



ANNUAL REPORT

2023 /2024



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VISION

“A just and prosperous municipality that is people empowering and service delivery driven through good and clean governance with the trust of traditional authorities and future generations”.

MISSION

In consultation with traditional authorities the uMlalazi Council will progressively address service delivery backlogs, whilst promoting equal access to socioeconomic development opportunities for the youth, women and people with disabilities, in a lawful and transparent manner

THE UMLALAZI MUNICIPALITY IN PARTNERSHIP WITH ITS COMMUNITY WILL STRIVE TO:

- Create sustainable and better services for all;
- Ensure a skilled, motivated and committed workforce;
- Create mutual trust and understanding between the municipality and the community through effective communication
- Emphasize better usage of resources;
- Provide infrastructure and build investor confidence;
- Enhance Batho - Pele principles and B2B pillars;
- Create a safe environment for all;
- Improve the Green Economy of our community by partnering with all stakeholders to create clean & safe place where people live and work;
- Ensure effective land use management that take cognizance of sound environmental practices;
- Enhance good governance through leadership excellence & community participation;
- Facilitate institutional transformation;
- Ensure continued sound financial management;
- Provide services to the entire community with diligence and empathy; and
- Apply good and transparent corporate governance to promote community prosperity

1

MAYORS FOREWORD



Section 121 of the Municipal Finance Management Act, No 56, 2002 states:

Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

Section 127 (2) continues as follows:

The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

1.1. MAYOR'S FOREWORD & EXECUTIVE SUMMARY

I am pleased to present the 2023/2024 Annual Report of the uMlalazi Municipality. The Annual Report is presented in the spirit of transparency, accountability and integrity both for the institution and its people.

Over the past few years, the South African economy has faced a series of global and local disruptions, including slowing global growth, acute power challenges, and inefficiencies in state-owned enterprises, and climate change that resulted in heavy rainfall, severe thunderstorm, hailstorm and strong winds that affected the province last year. The persistent downpours caused rivers to overflow, leading to severe weather incidents that increased casualties and widespread destruction. Critical infrastructure was compromised.

As per Statistics South Africa (StatsSA), the South African economy expanded by merely 0.3% since the outbreak of the pandemic (that is, between 2019 and 2022) which is a fraction of its population growth over that period.

In 2023, we experienced 6838 hours (78%) of load shedding out of 8760 hours in the year. Eskom continues to uphold the ongoing suspension of load shedding, marking 100 consecutive days since 26 March 2024. The sustained period of stability is a statement to the dedicated efforts of Eskom's employees in implementing the Generation Recovery Plan, which began in March 2023. This plan has significantly improved the reliability, efficiency, and availability of our coal generation fleet, benefiting the entire nation. The power outage (load shedding) Retail sales were down by 0.8% in January and are also likely to see further fall, mostly because household finances continue to remain under pressure. This is the result of the ongoing cost-of-living squeeze, high inflation and load shedding. Further to these, the South African Reserve Bank keep increasing the interest rate putting more pressure on the already squeezed consumer spending capacity. On the other hand the unemployment, crime and substance abuse statistics continues to hike to an unacceptable and uncontrollable level.

The combination of all these factor have negatively affected both individuals and business communities' ability to adhere to their financial commitments which results in the decline of the municipality's revenue and collection rate. This is putting a serious strain to our budget which is already under a tremendous pressure. Amidst all these challenges our dedicated Council who lead with integrity remain committed to rendering effective, efficient and adequate service delivery programmes through the implementation of our 10 Commandments (pillars) as outlined in IDP, derived from a political perspective.

In order to provide some relief to our people, we continue to provide 20% rates rebate to residential and business properties for early settlements made before 30 November. We also automatically renew indigent status of those residents that are currently on the register, this register is only reviewed once in 3 years.

We continue to build roads, sports facilities for recreation and community halls using Municipal Infrastructure Grant (MIG). In addition to MIG, other capital projects are funded from Council's own funding.

Whilst the municipality strives for development of local SMMEs, all procurement processes are fair, equitable, transparent, cost-effective and in line with all statutory regulations and according to Section 217 of the Constitution, the supreme guiding document for both the government and the people.

Our responsibility as an institution of development and change goes far beyond provision of basic necessities of growth and survival. It is to honour confidence to our people and creation of opportunities for growth and development.

Our capital expenditure of R 89 274 061 includes the municipal infrastructure grant (MIG). The Municipality has spent 81% of the total capital budget and 100% of the MIG budget. This capital expenditure assisted the municipality in building needed infrastructure as well as renewing health of council's assets.

With the Grant from the Department of Human Settlements, we will continue to deliver housing projects to our communities. Funding has been used to continue with multi-year projects under these tribal authority; Kholweni, KwaMondi, KwaKhoza, Ndlangubo, Mvuzane, Mpungose and OSS. A total of 1379 houses were constructed during the period under review. With R3,500,000 from Department of Minerals and Energy, to build KDS line, we continue to ensure provision of electricity in the households that are still in need of this basic service.

We commit to sustain and monitor an effective government whose functions are efficient, effective, compliant and accountable to the people.

The Municipality has collected 88% of billed revenue for the 2023/2024 financial year, which was below the target of 95% and the outstanding debtors over 120 days still remains high, however this has started to decrease due to the debt management measures being implemented by our management team. I would like to thank those ratepayers in uMlalazi who have continuously met their debt obligations and maintained a good payment culture, despite the difficult economic times. The Municipality, guided by its long-term Financial Plan, continued to practice good and responsible financial management and once more ended the year in a sound financial position. Like in previous years it ended the 2023/2024 financial year in a good liquid position, with current assets covering the current liabilities 1.9 times, which is within the norm of 1-3. The Municipality has ended the financial year with a Surplus of R 9 369 372.

The Municipality tabled and approved a credible, compliant and user-friendly IDP for the year under review and this is shown by the achievement of 2nd place in the Province.

The IDP and budget for the 2023/2024 financial year therefore reflects and prioritises the needs of all our communities and laid the foundations for inclusive economic growth through the implementation of a balanced infrastructure programme and socio-economic development projects. Basic service delivery standards and levels have been sustained with formal and informal households having access to clean water, sanitation services and refuse removal. The backlogs for housing, electricity, sanitation, water and refuse services are still prevalent but gradually decreasing through the Municipality's human settlement delivery plan, as well as through special electrification projects funded by the Department of Energy and the Districts plan for the provision of water and sanitation services.

The Municipality proved its continued commitment and willingness to help the poorest of the poor and to alleviate poverty across all communities through the adoption of the Indigent Policy. This policy directive is just another way in which the Municipality reaches out to the vulnerable and needy. For the 2023/2024, financial year 15 391 households received indigent support for refuse removal services i.e. 14 388 being rural households and 1003 urban households and 5383 received Free Basic Electricity Services.

The Municipality also contributed to the fight against poverty and unemployment through the Expanded Public Works Programme (EPWP) and through the implementation of its capital programme. A total of 723 job opportunities were created through EPWP for the year under review and a total of 1143 temporal job opportunities were created through Community Works Programme (CWP). The refuse removal project remains a project for job creation across most of the 28 wards.

The Municipality recognises the need to create an inclusive economy through increasing the contribution of SMME's to the economy. uMlalazi is committed to developing competitiveness, innovation and increased investment through support for SMMEs and youth.

Chapter 3 of the Annual Report provides details of all interventions implemented for the year under review. The Municipality still need to investigate other revenue sources to increase its own revenue in order to eradicate backlogs and to develop new infrastructure and services to communities in waiting.

The 2023/2024 financial year has not been without its challenges. I am grateful to witness the commitment and dedication of our staff. I therefore have the utmost confidence that the finances of the Municipality

will continue to be administered in a responsible and accountable manner, in line with the relevant legislation.

The Municipality has filled all its critical senior management positions and are proud to state that all appointments of senior managers are on a permanent basis, this will ensure continuity of services after the 5 year Council terms.

I wish to strongly encourage every one of us to continue to work diligently for the improvement of the lives of our people in the spirit of "TRUST". Let us strengthen our communication channels to influence our community to protect its own infrastructure which are used as transport of service delivery. Destroying infrastructure results in more service delivery backlogs and putting more strain on our budget.

In conclusion, I would like to thank my fellow- Councillors, particularly members of my Executive Committee, the Municipal Public Accounts Committee (MPAC) as well as the Audit Committee, Municipal Manager, Mr N N Shandu, the management team of the Municipality and all personnel for keeping the uMlalazi Municipality aligned to its vision to be "a just and prosperous municipality that is people empowering and service delivery driven through good and clean governance with the trust of traditional authorities and future generations".



Cllr Queen Theodorah Xulu

Mayor of uMlalazi Municipality

Date: 24 / 01 / 2025

1.2. COMPONENT B0: EXECUTIVE SUMMARY

1.2.1. MUNICIPAL MANAGER'S FOREWORD

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

The Municipality has ended the 2023/2024 financial year with all critical posts, filled.

The overall performance of the organisation is 84%, out of 95 targets 80 were achieved in terms of the targets set for the 2023/2024 financial year, as previous achievement was 83%.

The Municipality was in ongoing engagement with the Department of Human Settlement and Eskom to assist with the reduction of housing provision backlogs and reduction of electricity connection backlogs. During the year under review 1379 new houses were built and 1586 additional households were electrified in uMlalazi area.



As of the end of year 2023, the Municipality has exceeded its target by ensuring that 96% of households are electrified.

The Municipality proved its continued commitment and willingness to help the poorest of the poor and to alleviate poverty across all communities through the adoption of the Indigent Policy. This policy directive is just another way in which the Municipality reaches out to the vulnerable and needy. For the 2023/2024, financial year 15 391 households received Indigent support on refuse removal services in rural areas and also 1003 in urban areas, and a total number of 5383 households on the Indigent list received Free Basic Electricity Services.

The Municipality also contributed to the fight against poverty and unemployment through the Expanded Public Works Programme (EPWP) and through the implementation of its capital programme. A total of 723 job opportunities were created through EPWP and a total of 1143 were created through Community Works Programme (CWP) for the year under review. The refuse removal remains a project for job creation across most of the 28 wards.

The Municipality has managed to expend its capital budget with a total expenditure of R 89 274 061, which constitutes 81% of the total capital budget. The Municipal Infrastructure Grant (MIG) budget was 100% spent.



N N SHANDU
MUNICIPAL MANAGER

1.1.1. MUNICIPAL OVERVIEW

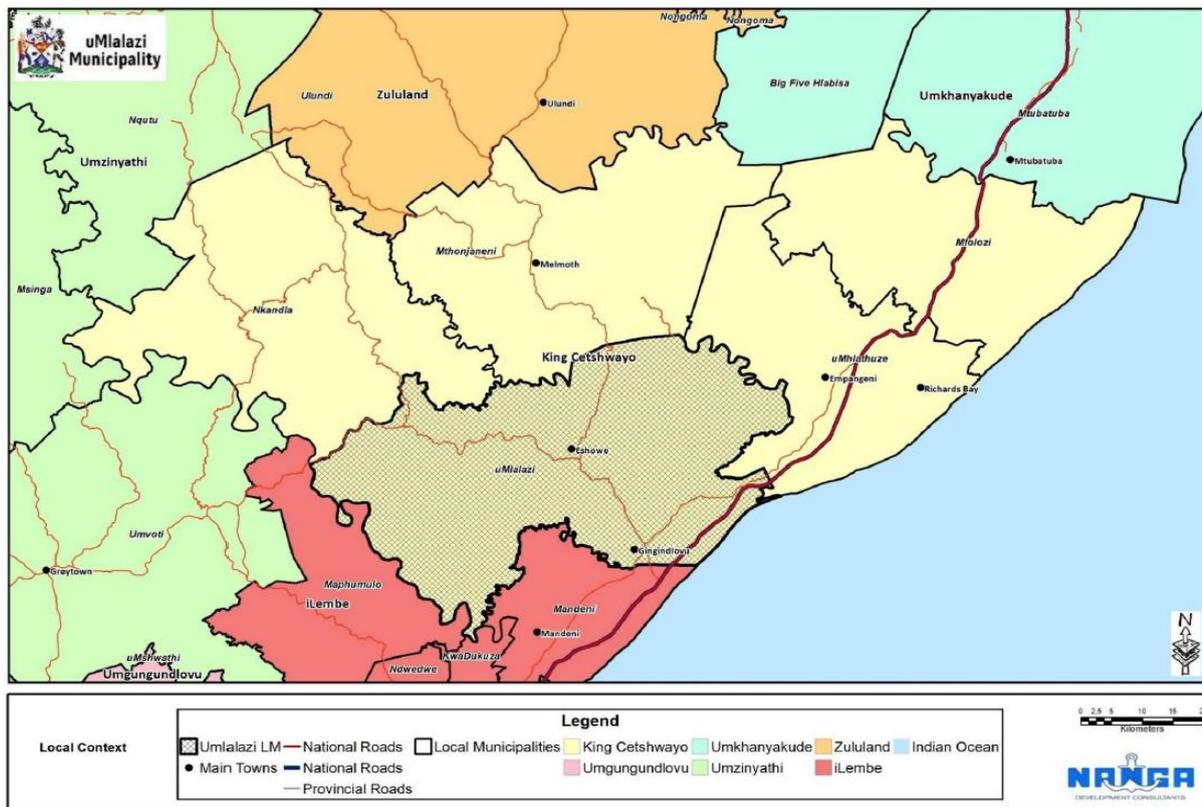
uMlalazi Local Municipality (KZN284) is situated along the north eastern coast of Kwa Zulu Natal, 140km north east of Durban. The eastern portion of uMlalazi Local Municipality lies on the N2 National and Provincial Development Corridor linking two major economic hubs of Richards Bay and Durban. Umlalazi municipality is located within King Cetshwayo District, which comprises of five local municipalities namely;

- Mfolozi LM (KZ 281)
- uMhlathuze LM (KZ 282)
- uMlalazi LM (KZ 284)
- Mthonjaneni LM (KZ 285)
- Nkandla LM (KZ 286)

It is bordered by Ilembe District Municipality (Mandeni Municipality to the south and Maphumulo Municipality to the southwest). Towards the western regions, the municipality borders Nkandla Municipality and Mthonjaneni Municipality, and to the north, it is bordered by uMhlathuze municipality. The municipality borders on the Indian Ocean on the eastern coastline which stretches approximately 19km, from the borders of Mandeni municipality to uMhlathuze Municipality. Geographically, the municipal area covers 2 217km², one of the largest local authority areas in South Africa. There are 28 electoral wards and 15 tribal authority areas of which AmaKhosi are custodians thereof on behalf of the Ingonyama Trust Board.

The uMlalazi Municipality is crossed by a number of important transportation routes, such as the N2 Freeway between Durban and Richards Bay, the R34 between Richards Bay/Empangeni and Nkwaleni valley to the north of Eshowe, and the R66 from the N2 Motorway to Gingindlovu, Eshowe, Melmoth, Ulundi and Vryheid. The famous King Shaka (Zulu) Heritage Route R66 has a lot of historical and cultural significance and is promoted a tourism route.

Eshowe, Mtunzini and Gingindlovu form the three main towns of uMlalazi Municipality. The town of Eshowe is of great historical significance in that it is the birthplace of King Cetshwayo, who was King of the Zulu's during the Anglo-Zulu War of 1879. The population distribution in the municipal area is characterized by relatively high population densities within urban nodes, and low densities in rural areas. The municipal area is dominated by tribal areas and 15 Tribal Authorities exist within the municipal area.



UMLALAZI MUNICIPAL AREA				
Area 2 217 km ²				
INDICATOR	2011	2016	2021	
Population	213 601	213 601	241 416	
Population Growth Rate	-0.3	0.8	1.2	
Households	45 062	46 953	45 119	
People per Household	4.6	4.8	5.5	
Gender breakdown	Males	44.7 %	47%	46.2%
	Females	55.3 %	53%	53.8%
Age breakdown	0 – 14	37.2 %	43 %	32.4%
	15 – 64	54.1 %	49 %	58.3%
	65 +	5.6 %	8%	9.9%

Table 1: Demographic Profile (Census 2011 - 2021)

The demographic profile table above indicates that the population within the municipality has gradually increased between 2011 and 2021 by approximately 30 000 people. This has, similarly increased the growth rate by 0.4%, which the population growth rate to 1.2%. This may be attributed to a better standard of living in terms of service delivery and practicing of a more sustainable livelihood. This positive change in population growth will hence translate to more financial capacitation from National Treasury for service delivery. It is also encouraging to note that the increase in the lifespan of the population of the elderly (65+). This may be an indication of



improved health and social services which are conducive to the longevity of the lifespan of the elderly.

UMLALAZI MUNUNIPALITY AT A GLANCE



- According to the StatsSA Census Data 2021, the total population of uMlalazi LM is 241 416. The total population of males is 111 528 which accounts for 46.2% of the total population of the municipality. This figure has increase from 44.7% in 2011. The female population is 129 885 which accounts for 53.8% of the total population of the municipality. This implies that the sex ration is 85.9 males to every 100 females. The population of 0-14 year olds account for 32.4% of the total population, while 15-64 year olds account for 58.3%. The elderly population (65+) account for 9.9% of the total population of uMlalazi Municipality.

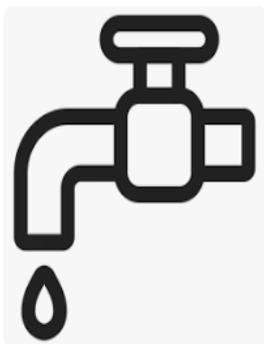


- The total number of households is 45 199 which has increased from 2011 where there were 45 062. Similarly, the total number of people per households has also increased from 4.6 people to 5.5 people per household. The percentage of formal dwellings have increased to 80.9% in 2021, from 60.7% in 2011, while the percentage of informal dwelling has decreased in 2021 to 1.3% from 1.8% in 2011. Traditional dwellings have also decreased to 16.6% in 2021 from 36.3% in 2011.

- Concerningly, school attendance of 5 to 24 year olds decreased from 74 249 in 2011 to 66 784 in 2021. In 2011 the percentage share of the total population attending school 2.5% which has decreased to 2.2% in 2021.



- 4% of the total population (above 20 years) have completed primary school only. 33.3% have completed high school (grade 12) only, whereas 6.4% have received higher education. 15.9% of the total population (above 20 years) have had no schooling.



- In terms of access to water, 52.6% of households have access to piped water through a regional/local water scheme in 2022. This has increased from 48.7% in 2011. 31.3% of all households have access to tap water inside of their dwelling and 30.7% of households have access to tap water inside their yards. Unfortunately 23.1% of households still have no access to piped water.

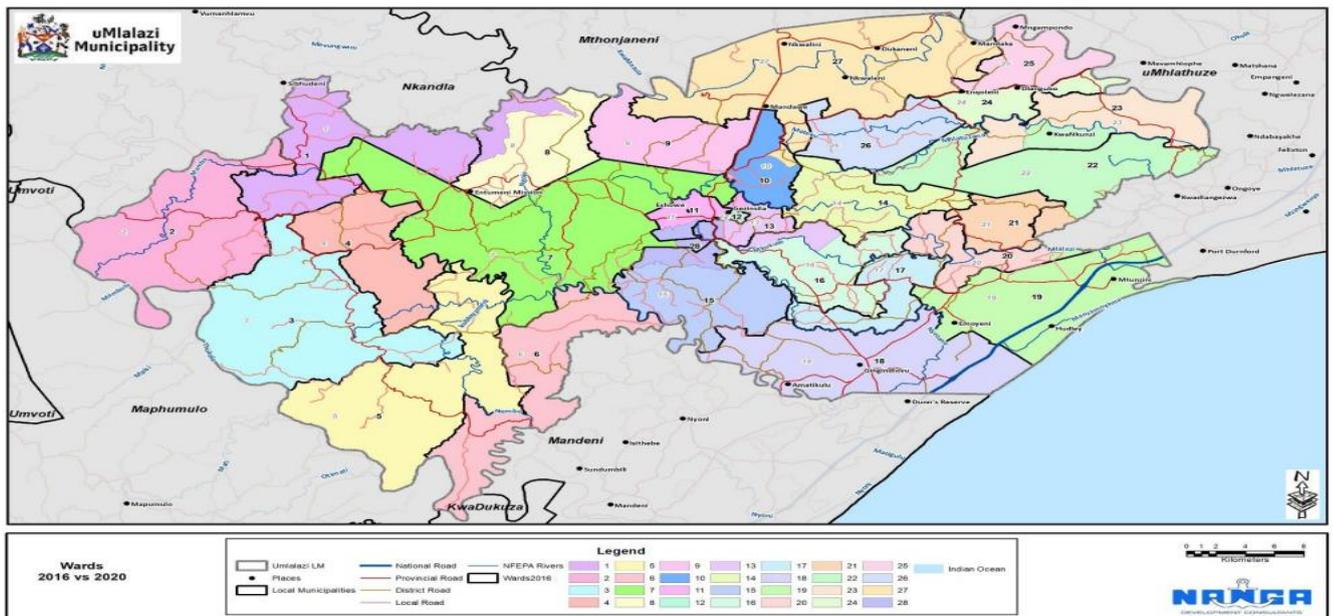
- In term of sanitation, 30.9% of households had access to flush toilets connected to sewage in 2022

which has increased from 19.4% in 2011. 20.9% of households make use of chemical toilets, whereas 46.3% of the total households make use of pit latrine toilets. There are still households which account for 6%, who still use other unspecified methods for toilets. 2.7 % of the households indicated that there have no access to toilet facilities.



- Electricity connections within uMlalazi LM are at 96%. About 66% of households used electricity for cooking in 2022, which has increased from 45.7% from 2011. 17.8% use gas for cooking in 2021 which has increased from 5.7% in 2011.
- In terms of lighting, 96% of households have access to electricity for lighting, whereas 4% of households use other means such as paraffin, candles and solar power.

- In terms of refuse disposal, 28.6% of households have refuse removed by the municipality once a week. 1.2% have access to communal refuse dumps which are collected by the municipality through EPWP. Another 1.2% of households make use of a communal or central collection point which the municipality collects weekly. 60.5% of the households use their own disposal methods. 6.5% of the households indicated that they have no means to dispose refuse.



Map 1: Administrative Entities: Electoral Wards and Traditional Authority Area

2

GOVERNANCE

2.1 INTRODUCTION

In terms of Section 40 of the Constitution, Government in South Africa is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. All spheres of government must observe and adhere to the principles of the Constitution and must conduct their activities within the parameters that the Constitution provides. The uMlalazi Municipality represents the local sphere of government.

2.2 COMPONENT A: GOVERNANCE STRUCTURES

2.2.1 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Section 151 (3) of the Constitution states that the Council of a Municipality has the right to govern, on its own initiative, the local government affairs of the local community.

At uMlalazi Municipality a clear distinction is made between the politically elected structure, namely Council, which is responsible for the oversight and legislative function of the Municipality, and the Administration.

The Council is chaired by the Speaker and comprises of 55 Councillors. The Executive Committee is chaired by the Mayor and comprises of 10 full-time Councillors involved in the day-to-day running of Council from the political perspective.

The Administration is headed by the Municipal Manager, who is also the organisation's Accounting Officer. Powers have been delegated to the different functions within the organisation to ensure that roles, responsibilities and decision-making powers are clear and unambiguous.

2.2.2 POLITICAL GOVERNANCE

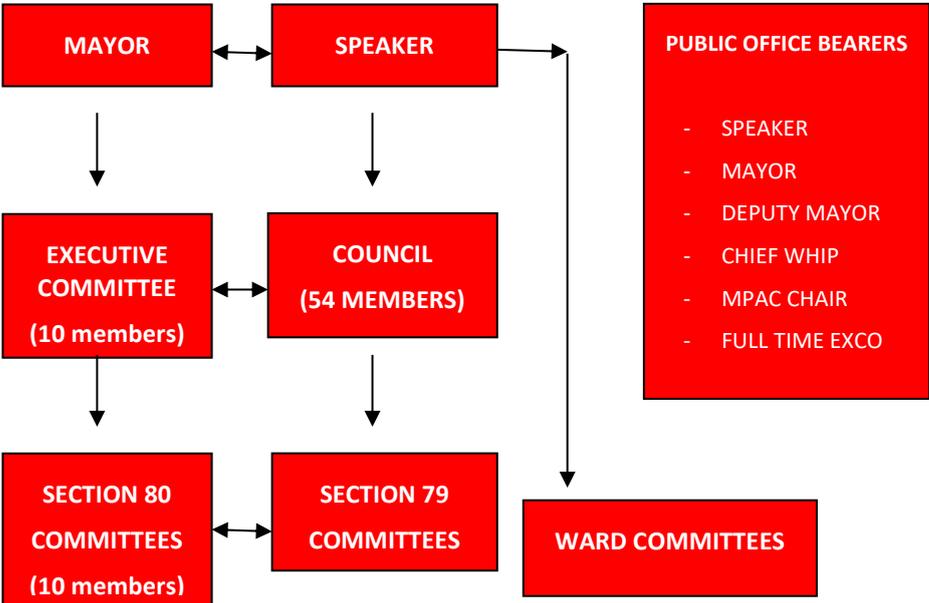
2.2.2.1 INTRODUCTION TO POLITICAL GOVERNANCE

uMlalazi Municipality is a category B municipality in terms of the Structures Act, comprising of 28 ward councillor seats and 27 proportional councillor seats for the term of office that will last five years until 2026, as contemplated in Section 24 of the Municipal Structures Act.

In terms of seat calculation Summary per Municipality received from the Municipal Electoral Officer, the names of the elected parties and the number of the respective councillors elected were as follows:

PARTY	NUMBER OF WARD COUNCILLORS	NUMBER OF PROPORTIONAL REPRESENTATIVE COUNCILLORS	NUMBER OF SEATS IN COUNCIL
IFP	24	6	30
ANC	4	14	18
EFF	0	4	4
DA	0	1	1
ABC	0	1	1
NFP	0	1	1
TOTAL	28	27	55

The following is a graphic illustration of Council’s present political structure:



**SPEAKER OF COUNCIL –
COUNCILLOR J K POWELL**

The Speaker is the Chairperson of Council presiding over Council meetings in accordance with Council’s Standing Rules.



**CHIEF WHIP OF COUNCILLOR –
COUNCILLOR M DLUDLA**

The Whip of Council is an official office bearer. The Chief Whip maintains sound relations among the various political parties represented in Council.



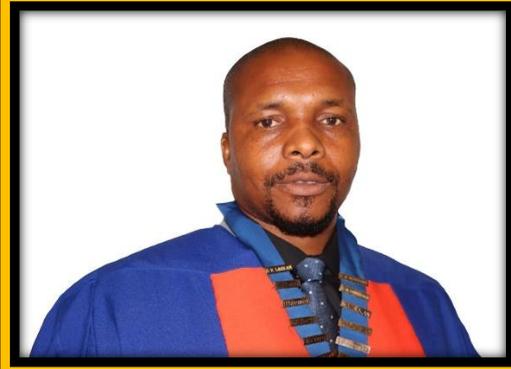
**HER WORSHIP THE MAYOR –
COUNCILLOR Q T XULU**

The Mayor is tasked with the identification and prioritisation of community needs, drafting strategies to deliver those needs and to oversee the delivery of services by the municipality’s administration, whilst ensuring that municipal finances are in good order and the risk factors are managed.



**DEPUTY MAYOR -
COUNCILLOR M NGEMA**

The Deputy Mayor exercises the powers and performs the duties of the mayor if the mayor is absent or not available or if the office of the mayor is vacant. The mayor may delegate duties to the deputy mayor.



**MPAC CHAIRPERSON - ALDERMAN S
B LARKAN**

The MPAC Chairperson must exercise overall responsibility for the Annual Oversight Work Plan adopted by MPAC and participate in setting and agreeing to the agenda for meetings of MPAC, which contain clear objectives and outcomes for such meetings



COUNCIL

Legislative functions of Council also include the approval of by-laws, policies, budgets, the Integrated Development Plan (IDP), tariffs, rates and service charges.

To promote oversight and accountability, committees determine priority areas for oversight in respect of each portfolio. Quarterly oversight reports are submitted to Council and are based on departmental quarterly reports.

The MPAC Committee also physically visit sites where projects - especially service delivery projects – are implemented to fulfil their oversight role. Additional oversight ‘tools’ include questions from individual Councillors to hold the Executive to account, as well as motions to ensure debate on Council issues.

2.2.2.3 THE EXECUTIVE COMMITTEE

The executive committee is composed in line with the provisions of the Local Government: Municipal Structures Act, 1998. The Executive Committee consisting of ten members, ten full-time members. In 2023/2024 the Municipality's Executive Committee was composed as follows:

EXECUTIVE COMMITTEE		
No	Councillor	Representing
1	Councillor Q T Xulu – Mayor (Chairperson)	IFP
2	Councillor M M Ngema (Deputy Mayor)	IFP
3	Councillor S A Makhathini	IFP
4	Councillor K Ntanzi	IFP
5	Councillor K Khumalo	IFP
6	Councillor M M M Ntuli	IFP
7	Councillor M M Cebekhulu	ANC
8	Councillor K S Mthabela	ANC
9	Councillor W L Ngema	ANC
10	Councillor S D Khubisa	EFF

Political decisions are made by the Executive Committee, in terms of powers delegated to it by law, and Council in session at general quarterly Council meetings or special Council meetings that are called when decisions are taken that cannot wait for the quarterly meetings.

The table below reflects the number of Council as well as Council Committee meetings that were held over the 2023/2024 financial year.

MEETINGS	NUMBER OF MEETINGS
Council	4
Special Council	7
Executive Committee	12
Finance Management Committee	12
Corporate Service Committee	4
Engineering Services Committee	4
Community Services Committee	4
Planning & Economic Development Committee	4
Audit Committee	4
Performance Audit Committee	4
Municipal Public Accounts Committee	5
Standing Rules & Order	3
Local Labour Forum	1

2.2.2.4 ADMINISTRATIVE GOVERNANCE: FUNCTIONS AND RESPONSIBILITIES

The Municipal Manager and the Directorate Heads meet formally every Monday to deliberate on service delivery issues and reports that must be submitted to the Executive Committee or Council in terms of delegated powers, as well as on organisational management matters.

The functions of the Municipal Manager and five Directorates are as follows:



MR. N N SHANDU
MUNICIPAL MANAGER

The Municipal Manager is the Accounting Officer of the Municipality, providing guidance on compliance with the political structures, as well as the responsibilities of political office bearers and officials of the municipality.

The Municipal Manager heads the Municipality's administration and is the Chairperson of the Management Committee. He is responsible for the day-to-day management, administration of the municipality, and manages the Compliance, Legal Services, Audit, Risk and Performance Management sections.

The Municipal Manager operates in terms of the relevant sections of the Municipal Structures Act, Municipal Systems and Municipal Finance Management Act. In discharging his responsibilities in the 2023/2024 financial year, the Municipal Manager was assisted by the Management Committee, as represented below.



MS N MGOBHOZI
CHIEF FINANCIAL OFFICER

The Directorate is responsible for Financial Administration (Budget, Credit Control, Cash Flow Management, Loans, Investments and Valuations), Income, Expenditure and Supply Chain Management.



MR. KC ZULU
SENIOR MANAGER
CORPORATE SERVICES

The Directorate is responsible for support services which include Council support, Administration, Archives, Switchboard, Library, Urban Halls, Human Resources, Communication and Information Communication Technology services.



MR. SC MKHWANAZI
SENIOR MANAGER
COMMUNITY SERVICES

The Directorate is responsible for the provision of Cleansing, Environmental Health, Sport, Recreation, facilities, Local Economic development, Youth, Licencing, Community Safety and Rescue Services



MR. X BUTHELEZI
SENIOR MANAGER - ENGINEERING SERVICES

The Directorate is responsible for Streets and Stormwater, MIG projects, Mechanical Services, Electrical network services, waste management, Municipal buildings and property management.



MR. S MNGOMA
SENIOR MANAGER - PLANNING & ECONOMIC DEVELOPMENT

The Directorate is responsible for Planning & development, Human Settlement, Building Control, Tourism, Museum & Integrated Development Planning.

2.3 COMPONENT B: INTERGOVERNMENTAL RELATIONS

The uMlalazi Municipality strives to uphold its legislative authority and co-operative governance as required by the Constitution and other relevant legislation. In doing so, the Municipality maintains good co-operative and intergovernmental relations with its district and neighbouring municipalities, provincial authority, national government and intergovernmental agencies.

2.3.1 INTERGOVERNMENTAL RELATIONS

The uMlalazi Municipality actively participates in various Intergovernmental Relations activities in the district and province. The Municipality delegates officials and Councillors to the following forums:

Intergovernmental Relations Forum		
Forum	Frequency	Directorate
Premiers Coordinating Forum	Quarterly	Municipal Manager, Finance
MUNIMEC	Quarterly	Municipal Manager
District MMs Forum	Quarterly	Municipal Manager
District Development Model- Technical Hub and Political Hub	Quarterly	Municipal Manager
DDM-Social Cluster	Quarterly	Engineering
Eskom Alignment meetings	Quarterly	Engineering
Coastal Working Group	Quarterly	Planning & Development
DDM – Economic and Infrastructure Cluster	Quarterly	Planning & Development
DTAC	Quarterly	Performance Management
District Area Finance Forum (DAFF)	Quarterly	Finance
DDM –Justice, Crime and Social Security Services Cluster	Quarterly	Community Services
DDM – Governance Cluster	Quarterly	Corporate Service

2.4 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4.1 INTRODUCTION TO ACCOUNTABILITY AND PARTICIPATION

The Council interacts with its stakeholders by means of ward committees, budget and IDP meetings. Public and stakeholder engagements are an ongoing process throughout the year.

The Municipality ensures that these meetings are well attended by informing the public and stakeholders on time and in their local languages. This also ensures meaningful and constructive participation

All documents that are required to be made public in terms of the Municipal Systems Act (MSA) are placed on the municipal website. Public meeting schedules are also placed on the website and are also advertised

through local newspapers, posters and loud hailing. Public meetings include Council meetings, ward committee meetings and budget and IDP meetings.

2.4.2 PUBLIC MEETINGS; COMMUNICATION, PARTICIPATION AND FORUMS

2.4.2.1 INTEGRATED DEVELOPMENT PLAN (IDP)

In order to ensure that the real needs of the people residing within the municipal area are reflected in the IDP, the Municipality undertook IDP Roadshows in clusters involving all Wards as follows:-

CLUSTER	WARDS	VENUE	DATE	TIME
Joint RF (With Amakhosi)	-	Eshowe Town Hall (Including Amakhosi)	16 November 2023	10H00
Ward Committees & War Rooms	All Wards	Eshowe Sports Club	21 November 2023	10H00

Table 2: First Round IDP/Public Participation Roadshows

EVENT	DATE	VENUE	WARDS COVERED
IDP Rep Forum and AMakhosi Forum	9 April 2024	eShowe Town Hall	All
1 st Cluster IDP/Budget Road show	11 April 2024	Mathwaseni Sportsfield (Ward 2)	1,2,3 & 4
2 nd Cluster IDP/Budget Roadshow	18 April 2024	Ngilandela Sports Field (Ward 5)	5,6 & 7
3 rd Cluster IDP/Budget Road show	16 April 2024	Nkume Hall (ward 10)	8,9,10 & 27
4 th Cluster Joint IDP/Budget Roadshow with KCDM	8 May 2024	Eshowe Sport Club (ward 11)	11,12,13,14, & 28
5 th Cluster IDP/Budget Roadshow	20 April 2024	Gingindlovu Hall (ward18)	15,16,17, & 18
6 th Cluster IDP/Budget Roadshow	23 April 2024	Mabhawuzini Hall (ward 20)	19,20 & 21
7 th Cluster IDP/Budget Roadshow	25 April 2024	Mandlovu sport field (ward 24)	22,23,24,25 & 26

Table 3: Second Round IDP/Public Participation Roadshows

These public engagement sessions present the opportunity and platform to all citizens and those who have vested interest in uMlalazi Municipality to review the service delivery needs and priorities of the ward in which they reside, ultimately shaping the IDP according to their needs and interests.

2.4.2.2 WARD COMMITTEES

The uMlalazi Municipality uses the Ward Committee system comprehensively to develop the flow of information between the Municipality and community and vice versa.

This is to allow public participation in matters of the Municipality such as the IDP and budget and implementation thereof as well as focusing on ward-based needs analyses, project identification and prioritisation.

All 28 Ward Committee members were elected. According to the table below 89% of Ward Committees were functional.

Quarter four

Number of Wards	Number of functional Ward Committees	Functional Wards	% Number of Functional Ward Committees	Number of Non-Functional Wards	% Non-Functional Wards	Comments
28	25	1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27 & 28	89%	3	11%	Ward 2 – ward report not stamped by Cllr Ward 15 – Cllr was not part of community meeting Ward 22 – ward report not signed by Cllr

Quarter three

Number of Wards	Number of functional Ward Committees	Functional Wards	% Number of Functional Ward Committees	Number of Non-Functional Wards	% Non-Functional Wards	Comments
28	27	1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 & 28	96%	1	4%	Ward 3 – Data inconsistent with the ward report.

Quarter two

Number of Wards	Number of Functional Ward Committees	Functional Wards	% Number of Functional Ward Committees	Number of Non-Functional Wards	% Non-Functional Wards	Comments
28	24	1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26 & 27	86%	4	14%	Ward 10 – Attendance register does not relate with minutes of community meeting. Ward 15 – Cllr alleged to be absent but has signed attendance register. Ward 22 – No WC

						meetings, no community meetings & sectoral reports Ward 28 – 2 WC meetings held, no attendance for a community held & no ward report
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Quarter one

Number of Wards	Number of Functional Ward Committees	Functional Wards	% Number of Functional Ward Committees	Number of Non-Functional Wards	% Non-Functional Wards	Comments
28	24	1, 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 & 28	86%	4	14%	Ward 3 – Ward report incomplete Ward 5 – Alteration of dates Ward 14 – No minutes for community held Ward 15 – No minutes for WC meetings

2.4.2.3 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

2.5 COMPONENT D: CORPORATE GOVERNANCE

2.5.1 RISK MANAGEMENT

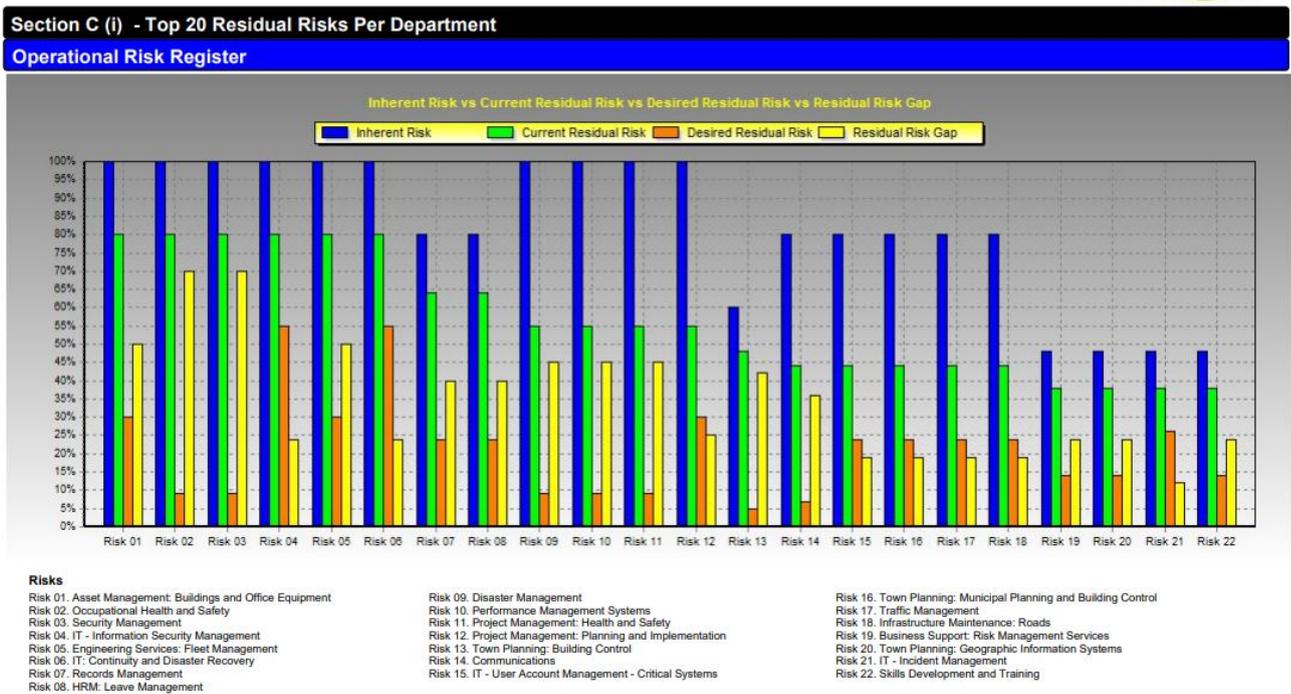
INTRODUCTION TO LEGAL SERVICES AND RISK MANAGEMENT

Legal Services reports directly to the Municipal Manager and is responsible for ensuring that all actions and decisions of Council's structures are in compliance with the legal framework of uMlalazi Municipality. The main purpose is to provide professional legal advice and assistance to the Municipality to ensure the proper protection of its interests and compliance with its obligations.

The Municipal Manager has also been entrusted with the risk management function of the Municipality and it aims to support the objectives of the Municipality to enable the implementation and maintenance of effective systems to identify and mitigate the risks that threaten the attainment of service delivery and other objectives, and optimise opportunities that enhance institutional performance.

Risk management forms part of management's core responsibilities and is an integral part of the internal processes of an institution. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the institutions service delivery capacity.

The top 20 operational risks (including IT Risk) identified by the uMlalazi Municipality are as follows:-



Hereunder is the number of Risk Committee meetings held in the 2023/2024 Financial Year:-

Name	No of Meetings Attended	06/11/2023	21/02/2024	15/05/2024	14/08/2024
Ms. N Mchunu	03	N/A	✓	✓	✓
Mr NN Shandu	01	N/A	N/A	N/A	✓
Ms. NP Mgobhozi	03	✓	N/A	✓	✓
Mr. KC Zulu	03	✓	✓	N/A	✓
Mr. X Buthelezi	04	✓	✓	✓	✓
Mr. S Mngoma	03	✓	✓	N/A	✓
Mr. S Mkhwanazi	03	✓	✓	N/A	✓

2.5.2 ANTI-CORRUPTION AND FRAUD

2.5.2.1 FRAUD AND ANTI-CORRUPTION STRATEGY

A Fraud and Corruption Prevention Policy has been adopted and training takes place on an ongoing basis. The objective of this Policy is to develop and foster a climate within the Municipality where all employees strive for the ultimate eradication of fraud, corruption, theft and maladministration by means of the application of the full spectrum of both pro-active and re-active measures at their disposal, and strive actively to gain the support of the public in this endeavour.

The goal of fraud and corruption prevention within the Municipality is to manage the susceptibility to risk with a view to reducing it and to raise the level of fraud awareness amongst the employees and other stakeholders. In an effort to prevent Fraud, Corruption and Theft the Municipality's Fraud and Risk Management Committee meets on a quarterly basis.

2.5.3 SUPPLY CHAIN MANAGEMENT

2.5.3.1 OVERVIEW

All high capacity municipalities were required to implement the Supply Chain Management Regulations to the Municipal Finance Management Act, No 56 of 2003, on 1 October 2005 and to have a new Supply Chain Management (SCM) Policy in terms of the Regulations in place by the same date.

The Municipality met the requirements with regard to the adoption of a policy and also implemented the prescribed procurement procedures to ensure that all legal requirements are met.

The Policy, which is based on the model policy prescribed by the National Treasury, was reviewed in the 2023/2024 financial year. The revision that was tabled with the 2023/2024 budget, recommendations by the Municipality's internal auditors, the Auditor-General and directives from Provincial and National Treasury were incorporated in the Policy. Council approved the revision of the Supply Chain Management Policy on **27 May 2022**.

Staff members serve on the various bid committees in terms of proper delegations and are appointed in terms of legislation. The bid committees function well.

All members of the Bid Specification, Bid Evaluation and Bid Adjudication Committees are delegated in writing by the Municipal Manager to serve on these respective committees. These delegations are accepted in writing and record thereof is available.

2.5.4 BY-LAWS

2.5.4.1 COMMENT ON BY-LAWS

Section 11 (3) (m) of the Municipal Systems Act, No 32 of 2000, provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation. The uMlalazi Municipality has 21 by-laws in place that cover various subjects. The Municipality's Peace Officers enforce some of the by-laws.

The uMlalazi Municipality currently has the following promulgated By-laws: -

No	By-Law	Date Gazetted
1.	Advertising By-Law	9 April 2009
2.	Beaches By-Laws	11 March 2010
3.	Delegation of powers By-Laws	11 March 2010
4.	Electrical By-Laws	11 March 2010
5.	Encroachment By-Laws	11 March 2010
6.	Financial By-Laws	11 March 2010
7.	Fire Prevention By-Laws	11 March 2010
8.	Health By-Laws	11 March 2010
9.	Keeping of animals By-Laws	11 March 2010
10.	Motor vehicle and Traffic By-Laws	11 March 2010
11.	Parking By-Laws	11 March 2010
12.	Pound By-Laws	11 March 2010
13.	Public Transport By-Laws	11 March 2010
14.	Rates By-Laws	11 March 2010
15.	Refuse By-Laws	11 March 2010
16.	Roads By-Laws	11 March 2010
17.	Storm-water Management By-Laws	11 March 2010
18.	Street Trading By-Laws	10 October 2023
19.	Rules of Virtual Meetings and Sittings	24 December 2020
20.	Disaster Management and Fire By-Law	24 December 2020
21.	Outdoor Advertising By-Law	April 2021

2.5.5 WEBSITE

Municipal Website: Content and Currency of Material	
Reports Published on Municipal Website during 2017/18 Financial Year	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (2022/2023)	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2016) and resulting scorecards	Yes
All supply chain management contracts above prescribed value for 2022/2023	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	Yes
All quarterly reports tabled to the council in terms of section 52 (d)	Yes

2.5.5.1 COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

The Municipality's website address is <http://www.umlalazi.gov.za>. All information required by law as well as general information on the Municipality is placed on the website. The Municipality's Communication Unit is responsible to administrate the website to upload documents and information relevant to the Municipality.

2.5.6 PUBLIC SATISFACTION SURVEY ON MUNICIPAL SERVICES

The uMlalazi Municipality did not undertake any public satisfaction surveys in the 2023/2024 financial year due to financial constraints.

2.5.7 MUNICIPAL OVERSIGHT COMMITTEES

2.5.7.1 THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

The below members served on the Audit and Performance Audit Committee, Ms K Sewnarain was appointed as a chairperson of the Audit committee.

Name	Designation
Ms K Sewnarain	Chairperson of Audit Committee, Member of Performance Audit Committee
Mr. J S Coetsee	Chairperson of Performance Audit Committee, Member of Audit Committee
Prof. T I Nzimakwe	Member of Audit and Performance Audit Committee
Mr A Zungu	Member of Audit and Performance Audit Committee
Mr S Masilela	Member of Audit and Performance Audit Committee

Hereunder is the number of Audit and Performance Audit Committee meetings held in the 2023/2024 Financial Year:-

Name	No of Meetings Attended	21/08/2023	13/12/2023	29/04/2024	27/06/2024
Ms K Sewnarain	4	✓	✓	✓	✓
Prof. T I Nzimakwe	4	✓	✓	✓	✓
Mr. J S Coetsee	4	✓	✓	✓	✓
Mr. A Zungu	4	✓	✓	✓	✓
Mr. S Masilela	4	✓	✓	✓	✓

2.5.7.2 THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

There were 5 MPAC meetings held during the year under review. The following Councillors serve as members of the Municipal Public Accounts Committee (MPAC):

Name	Designation
Alderman S B Larkan	Chairperson of MPAC
Councillor V M Xulu	Member of MPAC
Councillor S W Yimba	Member of MPAC
Councillor M E Dlamini	Member of MPAC
Councillor P T O Shange	Member of MPAC

3

SERVICE DELIVERY PERFORMANCE

3.1 COMPONENT A: BASIC SERVICES

3.1.1 INTRODUCTION

The uMlalazi Municipality renders a range of traditional municipal services in an area covering 2217 square kilometres in accordance with the mandate of local government in terms of the South African Constitution. The area includes rural areas and urban areas such as Eshowe, King Dinuzulu, Gingindlovu and Mtunzini.

The responsibilities of the uMlalazi Municipality for delivering basic services up to 30 June 2024 vested in two of the Municipality's Directorates, namely the Engineering Services Directorate (electricity, mechanical , waste management & Civil) and the Planning and Development Directorate (human settlement). Consumers are charged for services at rates which are reviewed annually and are approved together with the annual budget of uMlalazi Municipality for every new financial year. All qualifying consumers receive 50kw electricity per month and 6 kl of water free per month

3.1.2 WATER & SANITATION

3.1.2.1 WATER

The Municipality is not the Water Services Authority (WSA) and Water Service Provider (WSP). This service is the responsibility of the King Cetshwayo District Municipality.

As the Water Services Authority (WSA), King Cetshwayo District Municipality (KCDM) is responsible for providing access to basic water and sanitation within its area of supply, i.e. uMfolozi, uMlalazi, Mthonjaneni and Nkandla Local Municipalities.

Infrastructure projects implementation falls within the Municipal Infrastructure Implementation (MII) Section. MII Section is under the Programme Management Division in Technical Services Department.

On completion of planning and procurement stage, Water Services Authority (WSA) Section hands over the projects to MII Section for the implementation, monitoring and commissioning. MII Section thereafter hands over the completed and signed-off projects to Municipal Infrastructure Operations and Maintenance (MIOM) Section for operations and maintenance.

3.1.2.2 WATER SERVICES CAPITAL EXPENDITURE (CAPEX)

For the previous financial year 2022/2023 capital projects were funded from the government subsidy grants, as tabled below:

Table No.1: Grants allocation

GRANT	ALLOCATIONS FOR 2022/23
Municipal Infrastructure Grant (MIG)	R 196,344,000
Water Services Infrastructure Grant (WSIG)	R 70,000,000
Regional Infrastructure Grant (RBIG)	R 213,563,000
TOTAL	R 474,907,000

The grant-funded projects in the form of MIG are reported to the Department of Co-operative Governance and Traditional Affairs (COGTA), RBIG and WSIG are reported to the Department of Water and Sanitation and performance is measured against the approved implementation plan.

3.1.2.3 WATER AND SANITATION PROJECTS

Table 2: Grants Expenditure for the 2023/2024 financial year as of 30 June 2024

SOURCE OF FUNDING	ALLOCATION	EXPENDITURE	% SPENT	BALANCE
MIG	R 191,737,000	R 191,737,000	100%	R 0.00
WSIG	R 60,000,000	R 60,000,000	100%	R 0,00
RBIG	R 222,547,000	R 222,547,000	100%	R 0.00
TOTALS	R 474,284,000	R 474,284,000	100%	R 0.00

Table 3: Individual Projects implemented per Funder

No	LM	Ward No.	Project Name	FY2023/2024 Allocation	Funder
1	Mfolozi	3 & partial 4	Mbonambi CWSS Phase 2	R 1 606 425	MIG
2	Mfolozi	8	Mhlana Somopho 3C (Upper Nseleni Bulk and Reticulation) Portion 3A-1	R 1 168 610	MIG
3	uMhlathuze	9	KCDM Construction of Cell 3 at Empangeni Regional Solid Waste	R 19 431 929	MIG
4	Mthonjaneni	2	Melmoth Sewer Upgrade	R 2 325 775	MIG
5	Mthonjaneni	12 & 13	Greater Mthonjaneni SSA 4	R 6 962 767	MIG
6	Nkandla	12	Nkandla (KZ286) VIP Sanitation	R 5 610 000	MIG
7	Nkandla	13	Nkandla Vutshini Regional Water Supply (SSA5)	R 27 413 704	MIG
8	Nkandla & uMlalazi	Nkandla - 7 & 14 uMlalazi 1 & 2	Middle drift bulk water supply ph. 2	R 518 296	MIG
9	Umlalazi	2, 3, 4	Middle drift SSA5 Bulk Water and Reticulation	R 27 393 823	MIG
10	Umlalazi	22, 23	Umlalazi Rural Sanitation	R 11 397 726	MIG

11	Umlalazi	27	Mpungose 1D Water Supply	R 0	MIG
12	Umlalazi	11 & 12	Upgrading of Sewage Infrastructure for Eshowe (Upgrade of Water Service of Eshowe)	R R10 427 743	MIG
13	Umlalazi	27	Eshowe SSA 1: Bulk Water Supply	R 22 685 563	MIG
14	Umlalazi	23	KwaHlokoHloko SSA 5 Bulk Water Supply Plant Upgrade	R 6 785 244	MIG
15	N/A	N/A	PMU Management Support	R 10 082 203	MIG
16	uMlalazi LM & Mthonjaneni LM	(Mthonjaneni: Ward 3,5,6,7,8, 9,10	KwaHlokoHloko SSA 1 Water	R 17 466 649	MIG
17	uMlalazi LM	Ward 23	Goedetrouw Regional Water Scheme - KwahlokoHloko SSA5 (Reticulation)	R 808 394	MIG
18	Mthonjaneni LM		MELMOTH SEWER UPGRADE	R 2 325 775	MIG
19	uMlalazi LM	Ward 12	ESHOWE SEWER UPGRADE	R 10 427 742	MIG
20	uMlalazi LM	Ward 23	KWAHLOKOHLOKO S/A SSA5 - PLANT UPGRADE	R 6 785 244	MIG
21	uMlalazi LM	Ward 23	NKANDLA VITSHINI S/A SSA5 - PLANT UPGRADE	R 27 377 992,93	MIG
TOTAL				R 191 737 000	

No	LM	Ward No.	Project Name	FY2023/2024 Allocation	Funder
1	uMfolozi	18	Construction of Dengeni Water Scheme Extension	R722 699,24	WSIG
2	uMfolozi	9	Construction of Dondotha Water Scheme	R2 489 437,51	WSIG
3	uMfolozi	7	Construction of Khenana Water Scheme Network Extension	R2 939 487,00	WSIG
4	uMfolozi	11	Construction of Mdungandlovu Water Scheme Extension	R1 690 251,26	WSIG
5	Mthonjaneni	4	Construction of Khathazo Water Scheme including 6 Standpipes and 10 kl Water Storage Tank.	R1 897 776,24	WSIG

6	Mthonjaneni	13	Construction of oDebe Water Scheme including 100kl Water Storage Tank.	R4 993 925,00	WSIG
7	Mthonjaneni	10	Construction of Qomintaba Water Scheme Extension including 9 Standpipes.	R3 108 298,76	WSIG
8	uMlalazi	10	Construction of Mtilombo Water Scheme (Civil Works)	R2 327 732,02	WSIG
9	uMlalazi	10	Construction of Mtilombo Water Scheme: Installation of Submersible Pump, Generator and Package Plant (Electro-Mech.)	R4 827 240,00	WSIG
10	Nkandla	2	Construction of Bhacane Water Scheme with Water Storage Tanks (Civil Works)	R3 394 126,37	WSIG
11	Nkandla	2	Equiping of Bhacane Borehole and Supply, Delivery and Installation of 100kl package Plant (Eletro-Mechanical)	R4 516 050,00	WSIG
12	Nkandla	6	Construction of Matholampunga Water Scheme including 15 Stand Pipes, 100kl Water Storage Tank and Fencing (Civil Works)	R2 676 092,31	WSIG
13	Nkandla	6	Construction of Matholampunga Water Scheme: Equiping of Borehole with Associated Connections (Electro-mechanical)	R1 827 553,79	WSIG
14	uMfolozi	various	(Revenue Enhancement) WC/WDM Strategy Implementation: Phase 4	R 4 275 154	WSIG
15	Nkandla	5	Refurbishment of Nkandla Weir	R 17 942 424	WSIG
TOTAL				R60 000 000	

No	LM	Ward No.	Project Name	FY2023/2024 ALLOCATION	Funder
1	Nkandla & uMlalazi	Nkandla - 14 uMlalazi - 2	Augmentation of Middle drift Bulk Water Supply (SSA2)- Planning for raw water and plant	R 21 059 523	DWS - RBIG
2	Nkandla	Partial 13 & 14	Bulk pipeline and reservoir at Middle drift SSA3: Phase 1a & 1b		
3	uMlalazi	28 (other 9, 10, 11, 12, 13, 14, 20, 21, 22, 27)	Upgrading of Kwahlokohloko SSA1 Bulk Water Supply ; Mechanical and Electrical	R 147 396 476	DWS - RBIG
4	Mthonjaneni	3,6,7,8,9,10,11,12 and 13	Greater Mthonjaneni SSA2	R 27 810 026	DWS - RBIG
TOTAL				R222 547 000	

3.1.2.4 NEW WATER CONNECTIONS PROVIDED

As the Water Services Authority (WSA), King Cetshwayo District Municipality (KCDM) is responsible for providing access to basic water and sanitation within its area of supply, i.e. uMfolozi, uMlalazi, Mthonjaneni and Nkandla Local Municipalities; except to the City of uMhlathuze. The City of uMhlathuze has a WSA status and thus responsible for the provision of water and sanitation within its area of jurisdiction.

The annual target for the installation of new water connections was 587 units for the 2023/24 financial year. The annual target was set to be achieved at the end of the fourth quarter.

New water reticulation project with yard connection that was under construction within the reporting period was at Nkandla Local Municipality and Mlalazi LM hence Middledrift SSA2 Rising main and Middledrift SSA5 Phase 3.

The above mentioned water reticulation project covers the following wards:

- a) Middledrift SSA 2 Rising Main - Ward 1 & 2 of uMlalazi and Ward 7 & 14 of Nkandla Local Municipalities
- b) Mbonambi Water Phase 2 - Ward 3 of uMfolozi Local Municipality
- c) Middledrift SSA 5: Phase 3 - Ward 2, 3 & 4 of uMlalazi Local Municipality
- d) KwaHlokohloko SSA5 Reticulation - uMlalazi Local Municipality

Table 4: Number of New water connections completed in 2023/2024 FY.

New project	Project name	Q1	Q2	Q3	Q4	Expected connection	Name of Service Provider	Comments
New	Middledrift SSA5 Phase 3	0	0	0	0	0	GWSB Contractors	There were 778 connections planned for Financial Year 2023/24. However, the scarcity of bulk water supply in the area has led to reviewing of this connections to be achieved in FY 2024/25.
New	Middledrift SSA 2 Rising	0	0	0	0	587	Leomat Construction	Pumps commissioning in progress and beneficiaries in Area 3 and 4 are receiving water already. The Contractor has completed works in Ewangu area and achieved the practical completion. 587 new water connections achieved and verified by Engineer
New	Mbonambi Water Reticulation	0	0	0	0	0	N/A	Project in planning and design stage. However, the implementation of 321 yard connections was delayed due to insufficient bulk water supply in the area.
New	KwaHloko SSA5 Reticulation	0	0	0	0	0	N/A	Project in planning and design stage. However, the implementation was delayed due to insufficient bulk water supply in the area. 230 house connections will be realized in 2024/25FY.
	TOTAL	0	0	0	0	587		

3.1.2.5 NEW SANITATION UNIT PROVIDED

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

For the sustainability of these projects, movable precast top structures are being used tenable the household to move the unit to another position once the pit is full.

The targets for 2023/2024 financial year were 994 VIP units and have been allocated per Local Municipality as below:

Table 5: Number of New Ventilated Improved Pit (VIP) units completed in 2023/2024 FY

Project Name	Comments				Total	Name of contractor	Progress
	Q1	Q2	Q3	Q4			
uMlalazi LM (Ward 25 & 27)	0	526	0	0	526	GWSB Contractors	Project completed.
Nkandla LM (Ward 8 & 13)	0	157	0	0	157	Somhlaba Holdings	Project completed.
uMlalazi LM - Phase 1(Ward 23 & 25)	155	0	0	0	155	GWSB Contractors	Project completed.
Nkandla LM (Wards 8 & 13)	156	0	0	0	156	Manong Construction & Projects	Project completed.
Total Units	311	683	0	0	994		

3.1.3 ELECTRICITY

The municipality has a Free Basic Electricity (FBE) policy targeted at indigent households in urban towns which are referred to more fully herein below. A total of 5383 households received free basic electricity during the year under review.

The municipality has a joint responsibility with Eskom to electrify and service all customers as well as households. The municipality has a licensed area and Eskom has a licensed area in the jurisdiction of uMlalazi Municipality to distribute electricity.

The Municipality has a mandate to: distribute electricity in terms with its electricity supply distribution license issued by NERSA, the Electricity Act (as amended), the OHS Act and its regulations, Council Policies, Practices, Procedures, Standards and Electricity By-Laws.

The 4 top strategic objectives of this function for 2023/2024 were:

- To address the insufficient capacities of the bulk supply-
- To upgrade all main substations in order to meet the development demands.
- Proceed with rural electrification projects (post connections) electrification. The emphasis was therefore on extensions, post connections and in-fills
- Demand side management and energy saving

The table below shows that as at 30 June 2024 the electricity backlog has decreased from 65% in 2011, 4% in June 2023 and at 0.63% in June 2024. The Municipality

supplied electricity to **1586** consumers and Eskom supplied to **190 (infills)** as at 30 June 2024

Households (Census 2016)	Backlog: Census 2011	Backlog: Percentage 2011	Number – consumers June 2023	of –	Backlog: June 2023 (%)	Backlog as at June 2024 (%)
46 953	29045	65%	45 074 (96%)		4%	0.63%

The uMlalazi LM has since 2011 made huge strides in terms of supplying electricity to communities within the municipal area. Eskom has further confirmed the funding for the various areas to be prioritised for electrification projects which is highlighted in the IDP

Performance Summary of Electricity services overall in the 2023/2024 year is as follows:-

WARD	PROJECT NAME	RESPONSIBLE DEPARTMENT	NUMBER OF CONNECTIONS	STATUS REPORT 2023/2024
26	KDS – new separate power supply line	Umlalazi – sch 5B	0 – Bulk supply (overhead MV line)	Project not complete due to power supply route encroaching other network – busy wayleave application for new design
8	Type 1 infills	Eskom	100	Complete
16	Type 1 infills	Eskom	100	Complete
3, 6 & 7	Type 1 infills	Eskom	150	Complete
various	Type 1 infills	Eskom	1200	Complete
1	Izinsundu	Umlalazi – sch 5B	0	Project still not complete – waiting outage to connect 79 remaining customers.
10	Mthilombo	Eskom	20	Project still ongoing
22/23	Nteneshane	Eskom	16	Project still ongoing
15/28	Ward 15 extension	Eskom	396	Complete
TOTAL			1586	

3.1.4 WASTE MANAGEMENT

3.1.4.1 WASTE MANAGEMENT SERVICES

uMlalazi Municipality provides waste removal services to all urban areas and certain clustered rural wards. The municipality is, mainly responsible for solid waste collection, storage, sorting and management particularly at households and business areas. uMlalazi Municipality has two (2) licensed transfer stations in Eshowe and Mthunzini and the waste from transfer stations is transported to the Regional Landfill site.

The table below shows that as at 30 June 2024 the refuse services backlog has decreased from 79% in 2011 (Census stats) to 58%, being 21 percent decrease.

Households	Backlog: Census 2011	Backlog: Percentage – 2011	Number of households receiving the service – June 2021	Backlog: June 2023	Backlog as at June 2024
46 953	35457	79%	19 298 (42%)	27 573	58%

3.1.4.2 OUTSOURCING OF REFUSE COLLECTION SERVICES

Refuse removal service in urban area is outsourced to service providers who are appointed on a three year contractual basis. The Municipality has created job opportunities under EPWP for waste removal services. These temporary employees are employed and based in all 28 wards (both rural and urban) to provide refuse removal services. A total of 19 298 households i.e. 14 388 rural and 1003 urban households, receive refuse removal services from the municipality.

3.1.4.3 COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL

The waste management service provided in 2023/2024 financial year remain constant from previous years in terms of the number of people receiving the service and the job opportunities created under waste section.

3.1.5 HOUSING

The Municipality seeks to address the housing needs of low-income groups and middle income groups who do not have access to the commercial bond market. In this regard it acts as an agent for the Department of Human Settlements.

The provision of housing is the mandate of the Provincial Department of Human Settlement (DHS) and the municipality plays an active role in the coordination of the housing development projects by making land available for such development, providing lists of beneficiaries, identifying challenges and resolving them with local stakeholders like ward Committees and Traditional leaders. Disputes over ownership, illegal transfer and occupation, illegal connection of electricity and water in various projects.

3.1.5.1 STATUS OF HOUSING PROJECTS

COMPLETED PROJECTS					
PROJECT NAME		IMPLEMENTING AGENT	UNITS COMPLETED	FINANCIAL YEAR COMPLETED	
Bhekeshowe Rural Housing Project		INPRODEV	1000	2014/15	
Sunnydale Phase 2 Urban Housing Project		KENTY & TEMPLER	403	2009/10	
Gingindlovu Urban Housing Project EXT. 5 & 6		PD NAIDOO & ASSOCIATES	143	2015/16	
Mombeni Rural Housing Project		LINDA MASINGA & ASSOCIATES	956	2015/16	
Sunnydale Extension Phase 2 EXT Housing Project		KANTEY & TEMPLER	212	2021/22	
uYaya Rural Housing Project		SIQU GROUP	1000	2020/21	
Operation Sukumasakhe 403		STEDONE DEVELOPMENTS	397	2021/22	
Sunnydale Phase 3 (21 Units)		KENTY & TEMPLER	21	2022/23	
MULTI YEAR PROJECTS UNDER CONSTRUCTION					
PROJECT NAME	IMPLEMENTING AGENT	BUDGET	COMPLETED UNITS 2023/2024 FY	UNITS REMAIN FOR 2024/2025 FY	APPROVED UNITS
Kholweni Rural Housing Project	MABUNE CONSULTING	R 8 383 320.00	53	247	300
KwaMondi Rural Housing Project	KANTEY & TEMPLER	R 2 514 996.00	49	251	300
KwaKhoza Rural Housing Project	SIQU GROUP	R 4 890 270.00	0	300	300
Ndlangubo Rural Housing Project	STEDONE DEVELOPMENTS	R 4 890 270.00	300	0	300
Mvuzane Rural Housing Project	NTOKOZWENI DEVELOPERS	R 8 383 320.00	14	286	300
Mpungose Rural Housing Project	BAHLOMILE DEVELOPMENTS	KZN DoHS to Allocate Budget	963	37	1000
OSS 431	IA to Be Appointed by the KZN DoHS	KZN DoHS to Allocate Budget	0	431	431
TOTAL			1379		

3.1.5.1.1 COMMENT ON HUMAN SETTLEMENT SERVICE PERFORMANCE OVERALL

Overall project progress is satisfactory from a housing point of view.

Delayed projects have been identified as well and resolutions to address the delays have been carried out accordingly.

A total Number of **1379** houses have been built in the year under review.

3.1.6 FREE BASIC SERVICES & INDIGENT SUPPORT

3.1.6.1 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

In terms of the South African Constitution all consumers should have access to basic services. Currently, the free basic services provided to the domestic consumers within the uMlalazi Municipality area are as follows:-

- Free minimum water (6 kiloliters per month) for all household consumers – this service is provided by the King Cetshwayo District Municipality
- Free distribution of electricity to Indigent households – Eskom. There were 5383 households that benefitted from the free basic services in the year under review. Eskom depends on the Municipality to submit the list of Indigent consumers in order for them to receive the free basic electricity.
- Refuse removal Services to households in rural areas and indigent households in urban areas.

3.1.6.2 COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT

Apart from the indigent subsidy, the uMlalazi Municipality also supports households where the total income is more than twice the State pension but less than R5 000 per month.

The poor household subsidy is not funded from the equitable share but solely through municipal funds.

3.2 COMPONENT B: ROADS & TRANSPORT

3.2.1 ROADS

The National, Provincial and District collector roads fall under the Department of Transport, known as N roads, P roads and D roads and the uMlalazi Municipality is responsible for urban roads and rural access roads within the Municipal area.

The Municipality is responsible for the planning, construction and rehabilitation of urban road networks with a total area of 119.32 km and the total gravel road network of 1190, 49 km.

The Engineering Services Directorate is responsible for the planning, construction and routine maintenance (rehabilitation) of all tarred and gravelled streets in the municipal area. The main strategic objective is to provide road infrastructure services to the community of uMlalazi.

3.2.1.1 GRAVEL ROADS INFRASTRUCTURE

Gravel access roads are continuously maintained with the Grader programme. The Municipality assists the communities by grading gravel roads which are damaged due to inclement weather conditions. During the year under review, the Province of KwaZulu Natal was hit hard by heavy rainfall, strong winds and hailstorm resulting in flooding that left parts of the province with severe damage and uMlalazi Municipality was part of those local areas that were hit hard by the floods causing a huge damage to the road infrastructure. As a result a total of **1363.33** km gravel roads were maintained in the 2023/2024 financial year.

3.2.1.2 ROAD INFRASTRUCTURE

Existing roads are resealed according to the Pavement Management System which was reviewed in the 2023/2024 financial year.

Performance Summary of Road infrastructure Services overall in the 2023/2024 year is as follows:-

Project	Ward	Extent	Budget spent (R)
Rural Roads Maintenance programme (Grading)	All rural wards	1363.33 Km	18 000 000.00
Rehabilitation of Urban Roads	11,12,&18	Rehabilitation of a Total 1.2 km of surfaced road	R 4 295 938.00
OTHER CIVIL PROJECTS			
Road patches / Major repairs	11 & 18	445 m ²	247 415.70
Reinstatement of roads and sidewalks – Eshowe town	11	415 m ²	199 197.50
Extension of Stormwater culvert (Helly Avenue)	19	204m	799 323.00
Road surface Marking	7,11,12,18,19 & 28	6 KM	500 000.00
Road traffic signs	7,11,12,18,19 & 28	253No	150 000.00

Performance Summary of Municipal Infrastructure Grant Projects overall in the 2023/2024 year is as follows:-

Project	Ward	Extent	Budget spent as at 30 June 2024	Status of project as at 30 June 2024
Construction of Yimba Gravel Road (Ward 19)	19	2,6 km Gravel Road and Causeway Crossing	R 4 396 003.03	Complete
Construction of Ofasimba Gravel Road (Ward 25)	25	Construction of 4km Gravel Road	R 4 979 851.10	Complete
Construction of Mpumazi Community	14	500 Seater	R 4 479 476.78	Practically

Hall (Ward 14)		Community Hall		Complete
Eyetheni Gravel Road and Causeways-Phase 01	21	Construction of 2,1 km Gravel road and Causeway	R 1 036 137.01	Complete
Eyetheni Gravel Road and Causeway- Phase 02	21	Construction of 2,4 km Gravel road and Causeway	R 1 054 661.46	Complete

MULTI-YEAR PROJECTS IN PROGRESS

Project	Ward	Extent	Budget spent as at 30 June 2024	Status pf project as at 30 June 2024
Construction of Vekeza Gravel Road (Ward 17)	17	5,5 km Gravel Road	R 1 073 558.66	Construction
Construction of Tap Tap Makhathini Sports Centre (Ward 26)	26	Construction of a Boxing Arena, Gym and Fitness Centre	R 1 439 614.04	On Tender
Construction of Slambo Community Hall (Ward 03)	03	Construction of 500 Seater Community Hall	R 4 448 722.58	Construction
Construction of Makhumalo to Ediphini Gravel Road (Ward 13)	13	5,2km Gravel Road	R 5 094 144.18	Construction
Construction of Ndayini to Ngedlezi Gravel Road (Ward 04)	04	6,5 km Gravel Road	R 6 155 651.55	Construction
Construction of KDS Sports Complex (Ward 12)	12	Indoor Sports Park, to cater for indoor Soccer, Tennis, Netball, Valleyball and Basket Ball	R 5 595 411.83	Construction
Construction of Mamba Gravel Road and Causeway (Ward 02)	02	Construction of a 3,7 km Gravel Road and Causeway	R 6 378 255.58	Construction
Construction of Mashabase Sports Field		Construction of a Sport		

(Ward 01)	01	Field to cater for Soccer, Tennis, Basket Ball & Netball	R 2 449 270.89	Construction
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Performance Summary of Disaster Grant Projects overall in the 2023/2024 year is as follows:-

Project	Ward	Extent	Budget spent as at 30 June 2024	Status pf project as at 30 June 2024
Refurbishment of Emathwaseni Sports field	02	Refurbishment of a storm damaged Sports Field	R1 590 829.94	Construction
Refurbishment of uMlalazi Community Hall	09	Refurbishment of a storm damaged Community hall	R 0.00	Contractor Appointed
Refurbishment of Mngampondo Community Hall	25	Refurbishment of a storm damaged Community Hall	R 0.00	On Tender
Phaphamani Peace Centre	02	Refurbishment of a storm damaged Peace Centre	R 1 076 996.65	On Practical Completion
Thandukwenza Crèche	22	Refurbishment of a storm damaged early childhood development Centre	R 0.00	Project Complete

Performance Summary of EDTEA Grant Project overall in the 2023/2024 year is as follows:-

Project	Ward	Extent	Budget spent as at 30 June 2024	Status pf project as at 30 June 2024
Construction of KDS Trading Facilities	12	Construction of X25 Trading Units	R 1 107 675.97	Construction

3.2.2 STORM WATER

The purpose of a stormwater drainage system is to provide a formal drainage system of pipes and channels to discharge stormwater away from erven and streets and to discharge this water into natural water courses. Roads have traditionally played an important part in the urban drainage process. However it is important to provide a proper pipe system for all major runoff systems to prevent erosion and damages to properties. The day to day maintenance of the stormwater system is done by in-house staff.

