Ramkuar Anton Ethan Raphael
Cell: 084 409 6626
Party: DA
PR



Sibiya Khonzeleni Duduzile
Cell: 0782447526/0735271315
Party: ANC
EXCO PR



Zikhali Raphael Mduku
Cell: 0730588380/07995
Party: ANC
EXCO PR

NAME	M/F	PARTY	WARD NO	ADDRESS	DESIG-NATION	CELL PHONE	e-mail
BIYELA Sifiso Wens	M	EFF	PR	Okhalweni Area Empangeni	PR	083 541 1754	BiyelaSW@umhlathuze.gov.za
BLOSE Nokubonga Nomthandazo	F	ANC	17	H2 3161 Idada Street eSikhawini	WARD	083 783 2371	BloseNN@umhlathuze.gov.za
BOTHA Christo Marius DEPUTY MAYOR Wef 10/08/2023 CR 16506	M	DA	2	6 Fish Eagle, Golf Estate Meerensee	EXCO WARD	082 839 5816	BothaCM@umhlathuze.gov.za Christo@cmbbotha.co.za
CEBEKHULU Langelihle Goodman	M	ANC	1	Site 15171 (Makheleni Tavern) Mzingazi Village	WARD	078 225 9347	CebekhuluLG@umhlathuze.gov.za
CELE Vano Themba	M	IFP	PR	Kwa-Dlangezwa Reserve	PR	066 542 9538	CeleVT@umhlathuze.gov.za
CHILI David Velenkosini Wef 17/03/2022	M	IFP	PR	Mandlanzini	PR	060 364 7228	ChiliDV@umhlathuze.gov.za

NAME	M/F	PARTY	WARD NO	ADDRESS	DESIGNATION	CELL PHONE	e-mail
DE LANGE Barend Jacobus	M	DA	23	7 Hoopoe Street Empangeni	WARD	083 3217 844	DelangeBJ@umhlathuze.gov.za
DE WET Henning Petrus Cornelius	M	DA	3	Kashmir Gardens, 109 Via Cassiandra, Arboretum, Richards Bay	WARD	081 433 6643	DeWetHPC@umhlathuze.gov.za
DLAMINI Kwazikwenkosi Selby	M	ANC	18	Port Durnford Reserve eSikhawini	WARD	083 623 6238	DlaminiKS@umhlathuze.gov.za
DLAMINI Mduduzi Sylvester	M	ANC	10	Ngunjini Reserve Kwa-Dlangezwa Reserve	WARD	073 087 3752	DlaminiMS@umhlathuze.gov.za
DLUDLA Vincent Sgu	M	IFP	12	Madlankala Reserve, Esikhawini	WARD	076 828 5929	Vincentsgu4@gmail.com

NAME	M/F	PARTY	WARD NO	ADDRESS	DESIG-NATION	CELL PHONE	e-mail
DONDA Nkonzoyakhe Godshero WHIP OF COUNCIL wef 10.12.2021	M	IFP	16	H3036 Mshekisane Street eSikahwini	WHIP OF COUNCIL EXCO WARD	083 718 3477	DondaNG@umhlathuze.gov.za
DUBE Thobile Cynthia	F	ANC	15	Mkhobosa Reserve eSikhawini	WARD	082 535 9906	DubeTC@umhlathuze.gov.za

NAME	M/F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
GCABASHE Siphamandla Wesley	M	ANC	31	Macekane Reserve	WARD	082 481 7127	GcabasheSW@umhlathuze.gov.za
GOVENDER Jeevaruthnam	M	IFP	26	8 Cibotium Cescent Brackenham	WARD	083 330 4825	GovenderJ@umhlathuze.gov.za
GROBBELAA R Zonita	F	IFP	PR	72 Armstrong Ave Empangeni	EXCO PR	078 102 9615	GrobbelaarZ@umhlathuze.gov.za
GUMEDE Simpfiwe Sizile Jeanne	F	ANC	PR	232 Impofu Street eNseleni PARTY REPRESENTATIVE	PR	072 082 9211	beeznathi@gmail.com GumedeSSJ@umhlathuze.gov.za
GUMEDE Tobias Seze SPEAKER wef 23.11.2021	M	IFP	PR	Mhlanga Area Ngwelezane	SPEAKER PR	076 356 6148	GumedeTS@umhlathuze.gov.za tobiasgumede9@gmail.com
GUMEDE	M	ANC	28	A316 Nkanyezi Road	WARD	073 324 2453	GumedeSM1@umhlathuze.gov.za

NAME	M/F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
Siphelele Mzuvele				Ngwelezane			
KEARNS Rynie Frederika	F	DA	4	18 Prinia Park Birdswood	WARD	083 441 3752	KearnsRF@umhlathuze.gov.za
KHUZWAYO Petunia Happy	F	EFF	PR	Macekane Reserve, Somopho Empangeni	PR	060 560 2946/ 076 432 5110	khuzwayoph@umhlathuze.gov.za/ khuzwayo.happy@gmail.com
LANGE Anneke	F	VVP	PR	19 Via Verbena Veld en Vlei	PR KCDM	078 772 1202	anneke.digital2020@gmail.com LangeA@umhlathuze.gov.za
MABASO Bongekile Prudence	F	ANC	PR	6 Thendele Street Hillview, Empangeni	PR	082 938 1515	MabasoBP@umhlathuze.gov.za
MADIDA Nompumelelo Makhosi	F	EFF	PR	Odondolo Reserve Empangeni	PR KCDM	078 785 4607	MadidaNM@umhlathuze.gov.za
MAKHANYA Ntuthuko Fanelesibonge	M	ANC	34	Khandisa Reserve, Kwa-Dlangezwa	WARD	083 356 6613	MakhanyaNF@umhlathuze.gov.za

NAME	M/F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
MASONDO Sibongiseni	M	ANC	21	H1801 Iwabayi Street eSikhawini	WARD	081 547 6939	MasondoS@umhlathuze.gov.za

NAME	M/F	PARTY	WARD NO	ADDRESS	DESIG-NATION	CELL PHONE	e-mail
MATHABA Fisokwakhe Bhekinkosi	M	IFP	PR	Kwa-Khoza Mazimazane Reserve eNseleni	PR	072 806 8911	MathabaFB@umhlathuze.gov.za
MAVIMBELA Clement Philani	M	NFP	PR	Mazimazane Area eNseleni	PR	082 362 8194	MavimbelaCP@umhlathuze.gov.za
MAYISELA Msawakhe Fortune	M	EEF	PR	Phase 7 Mandlazini, Richards Bay	PR	060 448 1650	MayiselaMF@umhlathuze.gov.za
MDAKA Mandla	M	ANC	9	10570 DMV Empangeni	WARD	072 270 8708	MdakaM@umhlathuze.gov.za
MDHLETSHI Nkosingphile Cyril	M	IFP	8	eZikhaleni Reserve eNseleni	WARD	067 725 1096 076 669 2425	MdletsheNC@umhlathuze.gov.za
MHLONGO Phiweyinkosi Lordsgift	M	ANC	PR	40 Grate Wing, Meerensee	PR	082 0401 516	MhlongoPL@umhlathuze.gov.za
MKHIZE Zodwa Harriet	F	IFP	PR	Obizo Reserve Empangeni	EXCO PR	066 048 7941	MkhizeZH@umhlathuze.gov.za
MKHWANAZI Kingdom Mbuso	M	IFP	PR	Ndabayakhe Reserve	PR	065 534 0545	MkhwanaziKM@umhlathuze.gov.za
MKHWANAZI Siphesihle Happiness	F	IFP	PR	Port Dunford Reserve	PR KCDM	067 284 3826	MkhwanaziSH@umhlathuze.gov.za

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MLAMBO Ngcebo Treasure	F	ANC	30	Iniwe Reserve	WARD	073 447 9583	MlamboNT@umhlathuze.gov.za
MNCWANGO Sandile Simo	M	IFP	PR	eNseleni Reserve	PR	082 671 3538	MncwangoSS@umhlathuze.gov.za
MNGOMEZUL U Nkosinathi Simiso	M	IFP	29	Ndabayakhe Reserve Felixton	WARD	073 331 6111 079 246 9440	MngomezuluNS@umhlathuze.gov.za
MNTSHALI Mziwakhiwe	M	DA	PR	Ward 11 KwaDlangezwa Ntuze Reserve PARTY REPRESENTATIVE	PR KCDM	083 470 3000	MntshaliM@umhlathuze.gov.za
MSIMANGO Muziwokuthul a Mdlinzeleni	M	IFP	33	Bhukhanana Reserve Empangeni	WARD KCDM	072 689 2250	MsimangoMM@umhlathuze.gov.za

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
MTHALANE Trueman Sibonelo Wiseman	M	ANC	24	Odondolo Reserve Empangeni	WARD	082 383 6779 061 506 7452	MthalaneTS@umhlathuze.gov.za
MTHEMBU Babhekile Constance	F	ANC	PR	J1 1874 Limpompo Street eSikhaleni	EXCO PR	072 256 6660	MthembuBC@umhlathuze.gov.za
MTHEMBU Zitha Kenas	M	ANC	22	Ensimbini Reserve eSikhawini	WARD	082 368 1285	MthembuZK@umhlathuze.gov.za
MTHETHWA Aubrey Mondli	M	ANC	14	Dube Village Reserve eSikhawini	WARD	072 716 8259 063 477 9577	MthethwaAM@umhlathuze.gov.za
MTHETHWA Msawakhe Anthony	M	IFP	6	Kwakhoza Mazimazane Reserve eNseleni	WARD	071 043 9626	MthethwaMA@umhlathuze.gov.za
MTHIYANE Thamsanqa Prince	M	ANC	19	J869 Inxala Street eSikhawini	WARD	076 614 9761	MthiyaneTP@umhlathuze.gov.za

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
MTSHALI Khululiwe Constance	F	EFF	PR	Mazmazane Reserve ENseleni PARTY REPRESENTATIVE	PR	078 799 8343	MtshaliKC@umhlathuze.gov.za
MTSHALI Mthobisi Sensosenkosi	M	ANC	27	Nougweleza Area Empangeni	WARD	071 082 5186	MtshaliMS@umhlathuze.gov.za
NAIDOO Ivan Jagannatham	M	IFP	PR	13 Suikerbos Sirkel Veld en Vlei	PR KCDM	082 451 1179	ijnaidoo@thelife.org NaidooJ@umhlathuze.gov.za
NAIDOO Karanagie	F	DA	PR	56 Asplenium Grove, Brackenham	PR	079 889 0411	NaidooK@umhlathuze.gov.za
NDIMANDE Dumisani Joseph	M	ANC	PR	Mazimazane Area, Nseleni	PR	073 479 8776	NdimandeDJ@umhlathuze.gov.za
NGWEZI Xolani MAYOR wef 10.12.2021	M	IFP	PR	11 Schweitzer, Noorsig	MAYOR EXCO PR	076 975 5555	NgweziX@umhlathuze.gov.za

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
NTSHABA Zakhele	M	IFP	32	Maqedipuleti	WARD	076 740 7172	NtshabaZ@umhlathuze.gov.za

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
NTSHANGAS E Siboniso Basil	M	ANC	20	J 1846D Mvulani Street eSikhawini	WARD	076 700 5657 079 270 3942	NtshangaseSB@umhlathuze.gov.za
NTSHANGAS E Sthabelo Nkozenhle	M	DA	PR	Kwa-Dlangezwa	PR KCDM	068 133 8211	NtshangaseSN@umhlathuze.gov.za
NYAWO Philile Princess	F	EFF	PR	Macekane Reserve Empangeni	PR	072 888 1050	NyawoPP@umhlathuze.gov.za
NZUZA Jabulani Livingston	M	IFP	PR	J1169 Block B Unit 11 eSikhawini PARTY REPRESENTATIVE	PR KCDM	PARTY WHIP 083 525 8767 066 437 0066	NzuzajL@umhlathuze.gov.za
SABELA Lucas Sphakanyiswa	M	IFP	PR	Gobandlovu Reserve	PR	073 025 0102	SabelaLS@umhlathuze.gov.za
SIBISI Sandile Collin	M	ANC	25	Mevamhlophe Area Empangeni	WARD	072 597 2474	SibisiSC@umhlathuze.gov.za

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
SIBIYA Khonzeleni Duduzile	F	ANC	PR	Macekane Reserve, Empangeni	EXCO PR	078 244 7526 0735271315	SibiyaKD@umhlathuze.gov.za
STRUWIG Amica Martinique	F	DA	PR	17 Kanna kronkel, Velde en Velde, R/Bay	PR	0748034063	StruwigAM@umhlathuze.gov.za
THWALA Siboniso Steven	M	ACDP	PR	973 Nhliziyonkulu Street, eNseleni	PR	0833870299	
ZIBANI Thembinkosi	M	IFP	11	Ntuze Reserve Area Mtunzini (Ward 11)	WARD	083 711 8907	ZibaniT@umhlathuze.gov.za
ZIKHALI Raphael Mduduzi	M	ANC	PR	Site 11891 Mzingazi Village	EXCO PR	073 058 8380 079 951 6162	ZikhaliRM@umhlathuze.gov.za
ZULU Shadrack Hlalecabanga	M	IFP	5	Mkhamango Reserve eNseleni	EXCO WARD	073 656 7216	ZuluSH@umhlathuze.gov.za
ZWANE Isaac Ntokozo	M	IFP	7	1408 Umviyo Street eNseleni	WARD KCDM	073 641 7652	ZwaneIN@umhlathuze.gov.za

MAYOR and DEPUTY MAYOR

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIGNATI ON	CELL PHONE	e-mail
NGWEZI Xolani MAYOR wef 10.12.2021	M	IFP	PR	11 Schweitzer, Noorsig	MAYOR EXCO PR	076 975 5555	NgweziX@umhlathuze.gov.za
BOTHA Christo Marius Deputy Mayor Wef 10/08/2023 CR 16506	M	DA	2	6 Fish Eagle, Golf Estate Meerensee	EXCO WARD	082 839 5816	BothaCM@umhlathuze.gov.za Christo@cmbbotha.co.za

SPEAKER

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIGNATI ON	CELL PHONE	e-mail
GUMEDE Tobias Seze SPEAKER wef 23.11.2021	M	IFP	PR	Mhlanga Area Ngwelezane	PR	076 356 6148	GumedeTS@umhlathuze.gov.za tobiasgumede9@gmail.com

WHIP OF COUNCIL

NAME	M/F	PART Y	WA RD NO	ADDRESS	DESIGNATI ON	CELL PHONE	e-mail
DONDA Nkonzoyakhe Godshero	M	IFP	16	H3036 Mshekisane Street eSikahwini	CHIEF WHIP WARD	083 718 3477	DondaNG@umhlathuze.gov.za

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

NAME	M/ F	PART Y	WA RD NO	ADDRESS	DESIGNATI ON	CELL PHONE	e-mail
DE LANGE Barend Jacobus	M	DA	23	7 Hoopoe Street Empangeni	MPAC WARD	083 3217 844	DelangeBJ@umhlathuze.gov.za

EXECUTIVE COMMITTEE MEMBERS

NAME	M /F	PART Y	WAR D NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
NGWEZI Xolani MAYOR wef 10.12.2021	M	IFP	PR	11 Schweitzer, Noorsig	MAYOR EXCO PR	076 975 5555	NgweziX@umhlathuze.gov.za
BOTHA Christo Marius	M	DA	2	6 Fish Eagle, Golf Estate Meerensee	WARD EXCO	082 839 5816	BothaCM@umhlathuze.gov.za Christo@cmbbotha.co.za
ZULU Shadrack Hlalecabanga	M	IFP	5	Mkhamango Reserve eNseleni	WARD EXCO	073 656 7216	ZuluSH@umhlathuze.gov.za

KING CETSHWAYO DISTRICT MUNICIPALITY REPRESENTATIVES W.E.F. 23 NOVEMBER 2021

NAME	M/ F	PART Y	WAR D NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
LANGE Anneka	F	VVP	PR	19 Via Verbena Veld en Vlei	PR KCDM	078 772 1202	anneke.digital2020@gmail.com LangeA@umhlathuze.gov.za
NAIDOO Ivan Jagannatham	M	IFP	PR	13 Suikerbos Sirkel Veld en Vlei	PR KCDM	082 451 1179	ijnaidoo@thelife.org NaidooJ@umhlathuze.gov.za
NZUZA Jabulani Livingston	M	IFP	PR	J1169 Block B Unit 11 eSikhawini	PR KCDM	067 385 1328	NzuzaJL@umhlathuze.gov.za
ZWANE Isaac Ntokozo	M	IPF	7	1408 Umviyo Street eNseleni	WARD KCDM	073 641 7652	ZwaneIN@umhlathuze.gov.za
MKHWANAZI Siphesihle Happiness	F	IFP	PR	Port Dunford Reserve	PR KCDM	067 284 3826	MkhwanaziSH@umhlathuze.gov.za
MSIMANGO Muziwokuthula Mdlinzeleni	M	IFP	33	Bhukhanana Reserve Empangeni	WARD KCDM	072 689 2250	MsimangoMM@umhlathuze.gov.za

NAME	M/ F	PART Y	WAR D NO	ADDRESS	DESIG- NATION	CELL PHONE	e-mail
MNTSHALI Mziwakhiwe	M	DA	PR	Ward 11 KwaDlangezwa Ntuze Reserve	PR KCDM	083 470 3000	MntshaliM@umhlathuze.gov.za
NTSHANGASE Sthabelo Nkozenhle	M	DA	PR	Esikhawini Area	PR KCDM	068 133 8211	NtshangaseSN@umhlathuze.gov.za
MADIDA Nompumelelo Makhosi	F	EFF	PR	Odondolo Reserve Emapngeni	PR KCDM	078 785 4607	MadidaNM@umhlathuze.gov.za
NGUBANE Nkululeko Nkonzo DEPUTY MAYOR wef 23.11.2021 (Resigned)	M	EFF	PR	H2-2131 Umthungulu Street, eSikhaleni	PR KCDM	073 024 9807	NgubaneNN@umhlathuze.gov.za

AMAKHOSI

NAME	M/F	PART Y	WA RD NO	ADDRESS	DESIG-NATION	CELL PHONE	e-mail
N B Khoza				Kwabhejane Traditional Authority		074 602 2870 Nokuthula khumalo 073 217 1980	nolwazi.is.smooth56@gmail.com
B Mthembu				Somopho Traditional Authority		072 256 8113 Sihle Sithole 079602 1409	shilomthembu@gmail.com

RESIGNED OR DECEASED COUNCILLORS

MAFULEKA Nontando Nobukhanya	F	IFP	PR	Macekane Reserve Empangeni	PR	076 989 0281	MafulekaNN@umhlathuze.gov.za
MABUYAKHULU Jeon Zakhe (DD – 12/2/2022)	M	IFP	PR				
MTHEMBU Nkosingiphile Abraham (DD- 22/8/2022)	M	EFF	PR	2 Farewell Road Empangeni	PR	071 409 9600	MthembuNA@umhlathuze.gov.za
NSELE Thembelani Siphamandla	M	ANC	12	Madlankhala Reserve Empangeni	WARD	078 421 0651	NseleTS@umhlathuze.gov.za
NGUBANE Nkululeko Nkonzo DEPUTY MAYOR wef 23.11.2021	M	EFF	PR	H2-2131 Umthungulu Street, eSikhaleni	DEPUTY MAYOR EXCO PR KCDM	073 024 9807	NgubaneNN@umhlathuze.gov.za

					PARTY WHIP		
MHLONGO Mduduzi Gift	M	ANC	PR	9 Raasbraarlagte Arboretum	EXCO PR	082 522 9895 079 234 3103	MhlongoMG@umhlathuze.gov. za
MBUYAZI Lwazi Mandisa (Resigned)	M	EFF	PR	Nsimbini Reserrve, Esikhawini 3887	PR	076 575 2435	Lwazimbuyazi08@gmail.com
MABUYAKHULU Fortunate Nelisiwe (Resigned)	F	ANC	PR	A1120 Thinasobabili Ngwelezane	PR	082 704 8484	nellymabuyakhulu4@gmail.com MabuyakhuluFN@umhlathuze. gov.za
RAMKUAR Anton Ethan Raphael (Resigned)	M	DA	PR	13 Bears foot, Brackenham	PR	0813880017	RamkuarAE@umhlathuze.gov. za
MYAKA John Funa (DD 27/06/2023)	M	ACDP	PR	1163 Amansana Street eNseleni	PR	073 508 8697	MyakaJF@umhlathuze.gov.za
NDLOVU	M	ANC	13	Mabuyeni Reserve eSikhawini	WARD	078 302 9362	NdlovuRS@umhlathuze.gov.za

Raymond Sanele Lindokuhle (Resigned)							
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APPENDIX B: COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

SECTION 79 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES

	Jul-22													
COUNCILLORS	COMS	EXCO	SP CLR	PPC	RRC	INFRA	CORS	MPAC	EES	COMS	FS	EXCO	CLR	
	01-Jul	13-Jul	13-Jul	19-Jul	19-Jul	20-Jul	20-Jul	22-Jul	26-Jul	26-Jul	26-Jul	27-Jul	27-Jul	
BIYELA S W			P		NO QUORUM			P			P		NA	
BLOSE N N			P											P
BOTHA C M	OBS	P	P					P	OBS	P		P(OBS)	P	A
CEBEKHULU L G			P				P							P
CELE V T			P	P										P
DE LANGE B J			A	OBS					P	OBS		P(OBS)	P	P
DE WET H P C			P	OBS			P							P
DLAMINI K S			P											NA
DLAMINI M S			P											P
DONDA N G			P	P						A				P
DUBE T C	P		P								NA			P
GCABASHE S W			P	NA					A	A				NA
GOVENDER J			P	OBS			P	OBS	P					P
GROBBELAAR Z	P	P	P					P			P		P	P
GUMEDE S S J	OBS	OBS	P	P							A(OBS)	P		P
GUMEDE S M	P		P	P							NA			P
GUMEDE T S			A	P										P
KEARNS R K	OBS		P	OBS			OBS	OBS						P
LANGE A			P					P						P
MABASO B P			P							P				NA
MABUYAKHULU F N	OBS		A					P			A(OBS)			P
MABUYAKHULU J Z			P											P
MADIDA N M	P		P								P			NA
MAKHANYA N F			NA											NA

	Aug-22																	
COUNCILLORS		EXCO	PPC	Umptl c	COR S	MPA C	FS	INFR A	CD	Umptlc	PPC	EXCO	COUNC IL	EES	COM S			
		10- Aug	16- Aug	16- Aug	17- Aug	19- Aug	23- Aug	23- Aug	23- Aug	24-Aug	29- Aug	30-Aug	30-Aug	30- Aug	30- Aug			
BIYELA S W						P	P						P					
BLOSE N N									P				NA					
BOTHA C M					P	OBS						P	P					
CEBEKHULU L G				NA				NA		NA			NA					
CELE V T											NA		P					
DE LANGE B J				P		P							P					
DE WET H P C								P		P			P					
DLAMINI K S													NA					
DLAMINI M S													NA					
DONDA N G											P		P					
DUBE T C													NA					
GCABASHE S W						P					NA		NA					
GOVENDER J						P		P	P				P					
GROBBELAAR Z					P							P	P					
GUMEDE S S J							P				P		NA					
GUMEDE S M											P		NA					
GUMEDE T S											P		P					
KEARNS R K					OBS			OBS	P				P					
LANGE A					P								P					
MABASO B P													NA					
MABUYAKHULU F N				NA	A					NA			NA					
MADIDA N M													NA					
MAKHANYA N F				NA					NA	NA			NA					
MASONDO S					P								NA					
MATHABA F B				P						P			P					
		NO MEETING - MEETING POSTPONED		NO MEETING - NO ITEMS											MEETING POSTPONED - BY-ELECTION		MEETING POSTPONED - BY-ELECTION	

	Aug-22														
COUNCILLORS		EXCO	PPC	Umptlc	COR S	MPA C	FS	INFR A	CD	Umptlc	PPC	EXCO	COUNCIL	EES	COM S
		10-Aug	16-Aug	16-Aug	17-Aug	19-Aug	23-Aug	23-Aug	23-Aug	24-Aug	29-Aug	30-Aug	30-Aug	30-Aug	30-Aug
MAVIMBELA C P													P		
MDAKA M						NA		P					NA		
MDHLETSHEN C											P		P		
MHLONGO M G							P					NA	NA		
MKHIZE Z H												P	P		
MKHWANAZI K M								P					P		
MKHWANAZI S H				NA		A	P			P			P		
MLAMBO N T													NA		
MNCWANGO S S									P				P		
MNGOMEZULUN S					P								P		
MNTSHALI M													P		
MSIMANGO M M									P				P		
MTHALANE T S W						P	P						NA		
VACANT								A							
MTHEMBU B C												NA	NA		
MTHEMBU Z K								P					NA		
MTHETHWA M A													P		
MTHETHWA A M									P				NA		
MTHIYANE T P													NA		
MTSHALI K C					NA								NA		
MTSHALI M S					A								NA		
MYAKA J F				P						P			P		
NAIDOO I J							A						P		
NAIDOO K													P		

	Aug-22														
COUNCILLORS		EXCO	PPC	Umptlc	COR S	MPA C	FS	INFR A	CD	Umptlc	PPC	EXCO	COUNCIL	EES	COM S
		10-Aug	16-Aug	16-Aug	17-Aug	19-Aug	23-Aug	23-Aug	23-Aug	24-Aug	29-Aug	30-Aug	30-Aug	30-Aug	30-Aug
NDLOVU R S L						NA		NA			A		NA		
NGUBANE N N									P			NA	NA		
NGWEZI X							P					P	P		
VACANT															
NTSHABA Z													P		
NTSHANGASE S B									P				NA		
NTSHANGASE S N							P						P		
NYAWO P P											P		NA		
NZUZA J L				NA	P	P			A	P			P		
RAMKUAR A E R											P		P		
SABELA L S						P		P					P		
SIBISI S C													NA		
SIBIYA K D					P							NA	NA		
ZIBANI T													P		
ZIKHALI R M				NA						NA		NA	NA		
ZULU S H								P				P	P		
ZWANE I N							P						P		
TRADITIONAL LEADERS															
MTHEMBU B													P		
KHOZA N B													NA		
										NO MEETING		NO MEETING			



	Aug-22														
COUNCILLORS		EXCO	PPC	Umptlc	COR S	MPA C	FS	INFR A	CD	Umptlc	PPC	EXCO	COUNCIL	EES	COM S
		10-Aug	16-Aug	16-Aug	17-Aug	19-Aug	23-Aug	23-Aug	23-Aug	24-Aug	29-Aug	30-Aug	30-Aug	30-Aug	30-Aug
										NO QUORUM		NO QUORUM			

COUNCILLORS	RRC	PP	EXCO	MPAC	CORP	CD	FS	INFR	EXCO	COU	EES	COMS						
	06-Sep	06-Sep	07-Sep	13-Sep	14-Sep	14-Sep	20-Sep	20-Sep	21-Sep	21-Sep	27-Sep	27-Sep						
											NO QUORUM	NO QUORUM						
BIYELA S W	NO MEETING - NO	NO MEETING - NO	MEETING CANCELLED -	MEETING CANCELLED -	MEETING CANCELLED -	MEETING CANCELLED -	MEETING POSTPONED			P								
BLOSE N N										P								
BOTHA C M												P	P					
CEBEKHULU L G													NA		P			
CELE V T															P			
CHILI D V															P			
DE LANGE B J																OBS	P	
DE WET H P C														P		P		
DLAMINI K S																NA		
DLAMINI M S																P		
DLUDLA V S																P		
DONDA N G																P	P	
DUBE T C																P		NA
GCABASHE S W																P	NA	
GOVENDER J														P		P		
GROBBELAAR Z																P		P
GUMEDE S S J																P		
GUMEDE S M																P		NA
GUMEDE T S																P		
KEARNS R K																P		
KHUZWAYO P H									P									
LANGE A									P									
MABASO B P									P	NA								
MABUYAKHULU F N									P									
MABUYAKHULU J Z																		
MADIDA N M									P		A							
MAKHANYA N F									P									
MASONDO S									P									
MATHABA F B									P	P								

MAVIMBELA C P									P		
MDAKA M								NA		P	
MDHLETSHI N C										P	
MHLONGO M G									A	NA	
MKHIZE Z H									P	P	P
MKHWANAZI K M								P		P	
MKHWANAZI S H										P	P
MLAMBO N T										P	P
MNCWANGO S S										P	
MNGOMEZULU N S										P	
MNTSHALI M										P	
MSIMANGO M M										P	
MTHALANE T S W										P	
MTHEMBU N A								Deceased			
MTHEMBU B C									P	P	NA
MTHEMBU Z K								NA		P	
MTHETHWA M A										P	NA
MTHETHWA A M										P	
MTHIYANE T P										P	NA
MTSHALI K C										P	
MTSHALI M S										P	
MYAKA J F										P	
NAIDOO I J										P	
NAIDOO K										P	P
NDLOVU R S L								NA		P	
NGUBANE N N									P	P	
NGWEZI X									P	P	
NSELE T S											
NTSHABA Z										P	P
NTSHANGASE S B										P	
NTSHANGASE S N										NA	

NYAWO P P										P	NA	
NZUZA J L										P		OBS
RAMKUAR A E R										P		
SABELA L S								P		P		
SIBISI S C										P		
SIBIYA K D									P	P		
ZIBANI T										P	P	
ZIKHALI R M									P	P		NA
ZULU S H								P	P	NA		
ZWANE I N										P		
TRADITIONAL LEADERS												
MTHEMBU B												
KHOZA N B												

	COUNCILLORS													
COUNCILLORS	PPC	RRC	COMS	MPAC	CD	INFR	CORS	FS	COMS	EES	EXCO	CLR		
	04-Oct	04-Oct	03-Oct	11-Oct	12-Oct	18-Oct	12-Oct	18-Oct	25-Oct	25-Oct	26-Oct	26-Oct		
BIYELA S W	MEETING CANCELLED	MEETING CANCELLED		A								P		
BLOSE N N						P							NA	
BOTHA C M									P			P		P
CEBEKHULU L G								P						P
CELE V T							P(OBS)							P
CHILI D V											NA			P
DE LANGE B J						P		P(OBS)			OBS			P
DE WET H P C							P(OBS)	P	OBS					A
DLAMINI K S														P
DLAMINI M S														P
DLUDLA V S								P						P
DONDA N G												P		P
DUBE T C					NA									P
GCABASHE S W						A						A		NA
GOVENDER J						P	P	P						P
GROBBELAAR Z					P				P				P	P
GUMEDE S S J											P			P
GUMEDE S M					NA						OBS			P
GUMEDE T S											P			P
KEARNS R K								P	P(OBS)	OBS		OBS		P
KHUZWAYO P H									P					P
LANGE A									P(OBS)	P				P
MABASO B P												P		P
MABUYAKHULU F N										NA				P
MABUYAKHULU J Z														P
MADIDA N M					P							P		P
MAKHANYA N F								P						P
MASONDO S										NA				P
MATHABA F B										P		P		
MAVIMBELA C P												P		

MDAKA M
 MDHLETSHE N C
 MHLONGO M G
 MKHIZE Z H
 MKHWANAZI K M
 MKHWANAZI S H
 MLAMBO N T
 MNCWANGO S S
 MNGOMEZULU N S
 MNTSHALI M
 MSIMANGO M M
 MTHALANE T S W
 MTHEMBU B C
 MTHEMBU Z K
 MTHETHWA M A
 MTHETHWA A M
 MTHIYANE T P
 MTSHALI K C
 MTSHALI M S
 MYAKA J F
 NAIDOO I J
 NAIDOO K
 NDLOVU R S L
 NGUBANE N N
 NGWEZI X
 NSELE T S
 NTSHABA Z
 NTSHANGASE S B
 NTSHANGASE S N
 NYAWO P P
 NZUZA J L
 RAMKUAR A E R
 SABELA L S
 SIBISI S C
 SIBIYA K D

	P		A	
		P(OBS)		
P				
			P	
P	P			
OBS				P
				OBS
		P		
	P			
			P	
P				
		P		
NA				
				P
				NA
P				
	NA		NA	
		P		
	A (OBS)			
		P		
OBS	P	P		P
	P		P	
				A

			NA
			P
		P	P
P		P	P
			P
P			P
	NA		P
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	P	P	P
			P
P			P
			P
			P
			P
			P
P			P
			NA
			A
		A	A
			P
			P
			P
			P
			A
	P		P
			P
			NA
			P
			P
		A	A

COUNCILLORS												
	GIA	CD	INFR	COUNCIL	Umptl c	FS	CORS	PPC	RRC	GIA	COMS	EES
	10-Nov	16-Nov	22-Nov	23-Nov	30- Nov	22- Nov	16- Nov	18- Nov	18-Nov	21-Nov	29- Nov	29-Nov
BIYELA S W				NA		A			MEETING			RESCHEDULED TO 1
BLOSE N N		P		P								
BOTHA C M				P			P					
CEBEKHULU L G			P	P	NA							
CELE V T				P								
CHILI D V				P								
DE LANGE B J				P		OBS						
DE WET H P C			P	P	P							
DLAMINI K S				P								
DLAMINI M S				P								
DLUDLA V S		P		P	P						P	
DONDA N G		P(OBS)		P							P	
DUBE T C				P							P	
GCABASHE S W				P							P	
GOVENDER J		P	P	P								
GROBBELAAR Z				P			P				P	
GUMEDE S S J				P		P					OBS	
GUMEDE S M				P							P	
GUMEDE T S	P			P							P	
KEARNS R K		P	P(OBS)	P							OBS	
KHUZWAYO P H			NA	P	P					OBS		
LANGE A				P			P					
MABASO B P				P								
MABUYAKHULU F N	NA			P	A		P		NA	P		
MADIDA N M				NA						P		
MAKHANYA N F		NA		P	NA							
MASONDO S				P			NA					
MATHABA F B				P	P							

MAVIMBELA C P			A						
MDAKA M		P	P						
MDHLETSHEN C			P					P	
MHLONGO M G	NA		NA		A				NA
MKHIZE Z H	P		P						P
MKHWANAZI K M		P	P						OBS
MKHWANAZI S H			P		P				P
MLAMBO N T			P						
MNCWANGO S S			P						
MNGOMEZULU N S		P(OBS)	P			P			
MNTSHALI M	P		P						P
MSIMANGO M M		P	P						
MTHALANE T S W			P		P				
MTHEMBU B C	NA		NA						NA
MTHEMBU Z K		P	P						
MTHETHWA M A			P						P
MTHETHWA A M		P	P						
MTHIYANE T P			A						NA
MTSHALI K C	P		P			P			P
MTSHALI M S		NA	P			NA			
MYAKA J F			P	P					
NAIDOO I J	P		P		P				P
NAICKER K		P(OBS)	P						P
NDLOVU R S L			P		P				
NGUBANE N N			P						
NGWEZI X	P	P(OBS)	P		P				P
NTSHABA Z			P						
NTSHANGASE S B		P	P						
NTSHANGASE S N			P		P				
NYAWO P P			P					P	
NZUZA J L		P	P	P		P			OBS
RAMKUAR A E R		P(OBS)	P					P	
SABELA L S		P	P						
SIBISI S C			P						
SIBIYA K D			NA			NA			

ZIBANI T				P							
ZIKHALI R M	NA			P	NA					NA	P
ZULU S H			A	P							
ZWANE I N				NA		P					
TRADITIONAL LEADERS											
MTHEMBU B											
KHOZA N B											

	DECEMBER						
COUNCILLORS	PAC	SP EXCO	SP COU	EES	EXCO	COU	CIR
	09-Dec	01-Dec	01-Dec	01-Dec	07-Dec	07-Dec	09-Dec
BIYELA S W			P			P	
BLOSE N N			A			P	
BOTHA C M		P	P	P	P	P	P
CEBEKHULU L G			P			P	
CELE V T			P	OBS		P	
CHILI D V			P	P		P	
DE LANGE B J			P	OBS		P	
DE WET H P C			P			P	
DLAMINI K S			NA			P	
DLAMINI M S			NA			P	
DLUDLA V S			P			P	
DONDA N G		OBS	P	P		P	
DUBE T C			P			P	
GCABASHE S W			P	P		NA	
GOVENDER J			P			P	
GROBBELAAR Z		P	P		P	P	
GUMEDE S S J			NA			P	
GUMEDE S M			P			P	
GUMEDE T S		OBS	P		OBS	P	P
KHUZWAYO P H			P			P	
KEARNS R K			P			P	
LANGE A			P			P	P
MABASO B P			P	P		P	
MABUYAKHULU F N		OBS	P			P	NA
MABUYAKHULU J Z							
MADIDA N M			P			P	
MAKHANYA N F			NA			P	
MASONDO S			NA			A	
MATHABA F B			P	P		P	
MAVIMBELA C P			P			A	A

MDAKA M
 MDHLETSHE N C
 MHLONGO M G
 MKHIZE Z H
 MKHWANAZI K M
 MKHWANAZI S H
 MLAMBO N T
 MNCWANGO S S
 MNGOMEZULU N S
 MNTSHALI M
 MSIMANGO M M
 MTHALANE T S W
 MTHEMBU N A
 MTHEMBU B C
 MTHEMBU Z K
 MTHETHWA M A
 MTHETHWA A M
 MTHIYANE T P
 MTSHALI K C
 MTSHALI M S
 MYAKA J F
 NAIDOO I J
 NAIDOO K
 NDLOVU R S L
 NGUBANE N N
 NGWEZI X
 NSELE T S
 NTSHABA Z
 NTSHANGASE S B
 NTSHANGASE S N
 NYAWO P P
 NZUZA J L
 RAMKUAR A E R
 SABELA L S
 SIBISI S C

		P			P	
		P			P	
	A	A		NA	A	
	P	P		P	P	
		P			P	
		P			P	
		P	NA		P	
		P			P	
		P			P	
		P			P	
		P			P	
		P			P	
	P	P	P	P	P	
		A			P	
		P			P	
		P			P	
		NA			P	
		P	OBS		P	
		P			P	
		P			P	
		P			P	
		P			P	
		NA			P	
	NA	P		NA	NA	
NA	P	P		P	P	P
		P			P	
		P			P	
		P			A	
		P	P		P	
		P			P	P
		P			P	
		P			P	
		NA			P	

SIBIYA K D		A	A		P	P	
ZIBANI T			P	P		P	
ZIKHALI R M		P	P		P	P	
ZULU S H			P		P	P	
ZWANE I N			P			P	
TRADITIONAL LEADERS							
MTHEMBU B							
KHOZA N B							

	Jan-23						
COUNCILLORS	CIR	FS	EXCO	COUNCIL			
	10-Jan	24-Jan	25-Jan	25-Jan			
BIYELA S W		P		NA			
BLOSE N N				P			
BOTHA C M	P		P	P			
CEBEKHULU L G				P			
CELE V T				P			
CHILI D							
DE LANGE B J			OBS	P			
DE WET H P C				P			
DLAMINI K S				P			
DLAMINI M S				P			
DLUDLA V S				P			
DONDA N G	P			P			
DUBE T C				P			
GCABASHE S W				P			
GOVENDER J				P			
GROBBELAAR Z			P	P			
GUMEDE S S J		P		P			
GUMEDE S M				P			
GUMEDE T S	P		OBS	P			
KEARNS R K				P			
LANGE A	P			P			
MABASO B P				P			
MABUYAKHULU F N	P			P			
MABUYAKHULU J Z				P			
MADIDA N M				P			
MAKHANYA N F				P			
MASONDO S				P			
MATHABA F B				P			
MAVIMBELA C P	NA			P			
MDAKA M				P			

MDHLETSHI N C
 MHLONGO M G
 MKHIZE Z H
 MKHWANAZI K M
 MKHWANAZI S H
 MLAMBO N T
 MNCWANGO S S
 MNGOMEZULU N S
 MNTSHALI M
 MSIMANGO M M
 MTHALANE T S W
 MTHEMBU B C
 MTHEMBU Z K
 MTHETHWA M A
 MTHETHWA A M
 MTHIYANE T P
 MTSHALI K C
 MTSHALI M S
 MYAKA J F
 NAIDOO I J
 NAICKER K
 NDLOVU R S L
 NGUBANE N N
 NGWEZI X
 NSELE T S
 NTSHABA Z
 NTSHANGASE S B
 NTSHANGASE S N
 NYAWO P P
 NZUZA J L
 RAMKUAR A E R
 SABELA L S
 SIBISI S C
 SIBIYA K D
 ZIBANI T
 ZIKHALI R M

			P			
	P	P	P			
		P	P			
			P			
	P		P			
			P			
			P			
			P			
			P			
	P		P			
		P	P			
			P			
			P			
			P			
			P			
P			P			
	P		P			
P			P			
	A		NA			
NA		NA	NA			
P		P	P			
			P			
			P			
			P			
	P		P			
			P			
			P			
			P			
			P			
		P	P			
			P			
		P	P			
			P			

ZULU S H			P	P				
ZWANE I N		P		P				
TRADITIONAL LEADERS								
MTHEMBU B				P				
KHOZA N B				NA				

COUNCILLORS	uMPTLC	PPC	RRC	EXCO	INFRA	COMS	CORS	CD	PPC	FS	COUNCIL	EXCO	EES				
	07-Feb	07-Feb	07-Feb	15-Feb	14-Feb	14-Feb	15-Feb	15-Feb	16-Feb	21-Feb	22-Feb	22-Feb	28-Feb				
BIYELA S W		NO QUORUM	MEETING CANCELLED	MEETING CANCELLED				MEETING CANCELLED		MEETING CANCELLED	P	MEETING CANCELLED	MEETING CANCELLED				
BLOSE N N					P												
BOTHA C M					P												
CEBEKHULU L G	NA					NA											P
CELE V T																	P
CHILI D																	P
DE LANGE B J																	P
DE WET H P C	P								P								P
DLAMINI K S																	P
DLAMINI M S																	P
DLUDLA VS	P															P	P
DONDA N G																P	P
DUBE T C																NA	P
GCABASHE S W																NA	P
GOVENDER J									P							OBS	P
GROBBELAAR Z											P			P			P
GUMEDE S S J																NA	P
GUMEDE S M											NA					NA	P
GUMEDE T S	P(OBS)								OBS							P	P
KEARNS R K									OBS		OBS			P		OBS	P
KHUZWAYO PH	P								P								P
LANGE A														P			P
MABASO B P																	P
MABUYAKHULU F N	NA										NA			NA			P
MADIDA N M											P						P
MAKHANYA N F	NA																P
MASONDO S														NA			P

MATHABA F B	P								P		
MAVIMBELA C P									P		
MBUYAZI L M									P		
MDAKA M				NA					P		
MDHLETSHI N C								P	P		
MHLONGO M G									P		
MKHIZE Z H					P				P		
MKHWANAZI K M				P					P		
MKHWANAZI S H					P				P		
MLAMBO N T									P		
MNCWANGO S S									P		
MNGOMEZULU N S									P		
MNTSHALI M									P		
MSIMANGO M M								OBS	P		
MTHALANE T S W									P		
MTHEMBU B C									P		
MTHEMBU Z K				NA					P		
MTHETHWA M A					P				P		
MTHETHWA A M									P		
MTHIYANE T P					NA				P		
MTSHALI K C									P		
MTSHALI M S				NA		NA			P		
MYAKA J F	P								P		
NAIDOO I J									P		
NAICKER K					P				P		
NDLOVU R S L									P		
NGUBANE N N									P		
NGWEZI X									P		
NSELE T S									P		
NTSHABA Z									P		
NTSHANGASE S B									P		
NTSHANGASE S N									P		
NYAWO P P								P	P		

