



# 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 2<sup>nd</sup> 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.

A handwritten signature in black ink, appearing to read 'N N SHANDU', written over a horizontal line.

**N N SHANDU**  
**MUNICIPAL MANAGER**

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### **1.1.1. MUNICIPAL OVERVIEW**

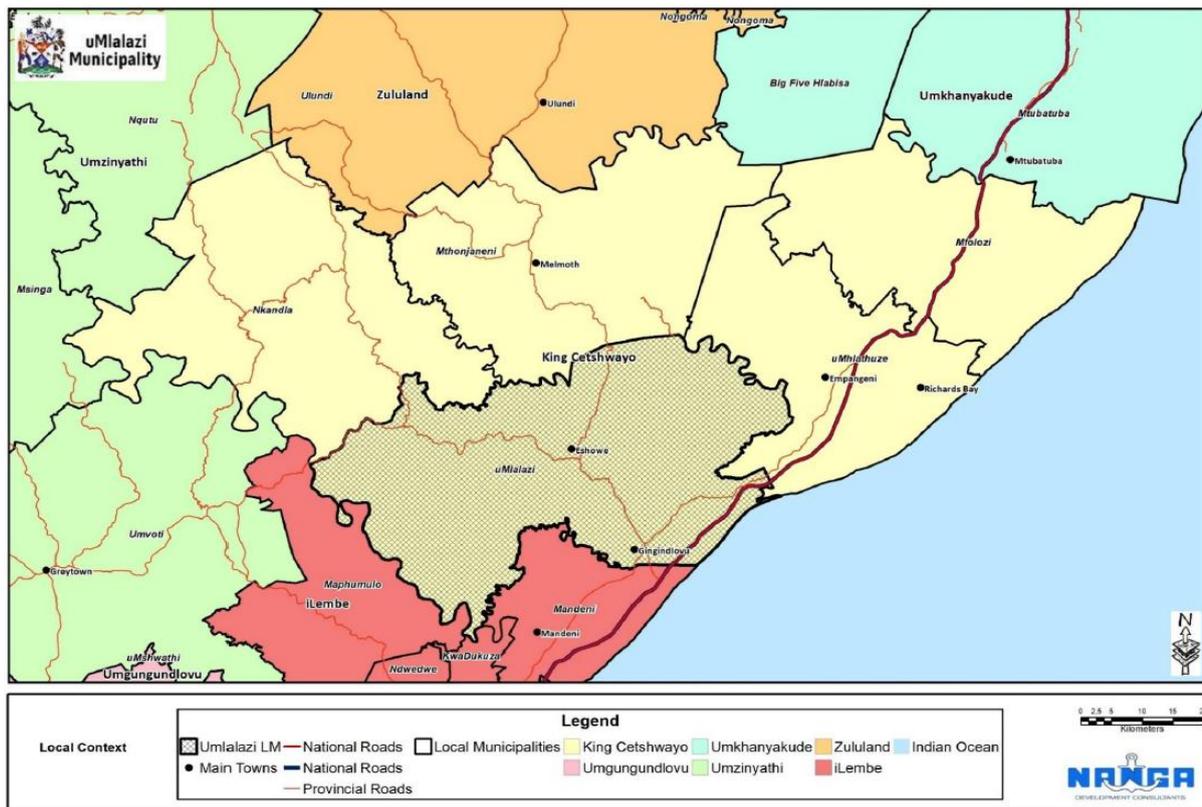
uMlalazi Local Municipality (KZN284) is situated along the north eastern coast of Kwa Zulu Natal, 140km north east of Durban. The eastern portion of uMlalazi Local Municipality lies on the N2 National and Provincial Development Corridor linking two major economic hubs of Richards Bay and Durban. Umlalazi 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 217km<sup>2</sup>, 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 <sup>2</sup> |         |         |         |       |
| 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.

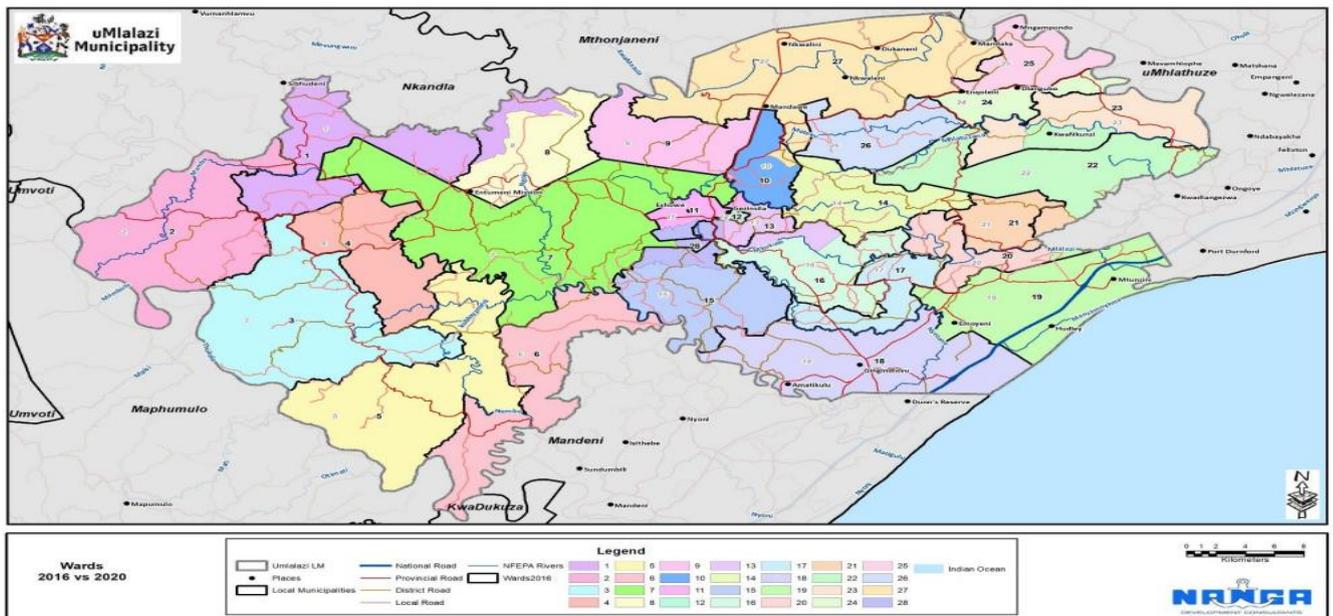
- In term of sanitation, 30.9% of households had access to flush toilets connected to sewage in 2022

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

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## 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

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### 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

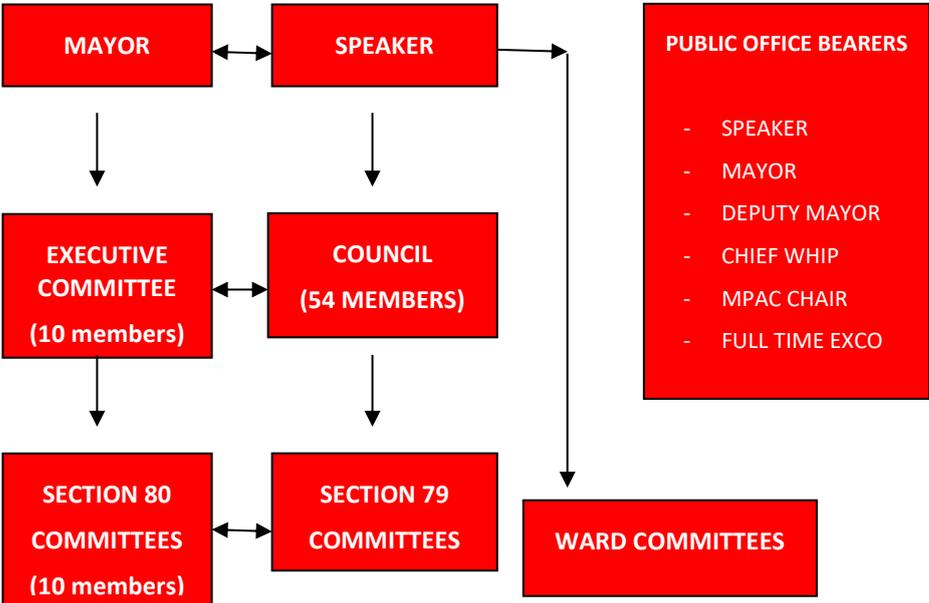
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uMlalazi Municipality is a category B municipality in terms of the Structures Act, comprising of 28 ward councillor seats and 27 proportional councillor seats for the term of office that will last five years until 2026, as contemplated in Section 24 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                          |
| <b>TOTAL</b> | <b>28</b>                  | <b>27</b>   | <b>55</b>                  |

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.



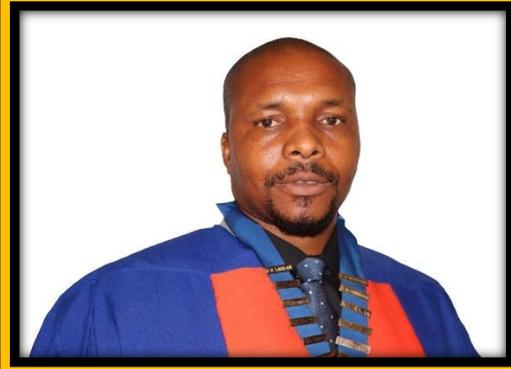
**HER WORSHIP THE MAYOR –  
COUNCILLOR Q T XULU**

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 |
|--|--------------------|
| <b>Council</b>                                       | 4                  |
| <b>Special Council</b>                               | 7                  |
| <b>Executive Committee</b>                           | 12                 |
| <b>Finance Management Committee</b>                  | 12                 |
| <b>Corporate Service Committee</b>                   | 4                  |
| <b>Engineering Services Committee</b>                | 4                  |
| <b>Community Services Committee</b>                  | 4                  |
| <b>Planning &amp; Economic Development Committee</b> | 4                  |
| <b>Audit Committee</b>                               | 4                  |
| <b>Performance Audit Committee</b>                   | 4                  |
| <b>Municipal Public Accounts Committee</b>           | 5                  |
| <b>Standing Rules &amp; Order</b>                    | 3                  |
| <b>Local Labour Forum</b>                            | 1                  |

#### 2.2.2.4 ADMINISTRATIVE GOVERNANCE: FUNCTIONS AND RESPONSIBILITIES

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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.

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## 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.

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### 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-<br>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<br>Infrastructure Cluster                   | Quarterly | Planning & Development     |
| DTAC   | Quarterly | Performance Management     |
| District Area Finance Forum (DAFF)                             | Quarterly | Finance                    |
| DDM –Justice, Crime and Social<br>Security Services Cluster    | Quarterly | Community Services         |
| DDM – Governance Cluster                                       | Quarterly | Corporate Service          |

## 2.4 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

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### 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 <sup>st</sup> Cluster IDP/Budget Road show                | 11 April 2024 | Mathwaseni Sportsfield (Ward 2)  | 1,2,3 & 4         |
| 2 <sup>nd</sup> Cluster IDP/Budget Roadshow                 | 18 April 2024 | Ngilandela Sports Field (Ward 5) | 5,6 & 7           |
| 3 <sup>rd</sup> Cluster IDP/Budget Road show                | 16 April 2024 | Nkume Hall (ward 10)             | 8,9,10 & 27       |
| 4 <sup>th</sup> Cluster Joint IDP/Budget Roadshow with KCDM | 8 May 2024    | Eshowe Sport Club (ward 11)      | 11,12,13,14, & 28 |
| 5 <sup>th</sup> Cluster IDP/Budget Roadshow                 | 20 April 2024 | Gingindlovu Hall (ward18)        | 15,16,17, & 18    |
| 6 <sup>th</sup> Cluster IDP/Budget Roadshow                 | 23 April 2024 | Mabhawuzini Hall (ward 20)       | 19,20 & 21        |
| 7 <sup>th</sup> 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 |
|--|--|--|--|--|--|--|

**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<br>Ward 5 – Alteration of dates<br>Ward 14 – No minutes for community held<br>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

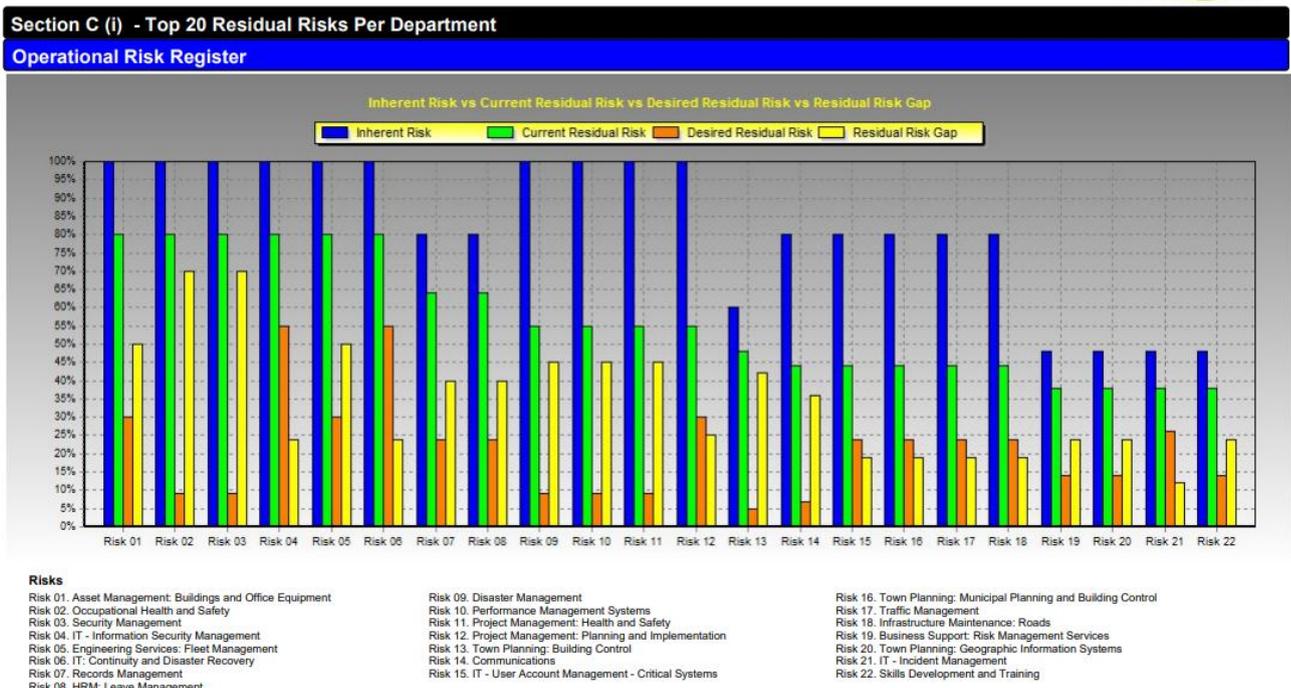
#### INTRODUCTION TO LEGAL SERVICES AND RISK MANAGEMENT

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: -

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

## 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

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## **3.1 COMPONENT A: BASIC SERVICES**

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### **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

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### **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

| <b>GRANT</b>                               | <b>ALLOCATIONS FOR 2022/23</b> |
|--|--------------------------------|
| 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                  |
| <b>TOTAL</b>                               | <b>R 474,907,000</b>           |

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        |
| <b>TOTALS</b>     | <b>R 474,284,000</b> | <b>R 474,284,000</b> | <b>100%</b> | <b>R 0.00</b> |

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<br>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 |
| <b>TOTAL</b> |                              |                                    |  | <b>R 191 737 000</b> |     |

| 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 |
| <b>TOTAL</b> |             |         |   | <b>R60 000 000</b> |      |

| No           | LM                 | Ward No.   | Project Name  | FY2023/2024 ALLOCATION | Funder     |
|--------------|--------------------|--|---|------------------------|------------|
| 1            | Nkandla & uMlalazi | Nkandla - 14<br>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 |
| <b>TOTAL</b> |                    |  |   | <b>R222 547 000</b>    |            |

### 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.   |
|             | <b>TOTAL</b>                | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>587</b>          |                          |   |

### 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. |
| <b>Total Units</b>                  | <b>311</b> | <b>683</b> | <b>0</b> | <b>0</b> | <b>994</b> |                                |                    |

### 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 of consumers – June 2023 | of – 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  |
| <b>TOTAL</b> |                                      |                        | <b>1586</b>                        |   |

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### 3.1.4 WASTE MANAGEMENT

#### 3.1.4.1 WASTE MANAGEMENT SERVICES

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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

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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

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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.

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### 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

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

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### **3.1.6 FREE BASIC SERVICES & INDIGENT SUPPORT**

#### **3.1.6.1 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT**

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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**

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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.

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## **3.2 COMPONENT B: ROADS & TRANSPORT**

### **3.2.1 ROADS**

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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    | <b>1363.33 Km</b>                                 | 18 000 000.00    |
| <b>Rehabilitation of Urban Roads</b>               | 11,12,&18          | Rehabilitation of a Total 1.2 km of surfaced road | R 4 295 938.00   |
| <b>OTHER CIVIL PROJECTS</b>                        |                    |   |                  |
| Road patches / Major repairs                       | 11 & 18            | 445 m <sup>2</sup>                                | 247 415.70       |
| Reinstatement of roads and sidewalks – Eshowe town | 11                 | 415 m <sup>2</sup>                                | 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 |
|-----------|----|--|----------------|--------------|

**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                         |

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### **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**

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| <b>Project</b>                                 | <b>Ward</b>        | <b>Extent</b> | <b>Budget spent (R)</b> |
|--|--------------------|---------------|-------------------------|
| 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**

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

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### **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.

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## **3.3 COMPONENT C: PLANNING & DEVELOPMENT**

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### **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.

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### **3.3.2 PLANNING**

#### **3.3.2.1 INTRODUCTION TO PLANNING**

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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        |
| <b>TOTAL</b> | <b>90</b> | <b>22</b> | <b>30</b> | <b>R 799,825.63</b> |

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### 3.3.3 LOCAL ECONOMIC DEVELOPMENT

#### 3.3.3.1 INTRODUCTION

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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)

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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<br>Black Hairdryers 2000W<br>Shampoo Backwash Barber Chair With Fashion Bowl Sink For Salon And Spa |
| 3. | Thandeka Nkwanyane (Disable)<br>Elemisithemba | 2    | Water Tank   |

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

| NO  | NAME AND SURNAME                          | WARD | ITEM  |
|-----|---|------|---|
|     |   |      | Watering Cans<br>Seedlings(Cabbage,Onion,Spinach,Tomatoes,Green Pepper)   |
| 13. | Siphiwe Biyela                            | 6    | Chicks<br>Starter Mash<br>Grower Mash<br>Finisher<br>Sawdust<br>Water Feed Set<br>Chicken Feed                  |
| 14. | Mthobisi Sikhosana                        | 7    | Brushcutter x 1<br>Chainsaw x1  |
| 15. | Nosipho Myeni                             | 7    | Chicken Feed<br>Starter Mash<br>Grower Mash<br>Finisher<br>Sawdust<br>Water Feed Set<br>Chicken Feed<br>Vaccine |
| 16. | Ncanekile Dlamini                         | 7    | Salon Basin x1<br>Dark and Lovely Relaxerx3 Boxes<br>Bar Fridge x1  |
| 17. | Nozipho Mbambo<br>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<br>1 Post Finisher<br>3 Finisher  |
| 21. | Mrs Dube<br>Maqhama Projects              | 8    | 1 Starter<br>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<br>Stand Dryer<br>Hairdryer                                      |
| 26. | Cecilia Xulu                  | 10   | 1 Deck 1 Tray   |
| 27. | Sithabileb P Ngema (Youth)    | 10   | Starter x2<br>Grower x3<br>Finisher x3                                      |
| 28. | Zinhle Zungu (Rainbow Circle) | 11   | Industrial Sewing Machine<br>Overlockers                                    |
| 29. | Njabulo Biyela                | 11   | Compressor and polishing machine  |
| 30. | Nhlanhla Makhanya (Youth)     | 11   | Water Tank<br>Seedlings<br>Garden Hoe x2<br>Hand Hoe x2<br>Watering Cans x2 |
| 31. | Thembisile Mpanza             | 12   | Salon Basin x1<br>Bar Fridge x1   |
| 32. | Nomthandazo Sibiya            | 12   | Multi-function Double Oven Stove  |
| 33. | Nolwazi Ntombela              | 12   | Gas Stove<br>2 x Chaffing Dish<br>Pots<br>2 X Tables<br>50 x Spoon          |
| 34. | Nini Mthethwa                 | 12   | Gas Stove<br>2 x Chaffing Dish<br>Pots<br>2 X Tables<br>50 x Spoon          |

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

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

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

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

### 3.3.3.7 COMMUNITY WORKS PROGRAMME (CWP)

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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.