3.2.2.1 PERFORMANCE OF STORMWATER DRAINAGE OVERALL

Project	Ward	Extent	Budget spent (R)
Extension of Stormwater culvert (Helly Avenue)	19	204m	799 323.00
Stormwater pipe jetting	19	400m	29 000.00
Stormwater Manhole repairs	7,11,12,18,19 & 28	30 No	99 000.00
Replacement of Manhole covers	7,11,12,18,19 & 28	20 No	51 00.00

3.2.2.2 COMMENT ON THE PERFORMANCE OF ROADS OVERALL

There were **1.2 km** of urban roads upgraded and **1363.33 km** rural roads graded in the 2023/2024 financial year.

3.2.3 TRANSPORT

The uMlalazi Municipality does not provide public transport services such as buses but provides taxi ranks, lay-bys and shelters along public roads to augment the privately owned transport services.

Vehicle licensing forms part of the traffic function within the Community Services and Public safety Directorate.

3.3 COMPONENT C: PLANNING & DEVELOPMENT

3.3.1 INTRODUCTION TO PLANNING AND DEVELOPMENT

The Directorate Planning and Economic Development, is responsible for the strategic and spatial planning, Building Inspectorate, Human Settlement and Local Economic Development functions within the Municipality.

3.3.2 PLANNING

3.3.2.1 INTRODUCTION TO PLANNING

The Municipality approved the Spatial Development Framework (SDF) in 2019 AND reviewed in 2023.

3.3.2.2 PERFORMANCE OF PHYSICAL PLANNING OVERALL

3.3.2.2.1 LAND SALE AND LAND LEASE APPLICATIONS

The following Town Planning applications were received and processed by the Town Planning department in the 2023/2024 year:-

Applicant	Property Description	Area	Type of Application	Proposal	Status
Mews Properties (Pty) Ltd	A portion of the Remainder of Erf 167 Mtunzini on the corner of Siyayi Drive and Station Road	Mtunzini	Land Lease	Develop additional parking space for a shopping centre	Application was put on hold pending the review of the Land Acquisition policy
Mr K Koekemoer	A portion of Erf 514 Mtunzini	Mtunzini	Land Lease	Land will be used to park trailers	Application was put on hold pending the review of the Land Acquisition policy
Zululand AgriHub	A portion of the Remainder of Erf 167 Mtunzini	Mtunzini	Land Lease	Develop a liquid fertilizer production facility	Application was put on hold pending the review of the Land Acquisition policy
Dunn Mechanic (Pty) Ltd	Portion 1 of Erf 905 Eshowe	Eshowe Industrial Area	Land Sale	Applicant is seeking to purchase municipal land they are currently leasing	Application was put on hold pending the review of the Land Acquisition policy
Mtima Building Construction CC	Remainder of Erf 905 Eshowe	Eshowe Industrial Area	Land Sale	Applicant is seeking to purchase municipal land they are currently leasing	Application was put on hold pending the review of the Land Acquisition policy
Mr S L Xulu	A portion of Erf 2959 Eshowe	Eshowe	Land Sale	Applicant is seeking to purchase municipal land they are currently leasing	Application was put on hold pending the review of the Land Acquisition policy
The Learning Tree Academy	A portion of Municipal land within the Mpushini Housing Development	Mpushini Park	Land Lease	Applicant is seeking to develop an educational facility	Application was put on hold pending the review of the Land Acquisition policy
Yenza Izinto Zenzeke	Erf 2864 Eshowe	Sunnydale	Land Lease	Applicant is seeking an extension of their lease agreement	Application was put on hold pending the review of the Land Acquisition policy
Tamryn-Leigh Van Loggerenberg	A portion of Municipal land in Mtunzini	Mtunzini		Applicant is seeking to establish a dog park on municipal open space within Mtunzini	Application was put on hold pending the review of the Land Acquisition policy

Mr S Mpungose	A portion of Erf 1366 Eshowe	Sunnydale	Land Lease	Applicant is seeking to develop a car wash business on Municipal land	Application was not supported
Mr T Grobler	Erf 886 and Erf 887, both of Mtunzini	Mtunzini	Land Sale	Applicant is seeking to purchase Municipal land to develop a housing development	Application was not supported
Mrs S M Nxumalo	A portion of Municipal land within the Eshowe CBD	Eshowe CBD	Land Lease	Applicant is seeking to develop a car wash business on Municipal land within the Eshowe CBD	Application was put on hold pending the review of the Land Acquisition policy
Mr B Mdamba	A portion fo Erf 2866 Eshowe	Sunnydale	Land Lease	Applicant is seeking to develop a car wash, hair salon, internet café and food outlet on Municipal land	Application was not supported
Internation Pentecost Holiness Church Jerusalem	A portion of Municipal land in Eshowe	Eshowe	Donation	Applicant is seeking to acquire Municipal land to develop a place of worship	Application was put on hold pending the review of the Land Acquisition policy
Mr T S Mkhize	Road reserve along Thembeni Street	King Dinuzulu Suburb	Land Lease	Applicant is seeking to operate a tuckshop on Municipal land	Application was not supported
Ms P Guliwe	Erf 870 Gezinsila A	King Dinuzulu Suburb	Land Lease	Applicant is seeking to lease Municipal land to operate a fast food outlet	Application was not supported
Mr G Cebekhulu				Applicant is seeking to lease Municipal land to operate a barbershop	Application was not supported
Mr M M Ntuli	Parking space in the Eshowe CBD	Eshowe CBD	Temporary usage	Applicant is seeking to use a parking bay within the Eshowe CBD to operate a fish and chips business from a mobile kitchen	Awaiting the submission of outstanding information
Ms N Zulu and Ms A Mavundla	Portion 9 of Erf 59 Gingindlovu	Gingindlovu CBD	Land Lease	Applicants are seeking to lease Municipal land at the Gingindlovu taxi rank in order to operate a hair salon and internet café from containers	Application was not supported
Ms L Mzimela				Applicant is seeking to lease Municipal land in order to operate a fast food establishment	Application was not supported
Mr and Mrs Mohunram	A portion of the Remainder of Erf 167 Mtunzini adjoining Erf 621 Mtunzini	Mtunzini	Land Lease	Applicant is seeking to lease Municipal land in order to develop their property's boundary wall on it	Application was put on hold pending the review of the Land Acquisition policy

Konkekwehu (Pty) Ltd	Agricultural land owned by the Municipality	Farm Land	Land Lease	Applicant is seeking to lease Municipal land for sugarcane and vegetable production	Application was put on hold pending the review of the Land Acquisition policy
Ms N Khumalo	A portion of road verge adjoining Adams Park	Eshowe CBD	Temporary usage	Applicant is seeking to use a parking bay within the Eshowe CBD to operate a Food outlet from a mobile kitchen	Awaiting the submission of outstanding information
Yandisokuhle Trading (Pty) Ltd	A portion of road verge opposite Ikhwezi Cash and Carry	Eshowe	Land Lease	Applicant is seeking to lease Municipal land in order to operate a fast food establishment	Application was not supported
Mr S Govender	Remainder of Erf 151 Gingindlovu	Gingindlovu Industrial Area	Land Lease	Applicant is seeking to lease Municipal land in order to operate a mechanical workshop	Application was not supported
Ebenezer Outreach Gospel Church	Portion 1 of Erf 3275 Eshowe	Sunnydale	Land Lease	Applicant is seeking to lease Municipal land in order to erect a temporary place of worship	Application was put on hold pending the review of the Land Acquisition policy

3.3.2.2 URBAN DEVELOPMENT AND CONTROL

In addition to doing its own spatial development planning and exercising control over development and building activities, an information service is provided to property owners and developers.

The following building plans were approved in the financial year to the end of June 2024:-

Months	Eshowe	Mtunzini	Gingindlovu	INCOME RECEIVED
July	3	7	1	R 59 633,94
August	15	2	6	R 53 266,75
September	8	0	3	R 32 811,92
October	12	2	0	R 75 423,32
November	5	1	0	R 18 199,98
December	7	3	1	R 153 810,76
January	6	2	0	R 12 188,90
February	5	0	1	R 184 205,75
March	4	1	2	R 38 789,24

April	6	2	9	R 19 175,06
May	7	0	4	R 31 602,16
June	0	1	1	R 20 650,78
July	12	1	2	R 100 067,07
TOTAL	90	22	30	R 799,825.63

3.3.3 LOCAL ECONOMIC DEVELOPMENT

3.3.3.1 INTRODUCTION

The Local Economic Development (LED) unit within the uMlalazi Municipality is responsible for the following:

- Local Economic Development (LED).
- Expanded Public Works Programme (EPWP).
- Small, Medium, Micro Enterprises Development (SMME).
- Rural Development.
- Tourism Marketing and Development.
- Agricultural Development
- Youth Development
- Business Development
- Skills Development
- Jobs Creation
 - EPWP
 - CWP

3.3.3.2 LOCAL ECONOMIC DEVELOPMENT (LED)

The Objective of Local Economic Development is to promote economic growth and development of local economies in partnership with key stakeholders and by aligning LED initiative with government programmes.

The Municipality assists the community through the Youth Business Advisory Centre and LED office with the following business assistance:

- Registration with CIPC
- Compiling of Company Profiles and logos
- Registration with Central Supplier Database
- Registration with regulatory bodies
 - Bargaining Council for the Contract Cleaning Industry (**BCCCI**)
 - Construction Industry Development Board (**CIDB**)
- Registration for Compensation for Injuries and Diseases Act (**COIDA**) & Unemployment Insurance Fund (**UIF**)
- Assist with SARS registration

- Trainings
- Assist with business plans
- Black Economic Empowerment (**BEE**) Compliance
- Share certificate
- Assist with grant funding applications
- Business Licence compliance certificate
- Business start-up/business development
- Coaching and Mentorship
 - Monitoring and Evaluation
- Production of trading permits
- Market linkage
- NSFAS applications

3.3.3.3 YOUTH BUSINESS ADVISORY CENTRE

Through the Youth Business Advisory Centre and LED office the Municipality assisted with the following services during the year under review:-

SERVICES	NO. of CLIENTS (LED)
Company Registration	205
Co-operative Registrations	41
Central Supplier Database (CSD)	178
BEE	180
Share Certificate	94
CIDB Registration	39
Company Amendment	17
Company Returns (CIPC)	131

3.3.3.4 THE FOLLOWING BUSINESSES WERE ASSISTED:-

THE FOLLOWING BUSINESSES WERE ASSISTED IN THE 2023/2024 FY:-

NO	NAME AND SURNAME	WARD	ITEM
1.	A.N Sibiya	1	Brushcutters x2
2.	Feslug Salon	2	Hood Dryer 3 Speed Black Black Hairdryers 2000W Shampoo Backwash Barber Chair With Fashion Bowl Sink For Salon And Spa
3.	Thandeka Nkwanyane (Disable) Elemisithemba	2	Water Tank

NO	NAME AND SURNAME	WARD	ITEM
			Seedlings Garden Hoe x2 Hand Hoe x2 Watering Cans x2
4.	Nomusa Zanele Sibiya Qalamuva Co-Operative	3	Water Tank Seedlings Garden Hoe x2 Hand Hoe x2 Watering Cans x2
5.	Mr Thethwa Shange Fisani Co-Operative	3	Wheelbarrows x2 Seedlings Garden Hoe x2 Hand Hoe x2 Watering Cans x2
6.	Wandile Ntuli	3	Brushcutters x 2
7.	Simethembeni Trading	4	Goats Chicks Chicken Feeders Water Tanks Chicken House
8.	Nozipho Msomi	4	Chicken Cage x1 5 Post Finisher 3 Finisher
9.	Samukelisiwe Ntuli	5	Egg Laying Cage
10.	Cabangile Xulu	5	Fencing Equipment
11.	Nombuso Khoza	5	Water Tank Seedlings Garden Hoe x2 Hand Hoe x2
12.	Nompumelelo Gumede	6	Hand Hoes

NO	NAME AND SURNAME	WARD	ITEM
			Watering Cans Seedlings(Cabbage,Onion,Spinach,Tomatoes,Green Pepper)
13.	Siphiwe Biyela	6	Chicks Starter Mash Grower Mash Finisher Sawdust Water Feed Set Chicken Feed
14.	Mthobisi Sikhosana	7	Brushcutter x 1 Chainsaw x1
15.	Nosipho Myeni	7	Chicken Feed Starter Mash Grower Mash Finisher Sawdust Water Feed Set Chicken Feed Vaccine
16.	Ncanekile Dlamini	7	Salon Basin x1 Dark and Lovely Relaxerx3 Boxes Bar Fridge x1
17.	Nozipho Mbambo Insika emhlophe (Youth)	7	Radio Laser Lapo
18.	Ntombiningi Nala	7	Water Tank
19.	Thulani Dube	8	Chicken Layer Cage
20.	Thandeka Ntombela	8	Chicken Cage x1 1 Post Finisher 3 Finisher
21.	Mrs Dube Maqhama Projects	8	1 Starter 4 Post Finisher

NO	NAME AND SURNAME	WARD	ITEM
			3 Finisher
22.	Sithembiso Mahaye	9	Pig x 10
23.	Busisiwe Mdletshe	9	Industrial Sewing Machine x1
24.	D.T Xulu	9	Industrial Sewing Machine x1
25.	Nokulunga Nkwanyana	9	Salon Sink Stand Dryer Hairdryer
26.	Cecilia Xulu	10	1 Deck 1 Tray
27.	Sithabileb P Ngema (Youth)	10	Starter x2 Grower x3 Finisher x3
28.	Zinhle Zungu (Rainbow Circle)	11	Industrial Sewing Machine Overlockers
29.	Njabulo Biyela	11	Compressor and polishing machine
30.	Nhlanhla Makhanya (Youth)	11	Water Tank Seedlings Garden Hoe x2 Hand Hoe x2 Watering Cans x2
31.	Thembisile Mpanza	12	Salon Basin x1 Bar Fridge x1
32.	Nomthandazo Sibiya	12	Multi-function Double Oven Stove
33.	Nolwazi Ntombela	12	Gas Stove 2 x Chaffing Dish Pots 2 X Tables 50 x Spoon
34.	Nini Mthethwa	12	Gas Stove 2 x Chaffing Dish Pots 2 X Tables 50 x Spoon

NO	NAME AND SURNAME	WARD	ITEM
35.	Sinqobile Nobuhle Langa Asandesihle Trading	12	Oven
36.	Mrs N Nxumalo	13	Chicks Starter Mash Grower Mash Finisher
37.	Silingene Mpanza	15	Brushcutters x 1 Chainsaw x 1
38.	Mboniseni Mpanza	16	Chicken cage
39.	Alfred Nhlanhla Majazi YeboZululand DECD	16	Industrial Sewing Machine x 2 Overlockers x1
40.	M Magwaza	17	Sewing Machine Overlockers
41.	Velisiwe Mathenjwa	18	Sewing Machine x 1 Overlocker x1
42.	Samukelisiwe Makhanya	18	Chicks Starter Mash Grower Mash Finisher Sawdust Water Feed Set Chicken Feed
43.	Zama Guma Manoah Baking Company	19	Baking equipment 1 Deck 1 Tray Oven 10 litre Cake Mixer Donut Fryer Kitchen Scale Countertop Display Cabinet - 0.7m COOKRITE STAND - 1220MM
44.	Mrs B Yimba Ezingeni Internet Cafe	20	Printing / Photocopy Machine
45.	Smangele Ntombela Izandlazokusebenza Projects	20	Sewing Machine

NO	NAME AND SURNAME	WARD	ITEM
			Overlocker
46.	Wonderboy Nkwanyana Zokide Brothers	21	STHL FS160 X 1 Wheelbarrow
47.	Nokubonga Mathaba	21	Chicks Starter Mash Grower Mash Finisher Sawdust
48.	Moses Delano Food (PTY) LTD	21	STHL FS160 X 1 Wheelbarrow
49.	Bongumusa Ntombela Sobahle Buliding Blocks	22	Block Making Machine
50.	Nokulunga Vundla	22	Gas Stove Tables Pots Spoons Plates
51.	Simpihiwe Mdletshe	23	Industrial Machine
52.	Thabani Xulu Hlulekile Trading	24	Brushcutters x 1 Wheel barrow
53.	Sibusiso Mazibuko Umjita Mixed Farming	25	Chicken Cage
54.	Thembeke Shwabede Catering Services	25	Gas Stove Pots Table Spoon Plates

NO	NAME AND SURNAME	WARD	ITEM
55.	Andiswa Xulu	25	Starter x2 Grower x3 Finisher x3
56.	Mlungisi Mchunu	26	Block Making Machine Wheel barrows
57.	Zama Mdlalose Ezasemabonga Co-Operative	26	Wheelbarrows x2 Seedlings Garden Hoe x2 Hand Hoe x2
58.	Bonakele Gumbi	27	Industrial Sewing Machine
59.	Siyabonga Zungu Basic Design School	27	Industrial Machine Overlocker
60.	Nkosinathi Dlodla	27	Brushcutters x1
61.	Sizwe Lungelo Mthembu Agrineth Enterprise	28	Brushcutters x1
62.	Siphamandla Jeffrey Majubane	28	Ice Cream Machine

3.3.3.5 SMALL, MEDIUM AND MICRO ENTERPRISES (SMME)

The Municipality creates opportunities for Small, Medium and Micro Enterprise (SMME) development through the following interventions:

☑☑ Availing business space/premises at the Bus & Taxi Ranks in Eshowe & Gingindlovu.

☑☑ Training and development of SMME's.

- Business Exhibitions and Marketing.
- Market Linkage
- Monitoring and Evaluation
- LED Database
- Service providers are given an opportunity to contest for tenders

3.3.3.6 EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

Jobs Created through EPWP	
Project	Jobs created
EPWP	
War Against Poverty	107
Food for Waste Programme	181
Sizabonke Programme	73
School Safety programme	79
Security Programme	98
uMlalazi Community mobilizer programme	34
uMlalazi Cleaning of Sidewalks, Road, verges & Street Cleaning	65
Construction of Slambo Community Hall	12
Construction of Ndayini to Gendlezi Gravel Road	22
Rehabilitation of Various Urban Roads	11
Construction of Yimba Gravel Road	09
Construction of Ofasimba Gravel Road	09
Construction of Makhumalo to Ediphini Gravel	18
Construction of Mpumazi Sportsfield	05
EPWP Total	723

3.3.3.7 COMMUNITY WORKS PROGRAMME (CWP)

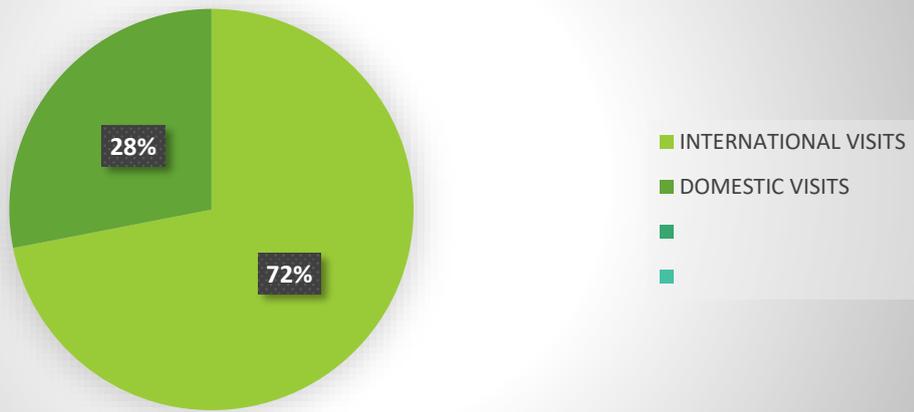
The Community Works Programme (CWP) is an initiative by the Department of Cooperative Governance and Traditional Affairs implemented in partnership with the municipality to provide temporal employment for the unemployed.

Project	Jobs created
Community Works Programme	1143

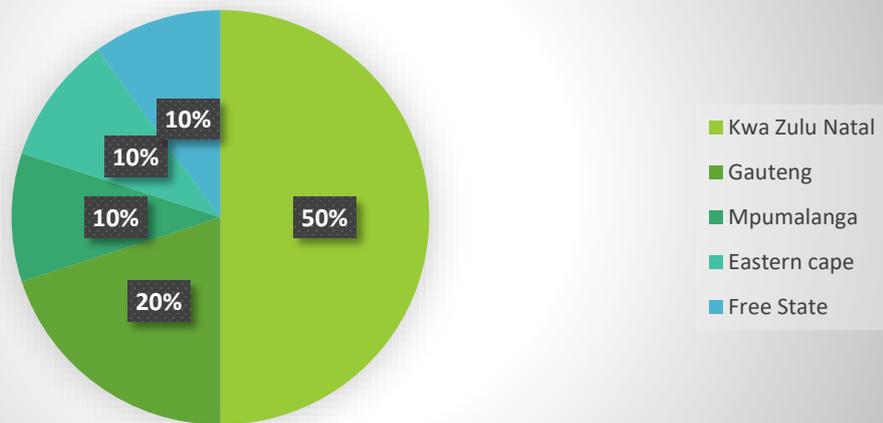
3.3.3.8 TOURISM PROJECTS IMPLEMENTED

The diagrams below reflects the breakdown of the tourism stats during the year under review:-

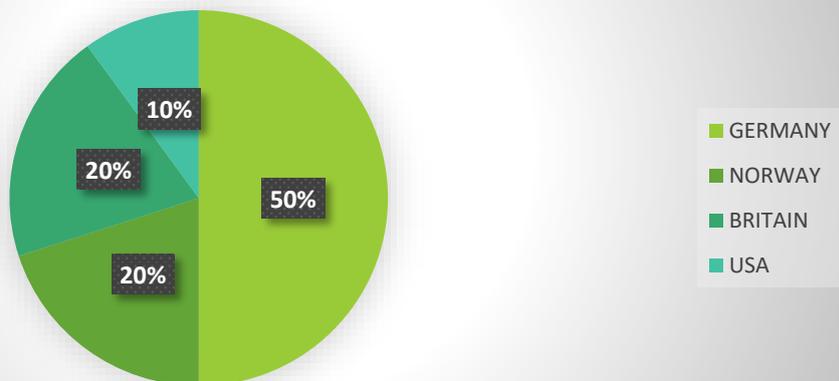
uMlalazi Tourism Office Visitors International vs Domestic Tourists



uMlalazi Tourism Office Visitors Domestic Breakdown (2023/ 2024)



uMlalazi Tourism Office Visitors International Breakdown (2023/ 2024)



3.4 COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.4.1 LIBRARIES

There are five libraries in the urban areas and a mobile library, in the Mbongolwane area. They are managed on an agency basis for the Provincial Government of KwaZulu Natal and play a major role in the education of the community.

3.4.1.1 INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The community and social services that the uMlalazi Municipality provides, is managed by the Directorate of Community and Corporate Services respectively.

The Directorate of Corporate Services is responsible for library services, community halls and the museum.

The Directorate of Community Services is responsible for municipal cemeteries. There is one crematorium in the uMlalazi municipal area.

The Directorate Community Services, is also responsible for initiating and co-ordinating social programmes aimed at HIV/AIDS, the youth, gender issues and the aged.

3.4.2 CEMETERIES AND CREMATORIUMS

3.4.2.1 INTRODUCTION TO CEMETERIES

There are two operational municipal cemeteries (Eshowe and Mthunzini cemeteries) within the urban areas of uMlalazi Municipality. The Municipality strives to provide safe and accessible cemeteries to all residents. This is done by implementing the municipal cemetery by-laws and maintaining all cemeteries to an acceptable standard.

The Municipality is also responsible for the management of all cemeteries and also provides administration and booking function for burial sites. This includes pauper and indigent burials

3.4.2.2 SERVICE STATISTICS FOR CEMETERIES & CREMATORIUMS

In the 2023/2024 financial year there were **149 burials** in the municipal cemeteries and **148 cremations**, compared to 2022/2023 where it was **148 burials** and **223 cremations**. Furthermore the municipality assisted destitute burials

MONTH	2022/23			2023/24		
	ESHOWE	MTUNZINI	CREMATIONS	ESHOWE	MTUNZINI	CREMATIONS
July	6	1	22	18	2	21
August	16	1	22	8	1	18
September	17	0	15	10	2	15
October	4	1	19	7	0	16
November	7	1	21	14	0	14
December	11	4	17	12	0	11

January	10	2	20	14	0	16
February	4	2	12	3	0	13
March	8	2	25	10	2	21
April	16	1	15	10	2	3
May	15	0	21	21	2	0
June	18	1	14	11	0	0
TOTAL	132	16	223	138	11	148

3.4.2.2.1 COMMENT ON THE PERFORMANCE OF CEMETERIES

The operational maintenance of the cemeteries is done mainly in-house such as grave digging, cemetery markings and treatment of alien plants and vegetation. Grass cutting and management of crematorium have been outsourced.

Eshowe New Cemetery - Development of the new cemetery has been completed. The first phase for construction of the new cemetery included earthworks, platforms, access road and ablution facilities. A total of 370 graves has been made available in the first phase.

Gingindlovu Cemetery - Identification and authorization of the new cemetery has been completed, complete design and fencing of the cemetery will be budgeted for in 2025/2026 FY.

Mtunzini Cemetery – New site has been identified, authorizations are still underway.

DESTITUTE BURIAL ASSISTANCE

The Municipality is committed in assisting destitute families through the Council Destitute Burial Assistance programme. In 2023/24 financial year, the municipality assisted in 498 families through the programme.

3.4.3 SOCIAL PROGRAMMES

3.4.3.1 INTRODUCTION

The Directorate Community Service initiates and manages a variety of projects and programmes to empower and uplift the communities, particularly the needy, vulnerable and disadvantaged groups. Its primary focus is to establish and maintain social progress to ensure that the social needs of communities within the municipal areas are addressed.

BIYELA SERVICE CENTRE

Biyela Community Services Centre renders different activities to the communities of ward 3, 4, 5, 6 and 7 working with different stakeholders and listening to the needs of the Community. The following services are provided in the centre: Department of Home Affairs services, SASSA, Department of Labour, Health (CCG), Post Office, Social Development, Traditional council meetings:-

SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE ASSISTED	
		2022/2023	2023/2024
HOME AFFAIRS	ID's		
	Enquiries		
	Birth Certificate		

	Unabridged certificates		
	Late Registration of birth		
	TOTAL		
	TOTAL	1289	1 182
SASSA	Old age pension		
	Disability Grant		
	Child Support Grant		
	Grant In Aid		
	SASSA walk ins		
	SASSA Pensioners		
	TOTAL	7892	3 171

SERVICE PROVIDER	SERVICE RENDERED	2022/2023	2023/2024
		NUMBER OF PEOPLE SERVICED	NUMBER OF PEOPLE SERVICED
PRIVATE SECTOR	NGO's		
	NPO's		
	TOTAL	1 597	526
CENTRE MANAGER/CDW	Enquiries		
	Distribution Of Documents		
	Other Services by CDW		
	Walk Inns To CDW		
	Centre Manager Walk Inns		
	LISSC meetings		
	Community Meeting		
	Workshop		
	TOTAL	4 762	1 211
INKOSI	Traditional Council meetings		
	Rural Fee		
	Events Registration		
	TOTAL	839	946
OTHER			
	TOTAL	180	1 955
DSD	Home Visits		

SERVICE PROVIDER	SERVICE RENDERED	2022/2023	2023/2024
		NUMBER OF PEOPLE SERVICED	NUMBER OF PEOPLE SERVICED
	Attending Cases		
	Counselling		
	Foster care grant		
	TOTAL	124	164
DOH(CHW)	MUAC		
	Vitamin		
	Deworming		
	TB Screening		
	Home Visits		
	Medication collector		
	TOTAL	989	2 307

		2022/2023	2023/2024
SERVICE PROVIDER	SERVICE RENDERED	NUMBER OF PEOPLE SERVICED	NUMBER OF PEOPLE SERVICED
PROOF OF RESIDENTS			
	TOTAL	1 623	1 191
SERVICE RENDERED			
	TOTAL	19 295	12 653
WALKS INS	TOTAL	4002	3 479
NUMBER OF MEETINGS	TOTAL	478	1 217
FOOD PARCELS PICK UP	TOTAL	0	0
IEC		0	622
TOTAL NUMBER OF PEOPLE SERVICED AT CSC		23 775	17 971

3.4.3.1.1 COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The Directorate Community Services focuses on community development in uMlalazi municipal area. The focus is on community development at schools, communities except individual cases. These are referred to the welfare organisation delivering services in the specific area. The community projects are started based on the needs of the communities within uMlalazi.

No.	SPECIAL PROGRAMME	DETAILS
1.	Senior Citizens	<p>ACTIVE AGEING PROGRAMME/GOLDEN GAMES</p> <ul style="list-style-type: none"> • Local Golden Games – 18 August 2023 • District Golden Games – 23 August 2023 • Provincial Golden Games – 12 – 14 September 2023 <p>PURPOSE: The project focus on Sport and recreation activities and events whilst at the same time strengthening and advancing service delivery and support to older persons. The target group is older persons, 60 years and older from community based facilities such as service centers, clubs, and hubs. Older persons in rural areas and disadvantaged communities in particular are encouraged to participate.</p> <p>STRATEGIC GOAL To ensure the care, support, protection and development of vulnerable groups and people with special needs particularly older persons within the community.</p> <p>OBJECTIVES</p> <ul style="list-style-type: none"> ▪ To promote intergenerational bonding ▪ To embrace active ageing ▪ To create awareness of the abilities and capabilities of older persons ▪ To create awareness of the socio-cultural needs of older persons ▪ To expand the horizons of older persons <p>SENIOR CITIZENS CHRISTMAS PARTY – 23rd December 2023</p> <p>PURPOSE The main purpose was to provide a platform where older persons can share the festive spirit in a joyous manner and where they can socialise with each other.</p> <p>REPORT UMlalazi Municipality through Community Services celebrated early Christmas Party with the most-needy senior citizens from various wards. Jubilation and relief was written all over their faces, others sharing very emotional moments as they did not know where to get their next meal for their families that are dependent on their social grants. Eighty four senior citizens benefited in this programme (3 per ward).</p>

		<p>ELDERLY ABUSE CAMPAIGN – 26th June 2024</p> <p>PURPOSE</p> <p>To spread the word in recognizing the warning signs of elder abuse and can help determine if your loved one is being neglected or disrespected. Some indicators may include a change in behavior or appearance, a rapid display of injury marks like bruising or scarring, or a sudden change in financial resources.</p> <p>REPORT</p> <p>On the 26th June 2024 Special programmes unit in collaboration with Age in Action and EDTEA conducted Elder Abuse Campaign in Musawenkosi Luncheon Club – ward 10.</p> <p>The theme for 2024 is "Closing the Circle: Addressing Gender-Based Violence (GBV) in Older Age - Policy, Law and Evidence-based Responses." The theme underscores the intersection of gender-based violence and elder abuse, specifically focusing on the experiences of older individuals. The campaign was graced by stakeholders from various department namely: Mrs T Mkhize from Age in Action, Ms Thandi Khathi from EDTEA, Ms Khulisiwe Buthelezi from Department of Social Development and Dr. Bongeka Nkwanyana from GCIS.</p>
2.	Women	<p>ISITHANGAMI SABESIFAZANE – 24th August 2023</p> <p>PURPOSE:</p> <p>The aim of the programme is to organize and mobilize women across the length and breadth of uMlalazi Municipality. The idea is to create a war room for women that will be platform to present and dissect various challenges facing all women of uMlalazi Municipality. So this programme serve as a launching pad for the organization and mobilization of women towards finding lasting solutions for various forms of challenges facing women. But also, to celebrate women the role and contribution of women in the process of nation building and social cohesion.</p> <p>GIRLS TO WOMEN DIALOGUE – 14 November 2023</p> <p>PURPOSE</p> <p>The main purpose of the event is to bring women from different backgrounds together to openly discuss the causes of gender based violence and to motivate, capacitate and empower the girls through career guidance and take initiative in by becoming powerful leaders within our communities.</p> <p>REPORT</p> <p>Umlalazi municipality in partnership with the NGO Vumani Africa conducted girls to women dialogue on the 14th November 2023 at Biyela Community Service Centre. The dialogue was targeting young girls from the age of 15 to 29 years. The dialogue was graced by the Department of Economic Development, SAPS, Department of Social Development, GCIS and the chairperson of women’s forum Ms Cynthia Mayise. All present stakeholders created a war room or a platform to present and dissect various challenges facing all women. The following was issues raised and mentioned by participants during the discussion as causes of gender based violence:</p> <ul style="list-style-type: none"> • Masculinity and peer pressure shaping most men’s behaviour • Gender role or culture over generations contributing to the continuation

		<p>and increase of Gender based violence</p> <ul style="list-style-type: none"> • The failure of both men and women to cope with the changes in social roles as women are now becoming financially secure, opposed to being completely dependent on their husbands/ partners. • Women often undermining each other and contributing to the abuse and violence against other women and girls • GBV having become a common occurrence in such a way that children find this normal.
3.	Early Childhood Development	<p>HANDOVER OF CRECHES FURNITURE AND EQUIPMENT</p> <p><u>Purpose</u></p> <p>The aim was to support Early Childhood Development Centres in order to make sure crèches are functioning accordingly with proper resources. This is also to nurture and improve children ability to learn.</p> <p><u>Background</u></p> <p>Handover of furniture and toys for Early Childhood Development was implemented to support crèches that are from disadvantaged communities to have resources and equipment to keep ECD centres running effectively.</p> <ul style="list-style-type: none"> • Thintumkhaba crèche – 06 July 2023 (The furniture consists of Chairs, Tables, Sponges and toys) <p>MANDELA DAY PROGRAMME</p> <p><u>Purpose</u></p> <p>The aim of the programme was to commemorate Mandela day as it is international day where people were encouraged to spend 67 minutes in making positive difference to their communities and as part of recognising and honouring the human rights.</p> <p><u>Background</u></p> <p>Mandela day was implemented to get the public motivated and involved to partake in charitable activities to their communities, by helping people in need and changing the world into a better place.</p> <ul style="list-style-type: none"> • Ntshelutshelu crèche – 18 July 2023 <p>The following activities occurred also as part of commemorating Mandela day.</p> <ul style="list-style-type: none"> • Painting of the facility • Promoting and ensuring food security through one home one garden initiative, the mayor also planted citrus tree and vegetable garden. • Children were gifted with McDonald’s party packs, small buckets with masks, tooth pastes and tooth brushes. <p>SOD TURNINGS OF TWO CRECHE</p> <p><u>Purpose</u></p>

		<p>The aim was to offer learning opportunities from children from an early age who are living in disadvantaged communities. This is necessary to promote socializing and learning skills on school readiness for the next phase of learning.</p> <p>Background Construction for Early Childhood Development Centers was implemented to better future for the children and also to provide proper school foundation for children in disadvantaged communities. This encourage parents to send their children to the learning facility. It is a platform that changes lives, instills hope and plays a key role in eliminating poverty and crime.</p> <ul style="list-style-type: none"> • Iwundlu crèche (Ward 23) – 11 October 2023 • Snethemba crèche (Ward 26) – 11 October 2023 <p><u>CRECHES HANDOVER NGUNUNDU PEACE CENTER/CRECHE</u></p> <p><u>Purpose</u> The aim was to support Early Childhood Development Centres in order to make sure crèches are functioning accordingly with proper structure & resources. This is also to nurture and improve children ability to learn.</p> <p><u>Background</u> Handover of furniture and toys for Early Childhood Development was implemented to support crèches that are from disadvantaged communities to have resources and equipment to keep ECD centres running effectively.</p> <p>On the 30th of April 2024 the mayor honourable Cllr QT Xulu through partnership with Divine Life Society handed over Ngunundu Peace Centre in Ward 01. Divine Life Society also donated furniture (Chairs, Tables, Sponges and Blankets) for Phakama crèche that will be operating inside the abovementioned Peace Centre. The municipality also donated 150 black plastic chairs for the peace centre, 5 tables, crèches tables, chairs, Sponges, cabinets and toys.</p>
4.	Men sector	<p><u>PURPOSE</u></p> <ul style="list-style-type: none"> • To ensure the behavioral change of men’s • To contain the pandemic that is threatening communities. • To curb all social ills and retain social cohesion. <p><u>BACK GROUND</u></p> <p>Umlalazi Municipality through Social services coordinated the men’s imbizo responding to Department of health findings that the HIV/AIDS statistics for new infections and sexual transmissible diseases. It was reported in the office of the Mayor and seek for intervention and this iMbizo is an outcome of such interaction.in the areas around Ndlangubo Clinic are reported as hotspot and those wards are Ward 23,24,25,26 and 27. Imbizo was not solely at HIV /AIDS but other social ills facing men’s sector in general.</p>
5.	Disability Sector	<p>DISABILITY GAMES</p> <p>PURPOSE</p>

		<ul style="list-style-type: none"> To ensure the involvement of disabled persons in their matters that affect all disabled persons. To enhance maximum participation of the disabled person To enable disabled people to practice healthy lifestyle <p><u>BACK GROUND</u></p> <p>Umlalazi Municipality through special programs coordinated disability local selections games and players coming from ward 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,19,21and 27.</p>
6.	Cultural Development	<p>UMkhosi WoMhlanga 8-10 September 2023</p> <p>Umlalazi participated in the annual Umkhosi Womhlanga as part of our ongoing effort of promoting good behavior amongst young girls, curbing the spread of social-ills such as teenage pregnancy. Moreover, this programme promotes and preserve our cultural heritage.</p>
7.	Youth Programmes	<p>The Youth Office assisted youth with the following;</p> <ul style="list-style-type: none"> - Total NSFAS applications: 321 - Total CAO Applications:166
8.	Youth Driver's Licence Program	<p>Purpose</p> <p>The main aim of this program is to provide unemployed youth of uMlalazi local Municipality with driving skills which will assist them when seeking employment.</p> <p>Report</p> <p>In the 2023/2024 the municipality awarded fifty six (56) beneficiaries from various wards for a driver's license program.</p>
9.	Bursary Award Ceremony	<p>Purpose</p> <p>The main aim of this program and focus is to improve access and success of education as the basic human right enshrined in the constitution of the Republic of South Africa.</p> <p>Umlalazi Municipality achieved this through recognizing and awarding the 2023 Grade 12 top achievers, awarding registration bursaries to current and prospective academically deserving university students.</p> <p>Report</p> <p>The Mayor of uMlalazi Municipality Cllr QT Xulu awarded fifty six (56) beneficiaries with bursaries. From the total of fifty six bursaries, forty six bursaries were awarded to returning and prospective tertiary students, while ten bursaries were awarded exclusively to Top Ten Matric Top-Achievers. As part of promoting academic excellence, top ten matric top-achievers were recognized by certificates and accolades. This category also included top ten performing schools which were also recognized and awarded certificates as well.</p>

3.4.3.2 COMMUNITY HALLS

3.4.3.2.1 INTRODUCTION TO COMMUNITY HALLS

The Municipality has 7 community halls situated throughout the urban areas of uMlalazi Municipality and rural halls in Amakhosi areas, some are yet to be transferred to the Municipality from Ingonyama Trust.

The urban halls are rented out to the communities for different functions and events. The municipality's tariff policy makes provision for subsidised tariffs for certain organisations as well as certain community or social events and sport events.

3.5 COMPONENT E: HEALTH

Local Municipalities no longer provide health services such as clinics services, health inspection services and abattoirs. The uMlalazi Municipality can therefore not report on these services.

3.6 COMPONENT F: SAFETY

3.6.1 INTRODUCTION TO SECURITY AND SAFETY

The Directorate Community Services, Public Safety Unit of the Municipality is responsible for community safety, including traffic control, road safety, firefighting services, law enforcement services related to the control of public nuisances as well as the enforcement of by-laws, and disaster management. The latter service is rendered in conjunction with the King Cetshwayo District Municipality which operates a district disaster management centre.

3.6.2 COMMUNITY SAFETY

3.6.2.1 COMMUNITY POLICING FORUMS

The Public Safety Unit coordinates other stakeholders such as Community Policing Forums and other security agencies under the auspices of South African Police Services (SAPS) to ensure safety and security amongst the communities as guided by the SAPS Act.

The unit has the responsibility to enhance the safety of the community by means of ensuring that competent and responsible drivers make use of roadworthy vehicles on public roads. The Department also ensures that the public practice fire safety in business and public facilities including public gatherings through enforcement of Safety at Sports and recreation Event Act of 2010.

3.6.2.2 TRAFFIC LAW ENFORCEMENT

Traffic Law Enforcement ensures compliance with National Road Traffic Act 93 of 1996 by the following activities:

- Checking of roadworthiness of vehicles
- Issuing of Valid Driver's Licenses
- Vehicle registration and Licensing
- Installing and monitoring of speed calming measures
- By law enforcement
- Vehicle examination and issue Certificate of Roadworthiness (COR).

- School Safety & Education

School Patrols:

Ward No	Area of Patrol	Number of Patrons
4	Thembalesizwe Primary	2
28	Convent Traffic Circle	4
28	Main Street	2
28	Eshowe Junior School	2
11	Bulwer and Kangela	2
28	Baqaqe Primary	2
26	Maqhwakaza Primary	6
19	Mthunzini Primary	2
12	Kwazibonele Primary	4
19	Nsingweni Primary	2
26	Habeni Primary	2
04	Vulingqondo Primary	2
3	Dumazinkani Primary	2
3	Khangelani Primary	2
3	Islambo Primary	2
3	Ntabankulu Primary	2
24	Ngqamzane Primary	2
25	Nqoleni Primary	2
25	Mathubu Primary	2
18	Gingindlovu Primary	2
14	Endlovini Primary	2
17	Endlovini Primary	2
12	Mondi Primary	2
17	Wombane Primary	2
12	Ncinyane Primary	2
12	Bonamuva Primary	2
11	Little Flower Primary	2
TOTAL		62

Community Based Security Services provided during year under review:-

Ward No.	Facility Guarded by security	Number of Securities
4	Mavumengwane Sportfield	4
4	Ndayini Hall	4
10	Nkume Hall	3
10	Nkume Sportfield	3
23	Nteneshane Sportfield	3
15	Yabu Sportfield	3
16	Mvutshini Sportfield	3
20	Obanjeni Hall	4
26	Bhekeshowe Hall	3
08	Vuma Hall	3
27	Basamlilo	4
03	Mzungezi Hall	3
21	Ezingwenya Hall	3
26	Kwabulawayo Sportfield	4
03	Nomaphindela Hall	3
25	Qhilika Hall	3
03	Nkulisa Hall	3
2	Butcher street offices	2
28	Eshowe Bus & Taxi Rank	4
12	KDS Sportfield	2
12	KDS Outdoor Gym	3
11	Waste Transfer Station	1
28	Aerial Boardwalk	2
13	Sqwanjana Hall	4
TOTAL		74

3.6.2.3 VEHICLE AND DRIVER LICENSING SERVICES

The Municipality provides vehicle registration, Vehicle examination and issues Certificate of Roadworthy (COR). Protection Services also issues Learners license and drivers licences in its area of jurisdiction. Some of these services are rendered on behalf of Department of Transport on an agency basis.

No.	Activities	Statistics 2022/2023	Statistics 2023/2024
1	Number of vehicles Drivers licenses issued & number failed	Passed:495 Failed:257	Passed:598 Failed: 265
2	Number of learners issued & number failed	Passed:903 Failed:900	Passed: 916 Failed: 870
3	Number of COR issued	1101	865
4	Amount received by the municipality – agency fees	R 4,273,116.32	R 5,245,673.00

3.6.2.3.1 COMMENT ON THE PERFORMANCE OF COMMUNITY SAFETY OVERALL

The biggest challenge facing traffic officers is to render an equal and quality service to all 28 wards within the uMlalazi area with the limited resources and personnel at the department's disposal.

3.6.3 FIRE

3.6.3.1 INTRODUCTION TO FIRE SERVICES

The Municipality operates fire and rescue services which provide firefighting and fire prevention. Fire and Rescue Services is a function within the Community Services Directorate and its purpose is to protect the community and the environment from fires and other emergencies.

The Constitution directs that municipalities must strive to promote a safe and healthy environment and provide services in a sustainable manner. However, there are other specific legislation that gives uMlalazi Fire and Rescue Services clear objectives such as:

Veld and Forest Act 101 of 1998

The Fire Brigade Services Act, Act 99 of 1987, directs that the Fire and Rescue Service must strive to:

Prevent the outbreak or spread of fire.

Fight or extinguish a fire.

Protect lives and property against fire or other threatening danger.

Rescue life or property from a fire or other danger.

The uMlalazi Fire and Rescue Service has focused its energy on a pro-active approach to mitigate the effects of fire by implementing strategies to reduce fires and the loss of life and property. This was achieved by means of:

Public education initiatives – visiting informal settlements and discussing safety tips with residents.

Fire and life safety education programmes at pre-schools, primary schools and high schools.

Public education at community events.

Fire load reduction strategies by implementing fire breaks on urban fringes to reduce the risk of fires within the informal settlements.

- Implementation of strategic fire breaks to minimize spread of fire from and onto municipal land.
- Fire and life safety inspections to industry.
- Training of Fire and Rescue Service staff to be better equipped to deal with incidents in a professional manner focusing on proactive and reactive strategies to enhance service delivery.
- Rescue operations
- Fire suppression

Herein below is the firefighting activities that took place during the year under review:-

Firefighting activities	2022/2023	2023/2024
Number of grass fire attended	91	112
Number of structural fire attended	27	51
Number of motor vehicle on fire attended	09	19
Number of fire Inspections	33	42
Number of certificates of registration issued	13	29
Number of public awareness's	09	47

3.6.4 DISASTER MANAGEMENT

3.6.4.1 INTRODUCTION TO DISASTER MANAGEMENT

Disaster Management Act 57 of 2002 requires all municipalities to provide mitigation, prevention and disaster risk reduction measures.

Other Acts and Legislation relevant to the Fire and Rescue Service are:-

- National Water Act 36 of 1998
- Hazardous Substances Act 15 of 1973
- National Veld and Forest Fire Act 101 of 1998
- Explosives Act of 15 2003

- Occupational Health and Safety Act 85 of 1993
- Civil Aviation Act 13 of 2009
- Safety at Sporting and Recreational Event Act of 2 of 2010
- National Road Traffic Safety Act 93 of 1996
- Merchant Shipping Act 57 of 1051
- Nuclear Energy Act 46 of 1999
- SANS 10090: Community Protection against Fire

The Municipality provided the following assistance:-

		2022/2023		2023/2024	
	TYPE OF INCIDENT	NUMBER OF HOUSEHOLDS AFFECTED	DEATHS	NUMBER OF HOUSEHOLDS AFFECTED	DEATHS
1.	Structural fire	84	3	77	1
2.	Strong wind	05	5	51	0
3.	Heavy Rainfall	37	0	513	3
4.	Hailstorm	208	0	512	1
5.	Lightning	1	0	4	1
6.	Drowning	2	2	3	3

The municipality assisted the affected families and issued the following relief:

BLANKETS	BOX ISSUED	FOOD PARCELS	SPONGES	PLASTICS
150	50	270	500	100

3.7 COMPONENT G: SPORTS & RECREATION

3.7.1 INTRODUCTION TO SPORT AND RECREATION

Umlalazi Municipality promotes sports development through various sporting activities and events held in respective wards. This helps to facilitate and promote healthy lifestyles and active participation for all

age groups. This also affords the youth an opportunity to showcase their talents and fight against drug abuse, crime, gender based violence and teenage pregnancy.

Umlalazi Municipality works hand in hand with the Sports Federations and local SAFA to promote/develop the following sports codes:

- Male/Female soccer
- Male/Female Netball
- Male/Female Volleyball
- Male/Female Rugby
- Indigenous Games
- Table Tennis/Tennis
- Chess
- Karate
- Boxing

The following events were coordinated and held in uMlalazi Municipality

- **Mayoral Cup Competition**

The Mayoral Cup targeting 28 teams from all 28 Wards of uMlalazi Municipality from the above participating codes, the mayoral cup started on the 19 August 2023 and proceed to final event which was on the 26 August 2023 at Eshowe High School.

- **SALGA Games**

1. Umlalazi Municipality coordinated SALGA Games local selections which was held at Sunnysdale Sports field on the 3rd October 2023, soccer males and netball females were selected during Mayoral Cup where all 28 wards from uMlalazi Municipality participated in 12 sporting codes.
2. SALGA Games 2023 send-off was held at Eshowe Town hall, all participants from different codes had their camp before the District SALGA Games, and this event was held on the 14 October 2023.
3. SALGA Games District Selections was on the 14 October 2023 at UMhlatuze Sports Complex where 330 athletes from different sports codes participated.

Other Games/ Sports Events

Umlalazi Municipality sponsored and supported the following events in the 2023/2024:

- **Tumello School Sports Tournament**
- **The Derrick spencer Soccer Tournament** is hosted annually by the Derrick Spencer foundation in partnership with Umlalazi Municipality.
The event took place on the 15 June 2024 at Eshowe High School where 16 teams competed against each other for prize money.
- **Comrades Marathon** took place on the 09th June 2024, Umlalazi supported the athletes by providing transport from Eshowe to PMB and back.

The uMlalazi Municipality also provides sports facilities to the local community constructed through MIG funding.

3.8 COMPONENT H: CORPORATE POLICY OFFICES & OTHER SERVICES

3.8.1 INTRODUCTION TO CORPORATE POLICY OFFICES AND OTHER SERVICES

The functions in this category are distributed amongst different Directorates within the uMlalazi Municipality. Corporate policy issues are handled on a departmental basis depending on the responsibility for specific function. The Directorate Financial Services is responsible for the financial affairs of the Municipality. The Directorate Corporate Services is responsible for the Human Resources as well as Information Technology functions of the Municipality.

The latter Directorate is also responsible for rendering general administrative services to the Municipality overall as well as administrative and support services to ensure the effective functioning of Council and its Committees. Specific support services are rendered to the Office of the Mayor, the Executive Committee and the Office of the Speaker.

3.8.2 FINANCIAL SERVICES

3.8.2.1 INTRODUCTION

The Directorate Financial Services is responsible for the delivery of all financial-related services to the Municipality. This includes the following:

- Strategic financial guidance.
- Budget, financial statements and related aspects.
- Expenditure management, which includes salaries and wages.
- Income and account services.
- Supply chain management services

The aim of this Directorate is to keep the financial position of the Municipality stable and to ensure that it will continue to being able to not only meeting its financial commitments but to ensure that economically viable services are rendered to the community on an effective and efficient basis. To maintain the present high standard of financial services the Municipality must adhere to many acts and other legal prescripts, policies, regulations, etcetera. Most important, however, is the Directorate's personnel, which are very competent and highly motivated.

3.8.3 HUMAN RESOURCE SERVICES

3.8.3.1 INTRODUCTION TO HUMAN RESOURCE SERVICES

The Directorate Corporate Services is responsible for the administration of all matters relating to the Municipality's personnel. In addition to this, the Directorate assists the Municipality in maintaining smooth human resources processes and procedures in compliance with the relevant legislations. This Directorate is responsible for the following functions:

- Labour relations.
- Recruitment and selection.
- Skills development and training.
- Occupational Health and Safety.
- Leave and Fringe Benefit Administration.
- Employee Assistance and Wellness.

3.8.4 LEGAL SERVICES AND RISK MANAGEMENT

3.8.4.1 INTRODUCTION TO LEGAL SERVICES AND RISK MANAGEMENT

Legal Services reports directly to the Municipal Manager and is responsible for ensuring that all actions and decisions of Council's structures are in compliance with the legal framework of uMlalazi Municipality.

The main purpose is to provide professional legal advice and assistance to the Municipality to ensure the proper protection of its interests and compliance with its obligations.

The Municipal Manager has also been entrusted with the risk management function of the Municipality and it aims to support the objectives of the Municipality to enable the implementation and maintenance of effective systems to identify and mitigate the risks that threaten the attainment of service delivery and other objectives, and optimise opportunities that enhance institutional performance.

Risk management forms part of management's core responsibilities and is an integral part of the internal processes of an institution. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the institutions service delivery capacity.

Annual Performance Report

2. LEGISLATIVE PROVISION

In terms of Local Government Municipal Systems Act (Act No. 32) of 2000, Section 46:-

- (1) *A municipality must prepare for each financial year a performance report reflecting-*
 - (a) *the performance of the municipality and of each external service provider during that financial year;*
 - (b) *a comparison of the performances referred to in paragraph (a) with targets set for and performance in the previous financial year; and*
 - (c) *measures taken to improve performance.*

The Annual Performance Report must form part the municipality's annual report in terms of the Municipal Finance Management Act (Act No. 56) 2003, Section 121 (3) (b). It is from this legal framework that the uMlalazi Municipality's Annual Performance Report for 2023/2024 financial year is compiled. The Annual Performance Report is structured according to six (6) National Key Performance Areas being Municipal Transformation and Institutional Development, Basic Service Delivery, Local Economic Development, Municipal Financial Viability and Management, Good Governance and Public Participation, and Cross Cutting Interventions.

The municipality must provide municipal services to communities in a fair and equitable manner and ensure access to basic services that are affordable to all, be responsive to the needs of the community and be developmental to achieve these objectives.

The Municipality has full administrative capacity with all critical positions for sec 54/56 positions filled as follows:

- (a) Municipal Manager
- (b) Chief Financial Officer
- (c) Senior Manager Planning and Development
- (d) Senior Manager Corporate Services
- (e) Senior Manager Community Services
- (f) Senior Manager Engineering

The overall performance of the municipality in year 2023/24 is 84%, during the year 2023/2024, the overall performance was also 83%, therefore performance improved by 1% in 2023/24

The Municipality contributed to the fight against poverty and unemployment through the Expanded Public Works Programme (EPWP) and a total of 723(seven hundred and twenty-three) jobs opportunities were created.

3. ORGANISATIONAL PERFORMANCE SUMMARY

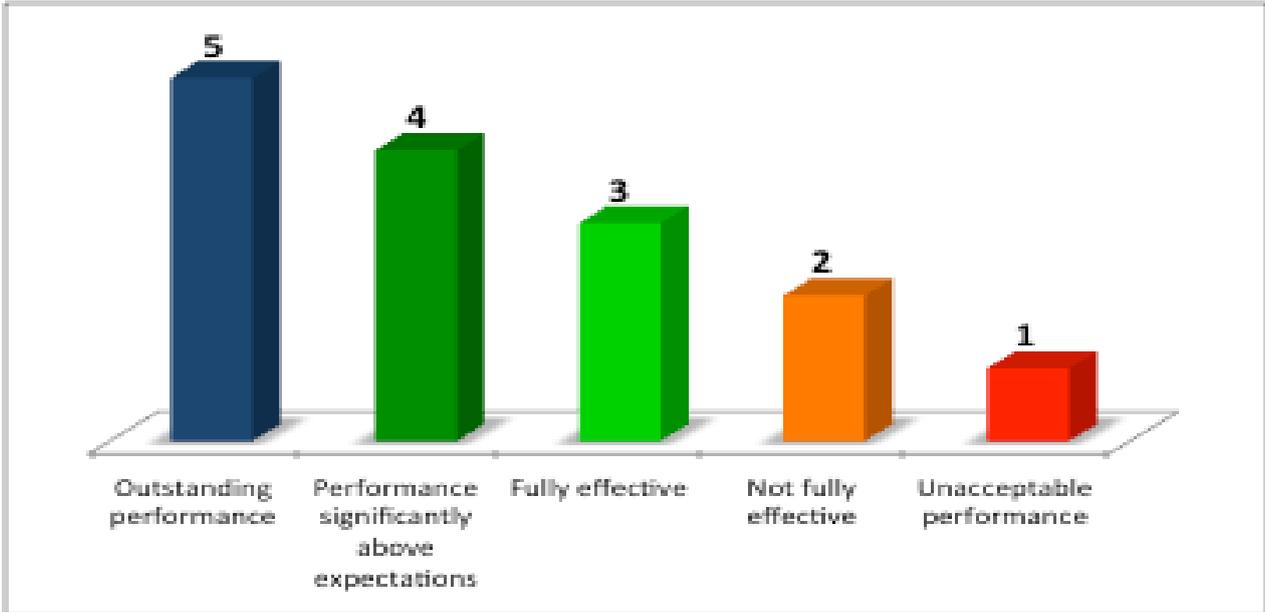
This report includes the highlights from the key performance measures included in the 2023/24 IDP. These priority measures constitute the Municipal Top Layer Service Delivery Budget Implementation Plan (SDBIP) / Organisational Scorecard for 2023/24.

The Municipality utilizes a web based Performance Management System which contains the Top Layer SDBIP, Departmental SDBIP and some of the individual staff performance on phased approach with the intention to get all staff individual performance plan on the system.

The departmental SDBIP monitors the performances of staff reporting to the Municipal Manager and directorates. The Top Layer SDBIP also known as the Organizational scorecard monitors the high level performance of the organization and is reported to Council on a quarterly basis. The departmental SDBIP is monitored by the Portfolio Committees. The Performance Agreements of the Municipal Manager and Directorates are aligned to the SDBIP.

This report represents the year-end performance results for 2023/2024 and are assessed using the following rating scale: - .

Terminology	Description
Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.
Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
Fully effective	Performance fully meets the standards expected in all areas of the job .The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.
Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that they employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.



At the end of the 2023/24 year under review, the actual performance was 84%, out of 95 targets for the year, 80 were achieved. Areas for improvement are shown in the Graph/table below. In areas where targets were not achieved, measures have been taken to improve such targets.

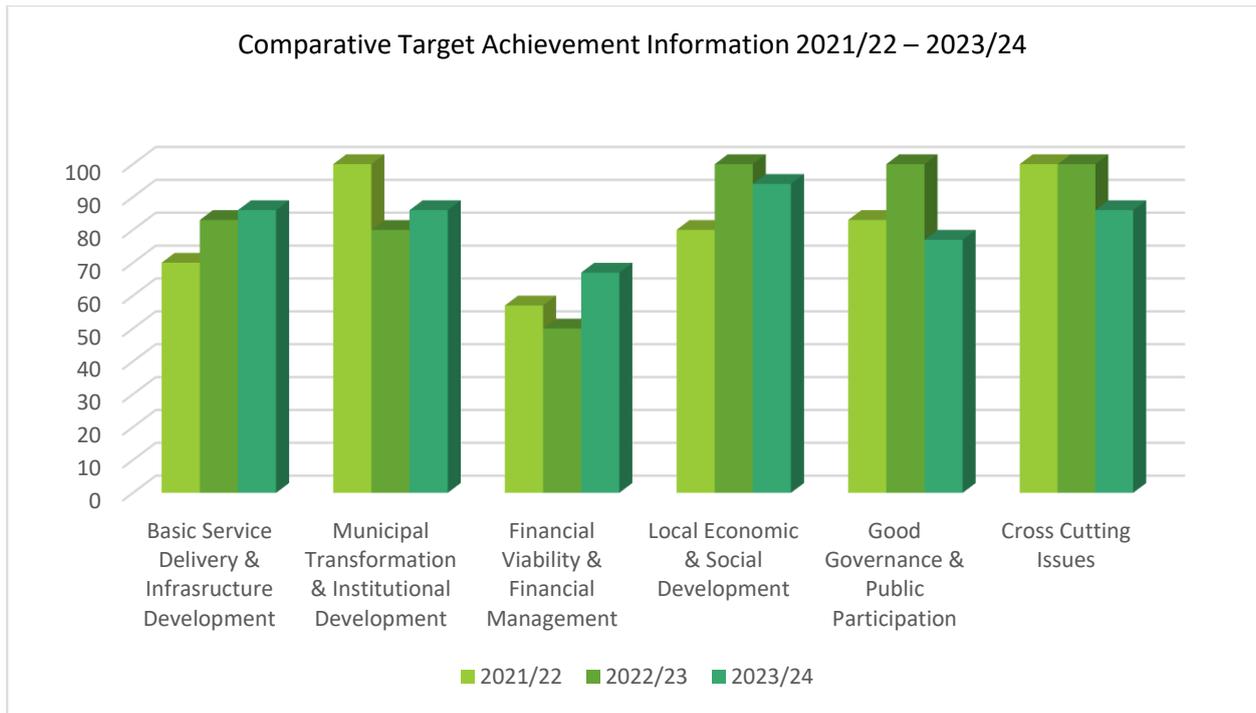
Performance Monitoring underpins the Municipality’s IDP in terms of reviewing progress regularly in achieving our priorities and delivering value for money. Early investigation of variances enables remedial action to be taken where appropriate.

A dashboard which summarises performance for the municipality’s scorecard is illustrated under the tables and the graphs below

OVERALL PERFORMANCE

ANNUAL PERFORMANCE COMPARISON OVER THE PAST 2 YEARS			
	2021/2022	2022/23	2023/24
Annual Overall Performance	77%	83%	84%
Basic Service Delivery & Infrastructure Development	70%	83%	86%
Municipal Transformation & Institutional Development	100%	80%	86%
Financial Viability & Financial Management	67%	50%	67%
Local Economic Development and Social Development	80%	100%	94%
Good Governance & Public Participation	83%	100%	77%
Cross Cutting Issues	100%	100%	86%

Table 1: Comparative Target Achievement Information 2021/22 – 2023/24



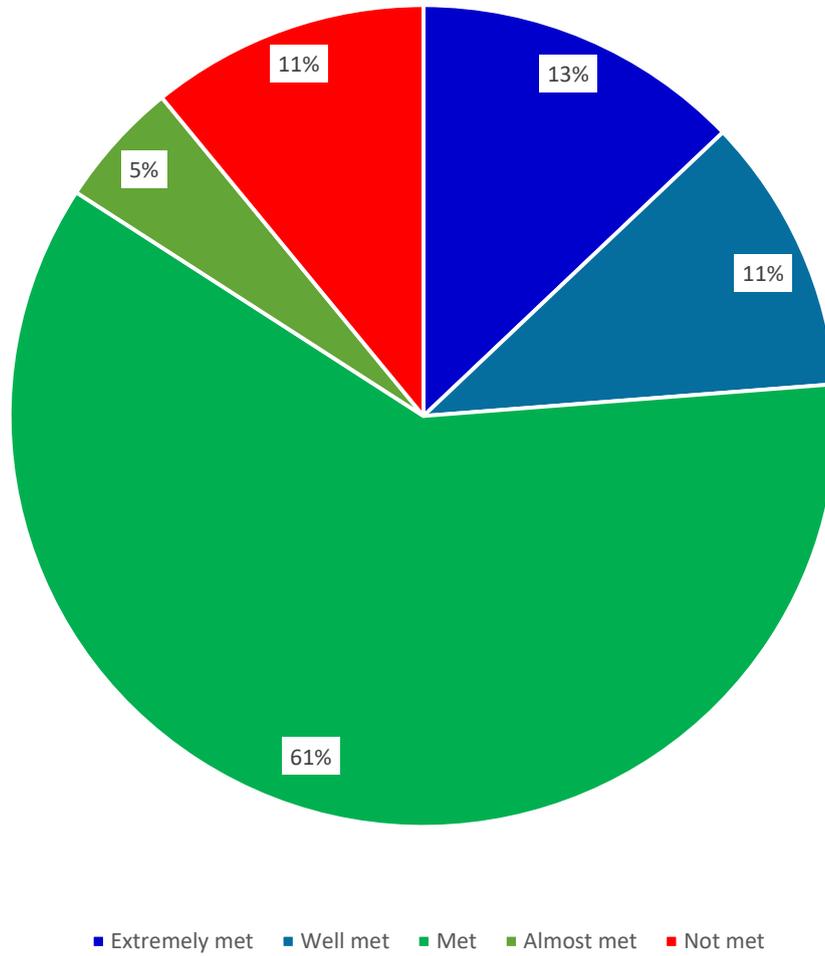
Graph 1 Comparative Target Achievement Information 2021/22 – 2023/24

Out of 95 KPIs set for the year 2023/24. The overall performance is indicated in terms of our dashboard as follows:

2023/24 – Overall Performance		Description	Total Number	%
R	0% <= Actual/Target <= 74.999%	KPI Not Met	10	11%
O	75.000% <= Actual/Target <= 99.999%	KPI Almost Met	5	5%
G	Actual meets Target (Actual/Target = 100%)	KPI Met	58	61%
G2	100.001% <= Actual/Target <= 149.999%	KPI Well Met	10	11%
B	150.000% <= Actual/Target	KPI Extremely Met	12	13%
Total KPIs for the year			95	

Table 2 KPI Report – Overall Performance

Overall Performance



Graph 2: Overall Performance

4. PERFORMANCE MANAGEMENT PROCESSES

Key performance indicators have been refined in support of the municipality's development priorities and objectives as set out in the revised IDP framework and will remain for the duration of the IDP period for consistency in measuring and reporting on long term strategies and projects. Measurable performance targets with regard to each of these development priorities and objectives were established. A process to ensure regular reporting is in place and is fed back to the Council via the Performance Audit Committee.

Individual performance agreements and performance plans are prepared in line with provisions prescribed in the Performance Regulations (Notice 805, published on 1 August 2006 in the official gazette) and signed by the Municipal Manager and Heads of Department. These agreements are fully implemented and aligned with the Service Delivery and Budget Implementation Plan as required in terms of the Municipal Finance Management Act.

Performance Evaluation Panels have also been established for the assessment of performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager. These panels meet on an annual basis to evaluate individual performance.

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

Performance Management Cycle

The overall planning, budgeting, performance monitoring and reporting cycle is summarised as follows in the Framework for Managing Programme Performance Information:



Figure 1 Performance Management Framework

In the 2023/24 financial year, every attempt was made to ensure that the municipality complies with legislation concerning the development, operation and maintenance of a performance management system that is commensurate to the institutional service delivery objectives captured in the IDP.

The uMlalazi Municipality has continued to maintain the effective operation of the following mechanisms:

- The 2023/2024 IDP included strategic objectives, strategies and key performance indicators (KPIs) as required by the Municipal Systems Act, 32 of 2000;
- The budget for implementation of the IDP was approved within the prescribed timelines prescribed in the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies;

- Performance agreements with performance plans were developed, signed and approved as required by the Municipal Performance Regulations, 2006;

The Performance Audit Committee (PAC) functioned optimally in the year; in line with the committee’s approved terms of reference.

The PAC meetings were held as follows:

	DATE OF THE MEETING	REPORT PRESENTED
1	21 August 2023	2022/23 Annual Performance Report
2	13 December 2023	2023/ 24 - 1 st Quarter Performance Report
3	29 April 2024	2023/24 Mid – Year Performance
4	27 June 2024	2023/24 - 3 rd Quarter Performance Report

The performance reports were objectively and independently audited by the Internal Audit unit to verify and to confirm performance information as reflected in the reports; the unit also confirmed the credibility of evidence that was submitted quarterly.

4.1 APPROVAL OF SDBIP 2023/24

- The Mayor initially approved the SDBIP for the 2023/24 financial year on the 27th of June 2023 in terms of section 53 (c) (ii) of the Municipal Finance Management Act, 56 of 2003 and the annual performance agreements of the section 54/56 managers were concluded as required in terms of section 57(1)(b) of the Municipal Systems Act
- The SDBIP is the Municipality’s strategic implementation tool and shows the alignment between the Integrated Development Plan, the budget and Annual Performance Agreements of all Section 54/56 managers.
- As it is a legislative requirement the municipal key performance indicators were revised and aligned for the 2023/24 financial year.
- The adjustment of Service Delivery Budget Implementation Plan (SDBIP) for 2023/24 financial year was undertaken and approved by council in terms of section 54(1) (c) of the MFMA 56 of 2003 on the 23rd of February 2024, The special SDBIP Adjustment was approved by Council on the 28th of March 2024 following the Special Budget Adjustment approval.

4.2 QUARTERLY REPORTING ON THE SDBIP FOR 2023/24

The Performance Management System serves as primary mechanism to monitor, review and improve the implementation of the municipality’s IDP and eventually the budget. The municipal performance is evaluated and measured by means of the Top-Level Service Delivery Budget Implementation Plan (SDBIP) and also the Departmental Service Delivery Budget Implementation Plan (SDBIP) at directorate and departmental levels.

Submission of Top-Level SDBIP for 2023/2024 are submitted to Council on quarterly basis

The mid-year assessment report was also submitted to the Audit Committee for comments.

Quarterly Performance Reports were submitted to Council as follows:

	PERFORMANCE REPORT	DATE OF SUBMISSION
1	2023/24 – 1 st Quarter Performance Report	14 Dec 2023
2	Mid – Year Performance Report	26 Jan 2024
3	3 rd Quarter Performance Report	28 June 2024
4	Quarter 4 Performance Report	Due – 31 Aug 2024

4.3 INDIVIDUAL PERFORMANCE MANAGEMENT

The performance of a Municipality is integrally linked to that of staff. It is therefore important to link organisational performance to individual performance and to manage both simultaneously. The Municipal Manager (Section 54A) and all the Senior Managers (Section 56) signed Performance Agreements after their respective appointments.