NZUZA J L	P					P			P		
RAMKUAR A E R						OBS		P		P	
SABELA L S				P						P	
SIBISI S C										P	
SIBIYA K D						NA				P	
ZIBANI T								OBS		P	
ZIKHALI R M	NA				NA					P	
ZULU S H				P						P	
ZWANE I N										P	
TRADITIONAL LEADERS											
MTHEMBU B										P	
KHOZA N B										NA	

COUNCILLORS	PPC 07-Mar	RRC 07-Mar	CS 15-Mar	PAC 16-Mar	CD 17-Mar	MPAC 17-Mar	COMS 24-Mar	CSF 24-Mar	FS 22-Mar	INFR 28-Mar	BS C 28-Jan	EES 28-Mar							
BIYELA S W	MEETING CANCELLED	MEETING CANCELLED	MEETING CANCELLED										MEETING CANCELLED						
BLOSE N N																			
BOTHA C M								P	OBS		P								
CEBEKHULU L G																			
CELE V T																			
CHILI D								P (OBS)											
DE LANGE B J							OBS		P			OBS			OBS				
DE WET H P C														P					
DLAMINI K S																			
DLAMINI M S																			
DONDA N G																P			
DUBE T C																			
GCABASHE S W																			
GOVENDER J								P	P					P (OBS)					
GROBBELAA R Z										P	P								
GUMEDE S S J																			
GUMEDE S M																			
GUMEDE T S												OBS				P			
KHUZWAYO PH												OBS		OBS					
KEARNS R K												OBS							
LANGE A																			
MABASO B P																			
MABUYAKHULU F N																			
MABUYAKHULU J Z																			

NAIDOO I J							P											
NAICKER K																		
NDLOVU R S L																		
NGUBANE N N							P	P				P			P			
NGWEZI X																		
NSELE T S																		
NTSHABA Z																		
NTSHANGASE S B												P						OB S
NTSHANGASE S N																		
NYAWO P P								P (OBS)	OBS									
NZUZA J L																		
RAMKUAR A E R - RESIGNED 17/3																		P (OBS)
SABELA L S																		
SIBISI S C																		
SIBIYA K D																		
ZIBANI T																		
ZIKHALI R M																		
ZULU S H																		
ZWANE I N																		
TRADITIONAL LEADERS																		
MTHEMBU B																		
KHOZA N B																		

COUNCILLORS	EXCO	CD	COMS	CORS	FS	EXCO	COUNCIL	PPC	EES	MPAC	INFR	
	12-Apr	12-Apr	13-Apr	13-Apr	18-Apr	19-Apr	20-Apr	24-Apr	24-Apr	25-Apr	26-Apr	
BIYELA S W					MEETING CANCELLED		P				MEETING POSTPONED	
BLOSE N N							P					
BOTHA C M	P	P					P	P	OBS	P		
CEBEKHULU L G								P				
CELE V T								P				
CHILI D												
DE LANGE B J								P				P
DE WET H P C								P				
DLAMINI K S								P				
DLAMINI M S								P				
DONDA N G	OBS							P	P	OBS		
DUBE T C								P				
GCABASHE S W								P				
GOVENDER J		P						P				P
GROBBELAAR Z			OBS	P				P				
GUMEDE S S J								P				
GUMEDE S M								P				
GUMEDE T S	OBS						OBS	P	P			
KEARNS R K		P (OBS)	OBS	OBS				P	P			
KHUZWAYO P H												
LANGE A				P			P					
MABASO B P							P					
MABUYAKHULU F N							P					
MABUYAKHULU J Z							P					
MADIDA N M							NA					
MAKHANYA N F							P					
MASONDO S							P					
MATHABA F B							P		P			
MAVIMBELA C P							P					
MDAKA M							P					

ZIKHALI R M										
ZULU S H	P		P			P	A			
ZWANE I N						P	P			
							P			
TRADITIONAL LEADERS										
MTHEMBU B										
KHOZA N B										

	MAY																	
COUNCILLORS	INFR	PPC	RRC	COMS	CORS	Umptlc	CITY DEV	FS	EXCO	BSC	SP EXCO	COUNCIL	EES	INFR	MPAC			
	02-May	09-May	09-May	16-May	17-May	18-May	18-May	23-May	25-May	25-May	30-May	30-May	30-May	31-May	31-May			
BIYELA S W		NO MEETING	NO MEETING									P	MEETING CANCELLED		MEETING CANCELLED			
BLOSE N N														P				
BOTHA C M						OBS			P		P			P		P		
CEBEKHULU L G																P		
CELE V T																P		
CHILI D																P		
DE LANGE B J											P (OBS)			P (OBS)		P		
DE WET H P C	P															P	P	
DLAMINI K S																P		
DLAMINI M S																P		
DONDA N G																P		
DUBE T C																P		
GCABASHE S W																P		
GOVENDER J	P(OBS)								P							P	P(OBS)	
GROBBELAAR Z						OBS	P									P		
GUMEDE S S J																P		
GUMEDE S M																P		
GUMEDE T S							OBS			OBS	P (OBS)	P		P (OBS)		P		
KEARNS R K	P(OBS)					OBS	OBS		P(OBS)							P	P(OBS)	
KHUZWAYO P H																P		
LANGE A					P							P						
MABASO B P												P						
MADIDA N M												P						
MAKHANYA N F												P						
MASONDO S												NA						
MATHABA F B						P(OBS)						P						
MAVIMBELA C P												P						
MAYISELA M F												P						
MDAKA M												P						

COUNCILLORS	EXCO	INFR	COMS	CD	CORS	PPC	FS	PAC	EXCO	COUNCIL	MPAC	EES	
	08-Jun	13-Jun	13-Jun	14-Jun	14-Jun	15-Jun	20-Jun	22-Jun	22-Jun	22-Jun	27-Jun	27-Jun	
BIYELA S W		NO MEETING - NO QUORUM								P			
BLOSE N N										P			
BOTHA C M	P			OBS	P					P		P	
CEBEKHULU L G										P			
CELE V T										P			
D V CHILI										P			OBS
DE LANGE B J	OBS			OBS	P (OBS)	OBS			OBS		P	P	OBS
DE WET H P C										P			
DLAMINI K S										P			
DLAMINI M S										P			
DLUDLA V S										P			
DONDA N G	OBS						P				P		
DUBE T C										P			
GCABASHE S W										P			
GOVENDER J					P						P	P	
GROBBELAAR Z				OBS		P					P		
GUMEDE S S J											P		
GUMEDE S M											P		
GUMEDE T S	OBS						P				P		
KEARNS R K				OBS	P (OBS)	OBS	P				P		OBS
KHUZWAYO P H											P		
LANGE A						P					P		
MABASO B P											P		
MABUYAKHULU J Z													
MADIDA N M											P		
MAKHANYA N F											NA		
MASONDO S											P		
MATHABA F B											P		P
MAVIMBELA C P										P			
MAYISELA M F										P			

MDAKA M								P		
MDHLETSHE N C			P	OBS				P		
MHLONGO P L								NA		
MHLONGO M G										
MKHIZE Z H		P						P		
MKHWANAZI K M								P		
MKHWANAZI S H								P	P	
MLAMBO N T								P		
MNCWANGO S S								P		
MNGOMEZULU N S				OBS				P		
MNTSHALI M								P		
MSIMANGO M M			P (OBS)					P		
MTHALANE T S W								P		
MTHEMBU N A										
MTHEMBU B C								P		
MTHEMBU Z K								P		
MTHETHWA M A			OBS					P		
MTHETHWA A M								P		
MTHIYANE T P								P		
MTSHALI K C								P		
MTSHALI M S								P		
MYAKA J F								P		
NAIDOO I J							P	P		
NAICKER K		P						P		
NDLOVU R S L								P		
NDIMANDE D J								P		
NGUBANE N N										
NGWEZI X	P		P			P	P	P		
NSELE T S										
NTSHABA Z								P		
NTSHANGASE S B								P		
NTSHANGASE S N						P		P		
NYAWO P P								P		
NZUZA J L								P		
RAMKUAR A E R										

SABELA L S		OBS							P		
SIBISI S C									P		
SIBIYA K D									P		
STRUWIG A M		OBS			OBS				P		
ZIBANI T									P		P
ZIKHALI R M									A		
ZULU S H	P	P						P	P		
ZWANE I N									P		
TRADITIONAL LEADERS											
MTHEMBU B									P		
KHOZA N B											

SECTION 79 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES FOR THE 2021 TO 2026 TERM OF OFFICE

NO DEPUTY CHAIRS IN LIGHT OF CR 13996 OF 24 JUNE 2020 (SEE RPT 168801)

COMMITTEE	CHAIR	ANC - 4	IFP - 4	DA - 1	EFF - 1	OBSERVERS
Bylaws	J L Nzuz	M S Dlamini S Masondo Z K Mthembu N N Blose	K M Mkhwanazi L S Sabela D Chili	C M Botha	S W Biyela	
Rules and Disciplinary Committee	T S Gumede	M G Mhlongo R M Zikhali M Mdaka T P Mthiyane	N G Donda I N Zwane N S Mngomezulu	M Mntshali	N N Ngubane	
uMhlathuze Public Transport Liaison Committee (UPTLC)	H P C de Wet	L G Cebekhulu F N Mabuyakhulu N F Makhanya R M Zikhali	F B Mathaba V S Dludla J F Myaka J L Nzuz	---	P H Khuzwayo	
Public Participation Committee under convenorship of the Speaker	T S Gumede	S S J Gumede S M Gumede T C Dube	N C Mdhletshe N G Donda	A E R Ramkuar	P P Nyawo	All Ward Councillors invited to attend

		S W Gcabashe	V S Dludla			
uMhlathuze Municipality Geographical Naming Committee	N G Donda	S C Sibisi M S Mtshali S B Ntshangase N T Mlambo	Z Grobbelaar S H Zulu K M Mkhwanazi	K Naicker	P H Khuzwayo	
Batho Pele Forum	J Govender	K D Sibiya B P Mabaso A M Mthethwa T S W Mthlane	V T Cele L S Sabela Z Ntshaba	H P C de Wet	P P Nyawo	
Grants in Aid Committee	X Ngwezi	M G Mhlongo B C Mthembu N F Mabuyakhulu R M Zikhali	I J Naidoo T S Gumede Z H Mkhize	M Mntshali	K C Mtshali	A Lange
Women's Caucus	N M Madida	N F Mabuyakhulu K D Sibiya B C Mthembu T C Dube	A Lange Z Grobbelaar R F Kearns Z H Mkhize	K Naicker	P H Khuzwayo K C Mtshali P P Nyawo	All female Councillors together with 2 representatives from each department.

		N N Blose B P Mabaso S S J Gumede F Mlambo	SH Mkhwanazi			
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SECTION 80 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES FOR THE 2021 TO 2026 TERM OF OFFICE

COMMITTEE	CHAIR	ANC	DA	IFP	EFF	OBSERVERS
Corporate Services (CORPS)	Z Grobbelaar	K D Sibiya M S Mtshali N F Mabuyakhulu S Masondo	R F Kearns	J L Nzuza A Lange N S Mngomezulu	K C Mtshali	C M Botha B P Mabaso T S W Mthlane M Mntshali K Naicker S K Ntshangase P P Nyawo A E R Ramkuar S C Sibisi
Community Services (COMS)	Z H Mkhize	R M Zikhali S M Gumede F N Mabuyakhulu T P Mthiyane	K Naicker	M A Mthethwa Z Grobbelaar S H Mkhwanazi	N M Madida	S S J Gumede N N Blose B J de Lange N N Ngubane C M Botha H P C de Wet

						M Mntshali R F Kearns
Financial Services (FS)	X Ngwezi	M G Mhlongo S S J Gumede T S W Mthlana R S L Ndlovu	S Ntshangase	I J Naidoo I N Zwane S H Mkhwanazi	S W Biyela	N N Ngubane C M Botha B J de Lange K S Dlamini B P Mabaso L G Cebekhulu
City Development (CD)	N Ngubane	N M Mthethwa S B Ntshangase N N Blose N F Makhanya	C M Botha	J L Nzuzo M M Msimango X Ngwezi J Govender		B J de Lange H P C de Wet R F Kearns P H Khuzwayo S Masondo M G Mhlongo K D Sibiyi
Infrastructure Services (INFRA)	S H Zulu	M S Mtshali Z Mthembu L G Cebekhulu M Mdaka	H P C de Wet	J Govender L S Sabela K M Mkhwanazi	P H Khuzwayo	N M Madida R M Zikhali C M Botha R F Kearns

						S K Ntshangase M G Mhlongo T P Mthiyane K S Dlamini
Energy and Electrical Services (EES)	C M Botha	B C Mthembu S W Gcabashe N T Mlambo B P Mabaso	---	T Zibani F B Mathaba D V Chili N G Donda	P P Nyawo	B J de Lange K C Mtshali H P C de Wet M Mntshali M G Mhlongo Z K Mthembu A M Mthethwa

COMMITTEE	CHAIR	ANC	DA	IFP	EFF	OBSERVERS
SPLUMA APPEALS TRIBUNAL (Exco appointed as Appeals Tribunal)	X Ngwezi	M G Mhlongo R M Zikhali K D Sibiya B C Mthembu	C M Botha	S H Zulu Z H Mkhize Z Grobbelaar	N N Ngubane	S S J Gumede

MPAC ESTABLISHED IN TERMS OF THE MUNICIPAL STRUCTURES ACT 1998, MUNICIPAL SYSTEMS ACT 2000 AND MUNICIPAL FINANCE MANAGEMENT ACT OF 2003

COMMITTEE	CHAIR	ANC	DA	IFP	EFF	OBSERVERS
Municipal Accounts Committee (MPAC)	B J de Lange	S W Gcabashe M Mdaka R S L Ndlovu T S W Mthlane	---	J Govender J L Nzuzza L S Sabela S H Mkhwanazi	S W Biyela	C M Botha

SECTION 62 ESTABLISHED IN TERMS OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 32 OF 2000

COMMITTEE	CHAIR	ANC	DA	IFP	EFF	OBSERVERS
Section 62 Appeals Committee <u>To be handled by the relevant Department and Committee Officer based on portfolio of origin</u>	X Ngwezi	M S Dlamini F N Mabuyakhulu M Mdaka T S W Mthlane	H P C de Wet	J L Nzuzza L S Sabela S H Zulu	N N Ngubane	S B Ntshangase

ADHOC COMMITTEE : CIVIC FUNERAL

COMMITTEE	CHAIR	ANC	DA	IFP	EFF	OBSERVERS
Civic Funerals	K M Mkhwanazi	B C Mthembu S S J Gumede B P Mabaso S C Sibisi	A E R Ramkuar	V T Cele Z H Mkhize Z Ntshaba	P P Nyawo	S S Mncwango N S Mngomezulu T C Dube N N Blose

COMMUNITY SAFETY AND LIAISON FORUM

COMMITTEE	CHAIR	ANC	DA	IFP	EFF	OBSERVERS
Community Safety and Liaison Forum	X Ngwezi	R M Zikhali S S J Gumede F N Mabuyakhulu S M Gumede	C M Botha	Z H Mkhize S S Mncwango Z Grobbelaar	N N Ngubane	

LOCAL LABOUR FORUM ESTABLISHED IN TERMS OF THE ORGANISATIONAL RIGHTS AGREEMENT

<p>Local Labour Forum</p>	<p>CHAIRPERSON</p>	<p>DEPUTY CHAIRPERSON</p>	<p><u>Employer Component</u></p> <p>M Kunene (CFO) T Khumalo (COO) L Kaywood (DMMCS) T Mathebula (DMMCOMS) W N Khumalo (DMMEES) B Nzuzza (HOS HR) G Mthembu (MNGR: HR)</p> <p>5 COUNCILLORS FROM THE CS PORTFOLIO)</p> <p>1. Clr C M Botha 2. Z Grobbelaar 3. N S Mngomezulu 4. Clr F N Mabuyakhulu 5. Clr K D Sibiyi 6. Clr P H Khuzwayo</p> <p>P Dlamini – HR – Coordinator/Technical Advisor</p>	<p><u>Employee Component</u></p> <p>12 x Organised labour</p> <p>SAMWU (8)</p> <p>D P Mthiyane (Chair) P C Nxumalo <i>D M Luthuli</i> V M Khoza B L Gumede S C Dlamini P S Ndlovu H M Mthethwa</p> <p>IMATU (4)</p> <p>E Zondi K G Buthelezi L Made P Mchunu</p>	<p>NO OBSERVERS AS PER RESOLUTION OF LLF ON 21 MAY 2007</p> <p>the Local Labour Forum agendas and minutes only be made available to the 12 employer representatives and the 12 employee representatives in future</p> <p>Deals with all issues related to Labour matters in terms of the ORA</p>
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AUDIT COMMITTEE, PERFORMANCE AUDIT, PERFORMANCE EVALUATION PANELS

<p>Audit Committee</p>	<p><u>Members</u></p> <p>Mr A Gonzalves</p> <p>Mr R M J Baloyi</p> <p>Mr K Mpungose</p> <p>Mr H G S Mpungose</p> <p>Mrs N Shabalala</p> <p><u>Office of the AG</u></p> <p>Senior Manager (auditor general’s office)</p> <p>Mr S Suvenarain (Audtr General’s Office)</p> <p>Mr N Mohamed (Audtr Genrl’s Office)</p> <p><u>On Invitation</u></p> <p>B J de Lange (Chairperson of MPAC)</p>	<p><u>Senior management</u></p> <p>Mr N G Zulu (MM)</p> <p>Ms T Khumalo (COO)</p> <p>Mr M Kunene (CFO)</p> <p>Ms L Kaywood (DMM: CS)</p> <p>Ms N Ndonga (DMM: CD)</p> <p>Ms T Mathebula (DMM: COMS)</p> <p>Mr N Khumalo (DMM: EES)</p> <p>Mr B Mbhamali (ADMM: INFR)</p>	<p><u>Officials</u></p> <p>Mr D Myburgh (OMM)</p> <p>Ms B Mkhwanazi (OMM)</p> <p>Mrs S Adonis (OMM)</p> <p>Mr M Moyikwa (OMM)</p> <p>Ms L Mvundla (OMM)</p> <p>Mrs N Mbatha (OMM)</p> <p>Mr T Kubheka (CS)</p> <p>Mrs F Zungu (CS)</p> <p>Mr S Khumalo (FS)</p>
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<p>Performance Audit Committee</p>	<p><u>EXTERNAL MEMBERS</u></p> <p>MR R M J BALOYI (CHAIRPERSON)</p> <p>MS S KHANYILE</p> <p><u>INTERNAL MEMBERS</u></p> <p>EXCO CLR X NGWEZI</p> <p>EXCO: CLR N N NGUBANE</p> <p><u>B J de Lange MPAC CHAIRMAN</u> <i>(Observer)</i></p>	<p><u>OFFICIALS</u></p> <p>CITY MANAGER</p> <p>CHIEF OPERATIONS OFFICER</p> <p>CHIEF FINANCIAL OFFICER</p> <p>DEPUTY CITY MANAGER: CITY DEVELOPMENT</p> <p>DEPUTY CITY MANAGER: COMMUNITY SERVICES</p> <p>DEPUTY CITY MANAGER: CORPORATE SERVICES</p> <p>DEPUTY CITY MANAGER: INFRASTRUCTURE SERVICES</p> <p>DEPUTY CITY MANAGER: ELECTRICAL AND ENERGY SERVICES</p>	<p><u>OFFICIALS</u></p> <p>HEADS OF SECTIONS – ALL DEPARTMENTS</p> <p>MR D MYBURGH (OMM)</p> <p>MR B M DLADLA (OMM)</p> <p>MRS Z MDLULI (OMM)</p> <p>MRS B MKHWANAZI (OMM)</p> <p>MR M MOYIKWA (OMM)</p> <p>MS N MBATHA (OMM)</p>
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Performance Evaluation Panel – Heads of Departments (Section 57 Employees)	Municipal Manager – uMhlathuze Municipality Chairman of Performance Audit Committee Municipal Manager Umfolozi Member of Executive Committee	Mr N G Zulu Dr M J Ndlovu Mr K E Gamede Clr S H Zulu Clr Z Grobbelaar	D Myburgh B M Dladla
Performance Evaluation Panel (Municipal Manager)	Mayor - uMhlathuze Municipality Member of Executive Committee Chairman of Performance Audit Committee Municipal Mayor – Umfolozi Member of a Ward Committee Alternate Exco member	Clr X Ngwezi Clr Z H Mkhize Dr M J Ndlovu Clr X M Bhengu E S Luthuli Clr Z Grobbelaar	D Myburgh B M Dladla

BOARD OF TRUSTEES

COMMITTEE	EMPLOYER REPRESENTATIVES – 4 Councillors	EMPLOYEE REPRESENTATIVES	
Board of Trustees	B J de Lange G N Donda F N Mabuyakhulu S W Biyela	N Montgomery (Principal Officer) Mr B Mathebula (Cd) Mr B Thwala (Cfo) Mrs K Walker (Cfo) Ms Z Zungu (Cors) Simeka	

RAPID RESPONSE TEAM

COMMITTEE	SPEAKER/OFFICIALS	DESIGNATION	
Rapid Response Team	1. Speaker – Cllr T S Gumede 2. Mr N G Zulu 3. Ms T Khumalo 4. Mr M Kunene 5. Ms L Kaywood 6. Ms N Ndonga 7. Ms T Mathebula 8. Mr E Ngcobo PLUS ALL WARD COUNCILLORS	1. Speaker, Cllr T S Gumede (Convenor) 2. City Manager 3. Chief Operations Officer 4. Chief Financial Services 5. Deputy City Manager: Corporate Services 6. Deputy City Manager: City Development 7. Deputy City Manager: Community Services 8. Deputy City Manager: Infrastructure Services	1 – 7 = CR 10408 of 3 November 2015 8 = CR 11150 of 22 November 2016 CR 15306 of 30 March 2022

ADHOC MUNICIPAL DEMARCATION COMMITTEE

COMMITTEE	MEMBERS	OFFICIALS	
<p>Municipal Demarcation Committee (Adhoc)</p>	<p>1. WOC – Dr N G Donda (IFP)</p> <p>2. Clr M Mkwanzazi</p> <p>3. Clr Z H Mkhize</p> <p>4. Clr S H Mkwanzazi</p> <p>5. Clr M G Mhlongo</p> <p>6. Clr A M Mthethwa</p> <p>7. Clr S M Gumede</p> <p>8. Clr R S L Ndlovu</p> <p>9. Clr H P C de Wet</p> <p>10. Clr P H Khuzwayo</p> <p>Observers:</p> <p>Clr N T Mlambo</p> <p>Clr S W Gcabashe</p>	<p>1. Municipal Manager</p> <p>2. Chief Operations Officer</p> <p>3. Chief Financial Services</p> <p>4. Deputy City Manager: Corporate Services</p> <p>5. Deputy City Manager: City Development</p> <p>6. Deputy City Manager: Community Services</p> <p>7. Deputy City Manager: Infrastructure Services</p>	<p>CR OF 27 JANUARY 2022</p> <p>15076</p> <p>MUNICIPAL OUTER BOUNDARY CHANGE/RE-DETERMINATION PROCESS</p> <p>RESOLVED THAT:</p> <p>1. Council notes the Municipal Demarcation Board Circular on Municipal Outer Boundary Change/Re-determination Process (DMS 1509822); and</p> <p>2. an Ad hoc Committee be established in terms of the system of proportionality as approved by Council on 23 November 2021 to assess the current Municipal Outer Boundary and advise whether to make changes or redetermination on the Municipal Outer Boundary and submit the proposal to the Municipal Demarcation Board by 31 March 2022, and be under the convenorship of the Municipal Chief Whip.</p>

INTERNAL COMMITTEES

SUPPLY CHAIN MANAGEMENT COMMITTEES

CHANGES ANNUALLY AS PER MM

BID SPECIFICATION COMMITTEE (wef 01/07/2022)		BID EVALUATION COMMITTEE		BID ADJUDICATION COMMITTEE	
MR S MBATHA - CHAIRPERSON MRS N DLAMINI MR J V GUMEDE MR S KHUMALO MR T KUBHEKA MR Z MHLONGO MRS B STRACHAN	DEPARTMENT CITY DEVELOPMENT DEPARTMENT CITY DEVELOPMENT DEPARTMENT FINANCIAL SERVICES DEPARTMENT CORPORATE SERVICES OFFICE OF THE MUNICIPAL MANAGER DEPARTMENT ELECTRICAL AND ENERGY SERVICES DEPARTMENT CITY DEVELOPMENT	MS T MATHEBULA MR Z MASANGO MR S MORAJANE MR S MHLONGO MR N MAHARAJ MR S KHUMALO MR J KHAMBULA MR T GUMEDE	DEPARTMENT COMMUNITY SERVICES DEPARTMENT COMMUNITY SERVICES DEPARTMENT CITY DEVELOPMENT DEPARTMENT FINANCIAL SERVICES DEPARTMENT INFRASTRUCTURE DEPARTMENT FINANCIAL SERVICES DEPARTMENT ELECTRICAL AND ENERGY SERVICES DEPARTMENT FINANCIAL SERVICES	MR M KUNENE – CHAIR MS L KAYWOOD MS T KHUMALO MR W N KHUMALO MS N NDONGA MR N H KHUMALO MR M B SIBIYA	DEPARTMENT: FINANCIAL SERVICES DEPARTMENT: CORPORATE SERVICES CHIEF OPERATIONS OFFICER DEPARTMENT: ELECTRICAL & ENERGY SERVICES DEPARTMENT: CITY DEVELOPMENT DEPARTMENT: FINANCIAL SERVICES

BID SPECIFICATION COMMITTEE (wef 01/07/2022)		BID EVALUATION COMMITTEE		BID ADJUDICATION COMMITTEE	
		MS N NDWANDWA	DEPARTMENT INFRASTRUCTURE	MR E NGCOBO	DEPARTMENT: CORPORATE SERVICES
		MS A MHLONGO	BID ADMINISTRATION UNIT (OBS)		(CHAIRPERSON - BID EVALUATION COMMITTEE -OBS)
		MRS N DLAMINI	BID ADMINISTRATION UNIT (OBS)		

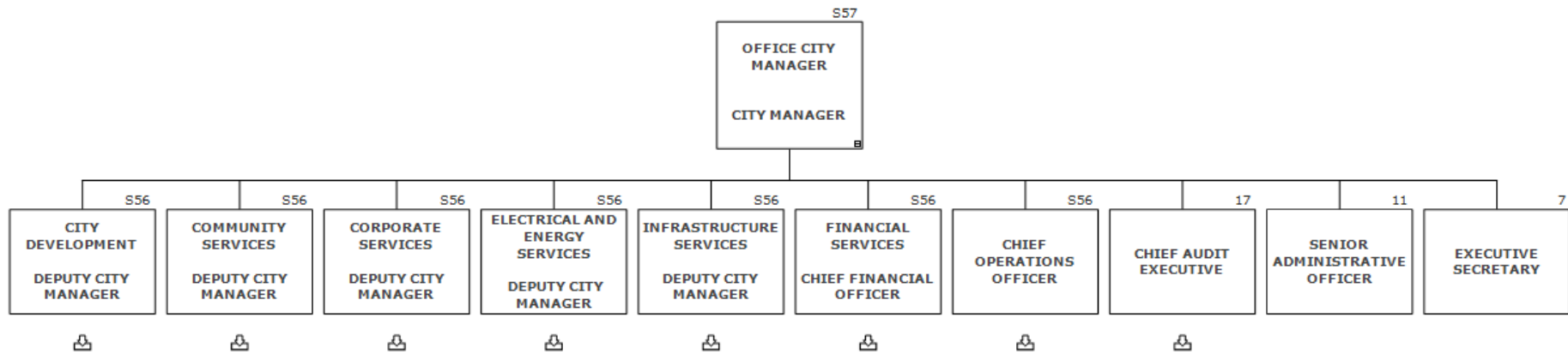
INTERNAL/MANAGEMENT COMMITTEES

INFORMATION AND COMMUNICATION TECHNOLOGY STEERING COMMITTEE		ENTERPRISE RISK MANAGEMENT COMMITTEE	
<u>COMMITTEE OFFICER</u>	<u>MEMBERS</u> MUNICIPAL MANAGER CHIEF OPERATIONS OFFICER CHIEF FINANCIAL OFFICER DEPUTY CITY MANAGER: CORPORATE SERVICES DEPUTY CITY MANAGER: CITY DEVELOPMENT DEPUTY CITY MANAGER: COMMUNITY SERVICES	<u>COMMITTEE OFFICER</u>	<u>MEMBERS</u> D KALYAN - CHAIRPERSON MUNICIPAL MANAGER CHIEF FINANCIAL OFFICER DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES DEPUTY MUNICIPAL MANAGER: CITY DEVELOPMENT DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES
Established in terms of Resolution 6894 of 24 August 2010 COO ADDED ito RESOLUTION 10401 3 NOVEMBER 2015		Administrative duties – EXTRACT FROM CHARTER The Chief Risk Officer, or such person as appointed by the Committee, shall be the secretary of the Committee.	

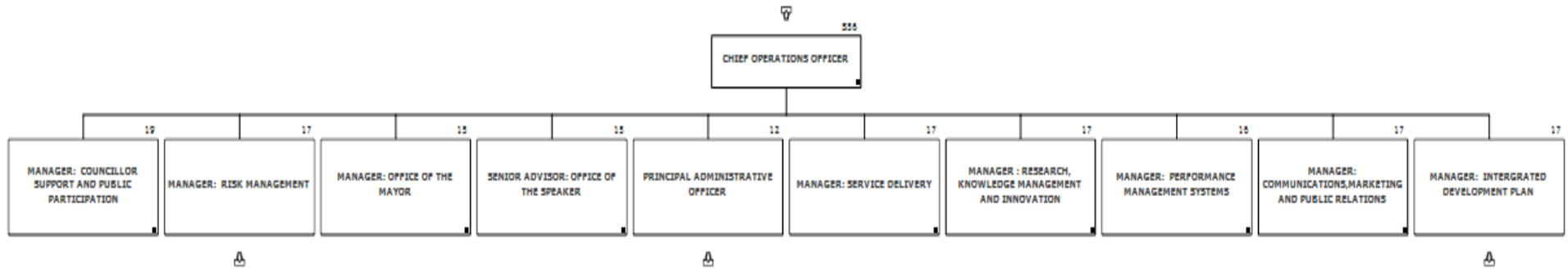
	<p>DEPUTY CITY MANAGER: INFRASTRUCTURE</p> <p>DEPUTY CITY MANAGER: ELECTRICAL & ENERGY SERVICES</p> <p>HEAD OF SECTION : INFORMATION COMMUNICATION AND TECHNOLOGY</p>	<p>Established in terms of Resolution 9223 OF 25 APRIL 2014</p>	<p>DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE</p> <p>DEPUTY MUNICIPAL MANAGER: ELECTRICAL & ENERGY SERVICES</p> <p>HEAD OF SECTION: INFORMATION COMMUNICATION AND TECHNOLOGY</p>
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APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE

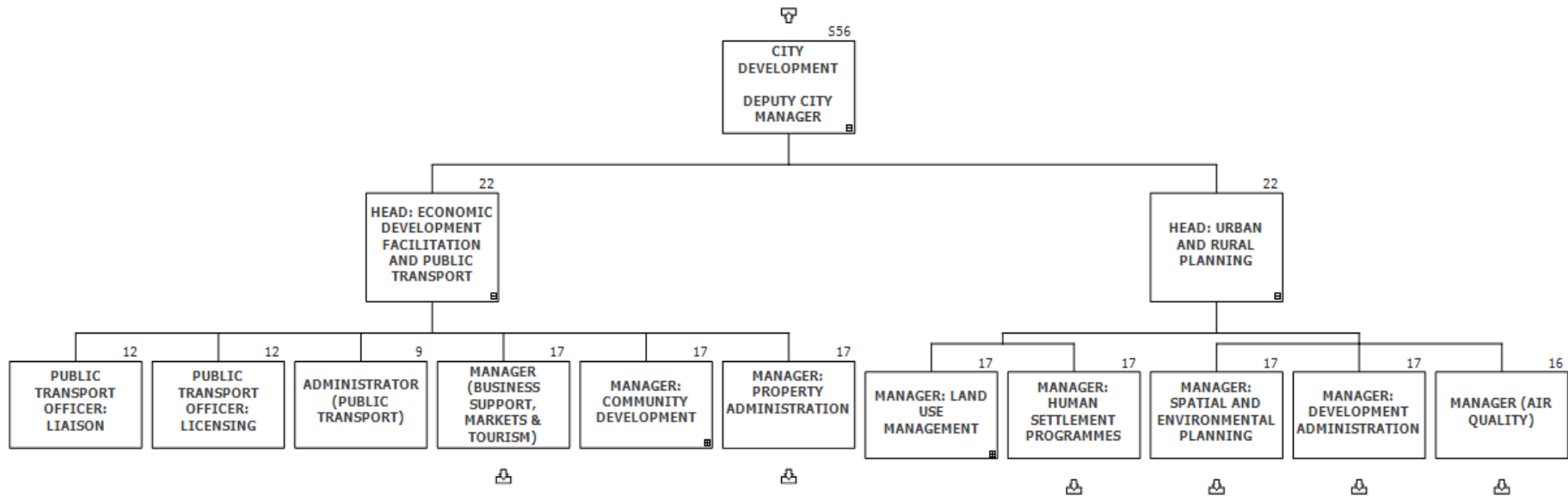
EXECUTIVE MANAGEMENT STRUCTURE



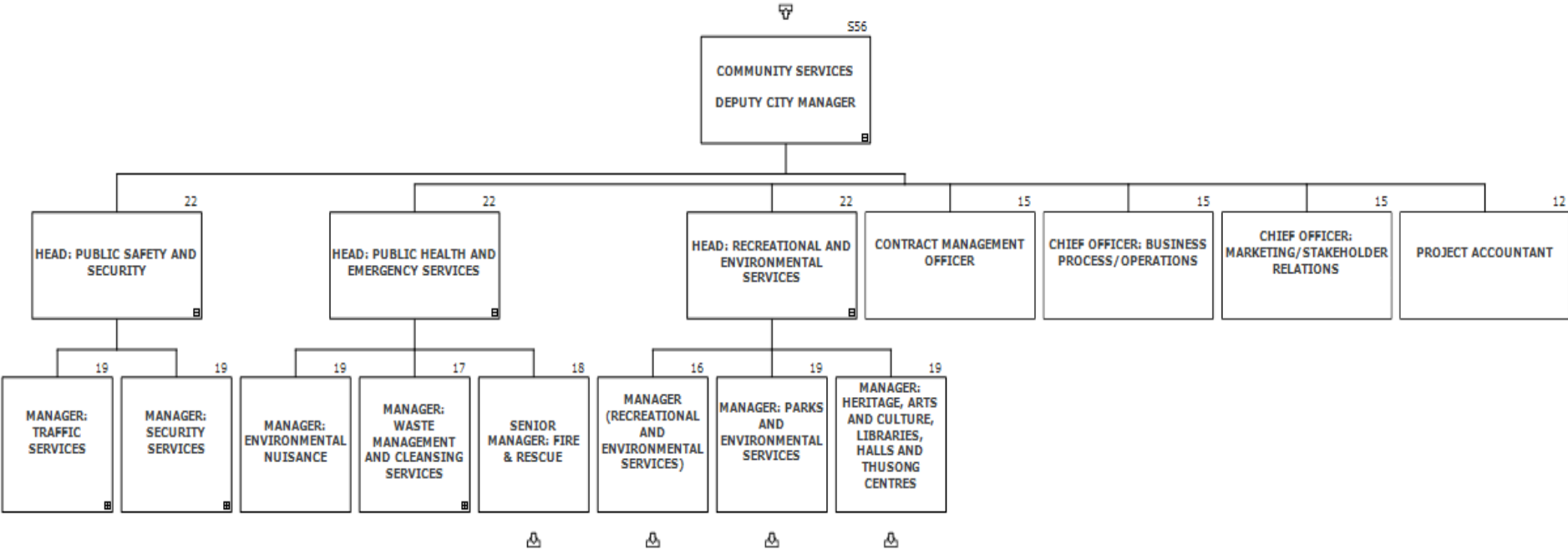
**OFFICE OF THE CITY MANAGER
CHIEF OPERATIONS OFFICER**



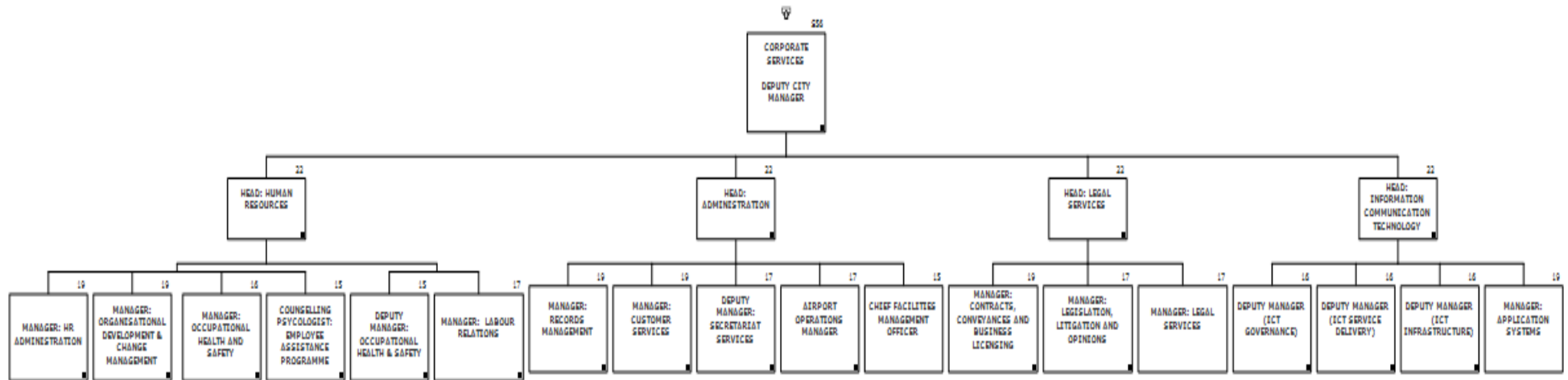
DEPARTMENT: CITY DEVELOPMENT



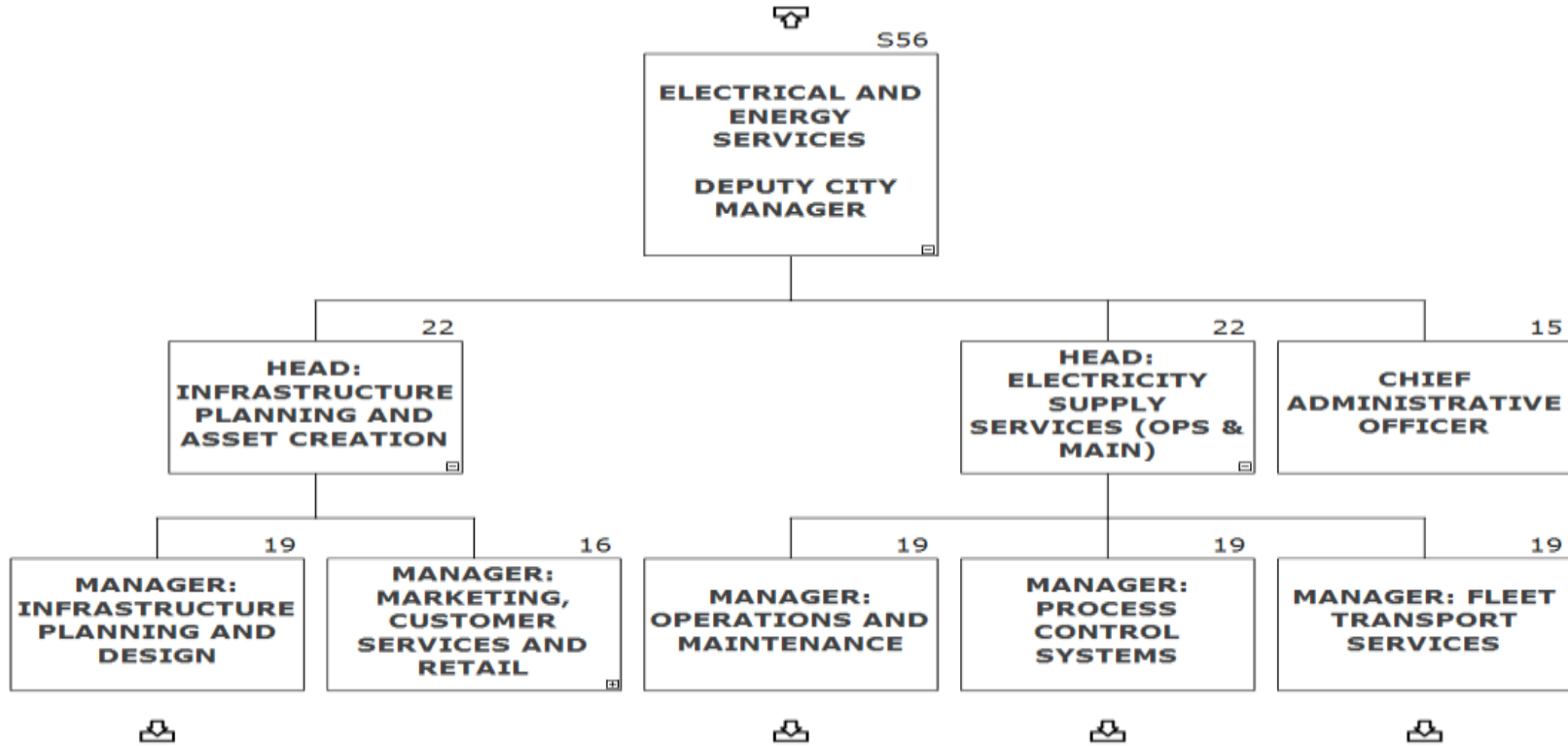
DEPARTMENT: COMMUNITY SERVICES



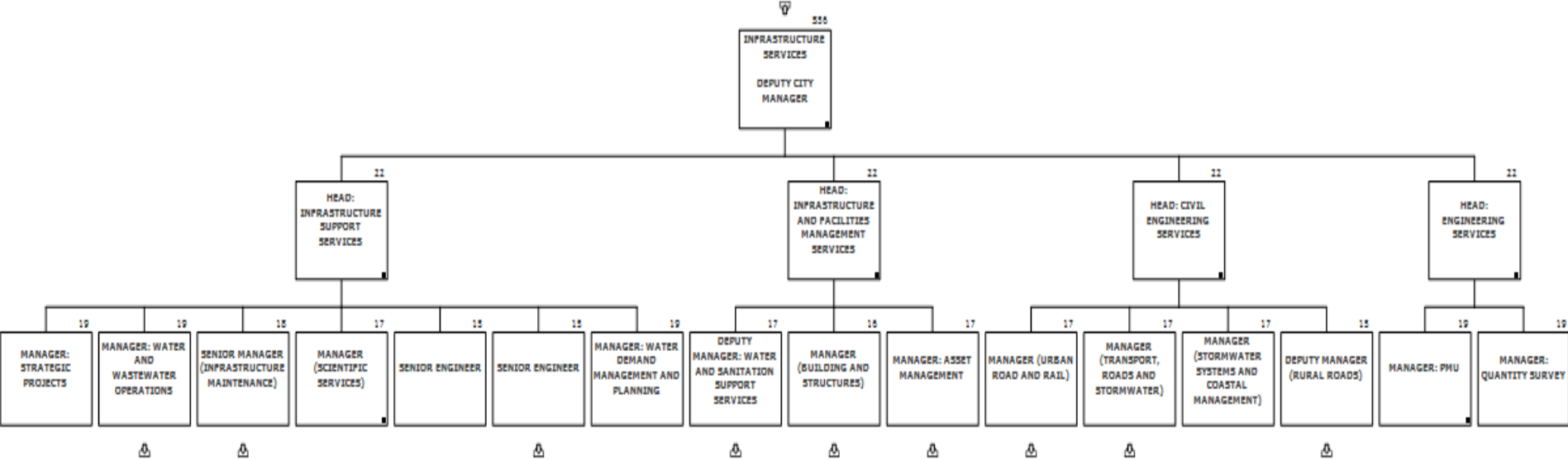
DEPARTMENT: CORPORATE SERVICES



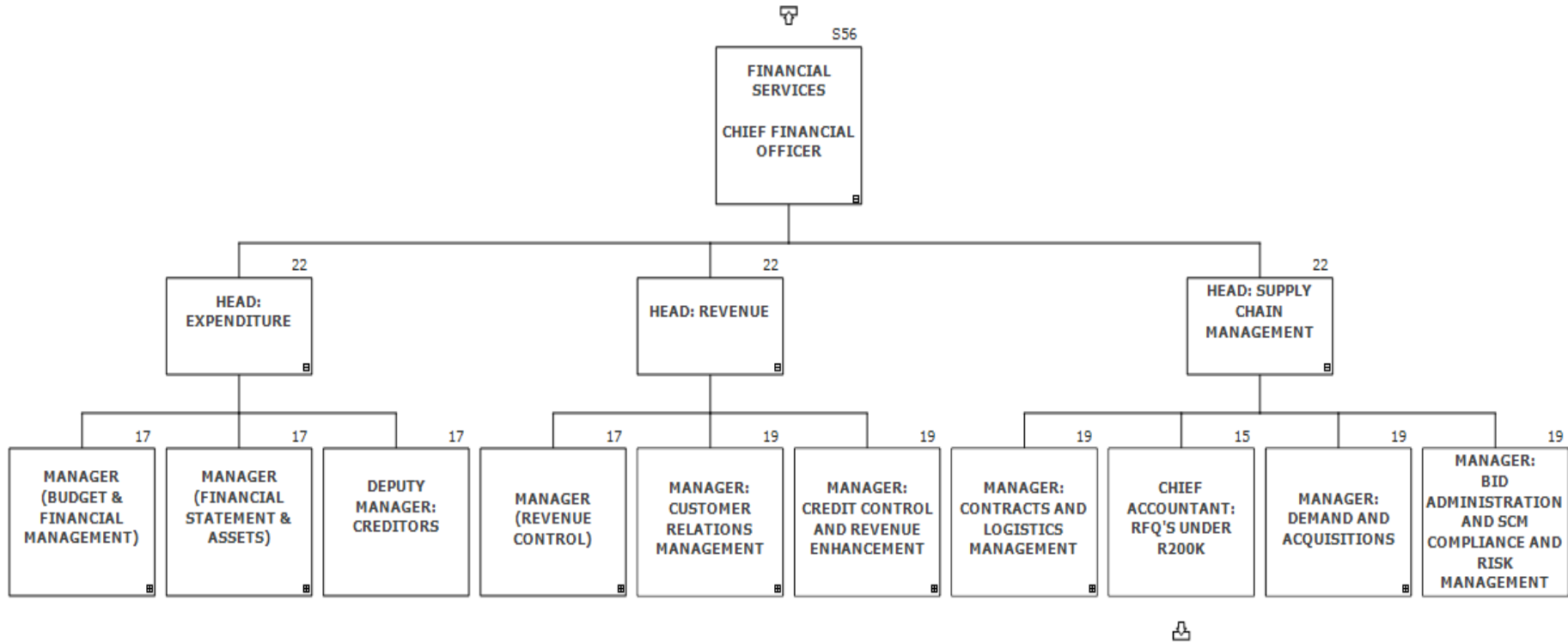
DEPARTMENT: ELECTRICAL AND ENERGY SERVICES



DEPARTMENT: INFRASTRUCTURE SERVICES



DEPARTMENT: FINANCIAL SERVICES



APPENDIX D: FUNCTIONS OF THE MUNICIPALITY

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
Office of the Municipal Manager	Internal Audit	Municipal Public Accounts
	Risk Management	Manage Risk Management framework
	Integrated Development Planning	Strategic Planning, Business Planning, City Development Strategies
	Performance Management	Organisational Performance Individual Performance Community Satisfaction
	Public Communications	Public Relations Media Liaison Website Administration
Corporate Services	Diverse Administration Services	Secretariat Services
	Legal Support Services	Contracts, Conveyance and Business Licensing Legislation, Litigation and Opinions
	Records Management	Central Registry
	Facilities Management	Oversee satellite office