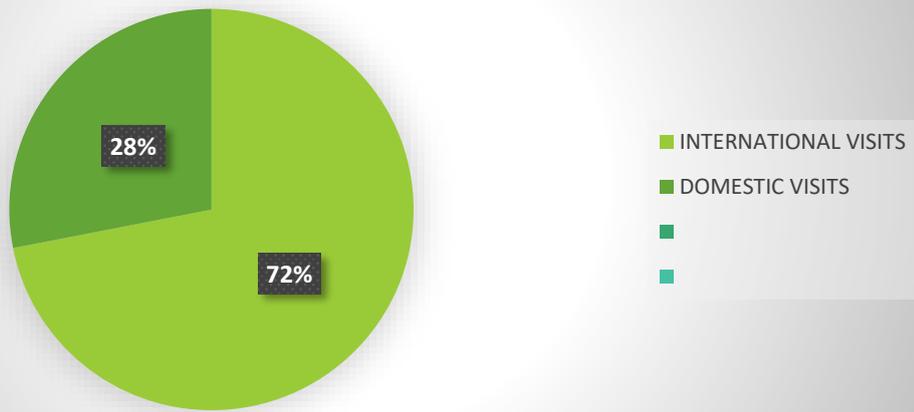
| <b>Project</b>            | <b>Jobs created</b> |
|---------------------------|---------------------|
| Community Works Programme | <b>1143</b>         |

### 3.3.3.8 TOURISM PROJECTS IMPLEMENTED

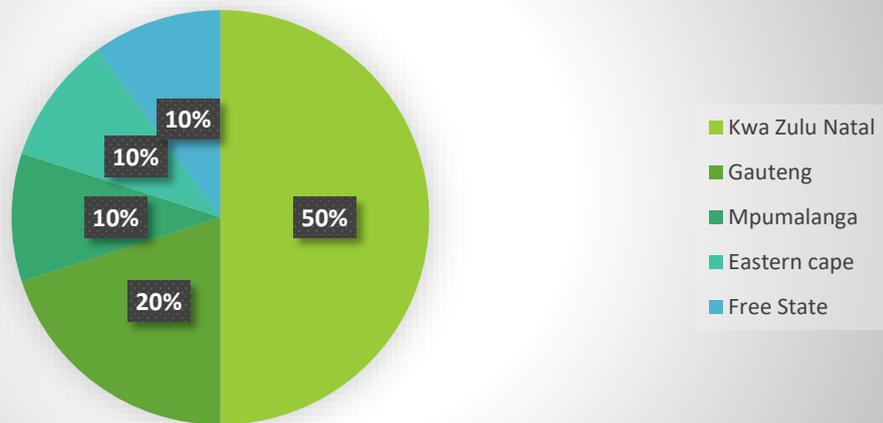
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The diagrams below reflects the breakdown of the tourism stats during the year under review:-

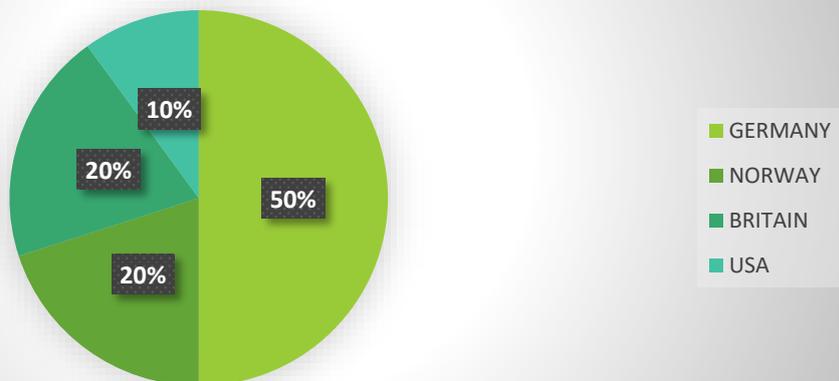
### uMlalazi Tourism Office Visitors International vs Domestic Tourists



### uMlalazi Tourism Office Visitors Domestic Breakdown (2023/ 2024)



### uMlalazi Tourism Office Visitors International Breakdown (2023/ 2024)



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### 3.4 COMPONENT D: COMMUNITY & SOCIAL SERVICES

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#### 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

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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

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##### 3.4.2.1 INTRODUCTION TO CEMETERIES

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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

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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          |
| <b>TOTAL</b> | <b>132</b> | <b>16</b> | <b>223</b> | <b>138</b> | <b>11</b> | <b>148</b> |

### 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 |             |              |
|       | <b>TOTAL</b>               |             |              |
|       | <b>TOTAL</b>               | <b>1289</b> | <b>1 182</b> |
| SASSA | Old age pension            |             |              |
|       | Disability Grant           |             |              |
|       | Child Support Grant        |             |              |
|       | Grant In Aid               |             |              |
|       | SASSA walk ins             |             |              |
|       | SASSA Pensioners           |             |              |
|       | <b>TOTAL</b>               | <b>7892</b> | <b>3 171</b> |

| SERVICE PROVIDER   | SERVICE RENDERED             | 2022/2023                 | 2023/2024                 |
|--------------------|------------------------------|---------------------------|---------------------------|
|                    |                              | NUMBER OF PEOPLE SERVICED | NUMBER OF PEOPLE SERVICED |
| PRIVATE SECTOR     | NGO's                        |                           |                           |
|                    | NPO's                        |                           |                           |
|                    |                              |                           |                           |
|                    | <b>TOTAL</b>                 | <b>1 597</b>              | <b>526</b>                |
| CENTRE MANAGER/CDW | Enquiries                    |                           |                           |
|                    | Distribution Of Documents    |                           |                           |
|                    | Other Services by CDW        |                           |                           |
|                    | Walk Inns To CDW             |                           |                           |
|                    | Centre Manager Walk Inns     |                           |                           |
|                    | LISSC meetings               |                           |                           |
|                    | Community Meeting            |                           |                           |
|                    | Workshop                     |                           |                           |
|                    | <b>TOTAL</b>                 | <b>4 762</b>              | <b>1 211</b>              |
| INKOSI             | Traditional Council meetings |                           |                           |
|                    | Rural Fee                    |                           |                           |
|                    | Events Registration          |                           |                           |
|                    |                              |                           |                           |
|                    | <b>TOTAL</b>                 | <b>839</b>                | <b>946</b>                |
| OTHER              |                              |                           |                           |
|                    |                              |                           |                           |
|                    |                              |                           |                           |
|                    | <b>TOTAL</b>                 | <b>180</b>                | <b>1 955</b>              |
| 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    |                           |                           |
|                  | <b>TOTAL</b>         | <b>124</b>                | <b>164</b>                |
| DOH(CHW)         | MUAC                 |                           |                           |
|                  | Vitamin              |                           |                           |
|                  | Deworming            |                           |                           |
|                  | TB Screening         |                           |                           |
|                  | Home Visits          |                           |                           |
|                  | Medication collector |                           |                           |
|                  | <b>TOTAL</b>         | <b>989</b>                | <b>2 307</b>              |

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

### 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><b>ACTIVE AGEING PROGRAMME/GOLDEN GAMES</b></p> <ul style="list-style-type: none"> <li>• Local Golden Games – 18 August 2023</li> <li>• District Golden Games – 23 August 2023</li> <li>• Provincial Golden Games – 12 – 14 September 2023</li> </ul> <p><b>PURPOSE:</b><br/>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><b>STRATEGIC GOAL</b><br/>To ensure the care, support, protection and development of vulnerable groups and people with special needs particularly older persons within the community.</p> <p><b>OBJECTIVES</b></p> <ul style="list-style-type: none"> <li>▪ To promote intergenerational bonding</li> <li>▪ To embrace active ageing</li> <li>▪ To create awareness of the abilities and capabilities of older persons</li> <li>▪ To create awareness of the socio-cultural needs of older persons</li> <li>▪ To expand the horizons of older persons</li> </ul> <p><b>SENIOR CITIZENS CHRISTMAS PARTY – 23<sup>rd</sup> December 2023</b></p> <p><b>PURPOSE</b><br/>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><b>REPORT</b><br/>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.<br/>Eighty four senior citizens benefited in this programme (3 per ward).</p> |

|    |       |   |
|----|-------|---|
|    |       | <p><b>ELDERLY ABUSE CAMPAIGN – 26<sup>th</sup> June 2024</b></p> <p><b>PURPOSE</b></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><b>REPORT</b></p> <p>On the 26<sup>th</sup> 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><b>ISITHANGAMI SABESIFAZANE – 24<sup>th</sup> August 2023</b></p> <p><b>PURPOSE:</b></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><b>GIRLS TO WOMEN DIALOGUE – 14 November 2023</b></p> <p><b>PURPOSE</b></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><b>REPORT</b></p> <p>Umlalazi municipality in partnership with the NGO Vumani Africa conducted girls to women dialogue on the 14<sup>th</sup> 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"> <li>• Masculinity and peer pressure shaping most men’s behaviour</li> <li>• Gender role or culture over generations contributing to the continuation</li> </ul> |

|    |                             |   |
|----|-----------------------------|---|
|    |                             | <p>and increase of Gender based violence</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Women often undermining each other and contributing to the abuse and violence against other women and girls</li> <li>• GBV having become a common occurrence in such a way that children find this normal.</li> </ul>  |
| 3. | Early Childhood Development | <p><b>HANDOVER OF CRECHES FURNITURE AND EQUIPMENT</b></p> <p><b><u>Purpose</u></b></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><b><u>Background</u></b></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"> <li>• Thintumkhaba crèche – 06 July 2023 (The furniture consists of Chairs, Tables, Sponges and toys)</li> </ul> <p><b>MANDELA DAY PROGRAMME</b></p> <p><b><u>Purpose</u></b></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><b><u>Background</u></b></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"> <li>• Ntshelutshelu crèche – 18 July 2023</li> </ul> <p>The following activities occurred also as part of commemorating Mandela day.</p> <ul style="list-style-type: none"> <li>• Painting of the facility</li> <li>• Promoting and ensuring food security through one home one garden initiative, the mayor also planted citrus tree and vegetable garden.</li> <li>• Children were gifted with McDonald’s party packs, small buckets with masks, tooth pastes and tooth brushes.</li> </ul> <p><b>SOD TURNINGS OF TWO CRECHE</b></p> <p><b><u>Purpose</u></b></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><b>Background</b><br/>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"> <li>• Iwundlu crèche (Ward 23) – 11 October 2023</li> <li>• Snethemba crèche ( Ward 26) – 11 October 2023</li> </ul> <p><b><u>CRECHES HANDOVER NGUNUNDU PEACE CENTER/CRECHE</u></b></p> <p><b><u>Purpose</u></b><br/>The aim was to support Early Childhood Development Centres in order to make sure crèches are functioning accordingly with proper structure &amp; resources. This is also to nurture and improve children ability to learn.</p> <p><b><u>Background</u></b><br/>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 30<sup>th</sup> 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><b><u>PURPOSE</u></b></p> <ul style="list-style-type: none"> <li>• To ensure the behavioral change of men’s</li> <li>• To contain the pandemic that is threatening communities.</li> <li>• To curb all social ills and retain social cohesion.</li> </ul> <p><b><u>BACK GROUND</u></b></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><b>DISABILITY GAMES</b></p> <p><b>PURPOSE</b></p>   |

|    |                                |  |
|----|--------------------------------|--|
|    |                                | <ul style="list-style-type: none"> <li>To ensure the involvement of disabled persons in their matters that affect all disabled persons.</li> <li>To enhance maximum participation of the disabled person</li> <li>To enable disabled people to practice healthy lifestyle</li> </ul> <p><b><u>BACK GROUND</u></b></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><b>UMkhosi WoMhlanga 8-10 September 2023</b></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"> <li>- Total NSFAS applications: <b>321</b></li> <li>- Total CAO Applications:<b>166</b></li> </ul>   |
| 8. | Youth Driver's Licence Program | <p><b>Purpose</b></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><b>Report</b></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><b>Purpose</b></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><b>Report</b></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**

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#### **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.

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#### **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.

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##### **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 Kangelana   | 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                 |
| <b>TOTAL</b> |                        | <b>62</b>         |

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                    |
| <b>TOTAL</b> |                              | <b>74</b>            |

### 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<br>Failed:257 | Passed:598<br>Failed: 265  |
| 2   | Number of learners issued & number failed                  | Passed:903<br>Failed:900 | Passed: 916<br>Failed: 870 |
| 3   | Number of COR issued                                       | 1101                     | 865                        |
| 4   | Amount received by the municipality – agency fees          | <b>R 4,273,116.32</b>    | <b>R 5,245,673.00</b>      |

### 3.6.2.3.1 COMMENT ON THE PERFORMANCE OF COMMUNITY SAFETY OVERALL

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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

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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        |

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### **3.6.4 DISASTER MANAGEMENT**

#### **3.6.4.1 INTRODUCTION TO DISASTER MANAGEMENT**

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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      |

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### 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 UMhlathuze 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.

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## **3.8 COMPONENT H: CORPORATE POLICY OFFICES & OTHER SERVICES**

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### **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.

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### **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.

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### **3.8.3 HUMAN RESOURCE SERVICES**

#### **3.8.3.1 INTRODUCTION TO HUMAN RESOURCE SERVICES**

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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.

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### **3.8.4 LEGAL SERVICES AND RISK MANAGEMENT**

#### **3.8.4.1 INTRODUCTION TO LEGAL SERVICES AND RISK MANAGEMENT**

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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

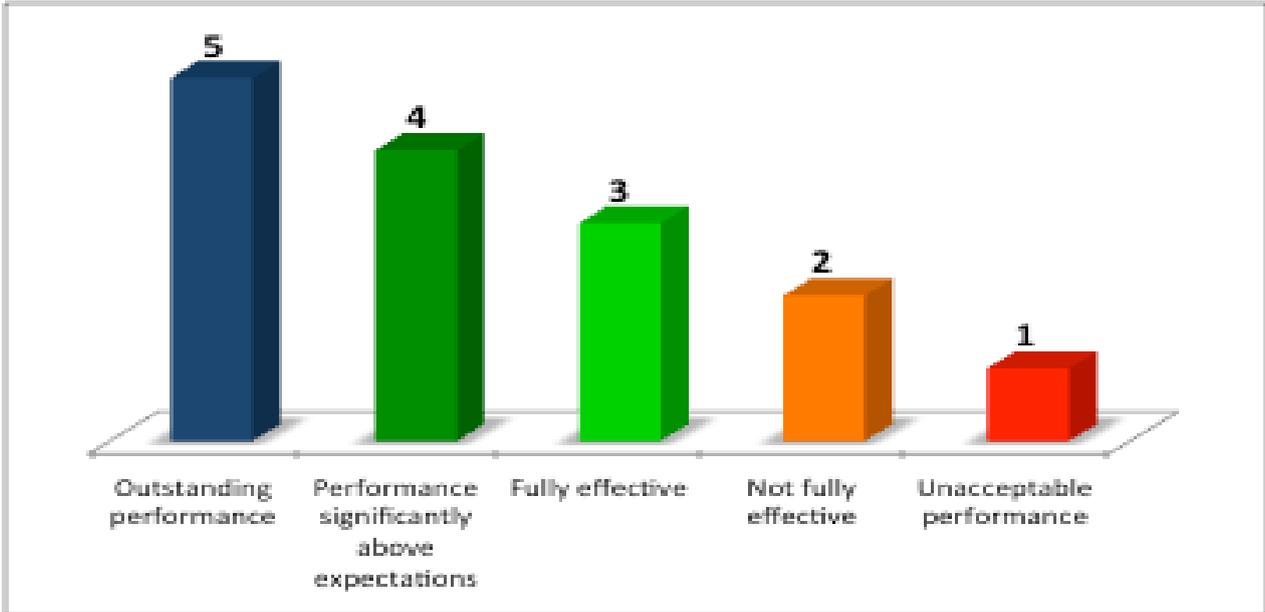
This report includes the highlights from the key performance measures included in the 2023/24 IDP. These priority measures constitute the Municipal Top Layer Service Delivery Budget Implementation Plan (SDBIP) / Organisational Scorecard for 2023/24.

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   |
|---|---|
| <b>Outstanding performance</b>                      | 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.  |
| <b>Performance significantly above expectations</b> | 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.  |
| <b>Fully effective</b>                              | 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.   |
| <b>Not fully effective</b>                          | 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.   |
| <b>Unacceptable performance</b>                     | 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.

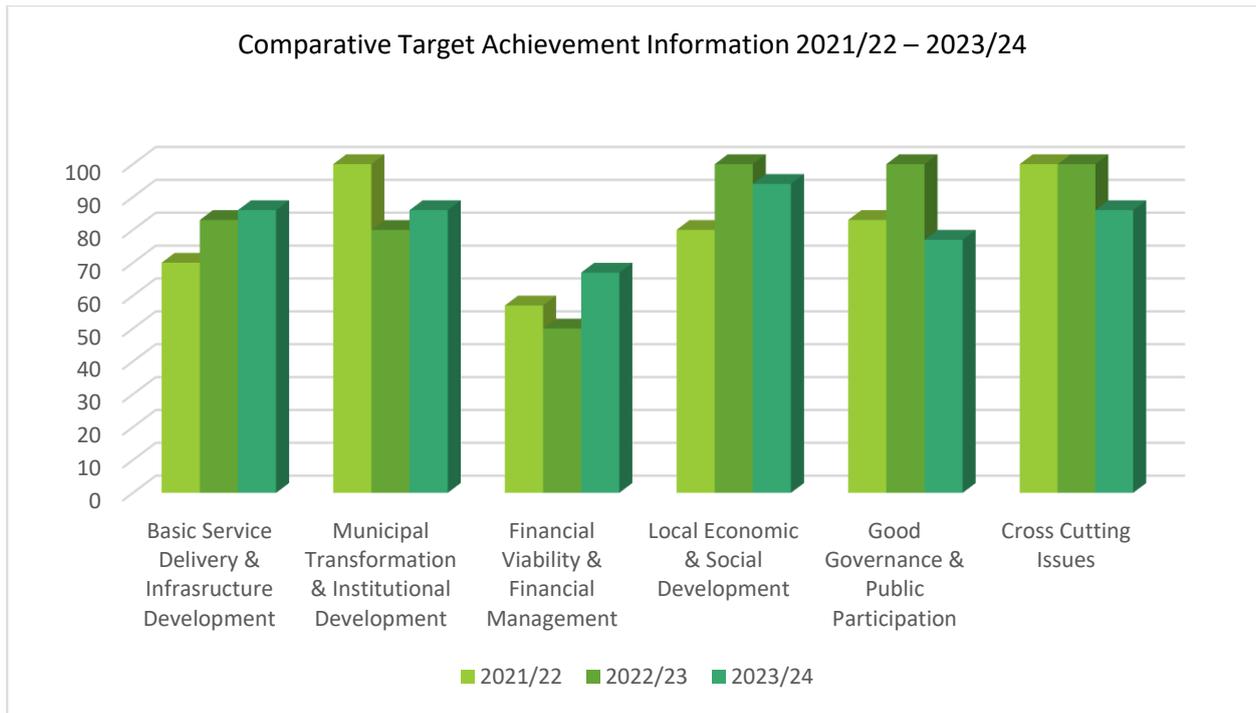
A dashboard which summarises performance for the municipality’s scorecard is illustrated under the tables and the graphs below

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**OVERALL PERFORMANCE**

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

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



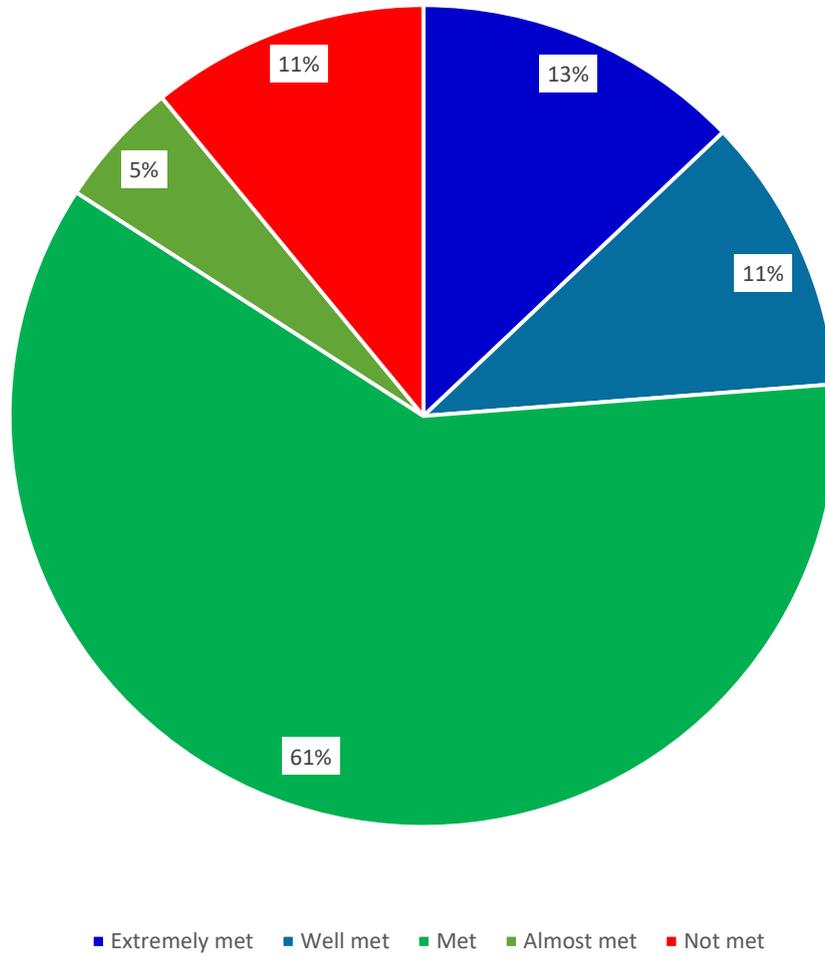
Graph 1 Comparative Target Achievement Information 2021/22 – 2023/24

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 | %   |
|--------------------------------|--|-------------------|--------------|-----|
| <b>R</b>                       | 0% <= Actual/Target <= 74.999%             | KPI Not Met       | 10           | 11% |
| <b>O</b>                       | 75.000% <= Actual/Target <= 99.999%        | KPI Almost Met    | 5            | 5%  |
| <b>G</b>                       | Actual meets Target (Actual/Target = 100%) | KPI Met           | 58           | 61% |
| <b>G2</b>                      | 100.001% <= Actual/Target <= 149.999%      | KPI Well Met      | 10           | 11% |
| <b>B</b>                       | 150.000% <= Actual/Target                  | KPI Extremely Met | 12           | 13% |
| <b>Total KPIs for the year</b> |  |                   | <b>95</b>    |     |

Table 2 KPI Report – Overall Performance

### Overall Performance



Graph 2: Overall Performance

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## 4. PERFORMANCE MANAGEMENT PROCESSES

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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:

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

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## 4.1 APPROVAL OF SDBIP 2023/24