As per the signed performance agreements and plans for the Section 54A/56 Employees for the financial year 2023/24, the annual performance of the Municipal Manager and the managers reporting directly to the Municipal Manager were formally evaluated in terms of the agreement within the required timeframes as follows;

	ASSESSMENT PERIOD	DATE
1	2023/24 Mid – Year Performance Assessments	20 Feb 2024
2	2022/23 – Annual Performance Assessment	26 March 2024

4.4 PERFORMANCE AND SUPPORTING INFORMATION

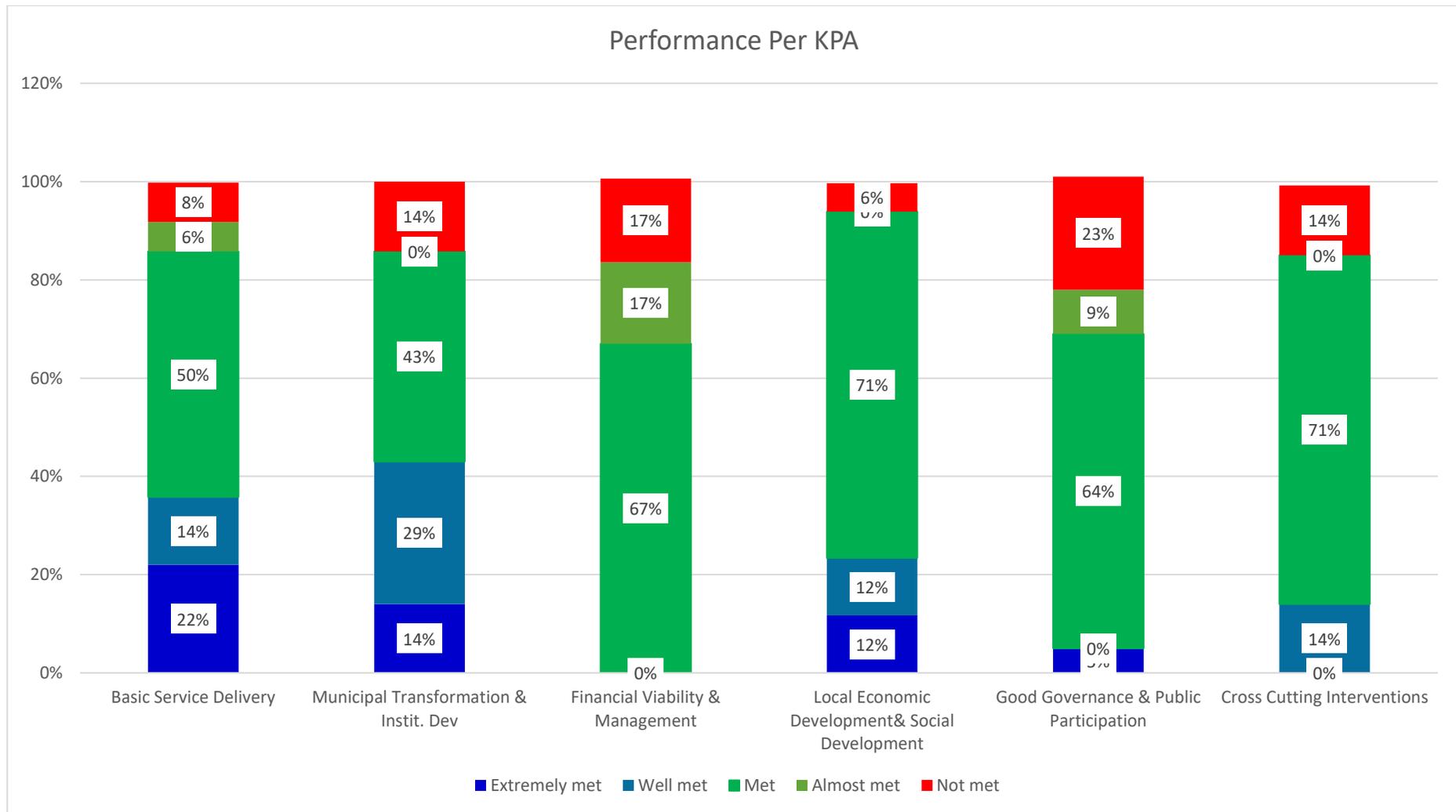
4.4.1 BACKGROUND TO MUNICIPAL SCORECARD

The IDP is supported by the Municipal Scorecard which sets out the Key Performance Areas, Key Performance Indicators and targets showing responsibilities on all activities to be undertaken by the Municipality during the particular period for 12 months in line with municipal financial year from July to June and this is developed on annual basis.

The Scorecard also facilitates performance monitoring, thereby enabling the municipality to be able to easily detect any signal for underperformance as it provides for time-frames and responsibilities on implementation of planned performance. Reporting is also enabled and it is also for this purpose that the municipality provided how the planned KPIs and targets were implemented during the year under review (2023/24). Annexure A, Page 69 to page 103 of this report provides a detailed information as to how the planned KPI and targets were implemented and reason for variance/ corrective measures are provided where the set targets could not be realised as planned.

4.4.1.1 SUMMARY OF PERFORMANCE IN TERMS OF THE TOP LAYER SDBIP – ACTUAL PERFORMANCE KPA

The actual performance per Municipal KPAs in terms of dashboard is indicated on the graph below, graph 3



Graph 3: Top Layer KPI Report - Municipal KPAs - % performance

5. AREAS WHERE KPIS WERE EXTREMELY MET

Out of 95(ninety – five) targets planned for the 2023/24 targets and the reasons for extremes performance been indicated under performance comment/reason for variance on the table below, therefore 12,6% of planned targets were extremely met.

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	Annual Target	Annual Actual	R	Performance Comment/ Reason for variance	Corrective Measure
7	Corporate Services	Municipal Transformation and Institutional Development	Number of Interns in support of internship and in-service training programmes appointed by 31 March 2024	7(seven) Interns in support of internship and in-service training programmes appointed by 31 March 2024	Target extremely met, 17(seventeen) Interns appointed in support of the internship and in-service training programmes by 31 March 202	B	The achievement of hiring 17 interns instead of 7 in 2023/24, Some of these appointments were made beyond the budgeted number and other appointments were made with necessary experience to complete their diploma without a compensation or stipend.	
19	Engineering Services	Basic Service Delivery	Number of conventional lights replaced by 30 June 2024	20(twenty) convectional lights replaced 30 June 2024	Target extremely met, 30(thirty) convectional lights replaced 30 June 2024	B	The cost of convectional lights has decreased as result the municipality was	

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	Annual Target	Annual Actual	R	Performance Comment/ Reason for variance	Corrective Measure
							able procure and replace more	
TL 260 (IDP Ref 21)	Engineering Services	Basic Service Delivery	% progress in construction of Slambo Community Hall by 30 June 2024	40% progress in construction of Slambo Community Hall by 30 June 2024	Target met, 65% progress in construction of Slambo Community Hall by 30 June 2024	B	Construction service provider increased the number of workforce on site to speedup progress of work on site.	
TL 262 (IDP Ref 29)	Engineering Services	Basic Service Delivery	% progress in construction of 5.5km Vekeza gravel Road by 30 June 2024	5% progress in construction of 5.5km Vekeza Road gravel by 30 June 2024	Target extremely met 19% progress in construction of 5.5km Vekeza Road gravel by 30 June 2024	B	Contractor is executing more than one item on site, as such the work progress is more than what was anticipated.	Contractor is executing more than one item on site, as such the work progress is more than what was anticipated
TL 263 (IDP Ref 30)	Engineering Services	Basic Service Delivery	% progress in design and construction of 3,2km Ofasimba gravel road by 30 June 2024	40% progress in construction of 3.2km Ofasimba road by 30 June 2024	Target extremely met, 100% in construction of 3.2km Ofasimba road on 10	B	Project Program was well executed by the project team	Project Program was well executed by the project team

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	Annual Target	Annual Actual	R	Performance Comment/ Reason for variance	Corrective Measure
					May 2024			
TL 266 (IDP Ref 33)	Engineering Services	Basic Service Delivery	% progress in design and construction of 3.7km Mamba gravel road & causeway by 30 June 2024	30% progress in construction of 3.7km Mamba Causeway by 30 June 2024	Target extremely met 55% progress in construction of 3.7km Mamba Causeway by 30 June 2024	B	Contractor accelerated work progress on site	Contractor accelerated work progress on site
TL 268 (IDP Ref 35)	Engineering Services	Basic Service Delivery	% progress in construction of 4.8km Makhumalo to Ediphini Gravel Road by 30 June 2024	50% progress in construction of 4.8km Makhumalo to Ediphini Gravel Road by 30 June-2024	Target extremely met 75% progress in construction of 4.8km Makhumalo to Ediphini Gravel Road by 30 June-2024	B	Required Resources were available to speed up the progress on site	Required Resources were available to speed up the progress on site
TL 273 (b) (IDP Ref 39 -b)	Engineering Services	Basic Service Delivery	% progress in refurbishment of Emathwaseni Sports field by 30 June 2024	25% progress in Refurbishment of Emathwaseni Sports field by 30 June 2024	Target extremely met, 75% progress in Refurbishment of Emathwaseni Sports field by 30 June 2024	B	Contractor executed different tasks on site to speed-up the progress	Contractor executed different tasks on site to speed-up the progress
TL 274 (IDP Ref 41)	Engineering Services	Basic Service Delivery	Number of waste management awareness programmes facilitated by 30 June 2024	4(four) Waste management awareness programmes	Target extremely met, 16(sixteen) Waste management awareness programmes	B	Some of the programmes were done internal by waste management unit whereas others	

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	Annual Target	Annual Actual	R	Performance Comment/ Reason for variance	Corrective Measure
				facilitated by 30 June 2024	facilitated by 30 June 2024, as follows: <ol style="list-style-type: none"> 1. 7 Jul 2023 2. 19 Jul 2023 3. 16 Aug 2023 4. 5 Sep 2023 5. 19 Oct 2023 6. 17 Nov 2023 7. 28 Nov 2023 8. 06 Dec 2023 9. 12 Dec 2023 10. 20 Feb 2024 11. 28 Mar 2023 12. 25 Jan 2024 13. 28 Jun 2024 14. 22 May 2024 15. 24 April 2024 16. 19 June 2024 		were done in collaboration with other sector department such as EDTEA	
TL 281 (IDP Ref 52)	Planning & Economic Development	Local Economic and Social Development	Number of projects Implemented in terms of the Agricultural Sector Plan by 30 June 2024	2(two) projects implemented in terms of the Agricultural Sector Plan by 30 June 2024	Target extremely met, 04(four) projects implemented in terms of the Agricultural Sector Plan by 30 June 2024 as follows:	B	Upon routine engagement with community there were additional needs identified within existing resources, support was also provided through district support	

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	Annual Target	Annual Actual	R	Performance Comment/ Reason for variance	Corrective Measure
					1. Equipment handover 21 Dec 2023, 2. Equipment handover 18 April 2024, 3. Goat farming, 30 April 2024 4. Equipment handover 24 May 2024			
TL 288 (IDP Ref 68)	Community Services	Good Governance and Public Participation	Number of programmes aimed at promoting moral regeneration & nation building Facilitated by 30 June 2024	2(two) Municipal Programmes aimed at promoting moral regeneration & nation building by 30 June 2024	Target extremely met, 3(three) Municipal Programmes aimed at promoting moral regeneration & nation building by 30 June 2024 as follows: 1. 25 July 2023 2. 26 June 2024 3. 14 Nov 2023	B	Overachievement was necessitated by the need to cover gaps caused by social ills in Umlalazi community	

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	Annual Target	Annual Actual	R	Performance Comment/ Reason for variance	Corrective Measure
87	Community Services	Good Governance and Public Participation	Number of LTT meetings to address War Room Issues facilitated by 30 June 2024	4(four) LTT meetings to address War Room Issues facilitated by 30 June 2024	Target met, 06(six) LTT meetings to address War Room Issues facilitated by 30 June 2024 as follows: 1. 25 Aug 2023 2. 06 Oct 2023 3. 27 Oct 2023 4. 24 Nov 2023 5. 22 March 2024 6. 10 May 2024	B	Issues at ward level required more engagements to keep the community informed and to have a platform for further engagement with the stakeholders and provide feedback to the communities at ward level	

6. SUB – STANDARD PERFORMANCE AREAS AND PLANNED MEASURES TAKEN FOR IMPROVEMENT

The following are the sub-standard performance areas and planned measures taken for improvement where targets were not met and or almost met:

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
TL 252(IDP Ref. 1)	Engineering Services	Municipal Transformation & Institutional Development	Date IT maintenance plan developed and submitted to Corporate Services Portfolio Committee and MANCO	IT maintenance plan developed and submitted to Corporate Services Portfolio Committee and MANCO by 30 June 2024	Target not met,	R	IT maintenance plan development had to await finalisation of the new IT Systems by new services provider	New IT Systems was finalised and IT maintenance plan developed, its submission will be made to the Corporate Services Portfolio Committee in the 1 st quarter

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
TL 258(IDP Ref. 18)	Engineering Services	Basic Service Delivery	% reduction of electricity losses from 18% to 10% by 30 June 2024	% reduction on the electricity losses by 30 June 2024(from 18% to 10%)	Target not met, electricity losses reduction were 18% by 30 June 2024	R	Difficulty to access some of the properties where there is low purchased in terms of meter audit	Engagements during electricity meter audit & Revenue section to submit a list of customers with low purchases of electricity based on three monthly averages. Amnesty process to be approved by council - as per proposed resolution at Debt Collection Steering committee regarding tampering fee, amnesty period etc. Keep a register of customers who applied for amnesty. Notices to public will be sent with monthly bills. Replacement of electricity meters to split metering units

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
TL 265 (IDP Ref 32)			% progress in construction of 7.5km Ndayini to Ngedlezi gravel road by 30 June 2024	100% progress in construction of 7.5km Ndayini to Ngedlezi gravel road by 30 June 2024	Target not met, 72.8% progress in construction of 7.5km Ndayini to Ngedlezi gravel road by 30 June 2024	R	Delays due to adverse weather condition and work stoppages due to unreasonably demands from the local business forum	Contractor submitted extension of time claim to compensate for the time lost and was approved by the Municipality.
TL 271 (IDP Ref 39)	Engineering Services	Basic Service Delivery	% progress in design and construction of Tab Tab Makhathini Sports Centre by 30 June 2024	10% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024	Target not met, 0% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024	R	Delays in the appointment of the construction service provider	Design complete, Project on Tender
TL 272 (IDP Ref 39)	Engineering Services	Basic Service Delivery	% progress in construction of Mashabase SportsField by 30 June 2024	100% progress in construction of Mashabase SportsField by 30 June 2024	Target almost met, 90% progress in construction of Mashabase SportsField by 30 June 2024 The following progress can be	O	Delays due to adverse weather conditions	Extension of time granted to the construction service provider to complete the remainder of the scope of works.

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
					reported, ablution Block, Combination Court, Fencing Earthworks Complete			
TL 275 (IDP Ref 42)	Community Services		No. of households provided with refuse removal services in ward 7, 11, 12,18 ,19 & 28 once a week by 30 June 2024	6147(six thousand one hundred and forty seven)households provided with refuse removal services in ward , 7,11, 12,18 ,19 & 28 once a week by 30 June 2024	Target met, 6144(six thousand one hundred and eight one) households provided with refuse removal services in ward , 7,11, 12,18 ,19 & 28 once a week by 30 June 2024	O	Service provision do not remain, constant corrections are made when there is need	
TL 283 (IDP Ref 58)	Planning & Economic Development	Local Economic and Social Development	Date Tourism Strategy developed and submitted to Council for approval	Tourism Strategy developed and submitted to Council for approval by 30 June 2024	Target not met, Tourism Strategy was developed submitted to Council and deferred pending a workshop	R	Tourism Strategy was developed submitted to Council and deferred pending a workshop on the Strategy	The Department will also improve on project management to avoid delays in performance of planned targets
TL 291 (IDP Ref 71)	Financial Services	Municipal Financial viability	Date Revenue enhancement strategy developed and	Revenue enhancement strategy developed	Target not met	R	Revenue enhancement strategy has not	The Revenue enhancement strategy will be done through

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
		and Managem ent	submitted to Council for adoption	and submitted to Council for adoption 31 May 2024			been developed due to budget constraints.	an external service provider to cover all areas of revenue for the uMlalazi Municipality, hence the budget requirements.
TL 292 (IDP Ref 72)	Financial Services	Municipal Financial viability and Management	% Increase in debtors collection rate on billing by 30 June 2024	95% increase in debtors collection rate on billing by 30 June	Target almost met, 88% increase in debtors collection rate on billing by 30 June	○	Outstanding debtors have increased to the affordability on the side of customers. Non-payment by the significant debtors of arrears has an effect on the target not being achieved. Example of these debtors is Public Works and Macant properties Legal proceedings do not always yield results timeously.	Ensure that all arrear accounts are handed over and improve on the turnaround time regarding the communication with attorneys. Continuous engage significant debtors with a view of collecting on arrears. Request budget for data cleansing as some of the accounts are irrecoverable.

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
81	Community Services	Good Governance and Public Participation	% functionality of Ward Committees by 30 June 2024	100% functionality of Ward Committees by 30 June 2024	Target almost met, 89% functionality of Ward Committees by 30 June 2024	○	There challenges in ward 15 that had affected the 100% functionality of the ward committee	Engagements are taking place to resolve challenges that could result to a ward committee full functionality in future
88	Corporate Services	Good Governance and Public Participation	Number of Standing Rules and Orders Committee meetings facilitated by 30 June 2024	4(four) Standing Rules and Orders Committee meetings facilitated by 30 June 2024	Target almost met, Standing Rules and Orders Committee meetings facilitated by 30 June 2024 as follows: 1. 29 Sep 2023 2. 13 March 2024 3. 21 June 2024	○	One Standing Rules and Orders Committee meeting was postponed due to other commitment of the committee members.	A schedule for all meetings for the financial year is in place and used to prevent such situation
91	Community Services	Good Governance and Public Participation	Number of Reports on War Rooms functionality Submitted to Council by 30 June 2024	4(four) Reports submitted to council on the functionality of War rooms by 30 June 2024	Target almost met, 3(three) Reports submitted to council on the functionality of War rooms by 30 June 2024 as follows:	○	The were delays in concluding the smooth establishment of war room reports which resulted in the submission of functionality report target of 4(four) not being met, however	War –rooms are all established and submissions of the functionality report will be submitted to scheduled ordinary

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
					14 Dec 2023 26 Jan 2024 16 May 2024		the reports are prepared and submitted to Council	council meetings in 2024/25
TL 302 (IDP Ref 95)	Community Services	Good Governance and Public Participation	Number of Ward Based plans completed and submitted to Council for approval by 30 June 2024	28(twenty- eight) Ward Based plans completed and submitted to Council for approval by 30 June 2024	Target not met,0(zero) Ward Based plans completed and submitted to Council for approval by 30 June 2024	R	The item was taken to Council and withdrawn pending a workshop	Workshop was held successfully on 19 July 2024, the submission has then be made to Council for consideration the meeting held before end of July 2024
97	Community Services	Good Governance and Public Participation	Number of trainings facilitated for Ward Committee members by 30 June 2024	2(two) trainings for ward committee members facilitated by 30 June 2024	Target not met, 0, training was provided during the year	R	Budgetary constraints	Consideration will be made to coordinate available funding with on issues including roles and responsibilities
111	Planning & Economic Development	Cross Cutting Intervention	Date Feasibility Study completed and presented to MANCO	Feasibility study completed and presented to	Target not met	R	Project completion by the service	The Feasibility study was completed in July and will be presented

Internal Ref Indicator Code	Responsible Directorate	Municipal KPA	KPI	2023/24		R	Performance Comment/ Reason for variance	Corrective Measure
				Annual Target	Annual Actual			
				MANCO by 30 June 2024			provider delayed by a month	on next scheduled MANCO. The Department will improve on project management to avoid delays in performance of planned targets

5. LESSONS LEARNT AND WAY FORWARD

The following lessons are considered as key to an improved and progressive municipality to ensure that service delivery mandate in terms of objectives as set out into section 152 of RSA Constitution and objects of Local Government in terms of section 153 and all other applicable local legislative provisions

- a) The Municipality to ensure that it monitors all the multiyear projects and repeat non-achievements i.e. electricity losses which will assist in good performance in upcoming years.
- b) Management Committee to monitor the Performance Management System (PMS) on monthly basis.
- c) Close monitoring of the newly implemented performance management system in terms chapter 4 of the Local Government Municipal Staff Regulation promulgated in September 2021, wherein according to these regulations all municipal staff have signed annual performance agreements in line with their departmental key performance areas, key performance indicators and targets set for 2024/25.

6. SERVICE PROVIDER PERFORMANCE SCHEDULE

ASSESSMENT OF THE PERFORMANCE OF EXTERNAL SERVICE PROVIDERS

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. Service providers who fail to perform are reported and the necessary action is taken including the termination of the contract or cancellation of an order.

Assessment Key	
Good (G)	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
Satisfactory (S)	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
Poor (P)	<i>The service has been provided below acceptable standards</i>

The detailed Performance of Service Providers appears under Appendix I.

9. CONCLUSION

The municipality will continue to improve on its delivery mandate and improve the lives of uMlalazi community. Issues of capacity building and performance management will be improved during the year 2023/24 through the implementation of Local Government Municipal Staff Regulations where employees signed their annual performance agreements and monitoring will be closely undertaken to ensure that the service delivery remains the main focus.

2023/24 concluded well, where all positions for section 54/56 were filled and directorates kept positioning their activities in ensuring that set deliverables are met.

**ANNEXURE “A” 2023/24
ORGANISATIONAL SCORECARD
ADJUSTMENT**

2023/24 SPECIAL SDBIP ADJUSTMENT SCORECARD

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence				
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual								
											01 Jul 2022 – 30 June 2023				01 Jul 2023 – 30 June 2024								
											Target	Actual		Target	Actual								
1	TL 252 (IDP Ref 1)	Corporate Services	Municipal Transformation and Institutional Development	Improvement of IT systems for better municipal functions	Develop IT maintenance plan	Date IT maintenance plan developed and submitted to Corporate Services Portfolio Committee and MANCO	N/A	N/A	N/A	Date	N/A	N/A	N/A	IT maintenance plan developed and submitted to Corporate Services Portfolio Committee and MANCO by 30 June 2024	Target not met,	R	IT maintenance plan development had to await finalisation of the new IT Systems by new services provider	New IT Systems was finalised and IT maintenance plan developed, its submission will be made to the Corporate Services Portfolio Committee in the 1 st quarter	IT maintenance plan and Corporate Services Portfolio Committee and MANCO Minutes Extract				
5	5	Corporate Services	Municipal Transformation and Institutional Development	To develop the institution and to facilitate institutional transformation	Facilitate training programmes for Councillors in terms of skills audit	Number of training programmes for councillors in terms skills audit facilitated by 30 June 2024	N/A	N/A	4	Number	4(four) training programmes facilitated for councillors in terms of skills audit by 30 June 2023	Target met, 4(four) training programmes facilitated for councillors in terms of skills audit by 30 June 2023 as follows: 1. 04-05 Aug 2022 2. 08-09 Nov 2022 3. 19 June 2023 4. 21 June 2023	G	3(three) training programmes facilitated for Councillor in terms skills audit by 30 June 2024	Target well met, 4(four) training programmes facilitated for Councillor in terms skills audit by 30 June 2024 as follows: 1. 18 Oct 2023 2. 23 – 25 Oct 2023 3. 06 -08 Nov 2023 4. 03 – 05 April 2024	G2			Attendance Register				
6	6	Corporate Services	Municipal Transformation and Institutional Development	To develop the institution and to facilitate institutional transformation	Facilitate training programmes for staff in terms of skills development	Number of Training programmes for Staff in terms of skills audit facilitated by	N/A	N/A	12	Number	10(ten) Training programmes facilitated for staff in terms of skills audit by 30 June	Target well met 11 (eleven) Training programmes facilitated for staff in terms	G2	10(ten) trainings programmes facilitated for staff in terms of skills audit by 30 June	Target met, 10(ten) trainings programmes facilitated for staff in terms of skills audit	G	N/A	N/A	Attendance Register				

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
				on	plan	30 June 2024					2023	of skills audit by 30 June 2023 as follows: 1. 02 -05 Aug 2022 2. 27 Feb 2023 -01 Mar 2023 3. 10 - 12 May 2023 4. 02 May 2023 5. 27 - 30 Mar 2023 6. 31 Oct - 04 Nov 2022 7. 04 - 07 Oct 2022 8. 06 - 09 Dec 2022 9. 22-25 Nov 2022 10. 15 - 17 Mar 2023 11. 24 - 25 Nov 2022		2024	by 30 June 2024 as follows: 1. 12 Oct 2023 2. 01 Nov 2023 3. 15 Feb 2024 4. 13 Mar 2024 5. 11 – 15 Mar 2024 6. 03 -04 April 2024, 08 April 2024, 09 April 2024, 03 – 05 April 2024 7. 23 May 2024 8. 03 – 07 June 2024 9. 11 -28 June 2024				
7	7	Corporate Services	Municipal Transformation and Institutional Development	To develop the institution and to facilitate institutional transformation	Implement and support internship, learnership and in-service training programmes .	Number of Interns in support of internship and in-service training programmes appointed by 31 March 2024	N/A	N/A	9	Number	7(seven) Interns in support of internship and in-service training programmes appointed by 31 Dec 2022	8(eight) Interns in support of internship and in-service training programmes appointed by 31 Dec 2022	G	7(seven) Interns in support of internship and in-service training programmes appointed by 31 March 2024	Target extremely met, 17(seventeen) Interns appointed in support of the internship and in-service training programmes by 31 March 2024	B	The achievement of hiring 17 interns instead of 7 in 2023/24, Some of these appointments were made beyond the budgeted number and other	Appointment Letters and employment contracts	

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence	
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual					
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024						
											Target	Actual		Target	Actual					
8	TL 253 (IDP Ref 8)	Corporate Services	Municipal Transformation and Institutional Development	To ensure that the Municipality has an updated set of Bylaws that is in line with its Vision and Mission	Conduct an overall assessment and review of Municipal Bylaws & Policies	Number of By-laws reviewed, and submitted to Council for adoption by 30 June 2024	N/A	N/A	N/A	Number	N/A	N/A	N/A	1(one) By-law reviewed and submitted to Council for adoption by 30 June 2024	Target met, 1(one) By-Law reviewed and submitted to Council and was approved on 29 Sep 2023	G	N/A	N/A	Council Resolution	appointments were made with necessary experience to complete their diploma without a compensation or stipend.
10	10	Financial Services	Municipal Transformation and Institutional Development	Assessment and review of Municipal Bylaws & Policies	Conduct an overall assessment and review of Municipal Bylaws & Policies	% of Budget related policies reviewed by 30 June 2024	N/A	N/A	100%	% percentage	100% of Budget related policies reviewed by 30	Target met, 100% of Budget related policies reviewed and adopted by Council on 31 May 2023	G	100% of Budget related policies reviewed by 30 June 2024	Target met, 100% of Budget related policies reviewed and adopted by Council on 16 May 2024	G	N/A	N/A	Budget related policies Council Resolution	
11	TL 254 (IDP Ref 11)	Corporate Services	Municipal Transformation and Institutional Development	To ensure accountability and transparency	Monitor the effectiveness of communication in the Municipality	Number of reports submitted to Corporate Services Portfolio Committee on Communication unit activities by 30 June 2024	N/A	N/A	5	Number	4(four) reports submitted to Corporate Services Portfolio Committee on Communication unit activities by 30 June 2023	4(four) reports submitted to Corporate Services Portfolio Committee on Communication unit activities by 30 June 2023 as follows 1. 30 Sep 2022 2. 13 Dec 2022 3. 30 Mar 2023 4. 29 Jun	G	4(four) reports submitted to Corporate Services Portfolio Committee on Communication unit activities by 30 June 2024	Target well met, 5(five) reports submitted to Corporate Services Portfolio Committee on Communication unit activities by 30 June 2024 as follows: 1. 20 July 2023	G2	N/A	N/A	Communication report and Corporate Services Portfolio Committee agenda/minutes extract	

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI)	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
											2023			2. 26 Sep 2023 3. 09 Nov 2023 4. 20 Feb 2024 5. 12 April 2024					
15	TL 255 (IDP Ref 15)	Engineering Services	Basic Service Delivery	To ensure provision of basic services to all communities in a sustainable manner	Reduce backlog of electrification services annually	% of households provided with electrification services by 30 June 2024	Number of Eskom engagement meetings held on electrification by 30 June 2024	N/A	98%	Percentage	4(four) Eskom engagement meetings held on electrification by 30 June 2023	Target extremely met, 8(eight) Eskom engagement meetings held on electrification by 30 June 2023	B	8(eight) Eskom engagement meetings held on electrification by 30 June 2024	Target well met, 10 Eskom engagement meetings held on electrification by 30 June 2024 as follows: 1. 17 Aug 2023 2. 20 July 2023 3. 08 Nov 2023 4. 11 Dec 2023 5. 24 Jan 2024 6. 09 Feb 2024 7. 28 Feb 2024 8. 13 March 2024 9. 30 April 2024 10. 12 June 2024	G2	Additional engagements were necessitated by the need to address to have a platform to engagement on issues that required attention		Attendance Register
15-a	TL 255 (a) (IDP Ref 15)	Engineering Services		To ensure provision of basic services to all communities in a sustainable manner	Reduce backlog of electrification services annually	% progress in construction of KDS overhead 11KVA power supply line by 30 June 2024	% progress in design and surveys of KDS overhead	12	N/A	Percentage	N/A	N/A	N/A	100% progress in design and surveys of KDS overhead 11KVA power supply line by 30	Target met, 100% progress in design and surveys of KDS overhead 11KVA power supply line by	G	N/A	N/A	Progress Reports, Completion certificate

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
						11KVA power supply line by 30 June 2024							June 2024	30 June 2024					
16	TL 256 (IDP Ref 16)	Financial Services			Provide affordable Services to Indigent Community by the implementation on on of the Indigent Policy	% of consumers on the list provided by Eskom receive Free basic electricity services in terms of the Indigent Policy by 30 June 2024	N/A	N/A	100%	Percentage	100% of consumers on the list provided by Eskom receive Free basic electricity services in terms of the Indigent Policy by 30 June 2023	Target met, 100% of consumers on the list provided by Eskom receive Free basic electricity services in terms of the Indigent Policy by 30 June 2023	G	100% consumers on the list provided by Eskom receive Free basic electricity services in terms of the Indigent Policy by 30 June 2024	Target met, 100% consumers on the list provided by Eskom receive Free basic electricity services in terms of the Indigent Policy by 30 June 2024	G	N/A	N/A	Eskom consumer list and report on Free basic electricity services
17	TL 257 (IDP Ref 17)	Engineering Services	Basic Service Delivery		To ensure maintenance and improvement of existing electrical infrastructure e.	% of budget spent towards the maintenance and improvement of existing electrical infrastructure in terms of the maintenance plan by 30 June 2024	N/A	N/A	95%	Percentage	N/A	N/A	N/A	80% spent on the budget allocated towards the maintenance and improvement of existing electrical infrastructure in terms of the maintenance plan by 30 June 2024	Target met 84% spent on the budget allocated towards the maintenance and improvement of existing electrical infrastructure in terms of the maintenance plan by 30 June 2024	G	N/A	N/A	Budget Expenditure Report
18	TL 258 (IDP Ref 18)	Engineering Services			Ensure the reduction of electricity losses	% reduction of electricity losses from 18% to 16% by 30 June 2024	% reduction of electricity losses from 18% to 16% by 30 June 2024	N/A	18%	Percentage	16% reduction of electricity losses from 18% to 16% by 30 June 2023	Target not met, electricity losses were 18% 30 June 2023	R	2% reduction on the electricity losses by 30 June 2024(from 18% - 16%)	Target not met, electricity losses reduction were 18,09% by 30 June 2024	R	Difficulty to access some of the properties where there is low purchased in terms of meter audit	Engagements during electricity meter audit & Revenue section to submit a list of customers who do not / low purchases	Electricity losses reduction report

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
19	19	Engineering Services			To ensure that energy saving principles are adhered to in line with NERSA Guidelines	Number of conventional lights replaced by 30 June 2024	N/A	N/A		Number	N/A	N/A	N/A	20(twenty) conventional lights replaced 30 June 2024	Target extremely met, 30(thirty) conventional lights replaced 30 June 2024	B	The cost of convectional lights has decreased as result the municipality was able procure		Convectional lights replacement report

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence	
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual					
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024						
											Target	Actual		Target	Actual					
20	TL 259 (IDP Ref 20)	Engineering Services		To ensure provision and maintenance of municipal roads, access roads, causeways and storm-water	To ensure continuous maintenance of road infrastructure	% progress in rehabilitation of 2.1km urban roads in ward 11, 12, 17, 18 and 28 in terms of the approved Road Maintenance plan based on budget available by 30 June 2024	% progress in rehabilitation of 1.2km urban roads in ward 7, 11, and 28 in terms of the approved Road Maintenance plan based on budget available by 30 June 2024	7, 11 28.	30.70 %	Percentage	100% Rehabilitation of 2.1km of urban roads in terms of approved Road Maintenance plan based on budget available by 30 June 2023	Target not met, 30,70% progress in rehabilitation of 2.1km of urban roads in terms of approved Road Maintenance plan based on budget available by 30 June 2023	R	70% progress in rehabilitation of 1.2Km urban roads in ward 7, 11, and 28 terms of the approved Road Maintenance plan based on budget available by 30 June 2024	Target well met, 87,5% progress in rehabilitation of 1.2Km urban roads in ward 7, 11, and 28 terms of the approved Road Maintenance plan based on budget available by 30 June 2024	G2	Contractors Programme was well executed and all required resource were brought together to speed up the project progress before the start of the rainy season		Progress Report, Completion certificate and	
21	TL 260 (IDP Ref 21)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Construct community halls in terms of budget allocated for the financial year	% progress in construction of Slambo Community Hall by 30 June 2024	N/A	3	N/A	percentage	N/A	N/A	N/A	40% progress in construction of Slambo Community Hall by 30 June 2024	Target extremely met, 65% progress in construction of Slambo Community Hall by 30 June 2024	B	Construction service provider increased the number of workforce on site to speedup progress of work on site.		Progress reports and/completion certificate	
22-a	TL 261 (IDP Ref 22)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and	Construct community halls in terms of budget allocated for	% progress in construction of Mqumazi Community Hall by 30	N/A	14	N/A	percentage	N/A	N/A	N/A	100% progress in construction of Mqumazi Community	Target met, 100% progress in construction of Mqumazi	G	N/A	N/A	Progress reports and/ completion certificate	

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
				services to all, with emphasis on rural communities , in a sustainable manner Ensure the provision and maintenance of municipal roads, access roads and causeways	the financial year	June 2024													
22 -c	22 -c	Director Engineering	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities , in a sustainable manner	Complete design for Mbiza no.2 Community Hall	N/A	Date design for Mbiza no.2 Community Hall completed	9	N/A	Date	N/A	N/A	N/A	Design for Mbiza no.2 Community Hall completed by 30 June 2024	Target met, Design for Mbiza no.2 Community Hall completed 13 May 2024	G	N/A	N/A	Design Report
22 -d	22 -d	Director Engineering	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities , in a sustainable manner	Complete design for Mandawe Community Hall	N/A	Date design for Mandawe Community Hall completed	27	N/A	Date	N/A	N/A	N/A	Design for Mandawe Community Hall completed by 30 June 2024	Target met, Design for Mandawe Community Hall completed 31 March 2024	G	N/A	N/A	Design Report

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
25	25	Director Engineering	Basic Service Delivery	To ensure maintenance of all municipal buildings.	Review a Maintenance Plan for Municipal Buildings	Date Annual maintenance plan reviewed for Municipal buildings by 31 Dec 2023	N/A	N/A	N/A		N/A	N/A	N/A	Annual maintenance plan developed for Municipal buildings by 31 Dec 2023	Target met, Annual maintenance plan developed for Municipal buildings by 31 Dec 2023	G	N/A	N/A	Annual maintenance plan
29	TL 262 (IDP Ref 29)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in construction of 5.5km <u>Vekeza</u> gravel Road by 30 June 2024	% progress in design and construction of 5.5km <u>Vekeza</u> gravel Road by 30 June 2024	17	N/A	Percentage	N/A	N/A	N/A	5% progress in construction of 5.5km <u>Vekeza</u> Road gravel by 30 June 2024	Target extremely met 19% progress in construction of 5.5km <u>Vekeza</u> Road gravel by 30 June 2024	B	Contractor is executing more than one item on site, as such the work progress is more than what was anticipated.		Progress reports and project
30	TL 263 (IDP Ref 30)	Engineering Services	Basic Service Delivery	Ensure the provision and maintenance of municipal roads, access roads and causeways	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in designs of 3.2km <u>Ofasimba</u> road by 30 June 2024	% progress in design and construction of 3.2km <u>Ofasimba</u> gravel road by 30 June 2024	25	N/A	Percentage	N/A	N/A	N/A	40% progress in construction of 3.2km <u>Ofasimba</u> road by 30 June 2024	Target extremely met, 100% in construction of 3.2km <u>Ofasimba</u> road on 10 May 2024	B	Project Program was well executed by the project team		Progress reports
31	TL 264 (IDP Ref 31)	Engineering Services	Basic Service Delivery	Ensure the provision and maintenance of municipal roads, access roads and causeways	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in construction of 2.9km <u>Yimba</u> gravel road and causeway by 30 June 2024	N/A	19	N/A	Percentage	N/A	N/A	N/A	80% progress in construction of 2.9km <u>Yimba</u> Gravel road and causeway by 30 June 2024	Target well met 100% progress in construction of 2.9km <u>Yimba</u> Gravel road and causeway on 23 May 2024	G2	Project Program was well executed by the Project Team		Progress reports and/ completion certificate

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
32	TL 265 (IDP Ref 32)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in construction of 7.5km Ndayini to Ngedlezi gravel road by 30 June 2024	N/A	4	N/A	Percentage	N/A	N/A	N/A	100% progress in construction of 7.5km Ndayini to Ngedlezi gravel road by 30 June 2024	Target not met, 72.8% progress in construction of 7.5km Ndayini to Ngedlezi gravel road by 30 June 2024	R	Delays due to adverse weather condition and work stoppages due to unreasonable demands from the local business forum	Contractor submitted extension of time claim to compensate for the time lost and was approved by the Municipality	Progress reports and/ completion certificate
33	TL 266 (IDP Ref 33)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in design of Mamba Causeway by 30 June 2024	% progress in design and construction of 3.7km Mamba gravel road & causeway by 30 June 2024	2	N/A	Percentage	N/A	N/A	N/A	30% progress in construction of 3.7km Mamba Causeway by 30 June 2024	Target extremely met 55% progress in construction of 3.7km Mamba Causeway by 30 June 2024	B	Contractor accelerated work progress on site		Progress reports and/ completion certificate
34	TL 267 (IDP Ref 34)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in design of 6.3 km Myini gravel road and Causeway by 30 June 2024	N/A	27	N/A	Percentage	N/A	N/A	N/A	100% progress in design of 6.3km Myini gravel road and Causeway by 30 June 2024	Target met, 100% progress in design of 6.3km Myini gravel road and Causeway on 31 March 2024	G	N/A	N/A	Project Design Report
35	TL 268 (IDP Ref 35)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural	Construct / rehabilitate road / causeways in terms of MIG budget allocated for the financial year	% progress in construction of 4.8km Makhumalo to Ediphini Gravel Road by 30 June 2024	N/A	13	N/A	Percentage	N/A	N/A	N/A	50% progress in construction of 4.8km Makhumalo to Ediphini Gravel Road by 30 June-2024	Target extremely met 75% progress in construction of 4.8km Makhumalo to Ediphini Gravel Road	B	Required Resources were available to speed up the progress on site		Progress reports and/ completion certificate

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence				
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual								
											01 Jul 2022 – 30 June 2023				01 Jul 2023 – 30 June 2024								
											Target	Actual		Target	Actual								
				communities , in a sustainable manner										by 30 June-2024									
36	TL 269 (IDP Ref 36)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities , in a sustainable manner	Construct / rehabilitate road / causeways in terms of MIG budget allocated for the financial year	% progress in designs of 2.7km Mogwenya Road and Causeway by 30 June 2024	% progress in designs of 2.7km Mogwenya gravel road and causeway by 30 June 2024	5	N/A	Percentage	N/A	N/A	N/A	100% progress in Design of 2.7km Mogwenya gravel road and causeway by 30 June 2024	Target met, 100% progress in Design of 2.7km Mogwenya gravel road and causeway on 21 June 2024	G	N/A	N/A	Project design report				
	TL 269(a) (IDP Ref 36)	Engineering Services	Basic Service Delivery	To ensure provision and maintenance of municipal roads, access roads, causeways	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in construction of 2.1km Eyetheni phase 1 Gravel road by 31 March 2024	N/A	21	75%	Percentage	100% construction of 4.5km of Eyetheni Road by 30 June 2023	Target almost met, 75% construction of 4.5km of Eyetheni Road by 30 June 2023	O	100% progress in construction of 2.1km Eyetheni Gravel road by 31 March 2024	Target met, 100% practical completion of 2.1km of Eyetheni phase 1 gravel road by 30 Oct 2023	G	N/A	N/A	Progress report, close- out report and completion certificate				
	TL 269(b) (IDP Ref 36)	Engineering Services	Basic Service Delivery	To ensure provision and maintenance of municipal roads, access roads, causeways and storm-water	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress in construction of 2.4km Eyetheni phase 2 gravel road by 30 June 2024	N/A	21	75%	Percentage	N/A	N/A	N/A	100% progress in construction of 2.4km Eyetheni phase 2 gravel road by 31 March 2024	Target met, 100% practical completion of 2.4km of Eyetheni phase 2 gravel road by 30 Oct 2023	G	N/A	N/A	Progress report, close- out report and completion certificate				
	TL 269(c) (IDP Ref 36)	Engineering Services	Basic Service Delivery	To ensure provision and maintenance of municipal roads, access roads, causeways and storm-water	Construct road / causeways in terms of MIG budget allocated for the financial year	% progress on construction of 6.5km Ezisulwini gravel road by 30 June 2024	N/A	21	100%	Percentage	N/A	N/A	N/A	100% progress in construction of 6.5km Ezisulwini gravel road by 30 June 2024	Target met, 100% construction of 6.5km Ezisulwini gravel road by 04 Oct 2023	G	N/A	N/A	Progress report, close- out report and completion certificate				

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
38	TL 270 (IDP Ref 38)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Ensure the construction of sports and community development facilities	% progress in construction of Gingindlovu Sports field by 30 June 2024	Date Feasibility study of Gingindlovu Sports field completed	18	22 Aug 2023 Preliminary design	Date	N/A	N/A	N/A	Feasibility study of Gingindlovu Sports field completed by 30 June 2024	Target met, Feasibility study of Gingindlovu Sports field completed by 30 April 2024	G	N/A	N/A	Progress reports and/ completion certificate
39	TL 271 (IDP Ref 39)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Ensure the construction of sports and community development facilities	% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024	% progress in design and construction of Tab Tab Makhathini Sports Centre by 30 June 2024	26	N/A	Percentage	N/A	N/A	N/A	10% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024	Target not met, 0% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024	R	Delays in the appointment of the construction service provider	Design complete, Project on Tender	Progress reports and/ completion certificate
	TL 272 (IDP Ref 39)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner		% progress in construction of Mashabase SportsField by 30 June 2024	N/A	1	N/A	Percentage	N/A	N/A	N/A	100% progress in construction of Mashabase SportsField by 30 June 2024	Target almost met, 90% progress in construction of Mashabase SportsField by 30 June 2024 The following progress can be reported, ablution Block, Combination Court, Fencing Earthworks Complete	O	Delays due to adverse weather conditions	Extension of time granted to the construction service provider to complete the remainder of the scope of works.	Progress reports and/ completion certificate
	TL 273 (IDP Ref 39)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and		% progress in construction of KDS Sports Park phase 1 by 30	N/A	12	N/A	Percentage	N/A	N/A	N/A	40% progress in construction of KDS Sports Park .	Target met, 40% progress in construction of KDS Sports Park, phase 1	G	N/A	N/A	Progress reports and/ completion certificate

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
				services to all, with emphasis on rural communities , in a sustainable manner		June 2024							phase 1 by 30 June 2024	by 30 June 2024					
39-a	TL 273 (a) (IDP Ref 39 -	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities , in a sustainable manner	Ensure the construction of sports and community development facilities	N/A	% progress in construction of Empushini park Cemetery by 30 June 2024	11	N/A	Percentage	N/A	N/A	N/A	100% progress in construction of Empushini park Cemetery by 30 June 2024	Target well met, 100% completion on construction of Empushini park Cemetery by 31 March 2024	G2	N/A	N/A	Progress Reports and Completion certificate
39-b	TL 273 (b) (IDP Ref 39 -b	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities , in a sustainable manner	Ensure the construction of sports and community development facilities	N/A	% progress in refurbishment of Emathwaseni Sports field by 30 June 2024	2	N/A	Percentage	N/A	N/A	N/A	25% progress in Refurbishment of Emathwaseni Sports field by 30 June 2024	Target extremely met, 75% progress in Refurbishment of Emathwaseni Sports field by 30 June 2024	B	Contractor executed different tasks on site to speed-up the progress	N/A	N/A
39-c	TL 273 (c) (IDP Ref 39 -c)	Engineering Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities , in a sustainable manner	Ensure the construction of sports and community development facilities	N/A	% progress in refurbishment of Rhaphamani Peace Centre by 30 June 2024	1	N/A	Percentage	N/A	N/A	N/A	100% progress in refurbishment of Rhaphamani Peace Centre by 30 June 2024	Target met, 100% progress in refurbishment of Rhaphamani Peace Centre by 30 June 2024	G	N/A	N/A	Progress Reports, Completion certificate
40	40	Engineering Services	Basic Service Delivery	To provide and maintain	Construction of KDS Trading	N/A	% progress in	12	N/A	Percentage	N/A	N/A	N/A	25% progress in construction	Target met, 28% progress in	G	N/A	N/A	Progress Reports, Completion

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
				infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Facility		construction of KDS Trading Facility by 30 June 2024							of KDS Trading Facility by 30 June 2024	construction of KDS Trading Facility by 30 June 2024				certificate
41	TL 274 (IDP Ref 41)	Community Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Facilitate waste awareness programmes	Number of waste management awareness programmes facilitated by 30 June 2024	N/A	N/A	18	Number	12 Waste management awareness programmes facilitated by 30 June 2023	16(sixteen) 1. 14 Jul 2022 2. 17 Aug 2022 3. 22 Aug 2022 4. 08 Sep 2022 5. 21 Sep 2022 6. 3 Dec 2022 7. 5 Dec 2022 8. 11 Dec 2022 9. March 2023 10. 17 Mar 2023 11. 22 Mar 2023 12. 29 Mar 2023 13. 29 May 2023 14. 29 May 2023 15. 30 May 2023 16. 30 May 2023	G	4(four) Waste management awareness programmes facilitated by 30 June 2024	Target extremely met, 16(sixteen) Waste management awareness programmes facilitated by 30 June 2024, as follows: 17. 7 Jul 2023 18. 19 Jul 2023 19. 16 Aug 2023 20. 5 Sep 2023 21. 19 Oct 2023 22. 17 Nov 2023 23. 28 Nov 2023 24. 06 Dec 2023 25. 12 Dec 2023 26. 20 Feb 2024 27. 28 Mar 2023 28. 25 Jan 2024 29. 28 Jun 2024 30. 22 May 2024	B	Some of the programmes were done internal by waste management unit whereas others were done in collaboration with other sector department such as EDTEA		Waste awareness programmes, attendance registers

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator, Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
42	TL 275 (IDP Ref 42)	Community Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Reduce backlog of refuse removal services annually	% of households provided with refuse removal services in ward 1 to ward 28 once a week by 30 June 2024	No. of households provided with refuse removal services in ward 7, 11, 12, 18, 19 & 28	7, 11, 12, 18, 19 & 28	N/A	Number	N/A	N/A	N/A	6147 (six thousand one hundred and forty seven) households provided with refuse removal services in ward, 7, 11, 12, 18, 19 & 28 once a week by 30 June 2024	Target almost met, 6144 (six thousand one hundred and eight one) households provided with refuse removal services in ward, 7, 11, 12, 18, 19 & 28 once a week by 30 June 2024	O	Service provision do not remain, constant corrections are made when there is need	Amendments will be made on the target for 2024/2025 target to align to the current baseline achieved of 6144	Quarterly Refuse removal report and annual Refuse removal report
42	TL 275(a) (IDP Ref 42)	Community Services	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Reduce backlog of refuse removal services annually	N/A	No. of sub-wards provided with communal refuse removal once a week by 30 June 2024	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 & 28	N/A	Number	N/A	N/A	N/A	102 sub-wards provided with communal refuse removal once a week by 30 June 2024	Target met, 103 sub-wards provided with communal refuse removal once a week by 30 June 2024	G	N/A	N/A	Quarterly Refuse removal report and annual Refuse removal report

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											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual								
											01 Jul 2022 – 30 June 2023				01 Jul 2023 – 30 June 2024								
											Target	Actual		Target	Actual								
43	43	Planning & Economic Development	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Facilitate and promote sustainable Human Settlement with uMlalazi Municipal Area	Number of Housing Forum meetings held by 30 June 2024	N/A	N/A	4	Number	N/A	N/A	N/A	4(four) Housing Forum meetings held by 30 June 2024	Target well met, 5(five) Housing Forum meetings held by 30 June 2024 as follows: 17 Aug 2023 19 Oct 2023 17 Nov 2023 15 May 2024 13 June 2024	G2	Additional meetings over and above scheduled assist to promote stakeholder understanding on issues and feedback on issues at hand	N/A	Housing Forum Minutes				
44	44	Planning & Economic Development	Basic Service Delivery	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Facilitate and promote sustainable Human Settlement with uMlalazi Municipal Area	Number of reports on housing submitted to Planning and Economic Development Portfolio by 30 June 2024	N/A	N/A	4	Number	N/A	N/A	N/A	4(four) reports on housing submitted to Planning & Economic Development Portfolio by 30 June 2024	Target met, 4(four) reports on housing submitted to Planning & Economic Development Portfolio by 30 June 2024 as follows: 1. 12 Oct 2023 2. 08 Dec 2023 3. 20 March 2024 4. 03 May 2024	G	N/A	N/A	Planning & Economic Development Portfolio Minutes extract				
46	TL 276 (IDP Ref 46)	Community Services	Local Economic and Social Development	To contribute towards the growth of the local economy and the reduction of unemployment	To develop a Youth Development Strategy	Date Youth Development Policy developed and submitted to Community Services Portfolio Committee and Council for adoption	N/A	N/A	N/A	Date	N/A	N/A	N/A	Youth Development Policy developed and submitted to Council for adoption by 30 June 2024	Target met, Youth Development Policy developed submitted to Council and was adopted on the 23 rd of Feb 2024	G	N/A	N/A	Youth Development Policy Council & Community Services Portfolio Committee Minutes Extract				

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
47	TL 277 (IDP Ref 47)	Community Services		To contribute towards the growth of the local economy and the reduction of unemployment	To conduct Youth Drivers Licence programme.	Number of Youth provided with financial support for Youth Driver's Licence Programme by 30 June 2024	N/A	N/A	0	Number	N/A	N/A	N/A	56(fifty-six) Youth provided with financial support for Youth Driver's Licence Programme by 30 June 2024	Target met, 56(fifty-six) Youth provided with financial support for Youth Driver's Licence Programme by and formal award was on 09 Feb 2024 and the programme started on 06 April 2024	G	N/A	N/A	Beneficiary list and report
48	TL 278 (IDP Ref 48)	Planning and Economic Development	Local Economic and Social Development	To contribute towards the growth of the local economy and the reduction of unemployment	Conduct training programmes to SMMEs in business	Number of training programmes provided to youth in business by 30 June 2024	Number of training programmes provided to SMMEs in business by 30 June 2024	N/A	4	Number			N/A	4(four) training programmes provided to SMMEs in business by 30 June 2024	Target well met, 5(five) training programmes provided to SMMEs in business by 30 June 2024 as follows: 1. 28 -29 Aug 2023 2. 13 Sep 2023 3. 26 Oct 2023 4. 28 Nov 2023 5. 27 Jun 2024	G2	N/A	N/A	Attendance Register and or training report
49	TL 279 (IDP Ref 49)	Planning and Economic Development		To contribute towards the growth of the local economy and the reduction of unemployment	To coordinate SMME incubation programmes in partnership with SEDA & NYDA	Number of incubation funding programmes coordinated for youth SMMEs in partnership with SEDA & NYDA by 30 June 2024	Number of incubation funding programmes coordinated for SMMEs in partnership with SEDA &	N/A	4	Number	N/A	N/A	N/A	2(two) incubation funding programmes for SMMEs in partnership with SEDA & NYDA coordinated by 30 June 2024	Target met, 2(two) incubation funding programmes for SMMEs in partnership with SEDA & NYDA coordinated by 30 June 2024 as follows:	G	N/A	N/A	Report on incubation funding programme's coordination

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
							NYDA by 30 June 2024												
51	TL 280 (IDP Ref 51)	Community Services		To Increase awareness on social issues	To conduct youth awareness programmes	Number of Youth awareness programmes conducted by 30 June 2024	N/A	N/A	N/A	Number	N/A	N/A	N/A	4(four) Youth awareness programmes conducted by 30 June 2024	Target met, 4(four) Youth awareness programmes conducted by 30 June 2024 as follows: 1. 09 th Aug 2023, 2. 19 th Aug 2023 and 3. 26 th of Aug 2023 4. 09 -13 Jan 2024 5. 09 Feb 2024	G	N/A	N/A	Youth awareness programmes report
52	TL 281 (IDP Ref 52)	Planning & Economic Development		To contribute towards the growth of the local economy and the reduction of unemployment	To ensure the promotion of economic development through the development of an agricultural sector plan	Number of projects Implemented in terms of the Agricultural Sector Plan by 30 June 2024	N/A	N/A	N/A	Number				2(two) projects implemented in terms of the Agricultural Sector Plan by 30 June 2024	Target extremely met, 04(four) projects implemented in terms of the Agricultural Sector Plan by 30 June 2024 as follows: 5. Equipment handover 21 Dec 2023, 6. Equipment handover 18 April 2024, 7. Goat farming,	B	Upon routine engagement with community there were additional needs identified within existing resources, support was also provided through district support	Agricultural Sector Plan extract and Report	

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
53	53	Planning & Economic Development		To contribute towards the growth of the local economy and the reduction of unemployment	To promote youth participation in agricultural & tourism activities from previously disadvantaged communities	Number of LED Forum meetings Coordinated by 30 June 2024	N/A	N/A	N/A	Number	N/A	N/A	N/A	2(two) LED Forum meetings coordinated by 30 June 2024	Target met, 2(two) LED Forum meetings coordinated by 30 June 2024 as follows: 1. 30 Jan 2024 2. 14 Feb 2024	G	N/A	N/A	LED Forum Minutes and attendance register
55	TL 282 (IDP Ref 55)	Planning & Economic Development		To contribute towards tourism development and tourism marketing	Participated on Tourism Indaba	Number of Tourism Indaba participated by 31 Dec 2023	Number of Tourism Indaba participated in by 31 May 2024	N/A	1	Number	N/A	N/A	N/A	1(one) Tourism Indaba participated in by 31 May 2024	Target met, 01(one) tourism Indaba participated in by 31 May 2024. As follows: 14 – 16 May 2024	G	N/A	N/A	Attendance register and Report
58	TL 283 (IDP Ref 58)	Planning & Economic Development	Local Economic and Social Development	To contribute towards tourism development and tourism marketing	Development of Tourism Strategy	Date Tourism Strategy developed and submitted to Council for approval	N/A	N/A	31-May-23	Date	N/A	N/A	N/A	Tourism Strategy developed and submitted to Council for approval by 30 June 2024	Target not met, Tourism Strategy was developed submitted to Council and deferred pending its workshop	R	Tourism Strategy was developed submitted to Council and deferred pending a workshop on the Strategy	The Department will also improve on project management to avoid delays in performance of planned targets	Reviewed Tourism Strategy and or Council Resolution
60	TL 285 (IDP Ref 60)	Community Services		To contribute towards the growth of the local	Promote creation of job opportunities through.	Number of jobs created through. EPWP and other	Number of jobs created through. EPWP	N/A	767	Number	650 jobs created through. EPWP and other	Target well met, 767 jobs created through. EPWP	G2	550(five hundred and fifty) jobs opportunities created	Target well met, 723 (seven hundred and twenty three)	G2	N/A	N/A	Appointment letters and employment contracts

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											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual								
											01 Jul 2022 – 30 June 2023				01 Jul 2023 – 30 June 2024								
											Target	Actual		Target	Actual								
				economy and the reduction of unemployment.	EPWP, CWP and other poverty alleviation programmes.	poverty alleviation programmes by 30 June 2024	programme by 30 June 2024						through EPWP programme by 30 June 2024	jobs opportunities created through EPWP programme by 30 June 2024									
60	TL 285(a) (IDP Ref 60)	Community Services		To contribute towards the growth of the local economy and the reduction of unemployment.		N/A	Number of reports on implementation of CWP & other poverty alleviation programmes submitted to Community Services Portfolio Committee by 30 June 2024	N/A	N/A	Number	N/A	N/A	N/A	3(three) reports on implementation of CWP & other poverty alleviation programmes submitted to Community Services Portfolio Committee by 30 June 2024	Target met, 3(three) reports on implementation of CWP & other poverty alleviation programmes submitted to Community Services Portfolio Committee by 30 June 2024 as follows: 1. 08 Sep 2023 2. 02 Feb 2024 3. 12 April 2024	G	N/A	N/A	Reports and Community Services Portfolio Committee Minutes				
62	62	Planning & Economic Development		To improve the implementation of the LED Strategy	Establishment of the LED Forum	Date LED Forum Established	N/A	N/A	N/A	N/A	N/A	N/A	LED forum established by 28 Feb 2024	Target met, LED forum established on 14 Feb 2024	G	N/A	N/A	LED Minutes					
64	TL 286 (IDP Ref 64)	Community Services		To develop and support social development initiatives, particularly those focused on the youth and the vulnerable group	Facilitate uMlalazi Sports, Arts & Culture Programmes	Number of uMlalazi Sports Development programmes facilitated by 30 June 2024	N/A	N/A	4	Number	N/A	N/A	2(two) uMlalazi Sports Development programmes facilitated by 30 June 2024	Target met, 2(two) uMlalazi Sports Development programmes facilitated by 30 June 2024 as follows: 1. 01 June 2024 2. 08 June 2024	G	N/A	N/A	Sports Development programme report					

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											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
65	TL 287 (IDP Ref 65)	Community Services				Number of uMlalazi Arts & Culture programmes facilitated by 30 June 2024	N/A	N/A	4	Number	N/A	N/A	N/A	2(two) uMlalazi Arts & Culture programmes facilitated by 30 June 2024	Target met, 2(two) uMlalazi Arts & Culture programmes facilitated by 30 June 2024 as follows: 1. 03 Sep 2023 2. 05 March 2024	G	N/A	N/A	Arts & Culture programmes report
67	67	Community Services	Local Economic and Social Development	To promote active involvement & participation of disability sector in Municipal programmes	facilitate quarterly programmes accommodating the disability sector	Number of programmes accommodating the disability facilitated by 30 June 2024	N/A	N/A		Number	N/A	N/A	N/A	2(two) Municipal programmes accommodating the disability sector by 30 June 2024	Target met, 2(two) Municipal programmes accommodating the disability sector by 30 June 2024 as follows: 1. 18 Sep 2023 2. 24 Jan 2024	G	N/A	N/A	Report on Disability Programme
68	TL 288 (IDP Ref 68)	Community Services	Local Economic and Social Development	To promote moral regeneration & national building	Facilitate programmes aimed at promoting moral regeneration & nation building	Number of programmes aimed at promoting moral regeneration & nation building Facilitated by 30 June 2024	N/A	N/A	1	Number	N/A	N/A	N/A	2(two) Municipal programmes aimed at promoting moral regeneration & nation building by 30 June 2024	Target extremely met, 3(three) Municipal programmes aimed at promoting moral regeneration & nation building by 30 June 2024 as follows: 1. 25 July 2023 2. 26 June 2024	B	Overachievement was necessitated by the need to cover gaps caused by social ills in uMlalazi community		Moral regeneration & nation building reports

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
														3. 14 Nov 2023					
69	TL 289 (IDP Ref 69)	Community Services	Local Economic and Social Development	Promote active ageing and healthy lifestyles	Facilitate the promotion of active ageing and healthy lifestyles for Senior Citizens in the Municipal area	Number of programmes facilitated to promote active ageing and healthy lifestyles for Senior Citizens in the Municipal area Facilitated by 30 June 2024	N/A	N/A	1	Number	1(one) (one) programmes facilitated to promote of active ageing and healthy lifestyles for Senior Citizens in the Municipal by 30 June 2023	Target met, 1(one) programmes facilitated to promote of active ageing and healthy lifestyles for Senior Citizens in the Municipal area on 04 Aug 2022	G	4(four) programmes facilitated to promote of active ageing and healthy lifestyles for Senior Citizens in the Municipal area by 30 June 2024	Target met, 4(four) programmes facilitated to promote of active ageing and healthy lifestyles for Senior Citizens in the Municipal area by 30 June 2024 as follows: 1. 18 Aug 2023 2. 23 Aug 2023 3. 17 Nov 2023 4. 26 Jun 2024	G	N/A	N/A	Report to promote active ageing and healthy lifestyles for Senior Citizens in the Municipal area
70	TL 290 (IDP Ref 70)	Community Services	Municipal Financial viability and Management	To ensure continued sound financial management	To ensure the efficiency and effectiveness of Traffic management system in terms costs benefit analysis is submitted to council on Traffic management System	Number of quarterly reports on Traffic management system in terms costs benefit submitted to Council by 30 June 2024	Number of quarterly reports on Traffic management system in terms costs benefit analysis submitted to Community Services Portfolio Committee	N/A	4	Number	4	4	G	4(four) quarterly reports on Traffic management system in terms costs benefit analysis submitted to Community Services Portfolio Committee by 30 June 2024	Target met, 4(four) quarterly reports on Traffic management system in terms costs benefit analysis submitted to Community Services Portfolio Committee by 30 June 2024 as follows: 1. 08 Sep 2023	G	N/A	N/A	Community Services Portfolio Committee Minutes

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
						es by 30 June 2024													
71	TL 291 (IDP Ref 71)	Financial Services	Municipal Financial viability and Management	To ensure Revenue enhancement	Ensure that the Municipality generates maximum revenue	Date Revenue enhancement strategy developed and submitted to Council for adoption	N/A	N/A	N/A	Date	N/A	N/A	N/A	Revenue enhancement strategy developed and submitted to Council for adoption 31 May 2024	Target not met	R	Revenue enhancement strategy has not been developed due to budget constraints.	The Revenue enhancement strategy will be done through an external service provider to cover all arrears of revenue for the uMlalazi Municipality, hence the budget requirements.	Revenue enhancement strategy and Council Res
72	TL 292 (IDP Ref 72)	Financial Services	Municipal Financial viability and Management	To ensure Revenue enhancement	Ensure effective processes for the collection of funds due to the municipality in terms of debt collection policy	% Increase in debtors collection rate by 30 June 2024	% Increase in debtors collection rate on billing by 30 June 2024	N/A	86%	Percentage	95% Increase in debtors collection rate by 30 June 2023	Target almost met, 86% Increase in debtors collection rate by 30 June 2023	O	95% increase in debtors collection rate on billing by 30 June	Target almost met, 88% increase in debtors collection rate on billing by 30 June	O	Outstanding debtors have increased to the affordability on the side of customers. Non-payment by the significant debtors of arrears has an effect on the target not being achieved. Example of these debtors is Public	Ensure that all arrear accounts are handed over and improve on the turnaround time regarding the communication with attorneys. Continuous engage significant debtors with a view of collecting on arrears.	Billing Report

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
75	75	Office of the MM	Good Governance and Public Participation	To enhance internal controls for effective management and prevention of financial & operational risks.	Submit quarterly progress reports on audit action plan	Number of quarterly progress reports submitted to Audit Committee on audit action plan by 30 June 2024	N/A	N/A	N/A	Number	N/A	N/A	N/A	2(two) Reports submitted to Audit Committee on Audit Action Plan by 30 June 2024	Target met, 2(two) Reports submitted to Audit Committee on Audit Action Plan by 30 June 2024 as follows: 1. 29 April 2024 2. 27 June 2024	G	N/A	N/A	Audit Committee Minutes extract
77	77	Financial Services	Municipal Financial viability and Management	To ensure Revenue enhancement	Facilitate the development of supplementary Valuation Roll in line with the prescripts of legislation	Supplementary Valuation Roll developed by 31 May 2024	N/A	N/A	May-23	Number	N/A	N/A	N/A	Supplementary Valuation Roll developed by 31 May 2024	Target met, Supplementary Valuation Roll developed by 31 May 2024	G	N/A	N/A	Supplementary Valuation Roll Report
78	TL 295 (IDP Ref 78)	Financial Services	Municipal Financial viability and Management	Enhance effective internal controls and standard operating procedures	Undertake verification of municipal assets	Number of physical asset verification conducted by 30 June 2024	Date physical asset verification conducted by 30 June 2024	N/A	30-Jun-23	Date	Physical asset verification conducted by 30 June 2023	Target met, Physical asset verification conducted and concluded by 30 June 2023	G	Physical asset verification conducted by 30 June 2024	Target met, Physical asset verification conducted and concluded by 30 June 2024	G	N/A	N/A	Physical Asset verification report
79	TL 296 (IDP Ref 79)	Office of the MM	Municipal Financial viability and Management	To ensure continued sound financial management	Monitor the performance of Service Providers	Number of Quarterly reports on the Performance of Service	N/A	N/A	4	Number	4(four) reports submitted to Council by 30 June	Target met, 4(four) reports submitted to Council on the	G	4(four) reports submitted to Council on the	Target met, 4(four) reports submitted to Council on the	G	N/A	N/A	Council Resolution

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
				t		Providers submitted to Council by 30 June 2024					2023 on the Performance of Service Providers	as follows: 1. 30 Sep 2022 2. 21 Nov 2022 3. 24 Jan 2023 29 June 2023		performance of the Service Providers by 30 June 2024	performance of the Service Providers by 30 June 2024 as follows: 1. 29 Aug and 26 Jan 2024 and 2. 14 Dec and 28 June 2024				
80	80	Community Services	Good Governance and Public Participation	Mitigate the Impact of HIV/AIDS in the Municipality area	Ensure HIV/AIDS Council (LAC) Meetings are facilitated	Number of HIV/AIDS meetings Facilitated by 30 June 2024	N/A	N/A	4	Number	4(four) HIV/AIDS Council (LAC) meetings facilitated by 30 June 2023	Target well met, 5(five) HIV/AIDS Council (LAC) meetings facilitated by 30 June 2023 as follows: 1. 27 Oct 2022 2. 25 Nov 2022 3. 01 Dec 2022 28 March 2023 5. 01 June 2023	G2	4(four) HIV/AIDS Council (LAC) meetings facilitated by 30 June 2024	Target met, 4(four) HIV/AIDS Council (LAC) meetings facilitated by 30 June 2024 as follows: 1. 26 July 2023 2. 27 Oct 2023 3. 20 March 2024 4. 26 June 2024	G	N/A	N/A	Attendance Register
81	81			To promote a culture of participatory democracy and social cohesion	Ensure that all Ward Committees are functional	% functionality of Ward Committees by 30 June 2024	N/A		88%	Percentage	100% functionality of Ward Committees by 30 June 2023	Target almost met, 86% functionality of Ward Committees by 30 June 2023	O	100% functionality of Ward Committees by 30 June 2024	Target almost met, functionality of Ward Committees was 89% by 30 June 2024	O	There challenges in ward 15 that had affected the 100% functionality of the ward committee	Engagements are taking place to resolve challenges that could result to a ward committee full functionality in future	Ward Committee Functionality Report

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
82	TL 297 (IDP Ref 82)	Corporate Services	Good Governance and Public Participation	To ensure proper communications & publicity management	Review Communications Strategy	Date Communications Strategy reviewed	N/A	N/A	N/A	Date	N/A	N/A	N/A	Communications Strategy reviewed by 31 May 2024	Target met	G	N/A	N/A	Reviewed Communication Strategy
83	TL 298 (IDP Ref 83)	Corporate Services	Good Governance and Public Participation	To ensure proper communications & publicity management	Review Communications Policy	Date Communications policy reviewed and submitted to Council for adoption	N/A	N/A	N/A	Date	N/A	N/A	N/A	Communications policy reviewed and submitted to Council for approval on 23 April 2024	Target met	G	N/A	N/A	Reviewed Communications Policy
87	87	Community Services	Good Governance and Public Participation	To promote a culture of participatory democracy and social cohesion	Facilitate Local Task Team (LTT) meetings to address War Room Issues	Number of LTT meetings to address War Room Issues facilitated by 30 June 2024	N/A	N/A	4	Number	4(four) LTT meetings to address War Room Issues facilitated by 30 June 2023	4(four) LTT meetings to address War Room Issues facilitated by 30 June 29 July 2022 28 Oct 2022 26 May 2023 30 June 2023	G	4(four) LTT meetings to address War Room Issues facilitated by 30 June 2024	Target extremely met, 06(six) LTT meetings to address War Room Issues facilitated by 30 June 2024 as follows: 9. 25 Aug 2023 10. 06 Oct 2023 11. 27 Oct 2023 12. 24 Nov 2023 13. 22 March 2024 14. 10 May 2024	B	Issues at ward level required more engagements to keep the community informed and to have a platform for further engagement with the stakeholders and provide feedback to the communities at ward level	N/A	Local Task Team Minutes and Attendance register
88	88	Corporate Services	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Facilitate the sitting of the Standing Rules and Orders Committee meetings	Number of Standing Rules and Orders Committee meetings facilitated by 30 June 2024	N/A	N/A	3	Number	4(four) Standing Rules and Orders Committee meetings facilitated by 30 June 2023	Target almost met, 3(three) Standing Rules and Orders Committee meetings facilitated by 30 June 2023 as follows: 20 Oct 2022	O	4(four) Standing Rules and Orders Committee meetings facilitated by 30 June 2024	Target almost met, Standing Rules and Orders Committee meetings facilitated by 30 June 2024 as follows: 1. 29 Sep 2023	O	One Standing Rules and Orders Committee meeting scheduled for 30 Nov 2023, had no quorum was postponed	A schedule for all meetings for the financial year is in place and used to prevent such situation	Standing Rules and Orders Committee Minutes

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI)	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
											17 March 2023 14 June 2023.			2. 13 March 2024 3. 21 June 2024					
90	90	Office of the MM	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Ensure that all Delegations of Authority are reviewed	Date delegations of authority reviewed	N/A	N/A	N/A	N/A	N/A	N/A	Delegations of authority reviewed by 30 June 2024	Target met	G	N/A	N/A	Reviewed Delegation of Authority	
91	91	Community Services	Good Governance and Public Participation	To ensure 100% War Room functionality	Submit quarterly reports to Council on functionality of War Rooms	Number of Reports on War Rooms functionality Submitted to Council by 30 June 2024	N/A	N/A	4	N/A	N/A	N/A	4(four) Reports submitted to council on the functionality of War rooms by 30 June 2024	Target almost met, 3(three) Reports submitted to council on the functionality of War rooms by 30 June 2024 as follows: 14 Dec 2023 26 Jan 2024 16 May 2024	O	The were delays in concluding the smooth establishment of war room reports which resulted in the submission of functionality report target of 4(four) not being met, however the reports are prepared and submitted to Council	War – rooms are all established and submissions of the functionality report will be submitted to scheduled ordinary council meetings in 2024/25	Council Resolution Extract	
92	TL 299 (IDP Ref 92)	Planning and Economic Development	Good Governance and Public Participation	To develop a credible and implementa ble e IDP	Development of IDP Process Plan	Date 2024/25 IDP Process Plan developed and submitted to Council for approval	N/A	N/A		Date	N/A	N/A	2024/25 IDP Process Plan developed and submitted to Council for approval by 30 Sep 2023	Target met, 2024/25 IDP Process Plan developed and submitted to Council for approval 29 Aug 2023	G	N/A	N/A	Council Resolution	