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
Councillors	Councillor Support and Public Participation Services	Office of the Mayor Office of the Speaker Special Programmes
Public Safety and Security Services	Fire & Rescue Services	Fire Prevention Fire Training Fire and Rescue Operations Fire and Rescue Administration
	Traffic Services	Crime Prevention Licensing (Vehicles) Traffic Operations and Administration Traffic Control Room
	Security Services	
	Disaster Management	
Water and Sanitation	Plant Production and Operations	Plant Availability (Water and Wastewater Treatment Plants)
		Plant Availability (Pumpstations)
		Wastewater Final Effluent Quality Compliance (General Authorization March 2004 and General Standard 9225 May 1984)

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Water Treatment Final Portable Water Compliance (SANS241-2011)
	Infrastructure Maintenance	Water and Wastewater Network Reliability Program
		Planned Maintenance Program for all Pumpstations
		Planned Maintenance Program for all Network Pipelines
		Planned Maintenance Program for all Water Meters
	Scientific Services	Blue and Green Incentive Based Program
		Surface Water Monitoring Program (DWA Guidelines 1996)
		Wastewater Quality Monitoring Program (General Authorization 18 March 2004 / General Standard 9225 18 may 1984)
		Water Services Bylaw Compliance Program
		Online Water Quality Monitoring Program
	Water Demand Management and Strategy	Water Loss Management Program
		Water and Wastewater Demand Management Program
		Water Services Development Plan Annual review
		Water Services Bylaws Annual review
		Water Safety and Risk Abatement Annual Review

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Bulk Water and Wastewater Master Plan Development and Review
		Wastewater Effluent Re-Use Program
	Customer Services	
Electricity Supply Services	Streetlights, Operations and LV Networks	Electrical Planned Maintenance
		Reticulation, Operations and Maintenance
	Operations and Maintenance	Electrical Protection
		Electrical Cable Faults
		Electrical Network Switching
		Electrical Light Current
	Electricity Retail, Marketing and Customer Services	Electricity Retail and Auditing
		Electricity Marketing and Customer Services
	Electrical Planning and Strategy Services	Electrical Planning
		System Reinforcement
		Electricity Contracts
	Process Control Systems	Planned Maintenance Program (Telemetry and Scada Systems)
		Planned Maintenance Program (Instrumentation)

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Planned Maintenance Program (Radio Engineering)
		Master Plan Development and/or Review (Process Control Systems)
Transport, Roads and Stormwater	Energy Management	
	Rural Roads Operations	Planned Rural Road Maintenance Program for Kwa Madlebe
		Planned Rural Road Maintenance Program for Kwa Dube
		Planned Rural Road Maintenance Program for Kwa Mkhwanazi
		Planned Rural Road Maintenance Program for Kwa Khoza
		Planned Maintenance Program for all Pedestrian Bridges
		Construction of New Culverts and Bridges
		Management and Monitoring Program for all Rural Road Mining Operations
	Urban Roads and Railway Services	Planned Urban Road Maintenance Program (North)
		Planned Urban Road Maintenance Program (South)
Planned Urban Road Maintenance Program (West)		

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Planned Rail Maintenance Program for all Urban Areas
		Planned Urban Road Maintenance Resealing Program for all Urban Areas
		Planned Urban Road Marking & Signage Program(All Areas)
	Transport Infrastructure Planning and Strategy	Transport Infrastructure Plan Development and/or Annual Review
		Traffic Management Studies Program (All Areas)
		Transport Master Plan (Urban, Rural and Rail)
	Storm Water Systems , Catchment and Coastal Management	Stormwater Management Bylaw Annual Review
		Stormwater Drains Planned Maintenance Program
		Catchment Management Program
		Coastal Management Program
	Public Transport Operations	Road Side Furniture Development Program
		Public Transport Integration Program
		Public Transport Master Plan Program
Health and Cleansing	Solid Waste Management	Waste Management Inland
		Waste Management Coastal
		Waste Management Administration

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
	Occupational Health Care	
	Pollution Control	Air Pollution Control and Environmental Impact
Engineering Support Services	Engineering Projects Management and Implementation	Electrical Projects Implementation Program
		Civil Engineering Projects Implementation Program
		Mechanical Projects Implementation Program
		Capital Project Funding Program
	Fleet Management Services	Fleet Planned Maintenance Program
		Equipment and Small Plant Planned Maintenance Program
		Vehicle Utilization and Optimization Program
		Vehicle Replacement Program
	Municipal Infrastructure Asset Management	
		GIS Management Program
		Integrated Infrastructure Plan Program (Development & Review)
		Maintenance Plans Program Management
		Technical Operations Centre Management Program
		Engineering Document Management Program

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
	Municipal Buildings and Structures	Planned Building Maintenance Program (Civils)
		Planned Building Maintenance Program (Electrical)
		Planned Building Maintenance Program (Mechanical)
		Building Construction and New Works Program
		Planned Structures Maintenance
Recreation and Environmental Services	Horticultural Management	Biodiversity (Cemeteries) and Conservation
		Operations management
	Sport & Recreation	Recreational Facilities Management
		Sport and Recreation Development
	Arts and Culture	Public Libraries
		Museum
		Community Halls and Thusong Centres
		Recreational Projects Management
		Horticultural Contracts Management
Local Economic Development	Community Capacity Building & Training	
	Business Support	
	Development & Support of markets	

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
	Economic Facilitation	
	Marketing & Tourism Development	
Urban and Rural Planning	Land Use Management (LUMS)	Building Management and Control
		Planning and Development Evaluation
		Development Control, Appeals and Consent use
		Surveys, Analysis, Data, Research and GIS information
	Spatial and Environmental Planning	
	Development Administration	
	Human Settlement Programmes	
Economic Development Facilitation	Property Administration	
		Property Evaluations
	Business Support, Markets and Tourism	Tourism
		Business Support and Markets
	Investment Promotion	
Public Transport Facilities and Operations Coordination		
Human Resource and Industrial Relations Services	HR Administration Services	HR Administration
		Recruitment, Selection and Placement

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Employment Equity
	Personnel Maintenance and Development	SHE Risk Management
		Training, Development and Education
		Employee wellness
	Labour Relations Management	
	Organisation Development and Change Management	
Information, Communications and Technology Services	ICT Governance	
	ICT Service Delivery	
	ICT Infrastructure	
Expenditure	Budget and Financial Management	Budget and Financial Control
		Annual Financial Statements, Assets, Reporting and Loans
	Expenditure and Cash Management	Creditors Management
		Payroll and Policy Management
Revenue	Revenue Control, Billing, Rates and Tariffs	Rates, Non-Metered Services, Cash Control
		Revenue Control, Tariff Design, Budget and Reporting
		Billing, Metered Services, System Tariff Administration and Reporting

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
	Revenue Enhancement	Metered Services
		Sundry Services
	Revenue Customer Relations, Credit Management and Indigent Support	Branch Management and Community Liaison
		Customer Relations and Indigent Support
Supply Chain Management	Demand and Acquisitions	
	Stores Control	
	Logistics and Supply Chain Management Risk	

APPENDIX E: WARD REPORTING AND THE FUNCTIONS OF WARD COMMITTEES

Public Participation and Councillor Support

The Constitution of the Republic of South Africa in section 152 lists the objects of local government, among them is to provide democratic and accountable government for local communities and to encourage the involvement of communities and community organisations in the matters of local government.

Pursuant to these noble objectives, as set out in the Constitution, Council has taken a deliberate decision to strengthen and intensify its public participation drive. The Corporate Services Department has a unit called Councillor Support and Public Participation. It is charged with ensuring that there is an organised and structured manner in which the municipality communicates and/or consults the community on their developmental needs, so that intervention programmes can target real community needs.

Ward Committees

As it is embedded in the Constitution for the democratic government, public participation is central in deepening democracy. Public participation is described as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making. It is a process of engaging people, deciding, planning and playing an active role in the development and operation of services that affect their lives. Public participation narrows the social gap between the communities and the elected representative. Communities are defined as wards and each ward has to elect a Ward Committee which is a central representative structure that links the community with Council and ensures that communities take part in the decisions in the affairs that affect their lives. To fulfil the abovementioned objective, Council has undergone a programme of electing Ward Committee members in all thirty-four (34) wards.

As part of Council's commitment to motivate ward committee members, Council has a budget of R4million for ward committee out-of-pocket expenses; ward committees received a stipend on R1 274.00 per month with an increase of 7% every financial year.

Public Participation and Councillor Support

The Constitution of the Republic of South Africa in section 152 lists the objects of local government, among them is to provide democratic and accountable government for local communities and to encourage the involvement of communities and community organisations in the matters of local government.

Pursuant to these noble objectives, as set out in the Constitution, Council has taken a deliberate decision to strengthen and intensify its public participation drive. The Corporate Services Department has a unit called Councillor Support and Public Participation. It is charged with ensuring that there is an organised and structured manner in which the municipality communicates and/or consults the community on their developmental needs, so that intervention programmes can target real community needs.

Ward Committees

As it is embedded in the Constitution for the democratic government, public participation is central in deepening democracy. Public participation is described as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making. It is a process of engaging people, deciding, planning and playing an active role in the development and operation of services that affect their lives. Public participation narrows the social gap between the communities and the elected representative. Communities are defined as wards and each ward has to elect a Ward Committee which is a central representative structure that links the community with Council and ensures that communities take part in the decisions in the affairs that affect their lives. To fulfil the abovementioned objective, Council has undergone a programme of electing Ward Committee members in all thirty-four (34) wards.

As part of Council's commitment to motivate ward committee members, Council has a budget of R4million for ward committee out-of-pocket expenses; ward committees received a stipend on R1 274.00 per month with an increase of 7% every financial year.

APPENDIX F: WARD INFORMATION

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 1

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Cebekhulu Langelihle	Male	Chairperson	0782259347
1	Nyawo Muzi Knowlegde	Male	Safety and Security	0736689548
2	Garson Dennis	Male	Business	0832296544
3	Khoza Vincent Melusi	Male	Disability	0735740467
4	Mthembu Mduduzi Phiwaankosi	Male	Transport	0799440366
5	Cele Nomfundo Sipiwe	Female	Youth	0797429884
6	Ndlela Phiwayinkosi	Male	Infrastructure	0822206345
7	Ngema Lindiwe	Female	Community Services	0782742841
8	Mbatha Nomusa	Female	Education	0738550737
9	Mthiyane Prince Nkosingiphile	Male	Sports and Recreation	0732313812

10	Ximba Rebecca	Female	Health	0788137378
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CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 2

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Botha Cristo Marius	Male	Chairperson	0782259347
1	Manie Lourens	Male	Veldenvlei	0836375374
2	Meyiwa Margaret	Female	Meerensee	0832289471
3	Mdluli Lindokuhle	Male	City	0631544927
4	Simmadhri Shannette	Female	Wildenweide	0837087878
5	Alida Sonderson	Female	Meerensee	0847055171
6	Smit Jacqueline	Female	Meerensee	0797712710
7	Vannessa le Roux	Female	Tourism	0664207918
8	Rob Sedice	Male	Velden vlei	0834615764
9	Sandra Lourens	Female	Secretary	0731505471
10	Jon Ferreira	Male	Meerensee	0833844673

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 3

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	De Wet Henning	Male	Chairperson	0814336643
1	Meirring Vincent	Male	Veldenvlei	0718935770
2	Marran Terrence	Male	Community Safety	0828790693
3	Preashen Govender	Male	Education	0810397961
4	Van Der Linde Martin	Male	Business	0832731137
5	Naidu Gloria	Female	Religious	0764747667
6	Mans Annelize	Female	Arboretum	071427704
7	Carl Modise	Male	OSS	0847055171
8	Andrew Prakeshim	Male	Disability	0844900012
9	Malherbe Monique	Female	Youth	0720940541
10	Andrew Shantum	Male	Disability	0832351597

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 4

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Keans Rynie Frederika	Female	Chairperson	0834413752
1	Msane Thamsanqa	Male	Infrastructure	0710800566
2	Gumede Nhlakanipho	Male	Traditional	0672606935
3	Nxumalo Sandiso	Male	Crime	0835705671
4	Mthethwa Ntokozo	Male	Sports	0724991811
5	Mpanza Freedom	Male	Youth	0710911038
6	Bukhosini Mthandeni	Male	Transport	0839294738
7	Biyela Khumbulani	Male	Agriculture	0789489853
8	Mthiyane Sibongiseni	Male	Education	0786583268
9	Cele Thabile	Female	Birdswood	0723127824
10	Nqondo Msane	Male	Disability	0634452578

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 5

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Zulu Shadrack Hlalecabanga	Male	Chairperson	0736567216
1	Madide Mphathi	Male	Traditional Affairs	0833587456
2	Mthethwa Thelebona Vezi	Male	Education	0736861970
3	Ntuli Sanele Siphamandla	Male	Safety and Security	0733769417
4	Myeni Vincent Mduduzi	Male	Environment & Tourism	0789660662
5	Mthembu Bongiwe Siphelele	Female	Business	0640332116
6	Mhlongo James Senyana	Male	Agriculture & Farming	0732048620
7	Dlamini Muziwakhe	Male	Youth and Sports	0782275974
8	Cebekhulu Beauty Ziningi	Female	Health and Social Development	0739817832
9	Gumede Bethual	Male	Road and Transport	0825473420
10	Ngema Zanele	Female	Disability and Women	0793284571

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 6

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mthethwa Msawenkosi Antony	Male	Chairperson	0710439626
1	Mthembu Sindisiwe Purity	Female	Disability	0722186148
2	Mkhwanazi Lindani Innocent	Male	Sports and Recreation	0788402712
3	Phindile Dube	Female	Waste Removal	0732947350
4	Mbatha Lindiwe	Female	Traditional Affairs and Senior Citizens	0824858239
5	Ngcobo Bongumusa	Male	Transport and Roads	0714369982
6	Ngubane Sibusiso Panuel	Male	Education	0725389930
7	Madida Silindile	Female	Health and Social Development	0761084165/065719951
8	Ndiyaza Nkosingiphile Nunu	Female	Disaster	0732947350/0833612079
9	Nkwanyana Bongani	Male	Business and Farm workers	0736927334
10	Ngubani Fana Mbhekiseni	Male	Water and Sanitation	0718285570

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 7

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Zwane Isaac Ntokozo	Male	Chairperson	0736417652
1	Ndwandwe Metta	Female	Traditional	0734294467
2	Nxumalo Musawenkosi	Male	Transport	0723644470
3	Ncube Mthokozisi	Male	Youth and Disability	0604808709
4	Nxumalo Milton	Male	Safety and Security	0823644792
5	Shongwe Fikile	Female	Senior Citizen	0727008342
6	Mhlongo Mzamo	Male	Electricity	0671605744
7	Ndwandwe Sithembiso	Male	Informal Traders	0722281259
8	Manhica Rosemary	Female	Women	0716213340
9	Zulu Thembekile	Female	Sports and Recreation	0638290488
10	Gasa Melusi	Male	Business	0797351375

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 8

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mdletshe Nkosingiphile Cyril	Male	Chairperson	0766692425
1	Masuku Siphon	Male	Disability and Religion	0734308863
2	Mbonambi Elda	Female	Solid waste	0715909398
3	Mpanza Winnie	Female	Secretary	0632969219
4	Msomi Maureen	Female	Electricity	0837963008
5	Buthelezi Samkelisiwe	Female	Health	0719009574
6	Dlamini Dumisani	Male	water	0732694213
7	Mthimkhulu Sandile	Male	Youth and Sports	0839674587
8	Mthethwa Vusi	Male	Parks	0733579809
9	Ndlangamandla Zamokwakhe	Male	Housing	0843720369
10	Myeni Sibongile	Female	Traditional Affairs and Security	0799097792

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 9

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mdaka Mandla	Male	Chairperson	0722708708
1	Zungu Eric Muziwandile	Male	Education, Health and Social Development	0632206019
2	Ximba Errol	Male	Safety and Security	0794067019
3	Aslett John	Male	Disability	0832266487
4	Mthethwa Sithembile	Female	Women	0764067938
5	Myeni Mzamo	Male	Sports and Recreation	0814578470
6	Mchunu Seluleko	Male	Business and Tourism	0730983792
7	Magwaza Muziwandile	Male	Transport, Roads and storm water	0728408086
8	Mngomezulu Tholinhlanhla	Male	Electricity, Water and Sanitation	0826811919
9	Ntuli Zandile	Female	Human Settlement	0739030743
10	Myeni Abigail Zinhle	Female	Senior Citizens	0731573462

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 10

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Dlamini Mduduzi Sylvester	Male	Chairperson	0730873752
1	Sikhakhane Velenkosini	Male	Disability	0728607568
2	Nsele Silindokuhle	Male	Business Sector	0786078498
3	Ndlovu Thamsanqa	Male	Religious Sector	0780900692
4	Zungu Philani	Male	Safety and Security	0636595330
5	Nkwanyana Nonhlanhla	Female	Youth, Sport and	0837650425
6	Mnqayi Vusumuzi Eric	Male	Education	0790749174
7	Dube Emmanuel Joel	Male	Traditional Affairs	0717236456
8	Cele Bongani	Male	Transport Sector	0673166130
9	Madida Sifiso	Make	Agriculture Sector	0822121514
10	Mthethwa Nozipho	Female	Health Sector	0793506770

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS 11

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Zibane Thembinkosi	Male	Chairperson	0837118907
1	Lushozi Wonderboy	Male	Sports and Recreation	0725228338
2	Gumbi Sizakele	Female	Religious Sector	0799687437
3	Mhlongo Ntokozo	Male	Education	0604594114
4	Biyela Mzikhona	Male	Disability	0783124139
5	Zibani Siphesihle	Female	Traditional Affairs	0793611076
6	Msibi Dumisile	Female	Health	0726319140
7	Mbuyazi Nomusa	Female	Water and Sanitation	0790405475
8	Mbutu Nongcebo	Female	Agriculture	0791916562
9	Mhlongo Mduduzi	Male	Infrastructure	0791758517
10	Shabangu Sibongiseni	Male	Safety and Security	0847882559

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 12

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Dludla Vincent	Male	Chairperson	0768285929
1	Mdletshe Ayanda Trueman	Male	Religious	0728295033
2	Khoza Bonginhlanhla	Male	Secretary Education	0731266961 0710831410
3	Shabalala Siphonnyboy	Male	Safety and Security	0738372825
4	Shosha Bheki Zamokwakhe	Male	Infrastructure	0789080387
5	Makhanya Siphonandi	Male	Disability	0685576111
6	Nxele Simphiwe Bongiwe	Female	Sport and Recreation	0788369258/0766794320
7	Mbonambi Sphiwe	Female	Youth	0724044302
8	Mthembu Mabongi Princess	Female	Health	0790129126
9	Mhlongo Celimpilo Alex	Male	Transport	0739024803
10	Mkhwanazi Nhlanhla Thabani	Male	Traditional	0710516941

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 13

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Ndlovu Raymond Sanele Lindokuhle	Male	Chairperson	0783029362
1	Zulu Cebelihle	Male	Water and Sanitation	0822108204
2	Ngwenya Sibonakaliso Jeffrey	Male	Transport	0762820497
3	Hlongwane Sydwell Mabanga	Male	Disability	0781641158
4	Khumalo Zodwa	Female	Education	0737211770
5	Ntuli Bongani	Male	Religious	0715341139
6	Nxumalo Happiness	Female	Traditional	0837564127
7	Manzini Nelisiwe	Female	Safety and Security	0732210283
8	Buthelezi Lindiwe	Female	Health	0720527833
9	Mgenge Akhona	Female	Social Development	0732441904
10	Ndaba Mbukiseni	Male	Youth	0737473022

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 14

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mthethwa Aubrey Mondli	Male	Chairperson	0727168259/0634779577
1	Mjadu Siduduzo Seluleko	Male	Secretary and Housing	0827306242
2	Mthembu Sifiso	Male	Youth and Education	0636673363
3	Mnqayi Makhosi	Female	Agriculture and Informal Trading	0729769541
4	Mthembu Sibongile Ellen	Female	Water and Sanitation	0826434706
5	Gumede Makhosi	Female	Transport	0839433505
6	Mnguni Sqiniseko	Female	Sports and Recreation	0679085466
7	Gumede Thandiwe Agrineth	Female	Health	0767178894
8	Mbuyazi Sifiso Sonnyboy	Male	Safety and Security	0714890461
9	Ntomela Sithembiso	Male	Senior Citizen and Disability	0715557412
10	Thokozani Sikhakhane	Male	Traditional and Religious	0795520022

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 15

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Dube Thobile Cynthia	Female	Chairperson	0825359906
1	Zulu Goodman Khayaletu	Male	Transport	0738291462
2	Buthlezi Xolani Charles	Male	Education	0765315289
3	Khomo Hlanganai	Male	Safety and Security	0784955094
4	Sibiya Zethu Joyce	Female	Youth development	0764270119
5	Mkhize Nomthandazo Precious	Female	Secretary Social Development	0634300219
6	Nzuza Nonhlanhla	Female	Religious	0832102329
7	Myeza Mthokozisi Jabulani	Male	Business Sector	0649238634
8	Phungula Micar Mondli	Male	Disability	0682450895
9	Dube Thamsanqa Wiseman	Male	Sports and Recreation	0726216706 0780715986.
10	Dube Wonderboy	Male	Traditional Affairs	0685946203

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 16

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Donda Nkonzoyakhe Godshero	Male	Chairperson	0837183477
1	Hadebe Eric Mbuyiselwa	Male	Sports and Recreation	0720194100
2	Ntuli Primrose Ntombizodwa	Female	OVC Foster Care	0722442669
3	Ngema Siyabnga Gift	Male	Secretary/Education	0832405652
4	Mthethwa Mbongeni Master	Male	Safety and Security	0637354370
5	Gumede Nonhlanhla	Female	Waste Management	0721742010
6	Mtshali Thulisiswe Manunu Thulasizwe	Female	Electricity	0768633244
7	Ntuli Thabiso Neville	Male	Water	0732975803
8	Khuzwayo Nonhlanhla	Female	Social Development	0604575722
9	Madonsela Nkosinathi	Male	Housing Settlement	0839546936
10	Duma Tholani		Disability	0731646549

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 17

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Blose Nokubonga	Female	Chairperson	0837832371
1	Msane Jabulani	Male	Traditional Affairs	0827391958
2	Hlophe Ntombifuthi	Female	Religious	0795607160
3	Shangase Sthembiso Hazel	Female	Social Welfare / Women and Children	0647455512
4	Gumede Xolani	Male	Sports and Recreation	0815705229
5	Khumalo Michael Dumisani	Male	Business Sector	0824835878
6	Methula Handsome Nhlakanipho	Male	Safety and Security	0730469063
7	Yimba Robert Bongani	Male	Transport	078 6677 240
8	Gumede Trueman Lindokuhle	Male	Secretary/ Health	0784775208
9	Mbatha Ntandoyenkosi Zamashandu	Female	Youth Development	0715192851
10	Mthethwa Sikhumbuzo	Male	Disability and Education	0799617920

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 18

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Dlamini Kwazinkenkosi Selby	Male	Chairperson	0836236238
1	Mahlambi Michael Velenkosi	Male	Transport	0692296550
2	Mathaba Mbali	Female	Social Development	0761680027
3	Nkosi Zandile	Female	Education	0844171307
4	Dube Ntombifuthi	Female	Traditional	0647021005
5	Mjadu Velani Funuyise	Male	Disability	0844491706
6	Mkhwanazi Velemseni	Male	Agriculture	0760949547
7	Dube Ntombifuthi Penelope	Female	Health	0711415555
8	Sithole Thokozani Cyril	Male	Sports	0606365050
9	Zikalala Muziwandile	Male	Electricity	0761340317
10	Mnqayi Sboniso Wiseman	Male	Secretary	0814215700

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 19

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mthiyane Thamsanqa Prince	Male	Chairperson	0766149761
1	Dube Thuleleni Promise	Female	Education	0725124589
2	Ngema Prudence	Female	Social Development	0640271622
3	Gcwensa Mbuso Thami	Male	Infrastructure	0723425236
4	Mhlongo Sibusiso Welile	Male	Safety and Security	0780421801
5	Mathenjwa Bongukuphila	Female	Religious	0737628909
6	Xulu Smangaliso Siyathokoza	Male	Secretary	0620661512
7	Fihlela Jabulisiwe Patricia	Female	Women and Children	0630843948
8	Thusi Michael Sthembela	Male	Sports and Recreation	0780534006
9	Cele Sanele	Male	Health	0691487834
10	Chili Thulani	Male	Disability	0814137585

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 20

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Ntshangase Siboniso Basil	Male	Chairperson	0767005657
1	Ndwandwe Phumlani	Male	Health	0721963560
2	Blaai Sandile	Male	Disability	0672926462
3	Gina Thamsanqa	Male	Youth	0730793134
4	Dube Bongwiwe	Female	Women and Children	0739094515
5	Buthelezi Siphon	Male	Education	0720107379
6	Mabanga Andries	Male	Transport and Sport	0790454849
7	Ndlovu Velaphi	Male	Traditional	07998667709
8	Mdletshe Ntando	Female	Agriculture	0761881728
9	Gumede Snenhlanhla	Female	Infrastructure	0729110147
10	Diadla Nomvula	Female	Secretary/Media & Welfare	0658695220

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 21

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Masondo Sibongiseni	Male	Chairperson	0764839617
1	Mchunu Siyabonga Bekezela	Male	Safety and Security	0738448568/0812493020
2	Majola Sphamandla Innocent	Male	Education	0761921508
3	Makhathini Ntokozo Pressure	Male	Youth Development	0731774386
4	Mkuzo Siyabulela Blessing	Male	Disability	0835285208
5	Mngomezulu Nombulelo Senamile	Female	Traditional and Religious	0733782762
6	Makhathini Blessing Sibusiso	Male	Sport and Recreation	0799623001
7	Khumalo Ndumiso Mcebiso	Male	Transport	0726254503
8	Mzila Nomvula Siphumelele	Female	Health	0738434927
9	Nyawo Lungisani	Male	Agricultural Affairs	0825027297
10	Xulu Thandeka	Female	Secretary/Welfare and Social Services	0730006370

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 22

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mthembu Zitha Kenas	Male	Chairperson	0823681285
1	Miya Samukelisiwe	Female	Secretary Youth and Education	0606588207
2	Gumede Ntombifuthi	Female	Disability	0720579915
3	Mchunu Sizwesihle Russmass	Male	Sports and Recreation	0718125755
4	Dlamini Dingeni	Female	Health	0661441561
5	Mhlongo Desmond Musa	Male	Business Sector	0798648846
6	Mlaba Naledi	Female	Agriculture and Informal Trading	0726894062
7	Mhlongo Sibusiso	Male	Roads	0712114600
8	Mbuyazi Nonhlanhla	Female	Traditional Affairs	0818579026
9	Makhathini Phumlani	Male	Housing	0824356987
10	Sikhakhane Sandile	Male	Water and Sanitation	0834864252

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 23

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Barend Jacobus De Lange	Male	Chairperson	0833217844
1	Patterson Michael	Male	Panorama	0833954000
2	Ngwenya Alpheus Mthunzi	Male	Zidedele Vilalge	0822136749
3	Makhwasa Manqoba	Male	Nyala Park	0798527136
4	Fakude Thamsanqa Cyril	Male	Disability	0783170100
5	Dlamini Nkosingiphile Mavis	Female	Zidedele Village	0768032400
6	Hlabisa Lindokuhle Siboniso	Male	CBD Area	0768203628
7	Mkhwanazi Mjabhiseni Senzo	Male	Fairview	0833779374
8	Tlou Siphoh	Male	Nyala Park Area	0728085854
9	Dlamini Philasande	Male	Zidedele Village	0794352438

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 24

	Name	Gender	Portfolio /Sector	Contact Number
CIlr	Mthalandu Trueman Sibonelo Wiseman	Male	Chairperson	0823836779/0615067452
1	Manqele Thokozani Justice	Male	Safety and Security	0606318173
2	Ngwenya Vusi Vincent	Male	Business sector	0723365945
3	Zulu Beauty	Female	Women	0728092563
4	Buthelezi Ntombikhona Nunu	Female	Secretary/ Education	0734869827
5	Xulu Thembi Balungile	Female	Health and Social	0834166168
6	Gwala Mbali	Female	Traditional	0789428504
7	Khumalo Vusumuzi Bhekani	Male	Public Transport	0720173310
8	Shozi David Praise	Male	Rate Payers	0730495950
9	Nene Buyisiwe I	Female	Disability	0737557112
10	Myeza Sibusisiwe	Female	Youth	0679036664

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 25

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Sibisi Sandile Collin	Male	Chairperson	0725972474
1	Kunene Zibuse	Male	Traditional	0727553061
2	Sithole Sibusiso	Male	Safety and Security	0829370244
3	Zungu Wiseman	Male	Education and Religious	0781147099
4	Dlamini Philani Khulekani	Male	Youth Development	0714570035
5	Zondo Gugulethu	Female	Social Services	0728935427
6	Mbili Sindisiwe	Female	Women and Agriculture	0733665439
7	Makhathini Thembinkosi	Male	Transport	0833429694
8	Manqele Mbongeni	Male	Secretary/Health	0794519963
9	Magwaza Thembinkosi	Male	Infrastructure and Water	0733925511
10	David Zwane	Male	Sports and Recreation	0792968948

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 26

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Govender Jeevaruthnam	Male	Chairperson	083304825
1	Msiza Marilyn Nonjabulo	Female	Education/Parking Obstructions/Scholar Patrols and Library	0633361291
2	Buthelezi Zakhona Pasca	Female	Parks&Gardens,Tree Felling,Green Belt	0730776274
3	Khomo Mthokozisi Msindisi	Male	Water &Sanitation/Water Tankers/Pumb Houses	0737256112
4	Michael Mandy	Female	Civic Association , Halls and Vendor Permit	0711099351
5	Moses Colin	Male	Health, Social Development, Senoir Citizen and food hampers	0786810700
6	Moodley Prenisha	Female	Disability , Abused Women and Children , Religious Organizations Committee Secretary	0659437433
7	Adams Selwyn	Male	Youth , Sports Grounds and Swimming pools	0829553273
8	Pillay Vernon	Male	Safety and Security Roads	0836212189
9	Haribans Rivash	Male	Bins Skips, illegal dumping bus shelters	0713898538
10	Krish Pillay	Male	Electricity. Lamps Illegal fires and disaster management	0840908433

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 27

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mtshali Mthobisi Senzosenkosi	Male	Chairperson	0710825186
1	Biyela Nomthandazo	Female	Health	0763808210
2	Khuzwayo Busisiwe	Female	Education	0712884207
3	Zungu Anthony Sifiso	Male	Traditional	0663726049
4	Nkwanyana Phumlani	Male	Agriculture	0685242730
5	Dlamini Lindiwe Zodwa	Female	Disability	0837177738
6	Majozi Mpilo	Male	Sports	0727924787
7	Dlodlo Ntobeko	Female	Construction	0761179547
8	Nkwanyana Nelly	Female	Housing	0782936410
9	Mtshali Arthur	Male	Roads	0735143699
10	Molefe Cynthia Nokwazi	Female	Secretary	0780698204

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 28

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Gumede Sphelele Mzuvele	Male	Chairperson	0733242453
1	Mzobe Siboniso	Male	Transport	0822927299
2	Mthembu December	Male	Agriculture	0822174069
3	Xulu Gcwalisiwe Nokwethemba	Female	Education	0728555413
4	Gumede Samukelisiwe Nokuthula	Female	Health	0735653396
5	Zulu Khanyisile Promise	Female	Youth	0739732426
6	Myeni Busisiwe Happiness	Female	Traditional	0762765423
7	Madida Henry Mandla	Male	Safety and Security	060 3390 976
8	Khoza Goodman Sibusiso	Male	Religious	082 9778 856
9	Zikhali Nhlonipho Nelisa	Male	Sports and Recreation	078 1506 504
10	Mnyandu Doctor	Male	Disability	0632432552

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 29

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mngomezulu Nkosinathi Simiso	Male	Chairperson	0733316111/0729909168
1	Ngubane Lethuxolo Zipho	Male	Infrastructure	0728471932
2	Gumede Lindokuhle	Male	Transport	0739563863/0684491675
3	Mhlongo Dumisani Nhlanhla	Male	Safety and Security	0833557622/0794394747
4	Mbhamali Sindisiwe	Female	Education	0712170335
5	Mlondo Thandeka	Female	Secretary	0637403200
6	Cele Cebile	Female	Health and Social Development	0799386547
7	Mthiyane Bonani	Female	Agriculture	0762839942
8	Mbokazi Prudence	Female	Senior Citizen	0769988723
9	Mzimela Vincent	Male	Business Sector	0714111327
10	Qwabe Mboniseni	Male	Youth/Sport and Traditional Institution	0760815269

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 30

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Mlambo Ngcebo Treasure	Male	Chairperson	0734479583
1	Nene Phakami Richard	Male	Religious	0606115887
2	Mnqayi Sizeni	Female	Agriculture and Social Welfare	0814912580
3	Ndlamlenze Nondumiso Sindisiwe	Female	Secretary/Woman and Children	0731398316
4	Mthembu Sipho Brain	Male	Crime and Stability	0822994645
5	Khoza Jenny	Female	Disability	0794223318
6	Mhlongo Precious Zanele	Female	Traditional	0612958654
7	Makhathini Philangenkosi Simangaliso	Male	Sport and Transport	0639888212
8	Mthembu Sibusiso	Male	Infrastructure	0713137313
9	Xulu Zama	Female	Health	0680504602
10	Ngcamu Nonkululeko	Female	Education	0760848698

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 31

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Gcabashe Sphamandla Wesley	Male	Chairperson	0824812127
1	Ngema Dumisani Praisegod	Male	Agriculture	0763546130
2	Sithole Phillip	Male	Disability	0720759522
3	Ngobese Simangaliso	Male	Water and Sanitation	0609543885
4	Manqele Bongani Nomduya	Male	Safety and Security	0790397432
5	Goqo Thembinkosi	Male	Housing	0767480262
6	Mathenjwa Nokwazi	Female	Education	0739578554
7	Mdlalose Wonderboy	Male	Youth and Sport	0727795300
8	Zilibele Xolile	Female	Roads and Transport	0834308996
9	Shozi Sphesihle	Female	Health	0609519408
10	Manyoni Musawenkosi Jabulani	Male	Traditional Affairs	0826430725

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 32

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Ntshaba Zakhele	Male	Chairperson	0767407172
1	Msimango Goddwill Emmanuel	Male	Public Transport	0784189123
2	Cele Kahle Patrick	Male	Health	0785992342
3	Msweli Ndleleni Nkosinomusa	Male	Safety and Security	0765733078
4	Mdletshe Bheki Thokozani	Male	Education	0647323502
5	Xulu Nkinsela Mbhekiseni	Male	Youth	0631733068
6	Khoza Jetro Sbonelo	Male	Sports	0793589979
7	Bhengu Winnie	Female	Disability	0766959779
8	Mndaba Mzomuhle Alex	Male	Farm Workers	0822977361
9	Ngubane Sikhumbuzo	Male	Health	078465522
10	Mthethwa Bheki	Male	Secretary/Traditional affairs and Roads	0763320162

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 33

	Name	Gender	Portfolio /Sector	Contact Number
CIlr	Msimango Muziwokuthula Mdlinzeleni	Male	Chairperson	0726892250
1	Mkthimkhulu Mvuseni Bhekizitha	Male	Tourism	0723401047
2	Shongwe Sibusiso	Male	Sport	0713515392
3	Ngema Kwazikwenkosi	Male	Religious	0764412376
4	Ziqubu Norman Thulubheke	Male	Transport	079 6808 866
5	Biyela Mandlenkosi Bhamu	Male	Water	0792844950
6	Ntombela Mkhombeni	Male	Traditional Affairs	0720553315/0835399909
7	Mpungose Mercy Thembelihle	Female	Safety and Security	0760812542
8	Hlekwayo Zanele Nomfundo	Female	Health	0733984905/0798904353
9	Ngema Hlobisile Primrose	Female	Business	07164444207
10	Biyela Fezile Jabu	Female	Secretary/Education	0794747667

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS WARD 34

	Name	Gender	Portfolio /Sector	Contact Number
Cllr	Makhanya Ntuthuko Fanelesibonge	Male	Chairperson	083 3566 613
1	Mbatha Siphesihle	Female	Education	0724451049
2	Mthembu Brenda	Female	Safety and Security	0734576610
3	Masinga Londiwe	Female	Secretary/Transport	0789203022
4	Mjadu Siphamandla	Male	Sport and Recreation	0731896910
5	Mthembu Lindokuhle	Male	Disability	0724984381
6	Manqele Thokozani	Male	Traditional	0793825511
7	Nxumalo Lungile	Female	Housing	0725967850
8	Gcaba Nkululeko	Male	Youth Desk	0729119224
9	Ramsamy Appah	Male	Agriculture	0837911687
10	Gumede Nqobile	Female	Health	0734576610

APPENDIX G : AUDIT COMMITTEE REPORT

City of uMhlatuze

Audit Committee report for the year ended 30th of June 2023

The committee is pleased to present its report for the financial year ended 30 June 2023.

Purpose

To report to the council on the work of the audit committee during the financial ended 30 June 2023 in carrying out its oversight responsibilities in terms of section 166 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003, as amended) (MFMA), read with MFMA circular 65 published by the National Treasury for the year ended 30 June 2023.

The MFMA obliges every municipality to establish an independent audit committee, which must advise the municipal council, political office-bearers, accounting officer and management staff of the municipality, on matters relating to internal financial controls and internal audits, risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation, and any other issues referred to it by the municipality. The audit committee is governed by formal terms of reference (the Audit Committee Charter), which are regularly reviewed and approved by the council.

Audit committee members and attendance

The audit committee was established in accordance with section 166 of the MFMA read with MFMA Circular 65 issued by the National Treasury. The audit committee consists of the following five (5) external, non-executive members listed hereunder and should meet at least four (4) times per annum as per its approved terms of reference.

Name of member	Number of meetings attended
Mr. AD Gonzalves (Chairperson)	5/5
Mr. RMJ Baloyi	5/5
Mr. HGS Mpungose	5/5
Ms. N Shabalala	5/5
Mr. K Mpungose	3/5

Members of the audit committee were appointed on the 01st of July 2022. All members are external and therefore independent with no conflicts of interests being reported throughout the year.

Audit committee meetings

Five (5) audit committee meeting was held during the year ended 29th of June 2023 as follows:

Meeting	Date	Type of meeting
1.	26 August 2022	Special
2.	23 September 2022	Ordinary
3.	09 December 2022	Ordinary
4.	31 March 2023	Ordinary
5.	29 June 2023	Ordinary

The members of the audit committee held meetings with the accounting officer, senior management of the municipality, the internal audit function and the AGSA (external auditors) collectively and individually, on matters related to governance, internal control and risk in the municipality, throughout the reporting period. The Chairperson of the MPAC, representatives from the AGSA, COGTA, and National Treasury have a standing invitation to all the meetings of the audit committee.