- The Mayor initially approved the SDBIP for the 2023/24 financial year on the 27<sup>th</sup> 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 23<sup>rd</sup> of February 2024, The special SDBIP Adjustment was approved by Council on the 28<sup>th</sup> 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 <sup>st</sup> Quarter Performance Report | 14 Dec 2023        |
| 2 | Mid – Year Performance Report                        | 26 Jan 2024        |
| 3 | 3 <sup>rd</sup> Quarter Performance Report           | 28 June 2024       |
| 4 | Quarter 4 Performance Report                         | Due – 31 Aug 2024  |

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### 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;

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

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## 4.4 PERFORMANCE AND SUPPORTING INFORMATION

### **4.4.1 BACKGROUND TO MUNICIPAL SCORECARD**

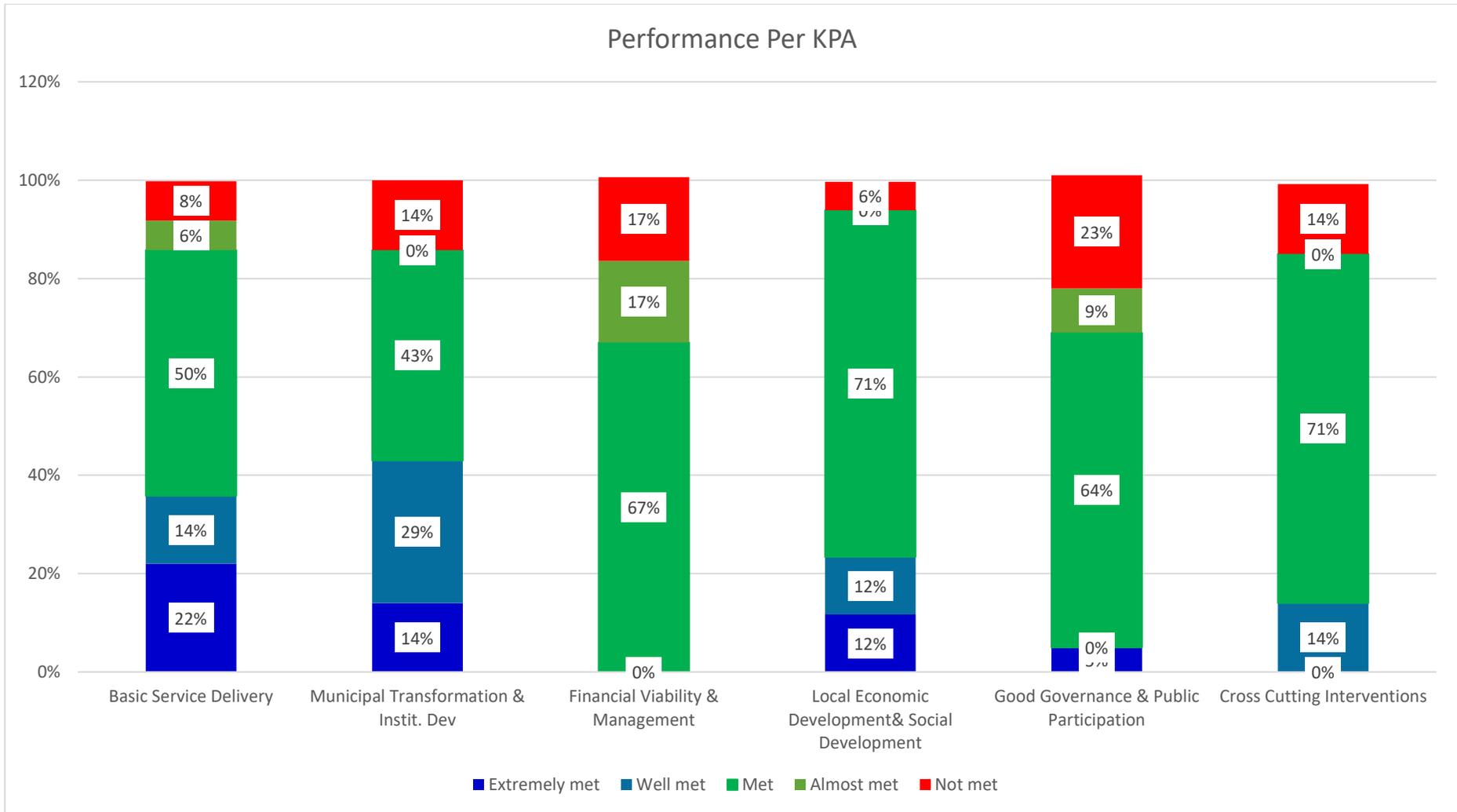
The IDP is supported by the Municipal Scorecard which sets out the Key Performance Areas, Key Performance Indicators and targets showing responsibilities on all activities to be undertaken by the Municipality during the particular period for 12 months in line with municipal financial year from July to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

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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 | <b>Target extremely met, 17(seventeen)</b> Interns appointed in support of the internship and in-service training programmes by 31 March 202 | <b>B</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  | <b>Target extremely met, 30(thirty)</b> convectional lights replaced 30 June 2024  | <b>B</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   | <b>Target met, 65%</b> progress in construction of Slambo Community Hall by 30 June 2024             | <b>B</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 | <b>Target extremely met 19%</b> progress in construction of 5.5km Vekeza Road gravel by 30 June 2024 | <b>B</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     | <b>Target extremely met, 100%</b> in construction of 3.2km Ofasimba road on <b>10</b>                | <b>B</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/<br>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                    | <b>Target extremely met 55%</b> progress in construction of 3.7km Mamba Causeway by 30 June 2024                    | <b>B</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 | <b>Target extremely met 75%</b> progress in construction of 4.8km Makhumalo to Ediphini Gravel Road by 30 June-2024 | <b>B</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               | <b>Target extremely met, 75%</b> progress in Refurbishment of Emathwaseni Sports field by 30 June 2024              | <b>B</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   | <b>Target extremely met, 16(sixteen)</b> Waste management awareness programmes                                      | <b>B</b> | Some of the programmes were done internal by waste management unit whereas others |  |

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

| Internal Ref<br>Indicator<br>Code | Responsible<br>Directorate | Municipal<br>KPA                         | KPI  | Annual<br>Target  | Annual<br>Actual   | R        | Performance<br>Comment/<br>Reason for variance   | Corrective Measure |
|-----------------------------------|----------------------------|--|--|---|--|----------|--|--------------------|
|                                   |                            |  |  |   |  |          |  |                    |
|                                   |                            |  |  |   | 1. Equipment handover 21 Dec 2023,<br>2. Equipment handover 18 April 2024,<br>3. Goat farming, 30 April 2024<br>4. Equipment handover 24 May 2024  |          |  |                    |
| TL 288<br>(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 | <b>Target extremely met, 3(three) Municipal Programmes aimed at promoting moral regeneration &amp; nation building by 30 June 2024 as follows:</b><br><br>1. 25 July 2023<br>2. 26 June 2024<br>3. 14 Nov 2023 | <b>B</b> | Overachievement was necessitated by the need to cover gaps caused by social ills in Umlalazi community |                    |

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

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

| Internal Ref<br>Indicator<br>Code | Responsible<br>Directorate | Municipal<br>KPA       | KPI   | 2023/24  |  | R | Performance<br>Comment/<br>Reason for variance   | Corrective Measure   |
|-----------------------------------|----------------------------|------------------------|---|--|--|---|--|--|
|                                   |                            |                        |   | Annual Target  | Annual Actual  |   |  |  |
| TL 265<br>(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 | <b>Target not met, 72.8%</b> 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<br>(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       | <b>Target not met, 0%</b> 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<br>(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                 | <b>Target almost met, 90%</b> progress in construction of Mashabase SportsField by 30 June 2024<br><br>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 | <b>Target met, 6144( six thousand one hundred and eight one) households provided with refuse removal services in ward , 7,11, 12,18 ,19 &amp; 28 once a week by 30 June 2024</b> | 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  | <b>Target not met,</b> 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  | <b>Target not met</b>  | R | Revenue enhancement strategy has not  | The Revenue enhancement strategy will be done through  |

| Internal Ref<br>Indicator<br>Code | Responsible<br>Directorate | Municipal<br>KPA                                      | KPI   | 2023/24  |   | R | Performance<br>Comment/<br>Reason for variance  | Corrective Measure  |
|-----------------------------------|----------------------------|---|---|--|---|---|---|---|
|                                   |                            |   |   | Annual Target  | Annual Actual   |   |   |   |
|                                   |                            | and<br>Managem<br>ent                                 | submitted to Council for<br>adoption                                      | and submitted to<br>Council for adoption<br>31 May 2024                |   |   | been developed due<br>to budget<br>constraints.   | an external service<br>provider to cover all<br>areas of revenue for<br>the uMlalazi<br>Municipality, hence<br>the budget<br>requirements.  |
| TL 292<br>(IDP Ref<br>72)         | Financial<br>Services      | Municipal<br>Financial<br>viability and<br>Management | % Increase in debtors<br>collection rate on billing<br>by 30 June<br>2024 | 95% increase in<br>debtors collection<br>rate on billing by 30<br>June | <b>Target almost met,<br/>88% increase in<br/>debtors collection rate<br/>on billing by 30 June</b> | ○ | Outstanding debtors<br>have increased to<br>the affordability on<br>the side of<br>customers.<br><br>Non-payment by the<br>significant debtors of<br>arrears has an effect<br>on the target not<br>being achieved.<br>Example of these<br>debtors is Public<br>Works and Macant<br>properties Legal<br>proceedings do not<br>always yield results<br>timeously. | Ensure that all arrear<br>accounts are handed<br>over and improve on<br>the turnaround time<br>regarding the<br>communication with<br>attorneys.<br><br>Continuous engage<br>significant debtors<br>with a view of<br>collecting on arrears.<br><br>Request budget for<br>data cleansing as<br>some of the accounts<br>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                                  | <b>Target almost met,</b><br>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       | <b>Target almost met,</b><br>Standing Rules and Orders Committee meetings facilitated by 30 June 2024 as follows:<br><br>1. <b>29 Sep 2023</b><br>2. <b>13 March 2024</b><br>3. <b>21 June 2024</b> | ○ | 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 | <b>Target almost met,</b><br><b>3(three)</b> 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<br>Indicator<br>Code | Responsible<br>Directorate      | Municipal<br>KPA                         | KPI  | 2023/24  |  | R | Performance<br>Comment/<br>Reason for variance                 | Corrective Measure  |
|-----------------------------------|---------------------------------|--|--|--|--|---|--|---|
|                                   |                                 |  |  | Annual Target  | Annual Actual  |   |  |   |
|                                   |                                 |  |  |  | 14 Dec 2023<br>26 Jan 2024<br>16 May 2024  |   | the reports are prepared and submitted to Council              | council meetings in 2024/25   |
| TL 302<br>(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 | <b>Target not met,0(zero)</b> 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                            | <b>Target not met, 0</b> ,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   | <b>Target not met</b>  | R | Project completion by the service                              | The Feasibility study was completed in July and will be presented   |

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

## 5. LESSONS LEARNT AND WAY FORWARD

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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          |   |
|-------------------------|---|
| <b>Good (G)</b>         | <i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>    |
| <b>Satisfactory (S)</b> | <i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i> |
| <b>Poor (P)</b>         | <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 <sup>st</sup> 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:<br>1. 04-05 Aug 2022<br>2. 08-09 Nov 2022<br>3. 19 June 2023<br>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:<br>1. 18 Oct 2023<br>2. 23 – 25 Oct 2023<br>3. 06 -08 Nov 2023<br>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:<br>1. 02 -05 Aug 2022<br>2. 27 Feb 2023 -01 Mar 2023<br>3. 10 - 12 May 2023<br>4. 02 May 2023<br>5. 27 - 30 Mar 2023<br>6. 31 Oct - 04 Nov 2022<br>7. 04 - 07 Oct 2022<br>8. 06 - 09 Dec 2022<br>9. 22-25 Nov 2022<br>10. 15 - 17 Mar 2023<br>11. 24 - 25 Nov 2022 |   | 2024   | by 30 June 2024 as follows:<br>1. 12 Oct 2023<br>2. 01 Nov 2023<br>3. 15 Feb 2024<br>4. 13 Mar 2024<br>5. 11 – 15 Mar 2024<br><br>6. 03 -04 April 2024, 08 April 2024, 09 April 2024, 03 – 05 April 2024<br>7. 23 May 2024<br>8. 03 – 07 June 2024<br>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, <b>leadership</b> and in-service training <b>programmes</b> . | Number of Interns in support of internship and in-service training <b>programmes</b> appointed by 31 March 2024 | N/A   | N/A  | 9        | Number              | 7(seven) Interns in support of internship and in-service training <b>programmes</b> appointed by 31 Dec 2022 | 8(eight) Interns in support of internship and in-service training <b>programmes</b> appointed by 31 Dec 2022   | G | 7(seven) Interns in support of internship and in-service training <b>programmes</b> appointed by 31 March 2024 | Target extremely met, 17(seventeen ) Interns appointed in support of the internship and in-service training <b>programmes</b> 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<br><br>as follows<br>1. 30 Sep 2022<br>2. 13 Dec 2022<br>3. 30 Mar 2023<br>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<br><br>as follows:<br>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<br>3. 09 Nov 2023<br>4. 20 Feb 2024<br>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:<br>1. 17 Aug 2023<br>2. 20 July 2023<br>3. 08 Nov 2023<br>4. 11 Dec 2023<br>5. 24 Jan 2024<br>6. 09 Feb 2024<br>7. 28 Feb 2024<br>8. 13 March 2024<br>9. 30 April 2024<br>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)  | 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 <b>Mogwenya</b> Road and Causeway by 30 June 2024         | % progress in designs of 2.7km <b>Mogwenya</b> 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 <b>Mogwenya</b> gravel road and causeway by 30 June 2024   | Target met, 100% progress in Design of 2.7km <b>Mogwenya</b> 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 <b>Eyetheni</b> phase 1 Gravel road by 31 March 2024 | N/A   | 21   | 75%      | Percentage          | 100% construction of 4.5km of <b>Eyetheni</b> Road by 30 June 2023 | Target almost met, 75% construction of 4.5km of <b>Eyetheni</b> Road by 30 June 2023 | O   | 100% progress in construction of 2.1km <b>Eyetheni</b> Gravel road by 31 March 2024         | Target met, 100% practical completion of 2.1km of <b>Eyetheni</b> 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 <b>Eyetheni</b> 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 <b>Eyetheni</b> phase 2 gravel road by 31 March 2024 | Target met, 100% practical completion of 2.4km of <b>Eyetheni</b> 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     |  | Construct road / causeways in terms of MIG budget allocated for the financial year                | % progress on construction of 6.5km <b>Ezisulwini</b> gravel road by 30 June 2024        | N/A   | 21   | 100%     | Percentage          | N/A  | N/A  | N/A | 100% progress in construction of 6.5km <b>Ezisulwini</b> gravel road by 30 June 2024        | Target met, 100% construction of 6.5km <b>Ezisulwini</b> 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 <b>Gingindlovu Sports field</b> by 30 June 2024         | Date Feasibility study of <b>Gingindlovu Sports field</b> completed                              | 18   | 22 Aug 2023 Preliminary design | Date                | N/A                        | N/A           | N/A | Feasibility study of <b>Gingindlovu Sports field</b> completed by 30 June 2024          | Target met, Feasibility study of <b>Gingindlovu Sports field</b> 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 <b>Tab Tab Makhathini Sports Centre</b> by 30 June 2024 | % progress in design and construction of <b>Tab Tab Makhathini Sports Centre</b> by 30 June 2024 | 26   | N/A                            | Percentage          | N/A                        | N/A           | N/A | 10% progress in construction of <b>Tab Tab Makhathini Sports Centre</b> by 30 June 2024 | Target not met, 0% progress in construction of <b>Tab Tab Makhathini Sports Centre</b> 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 <b>Mashabase SportsField</b> by 30 June 2024            | N/A  | 1    | N/A                            | Percentage          | N/A                        | N/A           | N/A | 100% progress in construction of <b>Mashabase SportsField</b> by 30 June 2024           | Target almost met, 90% progress in construction of <b>Mashabase SportsField</b> by 30 June 2024<br>The following progress can be reported, ablation 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 <b>KDS Sports Park phase 1</b> by 30                    | N/A  | 12   | N/A                            | Percentage          | N/A                        | N/A           | N/A | 40% progress in construction of <b>KDS Sports Park</b> .                                | Target met, 40% progress in construction of <b>KDS Sports Park, phase 1</b>   | 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 <b>Empushini</b> park Cemetery by 30 June 2024   | 11   | N/A      | Percentage          | N/A                        | N/A           | N/A                     | 100% progress in construction of <b>Empushini</b> park Cemetery by 30 June 2024  | Target well met, 100% completion on construction of <b>Empushini</b> 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 <b>Emathwaseni</b> Sports field by 30 June 2024 | 2    | N/A      | Percentage          | N/A                        | N/A           | N/A                     | 25% progress in Refurbishment of <b>Emathwaseni</b> Sports field by 30 June 2024 | Target extremely met, 75% progress in Refurbishment of <b>Emathwaseni</b> 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 <b>Rhaphamani</b> Peace Centre by 30 June 2024  | 1    | N/A      | Percentage          | N/A                        | N/A           | N/A                     | 100% progress in refurbishment of <b>Rhaphamani</b> Peace Centre by 30 June 2024 | Target met, 100% progress in refurbishment of <b>Rhaphamani</b> 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)<br>1. 14 Jul 2022<br>2. 17 Aug 2022<br>3. 22 Aug 2022<br>4. 08 Sep 2022<br>5. 21 Sep 2022<br>6. 3 Dec 2022<br>7. 5 Dec 2022<br>8. 11 Dec 2022<br>9. March 2023<br>10. 17 Mar 2023<br>11. 22 Mar 2023<br>12. 29 Mar 2023<br>13. 29 May 2023<br>14. 29 May 2023<br>15. 30 May 2023<br>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:<br><br>17. 7 Jul 2023<br>18. 19 Jul 2023<br>19. 16 Aug 2023<br>20. 5 Sep 2023<br>21. 19 Oct 2023<br>22. 17 Nov 2023<br>23. 28 Nov 2023<br>24. 06 Dec 2023<br>25. 12 Dec 2023<br>26. 20 Feb 2024<br>27. 28 Mar 2023<br>28. 25 Jan 2024<br>29. 28 Jun 2024<br>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)  | 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 |

| 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  |    |   |                    |   |  |  |  |  |
| 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:<br>17 Aug 2023<br>19 Oct 2023<br>17 Nov 2023<br>15 May 2024<br>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:<br>1. 12 Oct 2023<br>2. 08 Dec 2023<br>3. 20 March 2024<br>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 <sup>rd</sup> 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:<br>1. 28 -29 Aug 2023<br>2. 13 Sep 2023<br>3. 26 Oct 2023<br>4. 28 Nov 2023<br>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:<br>1. 09 <sup>th</sup> Aug 2023,<br>2. 19 <sup>th</sup> Aug 2023 and<br>3. 26 <sup>th</sup> of Aug 2023<br>4. 09 -13 Jan 2024<br>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:<br>5. Equipment handover 21 Dec 2023,<br>6. Equipment handover 18 April 2024,<br>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  |    |   |  |   |
|         |                               |                                 |                                       |   |   |   |   |      |           |                     |  |   |     | 30 April 2024  |   |    |   |  |   |
| 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:<br>1. 30 Jan 2024<br>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<br>As follows:<br>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        |

| 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   |     |                     |                                     |  |
|         |                               |                                 |                            | 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:<br>1. 08 Sep 2023<br>2. 02 Feb 2024<br>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:<br>1. 01 June 2024<br>2. 08 June 2024              | G  | N/A | N/A                 | Sports Development programme 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  |   |  |                    |  |
| 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:<br>1. 03 Sep 2023<br>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:<br>1. 18 Sep 2023<br>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:<br>1. 25 July 2023<br>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  |   |                     |                    |  |
|         |                               |                         |  |  |  |  |  |      |          |                     |   |   |   |  |   |   |                     |                    |  |
| 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:<br>1. 18 Aug 2023<br>2. 23 Aug 2023<br>3. 17 Nov 2023<br>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:<br>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:<br>1. 29 April 2024<br>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:<br>1. 30 Sep 2022<br>2. 21 Nov 2022<br>3. 24 Jan 2023<br>29 June 2023 |  | performance of the Service Providers by 30 June 2024 | performance of the Service Providers by 30 June 2024 as follows:<br>1. 29 Aug and 26 Jan 2024 and<br>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:<br>1. 27 Oct 2022<br>2. 25 Nov 2022<br>3. 01 Dec 2022<br>28 March 2023<br>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:<br>1. 26 July 2023<br>2. 27 Oct 2023<br>3. 20 March 2024<br>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<br>28 Oct 2022<br>26 May 2023<br>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:<br>9. 25 Aug 2023<br>10. 06 Oct 2023<br>11. 27 Oct 2023<br>12. 24 Nov 2023<br>13. 22 March 2024<br>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:<br>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:<br>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<br>14 June 2023. |               |   | 2. 13 March 2024<br>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:<br><br>14 Dec 2023<br>26 Jan 2024<br>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:<br>1. 11 April 2024,<br>2. 13 April 2024,<br>3. 16 April 2024,<br>4. 18 April 2024<br>5. 20 April 2024<br>6. 23 April 2024,<br>7. 25 April 2024 and<br>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 <b>Batho Pele</b> 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:<br>07 Sep 2022<br>10 Nov 2022<br>31 Jan 2023<br>02 March 2023<br>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<br>13 Dec 2022<br>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:<br>1. 29 Sep 2023<br>2. 14 Dec 2024<br>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) | 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:<br>1. 16 Oct 2023<br>2. 20 Feb 2024<br>3. 26 Mar 2024<br>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:<br>1. 21 Sep 2022<br>2. 08 Dec 2022<br>3. 14 March 2023<br>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:<br>1. 20 Sep 2023<br>2. 28 Nov 2023<br>3. 20 March 2024<br>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:<br><br>Quarter 1 : 11<br>Quarter 2 : 9<br>Quarter 3 : 13<br>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<br>1. 12 Oct 2023<br>2. 08 Dec 2023<br>3. 20 Mar 2024<br>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:<br>13 Sep 2023<br>17 Feb 2023<br>10 Nov 2022<br>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:<br>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<br>3. 20 Mar 2023<br>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%        |
| <b>TOTAL</b>                     | <b>550</b>     | <b>486</b> | <b>64</b>     | <b>11.6%</b> |