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
93	TL 300 (IDP Ref 93)	Planning and Economic Development	Good Governance and Public Participation		Facilitate Strategic Planning sessions	Number of Strategic Planning sessions Facilitated by 31 March 2024	N/A	N/A	1	Number	1(one) Strategic planning session facilitated by 31 March 2023	Target met, 1(one) Strategic Planning session facilitated on 17 - 20 Jan 2023	G	1(one) Strategic Planning sessions Facilitated by 31 March 2024	Target met, 1(one) Strategic Planning sessions Facilitated on 03 – 05 Dec 2023	G	N/A	N/A	Strategic Planning Report
94	TL 301 (IDP Ref 94)	Planning and Economic Development	Good Governance and Public Participation		Facilitate Clustered IDP Road shows	Number of Clustered IDP roads shows facilitated by 30 June 2024	N/A	N/A	17	Number	8(eight) Clustered Roadshows held by 30 June 2023	Target, extremely met, 17(seventeen) Clustered Roadshows held by 30 June 2023	B	8(eight) Clustered Roadshows held by 30 June 2024	Target met, 8(eight) Clustered Roadshows held by 30 June 2024 as follows: 1. 11 April 2024, 2. 13 April 2024, 3. 16 April 2024, 4. 18 April 2024 5. 20 April 2024 6. 23 April 2024, 7. 25 April 2024 and 8. 08 May 2024	G	N/A	N/A	IDP Roadshows Report
95	TL 302 (IDP Ref 95)		Good Governance and Public Participation		Complete Ward Based plans	Number of Ward Based plans completed and submitted to Council for approval by 31 May 2024	Number of Ward Based plans completed and submitted to Council for approval by 30 June 2024	Ward 1 - 28	N/A	Number	N/A	N/A	N/A	28(twenty-eight) Ward Based plans completed and submitted to Council for approval by 30 June 2024	Target not met,0(zero) Ward Based plans completed and submitted to Council for approval by 30 June 2024	R	The item was taken to Council and withdrawn pending a workshop	Workshop was held successfully on 19 July 2024, the submission has then be made to Council for consideration on the meeting held before end of July 2024.	Council Minutes extract

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
96	TL 303 (IDP Ref 96)	Office of the MM	Good Governance and Public Participation	To promote a culture of participatory democracy and social cohesion	Ensure the continuous implementation on and monitoring of Batho Pele in the Municipality	% of Complaints attended within 3 working days from the date of receipt by 30 June 2024	N/A	N/A	100%	Percentage	100% Complaints attended within 3 working days from the date of receipt by 30 June 2023	Target met, 100% Complaints attended within 3 working days from the date of receipt by 30 June 2023	G	100% of complaints attended to within 3 days from the date of receipt by 30 June 2024	Target met, 100% of complaints attended to within 3 days from the date of receipt by 30 June 2024	G	N/A	N/A	Complaints register
97	97	Community Services	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Facilitate training for Ward Committee members	Number of trainings facilitated for Ward Committee members by 30 June 2024	N/A	N/A	N/A	Number	N/A	N/A	N/A	2(two) trainings for ward committee members facilitated by 30 June 2024	Target not met, 0, training was provided during the year	R	Budgetary constraints	Consideration will be made to coordinate available funding with on issues including roles and responsibilities	Attendance Register
98	98	Corporate Services	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Monitor the efficiency and effectiveness of legal matters at court.	Number of Quarterly reports submitted to Council on the progress of legal matters at court by 30 June 2024	N/A	N/A	4	Number	4(four) Reports submitted to Council on the progress of legal matters at court by 30 June 2023	Target well met, 5(five) Reports submitted to Council by 30 June 2023 as follows: 07 Sep 2022 10 Nov 2022 31 Jan 2023 02 March 2023 01 June 2023	G2	4(four) reports submitted to Council on the progress of legal matters at court by 31 May 2024	Target met, 4(four) reports submitted to Council on the progress of legal matters at court by 31 May 2024	G	N/A	N/A	Council Resolution
99	99	Office of the MM	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Monitor the efficiency and effectiveness of Intergovernmental Relations within the Municipality.	Number of reports on IGR submitted to Council by 30 June 2024	N/A	N/A	4	Number	2(two) reports submitted to Council on IGR by 30 June 2023	Target met, 2(two) reports submitted to Council on IGR by 30 June 2023 13 Dec 2022 29 June 2023	G	4(four) Quarterly reports submitted to Council on IGR by 30 June 2024	Target met, 4(four) Quarterly reports submitted to Council on IGR by 30 June 2024 as follows: 1. 29 Sep 2023 2. 14 Dec 2024 3. 28 March 2024	G	N/A	N/A	Council Resolution

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence				
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual								
											01 Jul 2022 – 30 June 2023				01 Jul 2023 – 30 June 2024								
											Target	Actual		Target	Actual								
														4. 16 May 2024									
102	TL 305 (IDP Ref 102)	Office of the MM	Good Governance and Public Participation	To ensure accountability and transparency	Preparation of Service Delivery and Budget Implementation Plan (SDBIP)	Date Service Delivery and Budget Implementation Plan (SDBIP) preparation completed and submitted to the mayor for approval	N/A	N/A	14-Jun-23	Date	Service Delivery and Budget Implementation Plan (SDBIP) preparation completed and submitted to the mayor for approval by 14 June 2023	Target met, Service Delivery and Budget Implementation Plan (SDBIP) preparation was completed and submitted to the mayor on the 14 June 2023	G	Service Delivery and Budget Implementation Plan (SDBIP) preparation completed and submitted to the mayor for approval by 14 June 2024	Target met, Service Delivery and Budget Implementation Plan (SDBIP) preparation was completed and submitted to the mayor on the 30 May 2024 and approved on 12 June 2024	G	N/A	N/A	Proof of submission				
103	TL 306 (IDP Ref 103)	Office of the MM	Good Governance and Public Participation		Preparation of Annual Performance Report	Date 2022/23 Annual Performance Report completed and submitted to AG	N/A	N/A	31-Aug-22	Date	31-Aug-22	31-Aug-22	N/A	2022/23 Annual Performance Report completed and submitted to AG by 31 Aug 2023	Target met, 2022/23 Annual Performance Report completed and submitted to AG on 31 Aug 2023	G	N/A	N/A	Proof of Draft Annual Performance Report submission				
104	TL 307 (IDP Ref 104)	Office of the MM	Good Governance and Public Participation		Preparation of Annual Report	Date 2022/23 Draft Annual Report completed and submitted to Council for approval	N/A	N/A	N/A	Date	N/A	N/A	N/A	2022/23 Draft Annual Report completed and submitted to Council for approval by 31 January 2024	Target met, 2022/23 Draft Annual Report was completed and submitted to Council for approval on 26 Jan 2024	G	N/A	N/A	Council Agenda Minutes extract or Council Resolution				

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI)	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
105	105	Office of the MM	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Quarterly performance review	Number of quarterly reviews conducted by 30 June 2024	N/A	N/A	2	Number	N/A	N/A	N/A	4(four) quarterly reviews conducted by 30 June 2024	Target met, 04(four) quarterly reviews conducted by 30 June 2024 as follows: 1. 16 Oct 2023 2. 20 Feb 2024 3. 26 Mar 2024 4. 26 April 2024	G	N/A	N/A	Attendance Register/Agenda/workings
106	106	Office of the MM	Good Governance and Public Participation	To ensure that a functional and effective Council exists	Preparation and signing of Annual Performance Agreements for sec 54/56 senior managers	% of Annual Performance Agreements for filled sec 54/56 senior managers prepared and signed by 29 July 2024	N/A	N/A	100%	Percentage	N/A	N/A	N/A	100% of Annual Performance Agreements for filled sec 54/56 senior managers prepared and signed by 29 July 2024	Target met, 100% of Annual Performance Agreements for filled sec 54/56 senior managers prepared and signed by 28 July 2024	G	N/A	N/A	Signed Annual Performance Agreements
108	108	Community Services	Cross Cutting Interventions	To Create resilient Communities to disasters	Facilitate quarterly Disaster Forum meetings	Number of Quarterly Disaster Forum meetings facilitated by 30 June 2024	N/A	N/A	3	Number	4(four) quarterly Disaster Forum meetings facilitated by 30 June 2023	Target met, 4(four) quarterly Disaster Forum meetings facilitated by 30 June 2023 as follows: 1. 21 Sep 2022 2. 08 Dec 2022 3. 14 March 2023 4. 21 June 2023	G	4(four) quarterly Disaster Forum meetings facilitated by 30 June 2024	Target met, 4(four) quarterly Disaster Forum meetings facilitated by 30 June 2024 as follows: 1. 20 Sep 2023 2. 28 Nov 2023 3. 20 March 2024 4. 10 May 2024	G	N/A	N/A	Disaster Forum meetings Attendance Register
109	109	Community Services	Cross Cutting Interventions	To Create resilient Communities	Conduct fire safety inspection	Number of fire safety inspection	N/A	N/A	4	Number	N/A	N/A	N/A	40(fourty) fire safety inspections	Target well met, 42(fourty-	G2	N/A	N/A	Fire safety inspection report

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
				s to disasters		conducted by 30 June 2024							conducted by 30 June 2024	two) safety inspections conducted by 30 June 2024 as follows: Quarter 1 : 11 Quarter 2 : 9 Quarter 3 : 13 Quarter 4 : 9					
110	110	Community Services	Cross Cutting Interventions	To Create resilient Communities to disasters	Review of Disaster management plan	Date Disaster management plan reviewed	N/A	N/A	31-May-23	Date	N/A	N/A	N/A	Disaster management plan reviewed and submitted to Council for adoption by 31 May 2024	Target met, Disaster management plan reviewed and submitted to Council for adoption on 16 May 2024	G	N/A	N/A	Council Resolution & Reviewed Disaster management plan
111	111	Planning & Economic Development	Cross Cutting Interventions	To promote urban development and Town functionality	Conduct feasibility study for implementing the Eshowe Town (CBD) road networks identified in the nodal plan and development	Date Feasibility Study completed and presented to MANCO	N/A	N/A	N/A	Date	N/A	N/A	N/A	Feasibility study completed and presented to MANCO by 30 June 2024	Target not met	R	Project completion by the service provider delayed by a month	The Feasibility study was completed in July and will be presented on next scheduled MANCO. The Department will improve on project management to avoid delays in performance of planned targets	Feasibility Study and MANCO Minutes extract
112	112	Planning & Economic Development	Cross Cutting Interventions	Implement and Building Regulations and building standards	% of complete building plans processed within 30 days and submitted to Portfolio	N/A	100% of complete building plans processed within 30 days	N/A	100	Percentage	N/A	N/A	N/A	100% implementation of Building Regulations and building standards within legislative	Target met, 100% implementation of Building Regulations and building standards within legislative	G	N/A	N/A	Report on implementation of Building Regulations and building to PED Committee

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence				
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual								
											01 Jul 2022 – 30 June 2023				01 Jul 2023 – 30 June 2024								
											Target	Actual		Target	Actual								
					Committee by 30 June 2024		by 30 June 2024						guidelines by 30 June 2024	guidelines by 30 June 2024									
113	113	Planning & Economic Development	Cross Cutting Interventions	To ensure effective land use management and coordinated Spatial Development Planning	Collect spatial data, create database on GIS function	N/A	No. of reports submitted to the planning and economic development portfolio committee on GIS function by 30 June 2024	N/A	4	Number	N/A	N/A	N/A	4(four) reports submitted to the planning and economic development portfolio committee on GIS function by 30 June 2024	Target met, 4(four) reports submitted to the planning and economic development portfolio committee on GIS function by 30 June 2024 1. 12 Oct 2023 2. 08 Dec 2023 3. 20 Mar 2024 4. 03 May 2024	G	N/A	N/A	Portfolio Committee Minutes				
114	TL 308 (IDP Ref 114)	Planning & Economic Development	Cross Cutting Interventions	To ensure effective land use management and coordinated Spatial Development Planning	Implement Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law	Number of reports submitted to Council on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law by 30 June 2024	Number of reports submitted to Planning & Economic Development on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA)	N/A	4	Number	4(four) reports submitted to Planning & Economic Development on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law by 30 June 2023	Target met, 4(four) reports submitted to Planning & Economic Development on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law by 30 June 2023 as follows: 13 Sep 2023 17 Feb 2023 10 Nov 2022 08 June 2023	G	4(four) Reports submitted to Planning & Economic Development Portfolio Committee on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law by 30 June 2024	Target met, 4(four) Reports submitted to Planning & Economic Development Portfolio Committee on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law by 30 June 2024 as follows: 1. 12 Oct 2023	G	N/A	N/A	SPLUMA By-law report and Planning and Economic Development Portfolio Committee Minutes extract				

IDP REF	Internal Ref / Indicator Code	Responsible Directorate	Key Performance Area (KPA)	Strategic Objective	Strategies Intervention	Initial Key Performance Indicator (KPI) Performance Measure	Key Performance Indicator Adjustment (KPI) Adjustment	Ward	Baseline	Unit of Measurement	2022/2023		R	2023/2024		R	Reason for variance	Corrective Measure	Portfolio of Evidence
											Annual Target	Annual Actual		Annual Target Adjustment	Annual Actual				
											01 Jul 2022 – 30 June 2023			01 Jul 2023 – 30 June 2024					
											Target	Actual		Target	Actual				
							and SPLUM A By-law by 30 June 2024							2. 08 Dec 2023 3. 20 Mar 2023 4. 03 May 2024					

4

**ORGANISATIONAL
DEVELOPMENT
PERFORMANCE**

4.1 COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE

4.1 INTRODUCTION

The Directorate Corporate Services is responsible for the administration of all matters relating to the Municipality's personnel. In addition to this, the Directorate assists the Municipality in maintaining smooth human resources processes and procedures in compliance with the relevant legislations. This Directorate is responsible for the following functions:

- Labour relations
- Recruitment and selection
- Skills development and training
- Occupational Health and Safety
- Leave and Fringe Benefit Administration
- Employee Assistance and Wellness

There are two recognised trade unions at uMlalazi Municipality i.e. Independent Municipal and Allied Trade Union (IMATU) and South African Municipal Workers Union (SAMWU). The continuous engagement with organised labour is done at the level of the Local Labour Forum to ensure that there is labour stability and employees are consulted on matters of common interest.

The 2023/2024 financial year never experienced any industrial actions or work stoppage by labour. The Municipality is managed by the Accounting Officer (Municipal Manager) and 5 Managers directly accountable to the Municipal Manager.

4.2 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Like every other municipality, the uMlalazi Municipality does acknowledge that there are critical positions that need to be filled in order to ensure smooth operations of the Municipality. The Municipality currently has a total number of **486** employees who are permanent as follows:-

There were no critical funded post that remained vacant in the financial year under review.

DEPARTMENT	APPROVED POSTS	2023/24		
		EMPLOYEES	VACANCIES NO.	VACANCIES %
Office of the Municipal Manager	36	34	2	5.5%
Corporate Services	43	38	5	11.6%
Financial Services	52	50	2	3.8%
Community Services	271	240	31	11.4%
Engineering Services	111	93	18	16.2%
Planning and Economic Department	37	31	6	16.2%
TOTAL	550	486	64	11.6%

There were no critical funded post that remained vacant in the financial year under review.

4.3 COMPONENT B: MANAGING MUNICIPAL WORKFORCE

4.3.1 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

It is hardly possible to maintain a high level of service delivery and adhering to the duties imposed by the Constitution and Batho Pele Principles on public servants, if sound discipline in the workplace is not maintained. The uMlalazi Municipality takes pride in its commitment to ensure sound discipline in order to deliver the best quality of service to the community.

The staffing policy and process embodies various actions as part of a holistic process. Advertisements, recruitment, selection, promotions and transfers all form part of staffing. Management, Line Managers, Human Resources, Council and Trade Unions are involved in the entire process and the policy endeavors to enable such role-players to perform their allotted responsibilities as effective and efficient as possible

Managers are also regularly informed and advised of trends and equipped with knowledge to manage poor discipline.

Continuous action is taken to reduce the high level of sick leave. Regular incapacity investigations are held to detect possible sick leave abuse and/or to identify cases which qualify for medical boarding.

The procedure as prescribed in the Labour Relations Act and Employment Equity Act is followed to ensure compliance with said legislation.

4.3.2 POLICIES

During the period under review the municipality had the following HR Policies in place.

Name of Policy	Reviewed	Date adopted by Council or comment on failure to adopt
HR Strategy	Yes	29 June 2023
Change Management Guidelines	Yes	29 June 2023
Acting Allowance Policy	Yes	29 June 2023
Education Training and Development Policy	Yes	29 June 2023
Employment Equity Policy	Yes	29 June 2023
Exit Management Policy	Yes	29 June 2023
Induction & Onboarding Policy	Yes	29 June 2023
Job Evaluation Policy	Yes	29 June 2023
Performance Management Policy	Yes	29 June 2023
Probation Policy	Yes	29 June 2023

Name of Policy	Reviewed	Date adopted by Council or comment on failure to adopt
Recruitment Policy	Yes	29 June 2023
Scarce Skills & retention Policy	Yes	29 June 2023
Strategic Talent Management Framework	Yes	29 June 2023
Strategy Filing of Posts	Yes	29 June 2023
Leave of policy	Yes	29 June 2023
Placement Policy	Yes	29 June 2023

4.3.2.1 WORKFORCE POLICY DEVELOPMENT

The uMlalazi Municipality adheres to the South African labour laws that regulate administration of its workforce and is therefore committed to improvement and progress on the municipal workforce policies.

The Municipality continued to pursue good workforce management in the year under review and reviewed its policies based on its strategic objectives to annually improve its performance.

The Municipality is committed to maintaining and implementing effective workforce policies that promote and illustrate both clear procedural and substantial fairness.

4.3.3 INJURIES, SICKNESS AND SUSPENSIONS

There are incidents of injury on duty and when such incidents do occur, the employee is referred to the Doctor for attention at council's cost. The employees are entitled to eighty days sick leave in a three year leave cycle in terms of the SALGBC Main Collective Agreement.

Below tables indicates the number of injuries on duty reported during year under review:-

Number and costs of Injuries on Duty		
Type of Injury	Injury Leave taken (days)	Total Estimated Cost
The employee was punched by the hook of the truck when he was trying to hook the truck.	05	R2 531.45

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The employee was lifting the metro file box which strain her back muscle	03	R4 946.44
The employee was lifting up the waste, when she got cut by the glass bottle on her right lower leg.	03	R1 381.39
Total	11	R8 859.28

Implementation of Disciplinary Procedures and Code Collective Agreement

	EMPLPOYEE NO.	NATURE OF MISCONDUCT	MATTER FINALISE/NOT FINALISED	DATE FINALISED
1.	70100008	<ol style="list-style-type: none"> Gross Misconduct. Misuse of the Municipal Vehicle. Driving Municipal Vehicle being under the influence of alcohol. Damage to the Municipal Vehicle. 	Not Finalised.	Schedule to take place on 02 August 2024.
2.	65100003	<ol style="list-style-type: none"> Failure to obey lawful and reasonable instruction/s given by a person having authority to do so. Desertion of work. Under the influence of alcohol during office hours. 	Not Finalised.	Schedule to take place on 20 August 2024.
3.	70100003	<ol style="list-style-type: none"> Failure to act in the best interest of the municipality and in such a way that the credibility of the municipality is not compromised. Misuse of Municipal Vehicle. Damage to Municipal Vehicle. 	Finalised	08 May 2023, however employee appealed and the appeal was finalised on 03 July 2023.
4.	85150068	<ol style="list-style-type: none"> Gross Negligent 	Finalized	15 January 2024.
5.	85700006	<ol style="list-style-type: none"> Gross Misconduct- Unauthorised use of council vehicle. Gross Misconduct: driving a 	Finalised.	21 December 2023, however employee

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		municipal vehicle under the influence of alcohol.		appealed and the appeal was finalised on 15 April 2024.
6.	85700007	<ol style="list-style-type: none"> 1. Gross Misconduct 2. Gross Dishonesty 	Finalised.	30 November 2023
7.	65050021	<ol style="list-style-type: none"> 1. Dereliction of duties 2. Gross Negligent 3. Failed/Refused to execute duties 4. Sub Issues ranging paragraph 3.1.1 – 3.1.6.14 5. Precisely clear no ambiguity 6. Intentionally alternatively through Gross Negligence caused damaged to company property. 	Finalised	22 November 2023, however employee appealed and the appeal was finalised on 21 February 2024.

4.4 COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.4.1 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The municipality develops its human resources by ensuring that there is sustainable capacity building. This is done in by identifying skills gaps through a skills audit process. In terms of section 2(1) c of the Skills Development Act 97 of 1998 one of the purposes of the act is to encourage employers to use the workplace as an active learning environment and provide employees with the opportunities to acquire new skills.

Skills audit forms are handed out to employees for them to complete during Skills Audit Consultations sessions facilitated by Human Resources Section. The aim of skills audit process is to allow employees to indicate their training needs / Skills lack. These are the skills which, if acquired by the employees, the employees will be able to effectively and efficiently perform their functions. This information is then analysed and consolidated for the purpose of building a Workplace Skills Plan for the municipality. The Work Place Plan is then submitted to the Local Government Seta. When approved it is then submitted to the LGSETA as a guiding document in terms of which training will be conducted for the particular financial year.

The Workplace Skills Plan for the 2023/2024 and Annual Training Report 2023/2024 financial year was submitted to the Local Government Seta by the required date being April 2023 which is a requirement for employers to get mandatory grant from the LGSETA.

Below is the Training Report for Councillors and Officials for the 2023/2024 financial year:

4.4.1.1 STAFF TRAINING PROVIDED IN 2023/2024

No.	Training	Employee Trained	Date	Completed	Ongoing
1	COMPIA Network+ Training	<ul style="list-style-type: none"> 65050051 	03-07 June 2024	√	N/A
2	Fire Fighter 1&2 Hazmat Awareness & Hazmat Operations Core and First Aid Level 3 Training	<ul style="list-style-type: none"> 70100020 70100021 70100024 70100022 	10/06/2024-25/10/2024	No	In progress
3	Certified Information Security Manager Course	<ul style="list-style-type: none"> 65050036 	29/01-02/02/2024	√	N/A
4	Performance Management System Training	<ul style="list-style-type: none"> 90050036 65050044 65050042 60050023 55050016 60050047 85050004 60050024 65050043 60050035 80050021 	03-05/04/2024	√	N/A
5	Records Management Course	<ul style="list-style-type: none"> 90050027 90050015 65050022 	11-15/03/2023	√	N/A
6	Online Training: Conditions Of Service Collective Agreement Training	<ul style="list-style-type: none"> 65050044 65050012 	27/03/2024	√	N/A

4.4.1.2 COUNCILLOR TRAINING PROVIDED IN 2023/2024

No.	Training	Employee Trained	Date	Completed	Ongoing
1	Performance Management System	<ul style="list-style-type: none"> Clr A N Sibiya Clr T N Shozi Clr S A Khuzwayo Clr B C Makhathini Clr Z Biyela Clr Z M Mhlongo Clr S A Makhathini Clr S B Dlamini Clr S I Zibani Clr M Ndlovu 	03-05 April 2024	√	N/A

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		<ul style="list-style-type: none"> • Cllr M M Ngema • Cllr S M Gasa • Cllr V M Xulu • Cllr K Ntanz • Cllr Q T Xulu • Cllr A A Khanyile • Cllr N Vilakazi • Cllr M S Xulu • Cllr Z Mpungose • Cllr N G Qwabe • Cllr T L Ntanz • Cllr T P Khoza • Cllr K R Khumalo • Cllr K S Mthabela 			
2	Online Training: Conditions Of Service Collective Agreement Training	<ul style="list-style-type: none"> • Cllr B X S Ntombela • Cllr M M M Ntuli • Cllr S B Dlamini • Cllr B Khanyile 	27 March 2024	√	N/A
3	Code of Conduct	<ul style="list-style-type: none"> • All Councillors 	18 October 2023	√	N/A
4	Municipal Governance & Administration	<ul style="list-style-type: none"> • Cllr A N Sibiya • Cllr T N Shozi • Cllr S A Khuzwayo • Cllr B C Makhathini • Cllr Z Biyela • Cllr Z M Mhlongo • Cllr S B Dlamini • Cllr S I Zibani • Cllr M Ndlovu • Cllr M M Ngema • Cllr S M Gasa • Cllr V M Xulu • Cllr K Ntanz • Cllr Q T Xulu • Cllr B M Nzuza • Cllr N Vilakazi • Cllr M S Xulu • Cllr N G Qwabe • Cllr T L Ntanz • Cllr S B Khoza • Cllr S Magwaza • Cllr K Khumalo 	23-25 October 2023	√	N/A

The following Councillor/ Employee Assistance and Wellness Programmes were undertaken during 2023- 2024 financial year:-

No.	Programme/ Information session	Duration	Objectives
1.	Induction by the Natal Joint Municipal	21 September 2023	Educate new staff members about the Provident Fund
2.	Prostate Cancer Awareness	Date :28 September 2023 Venue: Norwood Hall Time : 13h00 – 16h00	Aimed to raise Prostate Cancer Awareness to Councillors and staff members
3.	South African Revenue Services (SARS) Visit	16 – 19 October 2023	To assist Councillors / Employees on submission of returns to SARS
4.	Inter- Departmental Work and Play (Soccer and Netball)	Date : 26 October 2023 Venue : Transfer Station Sport Filed Time : 13h00 -16h00	This Programme is aimed to assist Employees to stay fit and boost morale and encourage team work.
5.	Breast Cancer Awareness	Date :30 October 2023 Venue: Town Hall Time : 13h00 – 16h00	Aimed to raise Breast Cancer Awareness to Councillors and staff members
6.	Financial Wellness	Date :07 December 2023 Venue: Town Hall Time : 13h00 – 16h00	Assist Employees to make informed decisions when planning for future e.g. Budgeting, Investment Plans and Healthy Lifestyle etc.
7.	Councillor/ Employee Wellness Day	01 March 2024	Aim to develop team work, self-discipline and administrative skills through sport activities such Aerobics , Soccer and Netball
8.	Inter- municipal - The King Cetshwayo District Wellness Day	Date Held : 03 May 2024 Venue : Eshowe Sport Club Time : 07h00 – 16h00	This Programme is aimed to assist Employees to stay fit and boost morale and encourage social cohesion within district municipalities
9.	Compulsory Medical Examination for Natal joint Municipal Pension Fund (NJMPF)	Date Held : 26 -27 and 03 March 2024 Medical Practitioner : Dr K M Makhanya Venue: Cash build Building	As per regulation governing the Funds, employees should be examined to qualify for membership Fifteen (15) new staff members were medically examined

		Shop No8 Eshowe 3815	
10.	Information session by The Natal Joint Municipal Pension Fund (NJMPF)	Date Held : 29 April 2024 Venue : Eshowe Town Hall Time : 13h00 – 16h00	Aim is to assist Employees to understand importance of producing right beneficiaries and understand the benefits and procedures for the Fund
11.	Information Session by the National Fund for Municipal Workers (NFMW)	Date Held : 07 May 2024 Venue : Eshowe Town Hall Time : 13h00 – 16h00	Aim is to assist Employees to understand importance of producing right beneficiaries and understand the benefits and procedures for the Fund

4.5 COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.5.1 EMPLOYEE EXPENDITURE

During the year 2023/2024, the salary bill of the Municipality was R 206 618 968. The workforce expenditure per category is as follows:-

Category	Total Employee Related Costs for 2023/2024
Employees	R 181 460 893
Councillors	R 25 158 074

The Municipality uses the SAGE 300 Payroll Systems. Employees, including Councillors, receive their printed payslips on a monthly basis.



FINANCIAL PERFORMANCE



uMlalazi Local Municipality
(Registration number KZN 284)
Annual Financial Statements
for the year ended 30 June 2024

uMlalazi Local Municipality

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

General Information

Legal form of entity	Local Municipality
Nature of business and principal activities	The primary function of uMlalazi Local Municipality is to provide basic services i.e. electricity, refuse, roads and stormwater facilities within the Municipality's jurisdiction. The mandate of the Municipality is in terms of section 152 of the Constitution of South Africa.
Councillors	<p>Mayor - Cllr. QT Xulu Deputy Mayor - Cllr. MM Ngema Speaker - Cllr. JK Powell Chief Whip - Cllr. M Dladla Member of Executive Committee - Cllr. MM Cebekhulu Member of Executive Committee - Cllr. KS Mthabela Member of Executive Committee - Cllr. WL Ngema Member of Executive Committee - Cllr. K Ntanzu Member of Executive Committee - Cllr. SA Makhathini Member of Executive Committee - Cllr. K Khumalo Member of Executive Committee - Cllr. MMM Ntuli Member of Executive Committee - Cllr. SD Khubisa Chairperson of the Municipal Public Account Committee - Cllr. SB Larkan Cllr. AN Sibiya Cllr. TN Shoji Cllr. SA Khuzwayo Cllr. BC Makhathini Cllr. Z Biyela Cllr. ZM Mhlongo Cllr. BXS Ntombela Cllr. MD Dladla Cllr. SB Dlamini Cllr. SW Yimba Cllr. BP Hlabisa Cllr. K Mthembu Cllr. SI Zibani Cllr. JM Ngema Cllr. MB Biyela Cllr. M Ndlovu Cllr. T Mdalose Cllr. SM Gasa Cllr. VM Xulu Cllr. MG Mzimela Cllr. BC Magwaza Cllr. B Nombekela Cllr. TH Biyela Cllr. NM Vilakazi Cllr. IQ Ngema Cllr. MS Xulu Cllr. Z Mpungose Cllr. EF Shange Cllr. NG Qwabe Cllr. BL Zungu</p>

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Annual Financial Statements for the year ended 30 June 2024

General Information

	Cllr. MM Khanyile Cllr. ME Dlamini Cllr. GZ Ncoanana Cllr. PTO Shange Cllr. TP Khoza Cllr. TL Ntanzu Cllr. B Khanyile Cllr. MF Mdluli Cllr. XB Mpungose Cllr. NN Cele Cllr. AA Khanyile Cllr. KR Khumalo
Grading of local authority	Grade 3
Chief Finance Officer (CFO)	NP Mgobhozi
Accounting Officer	NN Shandu
Registered office	Hutchinson Street Eshowe 3815
Business address	Hutchinson Street Eshowe 3815
Postal address	P O Box 37 Eshowe 3815
Bankers	First National Bank, Nedbank, Standard Bank, Investec Bank and ABSA Bank.
Auditors	Auditor-General South Africa
Preparer	The annual financial statements were internally compiled by: Divisional Manager Budget and Financial Reporting and reviewed by Chief Financial Officer and Internal Audit Unit.

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Annual Financial Statements for the year ended 30 June 2024

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The reports and statements set out below comprise the annual financial statements presented to the Council:

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Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
mSCOA	Municipal Standard Chart of Accounts
HDF	Housing Development Fund
SARS	South African Revenue Services
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
MDRG	Municipal Disaster Response Grant
GRAP	Generally Recognised Accounting Practice
IAS	International Accounting Standards
MFMG	Municipal Finance Management Grant
INEP	Integrated National Electrification Programme
MIG	Municipal Infrastructure Grant

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Annual Financial Statements for the year ended 30 June 2024

Report of the Accounting Officer

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements 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 judgments and estimates.

The Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the Accounting Officer to meet these responsibilities, the municipality sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Accounting Officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Accounting Officer has reviewed the municipality's cash flow forecast for the year to 30 June 2025 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is wholly dependent on the municipality for continued funding of operations. The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

The Accounting Officer also certifies that salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office as disclosed in the annual financial statements below are within the upper limits of the framework envisaged in Section 219 of the Constitution, read in conjunction with the Public Officer Bearers Act and the Minister of Provincial Government's determination in accordance with this Act.

The annual financial statements set out on page 5, which have been prepared on the going concern basis, were approved by the Accounting Officer on 31 August 2024 and were signed on its behalf by:

Accounting Officer
NN Shandu

Saturday, 31 August 2024

uMlalazi Local Municipality

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Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	73 957 994	69 620 718
Inventories	4	3 315 422	2 815 269
Receivables from exchange transactions	5	43 059 718	34 987 871
Receivables from non-exchange transactions	7	35 451 958	30 908 127
Statutory receivables - VAT receivable	6	4 240 136	4 443 539
		160 025 228	142 775 524
Non-Current Assets			
Property, plant and equipment	8	831 234 082	796 924 339
Investment property	9	32 478 000	31 333 000
Intangible assets	10	73 250	94 828
Heritage Assets	11	10 311 344	10 311 344
Investments	12	500	500
Receivables from exchange transactions	5	1 640 005	-
		875 737 181	838 664 011
Total Assets		1 035 762 409	981 439 535
Liabilities			
Current Liabilities			
Payables from exchange transactions	13	67 581 199	58 833 428
Consumer deposits	14	3 811 255	3 644 117
Unspent conditional grants and receipts	15	8 443 896	1 197 907
Employee benefits obligation	16	2 429 938	2 142 000
Provisions	17	1 068 508	868 541
Long term loans	18	2 305 137	407 335
		85 637 933	67 091 328
Non-Current Liabilities			
Employee benefit obligation	16	27 076 649	26 293 000
Long term loans	18	27 335 407	1 713 261
		54 412 056	28 006 261
Total Liabilities		140 049 989	95 097 589
Net Assets		895 712 420	886 341 946
Reserves			
Housing operating account	19	4 323 868	4 007 822
Accumulated surplus	20	891 388 552	882 334 123
Total Net Assets		895 712 420	886 341 945

* See Note 56

uMlalazi Local Municipality

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Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	21	107 269 076	93 233 640
Rental of facilities and equipment	22	1 424 831	1 199 035
Interest received - receivable from exchange transactions	29	2 933 963	1 220 285
Agency services	24	2 601 720	2 156 185
Licences and permits	25	2 283 512	1 951 786
Operational revenue	31	3 425 991	1 897 852
Interest earned - external investments	32	10 111 987	8 140 359
Gain on disposal of assets		59 789	2 216 945
Actuarial gains	30	2 103 674	3 973 592
Fair value adjustments	48	1 145 000	678 000
Total revenue from exchange transactions		133 359 543	116 667 679
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	33	71 880 509	68 421 869
Property rates - penalties imposed	33	5 113 910	3 035 721
Licences and permits	26	18 016	36 101
Availability charge - electricity	27	1 470 528	1 316 579
Availability charge - interest on electricity		241 241	94 670
Transfer revenue			
Government grants & subsidies	35	316 969 011	285 405 790
Public contributions and donations		-	180 148
Fines, penalties and forfeits	23	2 952 157	1 408 748
Total revenue from non-exchange transactions		398 645 372	359 899 626
Construction contract revenue: INEP			
Construction contract revenue	47	-	3 156 604
Total revenue		532 004 915	479 723 909
Expenditure			
Employee related costs	36	186 745 738	175 108 551
Remuneration of councillors	37	25 158 075	23 223 213
Depreciation and amortisation	38	48 904 756	47 081 111
Impairment loss	39	5 728 289	8 513 818
Finance costs	40	3 146 984	276 858
Lease rentals on operating lease	28	1 966 989	1 767 321
Debt Impairment	41	9 918 654	5 136 165
Bad debts written off		-	1 136 759
Construction contract expenditure		-	3 156 604
Bulk purchases	43	89 665 933	73 697 110
Contracted services	44	81 201 396	85 984 425
Transfers and Subsidies	34	8 160 333	5 067 398
Inventory Consumed	45	16 928 172	16 213 128
Operational costs	42	45 110 224	51 177 874
Total expenditure		522 635 543	497 540 335
Surplus (deficit) for the year		9 369 372	(17 816 426)

* See Note 56

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Statement of Changes in Net Assets

Figures in Rand	Housing Operating Fund	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	3 778 075	890 575 929	894 354 004
Adjustments			
Correction of errors 56	-	9 804 366	9 804 366
Balance at 01 July 2022 as restated*	3 778 075	900 380 296	904 158 371
Changes in net assets			
Interest earned	229 747	(229 747)	-
Net income (losses) recognised directly in net assets	229 747	(229 747)	-
Deficit for the year	-	(17 816 426)	(17 816 426)
Total recognised income and expenses for the year	229 747	(18 046 173)	(17 816 426)
Total changes	229 747	(18 046 173)	(17 816 426)
Restated* Balance at 01 July 2023	4 007 822	882 334 123	886 341 945
Changes in net assets			
Surplus for the year	-	9 369 372	9 369 372
Interest earned	314 943	(314 943)	-
Impairment reversal	1 102	-	1 102
Total changes	316 045	9 054 429	9 370 474
Balance at 30 June 2024	4 323 868	891 388 552	895 712 420
Note(s)	19		

* See Note 56

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Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Property Rates		48 282 586	52 750 959
Sale of goods and services		99 257 627	90 272 616
Government grants		316 251 870	289 079 818
Interest income		13 045 949	8 140 359
		476 838 032	440 243 752
Payments			
Employee cost		(209 016 490)	(190 116 308)
Suppliers		(190 839 410)	(223 037 524)
Finance costs		(3 146 984)	(276 858)
Transfers and grants		(8 156 360)	(5 067 398)
		(411 159 244)	(418 498 088)
Net cash flows from operating activities	46	65 678 788	21 745 664
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(90 025 277)	(53 990 528)
Proceeds from sale of property, plant and equipment	8	1 163 817	2 625 000
Movement in housing rental		-	7 845
Net cash flows from investing activities		(88 861 460)	(51 357 883)
Cash flows from financing activities			
(Repayment of)/ Proceeds from long term loans		27 519 948	(353 432)
		498 241	(62 000)
Net cash flows from financing activities		28 018 189	(415 432)
Net increase/(decrease) in cash and cash equivalents		4 835 517	(30 027 651)
Cash and cash equivalents at the beginning of the year		69 620 718	99 586 369
Cash and cash equivalents at the end of the year	3	74 456 235	69 558 718

* See Note 56

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Statement of budget and actuals

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
2024											
Financial Performance											
Property rates	74 460 520	741 090	75 201 610	-	-	75 201 610	71 880 509	-	(3 321 101)	96 %	97 %
Service charges	107 989 610	218 790	108 208 400	-	-	108 208 400	107 269 076	-	(939 324)	99 %	99 %
Interest earned - external investments	7 817 190	230 000	8 047 190	-	-	8 047 190	10 111 987	-	2 064 797	126 %	129 %
Transfers recognised - operational	255 963 750	785 700	256 749 450	-	-	256 749 450	257 393 011	-	643 561	100 %	101 %
Other own revenue	26 248 240	3 585 320	29 833 560	-	-	29 833 560	25 774 330	-	(4 059 230)	86 %	98 %
Total revenue (excluding capital transfers and contributions)	472 479 310	5 560 900	478 040 210	-	-	478 040 210	472 428 913	-	(5 611 297)	99 %	100 %
Employee costs	(186 227 850)	(1 519 800)	(187 747 650)	-	-	(187 747 650)	(186 745 738)	-	1 001 912	99 %	100 %
Remuneration of councillors	(23 929 730)	(1 270 750)	(25 200 480)	-	-	(25 200 480)	(25 158 075)	-	42 405	100 %	105 %
Depreciation and asset impairment	(53 629 710)	(2 520 000)	(56 149 710)	-	-	(56 149 710)	(48 904 757)	-	7 244 953	87 %	91 %
Finance charges	(3 755 830)	605 830	(3 150 000)	-	-	(3 150 000)	(3 146 984)	-	3 016	100 %	84 %
Bulk purchases	(87 414 150)	(2 300 000)	(89 714 150)	-	-	(89 714 150)	(89 665 933)	-	48 217	100 %	103 %
Transfers and grants	(7 672 840)	(721 920)	(8 394 760)	-	-	(8 394 760)	(8 160 333)	-	234 427	97 %	106 %
Other expenditure	(158 432 860)	(2 640 170)	(161 073 030)	-	-	(161 073 030)	(160 853 721)	-	219 309	100 %	102 %
Total expenditure	(521 062 970)	(10 366 810)	(531 429 780)	-	-	(531 429 780)	(522 635 541)	-	8 794 239	98 %	100 %
Surplus/(Deficit)	(48 583 660)	(4 805 910)	(53 389 570)	-	-	(53 389 570)	(50 206 628)	-	3 182 942	94 %	103 %

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Statement of budget and actuals

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Transfers and subsidies - capital	66 136 250	3 050 700	69 186 950	-		69 186 950	59 576 000		(9 610 950)	86 %	90 %
Surplus (Deficit) after capital transfers and contributions	17 552 590	(1 755 210)	15 797 380	-		15 797 380	9 369 372		(6 428 008)	59 %	53 %
Surplus/(Deficit) for the year	17 552 590	(1 755 210)	15 797 380	-		15 797 380	9 369 372		(6 428 008)	59 %	53 %
Capital expenditure and funds sources											
Total capital expenditure	110 174 690	3 996 220	114 170 910	-		114 170 910	89 274 061		(24 896 849)	78 %	81 %
Sources of capital funds											
Transfers recognised - capital	66 136 250	3 050 700	69 186 950	-		69 186 950	52 935 993		(16 250 957)	77 %	80 %
Borrowing	30 000 000	-	30 000 000	-		30 000 000	23 403 138		(6 596 862)	78 %	78 %
Internally generated funds	14 038 440	945 520	14 983 960	-		14 983 960	12 934 930		(2 049 030)	86 %	92 %
Total sources of capital funds	110 174 690	3 996 220	114 170 910	-		114 170 910	89 274 061		(24 896 849)	78 %	81 %
Financial position											
Total current assets	130 685 000	725 000	131 410 000	-		131 410 000	160 025 228		28 615 228	122 %	122 %
Total non current assets	980 381 000	(86 065 000)	894 316 000	-		894 316 000	875 737 181		(18 578 819)	98 %	89 %
Total current liabilities	(61 750 000)	(5 042 000)	(66 792 000)	-		(66 792 000)	(85 637 933)		(18 845 933)	128 %	139 %
Total non current liabilities	(61 087 000)	(584 000)	(61 671 000)	-		(61 671 000)	(54 412 056)		7 258 944	88 %	89 %
Community wealth/Equity	988 229 000	(90 966 000)	897 263 000	-		897 263 000	895 712 420		(1 550 580)	100 %	91 %

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Statement of budget and actuals

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
Cash flows											
Net cash from (used) operating	56 844 000	(5 723 000)	51 121 000	-		51 121 000	65 678 788		14 557 788	128 %	116 %
Net cash from (used) investing	(106 155 000)	13 368 000	(92 787 000)	-		(92 787 000)	(88 861 461)		3 925 539	96 %	84 %
Net cash from (used) financing	30 000 000	-	30 000 000	-		30 000 000	27 519 948		(2 480 052)	92 %	92 %
Net increase/(decrease) in cash and cash equivalents	(19 311 000)	7 645 000	(11 666 000)	-		(11 666 000)	4 337 275		16 003 275	(37)%	(22)%
Cash and cash equivalents at the beginning of the year	83 780 000	(10 126 000)	73 654 000	-		73 654 000	69 620 718		(4 033 282)	95 %	83 %
Cash and cash equivalents at year end	64 469 000	(2 481 000)	61 988 000	-		61 988 000	73 957 993		(11 969 993)	119 %	115 %

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Statement of budget and actuals

Significant decrease/ increase is explained below:

Interest earned- external investments: Cash flow was monitored to ensure that investments were maximised where surplus funds became available, thereby maximising interest income.

Other own revenue: The main contributing factor emanates from the issuing of traffic fines for the period, where challenges were experienced by the municipality. Other factors are fair value of investment property gain on assets disposal that came less than projected.

Depreciation and asset impairment: The decrease emanates from the review of useful lives base on the condition assessment which adjusted the estimate downwards..

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Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

Figures in Rand	Note(s)	2024	2023
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1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparations

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

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.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 Significant judgments and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgments include:

Other significant judgments, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

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Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.5 Significant judgments and sources of estimation uncertainty (continued)

Trade receivables from exchange and non-exchange transactions

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

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 17 - Provisions.

Useful lives infrastructure and other assets

The municipality's management determines the estimated useful lives and related depreciation charges for the infrastructure and other assets. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each 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.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

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Accounting Policies

1.5 Significant judgments and sources of estimation uncertainty (continued)

Recognition and Derecognition of Land

In some instances the municipality is not the legal owner or the custodian of land appointed in terms of legislation, but assessed that it controls such land. Key judgments made and assumptions applied to conclude that it controls such land, are as follow:

-Whether the municipality can direct the use of the land's future economic benefits or service potential to provide services of beneficiaries.

-Whether the municipality can exchange, dispose of, or transfer the land; and/or

-Whether the municipality can use the land in any other way to generate future economic benefits or service potential.

Where the municipality uses the land to provide future economic benefits or service potential while another entity has the right to exchange, dispose of, or transfer the land, the municipality shall assess its ability to exercise the right to exchange, dispose of, or transfer the land to determine if it is able to direct or restrict or deny to the land.

When a municipality directs the use of the land to provide services to beneficiaries, either itself or through directing another entity to provide specific services, the municipality will conclude that it has the right to direct access to land to restrict or deny access of others to land.

In some instances the municipality is the legal owner, or the custodian of land appointed in terms of legislation, but concludes that it does not control such land. Key judgments made and assumptions applied to conclude that it does not control such land, are as follow;

- Whether another entity can direct the use of the land's future economic benefits or service potential to provide services to beneficiaries

-Whether another entity can direct the use of the land's future economic benefits or service potential to provide services to beneficiaries.

-Whether the municipality can exchange, dispose of, or transfer the land; and/or

-Whether the municipality can use the land in any other way to generate future economic benefits or service potential.

An entity maybe granted a right to use the land for a period of time. Control of the land will be demonstrated if the entity has substantive rights to the land that enable it to direct access to the land, or to restrict or deny the access of other to land. For the entity to demonstrate control, the right of use needs to be for an unlimited period of time and the entity should have other substantive rights that enable it to direct access to the land, or to restrict or deny the access of others to the land. In the absence of the municipality demonstrating that it has granted the right to direct access to and restrict or deny access of others to the land to another entity, the legal owner controls the land as it retains the right to direct access to land, and to restrict or deny the access of others to land.

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Accounting Policies

1.5 Significant judgments and sources of estimation uncertainty (continued)

Accounting by principals and agent

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Accounting Policies

1.5 Significant judgments and sources of estimation uncertainty (continued)

The municipality makes assessments on whether it is the principal or agent in principal-agent relationships. Significant judgments applied in determining whether the municipality is an agent are as follows;

a) It does not have the power to determine the significant terms and conditions of the transaction.

For a municipality to be an agent, it must not have the power to determine the significant terms and conditions of the transactions with third parties. This means that it should not have the power to affect the results of the transaction. The result of a transaction is the economic benefits or service potential (or both) that arise from that transaction. The economic benefits or service potential can therefore be quantitative or qualitative.

The quantitative result of a transaction represents the monetary amount of a transaction and could include:

- The amount paid by the third party for a good or service received, or the amount of any tax, levy, or other charge paid.
- The amount paid to the third party for goods and services procured, or benefits paid of a non-exchange transaction, e.g. a social benefit.

The qualitative result of a transaction could include:

- The quality of a particular goods or services received by the third party.
- The administrative efficiency with which a specific transaction or activity should be performed.
- The volume of a good or service provided to the third party.

The municipality does not have the power to determine the significant terms and conditions of transactions with third parties if it is not able to decide, for example, the following aspects, but not limited to:

- What goods and services should be provided to, or procured from, third parties; or what taxes, levies or other charges should be levied on, or payments made to third parties.
- To whom goods and services should be provided, or from whom goods and services should be procured; or whom taxes, levies or other charges should be levied, or to whom payments should be made. This does not require the identification of specific individual third parties, and could be groups of affected third parties.
- The price to be paid by third parties, or agree on the price to be paid to third parties; or the amount of tax, levies or other charges to be paid by, or the amount of payments to be made to third parties.
- The quality of the goods and services provided to, or received from third parties. This may be less relevant to transactions that relate to taxes, levies, charges received by, or payment by or to third parties.

b) It does not have the ability to use all, or substantially all of the resources that result from the transaction for its benefit;

The types of resources that result from transactions with third parties could vary depending on the activities that are to be undertaken in terms of the binding agreement. The resources that could result from transactions with third parties include:

- Receipts related to the specific goods and services provided, or taxes, levies and other charges.
- Disbursements for specific goods and services procured to enable the execution of the transactions with third parties. The goods and services procured could also result in inventory.
- The municipality must not have the ability to use all, or substantially all, of resources that result from transactions with third parties. Where the municipality retains a portion of the revenue collected as a fee, e.g. a commission, or administration or transaction fee, for the service provided, this fee is usually nominal in relation to the total revenue collected, and as a result, the municipality would not have the ability to use all or substantially all of the resources that result from the transaction.

c) It is not exposed to variability in the results of the transaction;

A municipality is exposed to variability in the results of the transaction when it has exposed to both the positive and negative results's associated with that transaction, and these exposures are not limited or fixed. There may be a number of factors that the municipality considers in determining whether it is exposed to the variability in the results of transactions. The municipality's exposures the variability in the results of a transaction are usually limited if:

- Another party is responsible for fulfilling the rights and obligations established in the binding arrangement. For example, if the provision of a certain good or service is the responsibility of a specific type of entity in legislation, then it is likely that recipients of that good or service will look to that entity for delivery of those goods or services.
- The municipality has limited inventory risk, i.e. the risk of theft, obsolescence or other losses, as well as changes in value. The municipality receives a fixed fee or fixed margin, e.g. commission or administration or transaction fee, for carrying out the transactions.
- The Municipality is not exposed to significant default risk, i.e. the risk of fees, taxes, levies or other charges not being paid by third parties.

Additional information is disclosed in Note 67.

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Accounting Policies

1.5 Significant judgments and sources of estimation uncertainty (continued)

Impairment of statutory receivables

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures and impairment loss. The impairment loss is measured 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, are reduced, either directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the 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 municipality 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 are 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.

Accounting for adjustments to revenue

Determining whether an adjustment to revenue charged in terms of legislation or similar means is a correction of an error or a change in an accounting estimate requires the application of judgment by management. When adjustments to revenue already recognised arise from new information that becomes known to the municipality, the following considerations are applied to determine whether the adjustment to revenue already recognised is a correction of an error or a change in an accounting estimate:

- (a) If information becomes known to the municipality, and the municipality could reasonably have been expected to know of the information and/or the information used was incorrect, the adjustment to revenue is likely to be a correction of an error.
- (b) If information becomes known to the municipality, but the municipality could not reasonably have been expected to know of this information when the revenue was charged, the adjustment to revenue is likely to be a change in an accounting estimate.

Accounting for adjustments to revenue that correct an error or prior period error

Following the outcome of the determination processes noted above, and assessing whether this is new information that becomes known to the municipality, the municipality accounts for an adjustment to revenue already recognised, including interest and penalties, as the correction of an error or prior period error where the entity:

- (a) has not followed a proper due process to promulgate the tariff, basis, percentage or formula to charge the revenue; and/or
- (b) incorrectly applied the tariff, basis, percentage or formula in charging revenue.

Errors discovered within the reporting period which relates to that period are corrected before the annual financial statements are authorised for issue. The principles in GRAP 3 are applied to account for the adjustment to revenue already recognised as a result of the correction of a prior period error.

Accounting for adjustments to revenue as a change in an accounting estimate

Following the outcome of the determination processes noted above, and assessing whether this is new information that becomes known to the municipality, the municipality accounts for any adjustment to revenue already recognised, including interest and penalties, as a change in an accounting estimate if changes occur in the circumstances that led to the recognition of the revenue.

The principles in GRAP 3 are applied to account for a change in an accounting estimate.

1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or

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Accounting Policies

1.6 Investment property (continued)

- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

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1.6 Investment property (continued)

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 8).

Based on management's judgement, the following criteria have been applied to distinguish investment properties from owner occupied property or property held for resale:

- All properties held to earn market related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as Investments;
- Land held for current undetermined future use. (If the municipality has not determined that it will use the land as owner occupied property or for short term sale in the ordinary course of business, the land is regarded as held for capital appreciation.);
- Property that is being constructed or developed for future use as investment property;
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases; and
- A building that is vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties.

The following assets do not fall in the ambit of Investment Property and shall be classified as property plant and equipment or Inventory as appropriate:

- Property intended for sale in the ordinary course of operations or in the process of construction or developed for such sale;
- Property being constructed or developed on behalf of third parties;
- Owner occupied property, including (among other things) property held for future use as owner occupied property, held for future development and subsequent use as owner, occupied property by employees such as housing for personnel (whether or not the employee pay rent at market rates) and owner occupied property awaiting disposal;
- Property that is leased to another entity under a finance lease.
- Property held to provide a social service and which also generates cash inflows; e.g. property rented out below market rental to sporting bodies, schools, low income families, etc; and
- Property held for strategic purposes or service delivery.

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements.

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements.

1.7 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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1.7 Property, plant and equipment (continued)

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	05 - 15
Motor vehicles	Straight-line	07 - 15
Electricity	Straight-line	05 - 45
Community and recreational facilities	Straight-line	05 - 30
Storm water	Straight-line	10 - 50
Roads	Straight-line	03 - 50
Other assets	Straight-line	04 - 10

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

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1.7 Property, plant and equipment (continued)

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 under construction or development, in the notes to the financial statements (see note 8).

1.8 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Intangible assets are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

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1.8 Intangible assets (continued)

Item	Depreciation method	Average useful life
Computer software, other	Straight-line	2-10 years

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 10).

1.9 Heritage assets

Assets are resources controlled by an municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

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.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that an municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 11).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 11).

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

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1.9 Heritage assets (continued)

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to a revaluation surplus. However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit.

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectability.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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1.10 Financial instruments (continued)

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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1.10 Financial instruments (continued)

A financial asset is past due when a counterpart has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalent	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Borrowings	Financial liability measured at amortised cost
Payable from exchange transactions	Financial liability measured at amortised cost

1.11 Statutory receivables

Identification

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1.11 Statutory receivables (continued)

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for 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

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

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:

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1.11 Statutory receivables (continued)

- 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 is recognised in surplus or deficit.

In estimating the future cash flows, an 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
- 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.

1.12 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.

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1.12 Leases (continued)

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.13 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories are assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.14 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Cost plus or cost based contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially-based contract, an additional percentage of these costs or a fixed fee, if any.

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1.14 Construction contracts and receivables (continued)

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The entity assesses the terms and conditions of each contract concluded with customers to establish whether the contract is a construction contract or not. In assessing whether the contract is a construction contract, an entity considers whether it is a contractor.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

When it is probable that total contract costs will exceed total contract revenue, the expected deficit is recognised as an expense immediately.

1.15 Impairment of 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.

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 used 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 amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is the period of time over which an asset is expected to be used by the municipality.

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1.15 Impairment of cash-generating assets (continued)

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the municipality expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the municipality designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

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1.15 Impairment of cash-generating assets (continued)

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued 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 cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

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1.15 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable 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 cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.16 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

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1.16 Impairment of non-cash-generating assets (continued)

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is the period of time over which an asset is expected to be used by the municipality.

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

The municipality designates an asset as non-cash-generating when its objective is not to use the asset to generate a commercial return but to deliver services.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the municipality expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate a commercial return, the municipality designates the asset as a non-cash-generating asset and applies this accounting policy, rather than the accounting policy on Impairment of Non-cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

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1.16 Impairment of non-cash-generating assets (continued)

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.17 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

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1.17 Employee benefits (continued)

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programs) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

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1.17 Employee benefits (continued)

Multi-employer plans and/or State plans and/or Composite social security programmes

The entity classifies a multi-employer plan and/or state plans and/or composite social security programmes as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the entity accounts for in the same way as for any other defined contribution plan.

Where a plan is a defined benefit plan, the entity account for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan.

When sufficient information is not available to use defined benefit accounting for a plan, that is a defined benefit plan, the entity account for the plan as if it was a defined contribution plan.

Insured benefits

Where the entity pays insurance premiums to fund a post-employment benefit plan, the entity treats such a plan as a defined contribution plan unless the entity will have (either directly or indirectly through the plan) a legal or constructive obligation to either:

- pay the employee benefits directly when they fall due; or
- pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior reporting periods.

If the entity retains such a legal or constructive obligation, the entity treats the plan as a defined benefit plan.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

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1.17 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either:

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

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1.17 Employee benefits (continued)

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

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Accounting Policies

1.17 Employee benefits (continued)

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other post retirement obligations

The municipality provides post-retirement health care benefits upon retirement to all contributing retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost, which shall all be recognised immediately; and
- the effect of any curtailments or settlements.

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Accounting Policies

1.17 Employee benefits (continued)

Termination benefits

The entity recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes (as a minimum):

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.18 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

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Accounting Policies

1.18 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 52.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- those outflows of resources that are within the scope of other Standards, and
- fines or other penalties that are imposed for breaches of the legislation.

Government refers to government, government agencies and similar bodies whether local, national or international.

The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

The municipality does not have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the municipality being economically compelled to continue to operate in that future period. The preparation of financial statements under the going concern assumption does not imply that the municipality has a present obligation to pay a levy that will be triggered by operating in a future period.

The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time (i.e. if the activity that triggers the payment of the levy, as identified by the legislation, occurs over a period of time).

If an obligation to pay a levy is triggered when a minimum threshold is reached, the corresponding liability is recognised when that minimum threshold is reached.

The municipality recognises an asset if it has prepaid a levy but does not yet have a present obligation to pay that levy.

1.19 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 required in respect of unrecognised contractual commitments.

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Accounting Policies

1.19 Commitments (continued)

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancelable or only cancelable at significant cost (for example, contracts for computer or building maintenance services); and
- 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.

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Accounting Policies

1.20 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.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends 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.

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1.20 Revenue from exchange transactions (continued)

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

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Accounting Policies

1.21 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.22 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

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Accounting Policies

1.23 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.24 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

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Accounting Policies

1.24 Accounting by principals and agents (continued)

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.25 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.26 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised 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).

1.27 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful 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).

1.28 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy.

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.29 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.30 Internal reserves

Capital replacement reserve (CRR)

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 in terms of a Council funding and reserve policy. 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.

1.31 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);

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Accounting Policies

1.31 Segment information (continued)

- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.32 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisation (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared in terms of MBRR and is on an accrual basis of accounting. However, the budget is presented on a different basis, being MBRR, whilst the financial statements are presented in terms of GRAP. Taking into account that the presentation basis is different, the municipality presents the budget and accruals information in a Statement of Budget and Actuals, in accordance with the MBRR.

The approved budget covers the fiscal period from 2023/07/01 to 2024/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

1.33 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 ventures).

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.

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Accounting Policies

1.33 Related parties (continued)

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 those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.34 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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Accounting Policies

1.35 Material expenditure line items

Transfers and Subsidies

Transfers and subsidies refer to donations from the municipality in the provision of municipal services such as museum, tourism, households, bursaries in a form of grants in and support in cases of disaster events. Transfers and subsidies are recognised in the period in which the services are rendered.

Contracted Services

Contracted services refer to services provided by external entities or individuals that are engaged to perform specific tasks or functions on behalf of a municipality.

Contracted services are measured at the actual cost incurred. This includes direct payments to contractors and any directly attributable costs associated with the provision of contracted services.

Contracted services are recognised as expenses in the period in which the services are rendered.

Operational expenditure

Operational costs refer to the ongoing expenses incurred by a municipality in the daily functioning of its services and programs. This relates to the provision of goods and services to the municipality, rather than performing specific tasks or functions on behalf of the municipality.

Bulk purchases

Bulk purchases refer to electricity purchased from Eskom as well as alternative service providers. It is measured at the actual cost incurred and are recognised as expenses in the period in which the services are rendered.

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Notes to the Annual Financial Statements

Figures in Rand

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2. New standards and interpretations**2.1 Standards and interpretations effective and adopted in the current year**

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

GRAP 25 (as revised): Employee Benefits**Background**

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

Key amendments to GRAP 25

The Board agreed to align GRAP 25 with IPSAS 39, but that local issues and the local environment need to be considered. As a result of this decision, there are areas where GRAP 25 departs from the requirements of IPSAS 39. The Board's decisions to depart are explained in the basis for conclusions.

The amendments to GRAP 25 are extensive and mostly affect the accounting for defined benefit plans. A new renumbered Standard of GRAP (e.g. GRAP 39) will not be issued, but rather a new version of the current GRAP 25.

The effective date of these revisions is 01 April 2023.

The municipality has adopted the revisions for the first time in the 2023/2024 financial year.

The impact of the revisions is not material.

iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction**Background**

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

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Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).

The effective date of these revisions is 01 April 2023.

The municipality has adopted the revisions for the first time in the 2023/2024 financial year.

The impact of the revisions is not material.

iGRAP 21: The Effect of Past Decisions on Materiality

Background

The Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors (GRAP 3) applies to the selection of accounting policies. Entities apply the accounting policies set out in the Standards of GRAP, except when the effect of applying them is immaterial. This means that entities could apply alternative accounting treatments to immaterial items, transactions or events (hereafter called "items").

The Board received questions from entities asking whether past decisions to not apply the Standards of GRAP to immaterial items affect future reporting periods. Entities observed that when they applied alternative accounting treatments to items in previous reporting periods, they kept historical records on an ongoing basis of the affected items. This was done so that they could assess whether applying these alternative treatments meant that the financial statements became materially "misstated" over time. If the effect was considered material, retrospective adjustments were often made.

This Interpretation explains the nature of past materiality decisions and their potential effect on current and subsequent reporting periods.

iGRAP 21 addresses the following two issues:

- Do past decisions about materiality affect subsequent reporting periods?
- Is applying an alternative accounting treatment a departure from the Standards of GRAP or an error?

The effective date of these interpretation is 01 April 2023.

The municipality has adopted the interpretation for the first time in the 2023/2024 financial year.

The impact of the interpretation is not material.

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods:

GRAP 103 (as revised): Heritage Assets

Background

The Accounting Standards Board (the Board) completed its post-implementation review of the Standard of GRAP on Heritage Assets (GRAP 103) (hereafter referred to as "the review") in 2020. Based on the feedback received as part of the review, the Board agreed to reconsider certain principles in GRAP 103.

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2. New standards and interpretations (continued)

The objective of the project was to revise and clarify principles in GRAP 103 following feedback received from the review and actions agreed by the Board.

Key amendments to GRAP 103

The Board agreed that the definition of a heritage asset in GRAP 103 should be reconsidered to better align it with the legislative explanation of a heritage resource in the National Heritage Resources Act, 1999, and the classification by the South African Heritage Resources Agency.

The proposed definition focuses on assets that have "cultural significance" and defines a heritage asset as "an asset that has cultural significance, and is held indefinitely for the benefit of present and future generations". "Cultural significance" has also been defined and described in GRAP 103 based on legislation.

The characteristics displayed by heritage assets, and the range of assets that could be heritage assets, have also been aligned with legislation.

The amendments further relate to the Classification of dual purpose heritage assets, Determining a reliable value for a heritage asset, Protective rights imposed on heritage assets, Re-assessing if a reliable value becomes available subsequently, Aggregation of individually insignificant heritage assets, Impairment of heritage assets, Mandatory disclosures of heritage assets borrowed or on loan.

The effective date of these revisions have not yet been set.

It is unlikely that the standard will have a material impact on the municipality's annual financial statements.

GRAP 104 (as revised): Financial Instruments

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities.

The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Classification of financial assets
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

The effective date of the revisions is 01/04/2025.

The municipality expects to adopt the revisions for the first time in the 2025/2026 financial statements.

The impact of this standard is currently being assessed.

GRAP 1 (amended): Presentation of Financial Statements

Amendments to this Standard of GRAP, are primarily drawn from the IASB's Amendments to IAS 1.

Summary of amendments are:

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2. New standards and interpretations (continued)**Materiality and aggregation**

The amendments clarify that:

- information should not be obscured by aggregating or by providing immaterial information;
- materiality considerations apply to all parts of the financial statements; and
- even when a Standard of GRAP requires a specific disclosure, materiality considerations apply.

Statement of financial position and statement of financial performance

The amendments clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.

Notes structure

The amendments add examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order listed in GRAP 1.

Disclosure of accounting policies

An municipality applies judgment based on past experience and current facts and circumstances.

The effective date of this amendment is for years beginning on or after 01 April 2025.

The municipality expects to adopt the amendment for the first time in the 2025/2026 annual financial statements.

The adoption of this amendment is not expected to impact on the results of the municipality, but may result in more disclosure than is currently provided in the annual financial statements.

2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods but are not relevant to its operations:

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Figures in Rand	2024	2023
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	15 940	15 940
Bank balances	8 607 729	6 487 401
Short-term investment	65 334 325	63 117 377
	73 957 994	69 620 718

The municipality had the following bank accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Standard Bank - Call Account - 068872208 - 001	879 414	816 805	879 414	816 805
Standard Bank - Fixed Deposit- 068872208 - 002	2 098 017	1 928 308	2 098 017	1 928 308
Standard Bank - Call Account - 068872208 - 004	24 578 493	31 225 847	24 578 493	31 225 847
Standard Bank - Call Account - 068872208 - 005	5 720 314	11 681 871	5 720 314	11 681 871
Standard Bank - Call Account - 068872208 - 008	1 700 487	2 122 784	1 700 487	2 122 784
Standard Bank - Call Account - 068872208 - 009	-	553 413	-	553 413
First National Bank - Cheque Account - 52191090523	8 356 855	18 593 209	8 594 924	6 420 499
First National Bank - Cheque Account - 62094589036	10 718	1 936	10 718	1 936
First National Bank - Cheque Account - 62071691309	2 087	64 966	2 086	64 966
First National Bank - Fixed Deposit - 74238125451	311 995	311 995	311 995	311 995
First National Bank - Call Account - 62120320081	4 808 771	84 626	4 808 771	84 626
First National Bank - Call Account - 62151319186	939 342	1 725 311	939 342	1 725 311
First National Bank - Call Account - 62124937246	217 032	201 457	217 032	201 457
First National Bank - Call Account - 62378736593	4 388 427	4 073 484	4 388 427	4 073 484
First National Bank - Call Account - 62024283038	338 715	314 406	338 715	314 406
First National Bank - Call Account - 62239875260	245 071	70 856	245 071	70 856
Investec Bank - Call Account - 1100511779500	52 182	48 052	52 182	48 052
Investec Bank - Call Account - 1100511779504	1 333 151	1 230 190	1 333 151	1 230 190
Nedbank - Call Account - 037165024212	1 713	1 580	1 713	1 580
Nedbank - Call Account - 037165024182	4 505 937	4 157 633	4 505 937	4 157 633
Nedbank - Call Account - 037165024204	2 786 123	2 570 759	2 786 123	2 570 759
ABSA - Call Account - 9386989371	10 431 141	-	10 431 141	-
Total	73 703 985	81 777 488	73 942 053	69 604 778

Short Term Investments

The municipality invests in short term investment accounts, a summary of cash book balances have been indicated below:

Summary of cash book balances on investments accounts:

Standard Bank	34 974 723	48 327 027
First National Bank	11 249 355	6 782 135
Investec Bank	1 385 333	1 278 242
Nedbank	7 293 773	6 729 972
ABSA Bank	10 431 141	-
	65 334 325	63 117 376

A difference of R15 940 between total cash and cash equivalent note and cash book accounts balances is as a result of petty cash and float which are cash on hand kept within the municipality.

A difference of R238 089 is attributable to reconciling difference mainly cashier receipts that were captured in June 2024 on cashbook but only reflected on bank in July 2024.

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Figures in Rand	2024	2023
4. Inventories		
Materials and supplies	1 881 671	1 583 740
Consumables stores	1 433 751	1 231 529
	3 315 422	2 815 269
5. Receivables from exchange transactions		
Gross balances		
Electricity	28 428 374	19 903 627
Refuse	18 424 806	15 800 761
Housing rental	-	1 204
Sundry debtors	16 119 247	13 484 043
Input Vat accrual	1 756 330	1 369 480
	64 728 757	50 560 015
Less: Allowance for impairment		
Electricity	(2 617 350)	(2 528 814)
Refuse	(12 741 792)	(8 133 312)
Housing rental	-	(1 103)
Sundry debtors	(6 309 897)	(4 908 915)
	(21 669 039)	(15 572 144)
Net balance		
Electricity	25 811 024	17 374 813
Refuse	5 683 014	7 667 449
Housing rental	-	101
Sundry debtors	9 809 350	8 576 028
Input Vat accrual	1 756 330	1 369 480
	43 059 718	34 987 871
Electricity		
Current (0 -30 days)	7 754 339	4 790 273
31 - 60 days	1 353 085	1 194 549
61 - 90 days	1 276 657	963 776
91 - 120 days	1 241 000	763 573
121 - 365 days	5 901 183	3 326 172
> 365 days	10 902 110	8 865 284
	28 428 374	19 903 627
Refuse		
Current (0 -30 days)	1 853 130	1 248 488
31 - 60 days	540 950	643 574
61 - 90 days	470 628	476 604
91 - 120 days	410 615	411 094
121 - 365 days	2 515 919	2 281 932
> 365 days	12 633 564	10 739 069
	18 424 806	15 800 761
Housing Rental		
> 365 days	-	1 204

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Figures in Rand	2024	2023
5. Receivables from exchange transactions (continued)		
Sundry Debtors		
Current (0 -30 days)	552 011	2 034 703
31 - 60 days	176 125	15 618
61 - 90 days	215 793	12 628
91 - 120 days	8 877	152 818
121 - 365 days	365 757	296 193
> 365 days	14 800 684	10 972 983
	16 119 247	13 484 943
Summary of debtors by customer classification		
Residential	24 716 619	17 929 362
Commercial and Industrial	20 759 900	15 557 312
Organs of State	12 029 624	7 402 198
Other debtors	7 222 614	9 671 145
	64 728 757	50 560 015
Reconciliation of allowance for impairment		
Balance at beginning of the year	(15 572 144)	(14 529 405)
Contributions to allowance	(6 096 895)	(1 042 739)
	(21 669 039)	(15 572 144)

Included in other debtors are employee bursaries, payments made in advance and input vat accrual .

Non-Current Assets

Prepayments - non-current portion	1 640 005	-
6. Statutory receivable - VAT receivable		
VAT	4 240 136	4 443 539

2023/2024 VAT 201's were submitted to SARS up until 30 June 2024. VAT is claimed on payment basis.

The amount disclosed is the net VAT on payables and receivables.

Transaction (s) arising from the statute

VAT is levied in terms of Value Added Tax Act 89 of 1991.

Determination of transaction amount

15% of the Vatable/Taxable supply.

Statutory receivables impaired

Carrying amount of the receivable amount disclosed is not impaired.

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Figures in Rand	2024	2023
7. Receivables from non exchange transactions		
Gross balances		
Consumer debtors - Rates	69 578 173	61 355 446
Consumer debtors - Availability charge - electricity	4 956 940	4 378 259
Consumer debtors - Fines	182 188 304	181 650 601
	256 723 417	247 384 306
Less: Allowance for impairment		
Consumer debtors - Rates	(39 719 427)	(39 126 141)
Consumer debtors - Availability charge - electricity	(4 283 825)	(2 965 461)
Consumer debtors - Fines	(177 268 207)	(174 384 577)
	(221 271 459)	(216 476 179)
Net balance		
Consumer debtors - Rates	29 858 746	22 229 305
Consumer debtors - Availability charge - electricity	673 115	1 412 798
Consumer debtors - Fines	4 920 097	7 266 024
	35 451 958	30 908 127
Summary of aging of debtors (Property rates)		
Current (0 -30 days)	4 473 250	2 366 991
31 - 60 days	1 255 080	1 611 481
61 - 90 days	1 110 647	1 190 809
91 - 120 days	1 039 855	1 041 736
121 - 365 days	21 595 510	20 156 741
> 365 days	40 103 831	34 987 688
	69 578 173	61 355 446
Summary of property rates consumer classification		
Residential	28 068 601	27 247 010
Commercial	3 473 590	2 928 840
Organ of State	18 386 271	19 766 267
Other	19 649 711	11 413 329
	69 578 173	61 355 446
Summary of ageing of debtors (Availability charge - electricity)		
Current (0 -30 days)	237 968	120 513
31 - 60 days	98 419	95 371
61 - 90 days	92 051	87 415
91 - 120 days	93 014	83 523
121 - 365 days	610 943	81 001
> 365 days	3 824 545	3 910 436
	4 956 940	4 378 259
Reconciliation of allowance for impairment		
Balance at beginning of the year	(216 476 179)	(212 149 216)
Contributions to allowance	(4 795 280)	(4 326 963)
	(221 271 459)	(216 476 179)

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7. Receivables from non exchange transactions (continued)**Statutory receivables are accountable for as follows:****Transaction(s) arising from statute**

Traffic fines are issued to offenders in terms of the Administrative of Road Traffic Offences (AARTO Act) and Criminal Procedures Act, by the way of notices to offenders which specify the value of the fine that must be paid.