All members of the audit committee contributed constructively to ensure that meetings were productive. Management was responsive to questions raised by members of the audit committee.

Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 166 of the MFMA. The audit committee also reports that it has adopted formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein during the afore-mention period.

The effectiveness of internal controls

In line with the MFMA, the internal audit function provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the in-year reports of the internal audit function, it was noted that improvement in the control environment was required in the implementation of the procurement plan, compliance with the Protection of Personal Information Act, Act No.4 of 2023 (POPIA), installation and replacement of water meters, stock management process of water meters, and information technology. The audit committee concurs with the recommendations of the internal auditors and advises implementation within agreed upon timelines.

The internal auditors and the audit committee will continue to monitor the progress in this regard on a regular basis.

Internal audit

The accounting officer is obliged, in terms of section 165 of the MFMA, to ensure that the municipality has an internal audit unit which is controlled and directed by the audit committee.

The internal audit capacity has been enhanced through co-sourcing parts of the internal audit function to independent external service providers on the panel of internal auditors. The audit committee supports this model since it provides the municipality with the necessary skills and agility required by this unit to respond effectively to the demands of various departments of the municipality.

Vacancies within the internal audit function during the year were noted by the audit committee. A vacancy of the Chief Internal Auditor that is responsible for ICT related projects existed at year end. The audit committee recommended the prioritization of filling vacant positions within the internal audit function to safeguard against prolonged limitations of the internal audit function. The committee was satisfied that alternative measures were in place to ensure completion of the approved internal audit plan.

The audit committee is satisfied that the internal audit function has properly discharged its functions and responsibilities and maintained its independence and objectivity throughout the under review.

As at 30 June 2023, the internal audit function completed twenty-two (22) projects of the thirty-three (33) planned projects. Of the remaining ten (10), six (06) were in progress, and four (04) were rolled forward and will be performed during the 2023/24 financial period.

The internal audit function found that the control environment as a whole was effective, however, some control weaknesses were identified in certain areas and recommendations for correction or improvement have been presented to the management. The audit committee is satisfied that the internal audit function maintains an effective internal quality assurance programme that covers all aspects of the internal audit activity. The audit committee would like to commend the internal audit unit for the commitment and diligence they have demonstrated in performing their duties throughout the year.

Risk management

The audit committee is satisfied that a risk management committee is in place. Meetings are held on a quarterly basis and are chaired by an independent official. The audit committee advises that reports from the Chairperson of the risk management committee be submitted to allow for enhanced oversight into the effectiveness of the risk management function at the municipality.

Performance management

The municipality has a separate committee which is responsible for oversight on performance management. To ensure that this committee understands the requirements of the audit committee, a member of the audit committee serves as a member of the Performance Management Committee.

The audit committee hereby draws attention of the Council, the accounting officer, and the management of the municipality to the matters which were reported by the AGSA as follows:

- the improvement of the reliability of the performance information reporting;
- applying due care and diligence when reviewing the IDP, SDBIP and coordinating plans to ensure all indicators related to core functions are included; and
- refining indicators in such a manner that they are outcome and impact orientated to drive accountability in the manner that is transparent and understandable.

The audit committee hereby acknowledges the commitment to effect improvements which has been pledged by the accounting officer.

The quality of monthly and quarterly reports submitted in terms of the MFMA and DORA

The audit committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. The finance committee of the municipality reviews these reports on quarterly basis and engage with management to remedy shortcomings identified, furthermore these reports are submitted to the audit committee for consideration. No exceptions have come to the attention of the audit committee regarding the reports submitted to National Treasury and the Transferring Officer in terms of the Division of Revenue Act. The audit committee is also satisfied that the municipality is meeting its obligation in terms of DORA and has recognised revenue to the extent that conditions have been met.

Information, communication, and technology (ICT)

Since the commencement of the modernization of the ICT System, the outcomes of the internal audit reviews and follow up reviews have highlighted shortcomings in ICT Governance, ICT Security Management, ICT User Access Management and Cyber Security Strategy. Due to the strategic importance of the information and communication technology (ICT) to the municipality, the audit committee recommends that the municipality must speed up the implementation of the recommendations made by the internal auditors and emphasized by the AGSA.

The audit committee noted that mitigation plans were implemented by management to reduce residual risks emanating from risks identified on legacy systems. The audit committee advises that management place urgent attention on resolving these matters to ensure that the control environment is improved. The audit committee will continue to exercise its advisory and oversight function in respect of ICT management to assess the curtailment of ICT risks.

Fraud and ad hoc investigations

During the period under review, several investigations were performed. In all instances, independent consultants from a panel of internal auditors were appointed to conduct the investigations into the following:

- Implementation of procurement processes during the evaluation and awarding of a pit latrine tender (Tender 8/2/1/UMH607-19/20),
- Reasons and root causes associated with frequent damages to electrical substations, and
- Cyber security.

The audit committee recommended that the accounting officer must ensure that all the recommendations included in the reports are implemented.

Emanating from the whistleblower hotline, an allegation was received where a company was alleged to be charging the municipality incorrect rates and getting work without following proper procedures. This matter is under investigation and the outcome will be reported to the audit committee.

Evaluation of the finance function

The audit committee is satisfied with the performance of the municipality's finance function during the year under review. During the year, no exceptions had come to the attention of the audit committee with respect to delays in financial reporting requirements.

Evaluation of the annual financial statements

The audit committee is responsible for reviewing the annual financial statements of the municipality and focuses on the following:

- Significant financial reporting judgements and estimates contained in the annual financial statements.
- Clarity and completeness of disclosures and whether disclosures made have been set properly in context.
- Quality and acceptability of, and any changes in, accounting policies and practices.
- Compliance with accounting standards and legal requirements.
- Significant adjustments and/or unadjusted differences resulting from the audit.
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted.
- Reasons for major year-on-year fluctuations.
- Asset valuations and revaluations.
- Calculation and levels of general and specific provisions.
- Write-offs and reserve transfers.
- The basis for the going concern assumption, including any financial sustainability risks and issues.

The audit committee reviewed the annual financial statements prior to submission to the AGSA and provided management with its comments and areas to be corrected.

External audit - Auditor General of South Africa (AGSA)

The audit committee congratulates council, the accounting officer, the chief finance officer, and the management of the municipality for attaining an Unqualified Audit Opinion with no material findings for four (4) consecutive financial years. The audit committee hereby draws attention of the council to the following matters which were reported by the Auditor General as follows:

- Significant water distribution losses;
- Material impairment of receivables from exchange transactions and statutory receivables; and
- The need to improve the reliability of the performance information reporting.

The audit committee confirms that it has been adequately appraised of the issues which informed the opinion of the external auditors and that the final report was also presented to the committee. The audit committee concurs with the recommendations of the AGSA regarding these matters and hereby recommends that the council and the management of the municipality must implement the recommendations.

Recommendations

In terms of section 166(2)(a) of the MFMA, the audit committee proposed the following recommendations during the year which included that:

- management continue to cooperate with the internal audit function to improve the current control environment through the timely implementation of recommended actions,
- the internal audit function must ensure that risk-based plans are executed in a timely manner to address internal control deficiencies,
- kpi's to address prior reported findings from internal audit and the AGSA for all senior management be reviewed for the next financial year to include appropriate weightings,
- internal audit reports be submitted to MPAC to provide monthly updates on the status of management action to address all prior reported findings,

- the Project Management Unit must undertake the monitoring and oversight role to assess that projects are implemented accordingly,
- in addressing the findings relating to the internal audit report on POPIA, management implement internal audit recommendations to mitigate high risk priority areas of accountability, purpose specification, openness, and security safeguards,
- there must be continuous monitoring of the alignment of section 71 reports against the SAP general ledger and specimen financial statements to ensure compliance with GRAP,
- internal controls over information technology environment on governance and security be improved as a matter of priority,
- management implement effective controls throughout the year to ensure SCM compliance with applicable legislation,
- the accounting officer prioritise the filling of the vacant position within the internal audit function to safeguard against prolonged limitations of internal audit at the expense of the municipality,
- the accounting officer ensures that the appointment of the panel of service providers for provision of internal audit services is finalised before the end of the first quarter of the next financial year,
- a close out report on the investigation into the allegations of a company charging the municipality incorrect rates and being unfairly awarded work be submitted at the next ordinary meeting of the audit committee,
- the improvement plans to address the shortcomings identified over the installation and replacement of water meters, and stock management process of water meters be implemented within the agreed upon timelines, and
- the accounting officer implement corrective actions to address prior reported findings of the AGSA to prevent a recurrence of findings.

Conclusion

The audit committee acknowledges the work undertaken by the administration during the year. It commends management on taking action to recover intergovernmental debt and encourages that the hard work albeit in a challenging environment must continue to improve the quality of lives of the people we serve.

The audit committee thanks council, the mayor, the chairperson of MPAC, the Accounting officer, the Chief financial officer, senior management and the administrative staff for their commitment, purposeful efforts, and cooperation with the audit committee. The audit committee relies extensively on the work of internal audit. The audit committee expresses its gratitude to the Manager: Internal Audit and her team for their assistance and cooperation.

CHAIRPERSON OF THE AUDIT COMMITTEE

A.D GONZALVES

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

The City does not have long term contracts and Public Private Partnerships to report on at this point.

APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

The City does not have a Municipal owned entity at this stage.

APPENDIX J: THE MUNICIPAL AUDIT COMMITTEE

The following are the members of the Audit Committee

External Members	Internal Members (Councillors)
Mr. AD Gonzalves (Chairperson)	
Mr. RMJ Baloyi	
Mr. HGS Mpungose	MPAC Chairperson – CLR De Lange (Observer)
Ms. N Shabalala	
Mr. K Mpungose	

APPENDIX K

ASSESSMENT BY THE MUNICIPALITY'S ACCOUNTING OFFICER OF THE MUNICIPALITY'S PERFORMANCE FOR REVENUE COLLECTION FROM EACH REVENUE SOURCE AND FOR EACH VOTE OF THE MUNICIPALITY

The Rates income of the City has increased by R 48,3 million which is 8.5 percent year on year comparison. This increase indicates that the City has not been able to increase its rates base that is a stable source of income as the increase of 8.5 percent is marginally above the average annual tariff increase of 7 percent on rates. Electricity continues to be our biggest contributor in terms of revenue with R1,8 billion from Energy Sources vote. The total grants and public contributions revenue of R754 million only represents only 15.4 percent of the Municipality's total revenue.

Annexure K (i)

Revenue performance by source

Source	Actual 2022/2023	Adjusted Budget 2022/2023	Actual / Budget
	R'000	R'000	%
Property rates	615 808	680 990	90.4
Service Charges	2 520 919	2 578 270	97.8
Rental of facilities and equipment	11 245	10 148	110.8
Interest earned – external investments	26 846	66 700	40.2
Interest earned – outstanding debtors	-	28	-
Fines	7 277	57 691	12.6
Licences and Permits	3 492	3 526	99.0
Income for agency fees	6 539	6 179	105.8
Government grants and subsidies	752 760	749 203	100.5
Inventory water gain	581 558	507 883	114.5
Public contributions	1 387	-	-
Other operational income	382 200	36 914	1 035.4
TOTAL REVENUE	4 910 030	4 697 532	104.5

Annexure K (ii)

Revenue performance by vote

Vote	Actual 2022/2023	Adjusted Budget 2022/2023	Actual / Budget
	R'000	R'000	%
Community and Social Services	14 929	19 542	76.4
Energy Sources	1 831 209	1 894 442	96.7
Environmental Protection	79	116	68.1
Executive and Council	469	1 624	28.9
Finance and Administration	628 627	772 649	81.4
Housing	133 489	5 584	2390.6
Health	-	31	-
Internal Audit	12	0	-
Other	818	1 619	50.5
Planning and Development	63 260	18 176	348.0
Public Safety	41 217	55 499	74.3
Road Transport	60 124	99 621	60.3
Sport and Recreation	27 521	17 258	159.5
Waste Management	204 556	211 365	96.8
Waste Water Management	353 974	348 295	101.6
Water Management	1 549 746	1 088 220	142.4
TOTAL REVENUE	4 910 030	4 697 532	104.5

APPENDIX K(III) : ARREARS ON MUNICIPAL TAXES

ASSESSMENT BY THE MUNICIPALITY'S ACCOUNTING OFFICER OF ANY ARREARS ON MUNICIPAL TAXES AND SERVICE CHARGES

Outstanding gross consumer debtors as at 30 June 2023 were R1,166 billion (2022: R 1,135 billion). The amounts included in the consumer debtor balances considered to be doubtful are covered by a provision for impairment of R142 million, which represents 12% of the total outstanding consumer debtors.

The overall payment rate for the past nine years is illustrated below:

Year	Payment Rate
2013/2014	100.93%
2014/2015	99.08%
2015/2016	96.86%
2016/2017	100.88%
2017/2018	94.34%
2018/2019	99.71%
2019/2020	93.08%
2020/2021	100.33%
2021/2022	86.38%
2022/2023	92.00%

The debt collection ratio is for the 12-month period preceding 30 June 2023. The payment rate appears to be picking steadily though it is still below the required norm of 95%.

Debtors Turnover Ratio

The debtor's turnover ratio for consumer debtors at end June 2023 was at 37.07%

The debtor's turnover rate represents the outstanding debtors' amount expressed as a percentage of the last 12 months billed revenue.

Nett Debtors – in Days

The nett debtor's ratio – in days as at the end of June 2023 was at 119 days.

This ratio reflects the collection period. Nett Debtor Days refers to the average number of days required for a Municipality to receive payment from its Consumers for bills/invoices issued to them for services.

Summary of debtors by customer classification

	Residential	Business/Industrial	Municipal/ State	Total
Current (0 - 30) days	95 438 043	507 058 250	219 410 707	554 046 748
31 - 60 days	3 668 194	5 244 229	8 970 579	39 454 501
61 - 90 days	6 142 291	(458 387)	12 187 673	60 021 360
91 - 120 days	6 943 661	(47 890 813)	15 967 234	30 684 348
121+ days	165 378 313	76 868 633	92 070 382	451 365 043
sub-total	277 570 503	540 821 913	348 606 576	1 166 998 990
Less: Provision for bad debt	(42 785 188)	(46 080 003)	(53 734 809)	(142 600 000)
Total debtors by customer classification	234 785 315	494 741 910	294 871 767	1 024 398 991

APPENDIX L : CONDITIONAL GRANTS RECEIVED: EXCLUDING UIDG

DETAIL OF GRANT	BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE		MAJOR CONDITIONS APPLIED BY DONOR
				BUDGET	ADJUSTMENT BUDGET	
Finance Management Grant	2 500 000	2 500 000	2 500 000	0%	-	This grant is used to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).
Energy Efficiency and Demand Side Management Grant (EEDSM)	5 000 000	5 000 000	5 000 000	0%	-	National Conditional Grants are allocated in terms of the Division of Revenue Act.To provide subsidies to municipalities to implement energy efficiency and demand side management initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency

DETAIL OF GRANT	BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE		MAJOR CONDITIONS APPLIED BY DONOR
				BUDGET	ADJUSTMENT BUDGET	
Water Services Infrastructure Grant	50 000 000	37 000 000	37 000 000	-26%	-	The purpose of this grant is to facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities.
Municipal Disaster Recovery Grant	-	34 966 000	34 966 000	0%	-	The Grant is for reconstruction and rehabilitation of damaged municipal infrastructure due to the April 2022 storms.
Expanded Public Works Programme Integrated	3 213 000	3 213 000	3 213 000	0%	-	This grant is used to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in compliance with EPWP Guidelines.

DETAIL OF GRANT	BUDGET	ADJUSTMENT BUDGET	ACTUAL	VARIANCE		MAJOR CONDITIONS APPLIED BY DONOR
				BUDGET	ADJUSTMENT BUDGET	
Library Subsidy - Public Internet Access	2 032 000	2 032 000	2 032 000	0%	-	This grant is used to appoint library computer assistants at various libraries.
Library Subsidy	9 593 000	9 593 000	9 593 000	0%	-	This subsidy is used towards the current staffing and operational costs of the libraries.
Museum Subsidy	235 000	235 000	235 000	0%	-	This subsidy is used in the daily running of the Empangeni museum.

APPENDIX M (I): CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

FUNCTION	DESCRIPTION	AMOUNT
Community and Social Services	Design/Cons of SMME R Parks (Esikh) -Ph1	3 697 644,00
	Disaster Management Building Furniture	37 250,80
	Municipal Building: Rural Roads Offices	57 120,00
	R/BAY CIVIC - AIRCON NEW INSTALLATIONS	164 950,00
	Repl Air Conditioners: Economic Developm	352 342,98
		4 309 307,78
Energy Sources	132/11KV PHOENIX SUBSTATION REFURB	13 269 789,59
	DMV PHASE 6 & 8 DEVELOPMENT	1 521 128,90
	Furniture for the Electrical Department	32 665,00
	High Mast Lighting Install (Traditional	878 570,21
	Install Elect Connection: eMpembeni	54 670,35
	NEW FURNITURE & OFFICE EQUIPMENT	79 939,00
	Tools for Electrical Department	231 455,17
		16 068 218,22
Environmental Protection	INSTALL ALARM: AIR QUALITY: ARBORETUM	22 422,64
	INSTALL ALARM: AIR QUALITY: BRACKENHAM	22 422,64
	INSTALL ALARM: AIR QUALITY: ESIKHALENI	22 422,64
		67 267,92
Executive and Council	NEW RECORDER FOR MEETINGS	6 106,00
		6 106,00
Finance and Administration	10M3 TIPPER TRUCK & CRANE TRUCK	9 125 108,40
	2 X 22 SEATER PASSENGER CARRIER	4 794 810,00
	2 X Toyota Prado's	2 691 272,98
	3 x Tractors for Sport Facilities	1 775 154,00
	AUDIO VISUAL SYSTEMS AND EQUIPMENT	1 887 090,13
	CCTV & BIOMETRIC SYSTEMS	1 064 002,99
	Computer Equipm for Water and Sanitation	164 480,08
	Cost Furniture and Equipment	65 170,00
	Empembeni Library Sedan Vehicle	362 066,00
	ESS Fire System PhaseII	81 312,00
	FINANCIAL SERVICES LAPTOPS	147 104,00
	ICT Research & Development	31 720,01
	Install ICT Connectivity eMpembeni Libr	65 732,00
	Municipal Buildings: IT Equipment	130 613,94
	Network Infrastructure Upgrd	2 322 554,52
	New & Replace of It Related Equip	3 354 475,27
	NEW REFRIGERATOR FOR OFFICE USE	4 471,05
	New Vehicle for Library	646 087,25
	NEW VEHICLES: 1 X TOYOTA FORTUNER	988 999,99
	NEW VEHICLES: 3X BMW	2 429 699,99
	NPR 400 AMT Crew Cab with Rigid Crane	3 964 633,00
	Office Furniture and Equipment	2 666,00
	Office Furniture for Occupational Clinic	47 256,00
	Public Wifi	2 320 949,74
	REPLACEMENT FURNITURE ALL DEPARTMENTS	148 696,94
	SCM Furniture & Office Equipment	9 792,18
	TOOLS FOR FLEET MANAGEMENT	319 316,96
WATER TANKER AND JETTING MACHINE	7 929 266,00	
		46 874 501,42

FUNCTION	DESCRIPTION	AMOUNT
Planning and Development	EMPANGENI CBD MARKET STALLS	3 508 772,19
	Furniture City Development	19 820,00
		3 528 592,19
Public Safety	ENSELENI PARK HOME (FIRE SECCION)	168 300,00
	Equip for Traffic	13 900,00
	Fire Fighting Equip	867 784,70
	FURNITURE FOR TRAFFIC SECTION	24 572,00
		1 074 556,70
Road Transport	AQUADENE HOUSING ACCESS ROADS	1 193 826,29
	Bus Shelters & Laybys - all Areas	548 926,00
	Coastal Erosion Protection	417 335,76
	DESIGN&CONSTR: CENTR INDUST AREA LINK RD	38 180 086,07
	Esikhaleni Intersection	1 014 876,11
	FURNITURE FOR TRAFFIC LICENCING	60 000,00
	MANDLAZINI: PHASE 1B	224 778,06
	Roads: Machinery & Equipment: Borrowings	482 069,80
	Traffic Calming	3 389 475,25
	URBAN ROADS FURNITURE	69 466,00
	Walkways (Replace project I/CNBDA1.184)	440 219,80
		46 021 059,14
Sport and Recreation	FURNITURE & OFFICE EQUIPM: PARKS SECTION	20 550,00
	KWADLANGEZWA SWIMMING POOL	24 105 697,24
	Portable Tower X 2	2 641 280,60
	RIDE ON MOWERS	2 040 500,00
	UMHLATHUZE STADIUM MASTER PLAN	130 329 971,66
	159 137 999,50	
Waste Management	EST NGEWELEZANE MATERIAL RECOVERY FACIL	386 029,00
		386 029,00
Waste Water Management	BULK STORMWATER INFRASTR (AQUADENE)	704 834,81
	Furniture for Water and Sanitation Sect	166 291,00
	Mandlanzini Agri Village Sewer	7 659 362,23
	MANDLANZINI: AGRIC VILLAGE SEWER	2 835 646,04
	Rural Sanitation	4 749 171,93
	16 115 306,01	

FUNCTION	DESCRIPTION	AMOUNT
Water Management	200 Static Tanks	360 070,00
	CONSTR 5ML PACKAGE PLANT & 2 X 3ML RES	6 328 043,66
	CONSTR OF 3ML RESERVOIR NTAMBANANA	4 026 184,34
	CONSTRUCTION OF A SECOND MEERENSEE RESER	3 439 286,80
	CONSTRUCTION OF PACKAGE PLANT	25 108 416,75
	EMPANGENI MEGA HOUSING BULK SERV:WATER	290 613,46
	EMPEMBENI KWADUBE WATER UPGRADE	57 770 578,71
	GENERATOR	806 183,00
	INSTALLATION OF PREPAID WATER METERS	5 907 300,00
	KWADUBE WATER IMPROVEMENT - RETICULATION	5 952 702,00
	Laboratory Equipment	527 213,10
	MKHWANAZI NORTH - ZONE R	2 191 397,68
	New Water Meters (Replace I/DOBD02.253)	5 137 787,92
	NTAMBANANA BULK WATER SUPPLY	22 657 371,03
	NTAMBANANA WATER RETICULATION	34 898 024,32
	NTAMBANANA: BULK WATER SUPPLY	759 925,25
	Reduction Of Non-Revenue (Wsig)	2 962 592,29
	Security Fence for Water Treatment Works	300 109,00
	Tools for Water and Sanitation	485 478,40
	WATER RETIC SYSTEM FOR WARD 18 & 22	53 371 842,45
	233 281 120,16	
TOTAL	526 870 064,04	

APPENDIX M(II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

FUNCTION	DESCRIPTION	AMOUNT
Community and Social Services	R/BAY CIVIC - AIRCON COOLING TOWERS	299 350,00
	REFURBISHMENT OF COUNCIL CHAMBER	6 900 000,00
	RENOVATIONS TO EMPANGENI CIVIC 2	477 967,50
		7 677 317,50
Energy Sources	132/11KV 30MVA CYGNUS TRANSFORMER INST	12 669 844,78
	132/11KV HERCULES SUBSTATION REFURB	1 198 320,00
	132/11KV PHOENIX SUBSTATION REFURB 2	5 545 677,29
	132/11KV POLARIS SUBSTATION REFURB	3 609 924,66
	132/11KV SCORPIO SUBSTATION REFURB	21 441 206,74
	132KV OIL FILLED CABLES SOUTH DUNES	2 069 655,90
	132kV OVERH LINE REFUR IMPALA TO POLARIS	2 108 183,14
	ENERGY SAVING INITIATIVE	1 106 025,00
	Mandlazini/Vega MV Netw Refurb (BORROW)	5 870 028,23
	REPL OF STREETLIGHTS - TUZI GAZI AREA	3 928 930,00
Environmental Protection	Alkandstrand Staircse,Viewing Deck,Ramp	541 638,92
	REPLACEMENT OF AIR CONDITIONERS	46 500,00
		588 138,92
Executive and Council	FURNITURE - OFFICE OF MUNICIPAL MANAGER	30 612,13
		30 612,13
Finance and Administration	Occupational Health Clinic Equip	138 050,36
	Refuse Trucks	22 093 748,40
		22 231 798,76
Planning and Development	REPL OF FURNITURE FOR ENG SERVICES	38 200,00
		38 200,00

FUNCTION	DESCRIPTION	AMOUNT
Road Transport	Annual Kerb Replace Contr (Replace I/CNB	1 986 658,00
	Construction of Steel bridge	1 189 546,88
	Rehab Urban Roads: Alumina & Bullion	949 467,00
	Upgrd & Signalise of 1 Intersection With	360 797,20
		4 486 469,08
Waste Water Management	NGWELEZANE: REPLACEMENT OF WATER PUMPS	2 886 871,00
	Replace of Pumps	28 822 913,03
	W/Water Treatm Works Vulindlela (WULA)	1 484 400,36
		33 194 184,39
Water Management	450MM BULK LINE REPLACEMENT AT EMPANGENI	15 564 276,37
	ALTON NORTH AND SOUTH WATER PIPE REPLACE	31 937 367,20
	ESIKHALENI WATER TREATMENT WORK ELEC REP	27 992 701,19
	ESIKHALENI WTW LAKE PUMPS REPLACEMENT	26 715 906,44
	INSTALLATION OF NEW INLETS FOR RESERVOIR	7 362 781,00
	REFURBISHMENT OF WATER TREATMENT WORKS	3 221 700,00
	REPL 600 WITH 630 HDPE PIPE: BHEKIZITHA	14 401 380,00
	REPLACEMENT OF 600MM AC PIPE AT SALIGNA	10 925 000,00
		138 121 112,20
Community and Social Services	Disaster Management Renovs to Buildings	322 674,81
	NSELENI HALL UPGRADE	98 500,00
	Refurbishment of Empangeni Fire Station	51 810,00
	RENOVATIONS & REFURB OF OTHER FACILITIES	6 657 800,00
	RICHARDS BAY CIVIC - STRUCTURAL REPAIRS	14 310 367,52
		21 441 152,33
Finance and Administration	SAP FINANCIAL ERP SYSTEM (AM)	47 661 969,45
		47 661 969,45
Other	R/BAY Airport Air Side Pavements	1 678 971,11
	R/BAY Airport Backup System	2 212 438,04
	R/BAY Airport Fencing	4 148 090,00
	R/BAY Airport Refurb/Structural Repairs	2 736 399,79
		10 775 898,94
Public Safety	UPGRADING OF TRAINING YARD	169 953,00
		169 953,00
Road Transport	"EMPANGENI ""A"" TAXI RANK"	2 111 069,27
	EMPANGENI B TAXI RANK	2 979 234,00
	Esikhaleni Intersection - Upgrade Recons	334 546,88
	NORTH CENTRAL ARTERIAL DOUBLING	562 665,90
	RICHARDS BAY TAXI RANK - PHASE 2	769 388,81
		6 756 904,86

FUNCTION	DESCRIPTION	AMOUNT
Sport and Recreation	CONSTRUCTION OF ESIKHALENI FITNESS CENTR	11 271 276,91
	SWIMMING POOL - VULINDLELA	2 502 123,30
		13 773 400,21
Waste Management	NSELENI: UPGR MATERIAL RECOVERY FACILITY	233 797,95
	UPGR ALTON TRANSFER STATION (PHASE 1&2)	1 184 354,00
	Upgrade of Mzingazi Recovery centre	30 600,85
		1 448 752,80
Waste Water Management	EMPANG UPGR OF WASTE WATER TREATM PLANT	19 083 717,75
	EMPANGENI UPGR WASTE WATER TREATM PLANT	18 052 989,90
	ESIKHALENI TRANSFER PUMPSTATION	1 115 896,00
	MZINGAZI: SEWER RETICULATION	103 243,06
	PEARCE CRESCENT PUMP STATION UPGRADE	13 331 274,80
	UPGR W/WATER PUMP ALTON MACERATOR	3 789 200,00
	UPGRADE - NSELENI SEWER	3 950 984,54
	UPGRADE - VULINDLELA SEWER PIPELINE	623 416,82
	UPGRADE OF NKONINGA PUMPSTATION	4 994 640,00
	UPGRADE OF WASTE WATER PUMP AT ARBORETUM	9 174 084,60
	UPGRADE OF WASTE WATER PUMP AT NGWELEZAN	1 709 295,00
	UPGRADE OF WASTE WATER PUMP AT NSELEN WW	984 940,75
	UPGRADING OF FELIXTON MAIN PUMPSTATION	495 000,00
	Upgrading of Ms 2 Pump Station Cap RB	1 810 885,00
	WASTE WATER TREATMENT PLANTS AUTOMATION	1 965 028,66
		81 184 596,88
Water Management	REFURBISHMENT OF WATER TREATMENT WORKS	2 854 900,00
	UPGRADE OF JOHN ROSS WATER SUPPLY LINE	1 552 500,00
	WATER RETICULATION SYSTEM: WARD 18 & 22	28 718 156,62
	WATER TREATMENT PLANTS AUTOMATION	1 298 284,90
		34 423 841,52
TOTAL		483 552 098,71

APPENDIX N: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

FUNCTION	DESCRIPTION	AMOUNT
Community and Social Services	Design/Cons of SMME R Parks (Esikh) -Ph1	3 697 644,00
	Disaster Management Building Furniture	37 250,80
	Disaster Management Renovs to Buildings	322 674,81
	Municipal Building: Rural Roads Offices	57 120,00
	NSELENI HALL UPGRADE	98 500,00
	R/BAY CIVIC - AIRCON COOLING TOWERS	299 350,00
	R/BAY CIVIC - AIRCON NEW INSTALLATIONS	164 950,00
	REFURBISHMENT OF COUNCIL CHAMBER	6 900 000,00
	Refurbishment of Empangeni Fire Station	51 810,00
	RENOVATIONS & REFURB OF OTHER FACILITIES	6 657 800,00
	RENOVATIONS TO EMPANGENI CIVIC 2	477 967,50
	Repl Air Conditioners: Economic Developm	352 342,98
	RICHARDS BAY CIVIC - STRUCTURAL REPAIRS	14 310 367,52
	33 427 777,61	
Energy Sources	132/11KV 30MVA CYGNUS TRANSFORMER INST	12 669 844,78
	132/11KV HERCULES SUBSTATION REFURB	1 198 320,00
	132/11KV PHOENIX SUBSTATION REFURB	13 269 789,59
	132/11KV PHOENIX SUBSTATION REFURB 2	5 545 677,29
	132/11KV POLARIS SUBSTATION REFURB	3 609 924,66
	132/11KV SCORPIO SUBSTATION REFURB	21 441 206,74
	132KV OIL FILLED CABLES SOUTH DUNES	2 069 655,90
	132KV OVERH LINE REFUR IMPALA TO POLARIS	2 108 183,14
	DMV PHASE 6 & 8 DEVELOPMENT	1 521 128,90
	ENERGY SAVING INITIATIVE	1 106 025,00
	Furniture for the Electrical Department	32 665,00
	High Mast Lighting Install (Traditional	878 570,21
	Install Elect Connection: eMpembeni	54 670,35
	Mandlazini/Vega MV Netw Refurb (BORROW)	5 870 028,23
	NEW FURNITURE & OFFICE EQUIPMENT	79 939,00
	REPL OF STREETLIGHTS - TUZI GAZI AREA	3 928 930,00
	Tools for Electrical Department	231 455,17
		75 616 013,96
Environmental Protection	Alkandstrand Staircse,Viewing Deck,Ramp	541 638,92
	INSTALL ALARM: AIR QUALITY: ARBORETUM	22 422,64
	INSTALL ALARM: AIR QUALITY: BRACKENHAM	22 422,64
	INSTALL ALARM: AIR QUALITY: ESIKHALENI	22 422,64
	REPLACEMENT OF AIR CONDITIONERS	46 500,00
	655 406,84	
Executive and Council	FURNITURE - OFFICE OF MUNICIPAL MANAGER	30 612,13
	NEW RECORDER FOR MEETINGS	6 106,00
	36 718,13	

FUNCTION	DESCRIPTION	AMOUNT
Finance and Administration	10M3 TIPPER TRUCK & CRANE TRUCK	9 125 108,40
	2 X 22 SEATER PASSENGER CARRIER	4 794 810,00
	2 X Toyota Prado's	2 691 272,98
	3 x Tractors for Sport Facilities	1 775 154,00
	AUDIO VISUAL SYSTEMS AND EQUIPMENT	1 887 090,13
	CCTV & BIOMETRIC SYSTEMS	1 064 002,99
	Computer Equipm for Water and Sanitation	164 480,08
	Cost Furniture and Equipment	65 170,00
	Empembeni Library Sedan Vehicle	362 066,00
	ESS Fire System PhaseII	81 312,00
	FINANCIAL SERVICES LAPTOPS	147 104,00
	ICT Research & Development	31 720,01
	Install ICT Connectivity eMpembeni Libr	65 732,00
	Municipal Buildings: IT Equipment	130 613,94
	Network Infrastructure Upgrd	2 322 554,52
	New & Replace of It Related Equip	3 354 475,27
	NEW REFRIGERATOR FOR OFFICE USE	4 471,05
	New Vehicle for Library	646 087,25
	NEW VEHICLES: 1 X TOYOTA FORTUNER	988 999,99
	NEW VEHICLES: 3X BMW	2 429 699,99
	NPR 400 AMT Crew Cab with Rigid Crane	3 964 633,00
	Occupational Health Clinic Equip	138 050,36
	Office Furniture and Equipment	2 666,00
	Office Furniture for Occupational Clinic	47 256,00
	Public Wifi	2 320 949,74
	Refuse Trucks	22 093 748,40
	REPLACEMENT FURNITURE ALL DEPARTMENTS	148 696,94
	SAP FINANCIAL ERP SYSTEM (AM)	47 661 969,45
	SCM Furniture & Office Equipment	9 792,18
	TOOLS FOR FLEET MANAGEMENT	319 316,96
	WATER TANKER AND JETTING MACHINE	7 929 266,00
Other	R/BAY Airport Air Side Pavements	1 678 971,11
	R/BAY Airport Backup System	2 212 438,04
	R/BAY Airport Fencing	4 148 090,00
	R/BAY Airport Refurb/Structural Repairs	2 736 399,79
		10 775 898,94
Planning and Development	EMPANGENI CBD MARKET STALLS	3 508 772,19
	Furniture City Development	19 820,00
	REPL OF FURNITURE FOR ENG SERVICES	38 200,00
		3 566 792,19
Public Safety	ENSELENI PARK HOME (FIRE SECIION)	168 300,00
	Equip for Traffic	13 900,00
	Fire Fighting Equip	867 784,70
	FURNITURE FOR TRAFFIC SECTION	24 572,00
	UPGRADING OF TRAINING YARD	169 953,00
		1 244 509,70

FUNCTION	DESCRIPTION	AMOUNT
Road Transport	"EMPANGENI ""A"" TAXI RANK"	2 111 069,27
	Annual Kerb Replace Contr (Replace I/CNB	1 986 658,00
	AQUADENE HOUSING ACCESS ROADS	1 193 826,29
	Bus Shelters & Laybys - all Areas	548 926,00
	Coastal Erosion Protection	417 335,76
	Construction of Steel bridge	1 189 546,88
	DESIGN&CONSTR: CENTR INDUST AREA LINK RD	38 180 086,07
	EMPANGENI B TAXI RANK	2 979 234,00
	Esikhaleni Intersection	1 014 876,11
	Esikhaleni Intersection - Upgrade Recons	334 546,88
	FURNITURE FOR TRAFFIC LICENCING	60 000,00
	MANDLAZINI: PHASE 1B	224 778,06
	NORTH CENTRAL ARTERIAL DOUBLING	562 665,90
	Rehab Urban Roads: Alumina & Bullion	949 467,00
	RICHARDS BAY TAXI RANK - PHASE 2	769 388,81
	Roads: Machinery & Equipment: Borrowings	482 069,80
	Traffic Calming	3 389 475,25
	Upgrd & Signalise of 1 Intersection With	360 797,20
	URBAN ROADS FURNITURE	69 466,00
	Walkways (Replace project I/CNBDA1.184)	440 219,80
		57 264 433,08
Sport and Recreation	CONSTRUCTION OF ESIKHALENI FITNESS CENTR	11 271 276,91
	FURNITURE & OFFICE EQUIPM: PARKS SECTION	20 550,00
	KWADLANGEZWA SWIMMING POOL	24 105 697,24
	Portable Tower X 2	2 641 280,60
	RIDE ON MOWERS	2 040 500,00
	SWIMMING POOL - VULINDLELA	2 502 123,30
	UMHLATHUZE STADIUM MASTER PLAN	130 329 971,66
		172 911 399,71
Waste Management	EST NGEWELEZANE MATERIAL RECOVERY FACIL	386 029,00
	NSELENI: UPGR MATERIAL RECOVERY FACILITY	233 797,95
	UPGR ALTON TRANSFER STATION (PHASE 1&2)	1 184 354,00
	Upgrade of Mzingazi Recovery centre	30 600,85
		1 834 781,80

FUNCTION	DESCRIPTION	AMOUNT
Waste Water Management	BULK STORMWATER INFRASTR (AQUADENE)	704 834,81
	EMPANG UPGR OF WASTE WATER TREATM PLANT	19 083 717,75
	EMPANGENI UPGR WASTE WATER TREATM PLANT	18 052 989,90
	ESIKHALENI TRANSFER PUMPSTATION	1 115 896,00
	Furniture for Water and Sanitation Sect	166 291,00
	Mandlanzini Agri Village Sewer	7 659 362,23
	MANDLANZINI: AGR VILLAGE SEWER	2 835 646,04
	MZINGAZI: SEWER RETICULATION	103 243,06
	NGWELEZANE: REPLACEMENT OF WATER PUMPS	2 886 871,00
	PEARCE CRESCENT PUMP STATION UPGRADE	13 331 274,80
	Replace of Pumps	28 822 913,03
	Rural Sanitation	4 749 171,93
	UPGR W/WATER PUMP ALTON MACERATOR	3 789 200,00
	UPGRADE - NSELENI SEWER	3 950 984,54
	UPGRADE - VULINDLELA SEWER PIPELINE	623 416,82
	UPGRADE OF NKONINGA PUMPSTATION	4 994 640,00
	UPGRADE OF WASTE WATER PUMP AT ARBORETUM	9 174 084,60
	UPGRADE OF WASTE WATER PUMP AT NGWELEZAN	1 709 295,00
	UPGRADE OF WASTE WATER PUMP AT NSELEN WW	984 940,75
	UPGRADING OF FELIXTON MAIN PUMPSTATION	495 000,00
	Upgrading of Ms 2 Pump Station Cap RB	1 810 885,00
W/Water Treatm Works Vulindlela (WULA)	1 484 400,36	
WASTE WATER TREATMENT PLANTS AUTOMATION	1 965 028,66	
		130 494 087,28
Water Management	200 Static Tanks	360 070,00
	450MM BULK LINE REPLACEMENT AT EMPANGENI	15 564 276,37
	ALTON NORTH AND SOUTH WATER PIPE REPLACE	31 937 367,20
	CONSTR 5ML PACKAGE PLANT & 2 X 3ML RES	6 328 043,66
	CONSTR OF 3ML RESERVOIR NTAMBANANA	4 026 184,34
	CONSTRUCTION OF A SECOND MEERENSEE RESER	3 439 286,80
	CONSTRUCTION OF PACKAGE PLANT	25 108 416,75
	EMPANGENI MEGA HOUSING BULK SERV:WATER	290 613,46
	EMPEMBENI KWADUBE WATER UPGRADE	57 770 578,71
	ESIKHALENI WATER TREATMENT WORK ELEC REP	27 992 701,19
	ESIKHALENI WTW LAKE PUMPS REPLACEMENT	26 715 906,44
	GENERATOR	806 183,00
	INSTALLATION OF NEW INLETS FOR RESERVOIR	7 362 781,00
	INSTALLATION OF PREPAID WATER METERS	5 907 300,00
	KWADUBE WATER IMPROVEMENT - RETICULATION	5 952 702,00
	Laboratory Equipment	527 213,10
	MKHWANAZI NORTH - ZONE R	2 191 397,68
	New Water Meters (Replace I/DOBD02.253)	5 137 787,92
	NTAMBANANA BULK WATER SUPPLY	23 417 296,28
	NTAMBANANA WATER RETICULATION	34 898 024,32
	Reduction Of Non-Revenue (Wsig)	2 962 592,29
	REFURBISHMENT OF WATER TREATMENT WORKS	6 076 600,00
	REPL 600 WITH 630 HDPE PIPE: BHEKIZITHA	14 401 380,00
	REPLACEMENT OF 600MM AC PIPE AT SALIGNA	10 925 000,00
	Security Fence for Water Treatment Works	300 109,00
	Tools for Water and Sanitation	485 478,40
	UPGRADE OF JOHN ROSS WATER SUPPLY LINE	1 552 500,00
	WATER RETIC SYSTEM FOR WARD 18 & 22	53 371 842,45
	WATER RETICULATION SYSTEM: WARD 18 & 22	28 718 156,62
	WATER TREATMENT PLANTS AUTOMATION	1 298 284,90
		405 826 073,88
583		
TOTAL		1 010 422 162,75

**APPENDIX O : CAPITAL PROGRAMME BY PROJECT FOR ALL WARDS
CURRENT YEAR**

WARD BENEFITTING	DESCRIPTION	AMOUNT
01	REPL OF STREETLIGHTS - TUZI GAZI AREA	3 928 930,00
	Upgrd & Signalise of 1 Intersection With	360 797,20
		4 289 727,20
02	Refuse Trucks	16 364 352,84
	Construction of Steel bridge	1 189 546,88
	UMHLATHUZE STADIUM MASTER PLAN	130 329 971,66
	Replace of Pumps	28 822 913,03
	Upgrading of Ms 2 Pump Station Cap RB	1 810 885,00
	200 Static Tanks	360 070,00
	ALTON NORTH AND SOUTH WATER PIPE REPLACE	31 937 367,20
	CONSTRUCTION OF A SECOND MEERENSEE RESER	3 439 286,80
	New Water Meters (Replace I/DOBD02.253)	5 137 787,92
	219 392 181,33	
05	"EMPANGENI ""A"" TAXI RANK"	2 111 069,27
		2 111 069,27
06	UPGRADE - NSELENI SEWER	3 950 984,54
		3 950 984,54
13	Install Elect Connection: eMpembeni	54 670,35
	Empembeni Library Sedan Vehicle	362 066,00
	Install ICT Connectivity eMpembeni Libr	65 732,00
	EMPEMBENI KWADUBE WATER UPGRADE	57 770 578,71
	58 253 047,06	
21	Design/Cons of SMME R Parks (Esikh) -Ph1	3 697 644,00
		3 697 644,00
23	EMPANGENI CBD MARKET STALLS	3 508 772,19
		3 508 772,19
Whole of municipality	Disaster Management Building Furniture	37 250,80
	Disaster Management Renovs to Buildings	322 674,81
	Municipal Building: Rural Roads Offices	57 120,00
	NSELENI HALL UPGRADE	98 500,00
	R/BAY CIVIC - AIRCON COOLING TOWERS	299 350,00
	R/BAY CIVIC - AIRCON NEW INSTALLATIONS	164 950,00
	REFURBISHMENT OF COUNCIL CHAMBER	6 900 000,00
	Refurbishment of Empangeni Fire Station	51 810,00
	RENOVATIONS & REFURB OF OTHER FACILITIES	6 657 800,00
	RENOVATIONS TO EMPANGENI CIVIC 2	477 967,50
	Repl Air Conditioners: Economic Developm	352 342,98
	RICHARDS BAY CIVIC - STRUCTURAL REPAIRS	14 310 367,52
	132/11KV 30MVA CYGNUS TRANSFORMER INST	12 669 844,78
132/11KV HERCULES SUBSTATION REFURB	1 198 320,00	