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<br>946.44         |
| The employee was lifting up the waste, when she got cut by the glass bottle on her right lower leg. | 03        | R1<br>381.39         |
| <b>Total</b>  | <b>11</b> | <b>R8<br/>859.28</b> |

## 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"> <li>Gross Misconduct.</li> <li>Misuse of the Municipal Vehicle.</li> <li>Driving Municipal Vehicle being under the influence of alcohol.</li> <li>Damage to the Municipal Vehicle.</li> </ol>                                     | Not Finalised.                | Schedule to take place on 02 August 2024.  |
| 2. | 65100003      | <ol style="list-style-type: none"> <li>Failure to obey lawful and reasonable instruction/s given by a person having authority to do so.</li> <li>Desertion of work.</li> <li>Under the influence of alcohol during office hours.</li> </ol>                          | Not Finalised.                | Schedule to take place on 20 August 2024.  |
| 3. | 70100003      | <ol style="list-style-type: none"> <li>Failure to act in the best interest of the municipality and in such a way that the credibility of the municipality is not compromised.</li> <li>Misuse of Municipal Vehicle.</li> <li>Damage to Municipal Vehicle.</li> </ol> | Finalised                     | 08 May 2023, however employee appealed and the appeal was finalised on 03 July 2023. |
| 4. | 85150068      | <ol style="list-style-type: none"> <li>Gross Negligent</li> </ol>  | Finalized                     | 15 January 2024.   |
| 5. | 85700006      | <ol style="list-style-type: none"> <li>Gross Misconduct- Unauthorised use of council vehicle.</li> <li>Gross Misconduct: driving a</li> </ol>  | 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"> <li>1. Gross Misconduct</li> <li>2. Gross Dishonesty</li> </ol>  | Finalised. | 30 November 2023  |
| 7. | 65050021 | <ol style="list-style-type: none"> <li>1. Dereliction of duties</li> <li>2. Gross Negligent</li> <li>3. Failed/Refused to execute duties</li> <li>4. Sub Issues ranging paragraph 3.1.1 – 3.1.6.14</li> <li>5. Precisely clear no ambiguity</li> <li>6. Intentionally alternatively through Gross Negligence caused damaged to company property.</li> </ol> | 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"> <li>65050051</li> </ul>   | 03-07 June 2024       | √         | N/A         |
| 2   | Fire Fighter 1&2 Hazmat Awareness & Hazmat Operationsl Core and First Aid Level 3 Training | <ul style="list-style-type: none"> <li>70100020</li> <li>70100021</li> <li>70100024</li> <li>70100022</li> </ul>   | 10/06/2024-25/10/2024 | No        | In progress |
| 3   | Certified Information Security Manager Course  | <ul style="list-style-type: none"> <li>65050036</li> </ul>   | 29/01-02/02/2024      | √         | N/A         |
| 4   | Performance Management System Training   | <ul style="list-style-type: none"> <li>90050036</li> <li>65050044</li> <li>65050042</li> <li>60050023</li> <li>55050016</li> <li>60050047</li> <li>85050004</li> <li>60050024</li> <li>65050043</li> <li>60050035</li> <li>80050021</li> </ul> | 03-05/04/2024         | √         | N/A         |
| 5   | Records Management Course  | <ul style="list-style-type: none"> <li>90050027</li> <li>90050015</li> <li>65050022</li> </ul>   | 11-15/03/2023         | √         | N/A         |
| 6   | Online Training: Conditions Of Service Collective Agreement Training                       | <ul style="list-style-type: none"> <li>65050044</li> <li>65050012</li> </ul>   | 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"> <li>Clr A N Sibiya</li> <li>Clr T N Shozi</li> <li>Clr S A Khuzwayo</li> <li>Clr B C Makhathini</li> <li>Clr Z Biyela</li> <li>Clr Z M Mhlongo</li> <li>Clr S A Makhathini</li> <li>Clr S B Dlamini</li> <li>Clr S I Zibani</li> <li>Clr M Ndlovu</li> </ul> | 03-05 April 2024 | √         | N/A     |

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



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

| No. | Programme/<br>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<br>Venue: Norwood Hall<br>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<br>Venue : Transfer Station Sport Filed<br>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<br>Venue: Town Hall<br>Time : 13h00 – 16h00   | Aimed to raise Breast Cancer Awareness to Councillors and staff members   |
| 6.  | Financial Wellness  | Date :07 December 2023<br>Venue: Town Hall<br>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<br>Venue : Eshowe Sport Club<br>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<br><br>Medical Practitioner :<br>Dr K M Makhanya<br><br>Venue: Cash build Building | As per regulation governing the Funds, employees should be examined to qualify for membership<br><br>Fifteen (15) new staff members were medically examined |

|     |  |  |  |
|-----|--|--|--|
|     |  | Shop No8<br>Eshowe 3815  |  |
| 10. | Information session by<br>The Natal Joint<br>Municipal Pension Fund<br>(NJMPF) | Date Held : 29 April 2024<br>Venue : Eshowe Town<br>Hall<br>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<br>the National Fund for<br>Municipal Workers<br>(NFMW) | Date Held : 07 May 2024<br>Venue : Eshowe Town<br>Hall<br>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**

|  |   |
|--|---|
| <b>Legal form of entity</b>                        | Local Municipality  |
| <b>Nature of business and principal activities</b> | 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.  |
| <b>Councillors</b>                                 | <p>Mayor - Cllr. QT Xulu<br/> Deputy Mayor - Cllr. MM Ngema<br/> Speaker - Cllr. JK Powell<br/> Chief Whip - Cllr. M Dladla<br/> Member of Executive Committee - Cllr. MM Cebekhulu<br/> Member of Executive Committee - Cllr. KS Mthabela<br/> Member of Executive Committee - Cllr. WL Ngema<br/> Member of Executive Committee - Cllr. K Ntanzi<br/> Member of Executive Committee - Cllr. SA Makhathini<br/> Member of Executive Committee - Cllr. K Khumalo<br/> Member of Executive Committee - Cllr. MMM Ntuli<br/> Member of Executive Committee - Cllr. SD Khubisa<br/> Chairperson of the Municipal Public Account Committee - Cllr. SB Larkan<br/> Cllr. AN Sibiya<br/> Cllr. TN Shoji<br/> Cllr. SA Khuzwayo<br/> Cllr. BC Makhathini<br/> Cllr. Z Biyela<br/> Cllr. ZM Mhlongo<br/> Cllr. BXS Ntombela<br/> Cllr. MD Dladla<br/> Cllr. SB Dlamini<br/> Cllr. SW Yimba<br/> Cllr. BP Hlabisa<br/> Cllr. K Mthembu<br/> Cllr. SI Zibani<br/> Cllr. JM Ngema<br/> Cllr. MB Biyela<br/> Cllr. M Ndlovu<br/> Cllr. T Mdalose<br/> Cllr. SM Gasa<br/> Cllr. VM Xulu<br/> Cllr. MG Mzimela<br/> Cllr. BC Magwaza<br/> Cllr. B Nombekela<br/> Cllr. TH Biyela<br/> Cllr. NM Vilakazi<br/> Cllr. IQ Ngema<br/> Cllr. MS Xulu<br/> Cllr. Z Mpungose<br/> Cllr. EF Shange<br/> Cllr. NG Qwabe<br/> Cllr. BL Zungu</p> |

**uMlalazi Local Municipality**

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

**General Information**

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

## uMlalazi Local Municipality

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

### Index

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

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| Statement of Financial Performance       | 6        |
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| Cash Flow Statement                      | 8        |
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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                      |

## uMlalazi Local Municipality

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

### Report of the Accounting Officer

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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:

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Accounting Officer  
NN Shandu

Saturday, 31 August 2024

**uMlalazi Local Municipality**

(Registration number KZN 284)

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<br>Restated*  |
|--|---------|----------------------|--------------------|
| <b>Assets</b>                              |         |                      |                    |
| <b>Current Assets</b>                      |         |                      |                    |
| 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          |
|  |         | <b>160 025 228</b>   | <b>142 775 524</b> |
| <b>Non-Current Assets</b>                  |         |                      |                    |
| 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            | -                  |
|  |         | <b>875 737 181</b>   | <b>838 664 011</b> |
| <b>Total Assets</b>                        |         | <b>1 035 762 409</b> | <b>981 439 535</b> |
| <b>Liabilities</b>                         |         |                      |                    |
| <b>Current Liabilities</b>                 |         |                      |                    |
| 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            |
|  |         | <b>85 637 933</b>    | <b>67 091 328</b>  |
| <b>Non-Current Liabilities</b>             |         |                      |                    |
| Employee benefit obligation                | 16      | 27 076 649           | 26 293 000         |
| Long term loans                            | 18      | 27 335 407           | 1 713 261          |
|  |         | <b>54 412 056</b>    | <b>28 006 261</b>  |
| <b>Total Liabilities</b>                   |         | <b>140 049 989</b>   | <b>95 097 589</b>  |
| <b>Net Assets</b>                          |         | <b>895 712 420</b>   | <b>886 341 946</b> |
| <b>Reserves</b>                            |         |                      |                    |
| Housing operating account                  | 19      | 4 323 868            | 4 007 822          |
| Accumulated surplus                        | 20      | 891 388 552          | 882 334 123        |
| <b>Total Net Assets</b>                    |         | <b>895 712 420</b>   | <b>886 341 945</b> |

\* See Note 56

**uMlalazi Local Municipality**

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

**Statement of Financial Performance**

| Figures in Rand   | Note(s) | 2024               | 2023<br>Restated*   |
|---|---------|--------------------|---------------------|
| <b>Revenue</b>  |         |                    |                     |
| <b>Revenue from exchange transactions</b>                 |         |                    |                     |
| 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             |
| <b>Total revenue from exchange transactions</b>           |         | <b>133 359 543</b> | <b>116 667 679</b>  |
| <b>Revenue from non-exchange transactions</b>             |         |                    |                     |
| <b>Taxation revenue</b>                                   |         |                    |                     |
| 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              |
| <b>Transfer revenue</b>                                   |         |                    |                     |
| 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           |
| <b>Total revenue from non-exchange transactions</b>       |         | <b>398 645 372</b> | <b>359 899 626</b>  |
| <b>Construction contract revenue: INEP</b>                |         |                    |                     |
| Construction contract revenue                             | 47      | -                  | 3 156 604           |
| <b>Total revenue</b>                                      |         | <b>532 004 915</b> | <b>479 723 909</b>  |
| <b>Expenditure</b>  |         |                    |                     |
| 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          |
| <b>Total expenditure</b>                                  |         | <b>522 635 543</b> | <b>497 540 335</b>  |
| <b>Surplus (deficit) for the year</b>                     |         | <b>9 369 372</b>   | <b>(17 816 426)</b> |

\* See Note 56

**uMlalazi Local Municipality**

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

**Statement of Changes in Net Assets**

| Figures in Rand                                       | Housing<br>Operating<br>Fund | Accumulated<br>surplus / deficit | Total net<br>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           |
| <b>Balance at 01 July 2022 as restated*</b>           | <b>3 778 075</b>             | <b>900 380 296</b>               | <b>904 158 371</b>  |
| 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)        |
| <b>Restated* Balance at 01 July 2023</b>              | <b>4 007 822</b>             | <b>882 334 123</b>               | <b>886 341 945</b>  |
| 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           |
| <b>Balance at 30 June 2024</b>                        | <b>4 323 868</b>             | <b>891 388 552</b>               | <b>895 712 420</b>  |
| Note(s)   | 19                           |                                  |                     |

\* See Note 56

**uMlalazi Local Municipality**

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

**Cash Flow Statement**

| Figures in Rand   | Note(s)   | 2024                 | 2023<br>Restated*    |
|---|-----------|----------------------|----------------------|
| <b>Cash flows from operating activities</b>                 |           |                      |                      |
| <b>Receipts</b>   |           |                      |                      |
| 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            |
|   |           | <b>476 838 032</b>   | <b>440 243 752</b>   |
| <b>Payments</b>   |           |                      |                      |
| 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)          |
|   |           | <b>(411 159 244)</b> | <b>(418 498 088)</b> |
| <b>Net cash flows from operating activities</b>             | <b>46</b> | <b>65 678 788</b>    | <b>21 745 664</b>    |
| <b>Cash flows from investing activities</b>                 |           |                      |                      |
| 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                |
| <b>Net cash flows from investing activities</b>             |           | <b>(88 861 460)</b>  | <b>(51 357 883)</b>  |
| <b>Cash flows from financing activities</b>                 |           |                      |                      |
| (Repayment of)/ Proceeds from long term loans               |           | 27 519 948           | (353 432)            |
|   |           | 498 241              | (62 000)             |
| <b>Net cash flows from financing activities</b>             |           | <b>28 018 189</b>    | <b>(415 432)</b>     |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |           | <b>4 835 517</b>     | <b>(30 027 651)</b>  |
| 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         | <b>74 456 235</b>    | <b>69 558 718</b>    |

\* See Note 56

**uMlalazi Local Municipality**

(Registration number KZN 284)

Annual Financial Statements for the year ended 30 June 2024

**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 |
|--|----------------------|---|--------------------------|--|---|----------------------|----------------------|--------------------------|--------------------|-------------------------------------|--|
| <b>2024</b>  |                      |   |                          |  |   |                      |                      |                          |                    |                                     |  |
| <b>Financial Performance</b>   |                      |   |                          |  |   |                      |                      |                          |                    |                                     |  |
| 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 %                                   |
| <b>Total revenue (excluding capital transfers and contributions)</b> | <b>472 479 310</b>   | <b>5 560 900</b>                                    | <b>478 040 210</b>       | <b>-</b>                                   | <b>-</b>                                  | <b>478 040 210</b>   | <b>472 428 913</b>   | <b>-</b>                 | <b>(5 611 297)</b> | <b>99 %</b>                         | <b>100 %</b>                           |
| 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 %                                  |
| <b>Total expenditure</b>   | <b>(521 062 970)</b> | <b>(10 366 810)</b>                                 | <b>(531 429 780)</b>     | <b>-</b>                                   | <b>-</b>                                  | <b>(531 429 780)</b> | <b>(522 635 541)</b> | <b>-</b>                 | <b>8 794 239</b>   | <b>98 %</b>                         | <b>100 %</b>                           |
| <b>Surplus/(Deficit)</b>   | <b>(48 583 660)</b>  | <b>(4 805 910)</b>                                  | <b>(53 389 570)</b>      | <b>-</b>                                   | <b>-</b>                                  | <b>(53 389 570)</b>  | <b>(50 206 628)</b>  | <b>-</b>                 | <b>3 182 942</b>   | <b>94 %</b>                         | <b>103 %</b>                           |

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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 %                                   |
| <b>Surplus (Deficit) after capital transfers and contributions</b> | <b>17 552 590</b>  | <b>(1 755 210)</b>                                  | <b>15 797 380</b>        | <b>-</b>                                   |   | <b>15 797 380</b>  | <b>9 369 372</b>  |                          | <b>(6 428 008)</b>  | <b>59 %</b>                         | <b>53 %</b>                            |
| <b>Surplus/(Deficit) for the year</b>                              | <b>17 552 590</b>  | <b>(1 755 210)</b>                                  | <b>15 797 380</b>        | <b>-</b>                                   |   | <b>15 797 380</b>  | <b>9 369 372</b>  |                          | <b>(6 428 008)</b>  | <b>59 %</b>                         | <b>53 %</b>                            |
| <b>Capital expenditure and funds sources</b>                       |                    |   |                          |  |   |                    |                   |                          |                     |                                     |  |
| Total capital expenditure  | 110 174 690        | 3 996 220   | 114 170 910              | -  |   | 114 170 910        | 89 274 061        |                          | (24 896 849)        | 78 %                                | 81 %                                   |
| <b>Sources of capital funds</b>                                    |                    |   |                          |  |   |                    |                   |                          |                     |                                     |  |
| 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 %                                   |
| <b>Total sources of capital funds</b>                              | <b>110 174 690</b> | <b>3 996 220</b>                                    | <b>114 170 910</b>       | <b>-</b>                                   |   | <b>114 170 910</b> | <b>89 274 061</b> |                          | <b>(24 896 849)</b> | <b>78 %</b>                         | <b>81 %</b>                            |
| <b>Financial position</b>  |                    |   |                          |  |   |                    |                   |                          |                     |                                     |  |
| 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 |
|---|---------------------|---|--------------------------|--|---|---------------------|-------------------|--------------------------|---------------------|-------------------------------------|--|
| <b>Cash flows</b>   |                     |   |                          |  |   |                     |                   |                          |                     |                                     |  |
| 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 %                                   |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>(19 311 000)</b> | <b>7 645 000</b>                                    | <b>(11 666 000)</b>      | <b>-</b>                                   |   | <b>(11 666 000)</b> | <b>4 337 275</b>  |                          | <b>16 003 275</b>   | <b>(37)%</b>                        | <b>(22)%</b>                           |
| 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 %                                   |
| <b>Cash and cash equivalents at year end</b>                | <b>64 469 000</b>   | <b>(2 481 000)</b>                                  | <b>61 988 000</b>        | <b>-</b>                                   |   | <b>61 988 000</b>   | <b>73 957 993</b> |                          | <b>(11 969 993)</b> | <b>119 %</b>                        | <b>115 %</b>                           |

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**Statement of budget and actuals**

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**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..

## uMlalazi Local Municipality

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### Accounting Policies

| Figures in Rand | Note(s) | 2024 | 2023 |
|-----------------|---------|------|------|
|-----------------|---------|------|------|

#### 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.

## uMlalazi Local Municipality

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Annual Financial Statements for the year ended 30 June 2024

### Accounting Policies

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#### 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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Annual Financial Statements for the year ended 30 June 2024

### Accounting Policies

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#### 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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Annual Financial Statements for the year ended 30 June 2024

### **Accounting Policies**

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#### **1.5 Significant judgments and sources of estimation uncertainty (continued)**

##### **Accounting by principals and agent**

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Annual Financial Statements for the year ended 30 June 2024

### Accounting Policies

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#### 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

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#### 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

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#### 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:

| <b>Class</b>                           | <b>Category</b>                            |
|--|--|
| 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:

| <b>Class</b>                       | <b>Category</b>                                |
|------------------------------------|--|
| 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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#### 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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#### 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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#### 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; and
  - 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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#### 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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#### 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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### Accounting Policies

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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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#### 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

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#### 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

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#### 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

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#### 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

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#### 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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#### 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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**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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#### 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              |
|---------------------------------------|-------------------|-------------------|
| <b>3. Cash and cash equivalents</b>   |                   |                   |
| 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        |
|                                       | <b>73 957 994</b> | <b>69 620 718</b> |

**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     | 2 096 017               | 1 926 308         | 2 096 017          | 1 926 308         |
| 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         | -                 |
| <b>Total</b>                                       | <b>73 703 985</b>       | <b>81 777 488</b> | <b>73 942 053</b>  | <b>69 604 778</b> |

**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        | -                 |
|                     | <b>65 334 325</b> | <b>63 117 376</b> |

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                |
|--|---------------------|---------------------|
| <b>4. Inventories</b>                            |                     |                     |
| Materials and supplies                           | 1 881 671           | 1 583 740           |
| Consumables stores                               | 1 433 751           | 1 231 529           |
|  | <b>3 315 422</b>    | <b>2 815 269</b>    |
| <b>5. Receivables from exchange transactions</b> |                     |                     |
| <b>Gross balances</b>                            |                     |                     |
| 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           |
|  | <b>64 728 757</b>   | <b>50 560 015</b>   |
| <b>Less: Allowance for impairment</b>            |                     |                     |
| 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)         |
|  | <b>(21 669 039)</b> | <b>(15 572 144)</b> |
| <b>Net balance</b>                               |                     |                     |
| 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           |
|  | <b>43 059 718</b>   | <b>34 987 871</b>   |
| <b>Electricity</b>                               |                     |                     |
| 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           |
|  | <b>28 428 374</b>   | <b>19 903 627</b>   |
| <b>Refuse</b>                                    |                     |                     |
| 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          |
|  | <b>18 424 806</b>   | <b>15 800 761</b>   |
| <b>Housing Rental</b>                            |                     |                     |
| > 365 days                                       | -                   | 1 204               |

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|--|---------------------|---------------------|
| <b>5. Receivables from exchange transactions (continued)</b> |                     |                     |
| <b>Sundry Debtors</b>  |                     |                     |
| 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          |
|  | <b>16 119 247</b>   | <b>13 484 943</b>   |
| <b>Summary of debtors by customer classification</b>         |                     |                     |
| 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           |
|  | <b>64 728 757</b>   | <b>50 560 015</b>   |
| <b>Reconciliation of allowance for impairment</b>            |                     |                     |
| Balance at beginning of the year                             | (15 572 144)        | (14 529 405)        |
| Contributions to allowance                                   | (6 096 895)         | (1 042 739)         |
|  | <b>(21 669 039)</b> | <b>(15 572 144)</b> |

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 | -         |
| <b>6. Statutory receivable - VAT receivable</b> |           |           |
| 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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|---|----------------------|----------------------|
| <b>7. Receivables from non exchange transactions</b>                    |                      |                      |
| <b>Gross balances</b>   |                      |                      |
| 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          |
|   | <b>256 723 417</b>   | <b>247 384 306</b>   |
| <b>Less: Allowance for impairment</b>                                   |                      |                      |
| 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)        |
|   | <b>(221 271 459)</b> | <b>(216 476 179)</b> |
| <b>Net balance</b>  |                      |                      |
| 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            |
|   | <b>35 451 958</b>    | <b>30 908 127</b>    |
| <b>Summary of aging of debtors (Property rates)</b>                     |                      |                      |
| 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           |
|   | <b>69 578 173</b>    | <b>61 355 446</b>    |
| <b>Summary of property rates consumer classification</b>                |                      |                      |
| 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           |
|   | <b>69 578 173</b>    | <b>61 355 446</b>    |
| <b>Summary of ageing of debtors (Availability charge - electricity)</b> |                      |                      |
| 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            |
|   | <b>4 956 940</b>     | <b>4 378 259</b>     |
| <b>Reconciliation of allowance for impairment</b>                       |                      |                      |
| Balance at beginning of the year  | (216 476 179)        | (212 149 216)        |
| Contributions to allowance  | (4 795 280)          | (4 326 963)          |
|   | <b>(221 271 459)</b> | <b>(216 476 179)</b> |