Property rate is charged in terms of the Municipal Property Rates Act and Approved Council Property Rates policy.

Determination of transaction amount

Schedule 3 of the AARTO Regulations 2008 for charge codes and descriptions, penalties and their discounts, and demerit points.

Interest or other charges levied/charged

No interest is charged on outstanding fines, and any additions are further applied by the court is paid by the offender to the court directly, and therefore not considered to be revenue for the municipality.

Property rates: Interest is raised on overdue accounts at 12.75% per annum in accordance with the National Credit Act, in respect of arrears at a simple interest rate of prime 1% determined as at 28 February of each year for the financial year starting 01 July of each year.

Basis used to assess and test whether a statutory receivable is impaired**Traffic fines**

The Municipality account for the traffic fines impairment in accordance with IGRAP 1.

The Municipality assessed the average collection rate of the traffic fines over 7 years.

Property rates

The estimate were determined in accordance with the debt impairment policy of the municipality, supplemented by experience of past practices and statistics in relation to uncollected debt.

Management considered both individually receivables that may be impaired as well as groups of similar receivables that may be impaired.

The total debts were further separated into groups of similar receivables and collection rate with similar risk profiles and assessed for impairment.

Statutory receivables past due but not impaired**Property rates**

As at 30 June 2024, the following statutory receivables were considered to be past due and not impaired. This was determined by taking into account the debt that is outstanding for a period of not more than 90 days which have not been subjected to impairment except for government debts. At 30 June 2024, 45 737 780 (2023: 23 229 590) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	197 083	176 842
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Figures in Rand	2024	2023
7. Receivables from non exchange transactions (continued)		
2 months past due	84 862	54 467
3 months past due	45 455 835	22 998 281

Statutory receivables impaired**Traffic fines**

As of 30 June 2024, Traffic fines of 182 188 304 (2023: 181 650 601) were impaired and provided for.

The amount of the provision was 177 268 207 as of 30 June 2024 (2023: 174 384 577).

The net balance is R4 920 097 (2023: R7 266 025).

Property rates

As of 30 June 2024, Property rates of R69 578 173 (2023: R61 355 446) were impaired and provided for.

The amount of the provision was R39 719 427 (2023: R39 126 141).

The net balance is R29 858 746 (2023: R22 229 305).

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8. Property, plant and equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	150 720 351	-	150 720 351	150 720 351	-	150 720 351
Buildings	20 827 165	(14 048 300)	6 778 865	20 827 165	(13 447 593)	7 379 572
Plant and machinery	14 821 426	(8 910 769)	5 910 657	15 659 530	(8 640 120)	7 019 410
Furniture and fixtures	8 224 193	(6 317 539)	1 906 654	8 014 499	(6 208 283)	1 806 216
Motor vehicles	65 603 582	(33 242 137)	32 361 445	45 629 823	(30 192 836)	15 436 987
IT equipment	17 956 723	(13 423 810)	4 532 913	18 816 380	(12 834 314)	5 982 066
Community	417 389 473	(193 925 338)	223 464 135	394 776 721	(177 230 999)	217 545 722
Infrastructure: Storm water	121 498 907	(74 961 182)	46 537 725	108 503 683	(74 380 750)	34 122 933
Infrastructure: Roads	623 905 424	(300 508 011)	323 397 413	596 091 030	(277 848 071)	318 242 959
Infrastructure: Electricity	80 875 301	(45 251 377)	35 623 924	81 701 465	(43 033 342)	38 668 123
Total	1 521 822 545	(690 588 463)	831 234 082	1 440 740 647	(643 816 308)	796 924 339

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8. Property, plant and equipment (continued)**Reconciliation of property, plant and equipment - 2024**

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Impairment reversal	Total
Land	150 720 351	-	-	-	-	-	150 720 351
Buildings	7 379 572	-	-	(600 707)	-	-	6 778 865
Plant and machinery	7 019 410	440 765	(8 905)	(1 570 514)	(102 842)	132 743	5 910 657
Furniture and fixtures	1 806 216	482 171	(4 742)	(364 239)	(17 924)	5 172	1 906 654
Motor vehicles	15 436 987	23 490 093	(546 705)	(5 986 893)	(52 037)	-	32 361 445
IT equipment	5 982 066	380 612	(52 898)	(1 655 851)	(172 581)	51 565	4 532 913
Community	217 545 722	23 788 157	(104 914)	(10 486 267)	(7 618 560)	359 997	223 464 135
Infrastructure: Storm water	34 122 933	13 194 249	-	(2 604 113)	(434 843)	2 259 499	46 537 725
Infrastructure: Roads	318 242 959	28 074 732	(30 888)	(22 528 904)	(414 834)	54 348	323 397 413
Infrastructure: Electricity	38 668 123	194 498	(354 976)	(3 105 691)	(310 894)	532 864	35 623 924
	796 924 339	90 025 277	(1 104 028)	(48 883 179)	(9 124 515)	3 396 188	831 234 082

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	150 720 351	-	-	-	-	150 720 351
Buildings	7 980 132	-	-	(600 560)	-	7 379 572
Plant and machinery	6 221 334	3 125 964	(186 548)	(1 731 841)	(409 499)	7 019 410
Furniture and fixtures	1 388 703	888 342	(71 158)	(367 321)	(32 350)	1 806 216
Motor vehicles	18 800 020	615 838	-	(3 945 259)	(33 612)	15 436 987
IT equipment	7 381 320	1 345 453	(25 204)	(2 363 295)	(356 208)	5 982 066
Community	210 549 301	21 675 131	(125 145)	(11 075 326)	(3 478 239)	217 545 722
Infrastructure: Storm water	34 549 228	5 271 368	-	(2 758 339)	(2 939 324)	34 122 933
Infrastructure: Roads	319 556 853	20 053 290	-	(21 092 593)	(274 591)	318 242 959
Infrastructure: Electricity	41 756 778	1 015 142	-	(3 113 803)	(989 994)	38 668 123
	798 904 020	53 990 528	(408 055)	(47 048 337)	(8 513 817)	796 924 339

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Figures in Rand	2024	2023
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8. Property, plant and equipment (continued)**Leased Assets**

The municipality has no finance leased assets included in the Property, plant and equipment in the 2023/2024 financial year.

Donations

Computer Equipment	-	70 248
Machinery and equipment	-	109 900
	-	180 148

The municipality did not receive any capital donations during the current financial year as at 30 June 2024.

The municipality received donations in a form of computers and a generator amount to R180 148 from the Department of Art and Culture as at 30 June 2023.

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Total
Opening balance	33 776 015	39 963 759	73 739 774
Additions/capital expenditure	41 268 980	23 768 158	65 037 138
Transferred to completed items	(40 858 110)	(9 087 360)	(49 945 470)
	34 186 885	54 644 557	88 831 442

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Total
Opening balance	20 899 234	20 842 540	41 541 774
Additions/capital expenditure	28 056 186	21 120 771	47 176 957
Transferred to completed items	(12 979 405)	(1 999 552)	(14 978 957)
	33 776 015	39 963 759	73 739 774

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Figures in Rand	2024	2023
8. Property, plant and equipment (continued)		
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		
Labour cost (amount paid to employees)	25 993 958	25 903 150
Contracted services (amount paid to suppliers)	8 127 541	5 389 057
Materials	5 779 298	5 350 201
Fuel and Oil	1 964 719	1 910 522
	41 865 514	38 552 930

Amount paid to employees R25 993 958 (2023: R25 903 150), is included in the Employee related cost (Note 36) in the Statement of Financial Performance.

Amount paid to suppliers R8 127 541 (2023: R5 389 057), is included in the contracted services (Note 44) in the Statement of Financial Performance.

Materials amounting to R5 779 298 (2023: R5 350 201), is included in the inventory consumed (note 45) in the Statement of Financial Performance.

Fuel and Oil amounting to R 1 964 719 (2023: R1 910 522), is included in the inventory consumed (Note 45) in the Statement of Financial Performance.

Capital projects that have been significantly delayed		
King Dinuzulu Sport complex	32 769 290	25 104 532
Eyetheni phase one and two	9 813 247	7 618 370
Urban roads	8 506 301	1 950 885
Construction of Eshowe Testing Station	1 003 402	1 003 402
Upgrade of Sunnysdale Intersection	164 663	164 663
Construction of Eshowe waste station shelter	73 600	73 600
	52 330 503	35 915 452

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8. Property, plant and equipment (continued)**2024 financial year**

King Dinuzulu sport complex - The contractor was terminated in 2023 financial year due to slow performance of appointed contractor and the project was budgeted for in the 2023/2024 financial year. The new contractor has been appointed and has commenced with the work.

Eyetheni phase one and two - The delay was attributable to unfavourable weather conditions. The contractor was granted an extension of contract. This project has been completed during 2023/2024 financial year.

Urban roads - The delay was attributable to poor performance from the appointed contractor. The municipality has implemented contract management. The contractor was terminated. The new contractor was appointed and the project is in progress.

Construction of Eshowe Testing Station - The delay is attributable to insufficient funding, the municipality is currently engaging with Provincial Departments to source funding.

Upgrade of Sunnysdale intersection - The delay is attributable to this project being shared with the Provincial Department of Transport. The municipality is currently engaging with the Department to unlock challenges between the Municipality and the Department.

Construction of Eshowe waste station shelter - The delay is attributable to budget allocation. The budget allocation is anticipated to be done through the adjustments budget 2024/2025.

2023 financial year

King Dinuzulu Sport complex - The municipality has experienced a slow performance from the appointed contractor. The Municipality has implemented contract management. The contractor has been terminated. This project is budgeted for in the 2023/2024 financial year.

Eyetheni phase one and two - The delay is attributable to the unfavourable weather condition. The contractor was granted an extension of contract.

Urban roads - The delay is attributable to poor performance from the appointed contractor. The municipality has implemented contract management. The contractor has been terminated. This project is budgeted for in the 2023/2024 financial year.

Construction of Eshowe testing Station - The delay is attributable to insufficient funding, the municipality is currently engaging with Provincial Departments to source funding.

Upgrade of Sunnysdale intersection - The delay is attributable to this project being shared with the Provincial Department of Transport. The Municipality is currently engaging with the department to unlock challenges between the municipality and the department.

Construction of Eshowe Waste Station shelter - The delay is attributable to budget allocation. The budget allocation is anticipated to be done through the adjustments budget 2024/2025.

The Municipality have tested for possible impairment.

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8. Property, plant and equipment (continued)**Contractual commitments for the acquisition of property plant and equipment**

As at the reporting date, the municipality has contractual commitments in relation to acquisition to the acquisition of property plant and equipment that are recognised in the annual financial statement. Commitments are as follows:

Contractual commitments		
Infrastructure assets	15 389 779	19 883 463
Community assets	7 510 602	11 548 059
	22 900 381	31 431 522
Approved and contracted		
Property plant and equipment	22 900 381	31 431 522
This expenditure will be financed from		
Government grants	20 854 068	21 397 542
Internal funded	2 046 313	10 033 980
	22 900 381	31 431 522

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9. Investment property

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	32 478 000	-	32 478 000	31 333 000	-	31 333 000

Reconciliation of investment property - 2024

	Opening balance	Fair value adjustments	Total
Investment property	31 333 000	1 145 000	32 478 000

Reconciliation of investment property - 2023

	Opening balance	Fair value adjustments	Total
Investment property	30 655 000	678 000	31 333 000

Investment property in the process of being constructed or developed

There is no investment property in the process of being constructed or developed.

The Investment property have been valued in accordance with the municipal valuation roll and have been adjusted to take into account current markets conditions, and other special assumptions depending on the categories of property.

The last effective date of the fair value adjustment was June 2024. The valuations were performed by a Professional Valuer. The valuation was based on the estimated amount for which an asset should exchange on the date of evaluation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The municipal Valuer has extensively experience in the location and category of investment property valued with the necessary qualifications.

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10. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	336 250	(263 000)	73 250	336 250	(241 422)	94 828

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software	94 828	(21 578)	73 250

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software	127 601	(32 773)	94 828

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11. Heritage Assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Historical monuments	9 232 212	-	9 232 212	9 232 212	-	9 232 212
Ceremonial chains	1 079 132	-	1 079 132	1 079 132	-	1 079 132
Total	10 311 344	-	10 311 344	10 311 344	-	10 311 344

Reconciliation of heritage assets 2024

	Opening balance	Total
Historical monuments	9 232 212	9 232 212
Ceremonial chains	1 079 132	1 079 132
	10 311 344	10 311 344

Reconciliation of heritage assets 2023

	Opening balance	Total
Historical monuments	9 232 212	9 232 212
Ceremonial chains	1 079 132	1 079 132
	10 311 344	10 311 344

12. Investments**At amortised cost**
Shares in co-operatives

500 500

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12. Investments (continued)		
Non-current assets		
Unlisted	500	500
13. Payables from exchange transactions		
Trade payables	31 114 783	21 005 270
Payments received in advanced	6 413 092	6 641 611
Retention	7 114 649	6 868 755
Bonus payables	4 710 690	4 956 954
Unallocated deposits	314 578	4 413 055
Vat output accrual	4 516 441	4 800 013
Sundry payables	86 482	101 512
Accrued leave pay	12 277 319	8 649 516
Salary Control	1 033 165	1 396 742
	67 581 199	58 833 428
14. Consumer deposits		
Electricity and refuse	3 811 255	3 644 117
Interest is not paid on Consumer Deposits.		
15. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts		
Department of Human Settlement Grant	116 208	116 208
Integrated National Electrification Grant (INEP)	1 695 561	-
Title Deeds Registration Grant	1 081 699	1 081 699
Municipal Disaster Response Grant (MDRG)	5 550 428	-
	8 443 896	1 197 907

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16. Employee benefit obligations**Defined benefit plan****Post retirement medical aid plan**

The Municipality offers employees and continuation members the opportunity to belong to one several accredited medical schemes. Upon retirement, an employee may continue membership of a accredited medical scheme. Upon a member's death in service, or death in retirement, the surviving dependents may continue membership of the medical scheme.

Eligible employees will receive a post employment subsidy additional of 60% of the contribution payable should they be a member of a medical scheme, subject to the following conditions;

- Membership of a municipality accredited medical aid scheme for the majority of their total services (i.e more than half of their services by retirement.

Continuation members and their eligible dependents receive 60% subsidy.

The most recent actuarial valuations of plan asset and the present value of the unfunded defined benefit obligation were carried out as at 30 June 2024 by an independent valuers.

The present value of the defined benefits obligation and the related current cost and past cost, were measured using the Projected Unit Credit Method.

The principal assumptions used were as follows

Discount rate used	14.23 %	14.23 %
CPI (Inflation rate)	6.82 %	9.11 %
Medical Aid contribution inflation	7.82 %	10.11 %
Net Effective discount rate	4.42 %	3.74 %
Inservice members	296	300
Continuation members	17	15
	313	315

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16. Employee benefit obligations (continued)

The amounts recognised in the statement of financial position are as follows:

Carrying value		
Opening balance	19 320 000	19 750 000
Interest cost	2 500 000	2 345 000
Expected employee benefit payment/current service cost	915 000	966 000
Actuarial (gain)/losses	(1 588 118)	(2 941 568)
Less: municipal paid benefits	(756 880)	(799 432)
	20 390 002	19 320 000

Sensitivity Testing - Mortality rate

	-20%	Base result	+20%
	Withdrawal	(R')	Withdrawal
	Rate (R')		(R')
Accrued liability	21 381 083	20 390 002	19 480 868

A 20% increase in the mortality rates results in a 4.46% decrease in accrued liability, while a 20% decrease in the mortality rates in a 4.86% increase in the accrued liability.

Sensitivity Testing - Medical aid inflation

	1% Decrease	Base result	1% Increase
		(R')	(R')
Accrued liability	20 260 807	20 390 002	20 507 595

A 1% increase in the medical aid contribution inflation rate results in a 0.58% increase in accrued liability, while a 1% decrease in medical aid contribution inflation rate results in a 0.63% decrease in the accrued liability.

Net expense recognised in the statement of financial performance

Expected employee benefit payment/current service cost	915 000	966 000
Interest cost	2 500 000	2 345 000
Actuarial (gains) losses	(1 588 118)	(2 941 568)
	1 826 882	369 432

Liability classification

Current liabilities	1 345 241	847 000
Non current liabilities	19 044 761	18 473 000
	20 390 002	19 320 000

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16. Employee benefit obligations (continued)

Superannuation funds

The latest statutory valuation of the Superannuation Fund (defined benefit) as at 31 March 2023 concluded that:

The fund's liabilities for service to the valuation date was 107.6% (2023:107.6%) funded on the discounted cash flow method at the valuation date.

The fund is 107.6% funded on the "best estimate" funding basis as at the valuation date, and is also fully funded on the financial soundness basis incorporating the full solvency reserve. At the valuation report, the fund was in a sound financial position.

There was no deficit in respect of active members. A surcharge of 5.3% pensionable salaries is payable.

Retirement funds

The latest statutory valuation of the Retirement Fund (defined benefits) as at 31 March 2023 reflect;

The funding level of the Pensions Memorandum Account decreased over the valuation period from 128.8% to 122.8%. This was mainly due to the lower-than-expected investment returns over the valuation period.

Based on the valuation assumption applied in 2023, the fund was fully funded.

An interim actuarial valuation carried out on the retirement fund as at 31 March 2023 reflected;

The fund is 106.8% (2023:106.8%) funded as at valuation date at the overall level. A recommendation was that, the current surcharge of 35% of pensionable salaries continue to be paid to assure the affordability of the full improvement in benefits as well as to build up a Solvency Reserve to afford the Fund a measure of protection.

At the valuation report, the Fund was in a sound financial position.

Provident funds

An interim valuation of the Provident Fund was performed as at 31 March 2023.

Assets exceeded the liabilities and reserves at the valuation date. Unallocated assets amounted to 0.6% of the assets after the release from the Risk and Expense Reserve and the Investment Reserve was 7.0% of Member Shares at the valuation date.

Members can elect a rate of contribution of 5%, 7.5% or 9.25% of pensionable salaries.

The default rate of continuation is set at 9.25% (the highest rate). This rate apply to each new employee unless he/she actively chooses to contribute as at a lower rate.

The fund is 100.6% (2023:100.6%) funded as at the valuation date.

At the valuation date, the fund was in a sound financial position.

Long Service Award

The independent valuers carried out a statutory valuation on the Long Service Awards benefits as at 30 June 2024.

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16. Employee benefit obligations (continued)**Key assumptions used**

Assumptions used at the reporting date:

Discount rates used	12.59 %	11.23 %
CPI (Consumer Price Inflation)	6.82 %	6.49 %
Normal Salary Increase Rate	7.82 %	7.49 %
Net Effective Discount Rate	4.42 %	3.48 %

Active members

474

442

The amount recognised in the statement of financial position are as follows:

Opening balance	9 115 000	9 206 000
Interest cost	1 023 000	1 099 000
Expected employee payment/current service cost	975 000	969 000
Actuarial (gain)/loss	(515 556)	(1 032 024)
Less: municipal paid benefits	(1 480 860)	(1 126 976)
	9 116 584	9 115 000

Net expense recognised in the statement of financial performance

Expected employee payment/current service cost	975 000	969 000
Interest cost	1 023 000	1 099 000
Actuarial (gain)/loss	(515 556)	(1 032 024)
	1 482 444	1 035 976

Liability classification

Current liabilities	1 084 697	1 295 000
Non current liabilities	8 031 888	7 820 000
	9 116 585	9 115 000

Sensitivity Testing - Withdrawal rate

	-20% Withdrawal Rate (R'000)	Base Result (R'000)	+20% Withdrawal Rate (R'000)
Accrued liability	9 570	9 117	8 698

A 20% increase in the withdrawal rates results in a 4,59% decrease in accrued liability, while a 20% decrease in the withdrawal rates results in a 5,07% increase in the accrued liability.

Sensitivity Testing - Normal salary inflation

	1% Decrease (R'000)	Base result (R'000)	1% Increase (R'000)
Accrued liability	8 610	9 117	9 674

A 1% increase in the salary inflation rate results in a 6.11% increase in accrued liability, while a 1% decrease in salary inflation rate results in a 5.56% decrease in the accrued liability.

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17. Provisions**Reconciliation of provisions - 2024**

	Opening Balance	Additions	Utilised during the year	Total
Performance Bonus	866 541	657 062	(457 095)	1 066 508

Reconciliation of provisions - 2023

	Opening Balance	Additions	Utilised during the year	Total
Performance Bonus	867 917	530 526	(531 902)	866 541

The provision for performance bonuses relates to the constructive obligation on payment of performance bonus for section 57 employees in previous years.

Performance bonuses are paid to the Section 57 employees after performance evaluation by the Council.

18. Long term loans**At amortised cost**

DBSA Bank loan - Current portion	396 914	407 335
NEDBank loan - Current portion	1 908 223	-
DBSA Bank loan - long term loan	1 370 446	1 713 261
NEDBank loan - Long term loan	25 964 961	-
	29 640 544	2 120 596
	29 640 544	2 120 596

DBSA Bank loan bears an interest of 12.42% and redeemed bi-annually with interest ending 2029. NEDBANK loan bears an interest of 11.42% and redeemed bi-annually with interest ending 2033.

Non-current liabilities

At amortised cost	27 335 407	1 713 261
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Current liabilities

At amortised cost	2 305 137	407 335
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19. Housing development fund

Loans extinguished by Government on 1 April 1998	828 828	828 828
Installments received from borrowers	4 762 381	4 762 381
Accumulated deficit	(1 267 341)	(1 583 387)
	4 323 868	4 007 822

Reconciliation of the Housing Development Fund

Opening balance	4 007 822	3 778 075
Transfer from accumulated surplus (Interest)	314 944	229 747
Impairment reversal	1 102	-
	4 323 868	4 007 822

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20. Accumulated surplus**Ring-fenced internal funds and reserves within accumulated surplus - 2024**

	Capital replacement reserve	Electrical upgrade	SMME Establishment	Electricity	Indigent Support	accumulated Surplus	Total
Opening balance	31 225 847	396 621	2 743 113	34 399 130	314 407	813 255 006	882 334 124
Net Surplus or (deficit) for the year	-	-	-	-	-	9 369 372	9 369 372
Transfers	(6 647 354)	4 412 151	232 317	-	24 309	1 978 577	-
Interest transferred to Housing Operating Account	-	-	-	-	-	(314 943)	(314 943)
	24 578 493	4 808 772	2 975 430	34 399 130	338 716	824 288 012	891 388 553

Ring-fenced internal funds and reserves within accumulated surplus - 2023

	Capital replacement reserve	Electrical upgrade	SMME Establishment	Electricity	Indigent support	accumulated Surplus	Total
Opening balance	82 462 558	11 285 309	2 505 913	34 399 130	295 943	769 431 444	900 380 297
Net Surplus or (deficit) for the year	-	-	-	-	-	(17 816 425)	(17 816 425)
Transfers	(51 236 711)	(10 888 688)	237 200	-	18 464	61 869 735	-
Interest transferred to Housing Operating Account	-	-	-	-	-	(229 748)	(229 748)
	31 225 847	396 621	2 743 113	34 399 130	314 407	813 255 006	882 334 124

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9. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	336 250	(263 000)	73 250	336 250	(241 422)	94 828

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software	94 828	(21 578)	73 250

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software	127 601	(32 773)	94 828

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10. Heritage Assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Historical monuments	9 232 212	-	9 232 212	9 232 212	-	9 232 212
Ceremonial chains	1 079 132	-	1 079 132	1 079 132	-	1 079 132
Total	10 311 344	-	10 311 344	10 311 344	-	10 311 344

Reconciliation of heritage assets 2024

	Opening balance	Total
Historical monuments	9 232 212	9 232 212
Ceremonial chains	1 079 132	1 079 132
	10 311 344	10 311 344

Reconciliation of heritage assets 2023

	Opening balance	Total
Historical monuments	9 232 212	9 232 212
Ceremonial chains	1 079 132	1 079 132
	10 311 344	10 311 344

11. Investments**At amortised cost**

Shares in co-operatives	500	500
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Figures in Rand	2024	2023
21. Service charges		
Sale of electricity	91 521 052	78 364 292
Solid waste	15 748 024	14 869 348
	107 269 076	93 233 640
22. Rental of facilities and equipment		
Facilities and equipment		
Rental of facilities	1 424 831	1 199 035
23. Fines, Penalties and Forfeits		
Law Enforcement Fines	147 103	6 044
Overdue Books Fines	16 802	8 448
Municipal Traffic Fines	780 600	1 189 870
Disconnection Fees Penalties	50 712	204 386
Retention Forfeits	1 956 840	-
	2 952 157	1 408 748
24. Agency services		
Vehicle Registration	2 601 720	2 156 185
<p>The municipality entered into an agreement with the KwaZulu Natal Department of Transport, to collect process and collect driver licenses on behalf of the Department. The municipality act as an agent to this transaction in accordance with GRAP 109, Principal agent arrangements.</p> <p>A fee of 8.62% of the revenue collected is payable to the Municipality by deducting the fee amount from the funds collected on a daily basis.</p>		
25. Licences and permits		
Business licences	49 767	31 159
Road and Transport licences	2 233 745	1 920 627
	2 283 512	1 951 786
26. Licences and permits (non-exchange)		
Road and Transport	18 016	36 101
27. Availability charge - electricity		
Availability charges	1 470 528	1 316 579

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28. Lease rentals on operating lease		
Plant and equipment		
Contractual amounts	1 097 631	940 262
Lease rentals on operating lease - Weigh bridge		
Contractual amounts	600 000	600 000
Lease rentals on operating lease - Property rental		
Contractual amounts	269 358	227 059
	1 966 989	1 767 321
<p>The municipality entered into a lease agreement with Track Scale to lease the weigh bridge for the disposal of waste. The commencement of the lease was 01 August 2021 and expires on 30 July 2024. An annual escalation applicable will be determined by the Consumer Price Index (CPI).</p> <p>The municipality entered into a lease agreement with Konika Minolta to lease photocopying machines. The commencement of the lease was on the 01 May 2021 and expired on 30 April 2024 and extended for two months (01 May 2024 to 30 June 2024). No escalation is applicable for the duration of the contract.</p> <p>The municipality entered into a lease agreement with Transnet to lease property. This lease was on a month to month contract and has been terminated as at the of 30 June 2024.</p>		
Minimum lease due		
Within one year	62 911	1 358 662
In second to fifth- year	-	62 911
	62 911	1 421 573
29. Interest received - receivables from exchange transactions		
Interest - Waste Management Receivables	1 240 539	490 632
Interest - Electricity Receivables	1 524 933	540 063
Interest - Sundry debtors	168 491	189 590
	2 933 963	1 220 285
30. Actuarial gains		
Remeasurement on Long Service Awards	515 556	1 032 024
Remeasurement on Post Retirement Medical Aid	1 588 118	2 941 568
	2 103 674	3 973 592

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31. Operational Revenue		
Admin handling fees	45 068	19 728
Breakages and losses recovered	1 585	1 302
Advertisement fees	848	-
Building plans	451 820	365 662
Burial fees	224 228	181 163
Cleaning and removal	34 512	47 495
Rates clearance certificate	69 293	88 778
Municipal information and statistics	-	1 503
Skills development refunds	166 322	268 190
Photocopies, faxes and telephone charges	205 798	777 195
Town planning and servitudes	261 924	82 996
Incidental cash surpluses	1 964 593	63 840
	3 425 991	1 897 852

Included in the incidental cash surpluses is the interest earned on land sale transaction and long unclaimed monies from unallocated deposits.

32. Interest earned - external investments**Interest earned**

Interest received - Primary and Call accounts	815 201	391 788
Interest received - Investments	9 296 786	7 748 571
	10 111 987	8 140 359

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33. Property rates		
Rates received		
Residential	28 578 734	23 670 143
Commercial	13 481 468	15 188 965
State owned properties	16 832 518	17 085 982
Agriculture	5 656 114	5 341 512
Vacant land	4 869 089	4 854 160
Mining	1 282 860	1 218 269
Public service infrastructure	1 179 746	1 062 838
	71 880 509	68 421 869
Property rates - penalties imposed	5 113 910	3 035 721
	76 994 419	71 457 590

Valuation Roll Market Values

	R'000	R'000
Residential	3 318 930	3 265 997
Commercial	933 744	927 856
State	1 181 210	1 181 300
Agricultural	3 413 156	3 413 156
Municipal	188 943	189 771
Public Benefits	109 912	109 912
Vacant Land	297 311	304 266
Mining	75 985	75 985
Public Service Infrastructure	3 751 242	3 786 241
	13 270 433	13 254 484

Valuation Roll Randages

Residential	1.2343	1.1722
Commercial	1.5429	1.4652
Agricultural	0.3085	0.2930
Public Service Infrastructure	0.3085	0.2930
Vacant Land	2.4687	2.3444
Public Benefit Organisation	0.3085	0.2930
Mining	2.4687	2.3444
Organ of State	1.5429	1.4652

Valuations on land and buildings are performed every five years. The last general valuation came into effect on 1 July 2020.

Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

Supplementary Valuation rolls have been received for 2023/2024 financial year.

Impermissible rebates are applied to residential properties valued less than or equal to R150 000 on market values.

Rates are levied on an annual basis with the final date for payment being Wednesday, 31 July 2024. Interest is raised on overdue accounts at 12.75%.

The new general valuation will be implemented on 01 July 2025.

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34. Transfer and subsidies		
Other subsidies		
SPCA Grant- In-Aid	165 000	160 000
Tourism Grant-In-Aid	240 000	235 000
Households (Groceries,temporal shelters and food parcels)	7 248 573	4 172 898
Bursaries - non employees	131 780	134 500
Social welfare Grant-In-Aid	170 000	165 000
Museum Grant-In-Aid	205 000	200 000
	8 160 333	5 067 398

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35. Government grants & subsidies		
Operating grants		
Equitable share	241 259 000	226 654 000
Finance Management Grant (FMG)	1 720 000	1 720 000
Community Library Grant	5 471 000	5 471 000
Expanded Public Works Programme Grant (EPWP)	3 146 000	4 098 000
Integrated National Electrification Programme Grant (INEP)	1 804 439	651 790
Museum Grant	1 043 000	984 000
Municipal Disaster Response Grant (MDRG)	2 949 572	-
	257 393 011	239 578 790
Capital grants		
Department of Economic Development and Tourism Grant	1 000 000	-
Municipal Infrastructure Grant (MIG)	58 576 000	45 827 000
	59 576 000	45 827 000
	316 969 011	285 405 790
Equitable Share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
All registered indigents receive a monthly subsidy in accordance with the municipality's approved Indigent Policy.		
Finance Management Grant (FMG)		
Current-year receipts	1 720 000	1 720 000
Conditions met - transferred to revenue	(1 720 000)	(1 720 000)
	-	-
Conditions met - transferred to revenue (see note 15).		
This grant is utilised for Intern's salaries to advance the implementation of the MFMA, training of officials to meet the minimum competency requirements, and for Asset Management and Financial system enhancements and training. No funds have been withheld.		
Municipal Infrastructure Grant (MIG)		
Current-year receipts	58 576 000	45 827 000
Conditions met - transferred to revenue	(58 576 000)	(45 827 000)
	-	-
Conditions met - transferred to revenue (see note 15).		
The grant is utilised to construct roads, bridges, sportfields, community halls and streetlights as part of the upgrading of informal settlement areas. No funds were withheld.		
Integrated National Electrification Programme Grant (INEP)		
Balance unspent at beginning of year	-	78 930
Current-year receipts	3 500 000	841 156
Conditions met - transferred to revenue	(1 804 439)	(841 156)
Withheld by Treasury	-	(78 930)
	1 695 561	-

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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35. Government grants & subsidies (continued)

Conditions still to be met - remaining liabilities (see note 15).

The municipality received a schedule 5B in a licensed area at King Dinuzulu Township for the 2023-2024 financial year. The purpose of this grant is to provide capital subsidies to the municipality to address the electrification backlog. Funds unspent from the previous financial year were withheld by National Treasury through Equitable Share.

Community Library Grant

Current-year receipts	5 471 000	5 471 000
Conditions met - transferred to revenue	(5 471 000)	(5 471 000)
	-	-

Conditions met - transferred to revenue (see note 15).

The grant is utilised to subsidise expenditure and upgrading of libraries. No funds have been withheld.

Museum Grant

Current-year receipts	1 043 000	984 000
Conditions met - transferred to revenue	(1 043 000)	(984 000)
	-	-

Conditions met - transferred to revenue (see note 15).

The grant is utilised to subsidise expenditure incurred solely for the Museums. No funds have been withheld.

Title Deeds Registration Grant

Balance unspent at beginning of year	1 081 699	1 081 699
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Conditions still to be met - remaining liabilities (see note 15).

The grant is utilised to register title deeds for houses beneficiaries. No funds have been withheld.

Department of Human Settlement Grant

Balance unspent at beginning of year	116 208	116 208
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Conditions still to be met - remaining liabilities (see note 15).

The grant is for construction of rural housing scheme. No funds have been withheld.

Expanded Public Works Programme Grant (EPWP)

Current-year receipts	3 146 000	4 098 000
Conditions met - transferred to revenue	(3 146 000)	(4 098 000)
	-	-

Conditions met - transferred to revenue (see note 15).

The Expanded Public Works Programme is a government programme aimed at the alleviation of poverty and unemployment. This programme ensures the full engagement on Labour Intensive Methods of Construction to workers for skills development. No funds have been withheld.

Informal Traders Infrastructure Grant

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Figures in Rand	2024	2023
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35. Government grants & subsidies (continued)

Current-year receipts	1 000 000	-
Conditions met - transferred to revenue	(1 000 000)	-
	<u>-</u>	<u>-</u>

Conditions met - Transferred to revenue (see note 15).

The grant is utilised to construct informal traders infrastructure as part of promoting Local Economic Development. No funds have been withheld.

Municipal Disaster Response Grant (MDRG)

Current-year receipts	8 500 000	-
Conditions met - transferred to revenue	(2 949 572)	-
	<u>5 550 428</u>	<u>-</u>

Conditions still to be met - remain liabilities (see note 15).

The grant is utilised to restore municipal infrastructures damaged during bad weather conditions experienced during 2023/2024 financial year. No funds have been withheld.

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
36. Employee related costs		
Basic	116 308 570	107 044 878
Bonus	8 714 858	8 651 538
Medical aid - company contributions	9 186 487	8 400 569
Leave pay provision charge	5 999 404	4 869 917
Post-retirement medical aid	3 415 000	3 311 001
Overtime payments	8 498 272	10 509 381
Long-service awards	1 998 000	2 068 000
Car allowance	5 466 559	4 748 463
Housing benefits and allowances	1 378 904	1 334 948
Rental allowance	73 192	72 524
Group life insurance	1 957 507	1 827 436
Performance bonuses	657 063	530 526
Cellphone allowance	1 823 467	1 731 301
Pension and UIF Contributions	21 268 455	20 008 069
	186 745 738	175 108 551
Remuneration of Municipal Manager		
Annual Remuneration	1 299 714	1 092 635
Car Allowance	216 000	188 000
Performance Bonuses	118 389	140 744
Contributions to UIF, Medical and Pension Funds	2 125	62 174
Group life	-	6 692
Leave	-	150 097
	1 636 228	1 638 342
Remuneration of Chief Finance Officer		
Annual Remuneration	830 963	405 041
Car Allowance	300 000	79 000
Contributions to UIF, Medical and Pension Funds	108 948	9 224
	1 239 911	493 265
Remuneration of Director Corporate Services		
Annual Remuneration	1 122 298	1 159 036
Car Allowance	120 000	90 000
Performance Bonuses	165 897	161 065
Contributions to UIF, Medical and Pension Funds	2 125	2 125
Leave pay	-	301 481
	1 410 320	1 713 707
Remuneration of Director Engineering Services		
Annual Remuneration	944 831	804 666
Car Allowance	144 000	25 204
Performance Bonuses	-	80 533
Contributions to UIF, Medical and Pension Funds	153 009	25 318
Leave pay	-	73 750
Housing	-	889
	1 241 840	1 010 360

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
36. Employee related costs (continued)		
Remuneration of Director Community Services		
Annual Remuneration	1 167 835	1 098 859
Car Allowance	120 000	75 000
Performance Bonuses	89 861	149 560
Contributions to UIF, Medical and Pension Funds	2 125	79 201
Leave pay	-	161 176
	1 379 821	1 563 796
Remuneration of Director Planning and Development Services		
Annual Remuneration	1 024 401	498 061
Car Allowance	120 000	60 000
Performance Bonuses	82 948	-
Contributions to UIF, Medical and Pension Funds	101 573	44 598
	1 328 922	602 659

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Figures in Rand	2024	2023
37. Remuneration of councillors		
Basic allowance	20 440 057	19 492 640
Travelling allowance	1 422 436	1 312 873
Cellphone allowance	2 924 610	2 244 000
Pension fund contribution	370 972	173 700
	25 158 075	23 223 213
Mayor	1 003 885	946 965
Deputy Mayor	813 772	762 449
Mayoral Committee Members	6 129 897	5 890 404
Speaker	813 772	766 451
Councillors	15 630 512	14 344 333
Chief Whip	766 237	712 611
	25 158 075	23 223 213
Remuneration of the Mayor		
Basic allowance	663 282	632 328
Travelling allowance	237 676	227 441
Cellphone allowance	53 181	40 800
Pension fund contribution	49 746	46 396
	1 003 885	946 965
Remuneration of the Deputy Mayor		
Basic allowance	570 423	540 337
Travelling allowance	190 141	181 312
Cellphone allowance	53 208	40 800
	813 772	762 449
Remuneration of the Speaker		
Basic allowance	708 227	543 338
Travelling allowance	52 337	182 313
Cellphone allowance	53 208	40 800
	813 772	766 451
Remuneration of the Whip of Council		
Basic allowance	465 019	437 902
Travelling allowance	178 257	168 853
Cellphone allowance	53 208	40 800
Pension fund contribution	69 753	65 056
Subsistence and travel reimbursements	12 304	-
	778 541	712 611
Remuneration of the Executive Committee		
Basic allowance	5 202 869	5 160 354
Travelling allowance	321 303	168 853
Cellphone allowance	425 664	326 400
Pension fund contribution	180 060	34 797
Subsistence and travel reimbursements	60 955	54 276
	6 190 851	5 744 680
Remuneration of ordinary Councillors		
Basic allowance	12 830 237	12 178 382

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
37. Remuneration of councillors (continued)		
Travelling allowance	442 721	384 101
Cellphone allowance	2 286 141	1 754 400
Pension fund contribution	71 413	27 450
Subsistence and travel reimbursements	126 884	124 524
	15 757 396	14 468 857

In-kind benefits

The Mayor, Deputy Mayor, Speaker, Chief Whip and MPAC Chairperson are full time councillors. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor has two full time bodyguards and use of a Council owned vehicle.

The Deputy Mayor has two full time bodyguards and a use of Council owned vehicle.

The Speaker has two full time bodyguards and use of a Council owned vehicle.

The Chief Whip has two full time bodyguards.

Subsistence and travelling reimbursement

The councillors' subsistence and travelling reimbursement R200 142.64 (2023: R178 800.05) is included under operational cost in the Statement of Financial Performance.

38. Depreciation and amortisation

Property, plant and equipment	48 883 179	47 048 337
Intangible assets	21 577	32 774
	48 904 756	47 081 111

39. Impairment loss**Impairments**

Property, plant and equipment	9 124 515	8 513 818
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Reversal of impairments

Property, plant and equipment	(3 396 226)	-
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Total impairment losses recognised (reversed)	5 728 289	8 513 818
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The municipality recognised R9 124 515 as impairment loss for 2023/2024 financial year due to bad weather conditions experienced by the municipality which affected some municipal asset conditions.

The municipality also recognised an impairment reversal as a result of assets that were not verified in 2022/2023 financial year and were impaired. During the 2023/2024 financial year the municipality conducted a special investigation and some of these assets were found.

40. Finance costs

Current borrowings	3 146 984	276 858
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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
41. Debt impairment		
Debt impairment	9 918 654	5 136 165
Debt impairment for consumer debtors is R7 034 985 (2023:R 2 321 437)		
Increase in provision from (2023:232 048 323) to (2024:R242 940 498). No bad debt written off as at 30 June 2024 (2023:R1 136 759).		
Debt impairment for Traffic fines is R2 883 630 (2023:R2 814 728), the provision increased from 30 June 2023: R174 384 577 to 30 June 2024:R177 281 890.		
42. Operational costs		
Advertising	2 800 304	4 841 214
Auditors remuneration	2 356 117	2 485 250
Bank charges	303 294	294 774
Cleaning	16 026	17 205
Commission paid	64 920	64 566
Communications	1 494 788	1 509 061
Entertainment	148 396	145 615
Hire charges	757 370	1 212 915
Insurance	2 982 649	2 908 097
IT expenses	10 216 186	11 910 642
Levies	1 682 651	1 577 920
Motor vehicle licence and registrations	547 670	667 700
Printing and stationery	-	788
Protective clothing	1 269 275	1 470 171
Performing Arts	1 613	4 086
Subscriptions and membership fees	33 206	31 943
Vehicle tracking	193 943	134 110
Transport	569 500	1 368 649
Training	1 170 846	1 816 030
Subsistence and Travel allowance	2 827 821	3 082 704
Loose Tools	131 103	149 139
Utilities	3 091 057	3 314 405
Archiving	259 229	169 110
Bargaining Council	2 182 202	2 009 511
Honoraria (voluntary workers)	6 000	46 718
Indigent relief	5 029 607	5 440 999
Ward committees	3 915 000	3 255 800
Road worthy tests	12 522	8 368
Sitting allowance for traditional leaders	-	2 000
Signage	155 017	29 600
Workman's Compensation Fund	891 914	1 208 784
	45 110 224	51 177 874
43. Bulk purchases		
Electricity - Eskom	89 665 933	73 697 110

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Figures in Rand	2024	2023
43. Bulk purchases (continued)		
Electricity losses		
	Units 2024	Units 2023
Purchases	46 506 142	44 407 845
Sales	(38 082 866)	(36 505 031)
Total loss	8 413 276	7 902 614
	16 221 174	13 114 855
Comprising of:		
Technical losses	2 557 838	2 441 819
Non-technical losses	5 855 438	5 460 795
Total	8 413 276	7 902 614
	16 221 174	13 114 855
Percentage Loss:		
Technical losses	6 %	6 %
Non-technical losses	12 %	12 %
Total	18 %	18 %
	18 %	18 %
44. Contracted services		
Outsourced Services		
Alien Vegetation Control	102 464	76 850
Animal Care	601 239	624 000
Burial Services	1 571 011	1 547 100
Business and Advisory	4 490 994	3 674 853
Clearing and Grass Cutting Services	4 111 356	3 288 486
Medical Services	20 370	65 760
Personnel and Labour	8 874 980	11 109 583
Connection/Dis-connection	7 504	10 954
Refuse Removal	7 412 977	6 296 031
Security Services	19 647 724	23 288 752
Traffic Fines Management	20 752	161 692
Electrical	1 486 270	811 487
Consultants and Professional Services		
Business and Advisory	1 628 271	3 460 312
Infrastructure and Planning	640 086	2 314 060
Legal Cost	1 435 924	1 224 886
Contractors		
Artists and Performers	1 013 971	294 300
Catering Services	1 830 752	2 912 453
Graphic Designers	3 200	42 077
Maintenance of Buildings and Facilities	3 664 248	2 339 941
Maintenance of Equipment	1 087 703	778 858
Maintenance of Unspecified Assets	20 444 087	19 170 615
Pest Control and Fumigation	8 950	-
Prepaid Electricity Vendors	826 583	1 849 735
Stage and Sound Crew	270 000	631 640
	81 201 396	85 984 425

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
45. Inventory consumed		
Stationery, cleaning materials, fuel, oil and other materials	11 331 153	11 056 963
Materials and supplies	5 597 019	5 156 165
	16 928 172	16 213 128
46. Cash generated from operations		
Surplus (deficit)	9 369 372	(17 816 426)
Adjustments for:		
Depreciation and amortisation	48 904 756	47 081 111
Gain/Loss on sale of assets and liabilities	(59 789)	(2 216 945)
Gain on foreign exchange	(2 103 674)	(3 973 592)
Fair value adjustments	(1 145 000)	(678 000)
Actuarial gains (non-cash)	(2 103 674)	(3 973 592)
Impairment deficit	5 728 289	8 513 818
Debt impairment	9 918 654	5 136 165
Bad debts written off	-	1 136 759
Post-employment medical aid	2 678 123	2 511 569
Movements in bonus provision	199 967	(447 217)
Long service award	-	941 024
Changes in working capital:		
Inventories	(500 153)	640 983
Receivables from exchange transactions	(17 990 501)	(5 771 428)
Receivables from non-exchange transactions	(4 543 831)	(15 417 540)
Prepayments	(1 640 005)	-
Payables from exchange transactions	8 747 771	1 663 702
VAT	2 805 356	4 206 333
Unspent conditional grants and receipts	7 245 989	(78 930)
Consumer deposits	167 138	287 670
Cash generated from operations	65 678 788	21 745 664
47. Construction contract		
Advances received		
Integrated National Electrification Programme	-	3 630 095
Construction contract		
Contract Revenue	-	3 156 604
Contract costs	-	(3 156 604)
	-	-

2023/2024 Financial Year

The municipality did not receive any schedule 5B grant in respect of un-licenced areas, the total schedule 5B grant received by the the municipality in 2023/2024 financial year is utilised on licenced areas only.

2022/2023 Financial Year

The municipality received a schedule 5B grant to an un-licenced areas such as Ohabeni and Izinsundu electrification projects. The municipality is undertaking construction activities as a primary contractor on behalf of Department of Mineral Resources and Energy and ESKOM in areas where it does not have an approved license for the supply of electricity. The municipality has accounted for this transaction according to GRAP 11, Construction contract.

To measure reliably the work performed, the completion of a contract is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs and the completion of a physical proportion of the contract work.

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
47. Construction contract (continued)		
As at 30 June 2023, there was no retention due for electrification projects.		
As at 30 June 2023, there were no gross amount due from customers for work as an asset and the gross amount due to customers for work as a liability.		
The municipality will transfer these projects to Eskom after completion as per the Memorandum of understanding signed between the Municipality and ESKOM.		
48. Fair value adjustments		
Investment property (Fair value model)	1 145 000	678 000
49. Gain/(loss) on disposal of assets		
Gain/(loss) on disposal of property plant and equipment	59 789	2 216 945
50. Commitments		
Authorised capital expenditure		
Approved and contracted		
• Property, plant and equipment	22 900 381	31 431 522
This expenditure will be financed from:		
• Government grants	20 854 068	21 397 542
• Internally funded	2 046 313	10 033 980
	22 900 381	31 431 522
Total capital commitments		
Already contracted for but not provided for	22 900 381	31 431 522
51. Operating lease as a lessor (Income)		
Minimum lease payments due		
Within one year	821 772	377 262
Certain of the municipal's properties are held to generate rental income and provide services to the community to assist with local economic and social development. Lease agreements are cancelable by both parties.		

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
52. Contingencies		
Contingent liabilities		
The municipality is defending a case arising from the termination of road construction contract at the King Dinuzulu Suburb. Plaintiff has appointed a new attorney. Awaiting trial.	10 754 222	10 754 222
The municipality is defending a case arising from the termination of Project Management Unit Service contract. Awaiting the setting of the matter down for pre trial and trial.	702 240	702 240
The municipality is defending a case arising from damages caused to the plaintiff's vehicles when it drove into a drain hole allegedly left open by The municipality. the matter is dominis litis and the success of the matter is 50% in favor of the Council, in all reasonable probabilities. Notice of intention to defend and pleadings are not yet closed. has been filed Case number 590/2019	38 000	38 000
The municipality is defending a case arising from alleged unfair labour practice and unfair dismissal. Bargaining Council favoured with the employee to be reinstated. The municipality has since requested a legal advise on the prospect of the case. Currently there are no merit in reviewing the said award. Case number KPD012222	887 023	1 100 000
The municipality is defending a case arising from the labour practice on review of an arbitration award for reinstate in the Labour Court. The matter has been closed and the employee has been reinstated.	-	400 000
	12 381 485	12 994 462

The municipality made the following amendments to 2022/2023 contingent liabilities;

The municipality defending a case for property rates dispute on Ert 331, this was incorrectly classified as a contingent liability.

The municipality defending a case arising from the breach of consulting contract for Kwabulawayo sportsfield, this case was withdrawn by the applicant during 2022/2023 financial year.

The municipality defending a case arising from damages to a motor vehicle caused by a pothole, this matter was settled both parties during 2022/2023 financial year.

Based on the developments that occurred during 2022/2023 financial year these cases were no longer contingent liabilities on the reporting date 2022/2023.

Contingent assets

No contingent assets exist for the period ended 30 June 2024 (2023:R0).

53. Section 45 of Supply Chain Managements Regulations - Awards made to close family members of persons in the service of the State-

The municipality did not conduct business with services providers of which the directors are closely related to a person employed in the service of the state (2023: R987 858).

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
53. Section 45 of Supply Chain Managements Regulations - Awards made to close family members of persons in the service of the State- (continued)		
Lwandle Entertainment and Production - an employee of the state	-	78 900
Zakanisto Entertainment - An associate employed at the municipality in Tourism Section. The associate has no influence in terms of any awards in accordance with the post.	-	29 400
ManTK IT Solution - An associate employed at the municipality in Tourism Section. The associate has no influence in terms of any awards in accordance with the post.	-	848 328
Mfanex - An associate employed at the municipality in IDP Section. The associate has no influence in terms of any awards in accordance with the post.	-	31 230
	-	987 858

54. Related parties**Related party balances****Related party transactions**

Key Management Personal and Councillors Remuneration.

Remuneration of Key Management Personal and Councillors is set out in Note 36 & 37 to the annual financial statements.

55. Change in estimate**Property, plant and equipment**

The municipality has revised the remaining useful lives of assets which had reached the end of their useful lives based on the asset conditions in terms of GRAP 17 paragraph 56.

The effect of the revision has decreased a depreciation by R2 091 750

Depreciation	Depreciation per annum before	Depreciation per annum after	Change in depreciation per annum
Community assets	(450 627)	141 882	(308 745)
Computer equipment	(1 474 207)	768 500	(705 707)
Electricity infrastructure	(559)	313	(246)
Furniture and equipment	(143 584)	134 584	(9 000)
Intangible assets	(32 775)	21 584	(11 191)
Machinery and equipment	(924 191)	563 852	(360 339)
Roads infrastructure	(96 577)	68 792	(27 785)
Storm water infrastructure	(440 230)	189 274	(250 956)
Vehicles	(845 867)	428 086	(417 781)
	(4 408 617)	2 316 867	(2 091 750)

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements**56. Prior Period Adjustments****Statement of Financial Position**

	Audited	Prior year adjustments	Reclassifying adjustments	Restated
Assets				
Current Assets				
Cash and cash equivalents	73 653 622	(4 032 904)	-	69 620 718
Receivables from exchange transactions	32 104 184	2 065 296	818 390	34 987 871
VAT receivable	-	-	4 445 539	4 443 539
	105 757 806	(1 967 608)	5 263 929	109 052 128
Non-Current Assets				
Property, plant and equipment	789 514 572	7 409 767	-	796 924 339
Investments	1 000	(500)	-	500
	789 515 572	7 409 267	-	796 924 839
Total Assets	895 273 378	5 441 659	5 263 929	905 976 967
Liabilities				
Current Liabilities				
Long term loans	342 816	-	64 519	407 335
Payables from exchange transactions	52 178 580	1 854 835	4 800 013	58 833 428
VAT payable	5 867 251	(4 032 904)	(1 834 347)	-
	58 388 647	(2 178 069)	3 030 185	59 240 763
Non-Current Liabilities				
Long term loans	1 777 780	-	(64 519)	1 713 261
Total Liabilities	-	-	(64 519)	-
Net Assets				
Accumulated surplus	872 418 432	9 915 691	-	882 334 123

56.1. Cash and cash equivalents

Amount as reported on audited AFS - 30 June 2023
 Prior period adjustment restating the 2022/2023 movement

73 653 622
 (4 032 904)
69 620 718

Short term investment withdrawal account number. 52191090523 from First National Bank (Primary Bank Account) was incorrectly recognised as a vatable transaction.

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements**56. Prior Period Adjustments (continued)****56.2 Receivables from exchange transactions**

Amount as reported on audited AFS - 30 June 2023	32 104 184
Prior period adjustment restating the opening balance as at 1 July 2022	1 420 734
Prior period adjustment restating the 2022/2023 movement	1 462 952
	<u>34 987 870</u>

The municipality made adjustments on reclassification of vat receivable and vat accruals.

The municipality erroneously did not recognise prepayment made to attorneys for property acquisition made in 2018 and the interest earned. The municipality paid for employee bursaries but were not recognised as debtors. The municipality accounted for vat accrual incorrectly accounted in 2023/2024 instead of 2022/2023 financial year.

56.3 VAT receivable

Prior period adjustment restating the 2022/2023 movement	<u>4 443 539</u>
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Reclassification of vat receivable from SARS after it has been separated from vat accruals previously disclosed under current liabilities.

56.4 Property, plant and equipment

Amount as reported on audited AFS - 30 June 2023	789 514 572
Prior period adjustment restating the opening balance as at 1 July 2022	8 707 775
Prior period adjustment restating the 2022/2023 movement	(1 298 010)
	<u>796 924 337</u>

The municipality recognised the donation of 9 creches which were donated in 2016 by Divine Life but were not taken on as part of municipal assets and Sunnysdale low cost housing internal roads which was co-funded by the department of Human Settlement.

56.5 Investments

Amount as reported on audited AFS - 30 June 2023	1 000
Prior period adjustment restating the 2022/2023 movement	(500)
	<u>500</u>

The municipality accounted investment refund from coastal farmers.

uMlalazi Local Municipality

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements**56. Prior Period Adjustments (continued)****56.6 Payables from exchange transactions**

Amount as reported on audited AFS - 30 June 2023	52 178 580
Prior period adjustment restating the opening balance as at 1 July 2022	51 977
Prior period adjustment restating the 2022/2023 movement	6 602 871
	<u>58 833 428</u>

Prior period adjustment on lease provisions previously raised as an average lease payments but was not reversed during the actual payments. Reversal of retention that was incorrectly raised and reclassification of vat receivable and vat accruals.

56.7 Long term loans

Amount as reported on audited AFS 30 - June 2023	342 816
Prior period adjustment restating the 2022/2023 movement	64 519
	<u>407 335</u>

Reclassification of current long term loan portion which was reflected under non current long term loan.

56.8 VAT payable

Amount as reported on audited AFS - 30 June 2023	5 867 251
Prior period adjustment restating the 2022/2023 movement	(5 867 251)
	<u>-</u>

Reclassification of vat as per new GRAP standard 108 requirements and a short term investment withdrawal was incorrectly recognised as a vatable transaction.

56.9 Long term loans

Amount as reported on audited AFS - 30 June 2023	1 777 780
Prior period adjustment restating the 2022/2023 movement	(64 519)
	<u>1 713 261</u>

Reclassification of current long term loan portion which was disclosed under non current long term loan

56.10 Accumulated surplus

Amount as reported on audited AFS - 30 June 2023	872 418 432
Prior period adjustment restating the opening balance as at 1 July 2022	9 804 366
Prior period adjustment restating the 2022/2023 movement	111 625
	<u>882 334 423</u>

Adjustments were made to the restatement of cash and cash equivalents, trade payables, PPE and receivables from exchange.

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Notes to the Annual Financial Statements

56. Prior Period Adjustments (continued)

Statement of Financial Performance

	Audited	Prior year adjustments	Reclassifying adjustments	Restated
Revenue				
Revenue from exchange transactions				
Operational income	1 834 012	63 840	-	1 897 852
Revenue from non-exchange transactions				
Transfer revenue				
Fines, Penalties and Forfeits	1 503 418	-	(94 670)	1 408 748
Availability charge - interest on availability charge	-	-	94 670	94 670
Total revenue from non-exchange transactions	479 660 069	63 840	-	479 723 909
Expenditure				
Depreciation and amortisation	(46 139 765)	(941 346)	-	(47 081 111)
Impairment loss	(8 889 940)	376 122	-	(8 513 818)
Lease rentals on operating lease	(1 799 609)	32 288	-	(1 767 321)
Operational expenditure	(51 758 595)	580 721	-	51 177 874
Total expenditure	(108 587 909)	47 785	-	(108 540 124)
Deficit for the year	(17 928 049)	111 625	-	(17 816 424)

56.11 Operational revenue

Amount as reported on audited AFS - 30 June 2023	1 834 012
Prior period adjustment	63 840
	<u>1 897 852</u>

Interest on land sale acquisition, the money was kept in the attorney's trust account which was not recognised.

56.12 Availability charges - interest charge

Prior period adjustment	<u>94 670</u>
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Reclassification of interest on electricity availability charge from fines, penalties and forfeits.

56.13 Fines, Penalties and Forfeits

Amount as reported on audited AFS - 30 June 2023	1 503 418
Prior period adjustment	(94 670)
	<u>1 408 748</u>

Reclassification of interest on electricity availability charge from fines, penalties and forfeits.

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Notes to the Annual Financial Statements**56. Prior Period Adjustments (continued)****56.14 Depreciation and amortisation**

Amount as reported on audited AFS - 30 June 2023	(46 139 765)
Prior period adjustment	(941 346)
	<u>(47 081 111)</u>

Depreciation adjustments relates to the prior period adjustments made within the roads, community and vehicle asset class.

56.15 Impairment loss

Amount as reported on audited AFS - 30 June 2023	8 889 940
Prior period adjustment restating the 2022/2023 movement	(376 122)
	<u>8 513 818</u>

Impairment adjustment relates to the prior period adjustment on disposal of vehicles.

56.16 Lease rentals on operating leases

Amount as reported on audited AFS - 30 June 2023	1 799 609
Prior period adjustment	(32 288)
	<u>1 767 321</u>

Prior period adjustment for lease provisions previously raised as and average lease payments but was not reversed during actual payments.

56.17 Operational expenditure

Balance previously reported	51 758 595
Prior period adjustment	(580 721)
	<u>51 177 874</u>

The municipality paid for employee bursaries but not recognised as debtors and correction vat on store issued items.

57. Risk management**Financial risk management**

Due to the largely non trading nature of the activities and the way in which they are financed, the municipalities are not exposed to the degree of financial risk faced by business entities.

The Municipality's finance functions monitors and manages the financial risks relating to the operations of the municipality. These risks include credit risk, liquidity risk, risk market relating to interest risk.

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57. Risk management (continued)**Liquidity risk**

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and monitored on a regular basis.

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 not discounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Borrowings	2 305 137	407 335
Trade and other payables	67 581 199	58 833 428
	<u>69 886 336</u>	<u>59 240 763</u>

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.

Except as detailed below, the carrying amount of financial assets recorded in the annual financial statements, which is net of impairment losses, represents the municipality's maximum exposure to credit without taking account of the value of any collateral obtained.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2024	2023
Cash and cash equivalent	73 957 994	69 620 718
Trade and other receivables	43 059 718	34 987 871

Market risk**Interest rate risk**

The municipality's interest rate risk arises from long-term borrowings does not affect the municipality as the interest is fixed.

Cash and cash equivalents	<u>73 957 994</u>	<u>69 620 718</u>
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Price risk

Due to a legislation restrictions, the municipality does not trade these investments.

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58. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of 891 388 552 and that the municipality's total liabilities exceed its assets by 895 712 420.

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 procure funding for the ongoing operations for the municipality and that the sound financial management will remain in force for so long as it takes to maintain the solvency of the municipality.

Based on the above, the annual financial statements have been prepared on a going concern as sufficient measures are in place to curb the impact of the economic changes.

Repayments of long-term debt

The municipality has not defaulted in meeting its obligations to repay its long-term debts.

Grant funding in terms of DoRA

Capital projects as well as operational expenditure are partially funded through gazetted transfers to the Municipality to ensure continued operations in terms of the budgeted expenditure for the 2024/2025 financial year.

Revenue Enhancement Strategy

The municipality is in a process of developing and implanting a Revenue Enhancement Strategy to ensure all monies that are due is collected. It must be noted that the municipality has opened opportunities for consumers to enter into debt payment arrangements with the municipality to improve revenue collection. Further more the municipality is continuing with the implementation of Credit Control and Legal action to reduce the outstanding debt. The municipality will adequately budgeted for the provision for bad debts in the 2024/2025 financial year.

Payment of Creditors within thirty (30) days

The municipality has not defaulted in making creditors payments timeously, except where there are delays in receiving the necessary documents to process payments and delays are experienced with service providers who are not adhering to disclosing the correct required information on invoices submitted.

Payment of Bulk Services

The municipality has not defaulted in paying Eskom for bulk service supplied. All payments are made before the due date.

Investments and Positive Bank Balance - The municipality has maintained a positive bank balance for a number of years, and surplus funds are invested or transferred to a call account to maximise interest revenue.

Cash Flow Monitoring

The municipality prepares monthly cash flow report to monitor the cash resources in terms of revenue collection and payments. These reports are reported to Council to monitor the cash flow of the Municipality.

Transactions and events after reporting

Transactions after year end on the general ledger were considered and no negative implications were identified that could change the going concern assumption. No events were identified that could change the going concern.

The municipality's budget for the 2024/2025 financial year indicates a surplus in terms of cash backed reserves, and budgeted cash flows. Furthermore Provincial Treasury has confirmed that the municipality's 2024/2025 budget is funded.

The current ratio of the Municipality is 1:1.87 which shows that the Municipality can be able to honour its obligations.

% of unspent Grants Funded is 100%

Debts to total Assets ration is 0.13 or 13%. This reflects a strong results in terms of all debts covered by total assets, thus Municipality is Solvent.

Cash and Cash equivalent

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58. Going concern (continued)

The municipality's cash and cash equivalent is sitting at R 73 957 994 as at 30 June 2024.

Taking the above into account, there were no factors identified that would cast significant's doubt on the Municipality's ability to continue as a going concern. Therefore, the Annual Financial Statements were on a going concern basis.

59. Events after the reporting date

The following were events happened after the reporting date 30 June 2024.

Nature of Event

A notice for consultation of Determination of Upper Limits of Salaries, Allowances and Benefits of different members of Municipal Councils Circular No. 19/2024, was issued on the 19 August 2024 for 2023/2024 and 2024/2025 financial year.

The notice set out proposal and seek comments on draft upper limits of councillors salaries and allowances, after the end of the reporting date: 30 June 2024 but before the submission of the Annual Financial Statements: 31 August 2024.

Estimate of Financial effect is R 529 433 (2023: R1 135 327)

Nature of Event.

The municipality entered into an agreement with for debt owed to the municipality on municipal services (customer account no. 1538800). The agreement period is 36 months with repayment of debt amounting R 141 500 per month.

Estimate of Financial effect is that, the municipality did not impair this debt in the presence of this agreement.

60. Unauthorised expenditure

Opening balance as previously reported	13 193 765	25 543 808
Add: Unauthorised expenditure - current	7 546 942	13 193 765
Less: Amount authorised/Approved/written off by council	(13 193 765)	(25 543 808)
Closing balance	7 546 942	13 193 765

2023/2024 Incidents

The Municipality incurred R7 546 942 unauthorised expenditure during 2023/2024 financial year. This is a result of non cash items being debt impairment and impairment loss of property plan and equipment. The municipality experienced a number of natural disasters during the financial year and that contributed to an increase in impairment of assets. Collection of debts from government departments remains a challenge to the municipality.

The municipality incurred R13 193 765 unauthorised expenditure during 2022/2023 financial year. This is a result of non cash items being depreciation, impairment and contribution of employee benefit obligation being higher than anticipated. The municipality has followed Section 32 of the MFMA in dealing with prior year's expenditure. The full amount of R13 193 765 has been written off by Council.

2022/2023 Incidents

The municipality incurred R13 193 765 unauthorised expenditure during 2022/2023 financial year. This is a result of non cash items being depreciation, impairment and contribution of employee benefit obligation being higher than anticipated. The municipality is following Section 32 of the MFMA for the expenditure incurred.

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60. Unauthorised expenditure (continued)		
Analysed as follows: non-cash		
Employee related cost	-	755 087
Depreciation and amortisation	-	3 511 979
Provision of impairment	4 338 653	7 789 940
Bad debts written off	-	1 136 759
Impairment loss	3 208 289	-
	7 546 942	13 193 765
61. Fruitless and wasteful expenditure		
Opening balance as previously reported	-	1 610
Less: Amount written off - prior period	-	(1 610)
Closing balance	-	-
2023/2024 Incidents		
The municipality did not incur any fruitless and wasteful expenditure as 30 June 2024		
2022/2023 Incidents		
The municipality did not incur any fruitless and wasteful expenditure as at 30 June 2023.		

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62. Irregular expenditure		
Opening balance as previously reported	-	6 482 810
Add: Irregular expenditure - current	-	4 382 640
Add: Irregular expenditure - prior period	1 441 602	3 743 488
Less: Amount written off - current	(1 441 602)	(4 382 640)
Less: Amount written off - prior period	-	(10 226 298)
Closing balance	-	-

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62. Irregular expenditure (continued)**2023/2024 Incidents**

The municipality incurred an amount of R601 489.06 for the provision of prepaid vending system services. The contract was extended in accordance with section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R601 489.06 has been written off by Council as irrecoverable. This expenditure was identified in the previous year. To date, the new contract was entered between umlalazi municipality and Contour effective from 1 September 2023

The municipality incurred an amount of R478 400 for the provision of animal pound services. The contract was extended in accordance with Section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R478 400 has been written off by Council as irrecoverable. This irregular expenditure has been identified in the previous financial year. To date, the new contract was entered between Umlalazi municipality and Njomisa Boerdery effective from 1 March 2024.

The municipality incurred an amount of R263 828.40 for the provision of performance management system services. The contract was extended in accordance with Section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R263 828.40 has been written off by Council as irrecoverable. This expenditure was identified in the previous year. To date, the new contract was entered between umlalazi municipality and IGS Solutions effective from 3 October 2023.

The municipality incurred an amount of R 97 884.60 for the provision of fleet management system services. The contract was extended in accordance with section 116 of The MFMA for the period beyond a year. This will be referred for investigation in accordance with section 32 of the MFMA. This expenditure was identified in the previous year. To date, the new contract was entered between uMlalazi municipality and Ctrack Mzansi effective from 7 October 2024. An amount R97 884.60 has been written off by Council as irrecoverable.

2022/2023 Incidents

The municipality paid an amount of R837 568.37 for the provision of security services to a service provider whose tax matters were not in order. This has been referred for investigation in accordance with section 32 of the MFMA. An amount of R837 568.37 has been written off by Council as irrecoverable.

The municipality incurred an amount of R2 131 305.78 for the provision of prepaid vending system services. The contract was extended in accordance with section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R2 131 305.78 has been written off by Council as irrecoverable. This expenditure was identified in the previous year.

The municipality incurred an amount of R774 613.55 for the provision of performance management system services. The contract was extended in accordance with Section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R has been written off by Council as irrecoverable. An amount of R774 613.55 has been written off by Council as irrecoverable. This expenditure was identified in the previous year.

The municipality incurred an amount of R154 226.14 for the provision of fleets management system. The contract was extended in accordance with Section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R154 226.14 has been written off by Council as irrecoverable. This irregular expenditure has been identified during 2022/2023 financial year.

The municipality incurred an amount of R478 400 for the provision of animal pound services. The contract was extended in accordance with Section 116 of the MFMA for the period beyond a year. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R478 400 has been written off by Council as irrecoverable. This irregular expenditure has been identified during 2022/2023 financial year.

The municipality incurred an amount of R22 400 for the provision of medical services. The The panel members provided a medical certificate that was not under the company name. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R22 400 has been written off by Council as irrecoverable.

The municipality incurred an amount of R285 999 in respect of procurement relating to Mayoral program. Goods that should

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62. Irregular expenditure (continued)		
have been procured through tender process as per the municipal policy was procured through quotation system. This has been referred for investigation in accordance with Section 32 of the MFMA. An amount of R285 999 has been written of by Council as irrecoverable.		
63. In-kind donations and assistance		
Donations received	299 000	252 448
The municipality received donations and assistance such as wheel chairs and uniform from different donors, amounting to R299 000 (2023: R252 448).		
64. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Current year subscription / fee	2 122 810	1 952 389
Amount paid - current year	(2 122 810)	(1 952 389)
	-	-
Audit fees		
Current year subscription / fee	2 356 117	2 485 250
Amount paid - current year	(2 356 117)	(2 485 250)
	-	-
PAYE, UIF and SDL		
Current year subscription / fee	30 773 899	29 312 894
Amount paid - current year	(30 773 899)	(29 312 894)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	45 227 046	42 093 516
Amount paid - current year	(45 227 046)	(42 093 516)
	-	-
Councillors' arrear consumer accounts		
There are no Councillors with arrear accounts outstanding for more than 90 days at 30 June 2024.		
30 June 2023	Outstanding more than 90 days	Total
Cllr. BE Qwabe	1 317	1 317
Cllr. NF Mthabela	2 280	2 280
	3 597	3 597

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65. Deviation from supply chain management regulations

In terms of regulations 36 of the Municipal Supply Chain Management Regulations any deviations from the Supply Chain Management Policy needs to be approved by the Municipal Manager and noted by Council.

Impractical to follow SCM processes	462 417	3 024 591
Emergency	14 548	1 816 300
	476 965	4 840 891

66. Segment information**General information****Identification of segments**

The municipality is organised and reports to management on the basis of five major functional areas: Basic Services, Good Governance, Public Participation, Financial Management and institutional Capacity. The segments were organised around the type of service delivered. Management uses these same segments for determining strategic objectives. Segments were aggregated 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.