WARD BENEFITTING	DESCRIPTION	AMOUNT
Whole of municipality	132/11KV PHOENIX SUBSTATION REFURB	13 269 789,59
	132/11KV PHOENIX SUBSTATION REFURB 2	5 545 677,29
	132/11KV POLARIS SUBSTATION REFURB	3 609 924,66
	132/11KV SCORPIO SUBSTATION REFURB	21 441 206,74
	132KV OIL FILLED CABLES SOUTH DUNES	2 069 655,90
	132KV OVERH LINE REFUR IMPALA TO POLARIS	2 108 183,14
	DMV PHASE 6 & 8 DEVELOPMENT	1 521 128,90
	ENERGY SAVING INITIATIVE	1 106 025,00
	Furniture for the Electrical Department	32 665,00
	High Mast Lighting Install (Traditional	878 570,21
	Mandlazini/Vega MV Netw Refurb (BORROW)	5 870 028,23
	NEW FURNITURE & OFFICE EQUIPMENT	79 939,00
	Tools for Electrical Department	231 455,17
	Alkandstrand Staircse,Viewing Deck,Ramp	541 638,92
	INSTALL ALARM: AIR QUALITY: ARBORETUM	22 422,64
	INSTALL ALARM: AIR QUALITY: BRACKENHAM	22 422,64
	INSTALL ALARM: AIR QUALITY: ESIKHALENI	22 422,64
	REPLACEMENT OF AIR CONDITIONERS	46 500,00
	FURNITURE - OFFICE OF MUNICIPAL MANAGER	30 612,13
	NEW RECORDER FOR MEETINGS	6 106,00
	10M3 TIPPER TRUCK & CRANE TRUCK	9 125 108,40
	2 X 22 SEATER PASSENGER CARRIER	4 794 810,00
	2 X Toyota Prado's	2 691 272,98
	3 x Tractors for Sport Facilities	1 775 154,00
	AUDIO VISUAL SYSTEMS AND EQUIPMENT	1 887 090,13
	CCTV & BIOMETRIC SYSTEMS	1 064 002,99
	Computer Equipm for Water and Sanitation	164 480,08
	Cost Furniture and Equipment	65 170,00
	ESS Fire System PhaseII	81 312,00
	FINANCIAL SERVICES LAPTOPS	147 104,00
	ICT Research & Development	31 720,01
	Municipal Buildings: IT Equipment	130 613,94
	Network Infrastructure Upgrd	2 322 554,52
	New & Replace of It Related Equip	3 354 475,27
	NEW REFRIGERATOR FOR OFFICE USE	4 471,05
	New Vehicle for Library	646 087,25
	NEW VEHICLES: 1 X TOYOTA FORTUNER	988 999,99
	NEW VEHICLES: 3X BMW	2 429 699,99
	NPR 400 AMT Crew Cab with Rigid Crane	3 964 633,00
	Occupational Health Clinic Equip	138 050,36
	Office Furniture and Equipment	2 666,00
	Office Furniture for Occupational Clinic	47 256,00
	Public Wifi	2 320 949,74
	Refuse Trucks	5 729 395,56
	REPLACEMENT FURNITURE ALL DEPARTMENTS	148 696,94
	SAP FINANCIAL ERP SYSTEM (AM)	47 661 969,45
	SCM Furniture & Office Equipment	9 792,18
	TOOLS FOR FLEET MANAGEMENT	319 316,96
	WATER TANKER AND JETTING MACHINE	7 929 266,00
	R/BAY Airport Air Side Pavements	1 678 971,11
R/BAY Airport Backup System	2 212 438,04	
R/BAY Airport Fencing	4 148 090,00	
R/BAY Airport Refurb/Structural Repairs	2 736 399,79	
Furniture City Development	19 820,00	
REPL OF FURNITURE FOR ENG SERVICES	38 200,00	
ENSELENI PARK HOME (FIRE SECION)	168 300,00	
Equip for Traffic	13 900,00	

WARD BENEFITTING	DESCRIPTION	AMOUNT
Whole of municipality	Fire Fighting Equip	867 784,70
	FURNITURE FOR TRAFFIC SECTION	24 572,00
	UPGRADING OF TRAINING YARD	169 953,00
	Annual Kerb Replace Contr (Replace I/CNB	1 986 658,00
	AQUADENE HOUSING ACCESS ROADS	1 193 826,29
	Bus Shelters & Laybys - all Areas	548 926,00
	Coastal Erosion Protection	417 335,76
	DESIGN&CONSTR: CENTR INDUST AREA LINK RD	38 180 086,07
	EMPANGENI B TAXI RANK	2 979 234,00
	Esikhaleni Intersection	1 014 876,11
	Esikhaleni Intersection - Upgrade Recons	334 546,88
	FURNITURE FOR TRAFFIC LICENCING	60 000,00
	MANDLAZINI: PHASE 1B	224 778,06
	NORTH CENTRAL ARTERIAL DOUBLING	562 665,90
	Rehab Urban Roads: Alumina & Bullion	949 467,00
	RICHARDS BAY TAXI RANK - PHASE 2	769 388,81
	Roads: Machinery & Equipment: Borrowings	482 069,80
	Traffic Calming	3 389 475,25
	URBAN ROADS FURNITURE	69 466,00
	Walkways (Replace project I/CNBDA1.184)	440 219,80
	CONSTRUCTION OF ESIKHALENI FITNESS CENTR	11 271 276,91
	FURNITURE & OFFICE EQUIPM: PARKS SECTION	20 550,00
	KWADLANGEZWA SWIMMING POOL	24 105 697,24
	Portable Tower X 2	2 641 280,60
	RIDE ON MOWERS	2 040 500,00
	SWIMMING POOL - VULINDLELA	2 502 123,30
	EST NGWELEZANE MATERIAL RECOVERY FACIL	386 029,00
	NSELENI: UPGR MATERIAL RECOVERY FACILITY	233 797,95
	UPGR ALTON TRANSFER STATION (PHASE 1&2)	1 184 354,00
	Upgrade of Mzingazi Recovery centre	30 600,85
	BULK STORMWATER INFRASTR (AQUADENE)	704 834,81
	EMPANG UPGR OF WASTE WATER TREATM PLANT	19 083 717,75
	EMPANGENI UPGR WASTE WATER TREATM PLANT	18 052 989,90
	ESIKHALENI TRANSFER PUMPSTATION	1 115 896,00
	Furniture for Water and Sanitation Sect	166 291,00
	Mandlanzini Agri Village Sewer	7 659 362,23
	MANDLANZINI: AGR VILLAGE SEWER	2 835 646,04
	MZINGAZI: SEWER RETICULATION	103 243,06
	NGWELEZANE: REPLACEMENT OF WATER PUMPS	2 886 871,00
	PEARCE CRESCENT PUMP STATION UPGRADE	13 331 274,80
	Rural Sanitation	4 749 171,93
	UPGR W/WATER PUMP ALTON MACERATOR	3 789 200,00
	UPGRADE - VULINDLELA SEWER PIPELINE	623 416,82
	UPGRADE OF NKONINGA PUMPSTATION	4 994 640,00
	UPGRADE OF WASTE WATER PUMP AT ARBORETUM	9 174 084,60
	UPGRADE OF WASTE WATER PUMP AT NGWELEZAN	1 709 295,00
	UPGRADE OF WASTE WATER PUMP AT NSELEN WW	984 940,75
	UPGRADING OF FELIXTON MAIN PUMPSTATION	495 000,00
	W/Water Treatm Works Vulindlela (WULA)	1 484 400,36
	WASTE WATER TREATMENT PLANTS AUTOMATION	1 965 028,66
450MM BULK LINE REPLACEMENT AT EMPANGENI	15 564 276,37	
CONSTR 5ML PACKAGE PLANT & 2 X 3ML RES	6 328 043,66	
CONSTR OF 3ML RESERVOIR NTAMBANANA	4 026 184,34	
CONSTRUCTION OF PACKAGE PLANT	25 108 416,75	
EMPANGENI MEGA HOUSING BULK SERV:WATER	290 613,46	
ESIKHALENI WATER TREATMENT WORK ELEC REP	27 992 701,19	
ESIKHALENI WTW LAKE PUMPS REPLACEMENT	26 715 906,44	

WARD BENEFITTING	DESCRIPTION	AMOUNT
Whole of municipality	GENERATOR	806 183,00
	INSTALLATION OF NEW INLETS FOR RESERVOIR	7 362 781,00
	INSTALLATION OF PREPAID WATER METERS	5 907 300,00
	KWADUBE WATER IMPROVEMENT - RETICULATION	5 952 702,00
	Laboratory Equipment	527 213,10
	MKHWANAZI NORTH - ZONE R	2 191 397,68
	NTAMBANANA BULK WATER SUPPLY	23 417 296,28
	NTAMBANANA WATER RETICULATION	34 898 024,32
	Reduction Of Non-Revenue (Wsig)	2 962 592,29
	REFURBISHMENT OF WATER TREATMENT WORKS	6 076 600,00
	REPL 600 WITH 630 HDPE PIPE: BHEKIZITHA	14 401 380,00
	REPLACEMENT OF 600MM AC PIPE AT SALIGNA	10 925 000,00
	Security Fence for Water Treatment Works	300 109,00
	Tools for Water and Sanitation	485 478,40
	UPGRADE OF JOHN ROSS WATER SUPPLY LINE	1 552 500,00
	WATER RETIC SYSTEM FOR WARD 18 & 22	53 371 842,45
	WATER RETICULATION SYSTEM: WARD 18 & 22	28 718 156,62
	WATER TREATMENT PLANTS AUTOMATION	1 298 284,90
		715 218 737,16
TOTAL		1 010 422 162,75

APPENDIX P : SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS.

None

**APPENDIX Q : SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY
WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE
PROVISION.**

Not availalbe

APPENDIX R : DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the Municipality			
All organisations or Persons in receipt of Grants provided by the Municipality	Nature of Project	Conditions attached to funding	Value
SPCA	Grant- in - aid	None	465 800
Bursaries Employees Children	Grant- in - aid	None	456 450
Funeral Councillors - In Kind	Grant- in - aid	None	41 000
Funeral Councillors	Grant- in - aid	None	254 610
University Registrations	Grant- in - aid	None	570 000
Disaster Management Awareness Campaigns and Relief Assistance	Grant- in - aid	None	512 565
Richards Bay Football Club	Grant- in - aid	None	1 060 000
Mandela day Celebration	Grant- in - aid	None	168 429
uMhlathuze Community Tourism Association	Grant- in - aid	None	300 000
Youth Manager - Strategic Partnership	Grant- in - aid	None	137 052
Dolofees	Grant- in - aid	None	200 000
uMhlathuze International Jazz Festival	Grant- in - aid	None	200 000
uMhlathuze Hindu Development Community	Grant- in - aid	None	50 000
Zwide 24 Entertainment - King Cetshwayo Festival	Grant- in - aid	None	200 000
uMhlathuze Rise Youth Festival	Grant- in - aid	None	100 000
Isiqqi Lifestyle and Development Foundation: Artists Talent Festival	Grant- in - aid	None	100 000
NYE (New Year's Eve) Abajabule Abantu - Afrotainment	Grant- in - aid	None	500 000
Winzaar - Ubuntombi Bami	Grant- in - aid	None	477 500
God's Power Gospel Celebration	Grant- in - aid	None	150 000
BF Entertainment - The Social Experiment	Grant- in - aid	None	100 000
Downstream Aluminium Centre for Technology (DACT)	Grant- in - aid	None	220 000
SAFA King Cetshwayo Football Association	Grant- in - aid	None	60 000
Sundries	Grant- in - aid	None	138 584
NRB Harriers: Umhlathuze 32km Challenge	Grant- in - aid	None	200 000
Primere Skool Arboretum	Grant- in - aid	None	80 000
Mhlongo ME	Grant- in - aid	None	200 000
Boys to Men	Grant- in - aid	None	122 860
Girls to Women	Grant- in - aid	None	122 860
Youth Development: Community Youth Month Celebration	Grant- in - aid	None	370 194
Executive Mayor Campaigns	Grant- in - aid	None	782 065
Ingoma Festival	Grant- in - aid	None	121 888
Agricultural Projects	Grant- in - aid	None	263 941
Cheita Funding Training and Development	Grant- in - aid	None	46 500
			8 772 298

**APPENDIX S : DECLARATION OF RETURNS NOT MADE IN DUE TIME
UNDER MFMA S71**

None

All returns submitted on time as required in terms of MFMA Section 71

APPENDIX T: NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

The National Government adopted 12 strategic outcomes for 2014 to 2019 term of office. Out of 12 outcomes, only 6 outcomes directly affect local government. The progress made in respect of the City of uMhlathuze is outlined below and can be used by the National and Provincial spheres to monitor and evaluate service delivery performance

OUTCOME	PROGRESS TO DATE
Outcome 4: Decent employment through inclusive economic growth	<p>Current unemployment rate: 24.6% (Global insight 2015)</p> <p>Other initiatives by the City include:</p> <ul style="list-style-type: none"> Establishment of SMME one Stop Shop Establishment of Construction incubation Supply Chain Management set asides and sub-contracting Internship and industry-based skills development Catalytic projects for economic growth Establishment of business support centre Richards Bay Industrial Development Zone Free Public Wi-Fi to promote easy broadband connectivity
Outcome 5: A skilled and capable workforce to support an inclusive growth path	<p>Completed skills audit to determine skills level and industry requirements for the City of uMhlathuze.</p> <ul style="list-style-type: none"> District Skills Audit for King Cetshwayo conducted by Richards Bay Industrial Development Zone (RBIDZ) Richards Bay chapter of KZN growth coalition Mayoral Bursary Scheme
Outcome 6: An efficient, competitive and responsive economic infrastructure network	<p>On average the City invests more than R500 million on capital projects</p> <p>Current access to basic services is as follows: water-96.87%, sanitation- 80.94%, electricity-100% within the Municipal licenced area</p>
Outcome 7: Vibrant, equitable and sustainable rural	<p>The City has approved an Agricultural Support Plan and implemented it since 2019 focusing on development of agricultural products, support to emerge farmers and</p>

OUTCOME	PROGRESS TO DATE
communities with food security for all	investment in agricultural infrastructure to ensure food security.
Outcome 8: Sustainable human settlements and improved quality of household life	<p>The current backlog in housing is 24 442</p> <p>The City is currently implementing the following projects:</p> <p>Empangeni Mega Housing: 10 000 units</p> <p>Aquadene Housing: 2416 units</p> <p>Dumisani Makhaya Village Phase 6 &8 : 1212 units</p>
Outcome 9: A responsive , accountable, effective and efficient local government system	<p>The City has maintained good governance and effective and efficient Municipal systems in line with the back to basics approach</p> <p>For 2020/2021 the City received a back to basics Provincial scoring of 88% depicting a fully functional Municipality</p>

APPENDIX U:TOP RATED RISKS 2022/2023

TOP 5 RATED RISKS 2023

Risk ranking	Risk reference and name			Residual Risk Rating
1	COU 01: Non-compliance with Supply Chain Management legislative prescripts (Value Chain)			25
	POSSIBLE CAUSES	POSSIBLE IMPACTS	MITIGATIONS	
	<ol style="list-style-type: none"> 1. Lack of business planning 2. Unclear scope and specifications 3. Lack of capacity- SCM 4. Failure to monitor/enforce compliance to work standards- User Department Project Managers 5. Use of generic SLA's 6. Historically problematic agreements 7. Lack of management review over requisitions/ Delegation of Authority 	<ol style="list-style-type: none"> 1. Unauthorised, Irregular, Wasteful and/ Fruitless expenditure 2. Service delivery protests 3. Customer dissatisfaction 4. Adverse audit opinion 5. Fraud and corruption 6. High total cost of ownership 7. Litigation 8. Withdrawal of Grant Funding 9. Reputational damage 	<p>Existing controls:</p> <ol style="list-style-type: none"> 1. SCM Policy 2. Contract Management Policy 3. Procedure manuals 4. Ongoing training on SCM legislation 5. SAP SCM module (ICT system) 6. Contracts register- reviewed monthly 7. Contracts monitoring report-quarterly 8. CM8. ECSA (Engineering Council of South Africa) Guidelines 9. CM9. Human Settlement Guideline: Red Book Standards for engineering 	

	<p>8. Insufficient segregation of duties</p> <p>9. Commencement of work without signed SLA's in place</p> <p>10. Unethical Conduct by officials</p> <p>11. Conflict of interest</p> <p>12. Deliberate leaking of confidential information to outside parties</p> <p>13. Abuse of deviations and emergency procurement processes</p> <p>14. Inadequate contract management</p> <p>15. Lack of quality monitoring of work on the ground, (service delivery risks)</p>		<p>10. CM10. Certifying of work conducted, due diligence and verification of specifications including BOQ</p> <p>11. CM11. Procurement Plans included in SDBIP</p> <p>12. CM12. Bid Committee procedure on processing of reports with maximum timeframes</p> <p>13. CM13. Bid Committee checklist</p> <p>14. CM14. Various category SLA's for organisational use</p> <p>Continuous controls:</p> <ol style="list-style-type: none"> 1. Training of Management on SCM Best Practice-Bid Committees 2. Regular meetings of Bid Committees with Accounting officer 3. Workshop departments on SCM Policy (management teams) 4. Bi-annual report on Contract Management to Management (via Portfolio Committees)
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			<p>5. Application of amendments to related legislation- legal opinion to be obtained in such cases (PPPFA)</p> <p>6. Policy / procedure review</p> <p>7. Quarterly submission of progress with implementation of procurement plans to EMCO</p> <p>Further action plans:</p> <p>1. Formalization of Capex Project Steering Committee (to improve expenditure)</p> <p>2. Training of Bid Committees</p> <p>3. Capacitation of SCM</p>
2	COU 02: Failure to achieve unqualified audit		25
	POSSIBLE CAUSES	POSSIBLE IMPACTS	MITIGATIONS
	<p>1. Lack of/ non-adherence/ inadequate internal controls</p> <p>2. Poor adherence to legislation and policies</p> <p>3. Poor oversight</p>	<p>1. Reputational damage</p> <p>2. Poor governance</p> <p>3. Instability in the administration</p> <p>4. Non adherence to PAA (amended)</p>	<p>Existing controls:</p> <p>1. Independent IA and Risk Activity</p> <p>2. Functional Audit Committee</p> <p>3. Functional Bid Committees</p> <p>4. Improved resolution of AG Findings</p>

	<p>4. Corruption and maladministration</p>		<p>5. Efficient use of automated systems</p> <p>6. NT Circular no 111</p> <p>7. EMCO dedicated meetings focussing on Audit matters</p> <p>8. CM8. IA Platform with management- to discuss internal and external audit activities</p> <p>Continuous controls:</p> <p>1. AG Action Plan implementation- obtain quarterly updates from IA on progress</p> <p>Further action plans:</p> <p>1. MANCO meetings</p> <p>2. Adoption of Irregular Expenditure Reduction Strategy- 3 year plan</p>
3	<p>COU 03: UIFW Expenditure (Unauthorised, Irregular, Fruitless and Wasteful)</p>		25
	<p>POSSIBLE CAUSES</p>	<p>POSSIBLE IMPACTS</p>	<p>MITIGATIONS</p>
	<p>1. Lack of/ non-adherence/ inadequate internal controls</p>	<p>1. Non-compliance with SCM prescripts</p>	<p>Existing controls:</p> <p>1. SCM Policy</p>

	<ul style="list-style-type: none"> 2. Poor adherence to legislation and policies 3. Poor oversight 4. Corruption and maladministration 5. Lack of consequence management 6. Extension of scope without following SCM processes 7. Scoping and control of maintenance projects 	<ul style="list-style-type: none"> 2. Failure to maintain unqualified audit 3. Reputational damage 4. Poor governance 5. Non adherence to PAA (amended) 	<ul style="list-style-type: none"> 2. Contract Management Policy 3. Procedure manuals 4. Ongoing training on SCM legislation 5. SAP SCM module (ICT system) 6. Contracts register- reviewed monthly 7. Contracts monitoring report-quarterly 8. ECSA (Engineering Council of South Africa) Guidelines 9. Human Settlement Guideline: Red Book Standards for engineering 10. Certifying of work conducted, due diligence and verification of specifications including BOQ 11. Procurement Plans included in SDBIP 12. Bid Committee procedure on processing of reports with maximum timeframes 13. Bid Committee checklist <p>Continuous controls:</p>
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			<ol style="list-style-type: none"> 1. Training of Management on SCM Best Practice-Bid Committees 2. Regular meetings of Bid Committees with Accounting officer 3. Workshopping departments on SCM Policy (management teams) 4. Bi-annual report on Contract Management to Management to Portfolio Committees from SCM 5. Application of amendments to related legislation- legal opinion to be obtained in such cases (PPPFA) 6. Policy / procedure review 7. Quarterly submission of progress with implementation of procurement plans to EMCO <p>Further action plans:</p> <ol style="list-style-type: none"> 1. Provincial Treasury Pilot on Consequence Management Framework
4	COU 04: Lack of security/assurance of supply: electricity		25
	POSSIBLE CAUSES	POSSIBLE IMPACTS	MITIGATIONS

	<ol style="list-style-type: none"> 1. Inadequate infrastructure security (cable theft, equipment damage, and vandalism. etc) 2. Inadequate infrastructure reliability (continuity of supply to customers) 3. Outdated telecommunications technology 4. ESKOM as a sole supplier 5. Historically poor design 6. Ageing infrastructure 7. Overloading due to illegal connections 8. Lack of redundance of electricity supply 9. Vandalism 	<ol style="list-style-type: none"> 1. Loss of revenue 2. Service delivery protests 3. Reputational damage 4. Loss of investor confidence 5. Frequent and/or extended power outages 6. Possible revoking of regulatory license due to failure to meet minimum operational standards 	<p>Existing controls:</p> <ol style="list-style-type: none"> 1. Substation security (physical) 2. Electrical Infrastructure Maintenance plan (operational)- SAP 3. Electrical Infrastructure Refurbishment plan (strategic)- ALMIP 4. NERSA Electrical Distributor License with minimum standards 5. Reviewed electrical asset management plan - ALMIP 6. Electricity Bulk Masterplan 7. Total of 12 electronic surveillance cameras are installed at High Voltage substations 8. Budget available for electronic surveillance and security at medium voltage substations. 9. Completed project (replacement of underground cables in Esikhaleni and Brackenham) <p>Continuous controls:</p>
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			<p>1. Execution of Energy Masterplan refurbishment plan</p> <p>2. Exploring alternative energy sources in line with the Electricity Masterplan</p> <p>3. Daily operational maintenance plan</p> <p>4. Aerial and Infrared monitoring over high voltage lines</p> <p>5. Improved monitoring of substations: increased frequency of inspections and allocation of guards to the 5 substations currently</p> <p>Further action plans:</p> <p>1. Refurbishment contract- 11KV - Scorpio & Polaris switch gear replacement</p> <p>2. Aerial monitoring on overhead lines</p> <p>3. Refurbishment of third line Neptune to Scorpio</p> <p>4. Investigating further solutions with business-security technology</p> <p>5. Electronic surveillance and security upgrade at medium voltage substations: 5 out of 12 completed</p>
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			<p>6. 132kv Oil Filled Cables in The South Dunes between Hydra and Capella Substations</p> <p>7. Installation of 2x 132/11kv 40MVA Transformers at Hercules Substation</p> <p>8. Installation of 1x 132/11kv 40MVA Transformers at Polaris Substation</p> <p>9. Installation of 1x 132/11kv 40MVA Transformers at Scorpio Substation</p> <p>10. Installation of 1x 132/11kv 40MVA Transformers at Cygnus Substation</p> <p>11. Phoenix Transformer Installation</p>
5	COU 05: Lack of assurance of supply: water		25
	POSSIBLE CAUSES	POSSIBLE IMPACTS	MITIGATIONS
	<p>1. Water scarcity</p> <p>2. Ageing infrastructure</p> <p>3. Demand in excess of supply</p> <p>4. Disjuncture in bulk vs reticulation infrastructure planning- affecting reliability</p> <p>5. Illegal water connections</p>	<p>1. Industry shut down</p> <p>2. Business interruptions</p> <p>3. Health care- inability to deliver essential services</p> <p>4. Inability to fight fires</p> <p>5. Community unrest</p> <p>6. Disruption of Education</p>	<p>Existing controls:</p> <p>1. JOC- management structure- ad hoc basis</p> <p>2. Desalination plant with DWS</p> <p>3. Drought awareness program</p> <p>4. War on leaks program</p> <p>5. Pipe replacement program</p>

	<p>6. Fleet availability- downtime for repairs</p> <p>7. SCM and Stores delays</p> <p>8. Imbalance between staff numbers and operational needs for new infrastructure</p> <p>9. Vandalism of infrastructure</p> <p>10. Electricity outages</p> <p>11. Water losses</p> <p>12. Scoping and control of maintenance projects</p> <p>13. Bulk water metering- lack of due diligence</p> <p>14. Non-adherence to SCM procedures</p>	<p>7. Disruption of Civil services</p> <p>8. Escalation of crime</p> <p>9. Financial loss</p> <p>10. Litigation</p> <p>11. Loss of life</p> <p>12. Environmental pollution</p> <p>13. Disease outbreak</p> <p>14. Damage to municipal infrastructure (pipelines, sports fields)</p> <p>15. Decreased investor confidence</p> <p>16. Roll over effect on job creation, industrial development and economic growth</p>	<p>6. Pressure management program</p> <p>7. Non-revenue water project</p> <p>8. Pipe replacement- Meerensee, Nseleni</p> <p>Continuous controls:</p> <p>1. Bulk Water Master Plan- quarterly monitoring of implementation</p> <p>2. Meeting with Councillors for water awareness- as and when</p> <p>3. Meeting with Industries- quarterly</p> <p>4. New metre connections, water monitors used to identify illegal water connections.</p> <p>5. Water Tanker SOPs</p> <p>Further action plans:</p> <p>1. Development of Stormwater Drainage Master Plan</p> <p>2. Pipe replacement program to address water losses:</p>
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			<p>2.1 Alton North and South Pipe replacement 2.2 UMH817-20-21 Project (Construction of Mkhwanazi South Water Reticulation Phase 4: To Supply Area B (Ward 22))</p> <p>2.3 UMH818-20/21 Project (Construction / Replacement of Mkhwanazi South Water Reticulation Phase 4: To Supply Area D (Ward 22))</p> <p>2.4 UMH819-20/21: Project (Construction / Replacement of Mkhwanazi South Water Reticulation Phase 4: To Supply Area E1 (Ward 18))</p> <p>2.5.UMH820-20/21: Project (Construction / Replacement of Mkhwanazi South Water Reticulation Phase 4: To Supply Area E2 (Ward 18))</p> <p>3. Package plant 15ML/day- Esikhaleni</p> <p>4. Upgrade of Esikhaleni pump stations:</p> <p>4.1 Empembeni pump station</p> <p>4.2 Forest Reservoir</p> <p>5. Regional Bulk Infrastructure Grant (RBIG) business plan for Esikhaleni water treatment and bulk pipeline upgrade from 36 to 60 ML/day. Awaiting approval of funds- DWS</p>
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			<p>6. Updating of Water Bulk Master Plan</p> <p>7. Adjustment Budget submission for replacement of water tankers x 7</p> <p>8. Review of Fleet Management Policy and related replacement strategies</p> <p>9. SCM strategy on availability of materials (stock control) and allocation of suppliers from panels for emergency work</p> <p>10. Input into HR strategy on staffing for water services (Organisational Restructuring project)</p> <p>11. Investigation into hiring of a consultant to develop a Security strategy on all major infrastructure of Council - automated vs physical security, budgeting, incorporate municipal infrastructure security into Safer City Strategy.</p> <p>12. Investigation and resolution finding in respect of technical vs financial water losses- meeting with Finance and Water sections to devise an action plan</p>
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Risk Continuum: Residual Risk Rating (RRR)			
Risk Index	Risk Magnitude	Risk Acceptability	Proposed Actions
20-25	Maximum risk (red)	Unacceptable	Take action to reduce risk as highest priority. Municipal Management imperative.
15-19	High risk (red)	Unacceptable	
8-14	Medium risk (amber)	Unacceptable	Take action to reduce risk. Inform Municipal Management.
5-7	Low risk (green)	Acceptable	No risk reduction- control, monitor. Inform Municipal Management.
1-4	Minimum risk (green)	Acceptable	



ASSESSMENT OF THE PERFORMANCE OF EXTERNAL SERVICE PROVIDERS USED BY THE CITY OF UMHLATHUZE IN THE 2022/23 FY

In terms of Section 76(b) of the Municipal System Act, 2000 (Act No. 32 of 2000), municipal services can be rendered by entering into a Service Delivery Arrangement with an external service provider. The Municipality is responsible for monitoring and evaluating the execution of the agreement, including the performance of the service provider in compliance with Section 41 of the Municipal Systems Act, 32 of 2000.

The performance of service providers that have been selected to provide assistance in the provision of a municipal service, otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies, is required, by section 116 of the Municipal Finance Management Act, to be monitored and reported on. Contained hereunder is the list of external service providers used in the 2022/23 financial year and the assessment of their performance:

<i>Assessment Key</i>	
<i>Good (G)</i>	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
<i>Satisfactory (S)</i>	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
<i>Poor (P)</i>	<i>The service has been provided below acceptable standards</i>

City of uMhlatuze – Assessment of Service Providers

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
8/2/1/UMH1239-22/23	Mhlatuze Water Board	20 March 2023	PROFESSIONAL FEES REQUIRED FOR WATER AND WASTEWATER TREATMENT WORKS COMPLIANCE MONITORING (JUL 2022 – DEC 2023)	Not completed	G		
8/2/1/UMH655-20/21	SILVER STREAK TRADING CC	08 December 2022	PANEL OF CONTRACTORS FOR THE CONSTRUCTION OF WATER AND ROADS INFRASTRUCTURE PROJEC	Not Completed	G		
8/2/1/UMH655-20/21	ENELAD (PTY) LTD	08 December 2022	PANEL OF CONTRACTORS FOR THE CONSTRUCTION OF WATER AND ROADS INFRASTRUCTURE PROJECT	Not Completed	G		
8/2/1/UMH969-21/22	SURE WATER SAMPLING CC	24 January 2023	SERVICE PROVIDER TO PROVIDE PROFESSIONAL SAMPLING SERVICES OF VARIOUS WATER RESOURCES WITHIN THE BOUNDARIES OF THE CITY OF UMHLATHUZE	Not Completed	G		
8/2/1/UMH968-21/22	ZANA MANZI SERVICES (PTY) LTD	23 March 2023	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT PROCESS AUDITS AND BLUE AND GREEN DROP ASSESSMENTS FOR WATER AND WASTEWATER TREATMENT OWRKS	Not Completed	G		
8/2/1/UMH745-20/21	IBUTHO PROJECTS (PTY) LTD	05 August 2022	MKHWANAZI NORTH PHASE 5: RETICULATION ZONE R	Not Completed	G		
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS	12 December 2022	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND	Not Completed	G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
			CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES				
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS		APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES MKHWANAZI SOUTH WATER PHASE 4 – E1: CONSTRUCTION OF WATER RETICULATION TO AREA E1 IN WARD 18	Not Completed	G		
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS	04 January 2023	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES TURNKEY FOR CONSTRUCTION OF ESIKHALENI FITNESS CENTRE PHASE 1C – COMPLETING OUTSTANDING WORK	Not Completed	G		
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS		APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND	Not Completed	G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
			CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES CONSTRUCTION OF A PUBLIC SWIMMING POOL FACILITY AT VULINDLELA				
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS	12 January 2023	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES APPOINTMENT OF A TURNKEY SERVICE PROVIDER FOR THE CONSTRUCTION OF ESIKHALENI BUSINESS CENTRE	Not Completed	G		
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS		APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES EXECUTION OF THE EMERGENCY WORKS AT THE SPORTS COMPLEX THROUGH A TURNKEY METHODOLOGY	Not Completed	G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS	30 December 2022	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES CONSTRUCTION OF ESIKHALENI PACKAGE PLANT	Not Completed	G		
8/2/1/UMH1177-22/23	AFRICA CONSULTING ENGINEERS	20 December 2023	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES Alton North and South Pipe Replacement	Not Completed	G		
8/2/1/UMH1177-22/23	DLAMINNDLOVU CONSULTING ENGINEERS	12 December 2022	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES	Not Completed	G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
8/2/1/UMH1177-22/23	DLAMINNDLOVU CONSULTING ENGINEERS	15 June 2023	APPOINTMENT OF A PROFESSIONAL CONSULTING ENGINEERING SERVICES PROVIDER FOR TECHNICAL SUPPORT, UPDATING AND IMPLEMENTATION OF PROJECTS IN PROJECT MANAGEMENT UNIT (PMU) RELATED TO BUILT AND CIVIL ENVIRONMENT IN THE DEPARTMENT INFRASTRUCTURE SERVICES Supply and Erect Invisible Fence At Richards Bay Airport Phase 1	Not Completed	G		
8/2/1/UMH825-20/21	ZAMISANANI PROJECTS	19 January 2023	UPGRADING OF RICHARDS BAY TAXI RANK / BUS TERMINALS	Not Completed	G		
8/2/1/UMH642-19/20	Mafoko Security Patrols	1 November 2020	SECURITY SERVICES	Complete end 31 Oct 2023		S	
8/2/1/UMH642-19/20	Select Security Services	1 November 2020	SECURITY SERVICES	Complete end 31 Oct 2023		S	
8/2/1/UMH642-19/20	Pro Secure Security	1 November 2020	SECURITY SERVICES	Complete end 31 Oct 2023		S	
8/2/1/UMH642-19/20	Isidingo Security	1 November 2020	SECURITY SERVICES	Complete end 31 Oct 2023		S	

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
8/2/1/UMH583-19/20	Khanali Trading (Pty) Ltd	4 November 2020	GRASS CUTTING	Complete 1st week Nov 2023		S	
8/2/1/UMH583-19/20	Freeman Security Services	4 November 2020	GRASS CUTTING	Complete 1st week Nov 2023		S	
8/2/1/UMH583-19/20	Manyathi Group	4 November 2020	GRASS CUTTING	Complete 1st week Nov 2023		S	
8/2/1/UMH583-19/20	Lekos Towing	4 November 2020	GRASS CUTTING	Complete 1st week Nov 2023		S	
8/2/1/UMH583-19/20	Zanobanzi (Pty) Ltd	4 November 2020	GRASS CUTTING	Complete 1st week Nov 2023		S	
8/2/1/UMH583-19/20	Manvathi Group	4 November 2020	GRASS CUTTING	Complete 1st week Nov 2023		S	
8/2/1/UMH616 19/20	Kuntwela Enzansi Ventures (Pty) Ltd	01/04/2021	COLLECTS METER READINGS FROM VARIOUS AREAS WITHIN THE CITY OF UMHLATHUZE.	Not completed	G		
8/2/1/UMH467-18/19	Interfile – Internet Filing (Pty) Ltd	01/02/2021	DIGITAL PAYMENT SOLUTIONS	Not completed	G		
8/2/1/UMH836 - 20/21	Ontec Systems	01/07/2021	PROVIDES PREPAID SERVICES VENDING SYSTEM	Not completed	G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
8/2/1/UMH459-18/19	Pay At	15/03/202	THIRD PARTY PAYMENT SOLUTIONS	Completed	G		
8/2/1/UMH803 - 20/21	COCRE8 IT Services (Pty) Ltd	01/07/2022	PROVIDES REVENUE SECTION WITH A SYSTEM USED TO EXECUTE DAILY OPERATIONS	Not completed	G		
8/2/1/UMH649-19/20	Kunene Makopo Risk Solutions	01/10/2020	INSURES COUNCIL'S MOVABLE ASSETS	Not completed	G		
8/2/1/UMH632-19/20	INZALO Utility Management Services (Pty) Ltd	01/06/2021	PERFORMANCE OF CREDIT CONTROL, REVENUE PROTECTION AND INDIGENT MANAGEMENT.	Not completed	G		
Tender 8/2/1/UMH557	Delta Built Environmental Consultants	9 July 2020 (multi-year project)	FEASIBILITY STUDY FOR THE RELOCATION AND REDEVELOPMENT OF THE RICHARDS BAY AIRPORT	Not completed	G		
Tender 8/2/1/UMH548-18/19	Isibuko	30 July 2020 (multi-year project)	DETAILED PLANNING AND PRELIMINARY ENGINEERING DESIGNS FOR THE RICHARDS BAY WATERFRONT			S	
Tender 8/2/1/UMH625	Emvelo	31 March 2023	PROJECT TO UNDERTAKE AN ENVIRONMENTAL IMPACT ASSESSMENT AND WATER USE LICENSE FOR THE TRUCK STAGING ON A PORTION OF THE REMAINDER OF ERF 5333, RICHARDS BAY IN LINE WITH TENDER 8/2/1/UMH625 - 19/20: ESTABLISHMENT OF A PANEL OF MUNICIPAL PLANNING PROFESSIONALS (BUILT ENVIRONMENT) FOR A PERIOD OF THREE YEARS AS AND WHEN REQUIRED		G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
Tender 8/2/1/UMH782-20/21	Novus 3	3 February 2022	REVIEW OF CAPITAL EXPENDITURE FRAMEWORK	First Review complete	G		
Tender 8/2/1/UMH625-19/20	GEOAFRIKA SURVEYS INCORPORATED	01 March 2021	ESTABLISHMENT OF PANEL OF MUNICIPAL PLANNING PROFESSIONALS (BUILT ENVIRONMENT) FOR A PERIOD OF THREE YEARS AS AND WHEN REQUIRED: SURVEY OF THE VULINDLELA PARENT PROPERTY AND LIBRARY SITE.	Project completed	G		
8/2/1/UMH625-19/20	MAKADEVILA CONSULTANTS	01 March 2021	ESTABLISHMENT OF PANEL OF MUNICIPAL PLANNING PROFESSIONALS (BUILT ENVIRONMENT) FOR A PERIOD OF THREE YEARS AS AND WHEN REQUIRED- CONSULTANT TO PROVIDE SOCIAL FACILITATION FOR VERIFICATION & ALLOCATION AT MADALA HOSTEL (18 UNITS)	Project in progress	G		
8/2/1/UMH915-21/22	TERRA ANALYTICS	01 September 2022	BID TO PERFORM THE FUNCTION OF A MUNICIPAL VALUER FOR MAINTENANCE OF THE VALUATION ROLL FOR THREE YEARS	Project in progress	G		
8/2/1/UMH625-19/20	GABHISA PLANNING INVESTMENTS	01 March 2021	ESTABLISHMENT OF PANEL OF MUNICIPAL PLANNING PROFESSIONALS (BUILT ENVIRONMENT) FOR A PERIOD OF THREE YEARS AS AND WHEN REQUIRED- CADASTRAL SURVEY FOR EMPANGENI A RANK PROJECT	Project completed	G		
8/2/1/UMH42-18/19	Sonhlamvu Trading	August 2022	SUPPLY ,DELIVER ,REMOVAL OF 300 UNITS HPS STREETLIGHTS LUMINARIES OF 155 WATTS AND	Completed	G		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
			REPLACE 300 UNITS WITH 55 WATTS OR LESS LED AT MANDLAZINI				
8/2/1/UMH42-18/19	AC Mthembu	May 2022	SUPPLY ,DELIVER ,REMOVAL OF 135 UNITS HPS STREETLIGHTS LUMINARIES OF 250 WATTS AND REPLACE 135 UNITS WITH 100 WATTS OR LESS LED AT JOHN ROSS HIGHWAY	Completed		S	
DEV 21/22-020	Theshani Enterprise (Pty) Ltd	Oct 2021	SUPPLY, DELIVERY AND OFF-LOADING AND INSTALLATION OF 132/11KV 40MVA POWER TRANSFORMERS AND ASSOCIATED TRANSFORMER BAY EQUIPMENT AT POLARIS SUBSTATION	Completed	G		
DEV 21/22-019	Theshani Enterprise (Pty) Ltd	Oct 2021	SUPPLY, DELIVERY AND OFF-LOADING AND INSTALLATION OF 2X 132/11KV 40MVA POWER TRANSFORMERS AND ASSOCIATED TRANSFORMER BAY EQUIPMENT AT HERCULES SUBSTATION	Completed	G		
8/2/1UMH330-18/19	CBi Electric	Oct 2018	REPLACEMENT 42KM OF 132KV OIL FILLED BETWEEN HYDRA AND CAPELLA SUBSTATIONS	Completed	G		
8/2/1/UMH673 -20/21	METROFILE	08/10/2021	PROVISION OF STORAGE FACILITY AND THE MANAGEMENT OF RECORDS	In Progress	G		
8/2/1UMH 976-21/22	Xoli M Projects	01/06/2023	CLEANING SERVICES	In Progress	G		
8/2/RNM0148	Our-Kingdom Engineering	01/02/2022	ELECTRIFICATION OF BHOBHOYI VILLAGE	Completed		S	

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
8/2/RNM0148	Gcwaba Electrical Contractor	01/02/2022	ELECTRIFICATION OF MBAYIMBAYI VILLAGE	Contract Terminated			P
8/2/RNM0148	ZML Africa Project	01/02/2022	ELECTRIFICATION OF JERUSALEM VILLAGE	Completed			P
UMH 790-20/21	ATNS		AIR TRAFFIC NAVIGATION SERVICES AT RICHARDS BAY AIRPORT	Active	G		
UMH 791- 20/21	ACSA		MANAGEMENT OF THE RICHARDS BAY AIRPORT ON BEHALF OF THE AERODROME OPERATOR – CITY OF UMHLATHUZE	Active	G		
UMH 997- 21/22	SAWS		MONITORING OF WEATHER AT R/BAY AIRPORT	Active	G		
DEV: 1560083	Starniche Consulting	23/06/2022	RECRUITMENT-RELATED SERVICE TO THE CITY FOR PERIOD OF 3 MONTHS (OCT-DEC 2023)	Completed		S	
PO 4510012024	Ignite Advisory	07/09/2022	HR STRATEGY AND HR PLAN	Completed	G		
8/2/1/UMH958-21/22	WHISTLE BLOWERS (PTY) LTD 2000/006041/07	01/10/2022	WHISTLE-BLOWER HOTLINE FACILITY CONTRACT 1 October 2022 to 30 September 2025 PROVISION AND MANAGEMENT OF A PRIVATE AND CONFIDENTIAL INDEPENDENT ETHICS, FRAUD, BRIBERY, CORRUPTION AND FINANCIAL MISCONDUCT REPORTING MECHANISM (TELEPHONIC HOTLINE AND EMAIL) AND SUPPORTING ACTIVITIES FOR A PERIOD OF THIRTY SIX (36) MONTHS	Not completed	G		
8/2/1/UMH801-20/21	PRICEWATERHOUSECOOPERS Incorporated	01/06/2022	BUSINESS CONTINUITY MANAGEMENT CONTRACT 1 June 2022 to 31 May 2024	Not completed		S	

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Project/Service Status Completed/Not Completed	Assessment of Service Providers Performance		
					G	S	P
			BUSINESS CONTINUITY MANAGEMENT PROJECT: COMPLETION OF PHASES (TWO) 2 TO FOUR (4) AS A CONTINUATION FROM PHASE ONE (1), PROVISION OF BCM ACCREDITED TRAINING, COMPLETION OF BCP'S FOR THE REMAINDER OF COUNCIL PREMISES AND CITY-WIDE SCENARIO PLANNING FOR MAJOR BUSINESS INTERRUPTIONS, FOR A PERIOD OF TWENTY-FOUR (24) MONTHS				
8/2/1/UMH474-18/19	1. BRAND PARTNERS PTY LTD 2. TMANSWORLD CC	17 March 2020	PANEL OF SERVICE PROVIDERS IN COMMUNICATIONS AND MARKETING FOR THE PROVISION OF SPECIALISED SERVICES IN THE FIELD OF COMMUNICATIONS FOR A PERIOD OF 3 YEARS	Not completed EXTENSION OF EXISTING CONTRACT on a month to month basis not exceeding 30 December 2023	G		

**VOLUME II: ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDING
June 2023**



City of uMhlathuze
Annual Financial Statements
for the year ended 30 June 2023

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

General Information

Nature of business	Local government
Executive Committee	Cllr X Ngwezi (Mayor) Cllr CM Botha (EXCO) Cllr SH Zulu (EXCO) Cllr Z Grobelaar (EXCO - Terminated on 03/03/2023) Cllr MG Mhlongo (EXCO - Terminated on 03/03/2023) Cllr ZH mkhize (EXCO - Terminated on 03/03/2023) Cllr BC Mthembu (EXCO - Terminated on 03/03/2023) Cllr KD Sibiya (EXCO - Terminated on 03/03/2023) Cllr RM Zikhali (EXCO - Terminated on 03/03/2023)
Demarcation Code	KZ282
Chief Finance Officer	Mr M Kunene
Accounting Officer	Mr NG Zulu
Registered Office	5 Mark Strasse Central Business District Richards Bay 3900
Bankers	ABSA
Auditors	Auditor-General South Africa

City of uMhlathuze
Annual Financial Statements for the year ended 30 June 2023

Index

The reports and statements set out below comprise the annual financial statements presented to the Municipal Council:

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Abbreviations used:

DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Responsibilities and Approval

The City of uMhlathuze, situated at 5 Mark Strasse, Richards Bay, is a category B municipality, established in terms of Section 12 (1) of the Municipal Structures Act, 1998 (Act No. 117 of 1998) and published in terms of the Provincial Government Notice 346 on 19 September 2000. The Local Government operations of the Municipality are assigned by section 156 and 229 of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996) and are defined specifically in terms of Section 83 of the Municipal Structures Act 1998 (Act No. 117 of 1998).