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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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|--|------------|------------|
| <b>7. Receivables from non exchange transactions (continued)</b> |            |            |
| 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 /<br>Valuation  | Accumulated<br>depreciation<br>and<br>accumulated<br>impairment | Carrying value     | Cost /<br>Valuation  | Accumulated<br>depreciation<br>and<br>accumulated<br>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         |
| <b>Total</b>                | <b>1 521 822 545</b> | <b>(690 588 463)</b>  | <b>831 234 082</b> | <b>1 440 740 647</b> | <b>(643 816 308)</b>  | <b>796 924 339</b> |

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**8. Property, plant and equipment (continued)****Reconciliation of property, plant and equipment - 2024**

|                             | Opening<br>balance | Additions         | Disposals          | Depreciation        | Impairment<br>loss | Impairment<br>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)          | (5 966 893)         | (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         |
|                             | <b>796 924 339</b> | <b>90 025 277</b> | <b>(1 104 028)</b> | <b>(48 883 179)</b> | <b>(9 124 515)</b> | <b>3 396 188</b>       | <b>831 234 082</b> |

**Reconciliation of property, plant and equipment - 2023**

|                             | Opening<br>balance | Additions         | Disposals        | Depreciation        | Impairment<br>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         |
|                             | <b>798 904 020</b> | <b>53 990 528</b> | <b>(408 055)</b> | <b>(47 048 337)</b> | <b>(8 513 817)</b> | <b>796 924 339</b> |

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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        |
|                         | - | <b>180 148</b> |

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<br>Infrastructure | Included within<br>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)      |
|                                | <b>34 186 885</b>                 | <b>54 644 557</b>            | <b>88 831 442</b> |

**Reconciliation of Work-in-Progress 2023**

|                                | Included within<br>Infrastructure | Included within<br>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)      |
|                                | <b>33 776 015</b>                 | <b>39 963 759</b>            | <b>73 739 774</b> |

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| <b>8. Property, plant and equipment (continued)</b>   |                   |                   |
| <b>Expenditure incurred to repair and maintain property, plant and equipment</b>  |                   |                   |
| <b>Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance</b> |                   |                   |
| 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         |
|   | <b>41 865 514</b> | <b>38 552 930</b> |

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            |
|  | <b>52 330 503</b> | <b>35 915 452</b> |

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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 |
| <br><b>Approved and contracted</b>                |            |            |
| Property plant and equipment                      | 22 900 381 | 31 431 522 |
| <br><b>This expenditure will be financed from</b> |            |            |
| 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 /<br>Valuation | Accumulated<br>impairment<br>losses | Carrying value    | Cost /<br>Valuation | Accumulated<br>impairment<br>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         |
| <b>Total</b>         | <b>10 311 344</b>   | <b>-</b>                            | <b>10 311 344</b> | <b>10 311 344</b>   | <b>-</b>                            | <b>10 311 344</b> |

**Reconciliation of heritage assets 2024**

|                      | Opening<br>balance | Total             |
|----------------------|--------------------|-------------------|
| Historical monuments | 9 232 212          | 9 232 212         |
| Ceremonial chains    | 1 079 132          | 1 079 132         |
|                      | <b>10 311 344</b>  | <b>10 311 344</b> |

**Reconciliation of heritage assets 2023**

|                      | Opening<br>balance | Total             |
|----------------------|--------------------|-------------------|
| Historical monuments | 9 232 212          | 9 232 212         |
| Ceremonial chains    | 1 079 132          | 1 079 132         |
|                      | <b>10 311 344</b>  | <b>10 311 344</b> |

**12. Investments****At amortised cost**  
Shares in co-operatives

500                      500

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| <b>12. Investments (continued)</b>                    |                   |                   |
| <b>Non-current assets</b>                             |                   |                   |
| Unlisted  | 500               | 500               |
| <b>13. Payables from exchange transactions</b>        |                   |                   |
| 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         |
|   | <b>67 581 199</b> | <b>58 833 428</b> |
| <b>14. Consumer deposits</b>                          |                   |                   |
| Electricity and refuse                                | 3 811 255         | 3 644 117         |
| Interest is not paid on Consumer Deposits.            |                   |                   |
| <b>15. Unspent conditional grants and receipts</b>    |                   |                   |
| Unspent conditional grants and receipts comprises of: |                   |                   |
| <b>Unspent conditional grants and receipts</b>        |                   |                   |
| 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         | -                 |
|   | <b>8 443 896</b>  | <b>1 197 907</b>  |

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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         |
|                      | <b>313</b> | <b>315</b> |

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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)         |
|  | <b>20 390 002</b> | <b>19 320 000</b> |

**Sensitivity Testing - Mortality rate**

|                   |                   |                    |                   |
|-------------------|-------------------|--------------------|-------------------|
|                   | <b>-20%</b>       | <b>Base result</b> | <b>+20%</b>       |
|                   | <b>Withdrawal</b> | <b>(R')</b>        | <b>Withdrawal</b> |
|                   | <b>Rate (R')</b>  |                    | <b>(R')</b>       |
| 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**

|                   |                    |                    |                    |
|-------------------|--------------------|--------------------|--------------------|
|                   | <b>1% Decrease</b> | <b>Base result</b> | <b>1% Increase</b> |
|                   |                    | <b>(R')</b>        | <b>(R')</b>        |
| 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)    |
|  | <b>1 826 882</b> | <b>369 432</b> |

**Liability classification**

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current liabilities     | 1 345 241         | 847 000           |
| Non current liabilities | 19 044 761        | 18 473 000        |
|                         | <b>20 390 002</b> | <b>19 320 000</b> |

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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)      |
|  | <b>9 116 584</b> | <b>9 115 000</b> |

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)      |
|  | <b>1 482 444</b> | <b>1 035 976</b> |

**Liability classification**

|                         |                  |                  |
|-------------------------|------------------|------------------|
| Current liabilities     | 1 084 697        | 1 295 000        |
| Non current liabilities | 8 031 888        | 7 820 000        |
|                         | <b>9 116 585</b> | <b>9 115 000</b> |

**Sensitivity Testing - Withdrawal rate**

|                   | -20%<br>Withdrawal<br>Rate (R'000) | Base Result<br>(R'000) | +20%<br>Withdrawal<br>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<br>(R'000) | Base result<br>(R'000) | 1% Increase<br>(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        | -                |
|                                  | <b>29 640 544</b> | <b>2 120 596</b> |
|                                  | <b>29 640 544</b> | <b>2 120 596</b> |

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 |
|-------------------|------------|-----------|

**Current liabilities**

|                   |           |         |
|-------------------|-----------|---------|
| At amortised cost | 2 305 137 | 407 335 |
|-------------------|-----------|---------|

**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)      |
|  | <b>4 323 868</b> | <b>4 007 822</b> |

**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            | -                |
|  | <b>4 323 868</b> | <b>4 007 822</b> |

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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)          |
|   | <b>24 578 493</b>           | <b>4 808 772</b>   | <b>2 975 430</b>   | <b>34 399 130</b> | <b>338 716</b>   | <b>824 288 012</b>  | <b>891 388 553</b> |

**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)          |
|   | <b>31 225 847</b>           | <b>396 621</b>     | <b>2 743 113</b>   | <b>34 399 130</b> | <b>314 407</b>   | <b>813 255 006</b>  | <b>882 334 124</b> |

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**9. Intangible assets**

|                   | 2024                |   |                | 2023                |   |                |
|-------------------|---------------------|---|----------------|---------------------|---|----------------|
|                   | Cost /<br>Valuation | Accumulated<br>amortisation<br>and<br>accumulated<br>impairment | Carrying value | Cost /<br>Valuation | Accumulated<br>amortisation<br>and<br>accumulated<br>impairment | Carrying value |
| Computer software | 336 250             | (263 000)   | 73 250         | 336 250             | (241 422)   | 94 828         |

**Reconciliation of intangible assets - 2024**

|                   | Opening<br>balance | Amortisation | Total  |
|-------------------|--------------------|--------------|--------|
| Computer software | 94 828             | (21 578)     | 73 250 |

**Reconciliation of intangible assets - 2023**

|                   | Opening<br>balance | Amortisation | Total  |
|-------------------|--------------------|--------------|--------|
| Computer software | 127 601            | (32 773)     | 94 828 |

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**10. Heritage Assets**

|                      | 2024                |                                     |                   | 2023                |                                     |                   |
|----------------------|---------------------|-------------------------------------|-------------------|---------------------|-------------------------------------|-------------------|
|                      | Cost /<br>Valuation | Accumulated<br>impairment<br>losses | Carrying value    | Cost /<br>Valuation | Accumulated<br>impairment<br>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         |
| <b>Total</b>         | <b>10 311 344</b>   | <b>-</b>                            | <b>10 311 344</b> | <b>10 311 344</b>   | <b>-</b>                            | <b>10 311 344</b> |

**Reconciliation of heritage assets 2024**

|                      | Opening<br>balance | Total             |
|----------------------|--------------------|-------------------|
| Historical monuments | 9 232 212          | 9 232 212         |
| Ceremonial chains    | 1 079 132          | 1 079 132         |
|                      | <b>10 311 344</b>  | <b>10 311 344</b> |

**Reconciliation of heritage assets 2023**

|                      | Opening<br>balance | Total             |
|----------------------|--------------------|-------------------|
| Historical monuments | 9 232 212          | 9 232 212         |
| Ceremonial chains    | 1 079 132          | 1 079 132         |
|                      | <b>10 311 344</b>  | <b>10 311 344</b> |

**11. Investments****At amortised cost**

|                         |     |     |
|-------------------------|-----|-----|
| Shares in co-operatives | 500 | 500 |
|-------------------------|-----|-----|

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|--|--------------------|-------------------|
| <b>21. Service charges</b>   |                    |                   |
| Sale of electricity  | 91 521 052         | 78 364 292        |
| Solid waste  | 15 748 024         | 14 869 348        |
|  | <b>107 269 076</b> | <b>93 233 640</b> |
| <b>22. Rental of facilities and equipment</b>  |                    |                   |
| <b>Facilities and equipment</b>  |                    |                   |
| Rental of facilities   | 1 424 831          | 1 199 035         |
| <b>23. Fines, Penalties and Forfeits</b>   |                    |                   |
| 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          | -                 |
|  | <b>2 952 157</b>   | <b>1 408 748</b>  |
| <b>24. Agency services</b>   |                    |                   |
| 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> |                    |                   |
| <b>25. Licences and permits</b>  |                    |                   |
| Business licences  | 49 767             | 31 159            |
| Road and Transport licences  | 2 233 745          | 1 920 627         |
|  | <b>2 283 512</b>   | <b>1 951 786</b>  |
| <b>26. Licences and permits (non-exchange)</b>   |                    |                   |
| Road and Transport   | 18 016             | 36 101            |
| <b>27. Availability charge - electricity</b>   |                    |                   |
| Availability charges   | 1 470 528          | 1 316 579         |

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|---|------------------|------------------|
| <b>28. Lease rentals on operating lease</b>   |                  |                  |
| <b>Plant and equipment</b>  |                  |                  |
| Contractual amounts   | 1 097 631        | 940 262          |
| <b>Lease rentals on operating lease - Weigh bridge</b>  |                  |                  |
| Contractual amounts   | 600 000          | 600 000          |
| <b>Lease rentals on operating lease - Property rental</b>   |                  |                  |
| Contractual amounts   | 269 358          | 227 059          |
|   | <b>1 966 989</b> | <b>1 767 321</b> |
| <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> |                  |                  |
| <b>Minimum lease due</b>  |                  |                  |
| Within one year   | 62 911           | 1 358 662        |
| In second to fifth- year  | -                | 62 911           |
|   | <b>62 911</b>    | <b>1 421 573</b> |
| <b>29. Interest received - receivables from exchange transactions</b>   |                  |                  |
| Interest - Waste Management Receivables   | 1 240 539        | 490 632          |
| Interest - Electricity Receivables  | 1 524 933        | 540 063          |
| Interest - Sundry debtors   | 168 491          | 189 590          |
|   | <b>2 933 963</b> | <b>1 220 285</b> |
| <b>30. Actuarial gains</b>  |                  |                  |
| Remeasurement on Long Service Awards  | 515 556          | 1 032 024        |
| Remeasurement on Post Retirement Medical Aid  | 1 588 118        | 2 941 568        |
|   | <b>2 103 674</b> | <b>3 973 592</b> |

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|--|------------------|------------------|
| <b>31. Operational Revenue</b>           |                  |                  |
| 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           |
|  | <b>3 425 991</b> | <b>1 897 852</b> |

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        |
|   | <b>10 111 987</b> | <b>8 140 359</b> |

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|------------------------------------|-------------------|-------------------|
| <b>33. Property rates</b>          |                   |                   |
| <b>Rates received</b>              |                   |                   |
| 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         | 4 854 180         |
| Mining                             | 1 282 860         | 1 218 269         |
| Public service infrastructure      | 1 179 746         | 1 062 838         |
|                                    | <b>71 880 509</b> | <b>68 421 869</b> |
| Property rates - penalties imposed | 5 113 910         | 3 035 721         |
|                                    | <b>76 994 419</b> | <b>71 457 590</b> |

**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         |
|                               | <b>13 270 433</b> | <b>13 254 484</b> |

**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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| <b>34. Transfer and subsidies</b>                         |                  |                  |
| <b>Other subsidies</b>                                    |                  |                  |
| 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          |
|   | <b>8 160 333</b> | <b>5 067 398</b> |

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|--|--------------------|--------------------|
| <b>35. Government grants &amp; subsidies</b>   |                    |                    |
| <b>Operating grants</b>  |                    |                    |
| 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          | -                  |
|  | <b>257 393 011</b> | <b>239 578 790</b> |
| <b>Capital grants</b>  |                    |                    |
| Department of Economic Development and Tourism Grant   | 1 000 000          | -                  |
| Municipal Infrastructure Grant (MIG)   | 58 576 000         | 45 827 000         |
|  | <b>59 576 000</b>  | <b>45 827 000</b>  |
|  | <b>316 969 011</b> | <b>285 405 790</b> |
| <b>Equitable Share</b>   |                    |                    |
| 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.   |                    |                    |
| <b>Finance Management Grant (FMG)</b>  |                    |                    |
| 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. |                    |                    |
| <b>Municipal Infrastructure Grant (MIG)</b>  |                    |                    |
| 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.  |                    |                    |
| <b>Integrated National Electrification Programme Grant (INEP)</b>  |                    |                    |
| 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)           |
|  | <b>1 695 561</b>   | <b>-</b>           |

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|---|-------------|-------------|
| <b>35. Government grants &amp; subsidies (continued)</b>  |             |             |
| 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. |             |             |
| <b>Community Library Grant</b>  |             |             |
| 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.   |             |             |
| <b>Museum Grant</b>   |             |             |
| 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.  |             |             |
| <b>Title Deeds Registration Grant</b>   |             |             |
| Balance unspent at beginning of year  | 1 081 699   | 1 081 699   |
| 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.  |             |             |
| <b>Department of Human Settlement Grant</b>   |             |             |
| Balance unspent at beginning of year  | 116 208     | 116 208     |
| Conditions still to be met - remaining liabilities (see note 15).   |             |             |
| The grant is for construction of rural housing scheme. No funds have been withheld.   |             |             |
| <b>Expanded Public Works Programme Grant (EPWP)</b>   |             |             |
| 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.  |             |             |
| <b>Informal Traders Infrastructure Grant</b>  |             |             |

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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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| <b>36. Employee related costs</b>                    |                    |                    |
| 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         |
|  | <b>186 745 738</b> | <b>175 108 551</b> |
| <b>Remuneration of Municipal Manager</b>             |                    |                    |
| 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            |
|  | <b>1 636 228</b>   | <b>1 638 342</b>   |
| <b>Remuneration of Chief Finance Officer</b>         |                    |                    |
| Annual Remuneration                                  | 830 963            | 405 041            |
| Car Allowance  | 300 000            | 79 000             |
| Contributions to UIF, Medical and Pension Funds      | 108 948            | 9 224              |
|  | <b>1 239 911</b>   | <b>493 265</b>     |
| <b>Remuneration of Director Corporate Services</b>   |                    |                    |
| 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            |
|  | <b>1 410 320</b>   | <b>1 713 707</b>   |
| <b>Remuneration of Director Engineering Services</b> |                    |                    |
| 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                |
|  | <b>1 241 840</b>   | <b>1 010 360</b>   |

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| <b>36. Employee related costs (continued)</b>                     |                  |                  |
| <b>Remuneration of Director Community Services</b>                |                  |                  |
| 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          |
|   | <b>1 379 821</b> | <b>1 563 796</b> |
| <b>Remuneration of Director Planning and Development Services</b> |                  |                  |
| 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           |
|   | <b>1 328 922</b> | <b>602 659</b>   |

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| Figures in Rand                                | 2024              | 2023              |
|--|-------------------|-------------------|
| <b>37. Remuneration of councillors</b>         |                   |                   |
| 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           |
|  | <b>25 158 075</b> | <b>23 223 213</b> |
| 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           |
|  | <b>25 158 075</b> | <b>23 223 213</b> |
| <b>Remuneration of the Mayor</b>               |                   |                   |
| 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            |
|  | <b>1 003 885</b>  | <b>946 965</b>    |
| <b>Remuneration of the Deputy Mayor</b>        |                   |                   |
| Basic allowance                                | 570 423           | 540 337           |
| Travelling allowance                           | 190 141           | 181 312           |
| Cellphone allowance                            | 53 208            | 40 800            |
|  | <b>813 772</b>    | <b>762 449</b>    |
| <b>Remuneration of the Speaker</b>             |                   |                   |
| Basic allowance                                | 708 227           | 543 338           |
| Travelling allowance                           | 52 337            | 182 313           |
| Cellphone allowance                            | 53 208            | 40 800            |
|  | <b>813 772</b>    | <b>766 451</b>    |
| <b>Remuneration of the Whip of Council</b>     |                   |                   |
| 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            | -                 |
|  | <b>778 541</b>    | <b>712 611</b>    |
| <b>Remuneration of the Executive Committee</b> |                   |                   |
| 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            |
|  | <b>6 190 851</b>  | <b>5 744 680</b>  |
| <b>Remuneration of ordinary Councillors</b>    |                   |                   |
| Basic allowance                                | 12 830 237        | 12 178 382        |

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**Notes to the Annual Financial Statements**

| Figures in Rand                                    | 2024              | 2023              |
|--|-------------------|-------------------|
| <b>37. Remuneration of councillors (continued)</b> |                   |                   |
| 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           |
|  | <b>15 757 396</b> | <b>14 468 857</b> |

**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            |
|                               | <b>48 904 756</b> | <b>47 081 111</b> |

**39. Impairment loss****Impairments**

|                               |           |           |
|-------------------------------|-----------|-----------|
| Property, plant and equipment | 9 124 515 | 8 513 818 |
|-------------------------------|-----------|-----------|

**Reversal of impairments**

|                               |             |   |
|-------------------------------|-------------|---|
| Property, plant and equipment | (3 396 226) | - |
|-------------------------------|-------------|---|

|  |                  |                  |
|--|------------------|------------------|
| <b>Total impairment losses recognised (reversed)</b> | <b>5 728 289</b> | <b>8 513 818</b> |
|--|------------------|------------------|

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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| Figures in Rand  | 2024              | 2023              |
|--|-------------------|-------------------|
| <b>41. Debt impairment</b>   |                   |                   |
| 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. |                   |                   |
| <b>42. Operational costs</b>   |                   |                   |
| 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         |
|  | <b>45 110 224</b> | <b>51 177 874</b> |
| <b>43. Bulk purchases</b>  |                   |                   |
| Electricity - Eskom  | 89 665 933        | 73 697 110        |

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**Notes to the Annual Financial Statements**

| Figures in Rand                              | 2024             |                  | 2023              |                   |
|--|------------------|------------------|-------------------|-------------------|
| <b>43. Bulk purchases (continued)</b>        |                  |                  |                   |                   |
| <b>Electricity losses</b>                    |                  |                  |                   |                   |
|  | Units 2024       | Units 2023       |                   |                   |
| Purchases                                    | 46 506 142       | 44 407 645       | 89 665 933        | 73 697 110        |
| Sales  | (38 082 866)     | (36 505 031)     | (73 444 759)      | (60 582 255)      |
| <b>Total loss</b>                            | <b>8 413 276</b> | <b>7 902 614</b> | <b>16 221 174</b> | <b>13 114 855</b> |
| Comprising of:                               |                  |                  |                   |                   |
| Technical losses                             | 2 557 838        | 2 441 819        | 4 931 626         | 3 987 231         |
| Non-technical losses                         | 5 855 438        | 5 460 795        | 11 289 548        | 9 127 624         |
| <b>Total</b>                                 | <b>8 413 276</b> | <b>7 902 614</b> | <b>16 221 174</b> | <b>13 114 855</b> |
| Percentage Loss:                             |                  |                  |                   |                   |
| Technical losses                             | 6 %              | 6 %              | 6 %               | 6 %               |
| Non-technical losses                         | 12 %             | 12 %             | 12 %              | 12 %              |
| <b>Total</b>                                 | <b>18 %</b>      | <b>18 %</b>      | <b>18 %</b>       | <b>18 %</b>       |
| <b>44. Contracted services</b>               |                  |                  |                   |                   |
| <b>Outsourced Services</b>                   |                  |                  |                   |                   |
| 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        | 23 298 752        |
| Traffic Fines Management                     |                  |                  | 20 752            | 161 692           |
| Electrical                                   |                  |                  | 1 486 270         | 811 487           |
| <b>Consultants and Professional Services</b> |                  |                  |                   |                   |
| 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         |
| <b>Contractors</b>                           |                  |                  |                   |                   |
| 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           |
|  |                  |                  | <b>81 201 396</b> | <b>85 984 425</b> |