Aggregated segments

The Segments were aggregated on the basis of service delivered as management consider that the economic characteristics of the segments throughout were sufficiently similar to warrant aggregation

Types of goods and/or services by segment

The reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Segment 1	Cemeteries
Segment 2	Electricity
Segment 3	Housing
Segment 4	Roads and Storm Water
Segment 5	Refuse

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66. Segment information (continued)**Segment surplus or deficit, assets and liabilities****2024**

	Cemeteries	Electricity	Housing	Roads and Storm Water	Refuse Removal	Total
Revenue						
Revenue from exchange - Interest received - receivable from exchange transactions	-	1 524 933	-	-	1 240 538	2 765 471
Revenue from exchange - Rental of facilities and equipment	-	-	234 667	-	-	234 667
Revenue from exchange - Operational revenue	224 228	7 403	-	-	34 512	266 143
Revenue from exchange - Service charges	-	91 521 052	-	-	15 748 024	107 269 076
Revenue from non-exchange - Fines, penalties and forfeits	-	-	-	140 381	-	140 381
Revenue from non-exchange - Availability charge	-	1 470 528	-	-	-	1 470 528
Revenue from non-exchange - Transfers and subsidies	2 437 455	17 032 158	2 093 656	79 022 705	6 927 429	107 513 403
Total segment revenue	2 661 683	111 556 074	2 328 323	79 163 086	23 950 503	219 659 669
Revenue from exchange - Interest received						10 521 719
Revenue from exchange - Agency services						2 601 720
Revenue from exchange - Licences and permits						2 283 512
Revenue from exchange - Operational revenue						1 248 176
Revenue from exchange - Rental of facilities and equipment						1 190 164
Revenue from exchange - Actuarial gains						2 103 674
Revenue from exchange - Fair value adjustments						1 145 000
Revenue from exchange - Gain on disposal of assets						59 787
Revenue from non-exchange - Fines, penalties and forfeits						4 723 448
Revenue from non-exchange - Property rates - penalties imposed						5 113 910
Revenue from non-exchange - Licences and permits						18 016
Revenue from non-exchange - Property rates						71 880 510
Revenue from non-exchange - Government grants & subsidies						209 455 608
Total revenue reconciling items						312 345 244
Entity's revenue						532 004 913

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	Cemeteries	Electricity	Housing	Roads and Storm Water	Refuse Removal	Total
66. Segment information (continued)						
Expenditure						
Employee related cost	928 276	8 257 925	2 104 803	14 912 605	10 568 779	38 772 388
Contracted services	1 730 296	1 635 870	223 520	21 348 162	10 102 703	35 040 551
Bulk purchases	-	89 665 933	-	-	-	89 665 933
Depreciation	-	2 896 338	-	28 497 690	-	31 394 028
Impairment loss	-	-	-	5 728 289	-	5 728 289
Finance charges	-	-	-	3 146 984	-	3 146 984
Inventory consumed	-	2 173 266	-	5 001 692	2 329 791	9 504 749
Operational expenditure	3 111	6 926 742	-	527 664	949 230	8 406 747
Total segment expenditure	2 661 683	111 556 074	2 328 323	79 163 086	23 950 503	219 659 669
Total segmental surplus/(deficit)	-	-	-	-	-	-
Unreconciled - Employee related costs						149 973 350
Unreconciled - Remuneration of Councillors						25 158 075
Unreconciled - Contracted services						46 160 843
Unreconciled - Depreciation						17 510 728
Unreconciled - Debt impairment						9 918 654
Unreconciled - Transfers and subsidies						8 160 333
Unreconciled - Inventory consumed						7 423 418
Unreconciled - Operational expenditure						38 670 466
Entity's surplus (deficit) for the period						9 369 372
Assets						
Segment assets acquisitions	3 210 520	1 569 077	-	61 814 171	11 739	66 605 507
Unreconciled - Assets acquisitions						22 668 554
Total assets as per Statement of financial Position						89 274 061

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66. Segment information (continued)**Significant reconciling differences**

An amount of R150 044 740 reflected as employee related cost represent remuneration for all employees that are not associated with any of the reportable segment like employee in finance department and corporate services department and executive department being support departments.

An amount of R45 190 613 reconciling item for contracted services is mainly attributable to contracts like securities and other similar contracts that are not directly linked with any of the reportable segment.

An amount of R17 510 728 for depreciation could not be allocated to any reportable segment as it relates to assets that are used for administrative purposes and other assets that are used as support in running of the municipality.

An amount of R25 158 075 for remuneration of councillors cannot be allocated to any reportable segment as councillors are playing an oversight role in the running of the municipality as a whole and are not linked with a specific reportable segment.

A reconciling item of R 38 611 073 is in respect of municipal running costs for mainly administration purposes like advertising expenses, audit fees, councillors communications and other related expenses which are not directly linked with any of the reportable segment.

2023

	Cemeteries	Electricity	Housing	Roads and Storm water	Refuse removal	Total
Revenue						
Revenue from exchange - Interest received - receivable from exchange transactions	-	490 631	-	-	634 732	1 125 363
Revenue from exchange - Rental of facilities and equipment	-	-	74 154	-	-	74 154
Revenue from exchange - Operational revenue	-	-	19 728	-	-	19 728
Revenue from exchange - Service charges	-	78 364 292	-	-	14 869 348	93 233 640
Revenue from non-exchange - Fines, penalties and forfeits	-	204 386	-	-	-	204 386
Revenue from non-exchange - Availability charge	-	1 316 579	-	-	-	1 316 579
Revenue from non-exchange - Transfers and subsidies	2 069 993	20 287 973	3 464 892	63 637 735	9 708 843	99 169 436
Revenue from non-exchange - Interest on availability charge	-	94 670	-	-	-	94 670
Total segment revenue	2 069 993	100 758 531	3 558 774	63 637 735	25 212 923	195 237 956

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66. Segment information (continued)

Revenue from exchange - Interest received - receivable from exchange transactions						8 140 359
Revenue from exchange - Rental of facilities and equipment						1 124 881
Revenue from exchange - Operational revenue						1 878 124
Revenue from exchange - Agency services						2 156 185
Revenue from exchange - Licences and permits						1 652 732
Revenue from exchange - Interest received - receivable from exchange transactions						189 590
Revenue from exchange - Gains on disposal						2 216 945
Revenue from exchange - Actuarial gains						3 973 592
Revenue from exchange - Fair value adjustment						678 000
Revenue from non-exchange - Property rates						68 421 869
Revenue from non-exchange - Property rates penalties imposed						3 035 721
Revenue from non-exchange - Licences and permits						36 101
Construction contract revenue						3 156 604
Revenue from non-exchange - Government grants & subsidies						186 416 502
Revenue from non-exchange - Fines, penalties and forfeits						1 408 748
Total revenue reconciling items						284 485 953
Entity's revenue						479 723 909
Expenditure						
Employee related costs	519 626	8 789 214	3 108 228	14 211 475	10 972 853	37 601 396
Contracted services	1 547 100	5 925 571	372 372	18 279 266	9 996 843	36 121 152
Bulk purchases	-	73 697 109	-	-	-	73 697 109
Depreciation	-	2 205 564	-	27 141 017	-	29 346 581
Finance charges	-	-	-	276 858	-	276 858
Inventory consumed	-	2 192 226	-	3 203 038	2 953 223	8 348 487
Operational costs	3 267	7 948 847	78 174	526 081	1 290 004	9 846 373
Total segment expenditure	2 069 993	100 758 531	3 558 774	63 637 735	25 212 923	195 237 956
Total segment surplus/(deficit)	-	-	-	-	-	-

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	Cemeteries	Electricity	Housing	Roads and Storm water	Refuse removal	Total
66. Segment information (continued)						
Unreconciled - Employee related costs						137 507 155
Unreconciled - Remuneration of Councillors						23 223 213
Unreconciled - Contracted services						53 019 877
Unreconciled - Depreciation						17 734 530
Unreconciled - Debt impairment						6 236 165
Unreconciled - Transfers and subsidies						5 067 398
Unreconciled - Inventory consumed						7 864 639
Unreconciled - Operational costs						52 466 220
Entity's surplus (deficit) for the period						(17 816 425)
Assets						
Segment assets acquisitions	4 697 226	1 855 141	-	24 761 515	1 042 696	32 356 578
Unreconciled - Assets requisitions						21 633 650
Total assets as per Statement of financial Position						53 990 228

Information about geographical areas

The table below indicates the relevant geographical information after eliminating inter segmental transfers:

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66. Segment information (continued)**2024**

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets
Urban areas	78 643 808	110 436 710	170 839 238	76 776 637
Rural areas	-	-	-	124 843 234
The whole of municipality	320 001 564	23 156 504	351 796 303	674 117 309
Total	398 645 372	133 593 214	522 635 541	875 737 180

2023

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure	Non-current assets
Urban Areas	68 241 868	94 550 219	162 838 135	66 335 524
Rural Areas	-	-	-	109 432 550
The whole of municipality	291 657 758	22 117 460	334 702 199	662 895 937
Total	359 899 626	116 667 679	497 540 334	838 664 011

67. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

uMlalazi Local Municipality

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

67. Accounting by principals and agents (continued)

Details of the arrangement(s) is/are as follows: Details of the arrangement(s) is/are as follows:

Housing Development Project

The municipality is a party to a principal-agent arrangement in terms of the Housing Development Projects. The municipality is considered to be an agent in accordance with GRAP 109, with the Provincial Department of Human Settlements being the principal in this arrangement.

Details of arrangement is as follows;

The purpose of the arrangement is to construct low-cost houses for the identified beneficiaries. The funding is provided by the Provincial Department of Human Settlements.

Significant terms and conditions of the arrangement are as follows;

The municipality is responsible to manage and procure the implementation of the project.

Design the product in consultation with all stakeholders.

Investigate building systems and designs that are acceptable with the community, the municipality and the Department.

Construct the project in accordance with the drawings and specifications within the period of the agreement.

Significant risks have been identified as follows;

Delays in land acquisitions, and funding approval.

Social unrest, Inadequate funding to meet the requirements, and environmental risks.

Mitigation strategy and benefits associated with the relationship are as follows;

Negotiating with land owners prior to the construction.

Ensuring compliance with the agreements to ensure speedy release of the funding.

Constant communication with the community and ensuring public participation.

Be pro-active in the feasibility study to be aware of the environmental per-conditions.

Entity as agent

Revenue recognised

The municipality does not receive compensation for the transactions carried out on behalf of the principal, in terms of the arrangement, and no revenue has been recognised in the current and prior financial year.

The municipality did not receive funds in addition to the unspent opening balance of R 116 208. The remaining funds to be spent at end of the financial year is R116 208. See note 14 .

Liabilities and corresponding rights of reimbursement recognised as assets

No liabilities have been incurred on behalf of the Department of Human Settlement and have been recognised by the municipality.

6

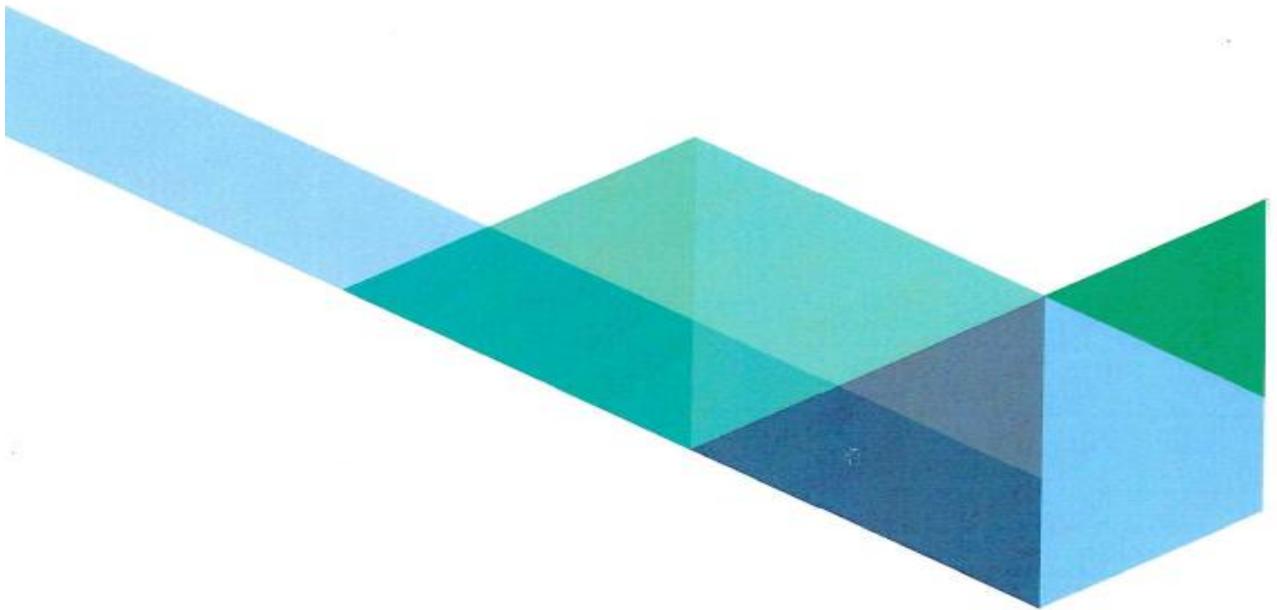
**AUDITOR GENERAL
REPORT**



AUDIT REPORT

uMlalazi Local Municipality

2023-24



Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on uMlalazi Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the uMlalazi Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of budget and actuals 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 uMlalazi Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (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 matter

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

Material impairments: Receivables from exchange and non-exchange transactions

7. As disclosed in note 5 to the financial statements, a provision for impairment of R21,67 million (2022-23: R15,57 million) on receivables from exchange transactions was made as the recoverability of these amounts was doubtful.
8. As disclosed in note 7 to the financial statements, a provision for impairment of R221,27 million (2022-23: R216,48 million) on receivables from non-exchange transactions was made as the recoverability of these amounts was doubtful.

9. As disclosed in note 39 to the financial statements, an impairment loss of R9,13 million (2022-23: R8,51 million) was incurred due to a significant decline in the carrying values of its infrastructure assets, motor vehicles, machinery and equipment as a result of bad weather conditions experienced by the municipality.

Material losses: Electricity

10. As disclosed in note 43 to the financial statements, material electricity losses of R16,22 million (2022-23: R13,11 million) was incurred, which represented 18% (2022-23: 18%) of the total electricity purchased. The electricity distribution losses are mainly due to illegal connections and aging infrastructure.

An uncertainty relating to the future outcome of litigations

11. With reference to note 52 to the financial statements, the municipality is a defendant in various claims from service providers and other parties. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

14. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.
15. 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

16. 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.

17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 8, forms part of our auditor's report.

Report on the audit of the annual performance report

18. 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.
19. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2024 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	XX-XX	To ensure provision of basic services to all communities in a sustainable manner

20. 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.
21. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be

delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for measures taken to improve performance.

22. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

23. I did not identify any material findings on the reported performance information for the selected key performance area.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

26. The table that follow provide information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages xx to xx.

Basic Service Delivery

Targets achieved: 86% Budget spent: 85%		
Key indicator not achieved	Planned target	Reported achievement
% reduction of electricity losses from 18% to 16% by 30 June 2024	16% reduction on electricity losses by 30 June 2024 (from 18% to 16%)	Electricity losses reduction were 18% by 30 June 2024
% progress in construction of 7,5km Ndayini to Ngedlezi gravel road by 30 June 2024	100% progress in construction of 7,5km Ndayini to Ngedlezi gravel road by 30 June 2024	72,8% progress in construction of 7,5km Ndayini to Ngedlezi gravel road by 30 June 2024

% progress in design and construction of Tab Tab Makhathini Sports Centre by 30 June 2024	10% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024	0% progress in construction of Tab Tab Makhathini Sports Centre by 30 June 2024
% progress in construction of Mashabase Sports Field by 30 June 2024	100% progress in construction of Mashabase Sports Field by 30 June 2024	90% progress in construction of Mashabase Sports Field by 30 June 2024
No. of households provided with refuse removal services in ward 7, 11, 12, 18, 19 and 28 once a week by 30 June 2024	6147 households provided with refuse removal services in ward 7, 11, 12, 18, 19 and 28 once a week by 30 June 2024	6144 households provided with refuse removal services in ward 7, 11, 12, 18, 19 and 28 once a week by 30 June 2024

Material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

28. 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.
29. 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.
30. 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.
31. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

32. 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 those selected key performance area presented in the annual performance report that have been specifically reported on in this auditor's report.

33. 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.
34. 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 areas presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
35. 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 me after 30 November 2024.
36. 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.
37. 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 correct, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is correct this will not be necessary.

Internal control deficiencies

38. 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.
39. I did not identify any significant deficiencies in internal control.

Auditor - General
Pietermaritzburg

29 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence.

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit**Professional judgement and professional scepticism**

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected key performance area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the] financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause 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	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2),

Legislation	Sections or regulations
	Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

APPENDICES

APPENDIX A:

Councillors



Mayor
Councillor Q T Xulu



Deputy Mayor
Councillor M M Ngema



Speaker
Councillor J K Powell



Whip
Councillor M Dlodla



Councillor A N Sibiya
Ward 1



Councillor T N Shozi
Ward 2



Councillor M M M Ntuli
Ward 3



Councillor K Khumalo
Ward 4



Councillor S A Khuzwayo
Ward 5



Councillor B C Makathini
Ward 6



Councillor Z Biyela
Ward 7



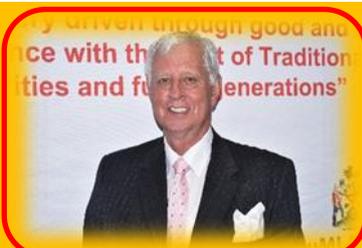
Councillor Z M Mhlongo
Ward 8



Councillor M Dlodla
Ward 9



Councillor B X S Ntombela
Ward 10



Alderman S B Larkan
Ward 11



Councillor T H Biyela
Ward 12



Councillor W L Ngema
Ward 13



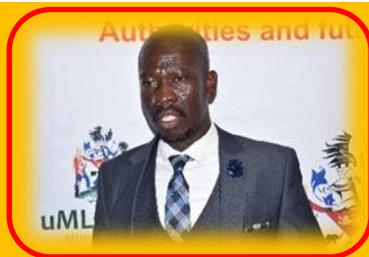
Councillor M D Dladla
Ward 14



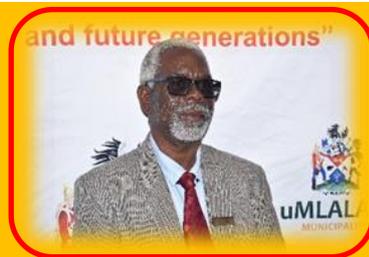
Councillor N Vilakazi
Ward 15



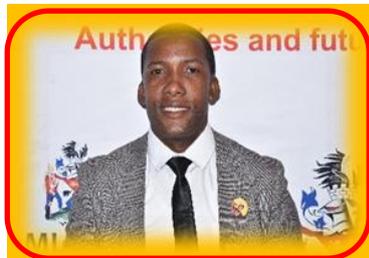
Councillor S A Makathini
Ward 16



Councillor I Q Ngema
Ward 17



Councillor S B Dlamini
Ward 18



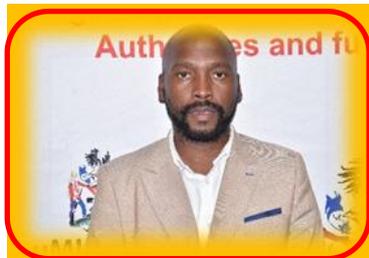
Councillor S W Yimba
Ward 19



Councillor P B Hlabisa
Ward 20



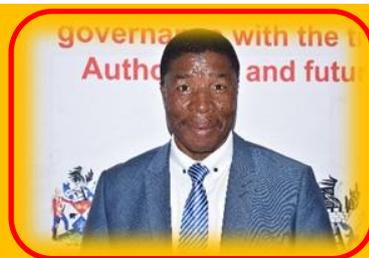
Councillor K Mthembu
Ward 21



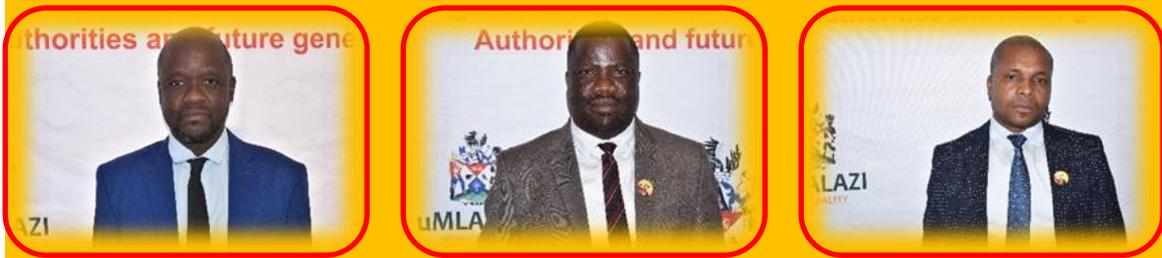
Councillor S I Zibani
Ward 22



Councillor J M Ngema
Ward 23



Councillor M B Biyela (Inkosi)
Ward 24



This block contains three portraits of councillors, each in a rounded rectangular frame with a red border. The first portrait on the left shows Councillor M Ndlovu in a blue suit, with a background featuring the text 'thorities and future gene' and 'ZI'. The middle portrait shows Councillor T Mdlalose in a brown patterned suit, with a background featuring the text 'Authori and futur' and 'uMLA'. The third portrait on the right shows Councillor M M Ngema in a dark suit, with a background featuring the text 'LAZI' and 'MUNICIPALITY'.

Councillor M Ndlovu
Ward 25

Councillor T Mdlalose
Ward 26

Councillor M M Ngema
Ward 27



This block contains a single portrait of Councillor S M Gasa in a dark patterned suit, enclosed in a rounded rectangular frame with a red border. The background of the portrait shows the text 'rities and future generation' and 'u/'. Below the portrait, the name and ward of the councillor are listed.

Councillor S M Gasa
Ward 28

APPENDIX B:

COMMITTEE, MEMBERSHIP AND COMMITTEE PURPOSE

Financial Management Committee	
MEMBERSHIP	PURPOSE
Her Worship the Mayor Councillor Q T Xulu (Chairperson)	<p>The Financial Services Committee is established in terms of Section 79 of the Local Government Municipal Structures Act 117 of 1998 to advise the Executive Committee and ultimately the uMlalazi Council and to promote effective and efficient financial management within the uMlalazi Municipality.</p> <p><u>FUNCTIONS</u></p> <p>The Financial Services Committee is appointed to ensure the effective and efficient management of the Council's financial resources with specific reference to assist with the compliance with the provisions of the Local Government: Municipal Finance Management Act 56 of 2003. In this respect the committee will amongst others consider and report on.</p> <ul style="list-style-type: none"> ▪ Monthly reporting on revenue and spending in respect of the Council's Budget. ▪ Quarterly reports on progress with the Capital Programme. ▪ Managers of Departments or their designee will attend meetings of the Committee at the request of the Municipal Manager. ▪ Applications for grants-in-aid (excluding sporting matters) <p>In considering matters referred to the Committee, cognizance is taken that the Municipal Manager may not in terms of the provisions of the Local Government: Municipal Finance Management Act 56 of 2003, delegate to any political structure or political bearer of the municipality any of the powers or duties assigned to the accounting officer in terms of the said Act.</p>
Alderman S B Larkan	
Councillor S W Yimba	
Councillor K Mthembu	
Councillor B C Makhathini	
Councillor M G Mzimela	
Councillor W L Ngema	
Councillor K S Mthabela	
Councillor N G Qwabe	
Councillor S D Khubisa	

Planning, Housing & Tourism Committee	
MEMBERSHIP	PURPOSE
Councillor S.A. Makhathini (Chairperson) Councillor A.N. Sibiyi Councillor J.M. Ngema Councillor T. Mdlalose Councillor S.I. Zibane Councillor S.A. Khuzwayo Councillor T.L. Ntanzi Councillor B.L. Zungu Councillor T.H. Biyela Councillor S.D. Khubisa	<p>The Planning, Housing and Tourism Committee is established in terms of Section 79 of the Local Government Municipal Structures Act 117 of 1998 to promote the delivery of Corporate Services in the uMlalazi Municipal area.</p> <p>To oversee all matters pertaining to the Planning, Housing and Tourism Department which include Planning, Housing, Building and Integrated Development Plan.</p>

Corporate Services Committee	
MEMBERSHIP	PURPOSE
Councillor K Ntanzi (Chairperson) Councillor M Dladla (Whip of Council) Councillor S M Gasa Councillor M D Dladla Councillor T N Shozi Councillor P B Hlabisa Councillor M M Cebekhulu Councillor N Nombekela Councillor G Z Ncanana Councillor N N Cele	<p>The Corporate Services Committee is established in terms of Section 80 of the Local Government Municipal Structures Act 117 of 1998 to promote the delivery of Corporate Services in the uMlalazi Municipal area.</p> <p>To advise the Executive Committee of all matters pertaining to the Corporate Services Department which include Human Resources, Administration of Committees, Library Services, Records Management, Urban hall bookings, Information Communication Services.</p>

Community Services Committee	
PURPOSE	
<p>Councillor K Khumalo Chairperson</p> <p>Councillor M Dludla (Whip of Council)</p> <p>Councillor Z Biyela</p> <p>Councillor V M Xulu</p> <p>Councillor Z M Mhlongo</p> <p>Councillor M Ndlovu</p> <p>Councillor E F Shange</p> <p>Councillor Z Mpungose</p> <p>Councillor N Vilakazi</p> <p>Councillor T P Khoza</p>	<p>The Community Services Committee is established in terms of Section 79 of the Local Government Municipal Structures Act 117 of 1998 to promote the delivery of Community Services in the uMlalazi Municipal area.</p> <p>The Committee is designated to oversee matters related to health, education, youth, environment, social welfare, arts and culture, Local Economic Development and sport. The uMlalazi Community Services Committee shall advance and uphold the principles of the Environmental Policy of the uMlalazi Council. The Committee will consider all applications of sport bodies for grants-in-aid, and will consider requests/reports from ward committees relating to the terms of reference of the uMlalazi Community Services Committee</p>

Engineering Services Committee	
MEMBERSHIP	PURPOSE
<p>Councillor M M Ngema- Deputy Mayor (Chairperson)</p> <p>Alderman S B Larkan</p> <p>Councillor B C Magwaza</p> <p>Councillor M M M Ntuli</p> <p>Councillor B X S Ntombela</p> <p>Councillor S B Dlamini</p> <p>Councillor M M Khanyile</p> <p>Councillor M S Xulu</p> <p>Councillor I Q Ngema</p> <p>Councillor B Mpungose</p>	<p>The Engineering Services Committee is established in terms of Section 79 of the Local Government Municipal Structures Act 117 of 1998 to promote the delivery of Engineering Services in the uMlalazi Municipal area.</p> <p>To advise the Executive Committee and ultimately the uMlalazi Council on basic services needs as determined in the Council's Integrated Development plan; such as</p> <ul style="list-style-type: none"> • The identification of the water needs of the community in the uMlalazi Municipal area and the provision of same, always in consultation with King Cetshwayo District Municipality and having due regard to the Water Development Plan as set out in the Integrated Development Plan (District) • The provision of electricity to the consumers in the uMlalazi Municipal area through the assistance of the electricity provider – Eskom. • The determination of an electricity maintenance/upgrading plan where the uMlalazi Council is the electricity provider; such plan to be reviewed at the end of each financial year. • Progress reports on HV and LV upgrading will be submitted to the Committee at every scheduled meeting. • The improvement of roads within the rural area of uMlalazi through consultation with the Department of Transport KwaZulu-Natal. • The annual determination of the roads resurfacing/maintenance programme. • The determination and consideration of the roads causeway programme. • The determination of the resurfacing of sidewalks, road reserves within the urban areas of uMlalazi. • Waste Management Services

Other Committees of Council and their membership include: -

<p>Standing Rules and Orders Committee</p> <p>The Speaker Councillor J K Powell (Chairperson) Her Worship the Mayor Councillor Q T Xulu Deputy Mayor Councillor M M Ngema Whip of Council Councillor M Dlodla Alderman S B Larkan Councillor E F Shange Councillor M F Mdluli Councillor A A Khanyile Councillor S D Khubisa Councillor K R Khumalo</p>	<p>Municipal Public Account Committee (MPAC)</p> <p>Alderman S B Larkan (Chairperson) Councillor V M Xulu Councillor S W Yimba Councillor P T O Shange Councillor M E Dlamini</p>
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SUPPORT COMMITTEES

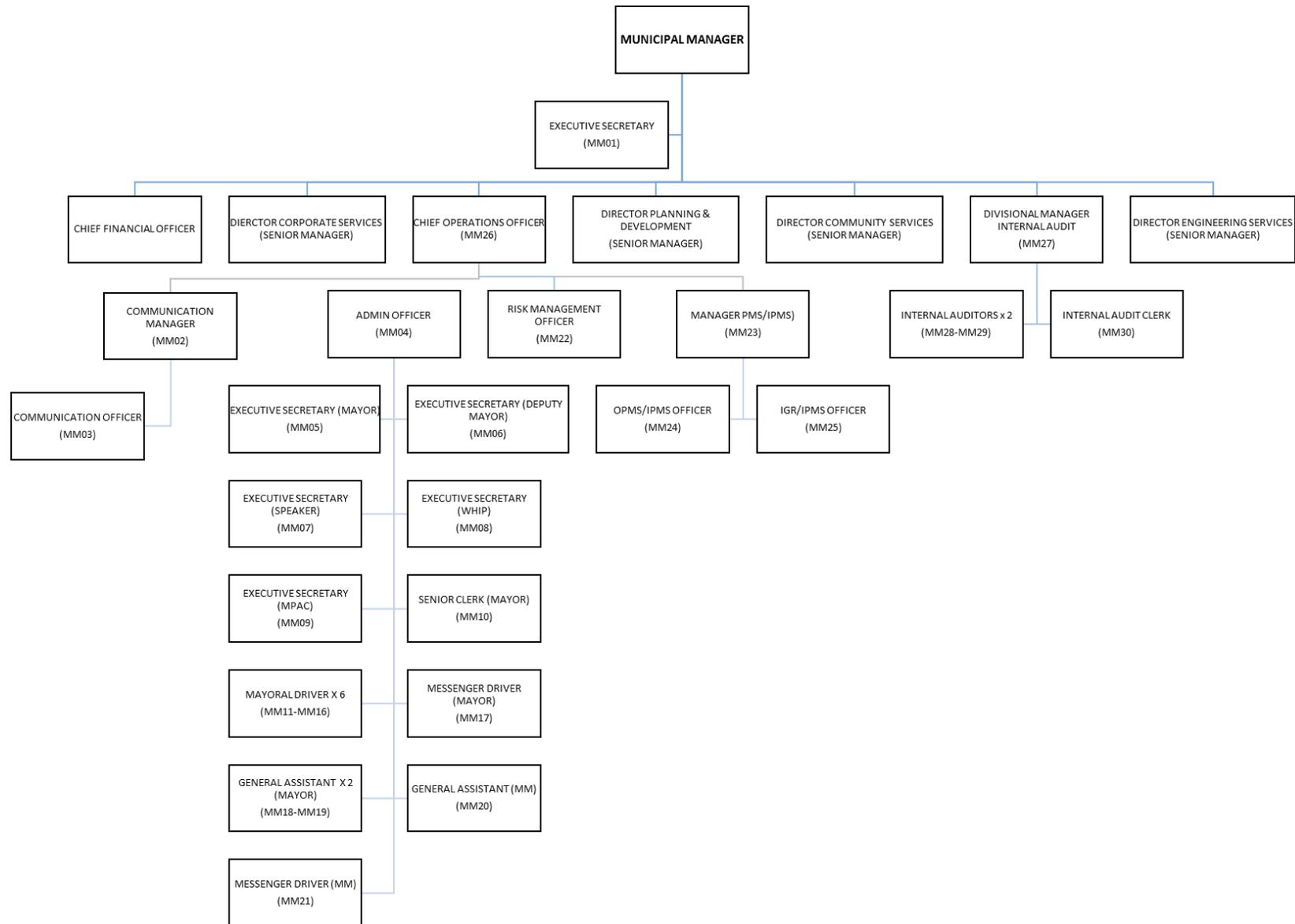
Support Committees	Councillor nomination
<p>Local Labour Forum (LLF)</p>	<ol style="list-style-type: none"> 1. Cllr B X S Ntombela 2. Cllr M M M Ntuli 3. Cllr S B Dlamini 4. Cllr W L Ngema 5. Cllr B Khanyile
<p>Councillor Development and Skills Training Committee</p>	<ol style="list-style-type: none"> 1. Cllr Q T Xulu - Mayor 2. Cllr A N Sibiya 3. Cllr Z Biyela 4. Cllr M M Cebekhulu 5. Cllr M M Khanyile
<p>Employment Equity Committee</p>	<ol style="list-style-type: none"> 1. Cllr V M Xulu 2. Cllr K Ntanzi 3. Cllr P B Hlabisa 4. Cllr W L Ngema 5. Cllr M E Dlamini
<p>Geographical Name Changing Committee</p>	<ol style="list-style-type: none"> 1. Cllr Q T Xulu - Mayor 2. Cllr M M Ngema – Deputy Mayor 3. Cllr J K Powell – Speaker 4. Cllr M Dlodla – Chief Whip 5. Cllr Alderman S B Larkan 6. Cllr M M Khanyile 7. Cllr T P Khoza 8. Cllr M F Mdluli

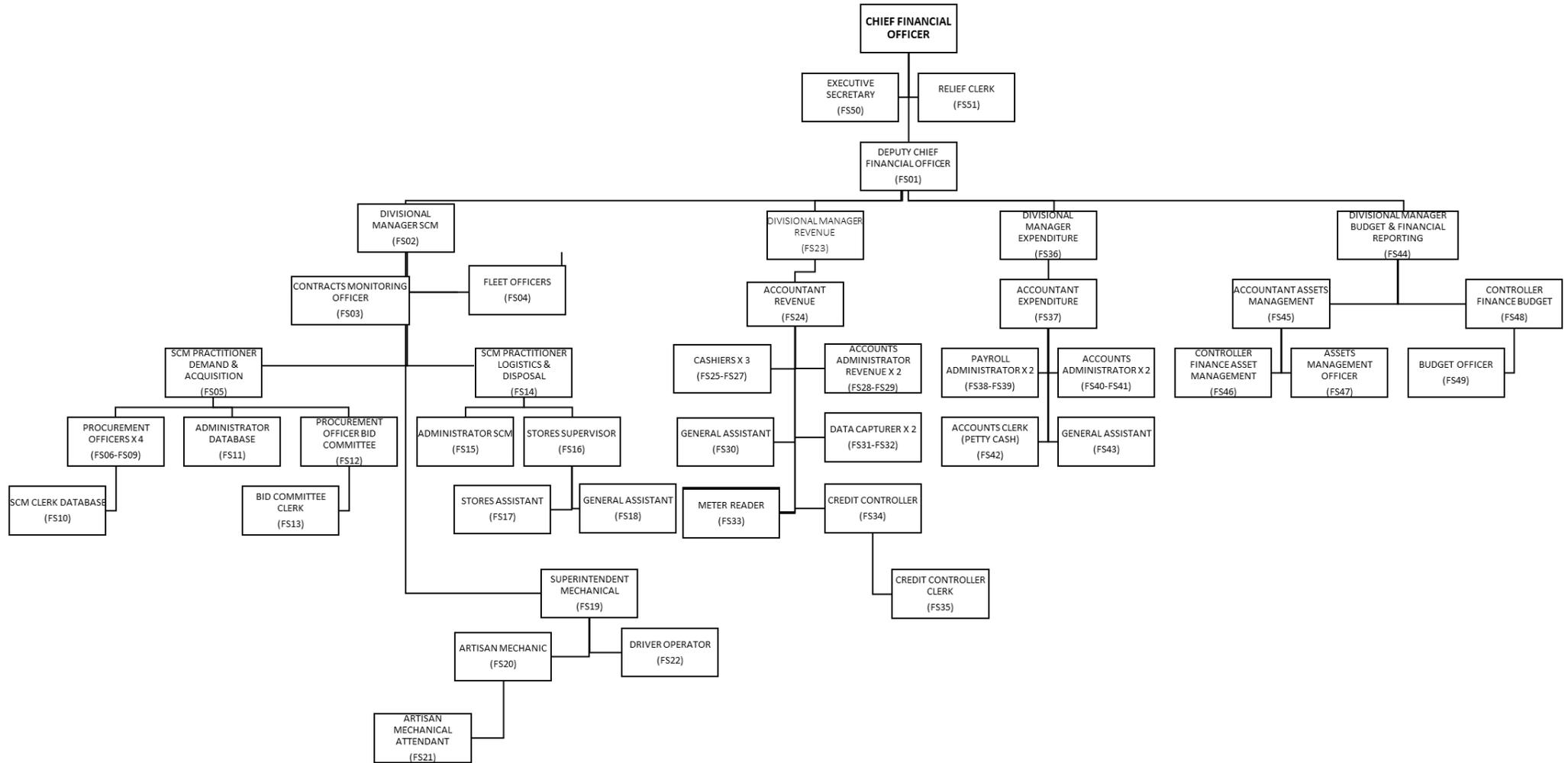
uMLALAZI MUNICIPALITY:**Annual Report**

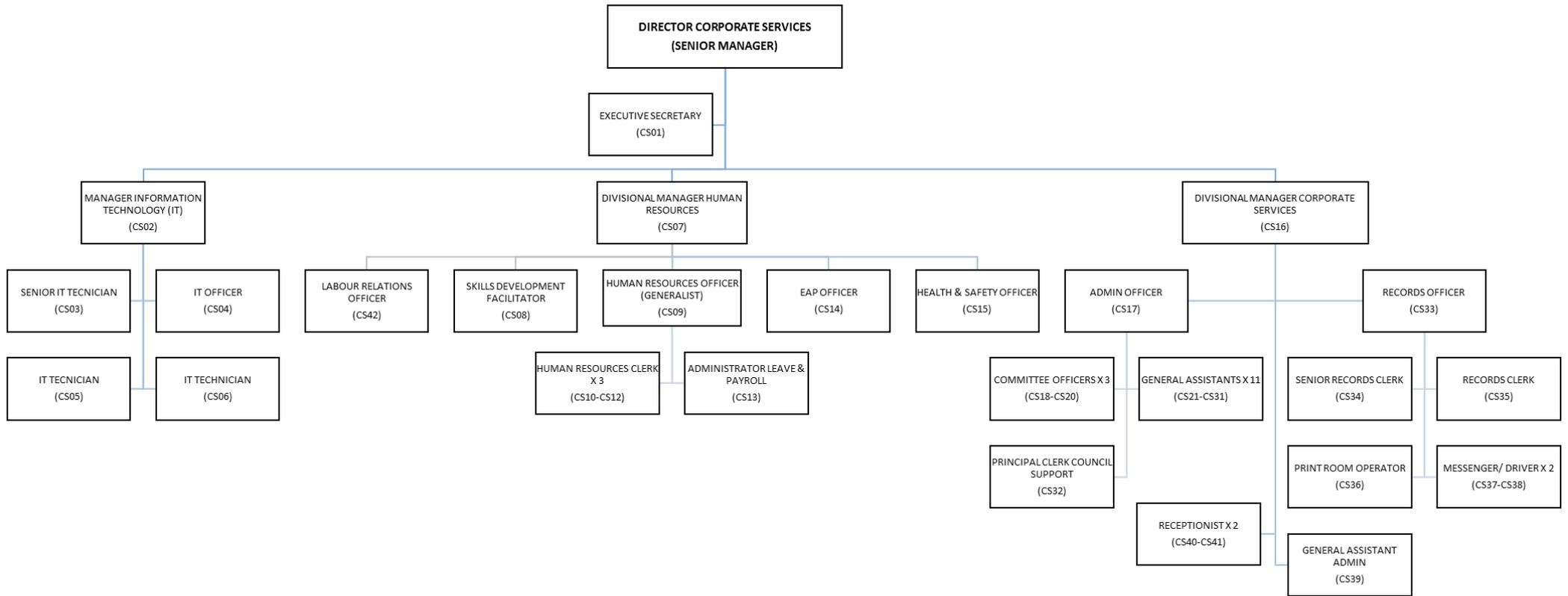
	<ul style="list-style-type: none"> 9. Cllr K R Khumalo 10. Cllr A Khanyile 11. GIS Officer – Miss W Sibiyi 12. Divisional Manager: Town Planning – Mr M Ngubane 13. Tourism Officer – Ms M Mthembu 14. Post Master
Co-Operative Relations Committee	<ul style="list-style-type: none"> 1. Cllr Q T Xulu- Mayor 2. Cllr M M Ngema – Deputy Mayor 3. Cllr Alderman S B Larkan

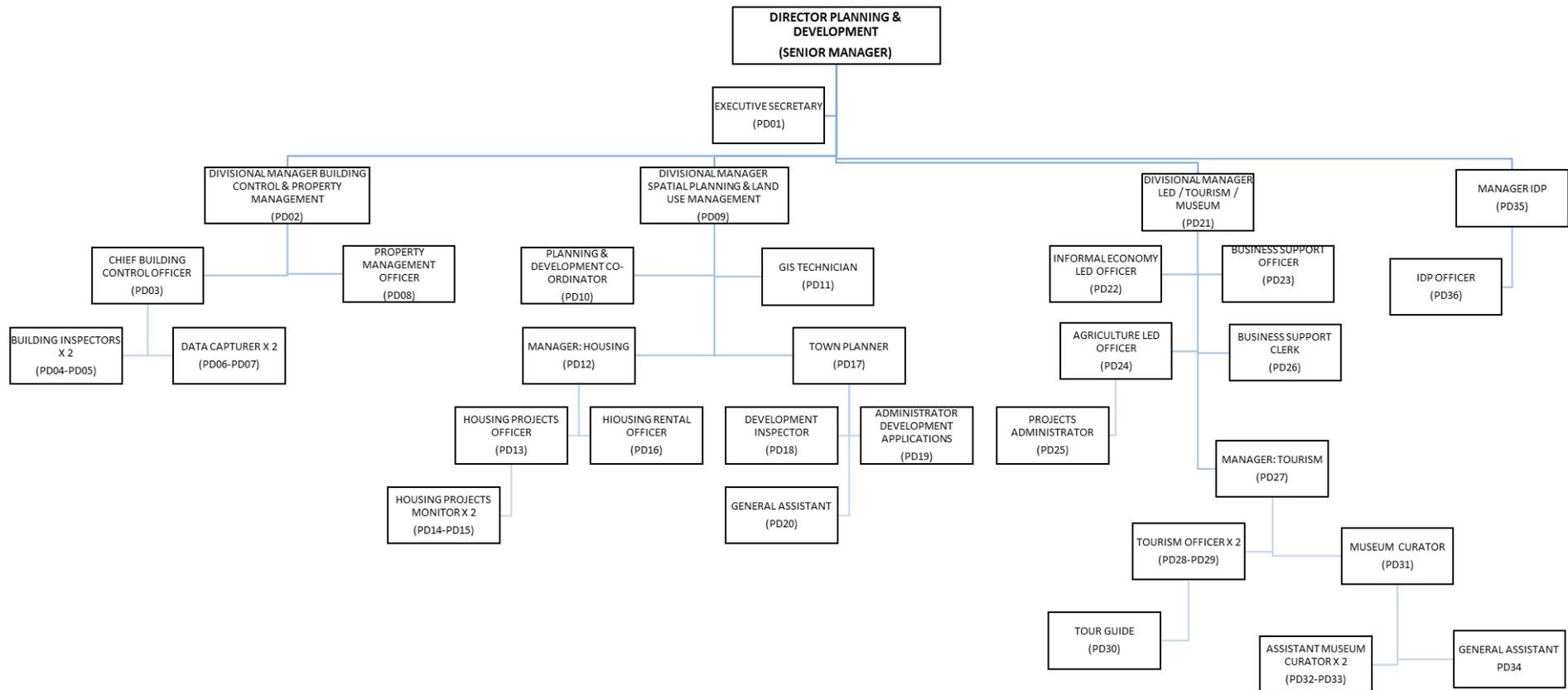
APPENDIX C:

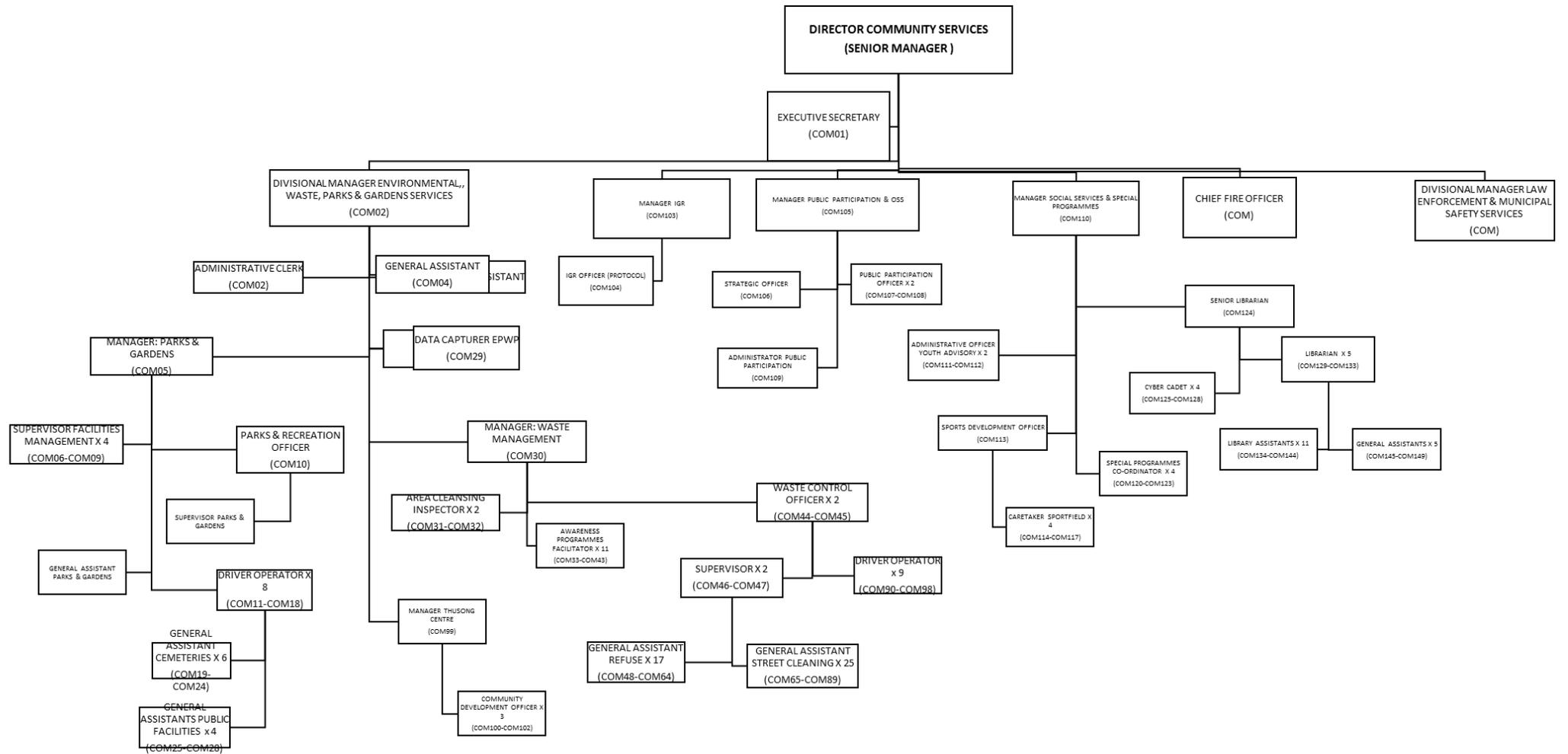
ADMINISTRATIVE STRUCTURE

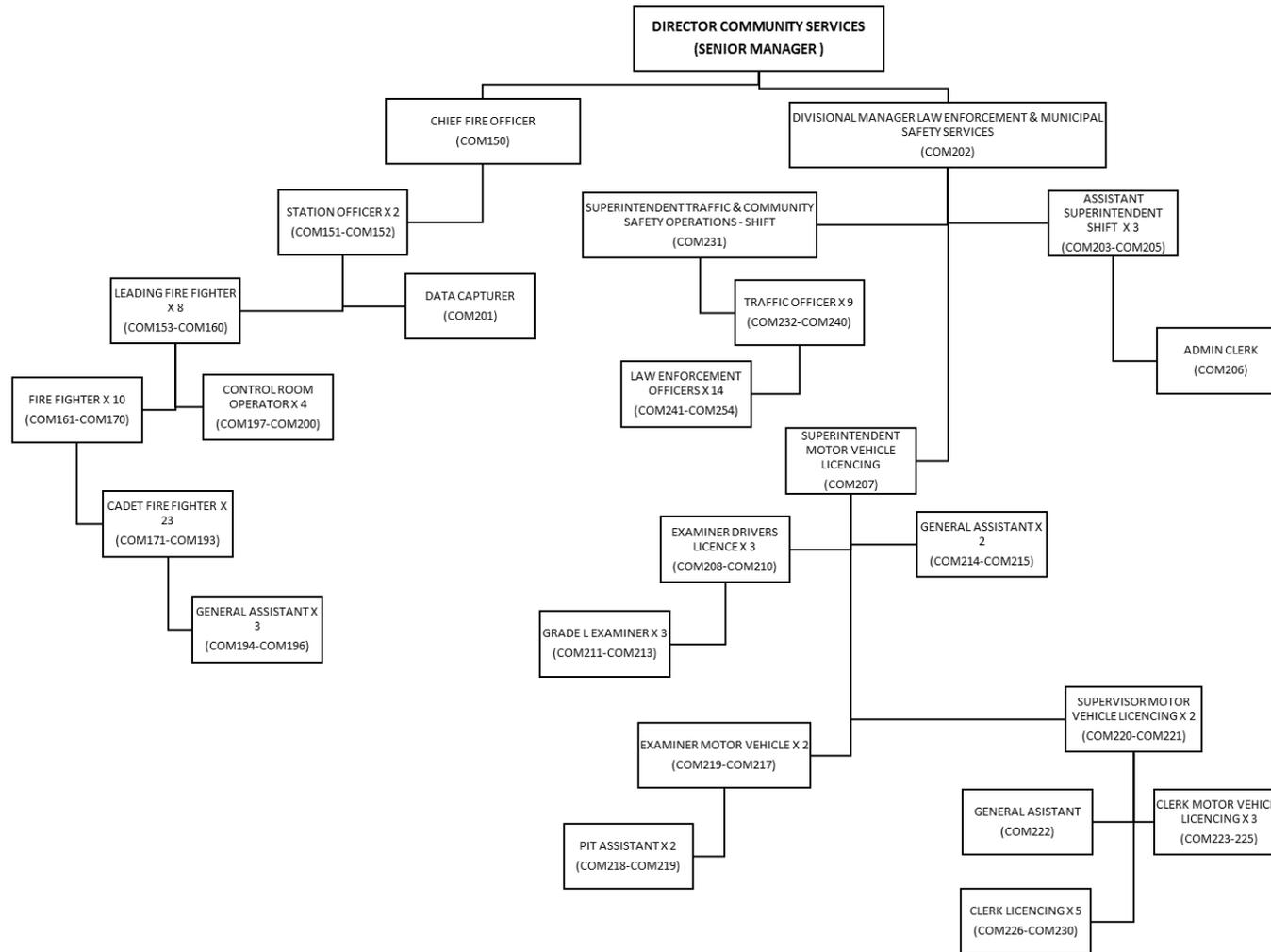


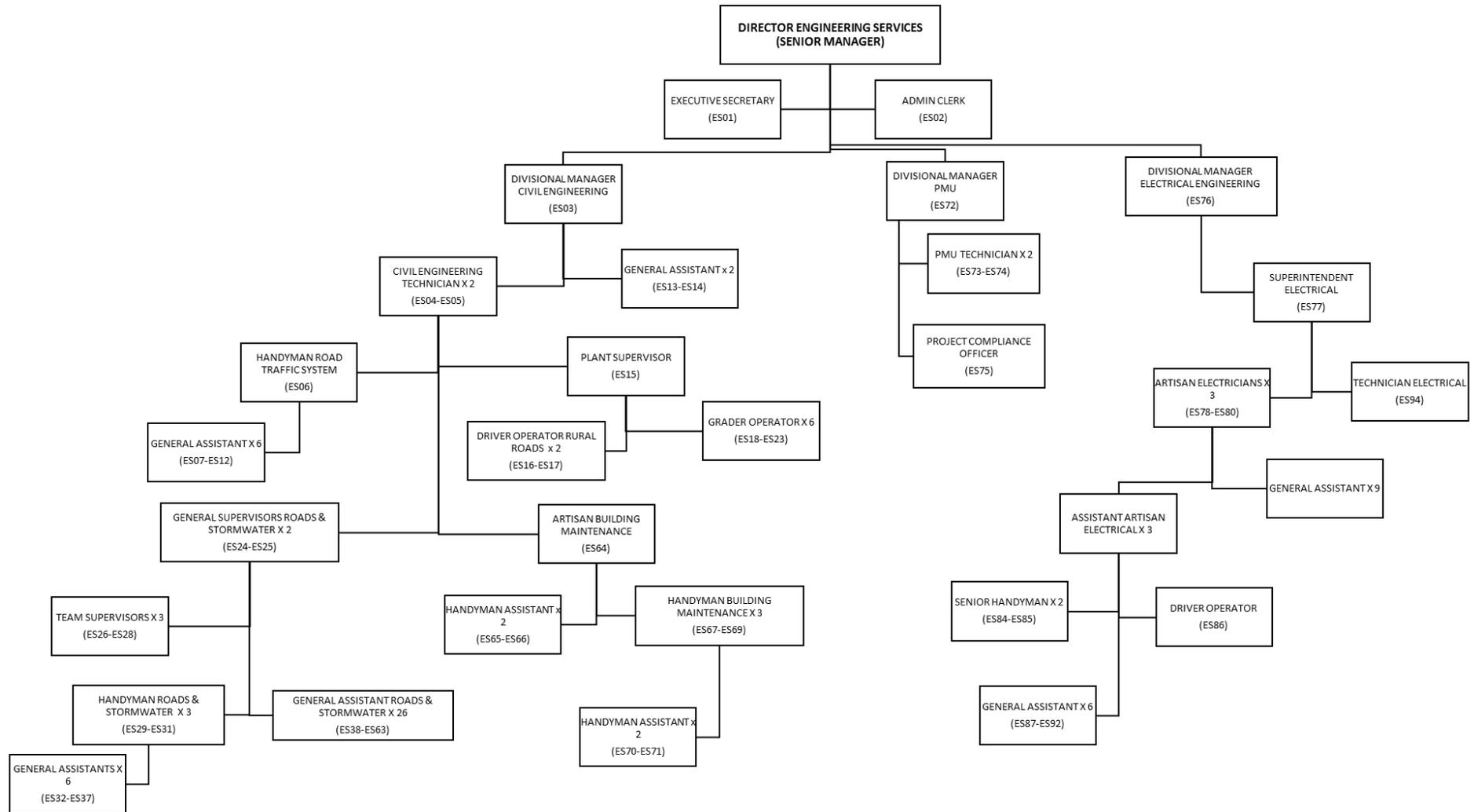












APPENDIX D:

FUNCTIONS OF MUNICIPALITY

The functions relevant to each Department in terms of the Local Government Municipal Staff Regulations are as follows:

Municipal Manager	Engineering Services	Community Services	Corporate Services	Finance	Development and Town Planning
Legal Services Forensics Internal Audit Communication Performance Management System	Transport Roads and Storm-water Water and Sanitation Solid Waste Electricity / Energy Fleet Management Mechanical Workshops Laboratories Science	Health Services Parks and Recreation Libraries Strategic Assets Community Facilities Traffic Services Law Enforcement Disaster (Risk) Management Fire and Rescue Services Public Emergency Communication Centres Disaster (Risk) Management Centres Public Participation IGR	Human Resources Information Systems & Technology Municipal Offices and Facilities Management Executive Support Services (incl. Committee services, Councillor support) Ombudsman	Revenue Treasury Budgets Supply Chain Management Expenditure Valuations Assets and Fleet Management	Local Economic Development Social Development Spatial Planning / Planning and Building Development / Urban Design Environmental Resource Management Human Settlements Geomatics and Spatial data management Property Management Integrated Development Planning

APPENDIX E:

WARD COMMITTEE MEMBERSHIP

WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
1	WC MEMBERS	SIBIYA	A N	M		Ward Councillor	725181732
		Ntanzi	Senamile	M	F	Youth	0792844775
		Zuma	Siphiwe	M	F	Education	0766717782
		Ntuli	David	M		Sports & recreation	0766888366
		Qwabe	Thandeka	M		Health	0820986086
		Shezi	Ndumiso	M		Transport	0827523956
		Mpanza	Bongani	M		Disability	0720431809
		Mkhize	Sabani		F	Women	0766177433
		Xulu	Sbongiseni	M		Faith based	0820799754
		Xulu	Frederick	M		Traditional	0737360875
		Dludla	Funokwakhe	M		Safety & security	0636698864
2	WC MEMBERS	SHOZI	T N	Male		Ward Councillor	0734474272
		Shangase	Siyabonga	M		Youth & sports	
		Ngonyama	Mphemba	M		Faith based	0713568033
		Ntuli	Nokuphila		F	Health	0793200950
		Mpanza	Michael	M		Senior citizens & disability	0824282553
		Nkwanyana	Sbongile		F	Education	0726849497
		Shozi	Emmanuel G	M		Transport	0784416576
		Magwaza	Thozozani	M		Safety & security	0825302982
		Ntuli	Sphile	M		Business	0730811315
		Nzuzza	Mqambeni	M		Traditional	0824892937
		Mahlashana	Mvelo	M		Tourism & environment	0630019968
3	WC MEMBERS	NTULI	MMM	Male		Ward Councillor	0764658393
		Mdlalose	Zandile Mosile		F	Housing	0724140956
		Mdletshe	Thembehle		F	Tourism & environment	0798903734
		Nkosi	Mzikayifani	M		Disability	0766304555
		Mbonambi	Gift M	M		Agriculture	0793485303
		Mkhize	Mamo		F	Water	0648770776
		Shandu	Sthembiso	M		Sports & youth	0673877628

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WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Khuzwayo	Nkosingiphile Jabhile		F	Electricity & sanitation	0711125339
		Mzobe	Mhlonishwa Z	M		Transport	0761169302
		Mpungose	Lydia		F	Health & Education	0762374336
		Mthimkhulu	Dudu		F	Traditional	0790700557
4	WC MEMBERS	KHUMALO	K	Male		Ward Councillor	0722687466
		Bhengu	Ntombizethu		F	Disability	0722542843
		Xulu	Ntombikayise Thabi		F	Women	0712129377
		Msomi	Nonhlahla		F	Education	0761235368
		Zungu	Siphiwe			Farm workers	0721867285
		Ntuli	Phindile		F	Traditional	0827114044
		Ndlovu	Mlenze	M		Sports	0724375042
		Buthelezi	Sanele		F	Youth	0766078465
		Ntetha	Kwenzekile		F	Faith based	0715705317
		Xulu	Xolani Khulekani	M		Transport	0734399231
Ntuli	Nkululeko	M		Environmental & tourism	0661460615		
5	WC MEMBERS	KHUZWAYO	SA	Male		Ward Councillor	0722996653
		Ntuli	Thandiwe Lungi		F	Health	0843465110
		Biyela	Philile Nombuso		F	Transports & Water	0636209958
		Ntuli	Mziwezazi Enock	M		Faith based & Education	0766269038
		Gcwensa	Thandeka Princess		F	Business	0647957770
		Magubane	Mandlakayise Sipho	M		Senior & Safety & Security	0828409448
		Mthethwa	Duduzile		F	Agriculture	0791016757
		Xulu	Sbusiso M	M		Youth & Sports	0660667164
		Khanyile	Nobuhle H		F	Women	0726615453
		Xulu	Nkosikhona	M		Youth & Sports	0768350255
Cele	Thandeka		F	Traditional	0618024077		
6	WC MEMBERS	MAKHATHINI	BC	Male		Ward Councillor	0725427922
		Sibiya	Pertunia N	M		Health & social development	0793934734
		Makhoba	Phumelele F		F	Business & education	0799716354
		Makhoba	Nonzuzo R	M		Women	0729108702
		Makhoba	Nkosingiphile N		F	Safety & security	0768315397

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WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Nzuza	Sibusiso G	M		Public transport	0760328823
		Manyoni	Mvumiseni A	M		Senior citizens	0715857153
		Ndwandwe	Sakhile	M		Youth & sports	0648004672
		Khoza	Thandeka L		F	Traditional	0764180847
		Gumede	Nompumelelo		F	Faith based	0760151707
		Biyela	Thembinkosi Z	M		Disability	0791422112
7		BIYELA	Z	FEMALE		Ward Councillor	0632474490
		Vilakazi	Bongakonke	M		Business & informal traders	0839872496
		Ntuli	Thandeka		F	Traditional	0725830545
		Ncanana	Sfiso	M		Safety & security	0793552343
		Mayise	Zibuyisile	M		Disability & women	0723410477
		Nxumalo	Nomusa	M		Faith based & senior citizens	0607783834
		Buthelezi	Ndumiso	M		Education & transport	0826340521
		Nala	Sethembile		F	Health	0761264880
		Ngema	Qaphelani	M		Youth & sports	0733245263
		Ntsibande	Mabongi		F	Farm workers	0715810002
		Solomon	Mervy	M		Rates payers & civic association	0766620322
8	WC MEMBERS	MHLONGO	ZM	Male		Ward Councillor	0634910567
		Mhlongo	Fikile		F	Education	0717961264
		Xulu	Shongani		F	Women	0720445344
		Shange	Thulani	M		Youth	0737823216
		Ntetha	Zamile		F	Health	0634749847
		Ndlovu	Simo	M		Business	0781121015
		Vilakazi	Zibuyisile		F	Faith based	0833290155
		Mahaye	Buhle		F	Transport	0733530855
		Mhlongo	Simphiwe	M		Safety & security	0723206686
		Luthuli	Philisiwe		F	Traditional	0784529877
Dlamini	Canaan	M		Disability	0796027183		
9	WC MEMBERS	Dludla	M	Male		Ward Councillor	082 963 2041
		Shezi	Msawenkosi	M		Education	0724378501
		Dlamini	Patricia N		F	Women	0834750717
		Cele	Khulekani	M		Safety & security	0710474340
		Mnguni	Mzamiseni R	M		Transport	0791382846
		Khumalo	Nosipho s		F	Youth & sports	0823136147

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WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Ngobese	Mzikayifani C	M		Senior citizen & disability	0723757400
		Mahaye	Ntala	M		Agriculture	0715304266
		Mahaye	Lungile Sli		F	Health	0713732004
		Mdlalose	Mbongeni	M		Traditional	0824271164
		Majola	Mbali		F	Housing & faith based	0823488353
10		NTOMBELA	B.X.S	Male		Ward Councillor	0660202772
		Msuku	Israel	M		Traditional	0799885331
		Magwaza	Bhekizwe	M		Health	0818889707
		Ngema	Mandlakapheli Ndoda	M		Safety & security	0790616594
		Buthelezi	Sipho N	M		Sports	0728595335
		Ntombela	Khayelihle		F	Transport	0793518120
		Xulu	Zakhele	M		Youth	0798331054
		Mahaye	Nothando T		F	Relegious	0647035833
		Ximba	Langelihle	M		Business	0671560624
		Mkhize	Eliackim Bhekuxolo	M		Education	0727259581
	Mahaye	Sphah	M		Disability	0829574059	
11		LARKAN	S.B	Male		Ward Councillor	082 877 7192
		Hlathi	Nana		F	Infromal traders	0826655554
		Gumede	Nomusa		F	Women & social development	0724854814
		Bond	Kyle	M		Youth	0744140036
		Mtshali	Thenjiwe		F	Education	0728119728
		Ndwandwe	Lancelot Langa	M		Rates payers & Business	0798533946
		Gantsa	Petros Zama	M		Disability	0829590621
		Ntombela	Nozipho		F	Traditional	0714323853
		Ngubane	Skhumbuzo W	M		Faith based	0721695102
		Ngema	Blessing G S	M		Safety & security	0829351823
	Madlala	Sifiso Siyabonga	M		Tourism & environment	082099026	
12		BIYELA	T.H	Male		Ward Councillor	0825323496
		Nsele	Mandlenkosi	M		Safety & security	0839951572
		Shange	Thalente	M		Disability	0735063971
		Shandu	Innocent	M		Transport	0820787807
		Ngema	Quinton	M		Rates payers	07918597392
	Mpanza	Magagamela	M		Senior citizens	0722910185	

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WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Mhlongo	Thuthuka	M		Youth	0736214132
		Shongwe	Thamsanqa	M		Business	0782705551
		Luthuli	Zanele		F	Education	0716485720
		Kunene	Lungile		F	Social development	0793157220
		Nkwanyana	Malusi	M		Sports & recreation	0783348636
13	W/C MEMBERS	NGEMA	W,L	Male		Ward Councillor	072010072
		Nene	Vincent	M		Youth	0660938877
		Khumalo	Barnabas	M		Safety & security	0737629955
		Dludla	Zandile		F	Women	0827943124
		Shandu	Gamsile		F	Education	0723027185
		Ntanzi	Lindelani	M		Social development	0721706802
		Mhlongo	Dumisani	M		Faith based	0730265690
		Ngema	Sfiso	M		Road & unfrasturcture	0606566260
		Ntetha	Armstrong	M		Disability	0632001422
		Mhlongo	Sipho K	M		Traditional	0634729315
		Thusi	Xolani	M		Sports	0648100554
14	W/C MEMBERS	DLADLA	M.D	Male		Ward Councillor	0664077182
		Nxumalo	Funani		F	Women & Agriculture	0825150039
		Nxumalo	Mlungisi	M		Safety & Security	0720141548
		Ngobese	Silwayiphi	M		Religion	0761738180
		Ntuli	Zithulele	M		Health & Social Development	0826335308
		Mthiyane	Makhiseni	M		Sports	0798333483
		Mzimela	Nontobeko		F	Housing	0791919293
		Mtshali	Sibongiseni	M		Water and Sanitation	0606646869
		Thusi	Xolile	M		Dissability and Tourism	0637668374
		Hlela	Thokozani	M		Transport and Education	0631510485
15	W/C MEMBERS	VILAKAZI	N	Male		Ward Councillor	0655534192
		Sibisi	Siphesihle	M		Disability	0660919696
		Nzuza	Siyabonga	M		Youth	0769186513
		Nxumalo	Phumelele		F	Senior citizens	0818295999
		Khumalo	Nonhlahla		F	Education	0732641388
		Mpanza	Slingene		F	Women	0723650501
		Khumalo	Mzokhanyayo	M		Safety & security	0663321128
		Mthembu	Sfiso	M		Social development	0738834454
		Mbonambi	Musa	M		Faith based	0782600822

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WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Shandu	Mbhekeni	M		Public transport	0792939586
		Khoza	Khohlwa	M		Traditional	0784186091
16		MAKHATHINI	S.A	Male		Ward Councillor	0826167427
	W/C MEMBERS	Nene	Mhlonishwa		F	Disability	0734175016
		Myeza	Zibuyisile	M		Education	0788415889
		Zuma	Eunice		F	Faith based	0766911627
		Xulu	Scelo	M		Senior citizens	0832476700
		Shabane	Zandile		F	Women	0727291564
		Gwala	Linda	M		Safety & security	0764471866
		Dludla	Khaya	M		Transport	0723399468
		Zulu	Sizakele		F	Healtyh & social	0798003280
		Luthuli	Nkazimulo	M		Youth	0721803032
		Ngidi	Ziphathele	M		Traditional	0738255090
17		NGEMA	I.Q	Male		Ward Councillor	0798640000
	W/C MEMBERS	Ngubane	Sifiso	M		Disability	0767324048
		Mdluli	Khethelo	M		Business	0711249039
		Masinga	Lindani	M		Water & sanitation	0604000220
		Masuku	Christopher	M		Transport	0823989921
		Nzokula	Xolile	F		Women	0734501344
		Luthuli	Gugu	F		Human settlement & health	0798774355
		Sibiya	Sphamandla	M		Farming & agriculture	0818665889
		Mthimkhulu	Msawenkosi	M		Safety & security	0820869917
		Gune	Sanele	M		Youth	0763400521
						Vacant	
18		DLAMINI	S.B	Male		Ward Councillor	0717732970
	W/C MEMBERS	Mpunzana	Ruth		F	Health	0722436307
		Qwabe	Nhlahla Syathokoza	M		Transport	0653040583
		Zungu	Phumelele		F	Traditional	0762131537
		Zulu	Petros B	M		Safety & security	0734010333
		Hlabisa	Jabulisiwe		F	Women	0721550356
		Mpanza	Tyson	M		Tourism & environmental	0640456203
		Ntsele	Sipho s	M		Education	0767608895
		Govender	Moonsamy	M		Rates payers & faith based	0747166916
		Myaka	Thabani P	M		Youth	0658326575
		Moonsamy	Sydney	M		Disability	0638553243

WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
19		YIMBA	S.W	Male		Ward Councillor	0711273858
	W/C MEMBERS	Mdlalose	Hlengiwe	M		Health	0724045247
		Cele	Zandile Cynthia	M		Transport	0721166800
		Forse	Wendy		F	Enviroment & Rates Payers	0827223333
		Makhathini	Musa Cyril	M		Bulk Services	0797334746
		Mtshali	Smangele Prudence		F	Youth	0610277380
		Zulu	Philile Primrose		F	Dissability	0797661262
		Nhlanzi	Mbhasobhi	M		Safety & Security	0766757437
		Mthethwa	Mzolula	M		Business	0822391771
		Nzuza	Nontobeko		F	Education	0646097226
Mlambo	Xolani	M		Traditional	0726070609		
20		HLABISA	P.B	Male		Ward Councillor	0646199953
	W/C MEMBERS	Khanyile	Thobile		F	Youth & sports	0769095476
		Mcineka	Sthembiso	M		Safety & security	0607560113
		Phakathi	Jacob	M		Disability	0728639471
		Mbambo	Bonginkosi	M		Faith based	0799059333
		Ngema	Zakheleni	M		Transport	0833609742
		Msane	Khulekani	M		Business	0662461304
		Mhlongo	Thulani	M		Education	0710259056
		Mtshali	Nkosiyazi	M		Informal traders & farm workers	0713471119
		Ncanana	Nontobeko		F	Women	082840628
Mathaba	Sipho	M		Traditional	0729359553		
21		MTHEMBU	K	Male		Ward Councillor	0618193302
	WC MEMBERS	Mngomezulu	Mduduzi L	M		Faith based	0649383439
		Yimba	Siyabonga	M		Youth	0726045241
		Maphumulo	Mchayiseni	M		Health	0728636882
		Ndunakazi	Agrippa M N	M		Business	0824808862
		Ntuli	Lindani	M		Safety & security	0763217275
		Mlondo	Slindokuhle	M		Women	0818933694
		Gumede	Zamokwakhe		F	Tourism	0713669153
		Mdletshe	Zama P		F	Education	0623272594
		Zungu	Mdumiseni	M		Transport	0649443262
Khuzwayo	Vusumuzi	M		Traditional	0714978789		
22		ZIBANI	S.I	Male		Ward Councillor	0722780612
	WC MEMBERS	Biyela	Smangele		F	Women	0657310253

WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Ngobese	Leo	M		Water, roads & transport	0736159166
		Cele	Thobile Z		F	Youth	0767266510
		Dlamini	Mvelo	M		Health & social	06087175848
		Biyela	Lindokuhle	M		Safety & security	0797544441
		Qinisile	Zibane		F	Business	0663611613
		Mhlongo	Bongekile		F	Women	0647858164
		Vundla	Nkosiyazi	M		Informal traders	0792244907
		Mthethwa	Ngcebo	M		Education	0827433839
		Magwaza	Emmanuel	M		Traditional	0788373087
23	WC MEMBERS	NGEMA	J.M	Male		Ward Councillor	0825176546
		Gumede	Thembinkosi	M		Transport	0792181456
		Khumalo	Bheki	M		Physically Challenged	0725862767
		Xulu	Mhlonipheni	M		Environment & Tourism	0796704078
		Nzuza	Phiwosami	M		Youth & Social Development	0720526074
		Dube	Thembokwakh e	M		Business Sector	0797532002
		Sthole	Siphelele	M		Informal Traders association	0720517847
		Mafuleka	Thanda	M		Traditional Seat	0767345484
		Cebekhulu	Sikhumbuzo	M		Safety and Security	0663350227
		Mhlongo	Saziso	M		Senior Citizen	0764338831
		Mthembu	Lungile		F	Women & Disability	0720118127
24	WC MEMBERS	BIYELA	M.B	Male		Ward Councillor	0820665731
		Luthuli	Nontokoza R	M		Women	0729770626
		Mhlongo	Sebenzile	M		Agriculture	0818715278
		Mhlongo	Sbusiso	M		Disability	0795423173
		Ndlovu	Zamile B		F	Faithy based	0712443931
		Mhlongo	Nokuthula s		F	Education	0733244292
		Masondo	Mduduzi A	M		Safety & security	0711081440
		Mthembu	Erick	M		Sports	0795476836
		Biyela	Sbusiso M	M		Transport	0792226427
		Khubisa	Ntombencane		F	Health	0724117358
25	WC MEMBERS	NDLOVU	M	Male		Ward Councillor	0728122309
		Biyela	Dumisile		F	Youth & Sports	0760868856
		Ngema	Nokuthula		F	Women	0606275046
		Dludla	Makhosazane		F	Education	0663649188

WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Mkhwanazi	Thobile		F	Faith based	0797703878
		Mbatha	Portia		F	Health	0839823239
		Shandu	Smanga	M		Disability & Senior citizens	0608051991
		Mpanza	Siyabonga	M		Safety & Security	0651454322
		Cebekhulu	Enock K	M		Transport	0796489399
		Mchunu	Vusumuzi	M		Traditional	0836536575
		Hadebe	Tholy	M		Agriculture	0826870700
26		MDLALOSE	T	Male		Ward Councillor	0764533888
		Hlatshwayo	Zwelithini Lindokuhle	M		Safety & security	0713132723
		Mdlalose	Justice Samukelo	M		Transport	0711307772
		Shandu	Thulani Simosakhe	M		Agriculture	0763876141
		Masuku	Syabonga	M		Sports	0822242894
		Madondo	Bhekenkosini A	M		Disability	0727340272
		Nzuza	Precious Khethiwe		F	Health	0785459747
		Mhlongo	Zinhle		F	Youth	0763341393
		Ngwenya	Ubuhle Zinhle		F	Women	0720599176
		Buthelezi	Federek	M		Traditional	0713132723
		Khanyile	Thokozani	M		Faith based	0615570322
27		NGEMA	M.M	Male		Ward Councillor	082 541 4490
		Ngema	Lucky	M		Sports & Recraetion	0766616358
		Sithole	Gugu		F	Faith based	0825009874
		Mcineka	Lindo	M		Health & Social development	0780451014
		Sibisi	Khansela	M		Senior citizens	0783192918
		Gwala	Sfanele		F	Women	0720100680
		Nyuswa	Thobile		F	Education	0710635977
		Mpungose	Velemseni	M		Safety & Security	0724645910
		Ntuli	Nkule	M		Transport	0713779884
	Dube	Bathabile		F	Farm workers	0660695338	
28		GASA	S.M	Male		Ward Councillor	0835892533
		Mhlongo	Sabelo I	M		Rates payers	0736322063
		Smith	Wonderboy H	M		Business	0614494704
		Gcwensa	Thobisile H		F	Health & Welfare	0710091815
	Mhlongo	Basil L	M		Transport	0786778967	

WARD NO.	MEMBERSHIP	SURNAME	FULL NAMES	GENDER		SECTOR REPRESENTED	CONTACT NO.
				M	F		
		Cele	Sboniso N	M		Sports	0840449777
		Mbatha	Nelisiwe F		F	Women & faith based	0782640412
		Nala	Mkhanyiseleni S	M		Safety & security	0835483371
		Mthiyane	Portia L		F	Education	0780807223
		Mtshali	Sphamandla	M		Disability	0796417756
		Gcabashe	Sibusiso	M		Traditional	0781359960

APPENDIX F:

WARD INFORMATION

WARD 1		
Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	5000L Water Tank – Slindile Xulu	
2021/2022	5000L Water Tank – Sduduzo Xulu	
2021/2022	Fencing material – Siphamandla Community garden	
2022/2023	Ntoza Gravel Road – Multi-year project	R4,960,317.51
2022/2023	Mashabase Sports Field	R6,274,170.21
2023/2024	Brushcutter x2 – A.N. Sibiya	
WARD 2		
Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Electrification at Mankhumbi#2 – 183 connections	Eskom
2021/2022	5000L Water Tank – Bongumusa Dlodla	
2022/2023	09 Ewes (Females) 01 Ram (male) - Kwazikwakhe Offspring Co-operative	
2023/2024		

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2023/2024

Hood Dryer 3 Speed Black, Black Hairdryers 2000W, Shampoo Backwash Barber Chair with Fashion bowl sink for salon and spa – Feslug Salon

Water tank, Seedlings, Garden hoe x2, Hand hoe x2, Watering cans x2 – Thandeka Nkwanyane (Disable) Elemisithemba

WARD 3

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	5000L water Tank – Shlbobo Biyela	
2021/2022	Broiler feeders; Drinkers; feed, vaccines – Tholakele Nxumalo	
2023/2024	Water tank, Seedlings, Garden hoe x2, Hand hoe x2, Watering cans x2 – Nomusa Zanele Sibiyi (Qalamuva Co-Operative)	
2023/2024	Wheelbarrows x2, Seedlings, Garden hoe x2, Hand hoe x2, Watering Cans x2 – Mr Thethwa Shange (Fisani Co-Operative)	
2023/2024	Brushcutters x2 – Wandile Ntuli	

WARD 4

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	5000L water Tank – Daniel Ndlovu	
2022/2023	Ndlongolwane Gravel Road & Causeway – 2.2km	R5,860,555.55
2022/2023	Ezisululwini Gravel Road – Multi-year project	R6,774,793.03

2023/2024	Goats, Chicks, Chicken feeders, Water tanks, Chicken house – Simthembeni Trading
2023/2024	Chicken cage x1, 5 Post finisher, 3 Finisher – Nosipho Msoni

WARD 5

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2022/2023	09 Ewes (Females) 01 Ram (male) - Isemkhunyeni Co-operative	
2023/2024	Egg laying cage – Samukelisiwe Ntuli	
2023/2024	Fencing equipment – Cabangile Xulu	
2023/2024	Water tank – Nombuso Khoza	

WARD 6

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2022/2023	Nqhathu Causeway – 0.500km	R8,044,239.96
2022/2023	09 Ewes (Females) 01 Ram (male) - Promised Land Co-operative	
2023/2024	Hand hoe, Watering cans, Seedlings – Nompumelelo Gumede	
2023/2024	Chicks, Starter mash, Grower mash, Finisher, Sawdust, Water feed set, Chicken feed – Sipiwe Biyela	

WARD 7

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	5000L Water Tank – SP Zulu	
2021/2022	Furniture Manufacturing Equipment – Sydney Samuel	
2021/2022	Barber Hair Clippers – Blessing Khumalo	
2021/2022	96 Layer Cage; feed; Vaccines	
2022/2023	Fiddlewood Stormwater Maintenance	R174,837.00
2022/2023	Stormwater Manhole repairs	R99,000.00
2022/2023	Replacement of Manhole covers	R51,000.00
2022/2023	Sewing Machine - Nomusa Khumalo	
2022/2023	09 Ewes (Females) 01 Ram (male) - Phumelela Co-operative	
2023/2024	Brushcutter x1, Chainsaw x1 – Mthobisi Sikhosana	
2023/2024	Chicken feed, Starter mash, Grower mash, Finisher, Sawdust, Water feed set, Chicken feed, Vaccine – Nosipho Myeni	
2023/2024	Salon basin x1, Dark and lovely relaxer x3 boxes, Bar fridge x1 – Ncanekile Dlamini	
2023/2024	Radio laser Iapo – Nozipho Mbambo (Iinsika Emhlope) Youth	
2023/2024	Water tank – Ntombiningi Mala	

WARD 8

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	

When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	500 seater community hall	R5,686,864.02
2021/2022	5000L water Tank – Londiwe Shange	
2021/2022	5000L water Tank – Ilanga Civils	
2021/2022	Cooler Carts – Nkosingiphile Magubane	
2021/2022	Cooler Carts – Phethile Magwaza	
2021/2022	Feeders – Siphamandla Makhaye	
2022/2023	11L Double Electric Deep Fryer - Nosipho Mthethwa	
2022/2023	Fencing Material - Lighthouse economic development hub	
2022/2023	09 Ewes (Females) 01 Ram (male) - Umbuso wethu co-operative	
2023/2024	Chicken layer cage – Thulani Dube	
2023/2024	Chicken cage x1, Post finisher x1, Finisher x3 – Thandeka Ntombela	
2023/2024	Starter x1, Post finisher x4, Finisher x3 – Mrs Dube (Maqhama Projects)	

WARD 9

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	500L water tank – Nhlahla Mkhize	
2021/2022	Mobile Kitchen – Hlengiwe Nyoni	
2021/2022	Chicken – Mrs T Mkhize	

2021/2022	Fabrics – Tryzina Sangweni	
2021/2022	Gaboro; Newcastle;	
2021/2022	LED Equipment – Gugulethu Nzuza	
2022/2023	Esiphezi Gravel Road – 4.2km	R3,086,915.98
2022/2023	Sewing Machine - Chico Mdletshe	
2022/2023	09 Ewes (Females) 01 Ram (male) - KwaMpofu Co-operative	
2023/2024	Pigs x10 – Sithembiso Mahaye	
2023/2024	Industrial sewing machine x1 – Busisiwe Mdletshe	
2023/2024	Industrial sewing machine x1 – D.T. Xulu	
2023/2024	Salon sink, Stand dryer, Hairdryer – Nokulunga Nkwanyana	

WARD 10

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	LED Equipment – Sonto Mabaso; Sifiso Mbhense; Fikile Ndlovu; Mbongeni Ntombela	
	56 Litre cooler box - Nokuthula Biyela	
2023/2024	Deck x1, Tray x1 – Cecilia Xulu	
2023/2024	Starter x2, Grower x3, Finisher x3 – Sithabile P Ngema (Youth)	

WARD 11

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	

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When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Electrification at Sunnydale #2 extension – 212 connections	Municipal Schedule 5B
2021/2022	Mitchell Street Extension rehabilitation (0,23km)	R2,571,569.00
2021/2022	Sidewalks construction	R895,808.55
2021/2022	Major road repairs	R194,375.00
2021/2022	Rehabilitation of Osborne Road – 1.5km	R20,315,560.43
2021/2022	Kerbing & Channelling of Natural Arch Road	R106,853.40
2021/2022	Kerbing of Windham Street	R93,300.00
2021/2022	32 Business licences issued	
2021/2022	70 Informal Trading Permits issued	
2021/2022	Mobile Kitchen – Thandazile Sebenzile	
2021/2022	LED Equipment – Danisile Mdlalose; Zakhe Nkosi	
2022/2023	Speedhumps	R300,000.00
2022/2023	Road Surface Marking	R350,000.00
2022/2023	Road Traffic Signs	R150,000.00
2022/2023	Stormwater Manhole repairs	R99,000.00
2022/2023	Replacement of Manhole covers	R51,000.00
2022/2023	Stormwater pipe Jetting	R190,000.00
2022/2023	56 Litre cooler box - Zabalazile Makhoba, Ntombilezi Zavala	
	Autel IM608 key programmer - Busangani Lembede	
2023/2024	Industrial sewing machine x1, Overlockers – Zinhle Zungu	
2023/2024	Compressor and polishing machine – Njabulo Biyela	
2023/2024	Water tank, Seedlings, Garden hoe x1, Hand hoe x2, Watering cans x2 – Nhlanhla Makhanya (Youth)	

WARD 12

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Sidewalks construction	R895,808.55
2021/2022	Major road repairs	R194,375.00
2021/2022	Construction of KDS Sports Park	Multi-year
2021/2022	LED Equipment – Lindinkosi Ngobese; Nolwazi Shoba	
2022/2023	Speedhumps	R300,000.00
2022/2023	Road Surface Marking	R350,000.00
2022/2023	Road Traffic Signs	R150,000.00
2022/2023	Stormwater Manhole repairs	R99,000.00
2022/2023	Replacement of Manhole covers	R51,000.00
2022/2023	Stormwater pipe Jetting	R190,000.00
2022/2023	Garment Rails - Kwenza Nkosi	
2023/2024	Salon basin x1, Bar fridge – Thembisile Mpanza	
2023/2024	Mullti-function double oven stove – Nomthandazo Sibiya	
2023/2024	Gas stove, Chaffing dish x2, Pots, Tables x2, Spoon x50 – Nolwazi Ntombela	
2023/2024	Gas stove, Chaffing dish x2, Pots, Tables x2, Spoon x50 – Nini Mthethwa	

WARD 13

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Kwamfana Gravel Road – 3.km	R4,258,816.58
2021/2022	5000L Water Tank – Zinhle Shabalala	
2021/2022	5000L Water Tank – Londiwe Shange	
2021/2022	Mobile Kitchen – Skhulile Mbatha	
2021/2022	Cooler Cart – Makhosi Mthiyane	
2021/2022	LED Equipment – Zandile Zulu; Nozipho Ngomezulu; Maureen Ndlovu; Ntombikayise Makhanya; Jabulile Ngcobo; Witness Khoza; Thandazile Gumede	
2023/2023	Kwamfana Gravel Road & Causeway – 3km	R4,258,816.58
	Gas cylinder,X2 pots, X1 gas fryer - Zama Mchunu	
	Chicken feather plucker - Sbusiso Project	
2023/2024	Chicks, Starter mash, Grower mash, Finisher – Mrs N Nxumalo	

WARD 14

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Cooler Cart – Phumzile Qwabe	

2021/2022	Fencing material – Bhulala Primary Co-op	
2021/2022	96 Layer Cage; Feed; vaccines	
2021/2022	LED Equipment – Cebisile Magwaza; Sintu Mchunu;	
2022/2023	500 seater community hall – multi-year project	R1,994,155.32
2022/2023	Chicken Cage - YIM Poultry	

WARD 15

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Mobile Kitchen – Funokwakhe Dlodla	
2021/2022	Fabrics – Sabathile Mthembu	
2022/2023	Izingwenya Gravel Road & Causeway -	R5,408,586.63
2022/2023	09 Ewes (Females) 01 Ram (male) - Amabhudle co-operative	
2023/2024	Brushcutter x1, Chainsaw x1 – Silingene Mpanza	

WARD 16

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	5000L Water Tank - Mduduzi Ngidi	
2021/2022	Mobile Kitchen – Mthokozisi Cele	

2021/2022	Fabrics – Nkosingiphile Xulu
2021/2022	Gamboror; Newcastle; Electrolite; Drinkers feeders; Feed – Nokukhanya Khumalo
2021/2022	LED Equipment - Nompumelelo Nzuza
2023/2024	Chicken cage – Mboniseni Mpanza
2023/2024	Industrial sewing machine x2, Overlocker x1 – Alfred N Majozi (Yebo Zululand DECDO)

WARD 17

Year Completed	Details of the Project	Budget Spent
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Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Electrification at Mabhokweni#3 – 14 connections	Eskom
2021/2022	Electrification infills at Mabhokweni#3 – 140 connections	Eskom
2021/2022	Fabrics – Lindo be humble clothing	
2021/2022	LED Equipment - Bhehani Shandu; Patience Ngobese; Zamazwide Nxumalo;	
2022/2023	09 Ewes (Females) 01 Ram (male) - Onesu Co-operative	
2023/2024	Sewing machine, Overlocker – N Magwaza	

WARD 18

Year Completed	Details of the Project	Budget Spent
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Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	

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2021/2022	Sidewalks	R895,808.55
2021/2022	Major Road Repairs	R185,825.00
2021/2022	7 Business licences issued	
2021/2022	50 Informal Traders permits issued	
2021/2022	LED Equipment - Amon Mgwaba; Muzikayise Ndlovu;	
2022/2023	Speedhumps	R300,000.00
2022/2023	Fencing of Gingindlovu Dump site	R535,035.00
2022/2023	Road Surface Marking	R350,000.00
2022/2023	Road Traffic Signs	R150,000.00
2022/2023	Stormwater Manhole repairs	R99,000.00
2022/2023	Replacement of Manhole covers	R51,000.00
2022/2023	Stormwater pipe Jetting	R190,000.00
2022/2023	56 Litre cooler box - Senzo Fihlela; Maureen Mathaba	
2023/2024	Sewing machine x1, Overlocker x1 – Velisiwe Mathenjwa	
2023/2024	Chicks, Starter mash, Grower mash, Finisher, Sawdust, Water feed set, Chicken feed – Samukelisiwe Makhanya	

WARD 19

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Major Road Repairs	R185,825.00
2021/2022	13 Business licences issued	
2021/2022	21 Informal Traders permits issued	

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2021/2022	5000l water Tank – Lindani Ndlela	
2021/2022	LED Equipment – Sebenzile Ntombela	
2022/2023	Speedhumps	R300,000.00
2022/2023	Road Surface Marking	R350,000.00
2022/2023	Road Traffic Signs	R150,000.00
2022/2023	Stormwater Manhole repairs	R99,000.00
2022/2023	Replacement of Manhole covers	R51,000.00
2022/2023	Stormwater pipe Jetting	R190,000.00
	56 Litre cooler box - Nelisiwe Mabuyakhulu, Khanyisile Thusi	
2023/2024	Baking equipment, 1 Deck, 1 Oven, 10 ltr Cake mixer, Donut fryer, Kitchen scale, Countertop display cabinet – 0.7m, Cookrite stand – 1220MM – Zama Guma (Manoah Baking Company)	

WARD 20

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Electrification at Izikhoshi – 115 connections	Municipal Schedule 5B
2021/2022	5000L Water tank – Nondumisa Nzuzo	
2021/2022	5000L Water Tank – Sebelo Khuboni	
2023/2024	Printing/Photocopy machine – Mrs B Yimba (Ezingeni Internet)	
2023/2024	Sewing machine, Overlocker – Smangele Ntombela (IzandlazoKusebenza Projects)	

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Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2022/2023	Eyetheni Gravel Road and CauseWays- Phase 01 – Multi-year	R4,026,743.36
2022/2023	Eyetheni Gravel Road and Causeway- Phase 02-Multi-year	R4,177,739.99
2023/2024	STHL FS160 x1, Wheelbarrow – Wonderboy N Zikode Brothers	
2023/2024	Chicks, Starter mash, Grower mash, Finisher, Sawdust – Nokubonga Mathaba	
2023/2024	STHL FS160 x1, Wheelbarrow – Moses Delano Food (PTY) LTD	

WARD 22

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2023/2024	Block making machine – Bongumusa Ntombela	
2023/2024	Gas stove, Tables, Pots, Spoons, Plates – Nokulunga Vundla	

WARD 23

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	

2021/2022	Electrification infills	Eskom
2021/2022	5000L Water Tank – Amagugu Ongoye	
2021/2022	LED Equipment – Njabulo Ngema	
2023/2024	Industrial machine – Simphiwe Mdletshe	

WARD 24

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Electrification infills	Eskom
2021/2022	Makhehle Gravel Road – 3.3km	R6,972,104.54
2021/2022	Fabrics – Jabulile Shandu	
2023/2024	Brushcutter x1, Wheelbarrow – Thabani Xulu (Hlulekile Trading)	

WARD 25

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Electrification infills	Eskom
2021/2022	5000L water Tank – Mpendulo Mazuko	
	Chicken feather plucker - Alter Farm produce	
2023/2024	Chicken cage – Sibusiso Mazibuko (Umjita Mixed Farming)	

2023/2024	Gas stove, Pots, Table, Spoon, Plates – Thembeke Shwabede
2023/2024	Starter x2, Grower x2, Finisher x3 – Andiswa Xulu

WARD 26

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Fencing material – Nondwayiza Community garden	
2021/2022	LED Equipment – Thembinkosi Mthethwa	
2022/2023	09 Ewes (Females) 01 Ram (male) - Insika Yesintu Co-operative	
2023/2024	Block making machine, Wheelbarrow – Mlungsi Mchunu	
2023/2024	Wheelbarrows x2, Seedlings, Garden hoe x2, Hand hoe x2 – Zama Mdlalose (Ezasemabonga Co-Operative)	

WARD 27

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	Mobile Kitchen – Thembilihle Khumalo	
2021/2022	5000L water Tank – Nqubeko Dlamini	
2021/2022	Broiler feeders; drinkers; feed; vaccines – Ubuhle Bencemaneni Primary Co-op	
2021/2022	LED Equipment – Richman Gumede	
2022/2023	Sewing Machine - Bowuthando Co-operative	

2022/2023	Chicken feather plucker - Sandisithuba Co-operative
2022/2023	09 Ewes (Females) 01 Ram (male) - Engenamnjonjo Livestock Co-operative
2022/2023	09 Ewes (Females) 01 Ram (male) - Engenamnjonjo Livestock Co-operative
2023/2024	Industrial sewing machine – Bonakele Gumbi
2023/2024	Industrial sewing machine, Overlocker – Siyabonga Zungu
2023/2024	Brushcutter x1 – Nkosinathi Dlodla

WARD 28

Year Completed	Details of the Project	Budget Spent
Weekly	Free Basic Electricity	
Weekly	Free Basic Refuse removal Service	
When required	Rural Roads Grading Programme	
Annually	Jobs created through EPWP & CWP	
2021/2022	LED Equipment – Ndukwenhle Mbambo	
2022/2023	Speedhumps	R300,000.00
2022/2023	Road Surface Marking	R350,000.00
2022/2023	Road Traffic Signs	R150,000.00
2022/2023	Stormwater Manhole repairs	R99,000.00
2022/2023	Replacement of Manhole covers	R51,000.00
2022/2023	Stormwater pipe Jetting	R190,000.00
2022/2023	Double Sliding Door Cooler Fridge - Sihle Ntanzi	
2022/2023	Cooler Box - Ngenzeni Nzuza	
2023/2024	Brushcutter x1 – Sizwe Lungelo Mthembu (Egrineth Enterprise)	
2023/2024	Ice Cream machine – Siphamandla Jeffrey Majubane	

APPENDIX G: (I)

RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

**REPORT OF THE AUDIT AND PERFORMANCE COMMITTEE FOR
UMLALAZI LOCAL MUNICIPALITY
FOR THE PERIOD ENDED 30 JUNE 2024**

The Audit and Performance Committee (AUDCOM) for uMlalazi Local Municipality is pleased to present its report for the financial year ended 30 June 2024. The Committee is tasked with overseeing the financial reporting processes, auditing practices, and the performance evaluation of municipal operations and projects. This report outlines the key findings, assessments, and recommendations from the Committee's activities during the reporting period.

1. Mandate

The uMlalazi Municipality established an AUDCOM in terms of section 166 of the MFMA, section 14(2)(c) of the Local Government Municipal Planning and Performance Regulations, 2001 (Regulations) and MFMA Circular No. 65 issued by National Treasury in November 2012.

In accordance with the Municipal Finance Management Act No. 56 of 2003 (MFMA), the Municipal Audit and Performance Audit Committee (AUDCOM) holds a critical advisory role in ensuring sound financial management and governance within the municipality. The key aspects of its mandate include:

- **Advising the Accounting Officer (Municipal Manager):** The AUDCOM is tasked with advising the Municipal Manager, who is the Accounting Officer, as well as Senior Management and the Municipal Council, on matters relating to the municipality's financial management and governance.
- **Ensuring Adequacy and Reliability of Financial Reporting:** The Committee reviews and assesses the adequacy, reliability, and accuracy of the municipality's financial reporting, ensuring that the financial information is complete, accurate, and in compliance with applicable financial standards and regulations.
- **Monitoring Financial and Non-Financial Information:** The AUDCOM evaluates both financial and non-financial information used in the municipality's planning, monitoring, and reporting processes. This includes ensuring that the municipality's performance reports align with its strategic objectives and provide meaningful insights for decision-making.
- **Improving Accountability and Governance:** By advising on the quality and integrity of financial and performance data, the AUDCOM plays a crucial role in enhancing accountability and governance over the municipality's activities. The Committee oversight assists in ensuring that public funds are spent effectively, operations are transparent, and the municipality adheres to legal and regulatory requirements.
- **Providing Recommendations:** Based on its reviews, the AUDCOM provides recommendations to improve financial management practices, performance monitoring systems, internal controls, and overall governance. These recommendations are aimed at fostering a culture of continuous improvement in the municipality's operations and service delivery.

Through these responsibilities, the AUDCOM supports better decision-making, strengthens the municipality's financial discipline, and assists in ensuring that the municipality is operating in a transparent, accountable, and efficient manner in line with the principles outlined in the MFMA.

2. Members and attendance at meetings

For year under review, the Committee comprised of five independent, external members who are:

- Ms K Sewnarain (Chairperson of the Audit Committee)
- Mr JS Coetsee (Chairperson of the Performance Audit Committee & Member of the Umlalazi Disciplinary Board)
- Prof. T I Nzimakwe
- Mr A Zungu
- Mr S Masilela

Ms Sewnarain was appointed as the Chairperson of the Audit Committee with effect from 01 July 2023. It is further pleasing to note that the municipality has filled the two vacant positions on the audit Committee with Mr A Zungu and Mr S Masilela from 01 July 2023, resulting in the strengthening of the audit Committee's oversight role. An induction session was held with the new members of the Committee, to provide them with the background to the municipality as well as to clarify the oversight role that is required as a Committee member.

The AUDCOM is required to meet at least four (4) times per annum, in line with Section 166 of the MFMA. Members' attendance at the meetings is detailed below:

Name	No of Meetings Attended	10/08/2023 induction meeting	21/08/2023	13/12/2023	29/04/2024	27/06/2024
Ms K Sewnarain	5	✓	✓	✓	✓	✓
Prof. T.Nzimakwe	4		✓	✓	✓	✓
Mr. J S Coetsee	4		✓	✓	✓	✓
Mr A Zungu	5	✓	✓	✓	✓	✓
Mr S Masilela	5	✓	✓	✓	✓	✓

Further to the above, the following are standing invitees to the Audit Committee Meetings:

- Representative from Office of the Auditor-General (AG)
- Representatives from Provincial Treasury and COGTA
- MPAC Chairperson
- Internal Audit Manager
- The Municipal Manager (MM)
- The Chief Financial Officer (CFO)
- Heads of Departments
- PMS Manager
- Risk Officer

It is further pleasing to note that the Chief Financial Officer (CFO) position has been filled on a permanent basis during the year under review, which is a significant development for

the municipality. This appointment strengthens the leadership and management of the finance department, contributing to improved financial oversight and accountability.

3. Responsibility

The legal responsibilities of the AUDCOM are set out in terms of section 166 of the MFMA and operate within the terms of the Audit and Performance Committee Charter approved by the Council.

In the conduct of its duties, the AUDCOM has performed the following statutory duties relating to the 2023/24 financial year:

3.1 Reviewed internal financial control and internal audit

The internal audit plan for 2023/2024 financial year and the Internal Audit Charter was presented and adopted by the audit Committee, after deliberation by members of the Committee. The Committee noted that the SCM and ICT audits will be outsourced, due to the technical nature of these audits.

The internal audit function has been fully operational throughout the financial period and has diligently carried out its responsibilities in line with the approved audit plan and the internal audit charter. This ensures that the municipality's operations were regularly assessed for compliance, effectiveness, and efficiency.

As at 30 June 2024, the asset management building and office equipment audit and the supply chain management review was still in progress, with the annual performance review and annual financial statement review process to be undertaken once these documents have been compiled for the 2023/24 financial year. Additionally, the information and communication technology audit was postponed to the 2024/25 financial year due to budget funding constraints.

The Audit and Performance Audit Committee (AUDCOM) has reviewed the work conducted by Internal Audit in line with the annual audit plan. The Committee engaged in constructive discussions with the internal audit team to understand the challenges encountered during the audits and to identify ways to resolve the issues that were flagged.

As part of its review, the internal audit reports included recommendations aimed at improving internal controls across various municipal operations. These recommendations were intended to address weaknesses or inefficiencies that could expose the municipality to risks such as fraud, non-compliance, or financial mismanagement.

To ensure the effective implementation of these recommendations, agreed management action plans were developed to resolve the issues reported. These action plans specify the steps the municipality's management will take to address the identified deficiencies, along with timelines and responsible parties for implementing corrective actions.

The Committee will continue to monitor the progress of these action plans and ensure that management takes appropriate steps to enhance internal controls and overall governance.

The close collaboration between AUDCOM and internal audit is essential to foster accountability, improve financial and operational practices, and ensure that corrective actions are taken in a timely and effective manner.

It has been recommended to the municipality that, within the respective workstreams of the internal audit plan, the internal audit procedures should adequately address compliance with internal controls and testing of their effectiveness, in order to strengthen the reliance placed by the external auditors on the work of the internal audit.

The Committee further advised that the National Treasury will be regulating the mSCOA business processes and system requirements by the end of the 2025/26 financial year, and that internal audit should assist the municipality by testing the level of compliance of the municipality prior to the regulations being issued, to enable readiness of the municipality.

The internal audit team was advised, to further strengthen their technical reviews of the interim and annual financial statements as well as incorporate the previous matters resulting from audit findings into the internal audit plan, to ensure sustainability in the positive audit outcome that has been received by the municipality.

The Committee further recommended that the municipality develop a clean audit strategy to ensure the sustainability of the positive financial management outcomes achieved.

To ensure sustainability, the clean audit strategy should focus on:

- **Strengthening Internal Controls:** Continuously improving internal control systems to mitigate risks of fraud, mismanagement, and inefficiency in financial reporting and operations.
- **Addressing Audit Findings:** Implementing corrective actions in response to past audit findings, ensuring that previous weaknesses or areas of non-compliance are rectified and not repeated.
- **Ensuring Compliance with Legislation:** Maintaining adherence to the Municipal Finance Management Act (MFMA), other relevant regulations, and accounting standards, fostering a culture of compliance and transparency.
- **Capacity Building:** Strengthening the municipality's financial and auditing capacity, including training and development of staff to support improved financial management practices.
- **Monitoring and Reporting:** Establishing robust monitoring and reporting mechanisms to track progress toward achieving clean audit outcomes and to ensure that financial and performance data is accurate, reliable, and timely.

3.1.1 Auditor-General of South Africa (AGSA) Audit Report

The AUDCOM congratulates the municipality for achieving the second **unqualified audit opinion with no material findings (clean audit opinion)** for the 2023/24 financial year. AUDCOM appreciates the joint effort demonstrated by all officials and Council in order to achieve this, as achieving this audit opinion was no small feat.

However, the Committee further considered the issues raised by the auditors that still require attention. AUDCOM further recommended that Management develop an action plan

to implement the AGSA recommendations adequately, as well as include all audit finding matters received during the audit as part of the audit action plan.

Electricity losses remains a significant concern that requires decisive action to be implemented by the municipality. The Committee has previously engaged with the municipality on this matter extensively at previous meetings, and this will continue to be closely monitored to ensure that this is being addressed.

The Committee has recommended that a repairs and maintenance plan for electricity infrastructure that is aimed at eliminating technical losses be submitted to the AUDCOM, however this plan has not yet been submitted to the Committee. This plan should focus on improving the maintenance and upgrading of infrastructure to reduce inefficiencies and prevent damage or failure that leads to power losses.

The Committee further advised that in addition to meter auditing, consideration should be given to other measures should be considered to reduce distribution losses. This may include, for consideration:

- Upgrading and modernising the meter system to prevent tampering and improve the accuracy of the readings.
- Improving network monitoring to identify faults or inefficiencies in real time.
- Enhanced community engagement to reduce illegal connections and encourage compliance with proper metering.
- Investing in smart grid technologies for better tracking and management of electricity distribution.

The AUDCOM further requested the municipality to determine and monitor the aging on the contingent liabilities, as this could eventually become significantly costly to the municipality, if not resolved timeously.

The AUDCOM further recommended that attention be given to the increasing trend in the debt collection period from 108 days in 2021/22 to 146 days in 2022/23 and 155 days in 2023/24 financial year. An increasing debt collection period typically indicates that the municipality is taking longer to collect outstanding payments from its debtors. This could affect cash flow, leading to potential liquidity issues, reduced ability to fund operations, and greater risk of bad debts.

The AUDCOM's recommendation suggests that addressing this issue should be a priority for improving the municipality's financial management and ensuring that it can meet its financial obligations effectively. Potential strategies could include:

- **Improving debt recovery processes:** Streamlining billing, reminders, and collections.
- **Strengthening credit policies:** Reviewing and adjusting terms of credit extended to debtors.
- **Engaging with high-risk debtors:** Prioritising collections from entities that have a longer history of outstanding debts.
- **Implementing more aggressive debt collection strategies:** This could involve legal action or outsourcing collection to third-party agencies.

The municipality's current spending on repairs and maintenance, at 5%, is notably below the recommended norm of 8%. This gap is particularly concerning, especially given the significant electricity losses being reported by the municipality. Where the electricity infrastructure is insufficiently maintained, it can lead to inefficiencies, including higher electricity losses, both physical (through damaged or outdated equipment) and technical (due to poor system design or maintenance). The Committee has recommended that this be addressed in the upcoming budget process and aligned to a comprehensive maintenance plan.

The Committee further emphasised that while it is essential to sustain the positive audit opinion, efforts must also be made to ensure that achieving a clean audit aligns with and complements service delivery.

A clean audit reflects strong financial management and adherence to regulations, but it should not be seen as an end in itself. The Committee highlighted that the ultimate goal of financial integrity is to enhance service delivery to the community. Therefore, the municipality should focus on ensuring that:

- **Financial and Performance Management Align with Service Delivery Goals:** The clean audit should be part of a broader strategy to improve the municipality's ability to deliver quality services efficiently and effectively. This means ensuring that financial resources are appropriately allocated to projects and programs that directly impact the community's needs.
- **Integration of Clean Audit with Operational Efficiency:** A clean audit provides confidence in financial systems, but it is equally important to ensure that these systems are not just compliant but also support operational efficiency. Management should focus on eliminating inefficiencies in service delivery while maintaining strong financial controls.
- **Continuous Improvement in Governance:** The clean audit process should not only identify compliance with regulations but also drive continuous improvement in governance, accountability, and service excellence. This includes monitoring performance metrics, addressing service delivery gaps, and ensuring that resources are effectively used to meet the municipality's strategic objectives.

By integrating the clean audit with improved service delivery, the municipality can create a holistic approach to governance, ensuring that financial discipline supports sustainable and impactful services for the community.

The AUDCOM will continue to monitor this alignment, encouraging ongoing efforts to balance clean audit outcomes with tangible improvements in service quality.

3.1.2 Audit Committee Charter

The Audit Committee Charter was presented and adopted by the Committee for the 2023/24 financial year. The Committee resolved to design a detailed work plan, to ensure that the meetings held by the Committee addresses all oversight matters accordingly.

Subsequent to the adoption of the audit Committee charter, National Treasury released MFMA Circular No.127 on the Audit Committee Toolkit on 20 December 2023. The toolkit contains the following documentation:

- Audit Committee Manual/Guide
- Audit Committee Terms and Reference / Charter
- Audit Committee Work Plan
- Audit Committee Induction Pack
- Internal Audit Charter Template
- Audit Committee Self-Assessment Tool
- Audit Committee Competency Framework Checklist
- Internal Audit Effectiveness Assessment Tool
- Finance Function Assessment Tool

The AUDCOM as well as the Internal Audit are in the process of aligning these documents to the work plan of the Committee and identifying the modifications that are required in order for the municipality and the AUDCOM to align to the National Treasury guidance.

3.2 Risk Management

The AUDCOM is responsible for oversight of the internal and external auditors as well as financial reporting. Due to the assessment of internal controls over financial reporting being risk-based, the AUDCOM is responsible for overseeing management's risk framework and policies and discussing the Municipality's key risk exposures with management.

The Audit and Performance Audit Committee (AUDCOM) is pleased to note that the municipality has appointed a Risk Management Committee Chairperson, a significant step forward in strengthening the municipality's risk management framework. This appointment reflects the municipality's commitment to better managing risks that may affect its financial and operational performance.

As part of the ongoing improvements in risk management, quarterly reports are being provided to the AUDCOM, allowing the Committee to stay informed about the identification, assessment, and mitigation of risks within the municipality. These reports enable the AUDCOM to assess the effectiveness of the municipality's risk management strategies and ensure that risks are appropriately addressed.

The AUDCOM also noted the significant strides made in terms of risk management Committee. The efforts of the risk management Committee are assisting in ensuring that risk management processes are more robust and are having a positive impact on the municipality's governance and decision-making.

This progress in risk management contributes to improved financial stability, better service delivery, and greater accountability, all of which are essential to the municipality's long-term success and sustainability. The AUDCOM will continue to monitor and support the risk management efforts to ensure that risks are effectively mitigated and managed.

3.3 The credibility, reliability and accuracy of financial reporting and information as well as accounting policies

Based on the results of the internal audit reviews, the information submitted to the AUDCOM, and the audit report by the Auditor-General of South Africa (AGSA), the AUDCOM is pleased with the progress the municipality has made in improving its system of internal financial controls and financial reporting. These improvements reflect the municipality's commitment to enhancing its financial management practices, ensuring greater accuracy and transparency in reporting, and strengthening overall accountability.

However, the Committee also recognises that there are still areas for improvement. These areas include:

- **Strengthening Internal Controls:** While progress has been made, there are still weaknesses or inefficiencies in certain internal control systems that need to be addressed to minimise risks such as fraud, errors, and mismanagement, as identified in the internal audit reports.
- **Compliance with Regulations:** Ensuring full compliance with all relevant laws, regulations, and accounting standards is an ongoing process, taking into account the ongoing changes and introduction of new legislative frameworks. The Committee will continue to monitor this aspect to ensure that the municipality meets its regulatory obligations.
- **Enhanced Financial Reporting:** The audit Committee has reviewed the monthly in-year reports and highlighted concerns regarding the accuracy of the schedules being presented. There are areas to further enhance the municipality's financial reporting processes, ensuring that reports are timely, accurate, and provide a true reflection of the municipality's financial position. Additionally, the municipality has been advised to strengthen their processes on budgeting, including monthly budget cash flow estimations.
- **Addressing Audit Findings:** The Committee will continue to focus on ensuring that the Audit-Action Plans stemming from audit findings, including those by the AGSA and internal audits, are fully implemented and any identified weaknesses are resolved promptly.

The AUDCOM commends the municipality for submitting the interim and annual financial statements to the Committee for review, highlighting the municipality's commitment to transparency, accountability, and financial stewardship. This submission plays a vital role in ensuring the municipality's financial operations are well-documented, accurately reported, and in compliance with relevant standards and regulations. Extensive reviews were conducted by the Committee, and the municipality actively engaged in discussions regarding the matters that require attention. This collaborative approach reflects the municipality's commitment to addressing areas of concern, ensuring financial integrity, and enhancing the overall quality of its financial reporting.

While the progress made is commendable, the AUDCOM emphasises that continued attention to these areas will be crucial in further strengthening the municipality's financial

management, ensuring a more sustainable and effective system of internal controls, and improving the overall governance framework. The Committee will continue to work closely with management to ensure that these improvements are prioritised and effectively addressed.

3.4 Performance Management

The AUDCOM also serves as the Performance Audit Committee, overseeing the municipality's performance in addition to its financial management. As part of this role, Internal Audit has reviewed the municipality's performance based on the quarterly performance reports that were tabled at the Committee meetings.

The key responsibilities and actions of the AUDCOM in this regard include:

- **Reviewing Performance Reports:** The Committee assesses the quarterly performance reports provided by internal audit, which include evaluations of whether the municipality is meeting its strategic objectives and service delivery targets as outlined in its Integrated Development Plan (IDP) and other planning documents.
- **Performance Monitoring:** Internal audit's review of performance is focused on the effectiveness, efficiency, and economy of municipal operations. This includes evaluating whether the municipality is delivering services as planned, within budget, and meeting the desired outcomes for the community.
- **Identifying Areas for Improvement:** Based on the performance audits, the AUDCOM identifies areas where the municipality's performance could be enhanced. These may include improving service delivery, optimising the use of resources, and addressing any inefficiencies in municipal operations.
- **Providing Recommendations:** The Committee works with management to ensure that any identified performance issues are addressed, and it provides recommendations for improvement. This may include revising performance targets, enhancing operational processes, or taking corrective action where performance is not meeting expectations.
- **Linking Performance to Financial Management:** The AUDCOM ensures that the municipality's performance is closely linked to its financial management, ensuring that resources are allocated efficiently to achieve the municipality's goals and objectives. The performance audits also provide insights into the cost-effectiveness of municipal programs and services.

The members of the AUDCOM fully recognise that effective financial performance alone will not positively impact the community if it is not accompanied by tangible service delivery outcomes. For the municipality to make a meaningful difference, it is essential that the constituents have access to the basic services they require, such as electricity and proper infrastructure. Hence, performance targets and the achievements are closely monitored, with detailed deliberations with management where achievements have not been appropriately recorded or have not been achieved. The Committee seeks to understand the reasons for these shortfalls and holds management to account to ensure that corrective actions are taken promptly.

The AUDCOM would like to acknowledge the municipality for achieving a fourth audit opinion on performance management as unqualified with no material adjustments for the year ended 30 June 2024, which contributed positively toward the achievement of a clean audit opinion for the municipality.

However, the Committee considered the internal audit reports on performance management, and concerns were raised by the Committee on the misalignment of the performance information, the adequacy of the reported information, as well as the lack of appropriate portfolio of evidence to support achievement during the financial year.

Given these concerns, the Committee emphasised the need for improvements in performance reporting and monitoring, particularly in the following areas:

- **Alignment of Performance Targets, Outcomes and Resources:** Ensuring that the performance information presented is accurately aligned with the municipality's strategic objectives and goals. This alignment will assist in ensuring that the municipality is working towards its desired outcomes. Going forward, it is further recommended that the IDP compilation should be undertaken prior to the budgeting process, in order to ensure the alignment, as well as the SDBIP.
- **Enhancing Reporting Practices:** The Committee recommended that management enhance the quality of the performance reports by providing more detailed and comprehensive information. This should include clearer explanations of how targets were achieved and the processes used to track performance.
- **Establishing Robust Documentation and Evidence:** The Committee called for the development of a more systematic approach to documenting performance and maintaining an appropriate portfolio of evidence. This would allow for greater transparency and enable the Committee to verify the achievement of targets and ensure accountability.

3.5 Effective Governance

The AUDCOM plays a critical oversight role regarding the municipality's governance processes, ensuring that robust internal and external auditing practices are in place to support accountability and transparency.

It is responsible for ensuring that the internal audit function remains independent and has the necessary resources, standing, and authority to effectively discharge its duties. This includes ensuring that the internal audit team is not unduly influenced by management or other parties within the municipality, enabling them to carry out their work with integrity and objectivity.

Furthermore, it oversees the cooperation between the internal and external auditors, ensuring that both audit functions work together efficiently and share relevant information. This collaboration helps provide a comprehensive view of the municipality's financial and operational performance, leading to more effective audits and a clearer understanding of the municipality's governance.

Both the internal and external auditors have unlimited direct access to the AUDCOM, primarily through its chairperson. This access allows auditors to raise concerns, present

findings, and discuss any challenges or issues they may encounter, ensuring that the Committee is fully informed and able to take appropriate action when needed.

The Mayor and the Chairperson of the Municipal Public Accounts Committee (MPAC) have a standing invitation to attend AUDCOM meetings. This ensures that key municipal leaders are involved in the discussions regarding financial oversight, audit findings, and performance management, fostering transparency and accountability across the municipality.

The AUDCOM has accepted the nomination for representation on the uMlalazi Disciplinary Board. The Committee has appointed one of its members to serve as a representative on the board. This appointment ensures that the AUDCOM plays an active role in overseeing the municipality's disciplinary processes, contributing to good governance and ethical conduct.

By fulfilling these responsibilities, the AUDCOM strengthens the municipality's governance framework, ensuring that financial management, audits, and performance oversight are conducted with integrity and accountability. The Committee's engagement with both internal and external auditors, as well as its involvement in key governance structures, contributes to the municipality's efforts to enhance transparency and effectively manage public resources.

3.6 Compliance with Legislation

The AUDCOM receives regular reports on compliance management from management, which provides a comprehensive overview of the municipality's adherence to relevant laws, regulations, and internal policies. These reports allow the AUDCOM to assess the municipality's compliance status and ensure that proper mechanisms are in place to manage and mitigate compliance risks.

One of the notable developments is that the municipality has shown significant improvement in identifying and addressing non-compliance matters. During the 2023-24 financial year, the municipality achieved an important milestone by reporting no material compliance matters. This indicates that the municipality has effectively managed its compliance risks and adhered to legal and regulatory requirements, which is a strong reflection of improved governance and accountability.

The AUDCOM acknowledges the municipality's positive progress in reducing the level of unauthorized, irregular, and fruitless and wasteful expenditure (UIFW). This reduction reflects improved financial management practices, better adherence to policies and procedures, and a stronger commitment to accountability. However, the Committee also recognises the importance of sustaining these improvements and further strengthening the municipality's processes to prevent the recurrence of such expenditure. Where such expenditure was incurred, decisive action must be taken to address it in line with the MFMA.

4. Key issues and recommendations

The AUDCOM has reviewed the municipality's current performance and identified several key matters that must be addressed timeously to ensure continued improvement in financial management, service delivery, and governance. The following recommendations have been made:

- **Vigorous Implementation of Action Plans to Reduce Electricity Losses:** The Committee recommends that the municipality adopt a vigorous process to implement action plans aimed at significantly reducing electricity losses. This includes addressing both technical and non-technical losses through measures such as:
 - Improved maintenance of infrastructure to minimise technical losses.
 - Enhancing metering systems and monitoring to detect and address illegal connections or faulty meters.
 - Strengthening public awareness campaigns and enforcement to prevent unauthorised electricity usage.
- **Improve Debt Collection Procedures:** The Committee emphasises the need for improved debt collection procedures to enhance the municipality's ability to collect outstanding debt and improve the overall collection rate. This could involve:
 - Strengthening credit control policies and practices, ensuring that outstanding debts are followed up promptly and consistently.
 - Implementing more efficient payment plans and incentives for early payments to encourage debtors to settle their accounts.
 - Ensuring that the municipality maintains a clear and effective communication strategy with debtors regarding payment terms and obligations.
- **Continue Strengthening of the Finance Team and Internal Audit Unit:** The Committee recommends the continued strengthening of both the finance team and the internal audit unit by ensuring that they remain updated on the latest technical matters and amendments to accounting and reporting requirements. This includes:
 - Providing ongoing training and professional development opportunities for staff to stay informed about changes in financial management practices, laws, and accounting standards.
 - Encouraging participation in relevant workshops, seminars, and conferences to further enhance technical knowledge and capabilities.
 - Ensuring that both teams have access to the resources they need to execute their duties effectively.
- **Implement Action Plans and Consequence Management for Non-Adherence to Internal Controls and Non-Compliance:** The Committee stresses the importance of implementing action plans and consequence management for non-adherence to internal controls and non-compliance with laws and regulations. This includes:
 - Establishing clear consequence management protocols that hold individuals accountable for not following established internal controls or for failing to comply with applicable laws and regulations.
 - Monitoring the implementation of action plans for addressing any non-compliance or audit findings, ensuring that corrective actions are taken within agreed timeframes.

- Ensuring that there is effective oversight and that all managers are held accountable for maintaining a culture of compliance and good governance.

5. Conclusion

The implementation and maintenance of proper systems of internal controls, risk management, the prevention of fraud and errors, the safeguarding of municipal assets, and compliance with relevant laws and regulations are ultimately the responsibility of the Council. These responsibilities are central to ensuring the effective governance and sound management of the municipality's resources.

However, AUDCOM plays a key oversight role in this process. The Committee's primary responsibility is to monitor the efficiency and effectiveness of the procedures and mechanisms that the Council has put in place to ensure that its policies and procedures are being adhered to.

The Audit and Performance Audit Committee is satisfied with the Municipality's financial reporting and performance management practices, subject to the matters raised in this report. The Committee recognises the efforts made by the Municipality to achieve transparency, accountability, and effective service delivery.



Chairperson
Ms K Sewnarain
15 January 2025
On behalf of the Audit Committee

APPENDIX H:

LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

CONTRACTS AND SERVICE LEVEL AGREEMENT REGISTER

One of the Councils strategies in terms of the key performance area of institutional development, is to improve contract management.

In this regard a contract and service provider register has been developed which indicates all current contracts with Consultants and Contractors currently engaged in the service of the Council. It further details the commencement and conclusion of the contract to improve monitoring thereof.

In some cases such as the engineering contracts there is no expiry date as the contract period is dependent on a multitude of factors including climate, supply of material and contingency matters.

The intention of the Register is to ensure that no service is engaged without a signed contract or service level agreement to ensure that the Council has the monitoring tools for milestones and quality assurance. This will further ensure compliance with the Local Government Municipal Finance Management Act 56 of 2003 and the procurement plan in that proper planning can be ensured for those contracts nearing completion which will prevent unauthorized expenditure.

The following is the current Contract Register for the Council as at 30 June 2024: -

CONTRACTS REGISTER 30 JUNE 2024

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTED BIDDER	DESCRIPTION OF GOODS/SERVICES/PROJECTS	CONTRACT VALUE AS PER CONTRACT	CONTRACT START DATE	CONTRACT END DATE	CONTRACT DURATION IN MONTHS	CONTRACT STATUS	LOCATION OF COMPANY (TOWN)
C86	KZN ULM 13-15-16 CON	SERVICE LEVEL AGREEMENT	IZINGALABEZI CONSULTING ENGINEERS	CONSULTANCY SERVICES - MAYORAL OFFICE STRUCTURAL DESIGN & PROJECT MANAGEMENT	R 427 500,00	2016/03/17	DEPENDENT	DEPENDENT	CURRENT	EMPANGENI
C172	KZN ULM 19-14-15 OTH	APPOINTMENT LETTER	CHS DEVELOPMENTS	MZIMELA RURAL HOUSING PROJECT - 1000 UNITS	R -	2015/11/20	DEPENDENT	DEPENDENT	CURRENT	DURBAN
C173	KZN ULM 20-14-15 OTH	SERVICE LEVEL AGREEMENT	MABUNE CONSULTING CC	MAMBA RURAL HOUSING PROJECT - 1000 UNITS	R -	2015/11/20	DEPENDENT	DEPENDENT	CURRENT	DURBAN
C174	KZN ULM 21-14-15 OTH	APPOINTMENT LETTER	SIBGEM MANAGEMENT & CONSULTING ENGINEERS	OGAGWINI RURAL HOUSING PROJECT - 1000 UNITS	R -	2015/11/20	DEPENDENT	DEPENDENT	CURRENT	KLOOF
C175	KZN ULM 22-14-15 OTH	SERVICE LEVEL AGREEMENT	FMA ENGINEERS	MPUSHINI PARK HOUSING PROJECT - 3000 UNITS	R -	2015/11/20	DEPENDENT	DEPENDENT	CURRENT	DURBAN
C176	KZN ULM 39-14-15 - OTH	SERVICE LEVEL AGREEMENT	MKHOMBE DEVELOPMENTS PTY LTD	NZUZA RURAL HOUSING DEVELOPMENTS -1000 UNITS	R -	2015/11/20	DEPENDENT	DEPENDENT	CURRENT	DURBAN
C229	KZN ULM 07-08 CON	SERVICE LEVEL AGREEMENT	KAMAWEWE DEVELOPMENTS & CONSULTANTS	APPOINTMENT OF CONSULTANT : MUNICIPAL INFRASTRUCTURE GRANT PROJECT EMTILOMBO CAUSEWAY / ROAD (WARD 10)	R 850 000,00	2017/04/10	DEPENDENT	DEPENDENT	CURRENT	PIETERMARITZBURG
C230	KZN ULM 07-08 CON	SERVICE LEVEL AGREEMENT	KAMAWEWE DEVELOPMENTS & CONSULTANTS	APPOINTMENT OF CONSULTANT : MUNICIPAL INFRASTRUCTURE GRANT PROJECT MBABHA CAUSEWAY (WARD 2)	R 800 000,00	2017/04/10	DEPENDENT	DEPENDENT	CURRENT	PIETERMARITZBURG
C296	KZN ULZ 12-17-18 CON	SERVICE LEVEL AGREEMENT	ELEMENT 2030 PTY LTD	APPOINTMENT OF CIVIL ENGINEERING CONSULTANT FOR THE UPGRADE OF SUNNYDALE INTERSECTION	R 272 512,50	2018/08/31	DEPENDENT	DEPENDENT	CURRENT	WESTVILLE

C358	KZN ULM - OTH	SERVICE LEVEL AGREEMENT	KANTEY & TEMPLER	APPOINTMENT AS IMPLEMENTATION AGENT :SUNNYDALE PHASE 02 HOUSING PROJECT	R 5 424 325,09	2018/05/22	DEPENDENT	DEPENDENT	CURRENT	HILTON
C387	KZN ULM - OTH	MEMORANDUM OF AGREEMENT	BAHLOMILE	APPOINTMENT AS IMPLEMENTATION AGENT : MPUNGOSE RURAL HOUSING PROJECT	R 130 697 080,00	2018/11/21	DEPENDENT	DEPENDENT	CURRENT	PINETOWN
C388	KZN ULM - OTH	MEMORANDUM OF AGREEMENT	SIQU CIVILS	APPOINTMENT AS IMPLEMENTATION AGENT : UYAYA RURAL HOUSING PROJECT (1000 UNITS)	R -	2018/11/21	DEPENDENT	DEPENDENT	CURRENT	ULUNDI
C416	KZN ULM 24-18-19 CON FEE	MEMORANDUM OF AGREEMENT	UMHLABA GEOMATICS INC.	GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION 01 JULY 2020 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 01 JULY 2020 TO 30 JUNE 2025.	R 1 750 000,00	2020/07/01	2025/06/30	60	CURRENT	DUNDEE
C465	KZN ULM 13-20-21 CON FEE	SERVICE LEVEL AGREEMENT	GIBB (PTY)LTD	APPOINTMENT OF CONSULTANTS FOR INEP PROJECTS (S1-RURAL AND URBAN HOUSEHOLD ELECTRIFICATION) IN UMLALAZI MUNICIPAL AREA. RURAL ELECTRIFICATION. > IZINSUNDU ELECTRIFICATION IN WARD 01 - 105 CONNECTIONS > IZIKOSHI ELECTRIFICATION IN WARD 20 - 100 CONNECTIONS	TOTAL CONSTRUCTION FEE OF 6% AND 5.92% DISBURSEMENTS	2020/11/25	DEPENDENT	DEPENDENT	CURRENT	DURBAN
C467	KZN ULM 28-20-21 LEA	LEASE AGREEMENT	NORTH COAST OFFICE EQUIPMENT (ZULULAND) T/A KONICA MINOLTA ZULULAND	APPOINTMENT OF A SERVICE PROVIDER FOR RENTAL INSTALLATION AND MAINTENANCE OF PRINTERS AND PHOTOCOPY MACHINES FOR A PERIOD OF 36 MONTHS	R 2 182 997,16	2021/05/01	2024/06/30	38	EXTENDED	RICHARDS BAY

C481	KZN ULM 42-20-21 OP LEA	SERVICE LEVEL AGREEMENT	TREK SCALE COMPANY (PTY) LTD	INSTALLATION AND LEASING OF WEIGHBRIDGES FOR MTUNZINI AND ESHOWE TRANSFER STATIONS.	R 2 070 000,00	2021/08/01	2024/07/31	36	CURRENT	JOHANNESBURG
C484	KZN ULM 01-20-21 IT SERV	SERVICE LEVEL AGREEMENT	CCG SYSTEMS (PTY) LTD	SUPPLY AND COMMISSIONING OF HUMAN RESOURCES AND PAYROLL SYSTEM	R 3 054 845,52	2021/11/01	2024/10/31	36	CURRENT	MIDRAND
C486	KZN ULM 35-20-21 CON FEE	SERVICE LEVEL AGREEMENT	FMA ENGINEERS (PTY) LTD	CONSULTANCY SERVICE : REHABILITATION OF VARIOUS URBAN ROADS	R 696 625,00	2021/10/15	DEPENDENT	DEPENDENT	CURRENT	DURBAN
C487	KZN ULM 35-20-21 CON FEE	SERVICE LEVEL AGREEMENT	ECA CONSULTING (PTY)LTD	CONSULTANCY SERVICE : DESIGN A PLAN FOR MPUSHINI PARK NEW CEMETERY AND INCLUDE ALL SERVICES REQUIRED (CIVIL ENGINEERING SERVICES)	R 440 450,00	2021/12/01	DEPENDENT	DEPENDENT	CURRENT	VRYHEID
C491	KZN ULM 45-20-21 IT SERV	SERVICE LEVEL AGREEMENT	EMALANGENI TECHNOLOGIES (PTY)LTD	APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY, INSTALL AND MAINTAIN TELEPHONE SYSTEM AND IP PHONES FOR THE PERIOD OF 36 MONTHS	R 2 793 235,97	2022/01/03	2025/01/03	36	CURRENT	NELSPRUIT
C497	KZN ULM 12-21-22 ELE	GENERAL CONDITIONS OF CONTRACT	KHULE DKS TRADING ENTERPRISE	ALLOCATION OF PROJECT : IZINSUNDU ELECTRIFICATION	R 8 282 811,00	2021/12/08	2022/03/30	4	CURRENT	STEADVILLE
C505	KZN ULM 35-20-21 CON FEE	APPOINTMENT LETTER	GENDU CONSULTANTS	CONSULTANCY SERVICE : DRAFTING/DRAWING OF ESHOWE TRANSFER STATION WASTE RECYCLING STEEL SHELTER AND PROVISION OF PROFESSIONAL ADVICE ON SINKING WASTE OFF-LOADING ZONE	R 117 760,00	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	KWA-DLANGEZWA
C507	KZN ULM 35-20-21 CON FEE	SERVICE LEVEL AGREEMENT	M & C CONSULTING ENGINEERS	CONSULTANCY SERVICES : CONSTRUCTION OF MPUMAZI COMMUNITY HALL (WARD 14)	R 600 875,00	2022/05/13	DEPENDENT	DEPENDENT	CURRENT	MTUBATUBA
C511	KZN ULM 35-20-21 CON ENG	SERVICE LEVEL AGREEMENT	FMA ENGINEERS	CIVIL ENGINEERING CONSULTANCY SERVICES : CONSTRUCTION OF	R 1 510 870,00	2022/06/15	DEPENDENT	DEPENDENT	CURRENT	GILLITTS

				MASHABASE SPORTSFIELD (WARD 01)						
C512	KZN ULM 35-20-21 CON ENG	SERVICE LEVEL AGREEMENT	LIKHANYILE CONSULTING ENGINEERS & PROJECT MANAGERS	CIVIL ENGINEERING CONSULTANCY SERVICES : CONSTRUCTION OF SLAMBO COMMUNITY HALL (WARD 03)	R 891 250,00	2022/06/15	DEPENDENT	DEPENDENT	CURRENT	PIETERMARITZBURG
C514	KZN ULM 35-20-21 CON ENG	APPOINTMENT LETTER	IZINGA HOLDINGS	CIVIL ENGINEERING CONSULTANCY SERVICES : FEASIBILITY STUDY FOR MUNICIPAL RURAL ROADS MAINTENANCE PROGRAMME , IMPLEMENTATION AND CONSTRUCTION SUPERVISION	R 437 287,50	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	EMPANGENI
C516	KZN ULM 46-20-21 IT SERV	SERVICE LEVEL AGREEMENT	TMANSWORLD TECHNOLOGIES	APPOINTMENT OF A SERVICE PROVIDER FOR HOSTING, MAINTENANCE AND CONTENT MANAGEMENT OF THE EXISTING UMLALAZI MUNICIPALITY WEBSTE FOR A PERIOD OF 36 MONTHS	R 349 272,76	2022/07/01	2025/06/30	36	CURRENT	RICHARDS BAY
C519	KZN ULM 18-21-22 UNI	SERVICE LEVEL AGREEMENT	CLEAN SPOT SOLUTIONS	SUPPLY, DELIVERY AND OFFLOADING OF PROTECTIVE WEAR AND EQUIPMENT AT UMLALAZI MUNICIPALITY	R 2 085 488,40	2022/07/01	2025/06/30	36	CURRENT	DURBAN
C520	KZN ULM 24-21-22 - MUN SERV	SERVICE LEVEL AGREEMENT	ZOTHILE FUNERAL SERVICES	DESTITUTE BURIAL SERVICES	R 184 000,00	2022/07/01	2025/06/30	36	CURRENT	ESHOWE
C521	KZN ULM 23-21-22 - MUN SERV	SERVICE LEVEL AGREEMENT	ISAKABULI (PTY) LTD	MOWING OF VERGES, OPEN SPACES & CEMETERIES IN SPECIFIED AREAS OF ESHOWE	R 1 903 500,00	2022/07/01	2025/06/30	36	CURRENT	EMPANGENI
C526	KZN ULM 02-21-22 OTH	SERVICE LEVEL AGREEMENT	KAYOSI TRADING	THREE YEAR CONTRACT : SUPPLY AND DELIVERY OF ASPHALT PRODUCTS (HOT MIX)	R 143 462,50	2022/08/18	2025/08/18	36	CURRENT	ZIMBALI
C527	KZN ULM 02-21-22 OTH	SERVICE LEVEL AGREEMENT	ONOMBUTHU (PTY) LTD	THREE YEAR CONTRACT : SUPPLY AND DELIVERY OF ASPHALT PRODUCTS (BITUMEN & COLD MIX)	R 1 102 390,00	2022/08/18	2025/08/18	36	CURRENT	ESHOWE

C528	KZN ULM 13-21-22 ACC & TRA	SERVICE LEVEL AGREEMENT	NATHIMISODILE TRADING CC	SERVICE OF A TRAVEL AGENCY	R 4 981 980,39	2022/08/16	2025/08/16	36	CURRENT	DURBAN CENTRAL
C531	KZN ULM 25-21-22 OTH	SERVICE LEVEL AGREEMENT	SNOBHO (PTY)LTD T/A PJ PLASTICS	SUPPLY AND DELIVERY OF REFUSE BAGS (BLACK 40 MICRONS)	R -	2022/09/19	2025/09/19	36	CURRENT	STANGER
C532	KZN ULM 25-21-22 OTH	SERVICE LEVEL AGREEMENT	S KWANDA TRADING ENTERPRISE (PTY) LTD	SUPPLY AND DELIVERY OF REFUSE BAGS (CLEAR 40 MICRONS)	R -	2022/09/19	2025/09/19	36	CURRENT	ESHOWE
C534	KZN ULM 06-21-22 SEC	SERVICE LEVEL AGREEMENT	FIDELITY CASH SOLUTIONS	CASH-IN-TRANSIT SECURITY SERVICE PROVIDER	R 1 929 888,53	2023/04/01	2026/03/31	36	CURRENT	ROODEPOORT
C535	KZN ULM 05-22-23 ADV	SERVICE LEVEL AGREEMENT	AYANDA MBANGA COMMUNICATIONS PTY LTD	ADVERTISING AGENT SERVICES	8% PLUS R 200,00 HANDLING FEE	2022/10/06	2025/10/06	36	CURRENT	DURBAN
C541	KZN ULM 21-21-22 MUN	SERVICE LEVEL AGREEMENT	MAILTRONIC DIRECT MARKETING	THREE YEAR CONTRACT :PRINTING AND DELIVERY OF MUNICIPAL ACCOUNTS AND NEWSLETTERS	R -	2022/09/01	2025/08/31	36	CURRENT	JOHANNESBURG
C544	KZN ULM 03-22-23 IT SERV	APPOINTMENT LETTER	MAVAMBO INTELLIGENT TRANSPORT SOLUTIONS (PTY)LTD	SUPPLY AND MANAGEMENT OF TRAFFIC CAMERA SYSTEMS IN SIX APPROVED SITES WITHIN UMLALAZI MUNICIPALITY	R -	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	ELDORADO PARK
C548	KZN ULM34-21-22 INS	SERVICE LEVEL AGREEMENT	KUNENE MAKOPO RISK SOLUTIONS (PTY)LTD	PROVISION OF SHORT-TERM INSURANCE	R 2 797 663,32	2023/01/01	2025/12/31	36	CURRENT	BRAYANSTON
C550	KZN ULM 10-22-23 MUN SERV	SERVICE LEVEL AGREEMENT	NJOMISA	WASTE MANAGEMENT AND RECYCLING : EPWP PROJECTS CLUSTER 2	R 476 095,44	2023/02/01	2026/02/01	36	CURRENT	ESHOWE
C551	KZN ULM 11-22-23 MUN SERV	SERVICE LEVEL AGREEMENT	S KWANDA TRADING ENTERPRISE (PTY) LTD	WASTE MANAGEMENT AND RECYCLING : EPWP PROJECTS CLUSTER 3	R 979 800,00	2023/02/01	2026/02/01	36	CURRENT	ESHOWE
C557	KZN ULM 20-22-23 CON	GENERAL CONDITIONS OF CONTRACT	NOMAKLEZA (PTY)LTD	CONSTRUCTION OF MPUMAZI HALL	R 4 299 495,22	2023/03/14	2024/02/05	11	CURRENT	KWA-MBONAMBI

C558	KZN ULM 22-22-23 CON	GENERAL CONDITIONS OF CONTRACT	SIPHO-GLAD CONSTRUCTION AND GENERAL TRADING CC	CONSTRUCTION OF MASHABASE SPORT FIELD (WARD 1)	R 7 894 094,35	2023/02/22	2023/10/12	8	CURRENT	ESHOWE
C560	KZN ULM 01-22-23 CON	GENERAL CONDITIONS OF CONTRACT	XOLI M PROJECTS	CONSTRUCTION OF MPUSHINI NEW CEMETERY	R 7 285 789,93	2023/03/17	2023/09/28	6	CURRENT	KWA-DLANGEZWA
C563	KZN ULM 27-22-23 - PRO	SERVICE LEVEL AGREEMENT	DYNAMIC DASHING SOLUTIONS (PTY) LTD	COMPILATION OF A GRAP COMPLIANT FIXED ASSETS REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS	R 2 842 990,00	2023/04/01	2026/03/31	36	CURRENT	HAMMARDSDALE
C568	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	ASPIGON 411 CC	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	R -	2023/05/03	2026/04/30	36	CURRENT	ESHOWE
C569	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	BROCKWELL ENGINEERING	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	R -	2023/05/03	2026/04/30	36	CURRENT	ESHOWE
C570	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	ESHOWE MOTORS T/A PREMIER ATTRACTION 424	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS	R -	2023/05/03	2026/04/30	36	CURRENT	ESHOWE

				& MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE						
C571	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	NES DIESEL FUEL INJECTION	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	R -	2023/05/03	2026/04/30	36	CURRENT	ESHOWE
C572	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	POWER TECH SERVICES CENTRE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > SERVICES OR REPAIRS & MAINTENANCE	R -	2023/05/03	2026/04/30	36	CURRENT	RICHARDS BAY
C573	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	SABRM PROJECTS	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	R -	2023/05/03	2026/04/30	36	CURRENT	ESHOWE

C574	KZN ULM 26-22-23 MAI VEH	SERVICE LEVEL AGREEMENT	UTHINGO PANEL BEATERS CC	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	R -	2023/05/03	2026/04/30	36	CURRENT	ESHOWE
C576	KZN ULM 35-20-21 CON & ENG 15-2023	APPOINTMENT LETTER	BI INFRASTRUCTURE CONSULTANTS (PTY)LTD	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF TAP TAP MAKHATHINI SPORT CENTRE (WARD 26)	10% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	PIETERMARITZBURG
C578	KZN ULM 35-20-21 CON & ENG 12-2023	APPOINTMENT LETTER	FMA ENGINEERS (PTY)LTD	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF ENDAYINI TO NGEDLEZI GRAVEL ROAD (WARD 04)	9,35% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	ESHOWE
C579	KZN ULM 35-20-21 CON & ENG 31-2023	APPOINTMENT LETTER	DLV PROJECT MANAGERS & ENGINEERING (PTY)LTD	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MAKHUMALO TO EDIPHINI GRAVEL ROAD (WARD 13)	8,9% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	RICHARDS BAY
C580	KZN ULM 35-20-21 CON & ENG 13-2023	APPOINTMENT LETTER	XARIBA ENTERPRISE CC T/A NANKHOO CONSULTING ENGINEERS	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MAMBA GRAVEL ROAD (WARD 02)	6,5% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	DURBAN
C581	KZN ULM 35-20-21 CON & ENG 32-2023	APPOINTMENT LETTER	TGQSIL CONSULTING ENGINEERS (PTY)LTD	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF VEKEZA GRAVEL ROAD (WARD 17)	8,26% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	ULUNDI

C582	KZN ULM 35-20-21 CON & ENG 17-2023	APPOINTMENT LETTER	AZADI CONSULTING (PTY)LTD	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MANDAWA COMMUNITY HALL (WARD 27)	11,5% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	WESTRIDGE
C583	KZN ULM 35-20-21 CON & ENG 18-2023	APPOINTMENT LETTER	KUFANIKIWA CONSULTING (PTY)LTD T/A VUMESA (PTY)LTD	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MBIZA NO: 02 COMMUNITY HALL (WARD 09)	8,5% OF THE CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	NEW GERMANY
C586	KZN ULM IT SERV	TRANSVERSAL CONTRACT	VESTA TECHNICAL SERVICES (PTY) LTD	ALIGNMENT OF CURRENT CHART TO mSCOA CHART	R 4 043 781,80	2023/07/01	2024/06/30	12	CURRENT	JOHANNESBURG
C587	KZN ULM 28-22-23 IT SERV	SERVICE LEVEL AGREEMENT	CONTOUR TECHNOLOGY (PTY) LTD	SUPPLY AND MANAGE AN ONLINE STS PREPAID VENDING AND MANAGEMENT SYSTEM FOR A PERIOD OF THIRTY SIX MONTHS	R 1 523 520,00	2023/09/01	2026/08/31	36	CURRENT	DURBAN
C590	KZN ULM 09-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MULTI SOLUTION TRADING (PTY) LTD	CONSTRUCTION OF NDAYINI TO NGEDEZI GRAVEL ROAD	R 7 992 406,62	2023/10/09	2024/04/26	7	CURRENT	WESTVILLE
C591	KZN ULM 10-23-24 CON	GENERAL CONDITIONS OF CONTRACT	XOLI M PROJECTS	CONSTRUCTION OF SLAMBO COMMUNITY HALL	R 5 569 336,25	2023/09/28	2024/04/16	7	CURRENT	KWA-DLANDEZWA
C592	KZN ULM 40-22-23 PROF	SERVICE LEVEL AGREEMENT	INNOVATION GOVERNMENT SOFTWARE SOLUTIONS	PROVISION OF ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM AND RELATED PROFESSIONAL SERVICES FOR UMLALAZI MUNICIPALITY	R 3 200 000,00	2023/10/03	2026/10/02	36	CURRENT	DURBAN NORTH
C593	KZN ULM 23-23-24 PRO	SERVICE LEVEL AGREEMENT	NTSHIDI AND ASSOCIATES	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL OF QUALITY ASSURANCE SERVICES TO RECOVER AND REVIEW VALUE ADDED TAX (VAT) FOR A PERIOD OF TWELVE (12) MONTHS	9,2%	2023/11/15	2024/11/15	12	CURRENT	DURBAN