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The annual financial statements set out on page 4 to 82, which have been prepared on the going concern basis by the accounting officer in terms of section 126 (1) of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and were signed off by the accounting officer on 31 August 2023.

I certify that the Salaries, allowances and benefits of Councillors and payments made to Councillors as disclosed in note 28 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act, 1998 (Act No 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.

As required by Section 45 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and Section 121 (4)(a) and (b) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and Gazette number 43582 the Annual Financial Statements were submitted to the Auditor-General South Africa (AGSA) on 31 August 2023.



Mr NG Zulu
City Manager



AUDITOR-GENERAL
SOUTH AFRICA

AUDIT REPORT

City of uMhlatuze

2022-23

Date: 30 November 2023

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on the City of uMhlathuze Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the City of uMhlathuze Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the City of uMhlathuze Municipality as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Receivables from exchange transactions – allowance for impairment

7. As disclosed in note 4 to the financial statements, an allowance for impairment of R120 million (2021-22: R276,21 million) on receivables from exchange transactions was raised as the recoverability of these amounts was doubtful.

Bad debts written off

8. As disclosed in note 32 to the financial statements, R245,95 million (2021-22: R119,89 million) was written off as bad debts.

Bulk purchases – water losses

9. As disclosed in note 33 to the financial statements, water distribution losses of R434,10 million (2021-22: R260 million) was incurred, which represented 57% (2021-22: 38%) of total water purchased. These losses were largely due to illegal connections, metering losses and leakages.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting

unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Basic service delivery and infrastructure development	XX-XX	Provision of infrastructure and delivery of basic services

18. I evaluated the reported performance information for the selected key performance area against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for any measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected key performance area.

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and measures taken to improve performance. Tabulated below are service delivery indicators that were not achieved for the basic service delivery and infrastructure key performance area.

24. The municipality plays a key role in delivering services to South Africans. The table that follow provide information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for measures taken to improve performance are included in the annual performance report on pages xx to xx.

Service delivery indicators not achieved – KPA 2 – Basic Service Delivery and infrastructure

Key service delivery indicators not achieved	Planned target	Reported achievement
Reduction of water losses (cumulative)	25%	88%
Wastewater Quality compliance of ≥90% as per Green Drop standard	>90%	42%
Percentage of planned maintenance performed	100%	88%
Kilometres of paved municipal road which has been resurfaced and resealed	3	0
Construction of Pedestrian Bridges	5	0
Number of subsidised housing units completed	20	0
Percentage of Pre 1994 Old Housing stock transferred	100%	0%
Number of Post 1994 Old Housing stock transferred	46	34

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
28. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected key performance area presented in the annual performance report that has been specifically reported on in this auditor's report.

30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. The other information I obtained prior to the date of this auditor's report is the draft annual report received with the submission of the annual financial statements. The final annual report is expected to be made available to us after 30 November 2023.
33. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
34. When I do receive and read the final annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
36. I did not identify any significant deficiencies in internal control.

Material irregularities

37. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

38. The material irregularities identified are as follows:

Overpayment for sports fitness centre

39. I identified non-compliance with section 78(1)(c) of the MFMA, which requires that each senior manager and each official exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that any unauthorised, irregular, or fruitless and wasteful expenditure and any other losses are prevented. In this regard, contracts for the development and construction of a fitness centre in Esikhaleni, Richards Bay, KwaZulu-Natal were awarded, and payments were made for goods and services not delivered. The overpayment was disclosed as irregular expenditure under assessment in note 48 to the 2022-23 financial statements. The overpayment is likely to result in a material financial loss if not recovered. The accounting officer was notified of the material irregularity on 29 March 2023. The following actions were taken:

- Disciplinary action against the officials that did not discharge their duties with due care as required by the MFMA and their agreed conditions of employment. These officials were suspended and their services later terminated.
- The project management consultant and contractor's contracts have since been terminated, and the process of financial recovery for the overpayment is underway through a legal process.
- Criminal cases against the suppliers have been lodged with the South African Police Service and the Directorate for Priority Crime Investigations.

40. I will follow up on the progress made to recover the overpayments during my next audit.

Auditor General

Pietermaritzburg

30 November 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected key performance area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the

date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - paragraph (a), (b) & (d) of the definition: irregular expenditure Section 1 - definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), Sections 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), Sections 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), Sections 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), Sections 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), Sections 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), Sections 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulation 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), 17(1)(b), Regulations 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a) and (b), 29(5)(a)(ii), 29(5)(b)(ii), Regulations 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Sections 11(6)(b), 12(5), 16(1); 16(3)

Legislation	Sections or regulations
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), Sections 29(2)(c), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, Sections 43(2), 56(a), 57(2)(a), 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), Sections 67(1)(d), 74(1), 93J(1), 96(b)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

	Note(s)	2023	2022 Restated*
Assets			
Current Assets			
Inventories	2	134 270 063	130 729 852
Statutory receivables	3	207 117 880	177 162 613
VAT receivable		15 881 482	6 037 154
Receivables from exchange transactions	4	847 490 379	672 414 980
Other Receivables	5	26 167 012	24 092 250
Cash and cash equivalents	6	495 109 011	684 763 763
		<u>1 726 035 827</u>	<u>1 695 200 612</u>
Non-Current Assets			
Investment property	7	108 933 194	98 620 081
Property, plant and equipment	8	6 911 093 524	6 337 557 475
Intangible assets	9	201 853 396	188 628 105
Heritage assets	10	2 464 611	2 464 611
		<u>7 224 344 725</u>	<u>6 627 270 272</u>
Total Assets		<u>8 950 380 552</u>	<u>8 322 470 884</u>
Liabilities			
Current Liabilities			
Other financial liabilities	11	167 192 011	109 923 077
Payables from exchange transactions	12	719 189 072	720 068 180
Consumer deposits	13	57 155 018	61 180 750
Employee benefit obligation	16	20 380 000	16 838 000
Unspent conditional grants and receipts	14	38 593 781	10 015 946
Provisions	15	26 678 881	25 205 994
		<u>1 029 188 763</u>	<u>943 231 947</u>
Non-Current Liabilities			
Other financial liabilities	11	1 244 834 580	806 161 902
Employee benefit obligation	16	263 422 000	252 740 000
		<u>1 508 256 580</u>	<u>1 058 901 902</u>
Total Liabilities		<u>2 537 445 343</u>	<u>2 002 133 849</u>
Net Assets		<u>6 412 935 209</u>	<u>6 320 337 035</u>
Accumulated surplus	17	6 412 935 209	6 320 337 035
Total Net Assets		<u>6 412 935 209</u>	<u>6 320 337 035</u>

* See Note 44

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Performance for the year ended 30 June 2023

	Note(s)	2023	2022 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	2 520 919 377	2 330 472 115
Construction contracts	19	125 288 898	78 306 911
Rental of facilities and equipment		11 244 526	10 233 407
Interest received - outstanding debtors		-	387 405
Agency services		6 538 756	4 691 626
Licences and permits		3 492 315	3 014 742
Debt Impairment Reversal	20	204 116 989	136 019 044
Operational revenue	21	44 224 486	25 767 029
Interest received - investment	22	26 846 335	34 734 726
Total revenue from exchange transactions		2 942 671 682	2 623 627 005
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	23	615 807 639	567 443 544
Interest revenue - property rates	23	901 673	2 517 489
Surcharges and Taxes		7 667 511	16 038 916
Inventories water gains	2	581 557 584	527 840 130
Transfer revenue			
Transfers and subsidies	24	752 760 049	620 100 341
Public contributions and donations	25	1 386 692	163 465
Fines, Penalties and Forfeits	26	7 276 876	20 729 768
Total revenue from non-exchange transactions		1 967 358 024	1 754 833 653
Total revenue		4 910 029 706	4 378 460 658
Expenditure			
Employee related costs	27	1 076 639 472	1 032 294 399
Remuneration of councillors	28	32 723 590	30 528 265
Inventory Consumed	29	443 351 013	502 191 459
Depreciation and amortisation	30	301 929 662	330 672 030
Impairments loss	8	10 121 864	1 548 304
Finance costs	31	89 003 489	57 199 837
Bad debts written off	32	245 948 597	119 892 039
Bulk purchases	33	1 250 740 202	1 151 971 461
Contracted services	34	580 509 509	453 982 122
Transfers and Subsidies	35	8 772 298	9 278 714
Loss on disposal of assets and liabilities	8	44 346 166	23 289 489
Water losses	33	434 101 278	260 004 342
Operating expenses	36	311 835 669	282 411 530
Total expenditure		4 830 022 809	4 255 263 991
Surplus for the year from continuing operations		80 006 897	123 196 667
Actuarial Gains / (Loss)	16	12 591 273	117 667 991
Surplus for the year		92 598 170	240 864 658

* See Note 44

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Net Assets for the year ended 30 June 2023

	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported - 30 June 2021	6 027 616 979	6 027 616 979
Adjustments:		
Correction of errors 44	51 855 398	51 855 398
Restated* Balance at 01 July 2021	6 079 472 377	6 079 472 377
Changes in net assets		
Surplus for the year	240 864 658	240 864 658
Total changes	240 864 658	240 864 658
Restated* Balance at 01 July 2022	6 320 337 039	6 320 337 039
Changes in net assets		
Surplus for the year	92 598 170	92 598 170
Total changes	92 598 170	92 598 170
Balance at 30 June 2023	6 412 935 209	6 412 935 209

* See Note 44

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

	Note(s)	2023	2022 Restated*
Cash flows from operating activities			
Receipts			
Property rates		598 117 233	473 102 167
Sale of goods and services		2 299 907 049	2 030 146 859
Grants		781 337 884	617 849 211
Interest income		33 424 811	32 259 596
Other receipts		75 536 363	67 970 917
Construction contract revenue		125 288 898	78 306 911
		<u>3 913 612 238</u>	<u>3 299 635 661</u>
Payments			
Employee costs		(1 109 363 062)	(1 006 396 647)
Suppliers		(2 438 597 610)	(1 975 120 423)
Finance costs		(83 138 800)	(56 341 247)
Transfers and subsidies		(8 772 298)	(9 278 714)
		<u>(3 639 871 770)</u>	<u>(3 047 137 031)</u>
Net cash flows from operating activities	39	<u>273 740 468</u>	<u>252 498 630</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(950 662 963)	(622 627 841)
Proceeds from sale of property, plant and equipment	8	55 710 000	140 000
Purchase of investment property	7	(10 775 899)	-
Purchase of other intangible assets	9	(47 743 281)	(50 346 346)
Net cash flows from investing activities		<u>(953 472 143)</u>	<u>(672 834 187)</u>
Cash flows from financing activities			
Proceeds from other financial liabilities		600 000 000	374 000 000
Repayment of other financial liabilities		(109 923 077)	(89 590 988)
Net cash flows from financing activities		<u>490 076 923</u>	<u>284 409 012</u>
Net increase/(decrease) in cash and cash equivalents		<u>(189 654 752)</u>	<u>(135 926 545)</u>
Cash and cash equivalents at the beginning of the year		684 763 763	820 690 308
Cash and cash equivalents at the end of the year	6	<u>495 109 011</u>	<u>684 763 763</u>

* See Note 44

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Budget Comparison and Actual Amounts for the year ended 30 June 2023

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Variance amount as % of final budget
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	2 596 874 400	(18 604 300)	2 578 270 100	2 520 919 377	(57 350 723)	(2,22)%
Construction contracts	-	-	-	125 288 898	125 288 898	- %
Rental of facilities and equipment	9 648 100	499 400	10 147 500	11 244 526	1 097 026	10,81 %
Interest received (trading)	128 000	(100 000)	28 000	-	(28 000)	- %
Agency services	6 179 400	-	6 179 400	6 538 756	359 356	5,82 %
Licences and permits	3 525 900	-	3 525 900	3 492 315	(33 585)	(1,00)%
Reduction in post-employment benefits	-	-	-	204 116 989	204 116 989	- %
Operational income	34 053 800	2 860 400	36 914 200	44 224 486	7 310 286	19,80 %
Interest received - investment	66 700 000	-	66 700 000	26 846 335	(39 853 665)	(48,06)%
Total revenue from exchange transactions	2 717 109 600	(15 344 500)	2 701 765 100	2 942 671 682	240 906 582	9
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	681 140 100	(150 000)	680 990 100	615 807 639	(65 182 461)	(9,60)%
Interest revenue - property rates	-	-	-	901 673	901 673	- %
Surcharges and Taxes	-	-	-	7 667 511	7 667 511	- %
Inventories water gains	-	-	-	581 557 584	581 557 584	- %
Transfer revenue						
Government grants & subsidies	709 520 000	39 683 100	749 203 100	752 760 049	3 556 949	1,00 %
Public contributions and donations	-	-	-	1 386 692	1 386 692	- %
Fines, Penalties and Forfeits	57 681 000	10 000	57 691 000	7 276 876	(50 414 124)	(87,39)%
Total revenue from non-exchange transactions	1 448 341 100	39 543 100	1 487 884 200	1 967 358 024	479 473 824	-6,86%
Total revenue	4 165 450 700	24 198 600	4 189 649 300	4 910 029 706	720 380 406	3,49%
Expenditure						
Remuneration of employees	(1 164 608 100)	21 959 900	(1 142 648 200)	(1 076 639 472)	66 008 728	(5,78)%
Remuneration of councillors	(37 291 100)	-	(37 291 100)	(32 723 590)	4 567 510	(12,25)%
Inventory consumed	(557 492 100)	(15 743 300)	(573 235 400)	(443 351 013)	129 884 387	77,34 %
Depreciation and amortisation	(326 552 300)	(13 984 200)	(340 536 500)	(312 051 526)	28 484 974	11,37 %
Finance costs	(72 864 600)	(15 357 300)	(88 221 900)	(89 003 489)	(781 589)	(1,00)%
Debt impairment	(172 510 200)	-	(172 510 200)	(245 948 597)	(73 438 397)	142,57 %
Bulk purchases	(1 258 204 000)	21 962 300	(1 236 241 700)	(1 250 740 202)	(14 498 502)	1,17 %
Contracted Services	(395 567 400)	(68 498 680)	(464 066 080)	(580 509 509)	(116 443 429)	25,09 %
Transfers and Subsidies	(14 216 900)	4 688 900	(9 528 000)	(8 772 298)	755 702	(7,93)%
Losses	(214 797 800)	-	(214 797 800)	(478 447 444)	(263 649 644)	222,74 %
Operating expenses	(312 083 800)	(38 423 000)	(350 506 800)	(311 835 669)	38 671 131	(19,25)%
Total expenditure	(4 526 188 300)	(103 395 380)	(4 629 583 680)	(4 830 022 809)	(200 439 129)	3,22

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Budget Comparison and Actual Amounts for the year ended 30 June 2023

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Variance amount as % of final budget
Operating surplus	(360 737 600)	(79 196 780)	(439 934 380)	80 006 897	519 941 277	
Inventories losses/write-downs	507 883 400	-	507 883 400	-	(507 883 400)	14,51 %
Surplus before taxation	147 145 800	(79 196 780)	67 949 020	80 006 897	12 057 877	-
Surplus for the year from continuing operations	147 145 800	(79 196 780)	67 949 020	80 006 897	12 057 877	-
Actuarial gains	-	-	-	12 591 273	12 591 273	
Surplus for the year	147 145 800	(79 196 780)	67 949 020	92 598 170	24 649 150	-

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Budget Comparison and Actual Amounts for the year ended 30 June 2023

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Variance amount as % of final budget
Statement of Financial Position						
Assets						
Current Assets						
Inventories	116 043 948	14 943 773	130 987 721	134 270 063	3 282 342	2,51 %
VAT receivable	-	-	-	15 881 482	15 881 482	- %
Receivables from exchange transactions	403 394 975	370 858 569	774 253 544	1 054 608 259	280 354 715	36,21 %
Other Receivables	25 149 235	25 418 847	50 568 082	26 167 012	(24 401 070)	(48,25)%
Cash and cash equivalents	830 914 609	(328 185 294)	502 729 315	495 109 011	(7 620 304)	(1,52)%
	1 375 502 767	83 035 895	1 458 538 662	1 726 035 827	267 497 165	18,34 %
Non-Current Assets						
Investment property	114 650 725	(1 829 465)	112 821 260	108 933 194	(3 888 066)	(3,45)%
Property, plant and equipment	6 909 474 568	98 630 893	7 008 105 461	6 911 093 524	(97 011 937)	(1,29)%
Intangible assets	151 625 535	41 223 541	192 849 076	201 853 396	9 004 320	(4,67)%
Heritage assets	2 464 611	-	2 464 611	2 464 611	-	- %
	7 178 215 439	138 024 969	7 316 240 408	7 224 344 725	(91 895 683)	(1,16)%
Total Assets	8 553 718 206	221 060 864	8 774 779 070	8 950 380 552	175 601 482	2,08 %
Liabilities						
Current Liabilities						
Other financial liabilities	-	-	-	167 192 011	167 192 011	- %
Payables from exchange transactions	857 425 748	7 947 866	865 373 614	719 189 069	(146 184 545)	(17,00)%
Consumer deposits	54 304 470	6 637 495	60 941 965	57 155 018	(3 786 947)	(6,21)%
Employee benefit obligation	-	-	-	20 380 000	20 380 000	- %
Unspent conditional grants and receipts	12 438 687	2 575 604	15 014 291	38 593 783	23 579 492	157,05 %
Provisions	23 685 530	1 520 429	25 205 959	26 678 881	1 472 922	5,84 %
	947 854 435	18 681 394	966 535 829	1 029 188 762	62 652 933	6,38 %
Non-Current Liabilities						
Other financial liabilities	1 169 021 594	69 387 651	1 238 409 245	1 244 834 500	6 425 335	- %
Employee benefit obligation	261 841 900	(29 910 200)	231 931 700	263 422 000	31 490 300	13,6 %
	1 430 863 494	39 477 451	1 470 340 945	1 508 256 580	37 915 635,0	2,1 %
Total Liabilities	2 378 717 929	58 158 845	2 436 876 774	2 537 445 342	100 568 568	3,81 %
Net Assets	6 175 000 277	162 902 019	6 337 902 296	6 412 935 210	75 032 914	1,42 %
Net Assets						
Reserves						
Accumulated surplus	6 175 000 277	162 902 019	6 337 902 296	6 412 935 210	75 032 914	1,42 %

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Budget Comparison and Actual Amounts for the year ended 30 June 2023

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Variance amount as % of final budget
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Property rates	652 532 216	(136 236)	652 395 980	598 117 233	(54 278 747)	(8,32)%
Service charges	2 478 602 581	24 417 847	2 503 020 428	2 274 897 425	(228 123 003)	(9,11)%
Grants	709 520 000	(38 468 558)	671 051 442	781 337 884	110 286 442	16,43 %
Interest income	66 764 000	(50 000)	66 714 000	33 424 811	(33 289 189)	(49,90)%
Other receipts	507 543 011	5 114 338	512 657 349	200 825 261	(311 832 088)	(60,83)%
	4 414 961 808	(9 122 609)	4 405 839 199	3 888 602 614	(517 236 585)	(11,73)%
Payments						
Employee costs	(1 164 608 100)	23 360 900	(1 141 247 200)	(1 109 363 062)	31 884 138	(2,79)%
Suppliers	(2 482 443 641)	(202 711 974)	(2 685 155 615)	(2 413 377 351)	271 778 264	(10,12)%
Finance costs	(72 864 600)	(15 357 300)	(88 221 900)	(83 138 800)	5 083 100	(5,76)%
Transfers and subsidies paid	(8 700 000)	-	(8 700 000)	(8 772 298)	(72 298)	1,00 %
	(3 728 616 341)	(194 708 374)	(3 923 324 715)	(3 614 651 511)	308 673 204	(7,83)%
Net cash flows from operating activities	686 345 467	(203 830 983)	482 514 484	273 951 103	(208 563 381)	
Cash flows from investing activities						
Purchase of property, plant and equipment	(835 076 000)	(246 532 700)	(1 081 608 700)	(950 873 598)	130 735 102	(12,09)%
Proceeds from sale of property, plant and equipment	-	-	-	55 710 000	55 710 000	- %
Purchase of investment property	-	-	-	(10 775 899)	(10 775 899)	- %
Purchase of other intangible assets	-	-	-	(47 743 281)	(47 743 281)	- %
Net cash flows from investing activities	(835 076 000)	(246 532 700)	(1 081 608 700)	(953 682 778)	127 925 922	(11,82)%
Cash flows from financing activities						
Proceeds from financial liabilities	390 642 000	209 358 000	600 000 000	600 000 000	-	
Repayment of other financial liabilities	(126 808 999)	(5 398 091)	(132 207 090)	(109 923 077)	22 284 013	
Net cash flows from financing activities	263 833 001	203 959 909	467 792 910	490 076 923	22 284 013	
Net increase/(decrease) in cash and cash equivalents	115 102 468	(246 403 774)	(131 301 306)	(189 654 752)	(58 353 446)	44,44 %
Cash and cash equivalents at the beginning of the year	1 546 726 750	(308 523 231)	1 238 203 519	684 763 763	(553 439 756)	44,70 %
Cash and cash equivalents at the end of the year	1 661 829 218	(554 927 005)	1 106 902 213	495 109 011	(611 793 202)	55,27 %

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Statement of Budget Comparison and Actual Amounts for the year ended 30 June 2023

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Variance amount as % of final budget
Capital expenditure						
Finance and Administration	52 068 000	61 420 900	113 488 900	115 746 093	2 257 193	1,99 %
Community and Social Services	47 503 000	(5 570 300)	41 932 700	34 491 781	(7 440 919)	(17,74)%
Energy Sources	51 602 000	4 663 400	56 265 400	75 616 014	19 350 614	34,39 %
Environmental protection	2 500 000	2 250 000	4 750 000	655 407	(4 094 593)	(86,20)%
Planning and Development	48 603 000	1 817 500	50 420 500	3 566 792	(46 853 708)	(92,90)%
Public Safety	2 337 000	62 900	2 399 900	1 244 510	(1 155 390)	(48,14)%
Sport and Recreation	41 805 000	178 261 100	220 066 100	172 911 400	(47 154 700)	(21,40)%
Waste Management	11 802 000	(929 200)	10 872 800	1 834 782	(9 038 018)	(83,13)%
Wastewater Management	121 800 000	(18 390 196)	103 409 804	130 494 087	27 084 283	26,19 %
Water	311 419 000	39 350 303	350 769 303	405 826 054	55 056 751	15,70 %
Road Transport	132 137 000	(19 703 800)	112 433 200	57 264 433	(55 168 767)	(49,07)%
Other	11 500 000	3 300 000	14 800 000	10 775 899	(4 024 101)	(27,19)%
Total expenditure	835 076 000	246 532 607	1 081 608 607	1 010 427 252	(71 181 355)	(7,00)%

Explanation of variances of 20% or more per category is explained in Note 50.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1. Presentation of Annual Financial Statements

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The principal accounting policies adopted in the preparation of these annual financial statements are set out below:

- GRAP 1 Presentation of Financial Statement
- GRAP 2 Cash Flow Statements
- GRAP 3 Accounting Policies, Changes in Accounting Estimates and Error
- GRAP 5 Borrowing Costs
- GRAP 9 Revenue from Exchange Transactions
- GRAP 11 Construction Contracts
- GRAP 12 Inventories
- GRAP 13 Leases
- GRAP 14 Events after the Reporting Date
- GRAP 16 Investment property
- GRAP 17 Property, Plant and Equipment
- GRAP 18 Segment Reporting
- GRAP 19 Provisions, Contingent Liabilities and Contingent Asset
- GRAP 20 Related Party
- GRAP 21 Impairment of non-cash generating asset
- GRAP 23 Revenue from Non-exchange transactions
- GRAP 24 Presentation of budget information
- GRAP 25 Employee benefits
- GRAP 31 Intangible Assets
- GRAP 103 Heritage Assets
- GRAP 104 Financial Instruments
- GRAP 108 Statutory Receivables
- GRAP 109 Accounting by Principals and Agents

The following GRAP standards have been issued but are not yet effective and have not been adopted early by the Municipality:

-
- IGRAP 21 The effect of past decisions on materiality - effective 1 April 2023
- IGRAP 7 The limit on a defined benefit asset, minimum funding requirements and their interaction - no effective date yet)

The following GRAP standards have been issued and effective but are not applicable to the Municipality.

- GRAP 4 The effects of changes in foreign exchange rates
- GRAP 6 Consolidated and separate financial statements
- GRAP 7 Investments in associate
- GRAP 8 Interest in joint ventures
- GRAP 10 Financial reporting in hyperinflationary economics
- GRAP 27 Agriculture
- GRAP 32 Standard of GRAP on Service Concession Arrangements: Grantor
- GRAP 34 Separate financial statements
- GRAP 35 Consolidated financial statements
- GRAP 36 Investments in Associates and joint ventures
- GRAP 37 Joint arrangements
- GRAP 38 Disclosure of interests in other entities
- GRAP 105 Transfers of functions between entities under common control
- GRAP 106 Transfers of functions between entities not under common control
- GRAP 107 Mergers

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.1 Presentation currency

These annual financial statements are presented in South African Rand. The figures are rounded off to the nearest rand.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

Management considers key financial metrics and approved medium-term budgets, MFMA Section 71 reports together with the municipality's dependency on grants from national and provincial government, to conclude that the going concern assumption used in the compiling of its annual financial statements, is appropriate.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Materiality has been considered in determining whether information is required to be recognised, measured, presented and disclosed in accordance with the requirements in the Standards of GRAP as well as assessing the effect of omissions, misstatements and errors on the financial statements.

Budget information

Variances between budget and actual amounts are regarded as material when there is a variance of:

- 20% or greater in the statement of financial position, the statement of financial performance and the cash flow statement

1.4 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

1.5 Significant judgements and sources of estimation uncertainty

The preparation of the Municipality's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Municipality's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Operating lease – Municipality as lessor

The Municipality has entered into commercial property leases on its investment property portfolio. The Municipality has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.5 Significant judgements and sources of estimation uncertainty (continued)

Depreciation and impairment

The Municipality depreciates its assets over their estimated useful lives taking into account residual values, where appropriate. The appropriateness of its assets' estimated useful lives, residual values and their depreciation methods are re-assessed on an annual basis. The actual lives of these assets and their respective residual values may vary depending on a variety of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Management used their judgement in applying the internal and external impairment indicators to its assets.

Consumer receivables

At year-end management makes an estimate of the amount of total outstanding customer debt that it expects to hand over to external debt collectors and the total subsequent receipts it expects to receive after year end. In addition, management estimates the amounts that it expects to recover from outstanding balances handed over based upon the age profile of debts handed over and based on prior experience and trends. A provision for impairment is raised based on these estimates.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 15 - Provisions.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate every year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 16.

1.6 Comparative figures

Prior year Comparative

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Current year Comparative

Budgeted amounts have been included in the annual financial statements for the current financial year only.

1.7 Property, plant and equipment

Initially recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.7 Property, plant and equipment (continued)

Infrastructure assets in particular are those that are part of a system or network, specialised in nature and do not have alternative uses, immovable and maybe subject to constraints on disposal.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Property, plant and equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality.

Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset is measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Subsequent measurement

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured.

Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it de-recognises the part of the asset being replaced and capitalises the new component.

Subsequently all property plant and equipment, are measured at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses. Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

Depreciation

Land is not depreciated as it is regarded as having an indefinite life. Depreciation on assets other than land is calculated on cost, using the straight-line method, to allocate their cost to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality on each asset.

Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are based on the following estimated useful lives.

The Municipality assesses at each reporting date whether there is any indication that the entity's expectations about the residual value and useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value. The change(s) are accounted for in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

Depreciation only commences when the asset is available for use.

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.7 Property, plant and equipment (continued)

The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 8).

The municipality discloses relevant information relating to assets that are work in progress, in the notes to the financial statements (see note 8).

The table below shows the depreciation methods and average useful lives.

Buildings	Straight line	30 years
Roads and paving	Straight line	15-65 years
Watercraft	Straight line	15 years
Furniture and fixtures	Straight line	7 years
Motor vehicles	Straight line	3-7 years
Office equipment	Straight line	3-5 years
Pedestrian bridges	Straight line	30 years
Electricity infrastructure	Straight line	20-30 years
Community	Straight line	5-30 years
Water infrastructure	Straight line	15-65 years
Sewerage infrastructure	Straight line	15-30 years
Housing	Straight line	30 years
Specialised plant and equipment	Straight line	10-15 years
Bins and containers	Straight line	5-10 years
Other property, plant and equipment	Straight line	2-5 years
Specialised vehicles	Straight line	10 years

Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.8 Leases (continued)

Operating leases - lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Leased assets are classified as investment property measured at cost model and depreciation on leased assets has been calculated in accordance with GRAP 16 Investment Properties.

Operating leases - lessee

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease expenses are recognised on a straight-line basis over the lease term.

1.9 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

The municipality currently has only non-cash-generating assets as all of its assets are purely used for service delivery.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. The value in use is measured as the depreciated replacement cost.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.9 Impairment of non-cash-generating assets (continued)

Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

In assessing whether there is any indication that an asset may be impaired, the following have been considered:

External sources of information

- Cessation or near cessation, of the demand or need for services provided by the asset;
- Significant long-term changes with an adverse effect on the entity that have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the municipality operates.

Internal sources of information

- Evidence of physical damage of an asset;
- Increased expenditure on repairs and maintenance on the asset.

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or circumstances indicate that the serviceable amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable service amount.

The recoverable service amount is the higher of the assets fair value less cost to sell, or its value in use.

The value in use is the present value of the asset's remaining service potential expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

1.10 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licences and development costs.

An asset is identifiable when it:

- is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, assets or liability, or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the Municipality or from other rights and obligations.

Initial recognition

The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or the service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.10 Intangible assets (continued)

- the Municipality intends to complete the intangible asset for use or sale,
- the Municipality has the ability to use or sell the asset,
- the Municipality can reliably measure expenditure during development,
- it is technically feasible to complete the intangible asset,
- the Municipality has the resources to complete the project, and,
- it is probable that the Municipality will receive future economic benefits or service potential.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Internally generated intangible assets are subject to strict recognition criteria before they are capitalised.

Intangible assets are initially recognised at cost. Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Amortisation and impairment

The cost of an intangible asset is amortised over the useful life of 3 - 7 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

An intangible asset with an indefinite useful life is not amortised.

Subsequent measurement

Intangible assets are carried at its cost less any accumulated amortisation and any accumulated impairment losses.

Derecognition

An intangible asset is derecognised when it is permanently withdrawn from use and no future economic benefit or service potential is derived from it. The gain or loss arising from the disposal of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in surplus or deficit when the intangible asset is derecognised.

Assets Under Construction

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 9).

1.11 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Initial recognition

Investment property is recognised as an asset, only where:

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies for the year ended 30 June 2023

1.11 Investment property (continued)

- It is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity; and
- The cost or fair value of the investment property can be measured reliably.

Investment properties have been initially measured at cost (Transaction costs shall be included in this initial measurement). Transaction costs are costs which are directly attributable to the expenditure, for example professional fees for legal services, conveyancing fees, property transfer taxes and other transaction costs shall be included in this initial measurement.

If payment for investment property is deferred, its cost is the cash price equivalent.

The difference between this amount and the total payments is recognised as interest expense over the period of credit.

Subsequent measures

Subsequently investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on cost, using the straight-line method over the useful life of the property. Buildings held under investment property are depreciated on an average useful life of 30 years. Vacant land held under investment properties is not depreciated.

Derecognition

An investment property is derecognised upon disposal, or when it is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. Any gain or loss arising from the retirement or disposal of investment property is included in surplus or deficit in the period of the retirement or disposal.

1.12 Inventories

Consumables are used by the municipality and not sold. Thus, the consumables are subsequently measured at lower of cost and current replacement cost, not at net realisable value.

Water for distribution is measured using weighted average method. Additions to water for distribution is accounted in two ways, namely bulk purchases and own production. Bulk purchases are capitalized in inventory based on actual costs from the service provider. Own productions are capitalised based on all the costs associated with producing water. Capitalised production costs are accounted for as inventory water gains in the Statement of Financial Performance and inventory water in the Statement of Financial Position.

In general, the basis of determining cost is not the first-in, first-out method. The FIFO is only used for consumables.

Land is initially recognised at cost, which is the fair value at recognition date.

Redundant and slow-moving inventories are not all written down to current replacement cost. Only consumables can be. Water and land must be written down to net realisable value.

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

City of uMhlatuze

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Accounting Policies for the year ended 30 June 2023

1.13 Revenue from exchange transactions (continued)

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue in the period of consumption. Where meters cannot be read during a particular month, they are provisionally billed with the necessary adjustments made in the month in which they were read. Revenue from the sale of electricity prepaid meter cards is deferred and recognised as revenue on the consumption basis, commencing on date of purchase.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied.

Service charges from sewerage are based on the water consumption on each developed property using the tariffs approved from Council and are levied monthly.

Interest and rentals are recognised on a time apportionment basis.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariffs. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from the sale of goods is recognised when the risks and rewards of ownership of the goods is passed to the consumer.

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts allowed by the Municipality.

1.14 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the municipality may receive revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines constitute both spot fines and summons. Revenue from spot fines and summons is recognised when it is accrued. Spot fines are usually not given directly to the offender. Further legal processes have to be undertaken before the spot fine is enforceable. In respect to summons, the Public Prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use. Furthermore revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality.

Where public contributions have been received by the municipality has not met the related conditions, a deferred income (liability) is recognised.

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1.14 Revenue from non-exchange transactions (continued)

Revenue from the recovery of unauthorised, irregular and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

1.15 Provisions and contingencies

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Contingent Liabilities and Assets are not recognized but disclosed.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

1.16 Housing development fund

Housing selling schemes both complete and in progress at 1 April 1998, were also transferred to the Housing Development Fund. All proceeds from housing developments, which include rental income and sales of houses, is paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund are used to finance housing developments within the municipal area. Any transfers to and from the fund are recognized in the statement of changes in net assets.

1.17 Retirement benefits

The Municipality provides post-retirement medical aid benefits to retired employees. The entitlement to these benefits is usually conditional on the employee remaining in employment up to retirement age.

An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

The Expected costs of these benefits are accrued of the period of employment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the statement of financial performance for the reporting period. The Defined benefit obligations are valued every year by independent qualified actuaries.

1.18 Borrowing costs

Borrowing costs incurred are recognised as an expense in the Statement of Financial Performance in the period in which they are incurred in accordance with GRAP 5.

1.19 Financial instruments

Classification

The Municipality has types of financial instruments and these can be broadly categorised as either Financial Assets or Financial Liabilities.

Subsequent measurement of financial assets and financial liabilities

Financial assets are categorised according to their nature as financial assets at amortised costs and financial liabilities are categorized as financial liabilities carried at amortised cost in accordance with GRAP 104.

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Accounting Policies for the year ended 30 June 2023

1.19 Financial instruments (continued)

Financial assets

The classification of financial assets depends on their nature and purpose, and is determined at the time of initial recognition.

Receivables from exchange transactions and other receivables

Trade and other receivables are categorised as financial assets: loans and receivables are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. The fair value of Debtors is estimated as the present value of future cash flows, discounted at the effective interest rate at the reporting date.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (90 days and above) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off.

Subsequent recoveries of amounts previously written off are credited against operating expenses in the Statement of Financial Performance.

Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The Municipality categorises cash and cash equivalents as financial assets: loans and receivables. The closing balance on the bank account is representative of its fair value of the monies held.

Financial liabilities

Payables from exchange transactions and Consumer deposits

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest. The fair value of creditors is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Other financial liabilities

Borrowings are recognised initially at fair value, net transaction costs incurred. Long-term borrowings are non-derivative financial loans and the Municipality does not hold financial loans for trading purposes. Long-term borrowings are utilised. Other financial liabilities are carried at amortised cost.

The interbank rate or prime lending rate is not the risk-free interest rate, however it has been used as a benchmark for determining the market related rate of interest which is not significantly different to the current rates on long-term loans, hence the fair value of these loans equates their amortised cost.

1.20 Heritage assets

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and is held and preserved indefinitely for the benefit of present and future generations. A heritage asset shall be recognised as an asset if, and only if,

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1.20 Heritage assets (continued)

(a) It is probable that the economic benefit or service potential will flow to the Municipality,

(b) The cost or the fair value will be measured reliably.

Initial measurement

A heritage asset that qualifies for recognition as an asset shall be measured at its cost (Cash price equivalent at the recognition date). Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition.

Subsequent measurement

Heritage assets are not depreciated, since their long economic life and high residual value mean that any depreciation would be immaterial.

After recognition as an asset, heritage assets shall be carried at its cost less any accumulated impairment losses. The Municipality assesses at each reporting date whether there are any indicators of impairment of Heritage assets.

Where there is an indication of impairment the assets are recorded at their recoverable amount or their recoverable service amount.

Derecognition

A Heritage asset is de-recognised when it is disposed or where there is no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from de-recognition, is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognized.

1.21 Short term benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.22 Grants in aid

The Municipality donates money, goods or services to individuals, organisations and other sectors of government from time to time. When making these donations, the Municipality does not:

Receive any goods or services directly in return as would be expected in a purchase or sale transaction;

Expect to be repaid in future; or

Expect a financial return, as would be expected from an investment.

These transfers are recognized in the statement of financial performance as expenses in the period during which events giving rise to the transfer occurred.

1.23 Budget information

The approved budget covers the fiscal period from 2022/07/01 to 2023/06/30.

The budget is prepared on an accrual basis. The budget amounts are scheduled as a separate additional financial statement called the statement of comparison of budget and actual amounts.

Explanatory comments are provided in the notes to the annual financial statements, first stating reasons for changes from approved to final budget and secondly reasons for overspending or underspending on line items.

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1.24 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003)

1.25 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.26 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as an expense in the Statement of Financial Performance and when covered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.27 Value-added Tax

VAT

The Municipality accounts for Value Added Tax on payments basis. This means that VAT is declared to the South African Revenue Service as input VAT or output VAT only when payments are made to suppliers or payments are received for goods or services. The net output VAT on debtors where money has not been received or creditors where payment has not been made is disclosed separately in the Statement of Financial Position in terms of GRAP 1.

1.28 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset. The municipality currently has property rates and fines classified in this category.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

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1.28 Statutory receivables (continued)

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, a municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or

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1.28 Statutory receivables (continued)

- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.29 Construction contracts and receivables

The Municipality has a level two accreditation in terms of its participation on the National Housing Programme. It is a project developer in terms of the arrangement to construct and transfer houses to the beneficiaries of the Programme.

Funds received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

- (a) the initial amount of revenue agreed in the contract; and
- (b) variations in contract work, claims and incentive payment to the extent that:
 - (i) it is probable that they will result in revenue; and
 - (ii) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue by reference to the stage of completion of the contract activity at the reporting date.

Cost incurred to implement the National Housing Programme are expensed as contract cost.

Contract costs comprise:

- (a) costs that relate directly to the specific contract;
- (b) costs that are attributable to contract activity in general and can be allocated to the on a systematic and rational basis; and
- (c) other costs are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract for the period from the date of securing the contract to the final completion of the contract. Costs that cannot be attributed to contract activity or cannot be allocated to a contract are excluded from the costs of a construction contract.

Any unused funds advanced to the municipality is recognised as a liability.

1.30 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are made in respect of capital commitments for all contracts that are ongoing and not yet completed.

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and

Accounting Policies for the year ended 30 June 2023

1.30 Commitments (continued)

- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.31 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Recognition

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.32 Internal reserves

Capital replacement reserve (CRR)

This reserve is ring-fenced through the accumulated surplus. In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR. A corresponding amount is transferred to a designated CRR bank or investment account. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

The following guidelines are set for the creation and utilisation of the CRR:

- 1) The cash funds that back up the CRR are invested until utilised.
- 2) The CRR may only be utilised for purchasing items of property, plant and equipment, and not their maintenance, unless otherwise directed by Council.
- 3) Whenever an asset is purchased out of the CRR, an amount equal to the cost price of the asset is transferred from CRR and accumulated surplus is credited by a corresponding amount.

Self insurance reserve

The municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that arises from municipal fleet that is not insured externally. The balance of the Self-Insurance Reserve is determined based on the insurance risk carried by the municipality and past claims history. The balance of the self-insurance fund is invested in short-term cash investments.

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

This reserve is ring-fenced through the accumulated surplus.

City of uMhlathuze

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Accounting Policies for the year ended 30 June 2023

1.33 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

The municipality report on segments in terms of the main revenue generating streams. These segments also represent the funding sources that fund the municipal operations as per mSCOA. Management also uses these segments for determining strategic objectives particularly on the financial viability of each service.