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| Figures in Rand   | 2024              | 2023              |
|---|-------------------|-------------------|
| <b>45. Inventory consumed</b>                                 |                   |                   |
| Stationery, cleaning materials, fuel, oil and other materials | 11 331 153        | 11 056 963        |
| Materials and supplies  | 5 597 019         | 5 156 185         |
|   | <b>16 928 172</b> | <b>16 213 128</b> |
| <b>46. Cash generated from operations</b>                     |                   |                   |
| Surplus (deficit)   | 9 369 372         | (17 816 426)      |
| <b>Adjustments for:</b>                                       |                   |                   |
| 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         | 5 136 185         |
| 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           |
| <b>Changes in working capital:</b>                            |                   |                   |
| 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           | 287 870           |
| <b>Cash generated from operations</b>                         | <b>65 678 788</b> | <b>21 745 664</b> |
| <b>47. Construction contract</b>                              |                   |                   |
| <b>Advances received</b>                                      |                   |                   |
| Integrated National Electrification Programme                 | -                 | 3 630 095         |
| <b>Construction contract</b>                                  |                   |                   |
| 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              |
|---|-------------------|-------------------|
| <b>47. Construction contract (continued)</b>  |                   |                   |
| 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.   |                   |                   |
| <b>48. Fair value adjustments</b>   |                   |                   |
| Investment property (Fair value model)  | 1 145 000         | 678 000           |
| <b>49. Gain/(loss) on disposal of assets</b>  |                   |                   |
| Gain/(loss) on disposal of property plant and equipment   | 59 789            | 2 216 945         |
| <b>50. Commitments</b>  |                   |                   |
| <b>Authorised capital expenditure</b>   |                   |                   |
| <b>Approved and contracted</b>  |                   |                   |
| • Property, plant and equipment   | 22 900 381        | 31 431 522        |
| <b>This expenditure will be financed from:</b>  |                   |                   |
| • Government grants   | 20 854 068        | 21 397 542        |
| • Internally funded   | 2 046 313         | 10 033 980        |
|   | <b>22 900 381</b> | <b>31 431 522</b> |
| <b>Total capital commitments</b>  |                   |                   |
| Already contracted for but not provided for   | 22 900 381        | 31 431 522        |
| <b>51. Operating lease as a lessor (Income)</b>   |                   |                   |
| <b>Minimum lease payments due</b>   |                   |                   |
| 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              |
|--|-------------------|-------------------|
| <b>52. Contingencies</b>   |                   |                   |
| <b>Contingent liabilities</b>  |                   |                   |
| 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           |
|  | <b>12 381 485</b> | <b>12 994 462</b> |

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           |
|--|----------|----------------|
| <b>53. Section 45 of Supply Chain Managements Regulations - Awards made to close family members of persons in the service of the State- (continued)</b>                    |          |                |
| 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         |
|  | <b>-</b> | <b>987 858</b> |

**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 &amp; 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)                        |
|                            | <b>(4 408 617)</b>            | <b>2 316 867</b>             | <b>(2 091 750)</b>               |

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**Notes to the Annual Financial Statements****56. Prior Period Adjustments****Statement of Financial Position**

|  | Audited            | Prior year adjustments | Reclassifying adjustments | Restated           |
|--|--------------------|------------------------|---------------------------|--------------------|
| <b>Assets</b>                          |                    |                        |                           |                    |
| <b>Current Assets</b>                  |                    |                        |                           |                    |
| 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          |
|  | <b>105 757 806</b> | <b>(1 967 608)</b>     | <b>5 263 929</b>          | <b>109 052 128</b> |
| <b>Non-Current Assets</b>              |                    |                        |                           |                    |
| Property, plant and equipment          | 789 514 572        | 7 409 767              | -                         | 796 924 339        |
| Investments                            | 1 000              | (500)                  | -                         | 500                |
|  | <b>789 515 572</b> | <b>7 409 267</b>       | <b>-</b>                  | <b>796 924 839</b> |
| <b>Total Assets</b>                    | <b>895 273 378</b> | <b>5 441 659</b>       | <b>5 263 929</b>          | <b>905 976 967</b> |
| <b>Liabilities</b>                     |                    |                        |                           |                    |
| <b>Current Liabilities</b>             |                    |                        |                           |                    |
| 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)               | -                  |
|  | <b>58 388 647</b>  | <b>(2 178 069)</b>     | <b>3 030 185</b>          | <b>59 240 763</b>  |
| <b>Non-Current Liabilities</b>         |                    |                        |                           |                    |
| Long term loans                        | 1 777 780          | -                      | (64 519)                  | 1 713 261          |
| <b>Total Liabilities</b>               | <b>-</b>           | <b>-</b>               | <b>(64 519)</b>           | <b>-</b>           |
| <b>Net Assets</b>                      |                    |                        |                           |                    |
| 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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**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> |
|--|------------------|

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.

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**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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## 56. Prior Period Adjustments (continued)

**Statement of Financial Performance**

|   | Audited              | Prior year adjustments | Reclassifying adjustments | Restated             |
|---|----------------------|------------------------|---------------------------|----------------------|
| <b>Revenue</b>  |                      |                        |                           |                      |
| <b>Revenue from exchange transactions</b>             |                      |                        |                           |                      |
| Operational income                                    | 1 834 012            | 63 840                 | -                         | 1 897 852            |
| <b>Revenue from non-exchange transactions</b>         |                      |                        |                           |                      |
| <b>Transfer revenue</b>                               |                      |                        |                           |                      |
| Fines, Penalties and Forfeits                         | 1 503 418            | -                      | (94 670)                  | 1 408 748            |
| Availability charge - interest on availability charge | -                    | -                      | 94 670                    | 94 670               |
| <b>Total revenue from non-exchange transactions</b>   | <b>479 660 069</b>   | <b>63 840</b>          | <b>-</b>                  | <b>479 723 909</b>   |
| <b>Expenditure</b>                                    |                      |                        |                           |                      |
| 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           |
| <b>Total expenditure</b>                              | <b>(108 587 909)</b> | <b>47 785</b>          | <b>-</b>                  | <b>(108 540 124)</b> |
| <b>Deficit for the year</b>                           | <b>(17 928 049)</b>  | <b>111 625</b>         | <b>-</b>                  | <b>(17 816 424)</b>  |

## 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> |
|-------------------------|---------------|

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> |
|---------------------------|-------------------|-------------------|

**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)      |
| <b>Closing balance</b>                                  | <b>7 546 942</b> | <b>13 193 765</b> |

**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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|---|------------------|-------------------|
| <b>60. Unauthorised expenditure (continued)</b>   |                  |                   |
| <b>Analysed as follows: non-cash</b>  |                  |                   |
| 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        | -                 |
|   | <b>7 546 942</b> | <b>13 193 765</b> |
| <b>61. Fruitless and wasteful expenditure</b>   |                  |                   |
| Opening balance as previously reported  | -                | 1 610             |
| Less: Amount written off - prior period   | -                | (1 610)           |
| Closing balance   | -                | -                 |
| <b>2023/2024 Incidents</b>  |                  |                   |
| The municipality did not incur any fruitless and wasteful expenditure as 30 June 2024     |                  |                   |
| <b>2022/2023 Incidents</b>  |                  |                   |
| The municipality did not incur any fruitless and wasteful expenditure as at 30 June 2023. |                  |                   |

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|---|-------------|--------------|
| <b>62. Irregular expenditure</b>          |             |              |
| 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) |
| <b>Closing balance</b>                    | <b>-</b>    | <b>-</b>     |

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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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|--|-------------------------------------|--------------|
| <b>62. Irregular expenditure (continued)</b>   |                                     |              |
| 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 off by Council as irrecoverable. |                                     |              |
| <b>63. In-kind donations and assistance</b>  |                                     |              |
| 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).   |                                     |              |
| <b>64. Additional disclosure in terms of Municipal Finance Management Act</b>  |                                     |              |
| <b>Contributions to organised local government</b>   |                                     |              |
| Current year subscription / fee  | 2 122 810                           | 1 952 389    |
| Amount paid - current year   | (2 122 810)                         | (1 952 389)  |
|  | -                                   | -            |
| <b>Audit fees</b>  |                                     |              |
| Current year subscription / fee  | 2 356 117                           | 2 485 250    |
| Amount paid - current year   | (2 356 117)                         | (2 485 250)  |
|  | -                                   | -            |
| <b>PAYE, UIF and SDL</b>   |                                     |              |
| Current year subscription / fee  | 30 773 899                          | 29 312 894   |
| Amount paid - current year   | (30 773 899)                        | (29 312 894) |
|  | -                                   | -            |
| <b>Pension and Medical Aid Deductions</b>  |                                     |              |
| Current year subscription / fee  | 45 227 046                          | 42 093 516   |
| Amount paid - current year   | (45 227 046)                        | (42 093 516) |
|  | -                                   | -            |
| <b>Councillors' arrear consumer accounts</b>   |                                     |              |
| There are no Councillors with arrear accounts outstanding for more than 90 days at 30 June 2024.   |                                     |              |
| 30 June 2023   | Outstanding<br>more than 90<br>days | Total        |
| Cllr. BE Qwabe   | 1 317                               | 1 317        |
| Cllr. NF Mthabela  | 2 280                               | 2 280        |
|  | <b>3 597</b>                        | <b>3 597</b> |

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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        |
|                                     | <b>476 965</b> | <b>4 840 891</b> |

**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              |
|---|------------------|--------------------|------------------|-----------------------|-------------------|--------------------|
| <b>Revenue</b>  |                  |                    |                  |                       |                   |                    |
| 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        |
| <b>Total segment revenue</b>  | <b>2 661 683</b> | <b>111 556 074</b> | <b>2 328 323</b> | <b>79 163 086</b>     | <b>23 950 503</b> | <b>219 659 669</b> |
| 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        |
| <b>Total revenue reconciling items</b>  |                  |                    |                  |                       |                   | <b>312 345 244</b> |
| <b>Entity's revenue</b>   |                  |                    |                  |                       |                   | <b>532 004 913</b> |

**uMlalazi Local Municipality**

(Registration number KZN 284)

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**Notes to the Annual Financial Statements**

Figures in Rand

|  | Cemeteries       | Electricity        | Housing          | Roads and Storm Water | Refuse Removal    | Total              |
|--|------------------|--------------------|------------------|-----------------------|-------------------|--------------------|
| <b>66. Segment information (continued)</b>                 |                  |                    |                  |                       |                   |                    |
| <b>Expenditure</b>   |                  |                    |                  |                       |                   |                    |
| 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          |
| <b>Total segment expenditure</b>                           | <b>2 661 683</b> | <b>111 556 074</b> | <b>2 328 323</b> | <b>79 163 086</b>     | <b>23 950 503</b> | <b>219 659 669</b> |
| <b>Total segmental surplus/(deficit)</b>                   | -                | -                  | -                | -                     | -                 | -                  |
| 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         |
| <b>Entity's surplus (deficit) for the period</b>           |                  |                    |                  |                       |                   | <b>9 369 372</b>   |
| <b>Assets</b>  |                  |                    |                  |                       |                   |                    |
| Segment assets acquisitions                                | 3 210 520        | 1 569 077          | -                | 61 814 171            | 11 739            | 66 605 507         |
| Unreconciled - Assets acquisitions                         |                  |                    |                  |                       |                   | 22 668 554         |
| <b>Total assets as per Statement of financial Position</b> |                  |                    |                  |                       |                   | <b>89 274 061</b>  |

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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              |
|---|------------------|--------------------|------------------|-----------------------|-------------------|--------------------|
| <b>Revenue</b>  |                  |                    |                  |                       |                   |                    |
| 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             |
| <b>Total segment revenue</b>  | <b>2 069 993</b> | <b>100 758 531</b> | <b>3 558 774</b> | <b>63 637 735</b>     | <b>25 212 923</b> | <b>195 237 956</b> |

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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          |
| <b>Total revenue reconciling items</b>  |                  |                    |                  |                   |                   | <b>284 485 953</b> |
| <b>Entity's revenue</b>   |                  |                    |                  |                   |                   | <b>479 723 909</b> |
| <b>Expenditure</b>  |                  |                    |                  |                   |                   |                    |
| 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          |
| <b>Total segment expenditure</b>  | <b>2 069 993</b> | <b>100 758 531</b> | <b>3 558 774</b> | <b>63 637 735</b> | <b>25 212 923</b> | <b>195 237 956</b> |
| <b>Total segment surplus/(deficit)</b>  | <b>-</b>         | <b>-</b>           | <b>-</b>         | <b>-</b>          | <b>-</b>          | <b>-</b>           |

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Figures in Rand

|  | Cemeteries | Electricity | Housing | Roads and Storm water | Refuse removal | Total               |
|--|------------|-------------|---------|-----------------------|----------------|---------------------|
| <b>66. Segment information (continued)</b>                 |            |             |         |                       |                |                     |
| 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          |
| <b>Entity's surplus (deficit) for the period</b>           |            |             |         |                       |                | <b>(17 816 425)</b> |
| <b>Assets</b>  |            |             |         |                       |                |                     |
| Segment assets acquisitions                                | 4 697 226  | 1 855 141   | -       | 24 761 515            | 1 042 696      | 32 356 578          |
| Unreconciled - Assets requisitions                         |            |             |         |                       |                | 21 633 650          |
| <b>Total assets as per Statement of financial Position</b> |            |             |         |                       |                | <b>53 990 228</b>   |

**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        |
| <b>Total</b>              | <b>398 645 372</b>                               | <b>133 593 214</b>                           | <b>522 635 541</b> | <b>875 737 180</b> |

**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        |
| <b>Total</b>              | <b>359 899 626</b>                               | <b>116 667 679</b>                           | <b>497 540 334</b> | <b>838 664 011</b> |

**67. Accounting by principals and agents**

The municipality is a party to a principal-agent arrangement(s).

## uMlalazi Local Municipality

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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**

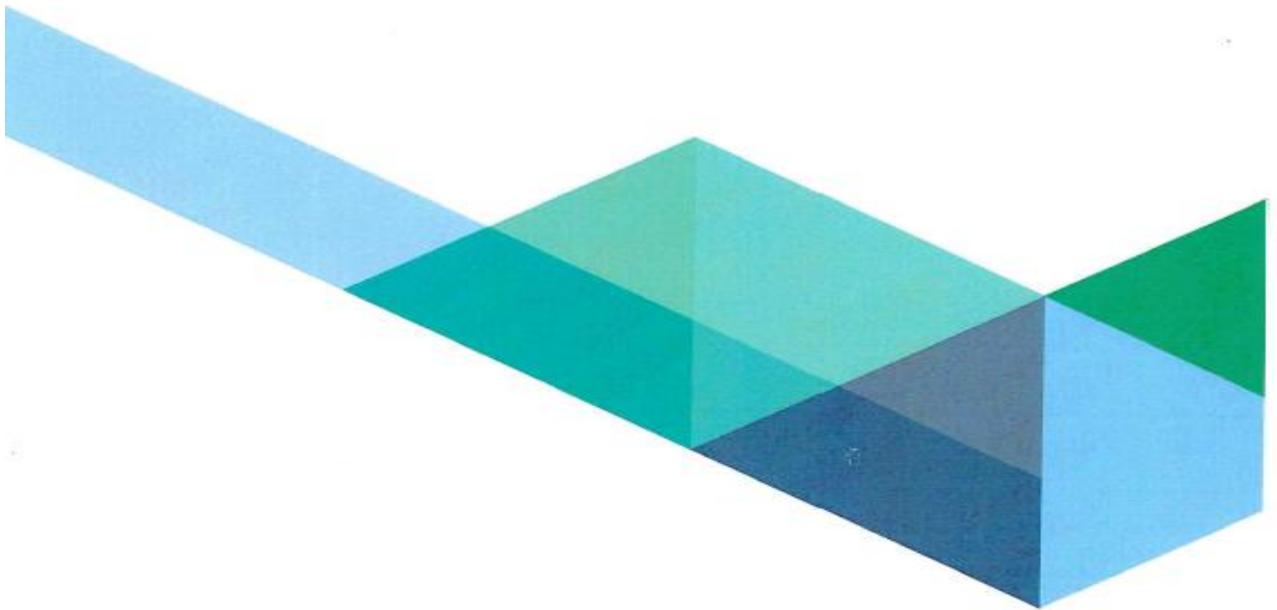
**AUDITOR GENERAL  
REPORT**



# 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%<br>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:

| <b>Legislation</b>  | <b>Sections or regulations</b>   |
|---|--|
| 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),<br><br>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),<br><br>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),<br><br>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),<br><br>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),<br><br>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),<br>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



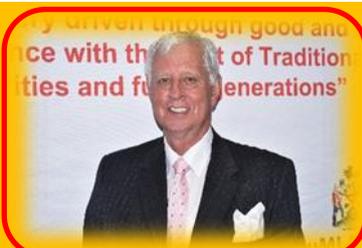
Councillor Z M Mhlongo  
Ward 8



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



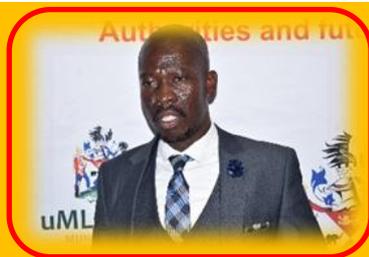
Councillor M D Dladla  
Ward 14



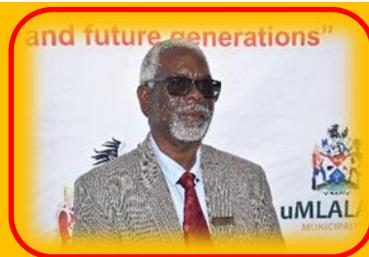
Councillor N Vilakazi  
Ward 15



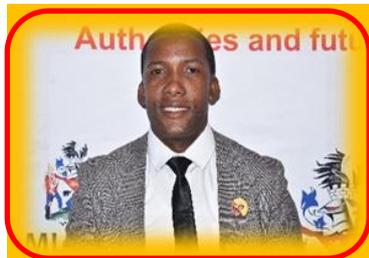
Councillor S A Makathini  
Ward 16



Councillor I Q Ngema  
Ward 17



Councillor S B Dlamini  
Ward 18



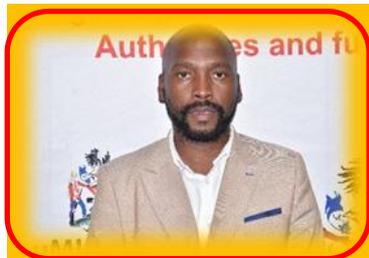
Councillor S W Yimba  
Ward 19



Councillor P B Hlabisa  
Ward 20



Councillor K Mthembu  
Ward 21



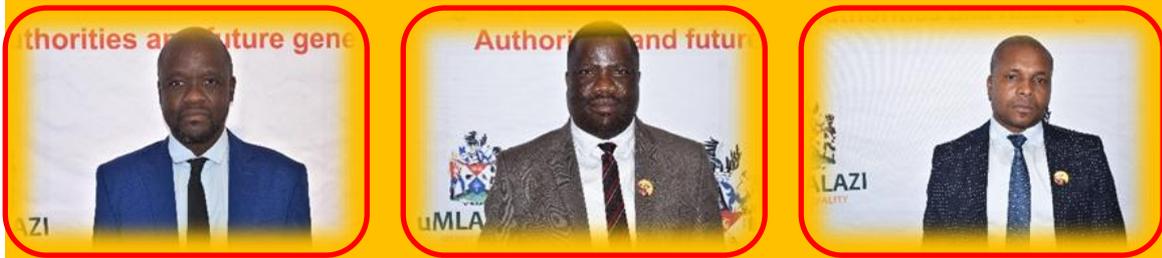
Councillor S I Zibani  
Ward 22



Councillor J M Ngema  
Ward 23



Councillor M B Biyela (Inkosi)  
Ward 24



This block contains three portrait photographs of councillors, each set within a red-bordered rounded rectangle. The first portrait on the left shows Councillor M Ndlovu in a blue suit. The middle portrait shows Councillor T Mdlalose in a patterned suit. The third portrait on the right shows Councillor M M Ngema in a dark suit. The background of the portraits includes text such as 'thorities and future gene', 'Authori and futur', and 'LAZI'.

Councillor M Ndlovu  
Ward 25

Councillor T Mdlalose  
Ward 26

Councillor M M Ngema  
Ward 27



This block features a single portrait photograph of Councillor S M Gasa, wearing a patterned suit, enclosed in a red-bordered rounded rectangle. The background of the portrait includes the text 'rities and future generation'.