C594	KZN ULM 41-22-23 ADMIN	APPOINTMENT LETTER	METROFILE (PTY)LTD	PROVISION OF OFF-SITE STORAGE FACILITY AND MANAGEMENT OF RECORDS AND MEDIA FACILITY FOR UMLALAZI MUNICIPALITY FOR A PERIOD OF THREE YEARS	R 609 455,88	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	EMPANGENI RAIL
C595	KZN ULM 02-23-24 VEH	SERVICE LEVEL AGREEMENT	CTRACK FLEET MANAGEMENT SOLUTIONS (PTY)LTD	PROVISION OF FLEET MANAGEMENT MONITORING SYSTEMS AND SERVICES CONTRACT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/10/07	2026/10/07	36	CURRENT	HIGHVELD PARK
C596	KZN ULM 05-23-24 CON	APPOINTMENT LETTER	AFRICA CONSULTING ENGINEERS	CIVIL ENGINEERING CONSULTANCY SERVICES : CONSTRUCTION OF KDS TRADING FACILITY (WARD 12)	14% OF THE TOTAL CONSTRUCTION VALUE	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	DURBAN
C597	KZN ULM 14-23-24 PRO	SERVICE LEVEL AGREEMENT	SIYATHUTHU DEVELOPMENT T/A INZUZO YESIZWE	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL TO CONDUCT FEASIBILITY STUDY AND SURVEY THE PROPOSED INTERNAL ROADS NETWORK	R 569 250,00	2023/11/02	2024/06/30	8	CURRENT	NAPIERVILLE
C598	KZN ULM 13-22-23 PRO	SERVICE LEVEL AGREEMENT	BIYELA MM GEOMATICS (PTY)LTD	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL TO SUBDIVIDE PORTION OF REMAINDER OF ERF 702 GINGINDLOVU	R 249 500,00	2023/11/02	2024/06/30	8	CURRENT	RICHARDS BAY
C600	KZN ULM 20-23-24 CON	APPOINTMENT LETTER	XOLI M PROJECTS	CONSTRUCTION OF MAMBA GRAVEL ROAD (KM 0,00 - KM 3,679) AND 8/3,0M BOX CULVERT (KM0,998)	R 6 545 875,61	2023/11/22	2024/06/23	7	CURRENT	MTUNZINI
C601	KZN ULM 19-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MASUREBANE (PTY)LTD	CONSTRUCTION OF MAKHUMALO TO EDIPHINI GRAVEL ROAD (WARD 13)	R 4 889 331,71	2023/11/27	2024/06/14	7	CURRENT	MTUBATUBA
C602	KZN ULM 08-23-24 CON	GENERAL CONDITIONS OF CONTRACT	NOXOLO AND MALI TRADING 14 CC	COMPLETION OF KING DINUZULU SPORT PARK IN WARD 12	R 10 604 331,61	2023/11/23	2024/04/10	5	CURRENT	NONGOMA

C603	KZN ULM 16-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	ICHWEBA ENGINEERING AND PROJECTS (PTY)LTD	12 MONTHS CONTRACT - APPOINTMENT OF CONTRACTOR FROM THE PANEL OF WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 6	R 268 521,72	2023/12/01	2024/11/30	12	CURRENT	KWA-DLANGEZWA
C604	KZN ULM 15-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	XOLI M PROJECTS (PTY)LTD	12 MONTHS CONTRACT - APPOINTMENT OF CONTRACTOR FROM THE PANEL OF WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 5	R 281 219,16	2023/12/01	2024/11/30	12	CURRENT	MTUNZINI
C605	KZN ULM 14-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	LETHENI CIVILS	12 MONTHS CONTRACT - APPOINTMENT OF CONTRACTOR FROM THE PANEL OF WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 4	R 294 020,88	2023/12/01	2024/11/30	12	CURRENT	ESHOWE
C606	KZN ULM 03-23-24 MAI VEH	SERVICE LEVEL AGREEMENT	TYRE MART ESHOWE T/A CROWN HILL PROPERTIES 83	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES	R -	2023/12/07	2026/12/07	36	CURRENT	ESHOWE
C607	KZN ULM 03-23-24 MAI VEH	SERVICE LEVEL AGREEMENT	BROCKWELL ENGINEERING SERVICES	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES	R -	2023/12/07	2026/12/07	36	CURRENT	ESHOWE
C608	KZN ULM 03-23-24 MAI VEH	SERVICE LEVEL AGREEMENT	ALIGN 360 SALES AND SERVICES (PTY)LTD	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES	R -	2023/12/07	2026/12/07	36	CURRENT	RICHARDS BAY

C609	KZN ULM 03-23-24 MAI VEH	SERVICE LEVEL AGREEMENT	BAHWITI INVESTMENT CC	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES	R -	2023/12/07	2026/12/07	36	CURRENT	GERMISTONE
C610	KZN ULM 24-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	SIZWESAMAZWIDE CONSTRUCTION (PTY) LTD	WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 1	R 264 000,00	2024/01/01	2024/12/31	12	CURRENT	ESHOWE
C612	KZN ULM 01-23-24 OTH	SERVICE LEVEL AGREEMENT	NOKWANDA TRADING ENTERPRISE	THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS	R -	2023/11/20	2026/11/20	36	CURRENT	EMPANGENI
C613	KZN ULM 01-23-24 OTH	SERVICE LEVEL AGREEMENT	NEVLIN TRADING CC	THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS	R -	2023/11/20	2026/11/20	36	CURRENT	MELMOTH
C614	KZN ULM 01-23-24 OTH	SERVICE LEVEL AGREEMENT	OURKINGDOM ENGINEERING	THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS	R -	2023/11/20	2026/11/20	36	CURRENT	RICHARDS BAY
C615	KZN ULM 27-23-24 IT SERV	SERVICE LEVEL AGREEMENT	CA COMPUTER SOLUTIONS INTERNATIONAL CC	PROVISION OF INFORMATION COMMUNICATION TECHNOLOGY (ICT) MAINTENANCE AND SUPPORT SERVICES FOR A PERIOD OF 36 MONTHS	R 13 412 327,53	2024/02/19	2027/02/19	36	CURRENT	RESEVOIR HILLS
C616	KZN ULM 04-22-23 MUN SER	SERVICE LEVEL AGREEMENT	NJOMISA BOERDERY	OPERATION OF AN ANIMAL POUND FOR THE PERIOD OF THIRTY SIX MONTHS	R 1 917 219,60	2024/03/01	2027/02/28	36	CURRENT	ESHOWE
C617	KZN ULM 10-23-24 OTH	SERVICE LEVEL AGREEMENT	SL RECOVERY (PTY) LTD	DEBT RECOVERY SERVICES	10% OF TOTAL COLLECTION FEE	2024/03/01	2027/02/28	36	CURRENT	KEMPTON PARK
C618	KZN ULM 04-23-24 BAN FEE	SERVICE LEVEL AGREEMENT	FIRSTRAND BANK LIMITED	PROVISION OF BANKING SERVICES FOR FIVE (05) YEARS FOR UMLALAZI MUNICIPALITY	R -	2023/11/01	2028/10/31	60	CURRENT	UMHLANGA ROCKS

C619	KZN ULM 31-23-24 SEC SERV	SERVICE LEVEL AGREEMENT	AROS PROTECTION SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 1)	R 2 282 552,00	2024/03/01	2024/06/30	4	CURRENT	ESHOWE
C620	KZN ULM 32-23-24 SEC SERV	SERVICE LEVEL AGREEMENT	SELECT SECURITRY SERVICES (PTY) LTD	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 2)	R 1 064 440,00	2024/03/01	2024/06/30	4	CURRENT	RICHARDS BAY
C621	KZN ULM 33-23-24 SEC SERV	SERVICE LEVEL AGREEMENT	BEETEE'S CAB T/A MAKADEBONA VIP PROTECTION SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 3)	R 660 068,32	2024/03/01	2024/06/30	4	CURRENT	ESIKHAWINI
C622	KZN ULM 34-23-24 SEC SERV	SERVICE LEVEL AGREEMENT	BACK AND FORTH SECURITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 4)	R 427 132,64	2024/03/01	2024/06/30	4	CURRENT	ESHOWE
C623	KZN ULM 35-23-24 SEC SERV	SERVICE LEVEL AGREEMENT	VELA-TECH SECURITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 5)	R 578 680,00	2024/03/01	2024/06/30	4	CURRENT	WESTVILLE
C626	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	ANDIMAHLE TADING ENTERPRISE CC	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	DURBAN
C627	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	BENZO MUSIC (PTY) LTD	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	ESHOWE
C628	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	BLACK PHARAOHS (PTY) LTD	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	ESHOWE
C629	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	BLUE CRYSTAL ENTERPRISE	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	NKANDLA
C630	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	EDU AFRICA CC	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	EMPANGENI
C632	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	MEHLWEMPI PROJECTS (PTY) LTD	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	ESHOWE

C633	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	MGOVUZO TRADING ENTERPRISE	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	ESHOWE
C634	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	S VET TRADING	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	ESHOWE
C635	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	VINYL ENTERTAINMENT (PTY) LTD	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	RICHARDS BAY
C636	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	YAYOH TRADING	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	EMPANGENI
C637	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	ZONKE M TRADING	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS	R -	2023/11/01	2026/10/30	36	CURRENT	BALLITO
C638	KZN ULM 08-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	LETHENI CIVILS AND PROJECTS	MOWING OF VERGES, RECREATIONAL FACILITIES AND OPEN SPACES IN GINGINDLOVU CLUSTER 1 FOR A PERIOD OF THREE YEARS	R 1 354 851,00	2024/03/01	2027/02/28	36	CURRENT	ESHOWE
C639	KZN ULM 09-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	HALALA GENERAL SUPPLIES AND TRADING	MOWING OF VERGES, RECREATIONAL FACILITIES AND OPEN SPACES IN GINGINDLOVU CLUSTER 2 FOR A PERIOD OF THREE YEARS	R 1 246 462,92	2024/03/01	2027/02/28	36	CURRENT	GINGINDLOVU
C640	KZN ULM 26-23-24 PRO	APPOINTMENT LETTER	ASANDE PROJECTS (PTY) LTD	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL OF TOWN PLANNERS TO REVIEW UMLALAZI TOURISM STRATEGY AND DEVELOPMENT PLAN	R 294 941,65	AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	MOUNT EDGECOMBE
C642	KZN ULM 17-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	NOMAKLEZA (PTY)LTD	MOWING OF VERGES, RECREATIONAL FACILITIES AND OPEN SPACES IN MTUNZINI FOR A PERIOD OF THREE YEARS	R 1 506 600,00	2024/04/01	2027/03/31	36	CURRENT	MTUNZINI
C644	KZN ULM 14-23-24 TRAI	SERVICE LEVEL AGREEMENT	SAMBI TRADING	YOUTH TRAINING ON FULL DRIVER'S LICENSE PROGRAM	R 389 200,00	2024/04/01	2024/06/30	3	CURRENT	ESHOWE

C646	KZN ULM 15-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	DOLPHIN COAST WASTE MANAGEMENT (PTY) LTD	TRANSPORTATION OF WASTE FROM ESHOWE TRANSFER STATION TO REGIONAL LANDFILL SITE - KING CETSHWAYO DISTRICT FOR THE PERIOD OF THREE (3) YEARS	R 245 648,00	4	2024/05/01	2027/04/30	36	CURRENT	BALLITO
C647	KZN ULM 16-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	DOLPHIN COAST WASTE MANAGEMENT (PTY) LTD	TRANSPORTATION OF WASTE FROM MTUNZINI TRANSFER STATION TO REGIONAL LANDFILL SITE - KING CETSHWAYO DISTRICT FOR THE PERIOD OF THREE (3) YEARS	R 3 255 600,00		2024/05/01	2027/04/30	36	CURRENT	BALLITO
C648	KZN ULM 11-23-24 CON ENG	APPOINTMENT LETTER	SIBAYA ENGINEERS (PTY)LTD	CIVIL ENGINEERING CONSULTING SERVICES: CONSTRUCTION OF MBECANE CAUSEWAY	10% OF TOTAL CONSTRUCTION VALUE		AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	MORNINGSIDE
C649	KZN ULM 17-23-24 LEG SER	APPOINTMENT LETTER	PHUMLANI NGUBANE & ASSOCIATES INC.	APPOINTMENT OF SERVICE PROVIDER FROM A PANEL OF ATTORNEYS TO PROVIDE CONVEYANCE SERVICE FOR 300 UNITS OF LOW COSTING HOUSING PROJECTS	R 693 300,00		AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	BALLITO
C651	KZN ULM 27-23-24 CON ENG	APPOINTMENT LETTER	SIBAYA ENGINEERS (PTY)LTD	APPOINTMENT FROM THE PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS - CONSULTANT FOR DESIGN AND CONSTRUCTION MONITORING OF EMVINI GRAVEL ROAD (WARD 27)	6% OF TOTAL CONSTRUCTION VALUE		AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	MORNINGSIDE
C652	KZN ULM 28-23-24 CON ENG	APPOINTMENT LETTER	MAKHAOTSE NARASIMULU AND ASSOCIATES PTY LTD	APPOINTMENT FROM THE PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS - CONSULTANT FOR DESIGN AND CONSTRUCTION MONITORING OF MGWENYA GRAVEL ROAD AND CAUSEWAYS (WARD 05)	5,7% OF TOTAL CONSTRUCTION VALUE		AWAITING SLA	AWAITING SLA	AWAITING SLA	CURRENT	WESTWAY PARK

C653	KZN ULM 42-23-24 CON	GENERAL CONDITIONS OF CONTRACT	SIPHO-GLAD CONSTRUCTION AND GENERAL TRADING CC	REHABILITATION OF VARIOUS URBAN ROADS	R 6 600 792,14	2024/05/07	2024/10/11	5	CURRENT	ESHOWE
C654	KZN ULM 40-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MANCINZA CIVIL CONTRACTORS & ROAD MAINTENANCE	CONSTRUCTION OF KDS TRADING FACILITIES (WARD 12)	R 4 197 108,84	2024/05/06	2024/08/30	4	CURRENT	ESHOWE
C655	KZN ULM41-23-24 MAI ROA	GENERAL CONDITIONS OF CONTRACT	ZIMBUKE TRADING	ROAD PATCHES/MAJOR REPAIRS - WILLIAM APPOLOS AND KUDU ROAD	R 247 415,70	2024/05/20	2024/06/07	1	CURRENT	ESHOWE
C656	KZN ULM 29-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MULTI SOLUTION TRADING (PTY) LTD	CONSTRUCTION OF VEKEZA GRAVEL ROAD	R 6 841 999,18	2023/05/17	2023/11/30	6	CURRENT	WESTVILLE
C657	KZN ULM 10-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	INZOMUSO BUSINESS ENTERPRISE	WEED ERADICATION IN MTUNZINI AND ESHOWE TOWNS AND RESIDENTIAL AREAS FOR A PERIOD OF THREE MONTHS	R 353 500,86	2024/06/01	2024/08/31	3	CURRENT	EMPANGENI
C658	KZN ULM 44-23-24 MAI BUI	GENERAL CONDITIONS OF CONTRACT	XOLI M PROJECTS (PTY)LTD	REFURBISHMENT OF PHAPHAMANI PEACE CENTRE (WARD 01)	R 1 180 965,68	TO BE ADVISED	TO BE ADVISED	TO BE ADVISED	CURRENT	KWA-DLANGEZWA
C659	KZN ULM 10-23-24 PRO ULZ 152-02-24	SERVICE LEVEL AGREEMENT	SIYATHUTHU DEVELOPMENT T/A INZUZO YESIZWE	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL TO REVIEW WARD BASED PLANS	R 293 020,00	2024/04/22	2024/08/22	4	CURRENT	NAPIERVILLE
C661	KZN ULM 43-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MASUREBANE (PTY)LTD	REFURBISHMENT OF EMATHWASENI SPORTFIELD (WARD 02)	R 2 853 999,85	TO BE ADVISED	TO BE ADVISED	TO BE ADVISED	CURRENT	MTUBATUBA
C662	KZN ULM 45-23-24 MAI BUI	GENERAL CONDITIONS OF CONTRACT	NOXOLO AND MALI TRADING 14 CC	REFURBISHMENT OF THANDUKWENZA EARLY CHILDHOOD DEVELOPMENT CENTRE (WARD 22)	R 799 329,35	TO BE ADVISED	TO BE ADVISED	TO BE ADVISED	CURRENT	NONGOMA
C663	KZN ULM 40-23-24 SEC SERV	SERVICE LEVEL AGREEMENT	AROS PROTECTION SERVICES	PROVISION OF VIP CLOSE PROTECTION ONLY : THE MAYOR AND SPEAKER	R 6 052 868,04	2024/05/01	2027/04/30	36	CURRENT	ESHOWE

APPENDIX I:

ASSESSMENT OF THE PERFORMANCE OF EXTERNAL SERVICE PROVIDER

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. Service providers who fail to perform are reported and the necessary action is taken including the termination of the contract or cancellation of an order.

<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>

EXTERNAL SERVICE PROVIDER PERFORMANCE

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C86	KZN ULM 13-15-16 CON	SERVICE LEVEL AGREEMENT	IZINGALABEZI CONSULTING ENGINEERS	ENGINEERING SERVICES	CONSULTANCY SERVICES - MAYORAL OFFICE STRUCTURAL DESIGN & PROJECT MANAGEMENT	GOOD	GOOD		GOOD		PROJECT IS DORMANT			
C172	KZN ULM 19-14-15 OTH	APPOINTMENT LETTER	CHS DEVELOPMENTS	PLANNING & ECONOMIC DEVELOPMENT	MZIMELA RURAL HOUSING PROJECT - 1000 UNITS	GOOD	GOOD		GOOD		GOOD		GOOD	
C173	KZN ULM 20-14-15 OTH	SERVICE LEVEL AGREEMENT	MABUNE CONSULTING CC	PLANNING & ECONOMIC DEVELOPMENT	MAMBA RURAL HOUSING PROJECT - 1000 UNITS	GOOD	GOOD		GOOD		GOOD		GOOD	
C174	KZN ULM 20-14-15 OTH	SERVICE LEVEL AGREEMENT	MABUNE CONSULTING CC	PLANNING & ECONOMIC DEVELOPMENT	MAMBA RURAL HOUSING PROJECT - 1000 UNITS	GOOD	GOOD		GOOD		GOOD		GOOD	
C175	KZN ULM 21-14-15 OTH	APPOINTMENT LETTER	SIBGEM MANAGEMENT & CONSULTING ENGINEERS	PLANNING & ECONOMIC DEVELOPMENT	OGAGWINI RURAL HOUSING PROJECT - 1000 UNITS	GOOD	GOOD		GOOD		GOOD		GOOD	
C176	KZN ULM 22-14-15 OTH	SERVICE LEVEL AGREEMENT	FMA ENGINEERS	PLANNING & ECONOMIC DEVELOPMENT	MPUSHINI PARK HOUSING PROJECT - 3000 UNITS	GOOD	GOOD		GOOD		GOOD		GOOD	
C229	KZN ULM 39-14-15 - OTH	SERVICE LEVEL AGREEMENT	MKHOMBE DEVELOPMENTS PTY LTD	PLANNING & ECONOMIC DEVELOPMENT	NZUZA RURAL HOUSING DEVELOPMENTS -1000 UNITS	GOOD	GOOD		GOOD		GOOD		GOOD	

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C230	KZN ULM 07-08 CON	SERVICE LEVEL AGREEMENT	KAMAWEWE DEVELOPMENTS & CONSULTANTS	ENGINEERING SERVICES	APPOINTMENT OF CONSULTANT : MUNICIPAL INFRASTRUCTURE GRANT PROJECT EMTILOMBO CAUSEWAY / ROAD (WARD 10)	GOOD	GOOD		GOOD					
C296	KZN ULZ 12-17-18 CON	SERVICE LEVEL AGREEMENT	ELEMENT 2030 PTY LTD	PLANNING & ECONOMIC DEVELOPMENT	APPOINTMENT OF CONSULTANT : MUNICIPAL INFRASTRUCTURE GRANT PROJECT MBABHA CAUSEWAY (WARD 2)	GOOD	GOOD		GOOD		PROJECT IS DORMANT			
C358	KZN ULM - OTH	SERVICE LEVEL AGREEMENT	KANTEY & TEMPLER	PLANNING & ECONOMIC DEVELOPMENT	APPOINTMENT OF CIVIL ENGINEERING CONSULTANT FOR THE UPGRADE OF SUNNYDALE INTERSECTION	GOOD	GOOD		GOOD		GOOD		GOOD	
C387	KZN ULM - OTH	SERVICE LEVEL AGREEMENT	BAHLOMILE	PLANNING & ECONOMIC DEVELOPMENT	APPOINTMENT AS IMPLEMENTATION AGENT :SUNNYDALE PHASE 02 HOUSING PROJECT	GOOD	GOOD		GOOD		GOOD		GOOD	
C388	KZN ULM - OTH	MEMORANDUM OF AGREEMENT	SIQU CIVILS	PLANNING & ECONOMIC DEVELOPMENT	APPOINTMENT AS IMPLEMENTATION AGENT : MPUNGOSE RURAL HOUSING PROJECT	GOOD	GOOD		GOOD		GOOD		GOOD	

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C416	KZN ULM 24-18-19 CON FEE	MEMORANDUM OF AGREEMENT	UMHLABA GEOMATICS INC.	FINANCE	GENERAL VALUATION AND PREPARATION OF A VALUATION ROLL FOR IMPLEMENTATION ON 01 JULY 2020 AND PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 01 JULY 2020 TO 30 JUNE 2025.	GOOD	GOOD		GOOD	Contract nearing the end. New SLA to be signed.	GOOD		GOOD	SLA is with contract monitoring officer
C455	KZN ULM 24-20-21 WAS	APPOINTMENT LETTER	DOLPHIN COAST WASTE MANAGEMENT (PTY) LTD	COMMUNITY SERVICES	MANAGEMENT, TRANSPORT AND DISPOSAL OF WASTE FROM MTUNZINI TRANSFER STATION TO KING CETSHWAYO LANDFILL SITE	GOOD	GOOD		GOOD		GOOD			
C455	KZN ULM 25-20-21 WAS	APPOINTMENT LETTER	DOLPHIN COAST WASTE MANAGEMENT (PTY) LTD	COMMUNITY SERVICES	MANAGEMENT, TRANSPORT AND DISPOSAL OF WASTE FROM MTUNZINI TRANSFER STATION TO KING CETSHWAYO LANDFILL SITE	GOOD			GOOD		GOOD			

CONTRACT NUMBER	BID/QUOTE NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C465	KZN ULM 13-20-21 CON FEE	APPOINTMENT LETTER	GIBB (PTY)LTD	ELECTRICAL / MECHANICAL SERVICES ENGINEERING SERVICES	APPOINTMENT OF CONSULTANTS FOR INEP PROJECTS (51-RURAL AND URBAN HOUSEHOLD ELECTRIFICATION) IN UMLALAZI MUNICIPAL AREA. RURAL ELECTRIFICATION. > IZINSUNDU ELECTRIFICATION IN WARD 01 - 105 CONNECTIONS > IZIKOSHI ELECTRIFICATION IN WARD 20 - 100 CONNECTIONS	GOOD	GOOD		GOOD		GOOD	Ward 1 - Izinsundu Electrification project - Engagement with Eskom regarding voltage regulator due to network capacity constrain & reason for unable to connect customers on completed construction.	GOOD	Ward 1 - Izinsundu Electrification project - Engagements with Eskom regarding voltage regulator due to network capacity constrain & reason for unable to connect customers on completed construction. Scheduled outage for Aug 2024 to connect 79 households & complete project

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C466	KZN ULM 13-20-21 CON FEE	SERVICE LEVEL AGREEMENT	HAMSA CONSULTING ENGINEERS	ELECTRICAL / MECHANICAL SERVICES ENGINEERING SERVICES	APPOINTMENT OF CONSULTANTS FOR INEP PROJECTS (51-RURAL AND URBAN HOUSEHOLD ELECTRIFICATION) IN UMLALAZI MUNICIPAL AREA. RURAL ELECTRIFICATION. > IZINSUNDU ELECTRIFICATION IN WARD 01 - 105 CONNECTIONS > IZIKOSHI ELECTRIFICATION IN WARD 20 - 100 CONNECTIONS	GOOD	GOOD		GOOD		GOOD		GOOD	
C467	KZN ULM 28-20-21 LEA	APPOINTMENT LETTER	NORTH COAST OFFICE EQUIPMENT (ZULULAND) T/A KONICA MINOLTA ZULULAND	CORPORATE SERVICES	APPOINTMENT OF A SERVICE PROVIDER FOR RENTAL INSTALLATION AND MAINTENANCE OF PRINTERS AND PHOTOCOPY MACHINES FOR A PERIOD OF 36 MONTHS	GOOD	GOOD		GOOD		GOOD		GOOD	
C481	KZN ULM 42-20-21 OP LEA	LEASE AGREEMENT	TREK SCALE COMPANY (PTY) LTD	COMMUNITY SERVICES	INSTALLATION AND LEASING OF WEIGHBRIDGES FOR MTUNZINI AND ESHOWE TRANSFER STATIONS.	GOOD	GOOD		NO UPDATES PROVIDED FOR THIS QUARTER		GOOD		GOOD	

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C484	KZN ULM 01-20-21 IT SERV	SERVICE LEVEL AGREEMENT	COG SYSTEMS (PTY) LTD	FINANCE	SUPPLY AND COMMISSIONING OF HUMAN RESOURCES AND PAYROLL SYSTEM	GOOD	GOOD	Service Provider manage to get into a cession agreement with LSP Inc (Pty) Ltd and assisted with the implementation of the contract.	GOOD	Service Provider manage to get into a cession agreement with LSP Inc (Pty) Ltd and assisted with the implementation of the contract.	GOOD		GOOD	
C486	KZN ULM 35-20-21 CON FEE	SERVICE LEVEL AGREEMENT	FMA ENGINEERS (PTY) LTD	ENGINEERING SERVICES	CONSULTANCY SERVICE : REHABILITATION OF VARIOUS URBAN ROADS	GOOD	GOOD		GOOD		GOOD		GOOD	
C487	KZN ULM 35-20-21 CON FEE	SERVICE LEVEL AGREEMENT	ECA CONSULTING (PTY)LTD	ENGINEERING SERVICES	CONSULTANCY SERVICE : DESIGN A PLAN FOR MPUSHINI PARK NEW CEMETERY AND INCLUDE ALL SERVICES REQUIRED (CIVIL ENGINEERING SERVICES)	GOOD	GOOD		GOOD		GOOD		GOOD	
C488	KZN ULM 35-20-21 CON FEE	SERVICE LEVEL AGREEMENT	SIBAYA ENGINEERS (PTY)LTD	ENGINEERING SERVICES	CONSULTANCY SERVICE : RENOVATION OF MUNICIPAL OFFICES AND CONVERSION OF EMERGENCY OPENINGS TO PUBLIC TOILETS IN THE TRADING FACILITY BUILDING	GOOD	GOOD		GOOD		EXPIRED		PROJECT COMPLETE.	

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C491	KZN ULM 45-20-21 IT SERV	SERVICE LEVEL AGREEMENT	EMALANGENI TECHNOLOGIES (PTY)LTD	CORPORATE SERVICES	APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY, INSTALL AND MAINTAIN TELEPHONE SYSTEM AND IP PHONES FOR THE PERIOD OF 36 MONTHS	GOOD	GOOD		GOOD		GOOD		GOOD	
C497	KZN ULM 12-21-22 ELE	SERVICE LEVEL AGREEMENT	KHULE DKS TRADING ENTERPRISE	ELECTRICAL / MECHANICAL SERVICES ENGINEERING SERVICES	ALLOCATION OF PROJECT : IZINSUNDU ELECTRIFICATION	GOOD	GOOD		Ward 1 - <u>Izinsundu</u> Project outstanding. Contractor DKS waiting for Voltage Regulator from Eskom to complete project.	Ward 1 - <u>Izinsundu</u> Electrification Project - Engagement with Eskom regarding Voltage Regulator due to network capacity constrain & reason for unable to connect customers on completed construction.	GOOD	Ward 1 - <u>Izinsundu</u> Electrification project - Engagement with Eskom regarding voltage regulator due to network capacity constrain & reason for unable to connect customers on completed construction.	GOOD	Ward 1 - <u>Izinsundu</u> Electrification project - Engagements with Eskom regarding voltage regulator due to network capacity constrain & reason for unable to connect customers on completed construction. Scheduled outage for Aug 2024 to connect 79 households & complete project

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CS05	KZN ULM 35-20-21 CON FEE	GENERAL CONDITIONS OF CONTRACT	GENDU CONSULTANTS	ENGINEERING SERVICES	CONSULTANCY SERVICE : DRAFTING/DRAWING OF ESHOWE TRANSFER STATION WASTE RECYCLING STEEL SHELTER AND PROVISION OF PROFESSIONAL ADVICE ON SINKING WASTE OFF-LOADING ZONE	GOOD	GOOD		GOOD			The project is on hold, therefore there are no activities currently being undertaken by the consultant.	The project is on hold because there is no budget allocated to it. Request are made on budget request to date.	The project is on hold because there is no budget allocated to it. Request are made on budget request to date.
CS07	KZN ULM 35-20-21 CON FEE	APPOINTMENT LETTER	M & C CONSULTING ENGINEERS	ENGINEERING SERVICES	CONSULTANCY SERVICES : CONSTRUCTION OF MPUMAZI COMMUNITY HALL (WARD 14)	GOOD	GOOD		GOOD		GOOD		GOOD	
CS11	KZN ULM 35-20-21 CON ENG	SERVICE LEVEL AGREEMENT	FMA ENGINEERS	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES : CONSTRUCTION OF MASHABASE SPORTSFIELD (WARD 01)	GOOD	GOOD		GOOD		GOOD		GOOD	
CS12	KZN ULM 35-20-21 CON ENG	SERVICE LEVEL AGREEMENT	LIKHANYILE CONSULTING ENGINEERS & PROJECT MANAGERS	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES : CONSTRUCTION OF SLAMBO COMMUNITY HALL (WARD 03)	GOOD	GOOD		GOOD		GOOD		GOOD	

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C514	KZN ULM 35-20-21 CON ENG	SERVICE LEVEL AGREEMENT	IZINGA HOLDINGS	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES : FEASIBILITY STUDY FOR MUNICIPAL RURAL ROADS MAINTENANCE PROGRAMME , IMPLEMENTATION AND CONSTRUCTION SUPERVISION	GOOD	GOOD		GOOD		PROJECT COMPLETE			
C516	KZN ULM 46-20-21 IT SERV	APPOINTMENT LETTER	TMANSWORLD TECHNOLOGIES	CORPORATE SERVICES	APPOINTMENT OF A SERVICE PROVIDER FOR HOSTING, MAINTENANCE AND AND CONTENT MANAGEMENT OF THE EXISTING UMLALAZI MUNICIPALITY WEBSITE FOR A PERIOD OF 36 MONTHS	GOOD	GOOD		GOOD		GOOD		GOOD	
C519	KZN ULM 18-21-22 UNI	SERVICE LEVEL AGREEMENT	CLEAN SPOT SOLUTIONS	FINANCE	SUPPLY, DELIVERY AND OFFLOADING OF PROTECTIVE WEAR AND EQUIPMENT AT UMLALAZI MUNICIPALITY	GOOD	GOOD		GOOD		GOOD		GOOD	
C520	KZN ULM 24-21-22 - MUN SERV	SERVICE LEVEL AGREEMENT	ZOTHILE FUNERAL SERVICES	COMMUNITY SERVICES	DESTITUTE BURIAL SERVICES	GOOD	GOOD		GOOD		GOOD		GOOD	

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C521	KZN ULM 23-21-22 - MUN SERV	SERVICE LEVEL AGREEMENT	ISAKABULI (PTY) LTD	COMMUNITY SERVICES	MOWING OF VERGES, OPEN SPACES & CEMETERIES IN SPECIFIED AREAS OF ESHOWE	GOOD	GOOD		GOOD		GOOD		GOOD	
C526	KZN ULM 02-21-22 OTH	SERVICE LEVEL AGREEMENT	KAYOSI TRADING	ENGINEERING SERVICES	THREE YEAR CONTRACT : SUPPLY AND DELIVERY OF ASPHALT PRODUCTS (HOT MIX)	GOOD	GOOD		GOOD		GOOD		GOOD	
C527	KZN ULM 02-21-22 OTH	SERVICE LEVEL AGREEMENT	ONOMBUTHU (PTY) LTD	ENGINEERING SERVICES	THREE YEAR CONTRACT : SUPPLY AND DELIVERY OF ASPHALT PRODUCTS (BITUMEN & COLD MIX)	GOOD	GOOD		GOOD		GOOD		GOOD	
C528	KZN ULM 13-21-22 ACC & TRA	SERVICE LEVEL AGREEMENT	NATHIMISODILE TRADING CC	FINANCE	SERVICE OF A TRAVEL AGENCY	GOOD	GOOD		GOOD		GOOD		GOOD	
C531	KZN ULM 25-21-22 OTH	SERVICE LEVEL AGREEMENT	SNOBHO (PTY)LTD T/A PJ PLASTICS	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF REFUSE BAGS (BLACK 40 MICRONS)	GOOD	GOOD		NO UPDATES PROVIDED FOR THIS QUARTER		GOOD		GOOD	
C532	KZN ULM 25-21-22 OTH	SERVICE LEVEL AGREEMENT	S KWANDA TRADING ENTERPRISE (PTY) LTD	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF REFUSE BAGS (CLEAR 40 MICRONS)	GOOD	GOOD		NO UPDATES PROVIDED FOR THIS QUARTER		GOOD		GOOD	
C534	KZN ULM 06-21-22 SEC	SERVICE LEVEL AGREEMENT	FIDELITY CASH SOLUTIONS	COMMUNITY SERVICES	CASH-IN-TRANSIT SECURITY SERVICE PROVIDER	GOOD	GOOD		GOOD		GOOD		GOOD	

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C535	KZN ULM 05-22-23 ADV	SERVICE LEVEL AGREEMENT	AYANDA MBANGA COMMUNICATIONS PTY LTD	CORPORATE SERVICES	ADVERTISING AGENT SERVICES	GOOD	GOOD		GOOD		GOOD		GOOD	
C541	KZN ULM 21-21-22 MUN	APPOINTMENT LETTER	MAITRONIC DIRECT MARKETING	FINANCE	THREE YEAR CONTRACT :PRINTING AND DELIVERY OF MUNICIPAL ACCOUNTS AND NEWSLETTERS	GOOD	GOOD		GOOD	Divisional Manager - Revenue will request the SLA from the company.	GOOD		GOOD	
C544	KZN ULM 03-22-23 IT SERV	APPOINTMENT LETTER	MAVAMBO INTELLIGENT TRANSPORT SOLUTIONS (PTY)LTD	COMMUNITY SERVICES	SUPPLY AND MANAGEMENT OF TRAFFIC CAMERA SYSTEMS IN SIX APPROVED SITES WITHIN UMLALAZI MUNICIPALITY	SATISFACTORY	SATISFACTORY	Service Provider is incurring penalties for delays in the completion of the project.	GOOD		GOOD		GOOD	
C548	KZN ULM34-21-22 INS	APPOINTMENT LETTER	KUNENE MAKOPO RISK SOLUTIONS (PTY)LTD	FINANCE	PROVISION OF SHORT-TERM INSURANCE	GOOD	GOOD		GOOD		GOOD		GOOD	
C550	KZN ULM 10-22-23 MUN SERV	APPOINTMENT LETTER	NJOMISA	COMMUNITY SERVICES	WASTE MANAGEMENT AND RECYCLING : EPWP PROJECTS CLUSTER 2	GOOD	GOOD		GOOD		GOOD		GOOD	
C551	KZN ULM 11-22-23 MUN SERV	SERVICE LEVEL AGREEMENT	S KWANDA TRADING ENTERPRISE (PTY) LTD	COMMUNITY SERVICES	WASTE MANAGEMENT AND RECYCLING : EPWP PROJECTS CLUSTER 3	GOOD	GOOD		GOOD		GOOD		GOOD	
C557	KZN ULM 20-22-23 CON	SERVICE LEVEL AGREEMENT	NOMAKLEZA (PTY)LTD	ENGINEERING SERVICES	CONSTRUCTION OF MPUMAZI HALL	GOOD	GOOD		GOOD		SATISFACTORY		SATISFACTORY	Notification of slow progress were sent to the service provider together with the request for his turnaround plan
C558	KZN ULM 22-22-23 CON	APPOINTMENT LETTER	SIPHO-GLAD CONSTRUCTION AND GENERAL	ENGINEERING SERVICES	CONSTRUCTION OF MASHABASE SPORT FIELD	GOOD	GOOD		GOOD		SATISFACTORY		SATISFACTORY	Notification of slow progress were sent to the

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			TRADING CC		(WARD 1)									service provider together with the request for his turnaround plan
C560	KZN ULM 01-22-23 CON	APPOINTMENT LETTER	XOLI M PROJECTS	ENGINEERING SERVICES	CONSTRUCTION OF MPUSHINI NEW CEMETERY	SATISFACTORY	SATISFACTORY	Slow performance letters has been issued to the Service Provider to speedup construction in line with the contract.	SATISFACTORY		SATISFACTORY		The project is on hold because there is no budget allocated to it. Request are made on budget request to date	The project is on hold because there is no budget allocated to it. Request are made on budget request to date.
C563	KZN ULM 27-22-23 - PRO	APPOINTMENT LETTER	DYNAMIC DASHING SOLUTIONS (PTY) LTD	FINANCE	COMPILATION OF A GRAP COMPLIANT FIXED ASSETS REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS	GOOD	GOOD		GOOD		GOOD		GOOD	
C568	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	ASPIGON 411 CC	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		GOOD		GOOD	

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C569	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	BROCKWELL ENGINEERING	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		GOOD		GOOD	
C570	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	ESHOWE MOTORS T/A PREMIER ATTRACTION 424	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		GOOD		GOOD	

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C571	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	NES DIESEL FUEL INJECTION	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		GOOD		GOOD	
C572	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	POWER TECH SERVICES CENTRE	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		GOOD		GOOD	

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C573	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	SABRM PROJECTS	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		POOR	TERMINATED	POOR	TERMINATED
C574	KZN ULM 26-22-23 MAI VEH	APPOINTMENT LETTER	UTHINGO PANEL BEATERS CC	FINANCE	SERVICE PROVIDERS TO REGISTER ON A THREE YEAR PANEL TO REPAIR UMLALAZI MUNICIPAL VEHICLE FLEET: > VEHICLE AUTO ELECTRICAL REPAIRS > BRAKES & CLUTCH REPAIRS & MAINTENANCE > HYDRAULIC REPAIRS & MAINTENANCE > SERVICES OR REPAIRS & MAINTENANCE	GOOD	GOOD		GOOD		GOOD		GOOD	

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C575	KZN ULM 35-20-21 CON & ENG 14-2023	APPOINTMENT LETTER	TGQSIL CONSULTING ENGINEERS (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF OFASIMBA GRAVEL ROAD (WARD 25)	GOOD	GOOD		GOOD		GOOD		GOOD	
C576	KZN ULM 35-20-21 CON & ENG 15-2023	APPOINTMENT LETTER	BI INFRASTRUCTURE CONSULTANTS (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF TAP TAP MAKHATHINI SPORT CENTRE (WARD 26)	GOOD	GOOD		GOOD		GOOD		GOOD	
C577	KZN ULM 35-20-21 CON & ENG 16-2023	APPOINTMENT LETTER	ECA CONSULTING (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF YIMBA GRAVEL ROAD AND CAUSEWAY (WARD 19)	GOOD	GOOD		GOOD		GOOD		GOOD	
C578	KZN ULM 35-20-21 CON & ENG 12-2023	APPOINTMENT LETTER	FMA ENGINEERS (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF ENDAYINI TO NGEDLEZI GRAVEL ROAD (WARD 04)	GOOD	GOOD		GOOD		GOOD		GOOD	
C579	KZN ULM 35-20-21 CON & ENG 31-2023	APPOINTMENT LETTER	DLV PROJECT MANAGERS & ENGINEERING (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MAKHUMALO TO EDIPHINI GRAVEL ROAD (WARD 13)	GOOD	GOOD		GOOD		GOOD		GOOD	

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C580	KZN ULM 35-20-21 CON & ENG 13-2023	APPOINTMENT LETTER	XARIBA ENTERPRISE CC T/A NANKHOOL CONSULTING ENGINEERS	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MAMBA GRAVEL ROAD (WARD 02)	GOOD	GOOD		GOOD		GOOD		GOOD	
C581	KZN ULM 35-20-21 CON & ENG 32-2023	APPOINTMENT LETTER	TGQSIL CONSULTING ENGINEERS (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF VEKEZA GRAVEL ROAD (WARD 17)	GOOD	GOOD		GOOD		GOOD		GOOD	
C582	KZN ULM 35-20-21 CON & ENG 17-2023	APPOINTMENT LETTER	AZADI CONSULTING (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MANDAWA COMMUNITY HALL (WARD 27)	GOOD	GOOD		GOOD		GOOD		GOOD	
C583	KZN ULM 35-20-21 CON & ENG 18-2023	APPOINTMENT LETTER	KUFANIKIWA CONSULTING (PTY)LTD T/A VUMESA (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES: CONSTRUCTION OF MBIZA NO: 02 COMMUNITY HALL (WARD 09)	GOOD	GOOD		GOOD		GOOD		GOOD	
C586	KZN ULM IT SERV	APPOINTMENT LETTER	VESTA TECHNICAL SERVICES (PTY) LTD	FINANCE	ALIGNMENT OF CURRENT CHART TO MSCOA CHART	GOOD	GOOD		GOOD		GOOD		GOOD	
C587	KZN ULM 28-22-23 IT SERV	TRANSVERSAL CONTRACT	CONTOUR TECHNOLOGY (PTY) LTD	FINANCE	SUPPLY AND MANAGE AN ONLINE STS PREPAID VENDING AND MANAGEMENT SYSTEM FOR A PERIOD OF THIRTY SIX MONTHS	GOOD	GOOD		GOOD		GOOD		GOOD	

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C588	KZN ULM 06-23-24 MAI ROA	SERVICE LEVEL AGREEMENT	MBULULU CIVILS AND RENOVATIONS CC	ENGINEERING SERVICES	REHABILITATION OF VARIOUS URBAN ROADS	GOOD	GOOD		GOOD		SATISFACTORY		EARLY TERMINATION	Mbululu Civils surrendered the contract and immediately the new contractor was appointed and the work to date is on practical completion. (100% Work done)
C589	KZN ULM 07-23-24 CON	APPOINTMENT LETTER	MSUSANDABA TRADING ENTERPRISE	ENGINEERING SERVICES	YIMBA GRAVEL ROAD	GOOD	GOOD		GOOD		GOOD			
C590	KZN ULM 09-23-24 CON	APPOINTMENT LETTER	MULTI SOLUTION TRADING (PTY) LTD	ENGINEERING SERVICES	CONSTRUCTION OF NDAYINI TO NGEDLEZI GRAVEL ROAD	GOOD	GOOD		GOOD		GOOD		SATISFACTORY	Notification of slow progress were sent to the service provider together with the request for his turnaround plan
C591	KZN ULM 10-23-24 CON	APPOINTMENT LETTER	XOLIM PROJECTS	ENGINEERING SERVICES	CONSTRUCTION OF SLAMBO COMMUNITY HALL	GOOD	GOOD		GOOD		GOOD		SATISFACTORY	Notification of slow progress were sent to the service provider together with the request for his turnaround plan
C592	KZN ULM 40-22-23 PROF	APPOINTMENT LETTER	INNOVATION GOVERNMENT SOFTWARE SOLUTIONS	OFFICE OF THE MUNICIPAL MANAGER	PROVISION OF ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM AND RELATED PROFESSIONAL SERVICES FOR UMLALAZI MUNICIPALITY				GOOD		GOOD		GOOD	

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C593	KZN ULM 23-23-24 PRO	SERVICE LEVEL AGREEMENT	NTSHIDI AND ASSOCIATES	FINANCE	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL OF QUALITY ASSURANCE SERVICES TO RECOVER AND REVIEW VALUE ADDED TAX (VAT) FOR A PERIOD OF TWELVE (12) MONTHS				GOOD		GOOD		GOOD	SLA is with contract monitoring officer
C594	KZN ULM 41-22-23 ADMIN	APPOINTMENT LETTER	METROFILE (PTY)LTD	CORPORATE SERVICES	PROVISION OF OFF-SITE STORAGE FACILITY AND MANAGEMENT OF RECORDS AND MEDIA FACILITY FOR UMLALAZI MUNICIPALITY FOR A PERIOD OF THREE YEARS	GOOD	GOOD		GOOD		GOOD		GOOD	
C595	KZN ULM 02-23-24 VEH	APPOINTMENT LETTER	CTRACK FLEET MANAGEMENT SOLUTIONS (PTY)LTD	FINANCE	PROVISION OF FLEET MANAGEMENT MONITORING SYSTEMS AND SERVICES CONTRACT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		GOOD		GOOD	
C596	KZN ULM 05-23-24 CON	APPOINTMENT LETTER	AFRICA CONSULTING ENGINEERS	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTANCY SERVICES : CONSTRUCTION OF KDS TRADING FACILITY (WARD 12)				GOOD		GOOD		GOOD	

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C597	KZN ULM 14-23-24 PRO	APPOINTMENT LETTER	SIYATHUTHU DEVELOPMENT T/A INZUZO YESIZWE	PLANNING & DEVELOPMENT	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL TO CONDUCT FEASIBILITY STUDY AND SURVEY THE PROPOSED INTERNAL ROADS NETWORK				GOOD		GOOD		GOOD	
C598	KZN ULM 13-22-23 PRO	APPOINTMENT LETTER	BIYELA MM GEOMATICS (PTY)LTD	PLANNING & DEVELOPMENT	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL TO SUBDIVIDE PORTION OF REMAINDER OF ERF 702 GINGINDLOVU				GOOD		GOOD		GOOD	
C599	KZN ULM 21-23-24 CON	APPOINTMENT LETTER	ZONKE M TRADING JV PK FINANCIAL CONSULTING	ENGINEERING SERVICES	CONSTRUCTION OF OFASIMBA GRAVEL ROAD (WARD 25)				GOOD		GOOD		GOOD	
C600	KZN ULM 20-23-24 CON	APPOINTMENT LETTER	XOLI M PROJECTS	ENGINEERING SERVICES	CONSTRUCTION OF MAMBA GRAVEL ROAD (KM 0,00 - KM 3,679) AND 8/3,0M BOX CULVERT (KMD,998)				GOOD		SATISFACTORY		SATISFACTORY	Notification of slow progress were sent to the service provider together with the request for his turnaround plan
C601	KZN ULM 19-23-24 CON	APPOINTMENT LETTER	MASUREBANE (PTY)LTD	ENGINEERING SERVICES	CONSTRUCTION OF MAKHUMALO TO EDIPHINI GRAVEL ROAD (WARD 13)				GOOD		GOOD		GOOD	GOOD

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C602	KZN ULM 08-23-24 CON	APPOINTMENT LETTER	NOXOLO AND MALI TRADING 14 CC	ENGINEERING SERVICES	COMPLETION OF KING DINUZULU SPORT PARK IN WARD 12				GOOD		GOOD		GOOD	GOOD
C603	KZN ULM 16-23-24 WAS SERV	GENERAL CONDITIONS OF CONTRACT	ICHWEBA ENGINEERING AND PROJECTS (PTY)LTD	COMMUNITY SERVICES	12 MONTHS CONTRACT - APPOINTMENT OF CONTRACTOR FROM THE PANEL OF WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 6				GOOD		GOOD		GOOD	
C604	KZN ULM 16-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	XOLI M PROJECTS (PTY)LTD	COMMUNITY SERVICES	12 MONTHS CONTRACT - APPOINTMENT OF CONTRACTOR FROM THE PANEL OF WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 5				GOOD		GOOD		GOOD	
C605	KZN ULM 14-23-24 WAS SERV	APPOINTMENT LETTER	LETHENI CIVILS	COMMUNITY SERVICES	12 MONTHS CONTRACT - APPOINTMENT OF CONTRACTOR FROM THE PANEL OF WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 4				GOOD		GOOD		GOOD	

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C606	KZN ULM 03-23-24 MAI VEH	APPOINTMENT LETTER	TYRE MART ESHOWE T/A CROWN HILL PROPERTIES 83	FINANCE	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES				GOOD		GOOD		GOOD	
C607	KZN ULM 03-23-24 MAI VEH	APPOINTMENT LETTER	BROCKWELL ENGINEERING SERVICES	FINANCE	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES				GOOD		GOOD		GOOD	
C608	KZN ULM 03-23-24 MAI VEH	APPOINTMENT LETTER	ALIGN 360 SALES AND SERVICES (PTY)LTD	FINANCE	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES				GOOD		GOOD		GOOD	
C609	KZN ULM 03-23-24 MAI VEH	APPOINTMENT LETTER	BAHWITI INVESTMENT CC	FINANCE	THREE YEAR PANEL OF SERVICE PROVIDERS TO PROVIDE SERVICES RELATING TO THE SUPPLY, DELIVERY AND MAINTENANCE OF MUNICIPAL VEHICLE TYRES				GOOD		GOOD		GOOD	

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C610	KZN ULM 24-23-24 WAS SERV	APPOINTMENT LETTER	SIZWESAMAZWIDE CONSTRUCTION (PTY) LTD	COMMUNITY SERVICES	WASTE MANAGEMENT AND RECYCLING ; EPWP PROJECT CLUSTER 1				GOOD		GOOD		GOOD	
C612	KZN ULM 01-23-24 OTH	SERVICE LEVEL AGREEMENT	NOKWANDA TRADING ENTERPRISE	ENGINEERING SERVICES	THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS				GOOD		GOOD		GOOD	
C613	KZN ULM 01-23-24 OTH	SERVICE LEVEL AGREEMENT	NEVLYN TRADING CC	ENGINEERING SERVICES	THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS				GOOD		GOOD		GOOD	
C614	KZN ULM 01-23-24 OTH	SERVICE LEVEL AGREEMENT	OURKINGDOM ENGINEERING	ENGINEERING SERVICES	THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS				GOOD		GOOD		GOOD	
C615	KZN ULM 27-23-24 IT SERV	SERVICE LEVEL AGREEMENT	CA COMPUTER SOLUTIONS INTERNATIONAL CC	CORPORATE SERVICES	PROVISION OF INFORMATION COMMUNICATION TECHNOLOGY (ICT) MAINTENANCE AND SUPPORT SERVICES FOR A PERIOD OF 36 MONTHS				GOOD		GOOD		GOOD	

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C616	KZN ULM 04-22-23 MUN SER	SERVICE LEVEL AGREEMENT	NJOMISA BOERDERY	COMMUNITY SERVICES	OPERATION OF AN ANIMAL POUND FOR THE PERIOD OF THIRTY SIX MONTHS				GOOD		GOOD		GOOD	
C617	KZN ULM 10-23-24 OTH	APPOINTMENT LETTER	SL RECOVERY (PTY) LTD	FINANCE	DEBT RECOVERY SERVICES				GOOD		GOOD		GOOD	
C618	KZN ULM 04-23-24 BAN FEE	SERVICE LEVEL AGREEMENT	FIRSTRAND BANK LIMITED	FINANCE	PROVISION OF BANKING SERVICES FOR FIVE (05) YEARS FOR UMLALAZI MUNICIPALITY				GOOD		SATISFACTORY	The municipality wrote to FNB formally with one of the issues it has and also organised a meeting with FNB management to discuss all issues the municipality has with their service, which is set for 12 April 2024 at 10:00 am.	SATISFACTORY	There are still unresolved issues as reported previously SLA is with contract monitoring officer
C619	KZN ULM 31-23-24 SEC SERV	APPOINTMENT LETTER	AROS PROTECTION SERVICES	COMMUNITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 1)				GOOD		GOOD		GOOD	
C620	KZN ULM 32-23-24 SEC SERV	APPOINTMENT LETTER	SELECT SECURITY SERVICES (PTY) LTD	COMMUNITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 2)				GOOD		GOOD		GOOD	

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C621	KZN ULM 33-23-24 SEC SERV	APPOINTMENT LETTER	BEETEE'S CAB T/A MAKADEBONA VIP PROTECTION SERVICES	COMMUNITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 3)				GOOD		GOOD		GOOD	
C622	KZN ULM 34-23-24 SEC SERV	APPOINTMENT LETTER	BACK AND FORTH SECURITY SERVICES	COMMUNITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 4)				GOOD		GOOD		GOOD	
C623	KZN ULM 35-23-24 SEC SERV	APPOINTMENT LETTER	VELA-TECH SECURITY SERVICES	COMMUNITY SERVICES	ALLOCATION OF SECURITY FOR PROVISION OF GENERAL SECURITY SERVICES (CLUSTER 5)				GOOD		GOOD		GOOD	
C624	KZN ULM 27-23-24 CON	APPOINTMENT LETTER	ZAKHELEHALALI SANI TRADING ENTERPRISE	ENGINEERING SERVICES	ESHOWE TRADING FACILITY BUILDING CONVERSION OF A VACANT SHOP TO PUBLIC TOILETS				GOOD		GOOD		PROJECT COMPLETE.	
C625	KZN ULM 22-23-24 CON	APPOINTMENT LETTER	INDONIYAMANJ OMANE (PTY)LTD	ENGINEERING SERVICES	HULLY AVENUE STORM WATER EXTENSION				GOOD		GOOD		PROJECT COMPLETE.	
C626	KZN ULM 39-22-23 EVE	APPOINTMENT LETTER	ANDIMAHLE TADING ENTERPRISE CC	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C627	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	BENZO MUSIC (PTY) LTD	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	

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C628	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	BLACK PHAROHS (PTY) LTD	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C629	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	BLUE CRYSTAL ENTERPRISE	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C630	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	EDU AFRICA CC	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C631	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	EZEKHETHELO LOGISTICS (PTY) LTD	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		EXPIRED	
C632	KZN ULM 39-22-23 EVE	APPOINTMENT LETTER	MEHLWEMPI PROJECTS (PTY) LTD	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C633	KZN ULM 39-22-23 EVE	APPOINTMENT LETTER	MGOVUZU TRADING ENTERPRISE	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C634	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	S VET TRADING	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C635	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	VINYL ENTERTAINMENT (PTY) LTD	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	

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C636	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	YAYOH TRADING	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C637	KZN ULM 39-22-23 EVE	SERVICE LEVEL AGREEMENT	ZONKE M TRADING	COMMUNITY SERVICES	PANEL OF EVENTS MANAGEMENT FOR A PERIOD OF THIRTY SIX MONTHS				GOOD		PANEL		PANEL	
C638	KZN ULM 08-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	LETHENI CIVILS AND PROJECTS	COMMUNITY SERVICES	MOWING OF VERGES, RECREATIONAL FACILITIES AND OPEN SPACES IN GINGINDLOVU CLUSTER 1 FOR A PERIOD OF THREE YEARS				GOOD		GOOD		GOOD	
C639	KZN ULM 09-23-24 MUN SERV	APPOINTMENT LETTER	HALALA GENERAL SUPPLIES AND TRADING	COMMUNITY SERVICES	MOWING OF VERGES, RECREATIONAL FACILITIES AND OPEN SPACES IN GINGINDLOVU CLUSTER 2 FOR A PERIOD OF THREE YEARS				GOOD		GOOD		GOOD	
C640	KZN ULM 26-23-24 PRO	APPOINTMENT LETTER	ASANDE PROJECTS (PTY) LTD	PLANNING & ECONOMIC DEVELOPMENT	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL OF TOWN PLANNERS TO REVIEW UMLALAZI TOURISM STRATEGY AND DEVELOPMENT PLAN				GOOD		POOR		POOR	The service provider did not perform and review of the Tourism of the Strategy was developed in-house
C641	KZN ULM 39-23-24 CON	APPOINTMENT LETTER	NOMSIZA (PTY) LTD	ENGINEERING SERVICES	REINSTATEMENT OF ROADS AND SIDEWALKS - ESHOWE TOWN				GOOD		GOOD		PROJECT COMPLETE.	

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
NUMBER TO BE ALLOCATED	KZN ULM 10-2023 PRO	SERVICE LEVEL AGREEMENT	SONHLAMVU TADING	ENGINEERING SERVICES	CONSULTANCY SERVICES TO DEVELOP AN ELECTRICITY MASTER PLAN (EMP) AND A MANAGEMENT PLAN : DEVELOP INFRASTRUCTURE PLANS						SATISFACTORY	Contractor has been informed within steering committee to adhere to extended program schedule.		
NUMBER TO BE ALLOCATED	KZN ULM 34-2023 PRO	APPOINTMENT LETTER	SONHLAMVU TADING	ENGINEERING SERVICES	ALLOCATION OF PROJECT : ELECTRIFICATION FOR RURAL HOUSEHOLD 72 CONNECTIONS IN HABENI (WARD 26)						GOOD	PROJECT COMPLETE.		
NUMBER TO BE ALLOCATED	APPOINTED ESKOM TO CARRY OUT SCH 5B PROJECT	APPOINTMENT LETTER	ESKOM	ENGINEERING SERVICES	ALLOCATION OF PROJECT : ELECTRIFICATION & CONSTRUCTION OF NEW 11KV BARE OVERHEAD POWER SUPPLY LINE TO KDS (WARD 12)						SATISFACTORY	Eskom slow to appoint contractor & commence with construction	SATISFACTORY	Eskom slow to appoint contractor & commence with construction - Eskom challenges with proposed MV line route & completion date revised to Dec 2024
C642	KZN ULM 17-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	NOMAKLEZA (PTY)LTD	COMMUNITY SERVICES	MOWING OF VERGES, RECREATIONAL FACILITIES AND OPEN SPACES IN MTUNZINI FOR A PERIOD OF THREE YEARS								GOOD	
C644	KZN ULM 14-23-24 TRAI	SERVICE LEVEL AGREEMENT	SAMBI TRADING	COMMUNITY SERVICES	YOUTH TRAINING ON FULL DRIVER'S LICENSE PROGRAM								GOOD	

CONTRACT NUMBER	BID/QUOTATION NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C646	KZN ULM 15-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	DOLPHIN COAST WASTE MANAGEMENT (PTY) LTD	COMMUNITY SERVICES	TRANSPORTATION OF WASTE FROM ESHOWE TRANSFER STATION TO REGIONAL LANDFILL SITE - KING CETSHWAYO DISTRICT FOR THE PERIOD OF THREE (3) YEARS								GOOD	
C647	KZN ULM 16-23-24 WAS SERV	SERVICE LEVEL AGREEMENT	DOLPHIN COAST WASTE MANAGEMENT (PTY) LTD	COMMUNITY SERVICES	TRANSPORTATION OF WASTE FROM MTUNZINI TRANSFER STATION TO REGIONAL LANDFILL SITE - KING CETSHWAYO DISTRICT FOR THE PERIOD OF THREE (3) YEARS								GOOD	
C648	KZN ULM 11-23-24 CON ENG	APPOINTMENT LETTER	SIBAYA ENGINEERS (PTY)LTD	ENGINEERING SERVICES	CIVIL ENGINEERING CONSULTING SERVICES: CONSTRUCTION OF MBECANE CAUSEWAY									
C649	KZN ULM 17-23-24 LEG SER	APPOINTMENT LETTER	PHUMLANI NGUBANE & ASSOCIATES INC.	PLANNING & DEVELOPMENT	APPOINTMENT OF SERVICE PROVIDER FROM A PANEL OF ATTORNEYS TO PROVIDE CONVEYANCE SERVICE FOR 300 UNITS OF LOW COSTING HOUSING PROJECTS								GOOD	

CONTRACT NUMBER	BID/QUOTE NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C651	KZN ULM 27-23-24 CON ENG	APPOINTMENT LETTER	SIBAYA ENGINEERS (PTY)LTD	ENGINEERING SERVICES	APPOINTMENT FROM THE PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS - CONSULTANT FOR DESIGN AND CONSTRUCTION MONITORING OF EMVINI GRAVEL ROAD (WARD 27)								GOOD	
C652	KZN ULM 28-23-24 CON ENG	APPOINTMENT LETTER	MAKHAOTSE NARASIMULU AND ASSOCIATES PTY LTD	ENGINEERING SERVICES	APPOINTMENT FROM THE PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS - CONSULTANT FOR DESIGN AND CONSTRUCTION MONITORING OF MGWENYA GRAVEL ROAD AND CAUSEWAYS (WARD 05)								GOOD	
C653	KZN ULM 42-23-24 CON	GENERAL CONDITIONS OF CONTRACT	SIPHO-GLAD CONSTRUCTION AND GENERAL TRADING CC	ENGINEERING SERVICES	REHABILITATION OF VARIOUS URBAN ROADS								GOOD	
C654	KZN ULM 40-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MANCINZA CIVIL CONTRACTORS & ROAD MAINTENANCE	ENGINEERING SERVICES	CONSTRUCTION OF KDS TRADING FACILITIES (WARD 12)								GOOD	
C655	KZN ULM41-23-24 MAI ROA	GENERAL CONDITIONS OF CONTRACT	ZIMBUKE TRADING	ENGINEERING SERVICES	ROAD PATCHES/MAJOR REPAIRS - WILLIAM APPOLOS AND KUDU ROAD								GOOD	

CONTRACT NUMBER	BID/QUOTE NUMBER	CONTRACT TYPE	APPOINTMENT BIDDER	MUNICIPALITY VOTE / DEPARTMENT	DESCRIPTION OF GOODS / SERVICES	2022/2023 ASSESSMENT OF SERVICE PROVIDERS (PREVIOUS FINANCIAL YEAR)	2023/2024 ASSESSMENT OF SERVICE PROVIDERS - QUARTER 1 (JULY - SEPT 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 2 (OCT - NOV 2023)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 3 (Jan - March 2024)	MEASURES TAKEN FOR IMPROVEMENT	2023/2024 ASSESSMENT OF SERVICES PROVIDERS - QUARTER 4 (April- June 2024)	MEASURES TAKEN FOR IMPROVEMENT
C656	KZN ULM 29-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MULTI SOLUTION TRADING (PTY) LTD	ENGINEERING SERVICES	CONSTRUCTION OF VEKEZA GRAVEL ROAD								GOOD	
C657	KZN ULM 10-23-24 MUN SERV	SERVICE LEVEL AGREEMENT	INZOMUSO BUSINESS ENTERPRISE	COMMUNITY SERVICES	WEED ERADICATION IN MTUNZINI AND ESHOWE TOWNS AND RESIDENTIAL AREAS FOR A PERIOD OF THREE MONTHS								GOOD	
C658	KZN ULM 44-23-24 MAI BUI	GENERAL CONDITIONS OF CONTRACT	XOLI M PROJECTS (PTY)LTD	ENGINEERING SERVICES	REFURBISHMENT OF PHAPHAMANI PEACE CENTRE (WARD 01)								GOOD	
C659	KZN ULM 10-23-24 PRO ULZ 152-02-24	SERVICE LEVEL AGREEMENT	SIYATHUTHU DEVELOPMENT T/A INZUZO YESIZWE	PLANNING & DEVELOPMENT	APPOINTMENT OF SERVICE PROVIDER FROM THE PANEL TO REVIEW WARD BASED PLANS								GOOD	
C661	KZN ULM 43-23-24 CON	GENERAL CONDITIONS OF CONTRACT	MASUREBANE (PTY)LTD	ENGINEERING SERVICES	REFURBISHMENT OF EMATHWASENI SPORTFIELD (WARD 02)								GOOD	
C662	KZN ULM 45-23-24 MAI BUI	GENERAL CONDITIONS OF CONTRACT	NOXOLO AND MALI TRADING 14 CC	ENGINEERING SERVICES	REFURBISHMENT OF THANDUKWENZ A EARLY CHILDHOOD DEVELOPMENT CENTRE (WARD 22)								GOOD	
C663	KZN ULM 40-23-24 SEC SERV	APPOINTMENT LETTER	AROS PROTECTION SERVICES	COMMUNITY SERVICES	PROVISION OF VIP CLOSE PROTECTION ONLY : THE MAYOR AND SPEAKER								GOOD	

APPENDIX J:**DISCLOSURE OF FINANCIAL INTEREST**

There were no financial disclosures reported for the year under review.

APPENDIX K:**REVENUE COLLECTION PERFORMANCE**

Information is available in the AFS – Page 6

APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE

Information is available in the AFS

APPENDIX K (II):**REVENUE COLLECTION PERFORMANCE BY SOURCE**

Information is available in the AFS

APPENDIX L:**CONDITIONAL GRANTS RECEIVED**

Information is available of AFS – Page 83 to 84

APPENDIX M:

CAPITAL EXPENDITURE – NEW & UPGRADE/ RENEWAL PROGRAMMES: INCLUDING MIG

3.3.2 MIG Projects

The following table reflects the movement of the budgeted amounts:

DESCRIPTION	Ward	Original Budget	Adjustments	Adjustments Budget
HALLS AND OFFICES				
CONSTRUCTION OF SLAMBO COMMUNITY HALL	3	5 279 432	- 2 572 140	2 707 292
CONSTRUCTION OF MPUMAZI COMMUNITY HALL	14	3 603 116	- 1 000 000	2 603 116
CONSTRUCTION OF MBIZA COMMUNITY HALL	9	-	303 870	303 870
CONSTRUCTION OF EMANDAWA COMMUNITY HALL	27	-	570 000	570 000
ROADS AND CAUSEWAYS				
VEKEZA ACCESS ROAD	17	5 101 780	- 1 601 780	3 500 000
CONSTRUCTION OF OFASIMBA GRAVEL ROAD	25	3 000 000	1 973 370	4 973 370
CONSTRUCTION OF YIMBA GRAVEL ROAD AND CAUSEWAY	19	5 376 085	196 645	5 572 730
CONSTRUCTION OF NDAYINI TO NGEDLEZI GRAVEL ROAD	4	5 145 060	1 265 650	6 410 710
CONSTRUCTION OF MAMBA GRAVEL ROAD	2	5 700 000	2 159 170	7 859 170
CONSTRUCTION OF EMVINI ROAD AND CAUSEWAY	27	200 000	- 100 000	100 000
CONSTRUCTION OF MAKHUMALO TO EDIPHINI GRAVEL ROAD	13	5 177 890	- 897 240	4 280 650
CONSTRUCTION OF NGWENYA ROAD AND CAUSEWAY	5	200 000	- 100 000	100 000
CONSTRUCTION OF NGQATHU CAUSEWAY	6	-	6 500	6 500
CONSTRUCTION OF ESIPHEZI ROAD, CAUSEWAY	9	-	37 000	37 000
CONSTRUCTION OF EYETHENI ROAD - PHASE 1	21	1 290 000	- 139 280	1 150 720
CONSTRUCTION OF KWAMFANA MAIN ROAD AND CAUSEWAY	13	-	11 700	11 700
CONSTRUCTION OF EZISULULWINI ROAD	4	3 100 000	- 370 850	2 729 150
CONSTRUCTION OF EYETHENI ROAD - PHASE 2	21	1 275 000	- 386 430	888 570
CONSTRUCTION OF NTOZA GRAVEL ROAD		-	370 000	370 000
REHABILITATION OF OSBORNE ROAD - PHASE 2	11	-	12 400	12 400
SPORTS FIELDS				
UPGRADE OF GINGINDLOVU SPORTSFIELD	18	400 000	- 300 000	100 000
CONSTRUCTION OF TAP TAP MAKHATHINI SPORTS CENTRE		4 939 307	- 2 939 305	2 000 002
CONSTRUCTION OF MASHABASE SPORTSFIELD	1	5 028 580	- 2 128 580	2 900 000
CONSTRUCTION OF KING DINIZULU SPORTS PARK - PHASE 1	12	4 800 000	2 200 000	7 000 000
Sub total		59 616 250	- 3 429 300	56 186 950
PMU ADMIN		3 158 750	- 769 700	2 389 050
TOTAL		62 775 000	- 4 199 000	58 576 000

APPENDIX N:

CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

DESCRIPTION	Ward	Status	Adjustments Budget 2020/21	Budget Year 2021/2022	Budget Year 2022/2023	Budget Year 2023/2024
HALLS AND OFFICES						
BAYEDLE HALL	16	New			3 500 000	
EMANDAWA HALL	27	New				5 000 000
MACOTSHANENI COMMUNITY HALL	2	New			3 500 000	
MPUMAZI COMMUNITY HALL	14	New		100 000	3 900 000	
SLAMBO COMMUNITY HALL	3	New		100 000	3 900 000	
NTENESHANE COMMUNITY HALL (WARD 23)	8	New				5 000 000
ROADS AND CAUSEWAYS						
ENDAYENI TO NGEDLEZI ROAD	4	New			3 000 000	
ESIPHEZI ROAD & CAUSEWAY	9	New	100 000	3 077 300		
EHHASHI ROAD	1	New	3 200 000			1 000 000
EYETHENI ROAD	21	New			3 000 000	
EZISULULWINI ROAD	4	New		100 000	3 900 000	
REHABILITATION OF HURLEY HUTCHINSON	19	Ongoing	8 900 000			
NDLONGOLWANE ROAD AND CAUSEWAY	4	Ongoing	1 000 000	3 000 000		
MPUNDUMANE ROAD	4	New				1 000 000
KWAMFANA MAIN ROAD AND CAUSEWAY	13	New	100 000	3 400 000		
MAKHEHLE ROAD	24	New	100 000	3 296 900		
MBHABHA CAUSEWAY	2	New			100 000	4 900 000
EDUKANENI ROAD	26	New				5 000 000
MAKHUMALO TO EDIPHINI ROAD	13	New				
NGQATHU CAUSEWAY	6	New	100 000	3 900 000		
OFASIMBA ROAD	25	New			3 000 000	
REHABILITATION OF OSBORN ROAD - PHASE 2	11	Ongoing	2 083 230	9 214 250		
VEKEZA ROAD	17	New			3 000 000	
EMVINI ROAD AND CAUSEWAY	26	New	230 000			
YIMBA PEDESTRIAN BRIDGE	19	New			100 000	4 900 000
SPORTS FIELDS						
KING DINIZULU SPORTS PARK - PHASE 1	12	Ongoing/ Upgrade	8 000 000	14 035 000		

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DESCRIPTION	Ward	Status	Adjustments Budget 2020/21	Budget Year 2021/2022	Budget Year 2022/2023	Budget Year 2023/2024
KWANDLOVU SPORTSFIELD	2	New			1 000 000	6 000 000
MANZAMNYAMA SPORTFIELD	22	New			1 000 000	6 000 000
MASHABASE SPORTSFIELD	1	New		100 000	4 900 000	
NGUDWINI SPORTSFIELD	5	New				1 000 000
UPGRADE OF GINGINDLOVU SPORTS FIELD	18	Upgrade		100 000	4 900 000	
SKEBHENI SPORT FACILITY		New			835 650	4 200 000
Sub total			38 118 750	40 423 450	43 535 650	44 000 000
PMU ADMIN			2 006 250	2 127 550	2 291 350	2 389 050
TOTAL			40 125 000	42 551 000	45 827 000	46 389 050

APPENDIX O:

CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

3.3.2 MIG Projects

The following table reflects the movement of the budgeted amounts:

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CONSTRUCTION OF MBIZA COMMUNITY HALL	9	-	303 870	303 870
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ROADS AND CAUSEWAYS				
VEKEZA ACCESS ROAD	17	5 101 780	- 1 601 780	3 500 000
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CONSTRUCTION OF NGQATHU CAUSEWAY	6	-	6 500	6 500
CONSTRUCTION OF ESIPHEZI ROAD, CAUSEWAY	9	-	37 000	37 000
CONSTRUCTION OF EYETHENI ROAD - PHASE 1	21	1 290 000	- 139 280	1 150 720
CONSTRUCTION OF KWAMFANA MAIN ROAD AND CAUSEWAY	13	-	11 700	11 700
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REHABILITATION OF OSBORNE ROAD - PHASE 2	11	-	12 400	12 400
SPORTS FIELDS				
UPGRADE OF GINGINDLOVU SPORTSFIELD	18	400 000	- 300 000	100 000
CONSTRUCTION OF TAP TAP MAKHATHINI SPORTS CENTRE		4 939 307	- 2 939 305	2 000 002
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Sub total		59 616 250	- 3 429 300	56 186 950
PMU ADMIN		3 158 750	- 769 700	2 389 050
TOTAL		62 775 000	- 4 199 000	58 576 000

APPENDIX P:

SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Information will be available in the IDP

APPENDIX Q:

Service Backlogs Experienced by the Community where another Sphere of Government is Responsible for Service Provision - reported in the IDP. Page 16 - 17

APPENDIX R:

DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Information is available in the AFS. Page 83 - 84

APPENDIX S:

DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

All s71 of the MFMA reports were consolidated and submitted in the year under review.

APPENDIX T:

NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

Information will be available in the IDP. Page 39