1.34 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

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Accounting Policies for the year ended 30 June 2023

1.34 Related parties (continued)

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.35 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

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Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
2. Inventories		
Consumable stores	36 179 515	34 040 457
Water for distribution	4 783 747	3 382 594
Land	93 306 801	93 306 801
	134 270 063	130 729 852
Inventory pledged as security		
During the year no Inventory was pledged as security.		
Water for distribution		
Opening balance	3 382 594	2 421 774
Bulk purchases	162 362 936	136 085 736
Own production (Inventory gain)	581 557 585	527 840 130
Water losses	33 (434 101 278)	(260 004 342)
Inventory consumed (Authorised consumption)	(308 418 090)	(402 960 704)
Closing balance	4 783 747	3 382 594

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Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
3. Statutory receivables		
Fines	41 036 340	71 678 090
Property rates	199 507 447	186 816 946
Impairment - Rates	(22 600 000)	(39 680 000)
Impairment - Fines	(10 825 907)	(41 652 423)
	<u>207 117 880</u>	<u>177 162 613</u>

Statutory receivables general information

Transaction(s) arising from statute

Property Rates

Property rates are levied in terms of the Local Government: Municipal Property Rates Act No 6 of 2004, hence this is therefore recognised as a Statutory receivable. The receivable is calculated by the Council Approved rates randages against the valuation of the individual properties within the Municipality's jurisdiction. Council Approved rebates and exemptions are further applied to reduce the receivables.

Fines

Traffic fines are issued to offenders in terms of the Criminal Procedures Act, hence this is therefore recognised as a Statutory receivable. The receivable is calculated by determining the value of the fine to be paid on initial recognition, and accounting for subsequent measurement by taking into account reductions and discounts made to the value of the fine payable in terms of the court of law.

Interest or other charges levied/charged

The Municipality charges interest on all outstanding debtor balances older than 30 days in respect of the property rates account at a simple interest rate of Prime plus 1%.

Basis used to assess and test whether a statutory receivable is impaired

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

If there is an indication that a statutory receivable or a group of Statutory receivables may be impaired, the Municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. When the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable is reduced. The amount of loss is recognised in the surplus or deficit.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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3. Statutory receivables (continued)

Statutory receivables past due but not impaired

Statutory receivables which are less than 3 months past due are not considered to be impaired. At 30 June 2023, 7 872 549 (2022: 19 711 259) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	3 404 487	11 918 914
2 months past due	4 468 062	7 792 345
Rates		
Current (0-30 days)	131 456 813	109 014 590
31-60 days	3 827 737	11 392 514
61-90 days	3 580 412	7 373 520
91-120 days	2 356 392	4 309 976
121-365 days	23 645 554	24 271 929
>365 days	34 640 540	30 454 418
	199 507 448	186 816 947

Fines

Current (0-30 days)	19 050	379 075
31-60 days	(423 250)	526 400
61-90 days	887 650	418 825
91-120 days	1 352 950	578 975
121-365 days	4 322 450	13 245 775
>365 days	34 877 490	56 529 040
	41 036 340	71 678 090

Reconciliation of provision for impairment for statutory receivables

Opening balance	(81 332 422)	(153 409 318)
Contribution	47 906 516	72 076 896
	(33 425 906)	(81 332 422)

4. Receivables from exchange transactions

Gross balances		
Electricity	300 044 811	175 111 648
Water	427 583 821	590 899 922
Sewerage	37 626 724	32 366 590
Refuse	34 059 608	33 075 539
Sundry Debtors	139 400 484	94 330 746
Housing rental	28 774 931	22 840 535
	967 490 379	948 624 980

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
4. Receivables from exchange transactions (continued)		
Less: Allowance for impairment		
Electricity	(31 600 000)	(65 750 000)
Water	(58 400 000)	(173 990 000)
Sewerage	(3 900 000)	(8 400 000)
Refuse	(5 800 000)	(7 450 000)
Sundry Debtors	(15 600 000)	(14 030 000)
Housing rental	(4 700 000)	(6 590 000)
	<u>(120 000 000)</u>	<u>(276 210 000)</u>
Net balance		
Electricity	268 444 811	109 361 648
Water	369 183 821	416 909 922
Sewerage	33 726 724	23 966 590
Refuse	28 259 608	25 625 539
Sundry Debtors	123 800 484	80 300 746
Housing rental	24 074 931	16 250 535
	<u>847 490 379</u>	<u>672 414 980</u>
Electricity		
Current (0 -30 days)	352 573 532	124 192 798
31 - 60 days	555 527	27 464 212
61 - 90 days	(3 687 198)	9 910 015
91 - 120 days	(49 478 189)	5 523 936
121 - 365 days	(3 828 885)	8 635 305
> 365 days	3 910 024	(614 618)
Less: Allowance for impairment	(31 600 000)	(65 750 000)
	<u>268 444 811</u>	<u>109 361 648</u>
Water		
Current (0 -30 days)	178 762 530	144 459 050
31 - 60 days	10 413 963	36 410 390
61 - 90 days	14 762 581	19 163 174
91 - 120 days	19 169 139	46 156 256
121 - 365 days	97 643 610	110 706 183
> 365 days	106 831 998	234 004 869
Less: Allowance for impairment	(58 400 000)	(173 990 000)
	<u>369 183 821</u>	<u>416 909 922</u>
Sewerage		
Current (0 -30 days)	22 309 364	11 869 987
31 - 60 days	691 465	3 721 107
61 - 90 days	970 330	1 488 381
91 - 120 days	834 635	1 443 474
121 - 365 days	5 230 694	5 747 767
> 365 days	7 590 236	8 095 874
Less: Allowance for impairment	(3 900 000)	(8 400 000)
	<u>33 726 724</u>	<u>23 966 590</u>

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
4. Receivables from exchange transactions (continued)		
Refuse		
Current (0 -30 days)	22 189 970	18 141 799
31 - 60 days	623 807	5 682 994
61 - 90 days	836 679	1 325 328
91 - 120 days	856 814	884 143
121 - 365 days	4 254 325	4 206 805
> 365 days	5 298 013	2 834 470
Less: Allowance for impairment	(5 800 000)	(7 450 000)
	28 259 608	25 625 539
Sundry Debtors		
Current (0 -30 days)	111 689 516	54 360 567
31 - 60 days	247 419	438 997
61 - 90 days	507 298	199 355
91 - 120 days	192 365	499 272
121 - 365 days	1 219 107	1 953 303
> 365 days	25 544 779	36 879 252
Less: Allowance for impairment	(15 600 000)	(14 030 000)
	123 800 484	80 300 746
Housing rental		
Current (0 -30 days)	2 925 272	4 092 129
31 - 60 days	1 523 085	2 395 928
61 - 90 days	901 474	1 934
91 - 120 days	1 088 929	1 208 600
121 - 365 days	6 437 046	3 698 477
> 365 days	15 899 125	11 443 467
Less: Allowance for impairment	(4 700 000)	(6 590 000)
	24 074 931	16 250 535

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
4. Receivables from exchange transactions (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	31 806 246	69 462 979
31 - 60 days	2 192 330	4 871 738
61 - 90 days	4 511 612	5 875 791
91 - 120 days	5 472 723	6 221 079
121 - 365 days	36 258 469	29 621 313
> 365 days	109 020 267	101 177 400
	<u>189 261 647</u>	<u>217 230 300</u>
Less: Allowance for impairment	(36 004 366)	(69 744 089)
	<u>153 257 281</u>	<u>147 486 211</u>
Industrial/ commercial		
Current (0 -30 days)	413 449 391	204 848 135
31 - 60 days	3 461 463	5 807 249
61 - 90 days	(1 740 587)	4 011 161
91 - 120 days	(48 122 818)	2 919 159
121 - 365 days	13 950 659	5 376 103
> 365 days	51 291 092	48 912 609
	<u>432 289 200</u>	<u>271 874 416</u>
Less: Allowance for impairment	(38 777 002)	(68 795 023)
	<u>393 512 198</u>	<u>203 079 393</u>
National and provincial government		
Current (0 -30 days)	209 236 336	159 185 462
31 - 60 days	8 401 474	21 453 133
61 - 90 days	11 520 140	45 826 506
91 - 120 days	15 313 785	17 261 236
121 - 365 days	60 746 769	75 043 787
> 365 days	4 763 979	142 513 582
	<u>309 982 483</u>	<u>461 283 706</u>
Less: Allowance for impairment	(45 218 633)	(137 670 887)
	<u>264 763 850</u>	<u>323 612 819</u>
Total		
Current (0 -30 days)	690 450 185	357 116 331
31 - 60 days	14 055 267	76 113 628
61 - 90 days	14 291 165	32 088 187
91 - 120 days	(27 336 310)	55 715 681
121 - 365 days	110 955 898	134 947 840
> 365 days	165 074 174	292 643 313
	<u>967 490 379</u>	<u>948 624 980</u>
Less: Allowance for impairment	(120 000 000)	(276 210 000)
	<u>847 490 379</u>	<u>672 414 980</u>
Less: Allowance for impairment		
> 365 days	<u>(120 000 000)</u>	<u>(276 210 000)</u>

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
4. Receivables from exchange transactions (continued)		
Reconciliation of allowance for impairment		
Balance at beginning of the year	(276 210 000)	(340 317 218)
Contributions to allowance	156 210 000	64 107 218
	(120 000 000)	(276 210 000)
Consumer debtors past due but not impaired		
Consumer debtors which are less than 3 months past due are not considered to be impaired. At 30 June 2023, R 28 346 432 (2022: R 108 201 815) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	14 055 267	76 113 628
2 months past due	14 291 165	32 088 187
5. Other receivables		
Accrued interest	4 768 303	5 988 311
Prepayment and advances	16 690 143	14 850 432
Other	4 708 566	3 253 507
	26 167 012	24 092 250
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	41 432	20 611
Cash book balances	135 067 579	134 310 947
Short-term deposits	360 000 000	550 432 205
	495 109 011	684 763 763
Short-term deposits		
As at the end of the financial year, the Municipality had the following call and fixed deposits:		
Standard Bank (Call deposit)	-	40 000 000
Standard Bank (Fixed deposit)	90 000 000	150 432 205
Nedbank (Fixed deposit)	180 000 000	180 000 000
ABSA (Fixed deposit)	90 000 000	180 000 000
	360 000 000	550 432 205

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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6. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2023	30 June 2022	30 June 2021	30 June 2023	30 June 2022	30 June 2021
Absa Bank - Cheque - 2150000028	269 483	17 375 255	165 208 122	281 088	18 217 065	166 650 913
Absa Bank - Deposit - 2150000095	7 683 668	11 370 583	50 000	12 181 961	14 412 144	3 655 065
Absa Bank - Deposit - 9123615121	520 016	491 939	478 958	520 016	491 969	478 958
Absa Bank - Deposit - 9171373496	3 025 217	2 861 878	2 786 215	3 025 217	2 861 908	2 786 215
Absa Bank - Deposit - 9092247889	7 294 650	6 911 286	6 759 896	7 294 650	6 919 811	6 765 859
Absa Bank - Deposit - 9171373917	6 215 643	5 880 045	5 726 625	6 215 643	5 880 074	5 726 625
Absa Bank - Deposit - 9233674990	755 491	30 634 614	4 344	755 491	30 517 770	(121 511)
Absa Bank - Deposit - 9272068005	1 838 071	1 739 493	1 706 482	1 838 071	1 751 732	1 706 913
Absa Bank - Deposit - 4079286548	50 192	56 495	328 090	-	3 710	3 710
Absa Bank - Deposit - 9283221999	1 652 174	1 565 059	1 638 915	1 652 174	1 722 358	1 837 491
Absa Bank - Deposit - 9282916767	1 077 502	1 063 378	1 035 283	1 077 502	1 161 139	1 161 139
Absa Bank - Deposit - 9203780620	100 225 766	50 371 266	-	100 225 766	50 371 266	-
Total	130 607 873	130 321 291	185 722 930	135 067 579	134 310 946	190 651 377

City of uMhlatuze
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

7. Investment property

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	117 394 757	(8 461 563)	108 933 194	106 618 858	(7 998 777)	98 620 081

Reconciliation of investment property - 2023

	Opening balance	Work-In-Progress	Depreciation	Total
Investment property	98 620 081	10 775 899	(462 786)	108 933 194

Reconciliation of investment property - 2022

	Opening balance	Depreciation	Total
Investment property	99 115 472	(495 391)	98 620 081

Pledged as security

During the year there was no Investment Property pledged as security.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

8. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	1 050 774 577	-	1 050 774 577	1 052 714 469	-	1 052 714 469
Operational Buildings	363 156 459	(193 616 336)	169 540 123	333 647 301	(184 542 014)	149 105 287
Plant and machinery	448 337 597	(237 457 745)	210 879 852	408 397 645	(221 351 220)	187 046 425
Transport assets	120 330 710	(81 707 970)	38 622 740	123 190 688	(81 924 265)	41 266 423
Infrastructure	12 776 640 211	(7 992 033 688)	4 784 606 523	12 404 821 006	(7 998 815 275)	4 406 005 731
Community	804 050 727	(287 423 733)	516 626 994	619 779 388	(266 737 439)	353 041 949
Other property, plant and equipment	84 324 650	(64 479 782)	19 844 868	83 716 838	(63 648 432)	20 068 406
Housing	182 886 221	(62 688 374)	120 197 847	182 886 221	(54 577 436)	128 308 785
Total	15 830 501 152	(8 919 407 628)	6 911 093 524	15 209 153 556	(8 871 596 081)	6 337 557 475

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Work-in-Progress	Disposals	Reclassification	Depreciation	Impairment loss	Total
Land	1 052 714 469	-	-	(1 939 892)	-	-	-	1 050 774 577
Operational Buildings	149 105 287	7 135 768	24 008 138	(440 557)	-	(10 268 513)	-	169 540 123
Plant and machinery	187 046 425	52 693 056	-	(1 779 940)	31 234	(27 110 923)	-	210 879 852
Transport Assets	41 266 423	11 912 937	-	(3 829 848)	188 710	(10 915 482)	-	38 622 740
Infrastructure	4 406 005 731	184 649 184	482 515 414	(93 000 433)	-	(185 385 758)	(10 097 615)	4 784 606 523
Community	353 041 949	2 928 979	181 373 677	(26 107)	-	(20 667 256)	(24 248)	516 626 994
Other property, plant and equipment	20 068 406	4 685 811	-	(199 389)	(219 944)	(4 490 016)	-	19 844 868
Housing	128 308 785	-	-	-	-	(8 110 938)	-	120 197 847
	6 337 557 475	264 005 735	687 897 229	(101 296 166)	-	(266 948 886)	(10 121 863)	6 911 093 524

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Work-In-Progress	Disposals	Transfers	Reclassification	Restatements	Depreciation	Impairment loss	Total
Land	1 054 071 451	-	-	(1 356 982)	-	-	-	-	-	1 052 714 469
Operational Buildings	148 320 283	1 990 057	7 590 250	(133 138)	(324 714)	3 786 953	(771 094)	(11 353 310)	-	149 105 287
Plant and machinery	170 774 542	40 737 873	-	(89 179)	(42 133)	-	438 499	(24 773 177)	-	187 046 425
Transport Assets	51 419 144	787 672	-	-	-	-	(36 978)	(10 903 415)	-	41 266 423
Infrastructure	4 083 941 312	122 716 989	408 550 087	(20 318 726)	(3 468 567)	(13 116 932)	45 292 677	(216 042 804)	(1 548 305)	4 406 005 731
Community	322 393 118	4 500 180	32 356 412	(1 483 998)	3 793 280	9 329 979	7 011 883	(24 858 905)	-	353 041 949
Other property, plant and equipment	18 878 519	5 025 117	-	(47 485)	42 134	-	545 268	(4 375 147)	-	20 068 406
Housing	136 423 519	-	-	-	-	-	(365 277)	(7 749 457)	-	128 308 785
	5 986 221 888	175 757 888	448 496 749	(23 429 508)	-	-	52 114 978	(300 056 215)	(1 548 305)	6 337 557 475

Pledged as security

No assets were pledged as security.

Property, plant and equipment in the process of being constructed or developed

Carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected

Housing	-	5 589 530
The delay is due to budget issues.		
Community	-	992 474
The delays are due to community challenges.		
Other Assets	173 684	372 169
At a design stage		
Infrastructure	3 695 317	29 923 842
Project are still at planning phase and has not yet commenced.		
Water: Delays due to issues on site with the contractor.		
	3 869 001	36 878 015

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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8. Property, plant and equipment (continued)

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within Housing	Total
Opening balance	561 596 430	69 583 272	16 311 653	-	647 491 355
Additions/capital expenditure	482 515 414	181 373 677	24 008 138	-	687 897 229
Transferred to completed items	(80 492 512)	(23 500)	-	-	(80 516 012)
	<u>963 619 332</u>	<u>250 933 449</u>	<u>40 319 791</u>	<u>-</u>	<u>1 254 872 572</u>

Reconciliation of Work-in-Progress 2022

	Included within Infrastructure	Included within Community	Included within Other PPE	Included within Housing	Total
Opening balance	639 233 809	40 699 238	12 898 140	5 589 530	698 420 717
Additions/capital expenditure	408 550 086	32 356 412	7 590 250	-	448 496 748
Prior year correction	(2 979 134)	3 053 913	-	-	74 779
Prior year - Transferred to completed	(232 569 258)	(2 666 604)	(3 624 382)	(5 589 530)	(244 449 774)
Transferred to completed items	(250 639 074)	(3 859 689)	(552 352)	-	(255 051 115)
	<u>561 596 429</u>	<u>69 583 270</u>	<u>16 311 656</u>	<u>-</u>	<u>647 491 355</u>

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Employee related costs	239 690 783	207 420 961
Contracted services	141 959 780	131 590 670
Material	98 722 639	74 449 388
Transport	12 130 523	13 017 325
	<u>492 503 725</u>	<u>426 478 344</u>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

9. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Patents, trademarks and other rights	9 576 953	(331 258)	9 245 695	9 576 953	(91 834)	9 485 119
Computer software, other	278 108 541	(89 053 298)	189 055 243	230 365 259	(54 774 731)	175 590 528
Servitudes	3 552 458	-	3 552 458	3 552 458	-	3 552 458
Total	291 237 952	(89 384 556)	201 853 396	243 494 670	(54 866 565)	188 628 105

Reconciliation of intangible assets - 2023

	Opening balance	WIP	Amortisation	Total
Patents, trademarks and other rights	9 485 119	-	(239 424)	9 245 695
Computer software, other	175 590 528	47 743 281	(34 278 566)	189 055 243
Servitudes	3 552 458	-	-	3 552 458
	188 628 105	47 743 281	(34 517 990)	201 853 396

Reconciliation of intangible assets - 2022

	Opening balance	Additions	WIP	Amortisation	Total
Patents, trademarks and other rights	-	9 576 953	-	(91 834)	9 485 119
Computer software, other	164 849 727	34 451 470	6 317 923	(30 028 592)	175 590 528
Servitudes	3 552 458	-	-	-	3 552 458
	168 402 185	44 028 423	6 317 923	(30 120 426)	188 628 105

Pledged as security

There are no Intangible assets pledged as security.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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9. Intangible assets (continued)

Intangible assets in the process of being constructed or developed

Reconciliation of WIP

Opening balance	6 317 923	28 530 266
Additions/Capitalisations	47 743 281	6 317 923
Transferred to completed	-	(28 530 266)
	<u>54 061 204</u>	<u>6 317 923</u>

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

10. Heritage assets

	2023			2022		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art Collections, antiquities and exhibits	524 313	-	524 313	524 313	-	524 313
Historical buildings	1 940 298	-	1 940 298	1 940 298	-	1 940 298
Total	2 464 611	-	2 464 611	2 464 611	-	2 464 611

Reconciliation of heritage assets 2023

	Opening balance	Total
Art Collections, antiquities and exhibits	524 313	524 313
Historical buildings	1 940 298	1 940 298
	2 464 611	2 464 611

Reconciliation of heritage assets 2022

	Opening balance	Total
Art Collections, antiquities and exhibits	524 313	524 313
Historical buildings	1 940 298	1 940 298
	2 464 611	2 464 611

11. Other financial liabilities

At amortised cost		
DBSA loan	398 452 552	244 495 619
Nedbank loan	436 709 759	20 005 551
Standard Bank loan	576 864 280	651 583 809
	1 412 026 591	916 084 979

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
11. Other financial liabilities (continued)		
Total other financial liabilities	<u>1 412 026 591</u>	<u>916 084 979</u>
Refer to Appendix A for interest rates per loan and the full redemption dates.		
Non-current liabilities		
At amortised cost	<u>1 244 834 580</u>	<u>806 161 902</u>
Current liabilities		
At amortised cost	<u>167 192 011</u>	<u>109 923 077</u>
12. Payables from exchange transactions		
Trade payables	247 478 002	237 429 545
Payments received in advanced	69 157 365	55 391 494
Retentions	76 736 983	44 315 528
Other payables	48 429 865	83 942 538
Accrued leave pay	23 890 391	21 437 898
Accrued VAT	52 840 723	50 676 450
Accruals	118 080 809	169 609 670
Housing Contracts	82 574 934	57 265 057
	<u>719 189 072</u>	<u>720 068 180</u>
13. Consumer deposits		
Electricity	56 895 495	60 833 405
Regional services levies	259 523	347 345
	<u>57 155 018</u>	<u>61 180 750</u>
Bank Guarantees in favour of the Municipality for consumer deposits amounts R 59 055 410 (2023) and R 57 697 610 (2022)		
14. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Provincial Housing Grant	2 729 676	2 584 298
Provincial Local Government Grants	8 452 959	5 812 954
Provincial Libraries Grant	651 436	1 449 322
King Cetshwayo District Municipality	169 372	169 372
Municipal Disaster Relief Grant	26 590 338	-
	<u>38 593 781</u>	<u>10 015 946</u>

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note 24 for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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15. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Additions	Total
Pro rata bonus	25 205 994	1 472 887	26 678 881

Reconciliation of provisions - 2022

	Opening Balance	Additions	Total
Pro rata bonus	23 685 565	1 520 429	25 205 994

The bonus accrues on an annual basis based on their anniversary month. The provision is an estimate of the amount payable to staff for the following year on a pro-rata basis. The timing of the amount is uncertain with regards to payment of pro-rata bonus when staff members resign.

16. Employee benefit obligations

Post-employment medical benefits

The Municipality operates on 5 accredited medical aid schemes, namely: Bonitas, Hosmed, Keyhealth, LA Health and Samwumed. Pensioners continue on the option they belonged to on the day of their retirement. The independent valuers, Arch Actuarial Consulting, carried out a statutory valuation for the year ended 30 June 2023 with projected liabilities for year ending 2024 and 2025. The present value of the obligation is R211 651 000 (2022 - R200 215 000). There are no plan assets.

Long-service awards

The municipal employees are entitled to long service awards which can be encashed as per the bargaining council agreement. This benefit accrues to employees after 5 years of completed service. The independent valuers, Arch Actuarial Consulting, carried out a statutory valuation for the year ended 30 June 2023 with projected liabilities for year ending 2024 and 2025. The present value of the obligation is R 72 151 000 (2023 - R69 363 000).

The amounts recognised in the statement of financial position are as follows:

Carrying value		
Present value of the defined benefit obligation-wholly unfunded	(269 578 000)	(331 740 000)
Current service cost	(14 026 000)	(15 735 000)
Interest cost	(30 497 000)	(35 581 000)
Past service cost	-	(18 772 000)
Actuarial gain/(loss)	12 591 273	117 667 991
Benefits paid	17 707 727	14 582 009
	(283 802 000)	(269 578 000)
Non-current liabilities	(263 422 000)	(252 740 000)
Current liabilities	(20 380 000)	(16 838 000)
	(283 802 000)	(269 578 000)
Changes in the present value of the defined benefit obligation are as follows:		
Opening balance	269 578 000	331 740 000
Net amount recognised in the statement of financial performance	14 224 000	(62 162 000)
	283 802 000	269 578 000

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
16. Employee benefit obligations (continued)		
Net amount recognised in the statement of financial performance		
Current service cost	14 026 000	15 735 000
Past service cost	-	18 772 000
Interest cost	30 497 000	35 581 000
Actuarial (gains) losses	(12 591 273)	(117 667 991)
Settlement	(17 707 727)	(14 582 009)
	<u>14 224 000</u>	<u>(62 162 000)</u>

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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16. Employee benefit obligations (continued)

Key assumptions used

Post-employment medical benefits

Medical Aid Inflation

The Medical Aid Contribution Inflation rate was set with reference to the past relationship between the (yield curve based) discount rate for each relevant time period and the yield curve based medical aid contribution inflation for each relevant time period.

Average Retirement Age

The average retirement age for all active employers was assumed to be 62 years.

Normal Retirement Age

The normal retirement age (NRA) for all active employees was assumed to be 65 years.

Mortality Rates

Mortality before retirement has been based on the SA 85-90 mortality tables.

Spouses and Dependents

We assumed that the marital status of members who are currently married will remain the same up to retirement. It was also assumed that 90% of all single employees would be married at retirement with no dependent children.

Discount Rate

A discount rate of 12.53% per annum has been used. The corresponding index-linked yield at this term is 4.94%. These rates do not reflect any adjustment for taxation. These rates were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 19 June 2023.

Long service awards

Normal Salary Inflation Rate

The salaries used in the valuation include an assumed increase on 01 July 2023.

Average Retirement Age

The average retirement age for all active employers was assumed to be 62 years.

Normal Retirement Age

The normal retirement age (NRA) for all active employees was assumed to be 65 years.

Mortality Rate

Mortality before retirement has been based on the SA 85-90 mortality tables.

Discount

Rate

A discount rate of 11.71% per annum has been used. The corresponding liability-weighted index-linked yield is 4.89%. These rates do not reflect any adjustment for taxation, and were deduced from the interest rate data obtained from the JSE after the market close on 19 June 2023.

Discount rates used	11,71%	Yield Curve
Expected rate of return on assets		
Average Retirement Age	62 years	62 years
Health care cost inflation rate	8,26%	

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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16. Employee benefit obligations (continued)

Defined Contribution Plan

The municipality's employees are members of one of the three Natal Joint Municipal Pension Fund i.e. (Superannuation, Provident and Retirement). The valuator carries out a statutory valuation once after three years and an interim valuation on an annual basis.

The following valuations have been carried out:

Superannuation fund - interim on annual basis

Provident fund - interim on annual basis

Retirement fund - interim on annual basis

Superannuation

An Interim Valuation of the fund was carried out for the period ending 31 March 2022.

For services to 31 March 2022	Pensioners	Members	Total
Assets	7 494 951 000	7 969 134 000	15 464 085 000
Liabilities	(6 064 393 000)	(6 312 988 000)	(12 377 381 000)
	1 430 558 000	1 656 146 000	3 086 704 000

Pensioners: Funding level - 120.7%

Members: Funding level - 118.8%

For services to 31 March 2021	Pensioners	Members	Total
Assets	6 609 549 000	7 368 515 000	13 978 064 000
Liabilities	(5 492 723 000)	(6 356 065 000)	(11 848 788 000)
	1 116 826 000	1 012 450 000	2 129 276 000

Pensioners: Funding level - 117.5%

Members: Funding level - 100.1%

Investment reserves	31 March 2022
Contribution reserves	86 400 000

Investment reserves	31 March 2021
Contribution reserve	80 018 000

Conclusion

1. The valuation reveals that the Fund is 108.9% funded on the "best estimate" Funding basis as at the valuation date and is also fully funded on the alternative bases as set out in PF Notice No. 2 of 2016.

2. The Asset composition on the valuation date is appropriate to the nature of the liabilities and that the investment strategy of the fund is suitable for the fund.

3. The fund self-insures its risk benefits. The lump sum element of these benefits is relatively small, with the major element comprising of annuity payments. Given the recommended Risk Reserve, the fund's reinsurance is appropriate.

4. The fund is in a sound financial position as at the valuation date.

Provident Fund

City of uMhlathuze

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Notes to the Annual Financial Statements for the year ended 30 June 2023

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16. Employee benefit obligations (continued)

The salient features of the Statutory Actuarial Valuation Report on the fund as at 31 March 2022 and 31 March 2021 were that the net market value of the fund's assets was sufficient for to fully cover the members' share account and to provide total reserves of R582 305 000 at 31 March 2022 and R 491 033 000 at 31 March 2021.

Due to the smoothing mechanism, a portion of the investment return to 31 March 2022 has been applied to fund the interim bonus for April 2022. The value of the liabilities therefore includes all interim bonuses to 30 April 2022.

Conclusion

1. The valuation reveals that the fund is 100.2% funded as at the valuation date
2. The contribution rate allocated towards risk benefits and expenses in the year following the valuation date is expected to be sufficient to cover the cost of these benefits and expenses.
3. The Actuary is satisfied that the asset composition on the valuation date is appropriate to the nature of the liabilities and that the investment strategy of the fund is suitable for the fund.
4. The fund self-insures its death benefits and disability benefits. The Actuary is satisfied that, given the recommended Risk and Expense Reserve Account, the arrangement is appropriate for the fund.
5. The Actuary is of the view that the fund is in a sound position as at the valuation date.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

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16. Employee benefit obligations (continued)

Retirement Fund

The Actuarial value of total assets of the fund was more than the actuarial value of the liabilities for the service of pensioners and members to that date:

The total assets for 31 March 2022 were R 5 346 445 000 and for 31 March 2021 R 4 806 932 000.

The total liabilities for 31 March 2022 were R1 441 068 000 and for 31 March 2021 R 1 479 115 000.

For services to 31 March 2022

for pensioners - funding level 128.8% (2021: funding level 124.5%)
for members - funding level 120.4% (2021: funding level 102.7%)

The fund did not hold an Investment Reserve

Taking into account the results of the valuation, the cost of the improvements, the market performance following the valuation date and especially considering the current market volatility, we estimate that the surcharge will be required for about two further years to enable the improvements to be given.

The Actuary therefore recommend that the current surcharge of 35.0% of pensionable salaries continue to be paid to bring forward the elimination of historical discrimination by the improvement of the benefits to members.

Conclusion

1. The fund is 107.1% funded on the 'best estimate' basis as at the valuation date, and is also not fully funded on the alternative basis as set out in PF Notice No. 2 of 2016.

2. The Actuary is satisfied that the asset composition on the valuation date is appropriate to the nature of the liabilities and that the investment strategy of the fund is suitable for the fund.

3. The fund self-insures its risk benefits.

4. The Actuary is of the view that the fund is not in a sound financial position as at the valuation date.

17. Accumulated surplus

Ring-fenced internal funds and reserves within accumulated surplus - 2023

	Capital replacement reserve	Accumulated surplus	Insurance reserve	Housing development fund	Total
Opening balance	303 744 524	6 008 327 344	5 000 000	3 265 173	6 320 337 041
Transfer to capital replacement reserve	(123 744 524)	123 744 524	-	-	-
Surplus for the year	-	92 598 170	-	-	92 598 170
Contribution to Housing development fund	-	(280 120)	-	280 120	-
	180 000 000	6 224 389 918	5 000 000	3 545 293	6 412 935 211

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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17. Accumulated surplus (continued)

Ring-fenced internal funds and reserves within accumulated surplus - 2022

	Capital replacement reserve	Accumulated surplus	Insurance reserve	Housing development fund	Total
Opening balance	573 371 263	5 497 835 946	5 000 000	3 265 173	6 079 472 382
Transfer to capital replacement reserve	(269 626 739)	269 626 739	-	-	-
Surplus for the year	-	240 864 657	-	-	240 864 657
	303 744 524	6 008 327 342	5 000 000	3 265 173	6 320 337 039

18. Service charges

Sale of electricity	1 760 071 801	1 562 940 002
Sale of water	545 863 434	556 459 020
Sewerage and sanitation charges	107 728 401	108 153 359
Refuse removal	107 255 741	102 919 734
	2 520 919 377	2 330 472 115

An amount of (2023: R 12 791 172.44) (2022: R 13 067 206.71) received in respect of prepaid electricity sales has been deferred and transferred to amounts received in advance.

An amount of R 144 662.74 for 2023 received in respect of prepaid water sales has been deferred and transferred to amounts received in advance.

19. Construction Contracts

Construction Contracts		
Revenue	125 288 898	78 306 911
Expenditure - Included under Contracted Services	(125 288 898)	(78 306 911)
	-	-

The construction contracts relate to the agreements entered into between the Municipality and the KwaZulu-Natal Department of Housing in respect of housing projects where the Municipality is a project developer in this arrangement. This arrangement is accounted for in line with the accounting policy for Construction Contract - Housing Projects.

The construction contracts expenses consist mainly of contracted services wherein the Municipality procures the services of building contractors and other consultants in the construction of the houses on its behalf.

The construction contracts revenue is recognised on a stage of completion based on the costs incurred. There are no contracts accounted for as work in progress given that costs are expensed when incurred.

The amounts received in advance for work to be done is recognised as a liability and disclosed on Note 12: Payables from exchange transactions.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
20. Debt impairment reversal		
Contributions to debt impairment provision	<u>(204 116 989)</u>	<u>(136 019 044)</u>
Debt impairment reversal is broken down into services as follows:		
Debt Impairment Reversal		
Electricity	(34 150 000)	14 182 073
Fines	(30 826 516)	(54 954 031)
Housing rentals	(1 890 000)	(1 810 760)
Rates	(17 080 000)	(17 122 865)
Sundry debtors	1 570 000	(11 645 885)
Refuse	(1 650 000)	(3 182 545)
Sewerage	(4 500 000)	(1 476 369)
Water	(115 590 473)	(60 008 662)
	<u>(204 116 989)</u>	<u>(136 019 044)</u>
21. Operational Revenue		
Building Plans	433 984	638 115
Extension Fees	2 253 879	880 456
Forfeited Deposits	8 160 357	8 038 195
Insurance claims refund	1 524 515	1 270 153
Sundries	18 765 546	8 686 252
Advertisement	2 450 827	2 540 876
Incidental cash surplus	4 097 637	558 723
Discount Received	644 900	715 570
Collection charges	4 869 342	641 670
Meter Replacement	-	28 368
Legal fees recovered	1 023 499	1 768 651
	<u>44 224 486</u>	<u>25 767 029</u>
22. Investment received - investment		
Interest revenue		
Bank	<u>26 846 335</u>	<u>34 734 726</u>

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
23. Property rates		
Rates received		
Residential	211 871 782	213 743 932
Commercial	176 208 991	162 205 467
State	9 048 956	19 705 928
Municipal	38 673 315	35 562 570
Small holdings and farms	295 145	258 956
Industrial	155 302 306	146 619 431
Mining	863 794	813 195
Public Service Infrastructure	36 314 667	20 858 023
Less: Income forgone	(12 771 317)	(32 323 958)
	615 807 639	567 443 544
Property rates - penalties imposed	901 673	2 517 489
	616 709 312	569 961 033
Valuations		
Residential	22 251 506 000	22 085 286 000
Commercial	8 664 047 000	8 134 285 000
State	3 706 040 000	4 411 553 000
Vacant Land	3 281 475 000	3 001 073 000
Public benefit organisation	116 108 000	11 612 000
Agriculture	1 134 519 000	1 121 213 000
Industrial	6 939 317 000	6 851 609 000
Mining	36 142 000	36 142 000
Public service infrastructure	209 880 000	85 337 000
Multiple use	-	386 719 000
	46 339 034 000	46 124 829 000

The first valuation in terms of the Property Rates Act No.6 of 2004 came into effect on 01 July 2008. Valuations were performed on land and buildings together. Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2020. One supplementary valuation roll and objection roll in terms of the new Act were processed during the financial year. The following rate randage and ratio to residential tariff were applied:

	Rates Randage	Ratio to Residential Tariff
Residential	0,0104	1 : 1,00
Business/Commercial	0,0218	1 : 2,10
Industrial	0,0228	1 : 2,20
Agricultural	0,0026	1 : 0,25
Public Service Purposes (State owned)	0,0120	1 : 1,10
Public Services Infrastructure	0,0026	1 : 0,25
PBO's	0,0026	1 : 0,25
Mining	0,0238	1 : 2,30
Vacant Land	0,0218	1 : 2,10

Subject to the provisions contained in the Rates Policy and upon application, the following rebates were applied:

Agricultural Properties - 5%

Non-profit Organisations - 20%

Pensioners - R250 000 Valuation Reduction on primary developed property

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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23. Property rates (continued)

In addition to the statutory R15 000 reduction in the valuation on residential properties, a further reduction of R145 000 of the valuation on all developed residential properties with >R480 000 was made.

Rates are levied on a monthly basis but upon request can be levied annually. The final date for payment of rates that are levied on an annual basis is 30 September of each year, and 30 June for monthly ratepayers. Interest of prime plus 1% is levied on outstanding rates.

24. Transfers and subsidies

Operating grants

Equitable share	471 939 000	416 124 000
Finance Management Grant	2 500 000	2 450 000
Expanded Public Works Integrated Grant	3 213 000	3 417 000
Energy Efficiency and demand side management grant	133 775	94 342
Provincial Housing Grant	4 662 506	1 923 778
Provincial Libraries/Museums Grant	11 529 331	11 786 046
Municipal Disaster Relief Grant	7 426 195	-
Provincial local government grant	614 994	506 703
Integrated Urban Development Grant	-	604 190
	502 018 801	436 906 059

Capital grants

Integrated Urban Development Grant	209 302 000	130 145 810
Energy Efficiency and demand side management grant	1 866 225	3 905 658
Water Service Infrastructure Grant	37 000 000	40 000 000
Municipal Disaster Relief Grant	949 467	-
Provincial Local Government Grant	495 000	7 237 081
Provincial Libraries/Museums Grant	1 128 556	1 905 733
	250 741 248	183 194 282
	752 760 049	620 100 341

Equitable Share

Equitable Share

Current-year receipts	471 939 000	416 124 000
Conditions met - transferred to revenue	(471 939 000)	(416 124 000)
	-	-

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Water services infrastructure grant

Current-year receipts	37 000 000	40 000 000
Conditions met - transferred to revenue	(37 000 000)	(40 000 000)
	-	-

National Conditional Grants are allocated in terms of the Division of Revenue Act. The purpose of this grant is to facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services especially in rural municipalities; provide basic and intermittent water and sanitation supply that ensures provision of services to identified and prioritised communities; support municipalities in implementing water conservation and water demand management projects; support drought relief projects in affected municipalities.

City of uMhlatuze

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Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
24. Transfers and subsidies (continued)		
Provincial Housing Grant		
Balance unspent at beginning of year	2 584 298	2 674 198
Current-year receipts	4 662 506	1 764 445
Conditions met - transferred to revenue	(4 662 506)	(1 923 778)
Interest Received	145 378	69 433
Conditions still to be met - remain liabilities (see note 14)	2 729 676	2 584 298
<p>Provincial Housing grants were allocated to assist in the refurbishment of various hostels. The grants are spent in accordance with a business plan approved by the Provincial Government. Funds were provided for the housing operating account. Funds were also provided for the Municipality to implement the Enhanced Extended Discount Benefit Scheme. No funds were withheld.</p>		
Financial management grant		
Current-year receipts	2 500 000	2 450 000
Conditions met - transferred to revenue	(2 500 000)	(2 450 000)
	-	-
<p>National Conditional Grants are allocated in terms of the Division of Revenue Act. The Financial Management Grant is used to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA). No funds have been withheld.</p>		
Provincial Local Government Grant		
Balance unspent at beginning of year	5 812 954	5 936 405
Current-year receipts	3 750 000	7 620 333
Conditions met - transferred to revenue	(1 109 995)	(7 743 784)
Conditions still to be met - remain liabilities (see note 14)	8 452 959	5 812 954
<p>Provincial Local Government grants are used to implement administrative and financial framework and to provide a municipal infrastructure framework. The grants are spent in accordance with a business plan approved by the Provincial Government. No funds have been withheld.</p>		
Provincial Libraries/Museums		
Balance unspent at beginning of year	1 449 322	1 860 301
Current-year receipts	11 860 000	13 280 800
Conditions met - transferred to revenue	(12 657 886)	(13 691 779)
Conditions still to be met - remain liabilities (see note 14)	651 436	1 449 322
<p>Funding was received for the installation of computer hardware and software for public internet access, the cost of the internet connectivity, furniture to house these computers and salaries for the employment of "cyber-cadets". The subsidies are spent in accordance with a business plan approved by the Provincial Government. A subsidy was also received for the operations of the museums. Certain assets were also donated for the libraries. Funding received as a contribution towards the new Mpembeni Modular Library. No funds have been withheld.</p>		
Expanded Public Works Integrated grant		
Current-year receipts	3 213 000	3 417 000
Conditions met - transferred to revenue	(3 213 000)	(3 417 000)
	-	-
<p>National Conditional Grants are allocated in terms of the Division of Revenue Act. The grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in compliance with EPWP Guidelines. No funds have been withheld.</p>		

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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24. Transfers and subsidies (continued)

Energy Efficiency and Demand Side Management grant

Current-year receipts	2 000 000	4 000 000
Conditions met - transferred to revenue	(2 000 000)	(4 000 000)
	-	-

National Conditional Grants are allocated in terms of the Division of Revenue Act. The purpose of the grant is to provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.

King Cetshwayo District Municipality

Balance unspent at beginning of year	169 372	169 372
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King Cetshwayo allocated funds for the beach protection project at Alkandstrand beach Richards Bay.

Integrated Urban Development Grant (IUDG)

Current-year receipts	209 302 000	130 750 000
Conditions met - transferred to revenue	(209 302 000)	(130 750 000)
	-	-

National Conditional Grant are allocated in terms of the Division of Revenue Act. The purpose of the grant is to provide funding for public investment in infrastructure for the poor and to promote increased access to municipal own sources of capital finance in order to increase funding for public investment in economic infrastructure; to ensure that public investments are spatially aligned and to promote the sound management of the assets delivered. No funds have been withheld for the 2022 Financial year.

Municipal Disaster Recovery Grant

Current-year receipts	34 966 000	-
Conditions met - transferred to revenue	(8 375 662)	-
	26 590 338	-

National Conditional Grants are allocated in terms of the Division of Revenue Act. The purpose of the grant is to rehabilitate and reconstruct municipal infrastructure damaged by a disaster.

25. Public contributions and donations

Other public contributions and donations	1 386 692	163 465
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Public contributions and donations were received from various organisations for skills development.

26. Fines, Penalties and Forfeits

Law Enforcement Fines	7 275 111	20 726 388
Overdue Books Fines	1 765	3 380
	7 276 876	20 729 768

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

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	2023	2022
27. Employee related costs		
Basic	595 612 058	564 851 727
Bonus	48 493 256	46 366 042
Medical aid - company contributions	49 887 038	46 777 759
UIF	4 546 987	4 474 895
Leave pay	27 337 814	23 444 112
Other short term costs	26 891 165	26 300 927
Defined contribution plans	8 686 727	7 790 009
Travel, motor car, accommodation, subsistence and other allowances	62 008 479	56 736 349
Overtime payments	98 244 724	79 418 377
Long-service awards	575 941	379 842
Housing benefits and allowances	3 454 497	3 987 287
Cell phone allowance	5 245 586	6 439 071
Pension and group life	118 839 927	109 822 011
Employee benefit obligation - Medical aid subsidy	22 182 273	32 661 991
Employee benefit obligation - Long service awards	4 633 000	22 844 000
	1 076 639 472	1 032 294 399

Included in employee related cost is an accrual amount of R 605 092 for 2022/2023 performance bonuses of Senior Managers.