Councillor S M Gasa  
Ward 28

## APPENDIX B:

## COMMITTEE, MEMBERSHIP AND COMMITTEE PURPOSE

| Financial Management Committee  |  |
|---|--|
| MEMBERSHIP  | PURPOSE  |
| <b>Her Worship the Mayor</b><br><b>Councillor Q T Xulu</b><br>(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><b><u>FUNCTIONS</u></b></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"> <li>▪ Monthly reporting on revenue and spending in respect of the Council's Budget.</li> <li>▪ Quarterly reports on progress with the Capital Programme.</li> <li>▪ Managers of Departments or their designee will attend meetings of the Committee at the request of the Municipal Manager.</li> <li>▪ Applications for grants-in-aid (excluding sporting matters)</li> </ul> <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> |
| <b>Alderman S B Larkan</b>  |  |
| <b>Councillor S W Yimba</b>   |  |
| <b>Councillor K Mthembu</b>   |  |
| <b>Councillor B C Makhathini</b>  |  |
| <b>Councillor M G Mzimela</b>   |  |
| <b>Councillor W L Ngema</b>   |  |
| <b>Councillor K S Mthabela</b>  |  |
| <b>Councillor N G Qwabe</b>   |  |
| <b>Councillor S D Khubisa</b>   |  |

| Planning, Housing & Tourism Committee  |   |
|--|---|
| MEMBERSHIP   | PURPOSE   |
| <b>Councillor S.A. Makhathini</b><br>(Chairperson)<br><b>Councillor A.N. Sibiya</b><br><b>Councillor J.M. Ngema</b><br><b>Councillor T. Mdlalose</b><br><b>Councillor S.I. Zibane</b><br><b>Councillor S.A. Khuzwayo</b><br><b>Councillor T.L. Ntanzi</b><br><b>Councillor B.L. Zungu</b><br><b>Councillor T.H. Biyela</b><br><b>Councillor S.D. Khubisa</b> | <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  |
| <b>Councillor K Ntanzi</b><br>(Chairperson)<br><b>Councillor M Dladla</b><br>(Whip of Council)<br><b>Councillor S M Gasa</b><br><b>Councillor M D Dladla</b><br><b>Councillor T N Shozi</b><br><b>Councillor P B Hlabisa</b><br><b>Councillor M M Cebekhulu</b><br><b>Councillor N Nombekela</b><br><b>Councillor G Z Ncanana</b><br><b>Councillor N N Cele</b> | <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><b>Councillor K Khumalo</b><br/>Chairperson</p> <p><b>Councillor M Dludla</b><br/>(Whip of Council)</p> <p><b>Councillor Z Biyela</b></p> <p><b>Councillor V M Xulu</b></p> <p><b>Councillor Z M Mhlongo</b></p> <p><b>Councillor M Ndlovu</b></p> <p><b>Councillor E F Shange</b></p> <p><b>Councillor Z Mpungose</b></p> <p><b>Councillor N Vilakazi</b></p> <p><b>Councillor T P Khoza</b></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><b>Councillor M M Ngema-<br/>Deputy Mayor (Chairperson)</b></p> <p><b>Alderman S B Larkan</b></p> <p><b>Councillor B C Magwaza</b></p> <p><b>Councillor M M M Ntuli</b></p> <p><b>Councillor B X S Ntombela</b></p> <p><b>Councillor S B Dlamini</b></p> <p><b>Councillor M M Khanyile</b></p> <p><b>Councillor M S Xulu</b></p> <p><b>Councillor I Q Ngema</b></p> <p><b>Councillor B Mpungose</b></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"> <li>• 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)</li> <li>• The provision of electricity to the consumers in the uMlalazi Municipal area through the assistance of the electricity provider – Eskom.</li> <li>• 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.</li> <li>• Progress reports on HV and LV upgrading will be submitted to the Committee at every scheduled meeting.</li> <li>• The improvement of roads within the rural area of uMlalazi through consultation with the Department of Transport KwaZulu-Natal.</li> <li>• The annual determination of the roads resurfacing/maintenance programme.</li> <li>• The determination and consideration of the roads causeway programme.</li> <li>• The determination of the resurfacing of sidewalks, road reserves within the urban areas of uMlalazi.</li> <li>• Waste Management Services</li> </ul> |

## Other Committees of Council and their membership include: -

|  |   |
|--|---|
| <p>Standing Rules and Orders Committee</p> <p><b>The Speaker Councillor J K Powell (Chairperson)</b><br/> <b>Her Worship the Mayor Councillor Q T Xulu</b><br/> <b>Deputy Mayor Councillor M M Ngema</b><br/> <b>Whip of Council Councillor M Dlodla</b><br/> <b>Alderman S B Larkan</b><br/> <b>Councillor E F Shange</b><br/> <b>Councillor M F Mdluli</b><br/> <b>Councillor A A Khanyile</b><br/> <b>Councillor S D Khubisa</b><br/> <b>Councillor K R Khumalo</b></p> | <p><b>Municipal Public Account Committee (MPAC)</b></p> <p><b>Alderman S B Larkan (Chairperson)</b><br/> <b>Councillor V M Xulu</b><br/> <b>Councillor S W Yimba</b><br/> <b>Councillor P T O Shange</b><br/> <b>Councillor M E Dlamini</b></p> |
|--|---|

## SUPPORT COMMITTEES

| Support Committees   | Councillor nomination   |
|--|---|
| <p><b>Local Labour Forum (LLF)</b></p>                             | <ol style="list-style-type: none"> <li>1. Cllr B X S Ntombela</li> <li>2. Cllr M M M Ntuli</li> <li>3. Cllr S B Dlamini</li> <li>4. Cllr W L Ngema</li> <li>5. Cllr B Khanyile</li> </ol>   |
| <p><b>Councillor Development and Skills Training Committee</b></p> | <ol style="list-style-type: none"> <li>1. Cllr Q T Xulu - Mayor</li> <li>2. Cllr A N Sibiya</li> <li>3. Cllr Z Biyela</li> <li>4. Cllr M M Cebekhulu</li> <li>5. Cllr M M Khanyile</li> </ol>   |
| <p><b>Employment Equity Committee</b></p>                          | <ol style="list-style-type: none"> <li>1. Cllr V M Xulu</li> <li>2. Cllr K Ntanzi</li> <li>3. Cllr P B Hlabisa</li> <li>4. Cllr W L Ngema</li> <li>5. Cllr M E Dlamini</li> </ol>   |
| <p><b>Geographical Name Changing Committee</b></p>                 | <ol style="list-style-type: none"> <li>1. Cllr Q T Xulu - Mayor</li> <li>2. Cllr M M Ngema – Deputy Mayor</li> <li>3. Cllr J K Powell – Speaker</li> <li>4. Cllr M Dlodla – Chief Whip</li> <li>5. Cllr Alderman S B Larkan</li> <li>6. Cllr M M Khanyile</li> <li>7. Cllr T P Khoza</li> <li>8. Cllr M F Mdluli</li> </ol> |

**uMLALAZI MUNICIPALITY:****Annual Report**

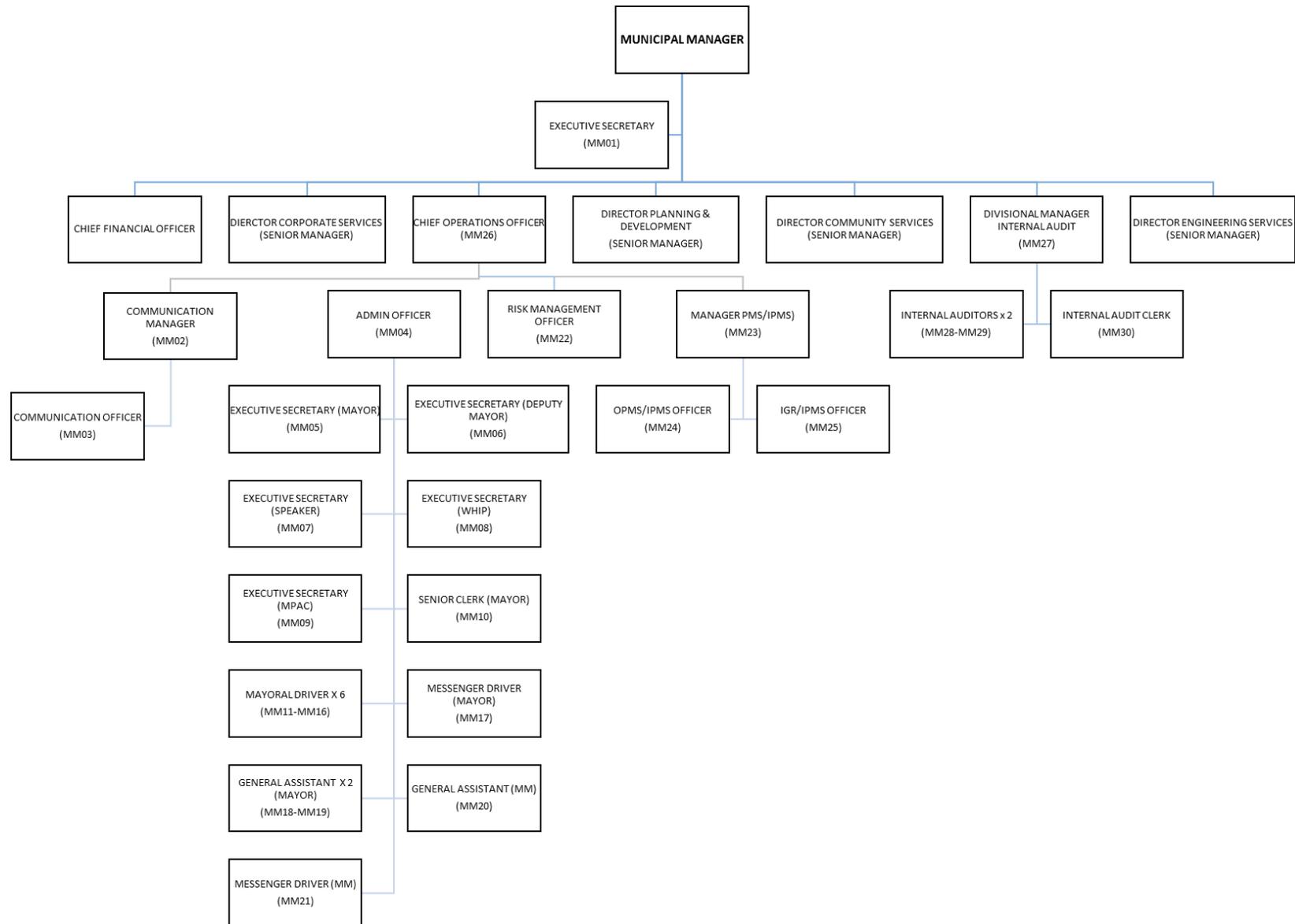
|   |  |
|---|--|
|   | <ul style="list-style-type: none"> <li>9. Cllr K R Khumalo</li> <li>10. Cllr A Khanyile</li> <li>11. GIS Officer – Miss W Sibiyi</li> <li>12. Divisional Manager: Town Planning – Mr M Ngubane</li> <li>13. Tourism Officer – Ms M Mthembu</li> <li>14. Post Master</li> </ul> |
| <b>Co-Operative Relations Committee</b> | <ul style="list-style-type: none"> <li>1. Cllr Q T Xulu- Mayor</li> <li>2. Cllr M M Ngema – Deputy Mayor</li> <li>3. Cllr Alderman S B Larkan</li> </ul>   |

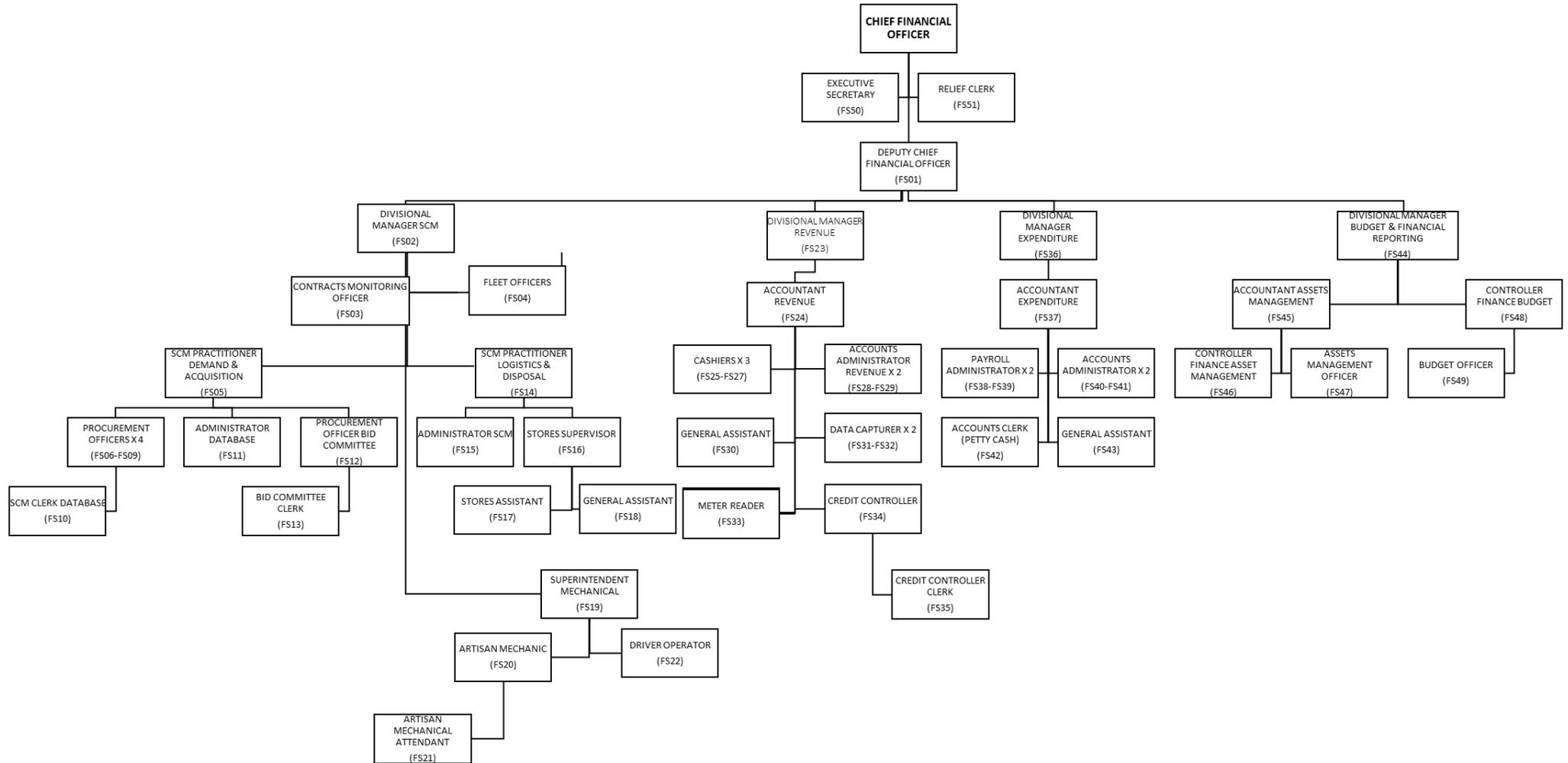
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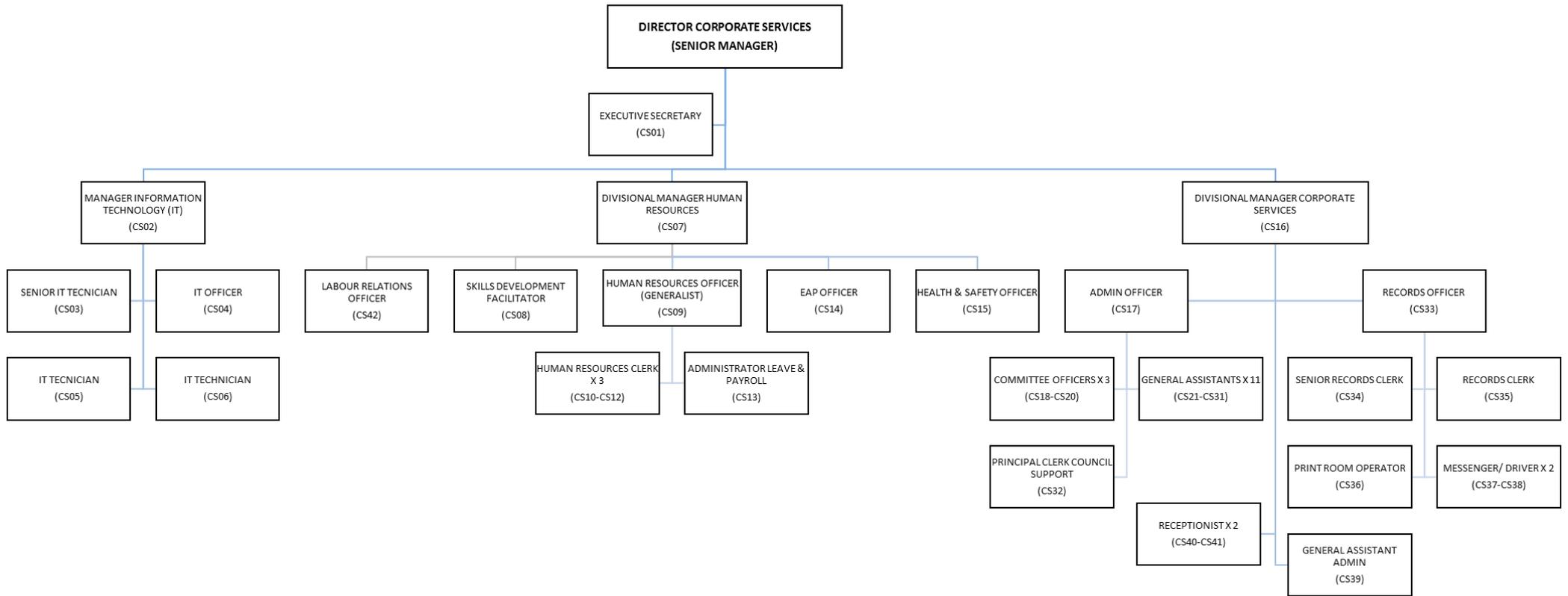
APPENDIX C:

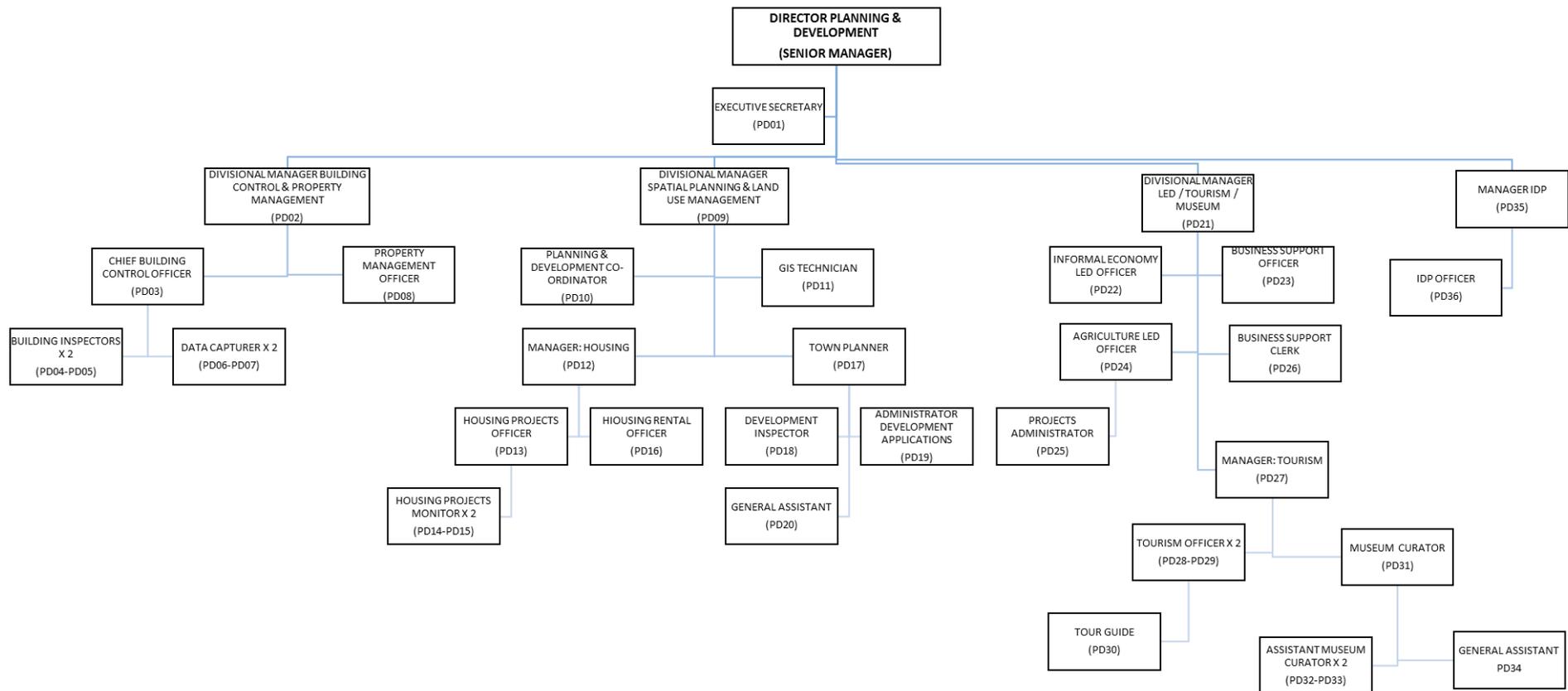
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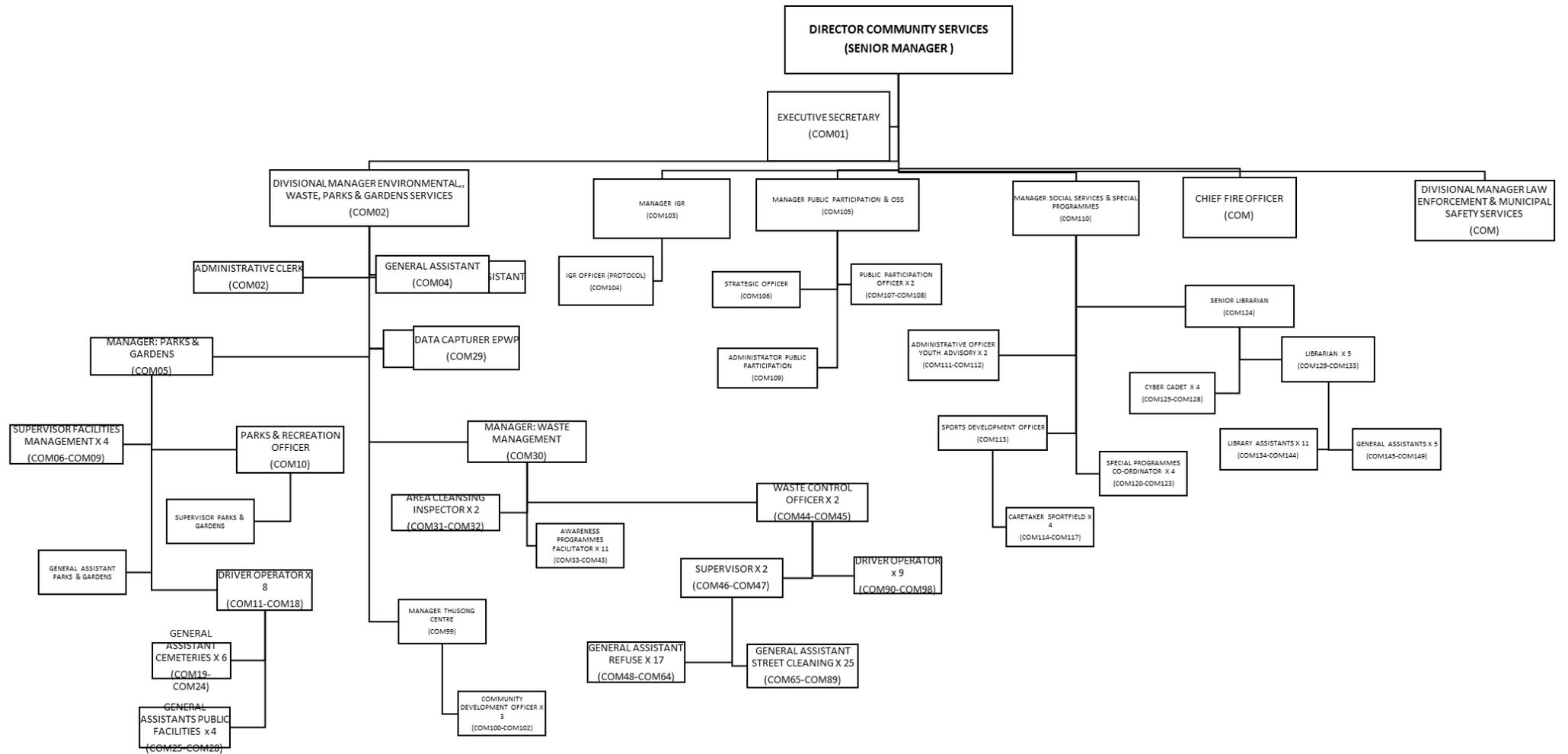
ADMINISTRATIVE STRUCTURE