2023 : Remuneration to senior managers & managers	City Manager	COO	DCM: Infrastructure Services	DCM:Electricity and Energy Services
Annual Remuneration	1 957 830	1 260 945	1 605 823	1 324 985
Annual Bonus	1 783	104 319	124 760	111 492
Contribution to UIF, Medical & Pension Fund	146 981	309 965	72 000	678 431
Travel Allowance	138 620	313 080	252 485	161 782
	2 245 214	1 988 309	2 055 068	2 276 690

2022 : Remuneration to senior managers & managers	City Manager	COO	DCM: Infrastructure Services	DCM:Electricity and Energy Services
Annual Remuneration	2 113 865	1 231 070	471 066	1 273 707
Annual Bonus	192 767	102 589	-	106 142
Performance Bonus	-	89 947	-	-
Contribution to UIF, Medical & Pension Fund	413 878	278 675	36 182	349 488
Travel Allowance	260 581	229 759	105 160	112 756
	2 981 091	1 932 040	612 408	1 842 093

2023 : Remuneration to senior managers & managers	DCM: City Development	DCM: Community Services	DCM: Financial Services (CFO)	DCM: Corporate Services	Head: Engineering Services
Annual Remuneration	1 519 972	1 398 261	1 572 078	3 325 458	-
Annual Bonus	121 506	119 237	125 772	6 598	-
Performance Bonus	91 296	107 936	398 735	-	-
Contribution to UIF, Medical & Pension Fund	180 321	336 823	80 633	227 479	-
Travel Allowance	161 498	254 866	204 600	225 021	-
	2 074 593	2 217 123	2 381 818	3 784 556	-

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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27. Employee related costs (continued)

2022 : Remuneration to senior managers & managers	DCM: City Development	DCM: Community Services	DCM: Financial Services (CFO)	DCM: Corporate Services	Head: Engineering Services
Annual Remuneration	1 430 400	1 380 688	1 471 697	1 539 333	-
Annual Bonus	119 200	115 057	122 641	-	-
Performance Bonus	-	-	89 947	-	-
Travel Allowance	140 051	247 056	204 600	238 736	-
Contribution to UIF, Medical & Pension Fund	152 442	99 291	43 154	64 023	-
	1 842 093	1 842 092	1 932 039	1 842 092	-
2023 : Remuneration to senior managers & managers	Head: Financial Service Exp	Head: Financial Service Revenue	Head: Roads, Transport and Stormwater	Head: Water and Sanitation	Head: Management Services
Annual Remuneration	894 589	298 196	894 589	525 436	429 331
Annual Bonus	74 549	4 047	74 549	74 756	-
Housing Subsidy	12 141	-	-	-	4 047
Travel Allowance	365 582	386 144	365 582	214 965	196 208
Contribution to UIF, Medical & Pension Fund	301 835	102 112	234 949	302 443	120 234
Acting Allowance	-	-	-	-	64 841
	1 648 696	790 499	1 569 669	1 117 600	814 661
2022 : Remuneration to senior managers & managers	Head: Financial Service Exp	Head: Financial Service Revenue	Head: Roads, Transport and Stormwater	Head: Water and Sanitation	Head: Management Services
Annual Remuneration	852 802	53 417	595 293	852 802	852 802
Annual Bonus	71 067	-	-	71 067	71 067
Housing Subsidy	11 574	-	-	-	11 574
Travel Allowance	347 184	53 417	241 865	347 184	347 184
Contribution to UIF, Medical & Pension Fund	294 286	-	152 694	268 911	314 901
	1 576 913	106 834	989 852	1 539 964	1 597 528

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

		2023		2022	
27. Employee related costs (continued)					
2023 : Remuneration to senior managers & managers	Head: Public Health & Emergency Services	Head: Electrical Services	Head: Economic Development	Head: Corporate Services	Head: SCM
Annual Remuneration	894 589	447 294	670 942	670 942	727 527
Annual Bonus	74 549	30 841	-	74 549	74 549
Housing Subsidy	12 141	4 047	-	3 035	8 094
Travel Allowance	365 582	182 324	274 264	274 878	297 364
Contribution to UIF, Medical & Pension Fund	269 408	136 261	222 076	404 255	270 900
	1 616 269	800 767	1 167 282	1 427 659	1 378 434
2022 : Remuneration to senior managers & managers	Head: Public Health & Emergency Services	Head: Electrical Services	Head: Economic Development	Head: Corporate Services	Head: SCM
Annual Remuneration	852 802	-	852 802	852 802	852 802
Annual Bonus	71 067	-	71 067	71 067	71 067
Housing Subsidy	11 574	-	-	-	11 574
Travel Allowance	347 184	-	347 184	347 184	347 184
Contribution to UIF, Medical & Pension Fund	150 139	-	321 553	279 605	402 615
	1 432 766	-	1 592 606	1 550 658	1 685 242
28. Remuneration of councillors					
Mayor			1 167 263	1 058 113	
Deputy Mayor			549 212	839 960	
Executive Committee Members			5 372 583	5 345 382	
Speaker			929 485	848 310	
Councillors			22 955 630	21 068 686	
Chief Whip			886 939	736 081	
Section 79 committee chairperson			862 478	631 733	
			32 723 590	30 528 265	
In-kind benefits					
The Mayor, Deputy Mayor, Speaker, Chief Whip and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.					
The Mayor, Speaker, the Deputy Mayor and Chief Whip each have the use of separate Council owned vehicles for official duties.					
Included in the Remuneration of councillors is an accrual amount of R 1 081 147 for 2022/2023 remuneration increase. This will be processed 2023 financial year once the final Gazette is issued.					
29. Inventory Consumed					
Inventory Consumed			443 351 013	502 191 459	

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
29. Inventory Consumed (continued)		
Inventory Consumed		
Consumables	881 948	1 471 923
Finished Goods	682 313	491 516
Materials and Supplies	133 363 554	97 267 316
Water Inventory	308 418 090	402 960 704
	443 345 905	502 191 459
30. Depreciation and amortisation		
Property, plant and equipment	266 948 886	300 056 215
Investment property	462 786	495 390
Intangible assets	34 517 990	30 120 425
	301 929 662	330 672 030
31. Finance costs		
Other financial liabilities	89 003 489	57 199 837
32. Bad debt written off		
Electricity	448 998	382 806
Fines	36 800 600	67 108 585
Sewerage	1 952 016	2 119 064
Rates	6 999 904	3 031 276
Refuse	1 575 718	1 572 892
Water	198 171 361	45 677 416
	245 948 597	119 892 039

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
33. Bulk purchases		
Electricity	1 250 740 202	1 151 971 461
Electricity losses		
Units purchased (KW)	965 039 240	957 059 422
Units sold (KW)	(887 263 972)	(870 334 964)
Total loss	77 775 268	86 724 458
Electricity losses (KW)	77 775 268	86 724 458
Unit cost / KW	1,30	1,20
Loss in Rand Value	101 107 848	104 069 349
Percentage Loss	8 %	9 %
Electricity losses are attributable to the following reasons:		
Non-Technical reasons: Theft .		
Technical reasons: Electricity resistivity in the network. Ageing of network without sufficient replacement, refurbishment and maintenance. Incorrect meter calibration and monitoring.		
Water losses		
Apparent losses: Unauthorised consumption	19 731 708	12 719 376
Apparent losses: Customer meter inaccuracies	39 069 115	23 400 328
Real losses: Leakage on transmission and distribution mains	234 549 017	140 571 149
Real losses: Leakage and overflows at storage tanks/ reservoirs	17 364 051	10 400 146
Real losses: Leakage on service connections up to the point of customer meter	99 932 845	59 913 161
Real losses: During repairs and maintenance	23 454 542	13 000 182
Total losses (Rand value)	434 101 278	260 004 342
Units purchased and produced (KL)	61 038 748	51 579 137
Authorised consumption (KL)	(26 493 403)	(32 218 463)
Total loss (units)	34 545 345	19 360 674
Percentage Loss	57 %	38 %

In accordance with the Water Inventory Balance model Water Losses are attributed to two primary categories of Apparent Losses and Real Losses. Apparent Losses are further broken down into two subcategories - Unauthorized Consumption (Theft, illegal connections) and Meter Inaccuracies. Real Losses are the losses that occur in the inefficiencies of the water transmission and distribution and storage systems

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
34. Contracted services		
Outsourced Services		
Other Contractors	30 663 247	28 215 140
Project Management	129 122 173	89 170 155
Internal Audit	12 151 954	7 602 319
Legal Services	6 946 694	3 840 649
Credit Control Services	5 983 633	4 801 006
Cleaning Services	7 966 663	7 861 574
Meter Management	10 897 731	8 590 702
Security Services	84 063 094	74 554 734
Sewerage Services	16 280 911	20 534 634
Social Housing Contractors	125 288 898	78 306 911
Maintenance Contractors	151 144 511	130 504 298
	580 509 509	453 982 122
35. Transfer and subsidies		
Other subsidies		
Subsidies Paid	8 772 298	9 278 714

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
35. Transfer and subsidies (continued)		
Details of Grants and Subsidies paid		
SPCA	465 800	405 043
Bursaries Employees Children	456 450	438 559
Funeral Councillors - In Kind	41 000	95 500
Funeral Councillors	254 610	127 562
University Registrations	570 000	216 000
Disaster Management Awareness Campaigns and Relief Assistance	512 565	515 176
Mthiya (Pty) Ltd Holdings Boxing Tournament	-	300 000
Human Rights and Freedom Day	-	106 302
Richards Bay Football Club	1 060 000	3 000 000
Mandela Day Celebration	168 429	100 000
Christmas Party for Senior Citizens	-	522 800
uMhlathuze Beauty Pageant 2022	-	36 000
Chieta Funding Grant in Aid	-	163 465
Soul and Jazz Experience	-	2 625 000
Madiba jive Music Festival	-	250 000
Federations - Netball	-	18 000
uMhlathuze Community Tourism Association	300 000	300 000
Youth Manager - Strategic Partnership	137 052	59 307
Dolofees	200 000	-
Umhlathuze International Jazz Festival	200 000	-
Umhlathuze Hindu Development Community	50 000	-
Zwide 24 Entertainment - King Cetshwayo Festival	200 000	-
Umhlathuze Rise Youth Festival	100 000	-
Isigqi Lifestyle and Development Foundation: Artists Talent Search	100 000	-
NYE (New Year's Eve) Abajabule Abantu - Afrotainment	500 000	-
Winzaar - Ubuntombi Bami	477 500	-
God's Power Gospel Celebration	150 000	-
BF Entertainment - The Social Experiment	100 000	-
Downstream Aluminium Center for Technology (DACT)	220 000	-
SAFA King Cetshwayo Football Association	60 000	-
Sundries	138 584	-
NRB Harriers: Umhlathuze 32km Challenge	200 000	-
Primere Skool Arboretum	80 000	-
Mhlongo ME	200 000	-
Boys to Men	122 860	-
Girls to Woman	122 860	-
Youth Development: Community Youth Month Celebration	370 194	-
Executive mayor Campaigns	782 065	-
Ingoma Festival	121 888	-
Agricultural projects	263 941	-
Chieta Funding Training and Development	46 500	-
	8 772 298	9 278 714

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
36. Operating expenses		
Personnel recruitment fees	1 715 395	-
Advertising	3 585 967	2 687 727
Auditors' remuneration	6 115 190	5 655 478
Bank charges	9 813 387	8 978 091
Cleaning	43 951	6 640
Commission paid	6 948 481	7 362 904
Entertainment	220 431	160 704
Fines and penalties	-	16 164
Insurance	15 930 405	13 517 738
Community development and training	7 579 296	5 390 715
Conferences and seminars	488 199	364 601
Employee awards	59 101	117 928
Levies	8 774 180	8 169 107
Motor vehicle expenses	1 699 866	1 313 645
Packaging	308 971	302 325
Fuel and oil	65 939 146	44 689 109
Postage and courier	1 754 721	2 388 521
Printing and stationery	120 121	182 998
Workmen's Compensation Fund	5 061 203	5 323 708
Software expenses	35 275 088	30 865 227
Subscriptions and membership fees	11 973 988	10 686 781
Telephone and fax	8 064 224	9 526 223
Refuse site fees	14 435 173	13 332 664
Sewerage and waste disposal	19 877 296	21 519 974
Uniforms	6 343 568	5 435 559
Bursaries	516 497	468 102
Electricity Consumption - Indigent Support	19 106	1 445 286
Licences	4 087 241	3 853 758
Travel and Subsidies	3 244 331	2 071 984
Rental of Property, Plant and Equipment	24 954 436	49 140 526
Signage	518 506	736 877
Water Levies	44 580 569	25 202 153
Inventory Loss	1 787 635	1 498 313
	311 835 669	282 411 530

37. Auditors' remuneration - fees

Fees	6 115 190	5 655 478

38. Operating lease

The municipality as a lessee.

At the reporting date, the municipality has an outstanding commitment under operating leases which fall due as follows:

IT Equipment		
Within one year	2 838 255	3 438 255
In the second to the fifth year inclusive	3 518 250	2 314 069
	6 356 505	5 752 324

Operating lease payment represents rental of printers and the telephone system.

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
39. Net cash flows from operating activities		
Surplus	92 598 170	240 864 658
Adjustments for:		
Depreciation and amortisation	301 929 662	330 672 030
Loss on sale of assets and liabilities	44 346 166	23 289 489
Impairment loss	10 121 864	1 548 304
Debt impairment	(204 116 989)	(136 019 044)
Bad debts written off	245 948 597	119 892 039
Non-cash item - employee benefit obligations	14 224 000	(62 162 000)
Movements in provisions	1 472 887	1 520 429
Other non-cash items - inventory gain	(581 557 584)	(527 840 131)
Water losses	434 101 278	260 004 342
Inventory loss	1 787 635	1 498 313
Changes in working capital:		
Inventories	157 421 572	119 956 885
Receivables from exchange transactions	(221 013 492)	(250 453 801)
Statutory receivables	(25 849 255)	(29 535 769)
Other Receivables	(2 074 762)	1 055 322
Payables from exchange transactions	(10 307 056)	159 891 510
VAT	(9 844 328)	(7 935 896)
Unspent conditional grants and receipts	28 577 835	(624 330)
Consumer deposits	(4 025 732)	6 876 280
	273 740 468	252 498 630
40. Commitments		
Authorised capital expenditure		
Already contracted for		
• Property, plant and equipment	716 707 402	718 656 868
Total capital commitments		
Approved and already contracted for	716 707 402	718 656 868

This committed expenditure relates to plant and equipment and will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated, etc.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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41. Contingencies

Panda Petroleums: Tender 8/2/1/983 was awarded to Panda Petroleums CC. There is a term letter that was addressed to the lessee on 30 June 2017 advising them of the various breaches committed in terms of the agreement and urged him to remedy the breaches within a specific time frame, which was not adhered to. A termination letter was subsequently sent to Panda. The meeting held between that was held between the two parties was unable to bring forth a consensus and therefore the matter was taken to court. The potential financial effect is not yet known. The fees incurred by council to date are R 130 407.70.

Thinasobabili Trading Enterprises CC: Tender 8/2/1/UMH798-16/17 was awarded to Thinasobabili Trading and the contractor failed to perform its duties in a sound and prudent manner and further failed to proceed with the works in accordance with the programme. Council invoked the breach provisions of the SLA and later cancelled the agreement. An action was instituted against Council by Thinasobabili for an amount of R 1 198 897 in respect of Invoices not paid. Council is in the process of attempting to claim against the gaurantee for the amount that Council had to incur to employ another contractor. The fees incurred by council to date are R 57 711.61.

Council is in litigation with various sport clubs regarding expired leases. Council is in the process of scheduling meetings with the various clubs with purpose of attempting to reach out of court settlements with them. The fees incurred by council to date are R 3 879 206,26.

Comoza (Pty) Ltd: An urgent Notice of Motion was served to council by Comozar, interdicting council from awarding tender 8/2/1/UMH619-19/20: Long term lease and development of council property portion 156 of REM 533 harbour. The potential financial effect is not yet known. The fees incurred by council to date are 231 234,02.

River Rock Investments: made an application to the high court for an order declaring that the Lease that they had with Council was still valid. The matter was dismissed by the Pietermaritzburg High Court with costs. Council is in the process of finalising the lease agreement. The potential financial effect is not yet known. The fees incurred by Council are R 1 361 903.

DMV Consultants: A letter from attorneys representing DMV consultants have been received by the municipality claiming consultancy fees owed to them for various water and sanitation projects. The municipality is disputing the claim and the matter will be legally challenged. There are no legal fees incurred to date.

Contingent assets

In the process of seeking to procure the services, Kulu Civils invoked the provisions of Section 32 of the SCM policy. The intention to award was therefore cancelled. The matter was taken to court and judgement in favour of council was handed down however Kulu Civils filed an application for Leave to Appeal. This matter is ongoing. The potential financial effect is not yet known. Fees incurred by council to date are R 248 408.32.

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

42. Related parties

Key management information

Remuneration of management

Executive committee members

2023

Name	Basic salary	Cellphone/Data Allowance	Travel Allowance	Medical Aid	Pension	Back Pay	Total
Ngwezi X - Mayor	848 241	46 413	-	102 930	127 236	40 979	1 165 799
Donda NG - Mayor	-	1 200	-	-	-	-	1 200
Ngwezi X - Mayor	-	264	-	-	-	-	264
Ngubane NN - Deputy Mayor	435 295	28 041	-	-	65 642	19 034	548 012
Sibiya KD - Deputy Mayor	-	1 200	-	-	-	-	1 200
Gumede TS- Speaker	708 617	46 580	-	31 944	108 363	32 781	928 285
Mkhize G - Speaker	-	1 200	-	-	-	-	1 200
Donda NG - Chief Whip	703 308	46 200	-	-	105 496	30 735	885 739
Lourens M - Chief Whip	-	1 200	-	-	-	-	1 200
Botha CM - Executive Committee	471 363	47 780	202 201	64 536	70 704	30 735	887 319
Mthembu BC - Executive Committee	312 335	33 123	136 431	50 842	46 117	20 738	599 586
Zikhali RM - Executive Committee	327 120	33 123	136 431	33 840	48 334	20 738	599 586
Mkhize ZH - Executive Committee	452 529	32 138	-	26 296	66 901	20 738	598 602
Grobelaar Z - Executive Committee	457 130	32 138	-	21 004	67 591	20 738	598 601
Zulu SH - Executive Committee	703 308	46 580	-	-	105 496	30 735	886 119
Mhlongo MG - Executive Committee	439 134	31 923	-	41 700	64 892	20 738	598 387
Sibiya KD - Executive Committee	327 120	31 923	136 431	33 840	48 334	20 738	598 386
Gumede TS - Executive Committee (Back-pay after termination)	-	1 200	-	-	-	-	1 200
Mthethwa KN - Executive Committee (Back-pay after termination)	-	1 200	-	-	-	-	1 200
Sookroo M - Executive Committee (Back-pay after termination)	-	1 200	-	-	-	-	1 200
Ndimande DJ - Executive Committee (Back-pay after termination)	-	1 200	-	-	-	-	1 200
Phahla TM - Executive Committee (Back-pay after termination)	-	1 200	-	-	-	-	1 200
	6 185 500	467 026	611 494	406 932	925 106	309 427	8 905 485

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

42. Related parties (continued)

2022

Name	Basic salary	Cellphone/Data Allowance	Travel Allowance	Medical Aid	Pension	Total
Mhlongo MG - Mayor	284 550	13 600	-	32 236	42 683	373 069
Donda NG - Mayor	58 551	700	-	-	-	59 251
Ngwezi X - Mayor	484 667	22 813	-	41 700	76 614	625 794
Sibiya KD - Deputy Mayor	173 483	13 600	71 894	16 176	26 022	301 175
Ngubane NN - Deputy Mayor	449 423	23 720	-	-	65 642	538 785
Mkhize G - Speaker	231 283	13 600	-	22 856	33 436	301 175
Gumede TS - Speaker	436 310	24 707	4 793	18 035	63 290	547 135
Lourens M - Chief Whip	235 460	13 600	-	-	34 141	283 201
Ndonga NG - Chief Whip	388 093	22 571	-	-	42 216	452 880
Botha CM - Executive Committee	375 826	38 307	162 909	56 636	54 326	688 004
Mthembu BC - Executive Committee	352 685	35 865	152 250	61 816	50 760	653 376
Zikhali RM - Executive Committee	367 097	35 865	154 172	41 556	54 684	653 374
Mkhize ZH - Executive Committee	298 588	24 707	-	36 074	41 286	400 655
Zulu SH - Executive Committee	329 957	24 707	-	-	45 992	400 656
Mhlongo MG - Executive Committee	258 334	22 265	-	50 040	35 689	366 328
Sibiya KD - Executive Committee	206 329	22 265	84 849	25 380	27 505	366 328
Gumede TS - Executive Committee	167 128	13 600	67 400	10 004	25 069	283 201
Mthethwa KN - Executive Committee	162 272	13 600	67 400	16 472	23 457	283 201
Ndimande DJ - Executive Committee	155 534	13 600	67 400	24 220	22 447	283 201
Phahla TM - Executive Committee	155 534	13 600	67 400	24 220	22 447	283 201
Sookroo M - Executive Committee	149 760	13 600	67 400	30 860	21 581	283 201
Grobelaar Z - Executive Committee	329 957	24 707	-	-	45 992	400 656
	6 050 821	445 599	967 867	508 281	855 279	8 827 847

Management class: Councillors

2023

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

42. Related parties (continued)

Name	Basic salary	Cellphone/Data Allowance	Travel Allowance	Medical Aid	Pension	Back Pay	Total
Executive committee members	6 185 500	467 026	611 494	406 932	925 106	309 427	8 905 485
Other Councillors	16 087 884	2 676 126	868 853	377 600	2 203 279	741 887	22 955 629
Section 79 Chairperson	512 009	47 565	196 270	-	76 801	29 831	862 476
	22 785 393	3 190 717	1 676 617	784 532	3 205 186	1 081 145	32 723 590

2022

Name	Basic salary	Cellphone/Data Allowance	Travel Allowance	Medical Aid	Pension	Total
Executive committee members	6 050 821	445 599	967 867	508 281	855 279	8 827 847
Other Councillors	15 002 465	2 231 552	1 059 103	678 140	2 097 426	21 068 686
Section 79	373 944	35 865	148 967	20 920	52 036	631 732
	21 427 230	2 713 016	2 175 937	1 207 341	3 004 741	30 528 265

43. Change in estimate

Property, plant and equipment

The municipality in the current financial year changed the estimate useful lives of certain Property, Plant and Equipment that were reaching their initial estimated useful lives. The effect of this revision has reduced the depreciation charges for the current and future periods by R 46 629 315

Intangible assets

The municipality in the current financial year changed the estimate useful lives of certain Intangible assets that were reaching their initial estimated useful lives. The effect of this revision has reduced the amortisation charges for the current and future periods by R 224 889

Investment Property

The municipality in the current financial year changed the estimate useful lives of certain Intangible assets that were reaching their initial estimated useful lives. The effect of this revision has reduced the amortisation charges for the current and future periods by R 32 604

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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44. Prior-year adjustments

The Municipality restated prior year receivables from exchange and non exchange transactions due to billing transactions that were adjusted in the prior year. During the year the municipality reviewed the useful lives of assets and there were assets that had been fully depreciated but still in use and prior depreciation had to be reversed and treated as prior period error. There were assets that were capitalised from Work-in-Progress in the prior period that also affected the prior period. There was also a take on of a Library which was previously not recognised in the Municipality's asset register under community assets.

An amount relating to collection charges was erroneously included under property rates interest instead of operational revenue in the 30 June 2022 Statement of Financial Performance. This has been reclassified correctly.

Statement of financial position

2022

	Note	As previously reported	Restatement	Re-classification	Restated
Receivables from exchange transactions	4	674 178 423	(1 762 279)	-	672 416 144
Statutory receivables	3	175 529 245	1 633 368	-	177 162 613
Accumulated surplus	17	5 956 471 944	51 855 398	-	6 008 327 342
Property, Plant and Equipment	8	6 285 442 497	52 114 978	-	6 337 557 475
Inventories	2	130 860 521	(130 669)	-	130 729 852
Other financial liabilities (Non-Current liabilities)	11	806 161 902	-	(963 012)	805 198 890
Trade and other payables		720 068 180	-	963 012	721 031 192
		14 748 712 712	103 710 796	-	14 852 423 508

Statement of financial performance

2022

	Note	As previously reported	Re-classification	Restated
Operational revenue	21	25 125 358	641 671	25 767 029
Interest revenue - property rates	23	3 159 159	(641 671)	2 517 488
		28 284 517	-	28 284 517

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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45. Risk management

Liquidity risk

Liquidity risk is the risk that the municipality will not be able to meet its obligations as they fall due. The municipality's approach is to ensure that sufficient liquidity is available to meet its liabilities when due. The municipality uses cash flow forecasts to ensure that sufficient cash is available to meet expected operating expenses.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	142 122 147	151 758 070	419 840 640	691 595 975
Trade and other payables	718 218 289	-	-	-
Consumer deposits	57 155 018	-	-	-
At 30 June 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	109 923 077	120 046 044	333 901 212	351 251 634
Trade and other payables	721 031 192	-	-	-
Consumer deposits	61 180 750	-	-	-

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

Financial assets exposed to credit risk at year end were as follows:

	2023	2022
Financial instrument		
Investments	360 000 000	550 432 205
Cash and cash equivalents	135 109 011	134 331 558
Receivables from exchange transactions	847 490 379	672 414 980
Other receivables	26 167 012	24 092 250

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

2023

2022

45. Risk management (continued)

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk.

46. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus of 6 412 935 209 and that the municipality's total assets exceed its liabilities by 6 412 935 209.

The statement of financial performance shows a surplus of R107 311 224 for the year ending 30 June 2023 however when capital revenue is excluded the result is an operating deficit of R199 140 024. The cash and cash equivalents have reduced which indicate that the municipality will have to improve its working capital management. However, the annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to monitor closely the cash flow position and the expenditure patterns for the ongoing operations of the municipality.

47. Events after the reporting date

There were no events that took place after the reporting date.

48. Irregular expenditure

Opening balance as previously reported	4 355 981	180 676 116
Add: Irregular expenditure - current	405 057	-
Less: Amount written off - prior period	-	(176 320 135)
Closing balance	4 761 038	4 355 981

Irregular expenditure

The opening balance relates to a matter from prior years that is still under investigation as resolved by MPAC. Irregular expenditure for the current year relates to awards made in terms of section 36 of the Supply Chain Management Policy which were deemed not to meet the criteria in terms of section 36.

Irregular expenditure under assessment

There is currently a matter relating to eSikhaleni Fitness Centre Project Tender 8/2/1/UMH570-19/20 which is still under investigation for non-performance of contractor, consultant and payments not in line with percentage of work completed. The impact on irregular expenditure is not yet known and will only be assessed once the investigation has been completed.

49. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	11 973 988	10 686 781
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City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

	2023	2022
49. Additional disclosure in terms of Municipal Finance Management Act (continued)		
Audit fees		
Current year subscription / fee	6 115 190	5 655 478
PAYE and UIF		
Current year subscription / fee	182 516 333	164 988 528
Amount paid - current year	(182 516 333)	(164 988 528)
	-	-
Pension and Medical Aid Deductions		
Opening balance	(31 547)	(27 747)
Current year subscription / fee	241 770 403	224 744 695
Amount paid - current year	(241 753 922)	(224 748 495)
Amount paid - previous years	15 066	31 547
	-	-
VAT		
VAT receivable/(Payable)	15 881 482	6 037 154

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2023:

	Outstanding less than 90 days	Outstanding more than 90 days	Total
30 June 2023			
Zulu SH	-	8 401	8 401
Zibani T	7	8 669	8 676
Sabela LS	348	3 249	3 597
Mtshali KC	-	299	299
Mathaba FB	-	440	440
Zwane IN	124	296	420
Khuzwayo PH	637	-	637
Nzuza JL	497	-	497
	<u>1 613</u>	<u>21 354</u>	<u>22 967</u>
30 June 2022			
Sabela LS	64	1 225	1 289
Zibani T	508	7 214	7 722
Zulu SH	56	9 221	9 277
Zwane	71	109	180
	<u>699</u>	<u>17 769</u>	<u>18 468</u>

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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49. Additional disclosure in terms of Municipal Finance Management Act (continued)

Supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.

Incident		
Emergency	26 290 754	106 327 732
Sole provider	1 199 220	6 254 018
Exceptional case where it is impossible to follow the SCM process	4 319 878	86 314 615
	31 809 852	198 896 365

50. Segment information

General information

Identification of segments

The segments were organised around the type of services delivered by the municipality which are also the main revenue generating streams. These segments also represent the funding sources that fund the municipal operations as per mSCOA. Management uses these same segments for determining strategic objectives particularly on the financial viability of each service. Different services funded by rates and general were aggregated to the other segment for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

The reporting of information per geographical area is currently impractical.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment Electricity Management Waste Management Wastewater Management Water Management Other	Goods and/or services Energy Services Refuse Services Sewerage Services Water Services Community Services, Sports and Recreation, Roads, Public Safety, Finance and Admin, Housing and etc.
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City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

50. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2023

	Electricity Management	Waste Management Services	Wastewater management	Water Management	Other	Total
Revenue						
External revenue from non-exchange transactions	30 636 771	96 354 038	240 706 123	884 901 888	714 759 204	1 967 358 024
External revenue from exchange transactions	1 736 914 595	104 980 844	108 218 607	459 383 885	420 728 336	2 830 226 267
Inter-segment revenue	75 487 579	2 627 615	3 131 502	16 943 657	-	98 190 353
Interest income	-	-	-	-	26 846 335	26 846 335
Total segment revenue	1 843 038 945	203 962 497	352 056 232	1 361 229 430	1 162 333 875	4 922 620 979
Entity's revenue						4 922 620 979
Expenditure						
Salaries and wages	120 356 139	132 844 758	99 902 472	122 163 043	601 373 058	1 076 639 470
Interest	27 188 695	159 929	3 953 005	37 445 666	20 256 193	89 003 488
Depreciation	23 950 526	1 627 419	52 083 004	58 479 801	165 788 913	301 929 663
Other Expenditure	1 565 801 531	68 500 691	150 264 448	1 279 950 252	297 933 266	3 362 450 188
Total segment expenditure	1 737 296 891	203 132 797	306 202 929	1 498 038 762	1 085 351 430	4 830 022 809
Total segmental surplus/(deficit)						92 598 170
Assets						
Segment assets	4 285 191 892	400 781 988	1 549 317 369	2 555 651 321	166 352 552	8 957 295 122
Total assets as per Statement of financial Position						8 957 295 122
Liabilities						
Segment liabilities	328 263 588	53 519 246	180 864 111	334 094 494	1 632 905 420	2 529 646 859
Total liabilities as per Statement of financial Position						2 529 646 859

City of uMhlatuze
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

Figures in Rand

50. Segment information (continued)

2022

	Electricity	Waste Management Services	Wastewater management	Water	Other	Total
Revenue						
Revenue from non-exchange transactions	13 899 782	83 892 003	193 341 067	749 617 403	725 613 700	1 766 363 955
Revenue from exchange transactions	1 504 306 503	114 841 871	108 124 666	528 003 806	335 575 128	2 590 851 974
Inter-segment transfers	82 658 018	-	4 141 008	17 378 967	-	104 177 993
Interest income	-	-	-	-	34 734 726	34 734 726
Total segment revenue	1 600 864 303	198 733 874	305 606 741	1 295 000 176	1 095 923 554	4 496 128 648
Entity's revenue						4 496 128 648
Expenditure						
Salaries and wages	83 470 892	102 279 656	74 422 159	95 321 496	676 800 196	1 032 294 399
Interest	20 151 566	168 293	4 158 511	15 896 653	16 824 813	57 199 836
Depreciation	27 289 186	1 703 865	64 723 825	72 548 324	164 406 831	330 672 031
Other Expenditure	1 388 611 231	65 626 421	104 661 588	950 048 458	326 150 027	2 835 097 725
Total segment expenditure	1 519 522 875	169 778 235	247 966 083	1 133 814 931	1 184 181 867	4 255 263 991
Total segmental surplus/(deficit)						240 864 657
Assets						
Segment assets	2 282 074 783	250 783 346	1 293 954 195	2 014 844 836	2 423 080 420	8 264 737 580
Total assets as per Statement of financial Position						8 264 737 580
Liabilities						
Segment liabilities	313 314 721	37 920 430	198 632 091	465 131 651	981 097 802	1 996 096 695
Total liabilities as per Statement of financial Position						1 996 096 695

City of uMhlatuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

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51. Budget differences

Explanation of variances between approved and final budget amounts

The variance between approved and final budget is as a result of an adjustment budget that was approved by Council on 25 January 2023 (RPT174620)

Explanation of variances greater than 20% between the final budget and actual amounts

Statement of financial performance:

Revenue

Interest received on investments

The variance is due to limited surplus available for investment for most part of the year as the municipality only drew down on the budgeted loan funds towards the end of the year.

Fines, Penalties

The variance is due to the expiry of the traffic fines management contract during the year, therefore fewer fines were issued.

Transfers and subsidies

As a result of various lock down regulations implemented by government, a lot of activities and programmes only took place late in the financial year and therefore there was a decrease in the subsidies offered by the municipality.

Expenditure

Contracted Services

The variance on contracted services is due to contract expenditure on social housing.

Statement of financial position

Receivables from exchange

The variance is mainly due to the reduction in the provision for impairment at the end of the financial year.

Unspent Conditional Grants

The increase in unspent grant is as a result of Municipal Disaster Recovery Grant which was only received in March 2023.

Cash flow statement

Interest income

The variance is due to less cash available during the year to for investing.

Other receipts

The variance is due to revenue housing construction contract which was not included in the budget..

52. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

City of uMhlathuze

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements for the year ended 30 June 2023

2023

2022

52. Accounting by principals and agents (continued)

Details of the arrangement is as follows:Details of the arrangement is as follows:

Department of Transport

The municipality acts on behalf of the Department of Transport to issue licences to, and collect money from motorists, i.e. there are three parties to the arrangement, Principal (Department of Transport), Agent (uMhlathuze Municipality) and Third party (The Motorist)

As the Department of Transport is responsible for issuing the licence, the transaction is however between the Department of Transport and the motorist, i.e. the municipality is not a party to the transaction with the third parties. The municipality facilitates the issuing of these licences and the collection of the prescribed fees.

The municipality receives a fee of 8.55% of the transaction amount and there were no changes that occurred during the reporting period.

Entity as agent

Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R 6 538 756 (2022: R4 691 626).

53. Operating surplus reconciliation

Included in operating surplus reflected in the Statement of Financial Performance are capital revenue items, namely capital grants revenue and land sales revenue. The net operating surplus/(deficit) excluding capital revenue is reconciled below:

Surplus for the year	92 598 170	240 864 657
Less: Capital grant revenue	(250 741 248)	(183 194 282)
Less: Proceeds on disposal of assets	(55 710 000)	(140 000)
Operating surplus/(deficit) for the year	<u>(213 853 078)</u>	<u>57 530 375</u>

City of uMhlathuze
Appendix A (Unaudited)

June 2023

Schedule of external loans as at 30 June 2023

Loan Number	Redeemable	Balance at Thursday, 30 June 2022	Received during the period	Redeemed written off during the period / Interest accrued	Balance at Friday, 30 June 2023	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
		Rand	Rand	Rand	Rand	Rand	Rand
Development Bank of South Africa							
DBSA (9,70%)	61007577	244 495 619	-	26 161 009	218 334 610	-	-
DBSA (11,96%)		-	180 000 000	-	180 000 000	-	-
		244 495 619	180 000 000	26 161 009	398 334 610	-	-
Other loans							
Standard Bank (5,82%)	665381	83 166 519	-	7 281 908	75 884 611	-	-
Nedbank (10,23%)	1003878/3	-	420 000 000	-	420 000 000	-	-
Nedbank (10,13%)	1003878/4	20 005 550	-	10 005 550	10 000 000	-	-
Standard Bank (10,24%)	407554	193 537 007	-	41 397 812	152 139 195	-	-
Standard Bank (7,81%)	727054	374 880 283	-	26 039 808	348 840 475	-	-
		671 589 359	420 000 000	84 725 078	006 864 281	-	-
Total external loans							
Development Bank of South Africa		244 495 619	180 000 000	26 161 009	398 334 610	-	-
Other loans		671 589 359	420 000 000	84 725 078	006 864 281	-	-
		916 084 978	600 000 000	110 886 087	405 198 891	-	-

Appendix B (Unaudited)

June 2023

Analysis of property, plant and equipment as at 30 June 2023
 Cost/Revaluation Accumulated depreciation

	Opening Balance	Acc Depr	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Acquisitions	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total property plant and equipment														
Land and buildings	1 052 714 469	-	-	-	-	-	1 062 714 488	-	(1 939 892)	-	-	-	(1 838 882)	1 050 774 577
Infrastructure	2 404 821 028	(7 993 711 163)	-	-	-	(6 104 132)	4 408 006 733	667 164 597	(93 080 432)	-	(185 385 756)	(10 097 516)	378 800 783	4 784 606 526
Community Assets	619 779 390	(266 054 732)	-	-	-	(882 707)	363 041 861	184 302 654	(26 107)	-	(20 667 256)	(24 248)	183 686 043	516 626 994
Heritage assets	2 464 511	-	-	-	-	-	2 464 511	-	-	-	-	-	-	2 464 511
Other assets	1 131 838 706	(605 452 949)	-	-	-	(690 432)	626 786 326	100 435 710	(6 249 734)	-	(60 895 872)	-	33 290 104	559 085 429
	6 211 818 204	(8 896 218 844)	-	-	-	(8 377 271)	8 340 022 088	961 802 961	(101 296 185)	-	(288 948 884)	(10 121 884)	673 638 048	8 913 668 137
Agricultural/Biological assets														
Intangible assets														
Computers - software & programming	230 365 259	(54 774 731)	-	-	-	-	176 680 528	47 743 281	-	-	(34 278 566)	-	18 484 716	189 055 243
Water Rights	9 576 953	(91 834)	-	-	-	-	9 485 118	-	-	-	(239 424)	-	(238 424)	9 245 695
Servitudes	3 552 458	-	-	-	-	-	3 552 458	-	-	-	-	-	-	3 552 458
	243 494 670	(54 866 565)	-	-	-	-	188 828 106	47 743 281	-	-	(34 617 890)	-	18 225 291	201 863 396
Investment properties														
Investment property	106 618 858	(7 990 261)	-	-	-	(8 618)	88 820 081	10 775 899	-	-	(462 786)	-	10 313 113	108 933 194
	106 618 858	(7 990 261)	-	-	-	(8 618)	88 820 081	10 775 899	-	-	(462 786)	-	10 313 113	108 933 194
Total														
Land and buildings	1 052 714 469	-	-	-	-	-	1 062 714 488	-	(1 939 892)	-	-	-	(1 838 882)	1 050 774 577
Infrastructure	2 404 821 028	(7 993 711 163)	-	-	-	(6 104 132)	4 408 006 733	667 164 597	(93 080 432)	-	(185 385 756)	(10 097 516)	378 800 783	4 784 606 526
Community Assets	619 779 390	(266 054 732)	-	-	-	(882 707)	363 041 861	184 302 654	(26 107)	-	(20 667 256)	(24 248)	183 686 043	516 626 994
Heritage assets	2 464 511	-	-	-	-	-	2 464 511	-	-	-	-	-	-	2 464 511
Other assets	1 131 838 706	(605 452 949)	-	-	-	(690 432)	626 786 326	100 435 710	(6 249 734)	-	(60 895 872)	-	33 290 104	559 085 429
Intangible assets	243 494 670	(54 866 565)	-	-	-	-	188 828 106	47 743 281	-	-	(34 517 590)	-	18 225 291	201 863 396
Investment properties	106 618 858	(7 990 261)	-	-	-	(8 618)	88 820 081	10 775 899	-	-	(462 786)	-	10 313 113	108 933 194
	6 681 731 732	(8 828 076 870)	-	-	-	(8 386 787)	8 827 270 276	1 010 422 141	(101 296 185)	-	(301 828 880)	(10 121 884)	687 074 462	7 224 344 727



Appendix B (Unaudited)

June 2023

Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
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Appendix B (Unaudited)

June 2023

Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
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Appendix F (Unaudited)
Disclosures of Grants and Subsidies in terms of Section 123 MFMA, 56 of 2003
June 2023

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure				Grants and Subsidies delayed /	
		Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Dec	Mar
Museum Subsidy	KZN - Dept of Edu & Culture	-	235 000	-	-	935 998	872 780	960 922	1 081 674	-	-
Housing operationa acc	KZN - Dept of Housing	3 394 084	397 720	870 702	-	4 722 820	4 506 933	3 780 602	6 414 171	-	-
IUDG	National Treasury	-	-	-	-	-	-	-	-	-	-
Financial Management Grant	National Treasury	2 500 000	-	-	-	283 742	524 345	498 146	1 193 787	-	-
Equitable share EPWP	National Treasury	184 056 000	157 313 000	130 570 000	-	-	-	-	-	-	-
Energy efficient and demand mngt	National Treasury	2 000 000	-	-	-	1 738 304	140 740	16 228	104 728	-	-
Mpembeni Modular Library	KZN- Dept of Library Services	-	-	-	-	-	384 948	65 732	31 789	-	-
Water services Infrastructure	National Treasury	10 000 000	-	27 000 000	-	2 099 258	2 962 592	-	31 938 150	-	-
Extended public works programme eSikhawini	National Treasury	804 000	1 448 000	983 000	-	204 755	709 829	797 489	1 500 927	-	-
hostel refurbishment	KZN - Dept of Housing	15 890	20 513	23 555	27 128	-	-	-	-	-	-
INEP	National treasury	-	-	-	-	-	-	-	-	-	-

Beach Protection Implementation of the enhanced extended discount benefit scheme	KCDM	-	-	-	-	-	-	-	-	-	-	-
Libraries - Internet Access Library Subsidy Career Expo	KZN - Dept of Hosing	10 961	13 958	15 480	17 896	-	-	-	-	-	-	-
Municipal Excellence Awards	KZN - Dept of library services	-	-	2 032 000	-	689 256	1 469 251	208 911	-	-	-	-
Municipal Employment Initiative	KZN - Dept of library services	-	-	9 593 000	-	8 021 192	8 489 265	8 245 834	9 257 448	-	-	-
Airport Feasibility	Dept of public works	-	-	-	-	-	-	-	-	-	-	-
Arbor Month	KZN - COGTA	-	500 000	-	-	-	-	-	495 000	-	-	-
Donated land	KZN - COGTA	-	1 500 000	500 000	-	-	-	19 278	-	-	-	-
Tourism Development	KZN - Economic Development & Tourism	-	-	1 000 000	-	-	-	361 094	20 281	-	-	-
Municipal Disaster Recovery	KZN - Dept of forestry, Fisheries and Environment	250 000	-	-	-	-	-	26 050	28 000	-	-	-
Implement of the enhanced discount benefit	Department of human settlement	-	-	-	-	-	-	-	-	-	-	-
Comm Dev Programme GIS	KZN - COGTA	-	-	-	-	-	-	-	-	-	-	-
Sport & Rec Cleanest town	KZN - COGTA	-	-	-	-	-	-	-	-	-	-	-
Intergrated urban development grant	Dept of Sport Water Affairs	-	-	-	-	-	-	-	160 292	-	-	-
	National Treasury	58 869 000	29 434 000	120 999 000	-	20 257 824	46 849 890	40 313 733	101 880 553	-	-	-
		281 899 935	190 860 191	328 532 737	45 022	38 933 147	74 336 748	55 294 019	155 036 247	-	-	-

Note: A municipality should provide additional information on how a grant was spent per Vote. This excludes allocations from the Equitable Share.