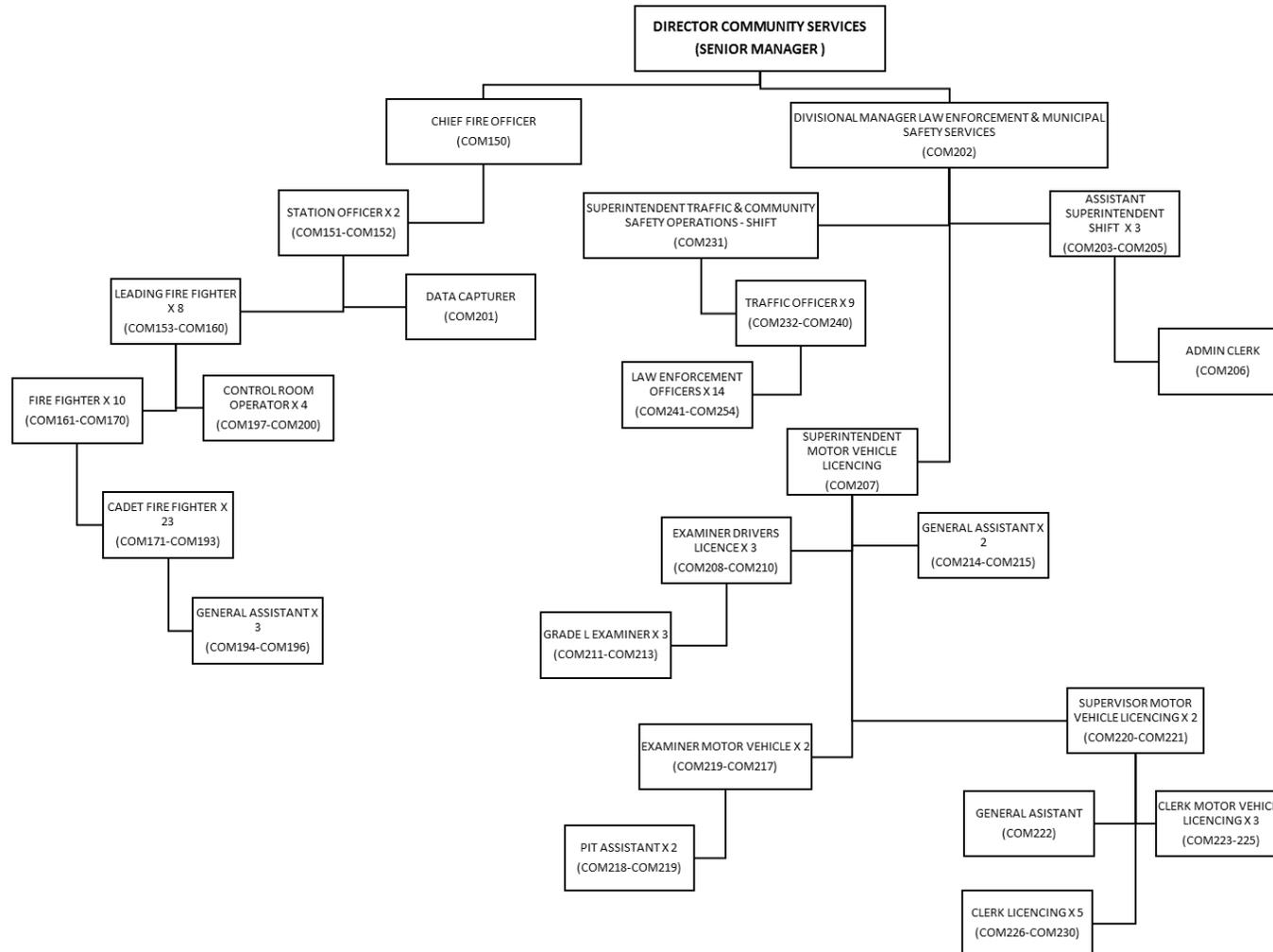


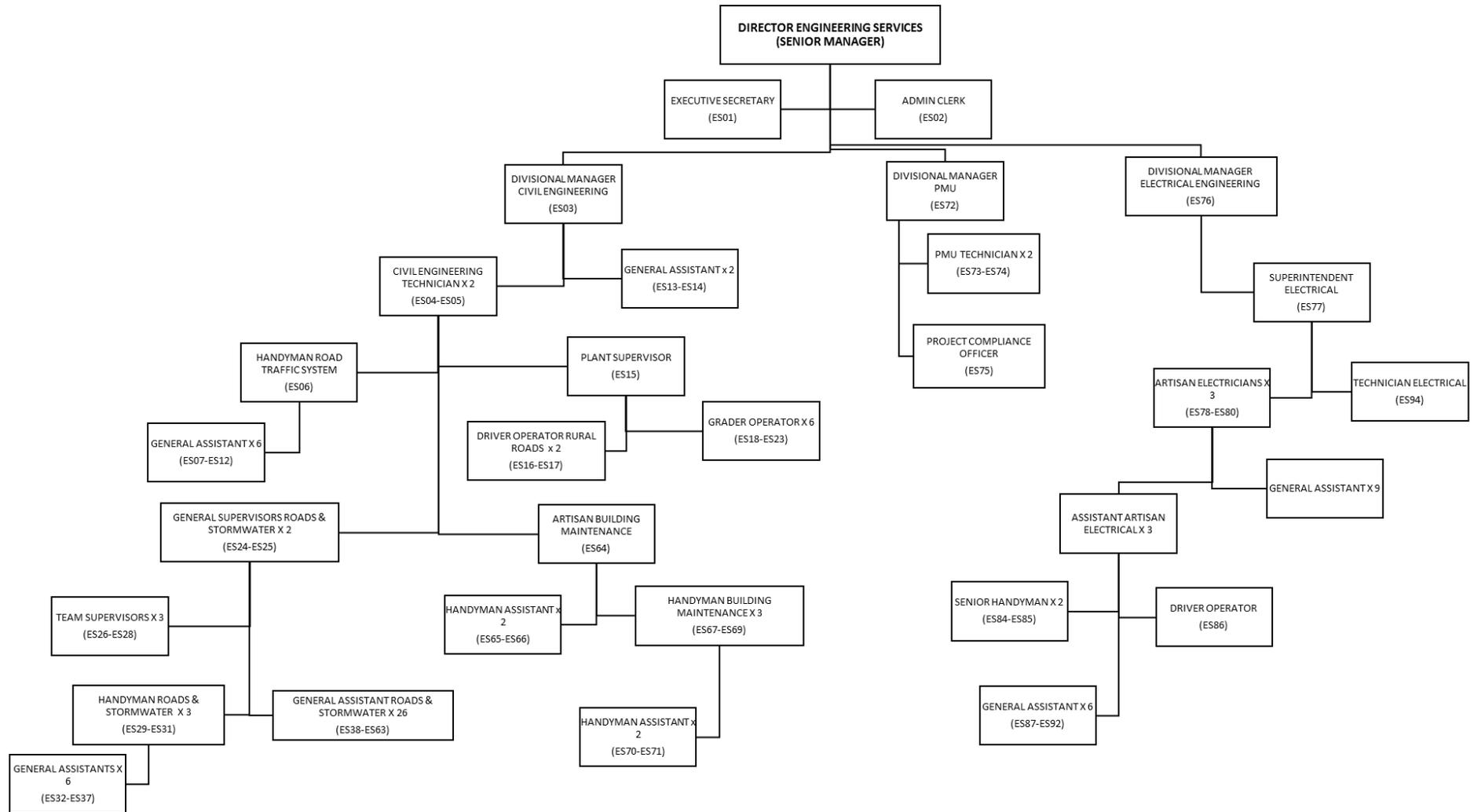












## APPENDIX D:

## 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  |
|--|---|---|---|--|--|
| <b>Legal Services</b><br><b>Forensics</b><br><b>Internal Audit</b><br><b>Communication</b><br><b>Performance Management System</b> | <b>Transport</b><br><b>Roads and Storm-water</b><br><b>Water and Sanitation</b><br><b>Solid Waste</b><br><b>Electricity / Energy</b><br><b>Fleet Management</b><br><b>Mechanical Workshops</b><br><b>Laboratories</b><br><b>Science</b> | <b>Health Services</b><br><b>Parks and Recreation</b><br><b>Libraries</b><br><b>Strategic Assets</b><br><b>Community Facilities</b><br><b>Traffic Services</b><br><b>Law Enforcement</b><br><b>Disaster (Risk) Management</b><br><b>Fire and Rescue Services</b><br><b>Public Emergency Communication Centres</b><br><b>Disaster (Risk) Management Centres</b><br><b>Public Participation</b><br><b>IGR</b> | <b>Human Resources</b><br><b>Information Systems &amp; Technology</b><br><b>Municipal Offices and Facilities Management</b><br><b>Executive Support Services (incl. Committee services, Councillor support)</b><br><b>Ombudsman</b> | <b>Revenue</b><br><b>Treasury</b><br><b>Budgets</b><br><b>Supply Chain Management</b><br><b>Expenditure</b><br><b>Valuations</b><br><b>Assets and Fleet Management</b> | <b>Local Economic Development</b><br><b>Social Development</b><br><b>Spatial Planning / Planning and Building</b><br><b>Development / Urban Design</b><br><b>Environmental Resource Management</b><br><b>Human Settlements</b><br><b>Geomatics and Spatial data management</b><br><b>Property Management</b><br><b>Integrated Development Planning</b> |

## APPENDIX E:

## WARD COMMITTEE MEMBERSHIP

| WARD NO. | MEMBERSHIP | SURNAME       | FULL NAMES     | GENDER |   | SECTOR REPRESENTED           | CONTACT NO. |
|----------|------------|---------------|----------------|--------|---|------------------------------|-------------|
|          |            |               |                | M      | F |                              |             |
| 1        | WC MEMBERS | <b>SIBIYA</b> | <b>A N</b>     | 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 | <b>SHOZI</b>  | <b>T N</b>     | 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 | <b>NTULI</b>  | <b>MMM</b>     | 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 | <b>KHUMALO</b>    | <b>K</b>              | <b>Male</b>             |            | <b>Ward Councillor</b>      | <b>0722687466</b> |
|          |            | 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 | <b>KHUZWAYO</b>   | <b>SA</b>             | <b>Male</b>             |            | <b>Ward Councillor</b>      | <b>0722996653</b> |
|          |            | 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 | <b>MAKHATHINI</b> | <b>BC</b>             | <b>Male</b>             |            | <b>Ward Councillor</b>      | <b>0725427922</b> |
|          |            | 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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|----------|------------|----------------|---------------|---------------|------------|----------------------------------|---------------------|
|          |            |                |               | 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        |            | <b>BIYELA</b>  | <b>Z</b>      | <b>FEMALE</b> |            | <b>Ward Councillor</b>           | <b>0632474490</b>   |
|          |            | 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 | <b>MHLONGO</b> | <b>ZM</b>     | <b>Male</b>   |            | <b>Ward Councillor</b>           | <b>0634910567</b>   |
|          |            | 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 | <b>Dludla</b>  | <b>M</b>      | <b>Male</b>   |            | <b>Ward Councillor</b>           | <b>082 963 2041</b> |
|          |            | 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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|----------|------------|------------------|---------------------|-------------|-----------------------|-----------------------------|---------------------|
|          |            |                  |                     | 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       |            | <b>NTOMBELA</b>  | <b>B.X.S</b>        | <b>Male</b> |                       | <b>Ward Councillor</b>      | <b>0660202772</b>   |
|          |            | 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       |            | <b>LARKAN</b>    | <b>S.B</b>          | <b>Male</b> |                       | <b>Ward Councillor</b>      | <b>082 877 7192</b> |
|          |            | Hlathi           | Nana                |             | F                     | Infromal traders            | 0826655554          |
|          |            | Gumede           | Nomusa              |             | F                     | Women & social development  | 0724854814          |
|          |            | Bond             | Kyle                | M           |                       | Youth                       | 0744140036          |
|          |            | Mtshali          | Thenjiwe            |             | F                     | Education                   | 0728119728          |
|          |            | Ndwanwwe         | 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       |            | <b>BIYELA</b>    | <b>T.H</b>          | <b>Male</b> |                       | <b>Ward Councillor</b>      | <b>0825323496</b>   |
|          |            | 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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|----------|--------------------|-----------------|-------------|-------------|---|-----------------------------|-------------------|
|          |                    |                 |             | 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       |                    | <b>NGEMA</b>    | <b>W,L</b>  | <b>Male</b> |   | <b>Ward Councillor</b>      | <b>072010072</b>  |
|          | <b>W/C MEMBERS</b> | 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       |                    | <b>DLADLA</b>   | <b>M.D</b>  | <b>Male</b> |   | <b>Ward Councillor</b>      | <b>0664077182</b> |
|          | <b>W/C MEMBERS</b> | 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       |                    | <b>VILAKAZI</b> | <b>N</b>    | <b>Male</b> |   | <b>Ward Councillor</b>      | <b>0655534192</b> |
|          | <b>W/C MEMBERS</b> | 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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|----------|--------------------|-------------------|--------------------|-------------|---|----------------------------|-------------------|
|          |                    |                   |                    | M           | F |                            |                   |
|          |                    | Shandu            | Mbhekeni           | M           |   | Public transport           | 0792939586        |
|          |                    | Khoza             | Khohlwa            | M           |   | Traditional                | 0784186091        |
| 16       |                    | <b>MAKHATHINI</b> | <b>S.A</b>         | <b>Male</b> |   | <b>Ward Councillor</b>     | <b>0826167427</b> |
|          | <b>W/C MEMBERS</b> | 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       |                    | <b>NGEMA</b>      | <b>I.Q</b>         | <b>Male</b> |   | <b>Ward Councillor</b>     | <b>0798640000</b> |
|          | <b>W/C MEMBERS</b> | 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       |                    | <b>DLAMINI</b>    | <b>S.B</b>         | <b>Male</b> |   | <b>Ward Councillor</b>     | <b>0717732970</b> |
|          | <b>W/C MEMBERS</b> | 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        |

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|----------|--------------------|----------------|----------------------|-------------|------------|---------------------------------|-------------------|
|          |                    |                |                      | M           | F          |                                 |                   |
| 19       |                    | <b>YIMBA</b>   | <b>S.W</b>           | <b>Male</b> |            | <b>Ward Councillor</b>          | <b>0711273858</b> |
|          | <b>W/C MEMBERS</b> | Mdlalose       | Hlengiwe             | M           |            | Health                          | 0724045247        |
|          |                    | Cele           | Zandile<br>Cynthia   | M           |            | Transport                       | 0721166800        |
|          |                    | Forse          | Wendy                |             | F          | Enviroment & Rates Payers       | 0827223333        |
|          |                    | Makhathini     | Musa Cyril           | M           |            | Bulk Services                   | 0797334746        |
|          |                    | Mtshali        | Smangele<br>Prudence |             | F          | Youth                           | 0610277380        |
|          |                    | Zulu           | Philile<br>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       |                    | <b>HLABISA</b> | <b>P.B</b>           | <b>Male</b> |            | <b>Ward Councillor</b>          | <b>0646199953</b> |
|          | <b>W/C MEMBERS</b> | 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       |                    | <b>MTHEMBU</b> | <b>K</b>             | <b>Male</b> |            | <b>Ward Councillor</b>          | <b>0618193302</b> |
|          | <b>WC MEMBERS</b>  | 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       |                    | <b>ZIBANI</b>  | <b>S.I</b>           | <b>Male</b> |            | <b>Ward Councillor</b>          | <b>0722780612</b> |
|          | <b>WC MEMBERS</b>  | 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       |            | <b>NGEMA</b>  | <b>J.M</b>    | <b>Male</b> |   | <b>Ward Councillor</b>       | <b>0825176546</b> |
|          |            | 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       |            | <b>BIYELA</b> | <b>M.B</b>    | <b>Male</b> |   | <b>Ward Councillor</b>       | <b>0820665731</b> |
|          |            | 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       |            | <b>NDLOVU</b> | <b>M</b>      | <b>Male</b> |   | <b>Ward Councillor</b>       | <b>0728122309</b> |
|          |            | 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       |            | <b>MDLALOSE</b> | <b>T</b>              | <b>Male</b> |              | <b>Ward Councillor</b>       | <b>0764533888</b>   |
|          |            | 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       |            | <b>NGEMA</b>    | <b>M.M</b>            | <b>Male</b> |              | <b>Ward Councillor</b>       | <b>082 541 4490</b> |
|          |            | 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       |            | <b>GASA</b>     | <b>S.M</b>            | <b>Male</b> |              | <b>Ward Councillor</b>       | <b>0835892533</b>   |
|          |            | 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 Dladla                                  |               |
| 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 –<br>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 –<br>Nolwazi Ntombela |              |
| 2023/2024      | Gas stove, Chaffing dish x2, Pots, Tables x2, Spoon x50 – Nini<br>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 Majosi (Yebo Zululand DECDO) |

**WARD 17**

| 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 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 |
|----------------|------------------------|--------------|
|----------------|------------------------|--------------|

|               |                                   |  |
|---------------|-----------------------------------|--|
| Weekly        | Free Basic Electricity            |  |
| Weekly        | Free Basic Refuse removal Service |  |
| When required | Rural Roads Grading Programme     |  |
| Annually      | Jobs created through EPWP & CWP   |  |

## uMLALAZI MUNICIPALITY:

## Annual Report

|           |  |             |
|-----------|--|-------------|
| 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 |              |

## uMLALAZI MUNICIPALITY:

## Annual Report

|           |   |             |
|-----------|---|-------------|
| 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) |                       |

## WARD 21

## uMLALAZI MUNICIPALITY:

## Annual Report

| 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             |              |

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APPENDIX G: (I)

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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.



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Chairperson  
Ms K Sewnarain  
15 January 2025  
On behalf of the Audit Committee

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**APPENDIX H:**

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**LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP**

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**CONTRACTS AND SERVICE LEVEL AGREEMENT REGISTER**

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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) |
|----------------------|------------------------|-------------------------|--|--|--------------------------------|---------------------|-------------------|-----------------------------|-----------------|----------------------------|
| <a href="#">C86</a>  | 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                  |
| <a href="#">C172</a> | KZN ULM 19-14-15 OTH   | APPOINTMENT LETTER      | CHS DEVELOPMENTS                         | MZIMELA RURAL HOUSING PROJECT - 1000 UNITS   | R -                            | 2015/11/20          | DEPENDENT         | DEPENDENT                   | CURRENT         | DURBAN                     |
| <a href="#">C173</a> | 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                     |
| <a href="#">C174</a> | 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                      |
| <a href="#">C175</a> | 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                     |
| <a href="#">C176</a> | 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                     |
| <a href="#">C229</a> | 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           |
| <a href="#">C230</a> | 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           |
| <a href="#">C296</a> | 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                  |

|                      |                          |                         |   |   |  |            |            |           |          |              |
|----------------------|--------------------------|-------------------------|---|---|--|------------|------------|-----------|----------|--------------|
| <a href="#">C358</a> | 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       |
| <a href="#">C387</a> | 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     |
| <a href="#">C388</a> | 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       |
| <a href="#">C416</a> | 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       |
| <a href="#">C465</a> | 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.<br><br>> IZINSUNDU ELECTRIFICATION IN WARD 01 - 105 CONNECTIONS<br>> IZIKOSHI ELECTRIFICATION IN WARD 20 - 100 CONNECTIONS | TOTAL CONSTRUCTION FEE OF 6% AND 5.92% DISBURSEMENTS | 2020/11/25 | DEPENDENT  | DEPENDENT | CURRENT  | DURBAN       |
| <a href="#">C467</a> | 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 |

|                      |                          |                                |                                  |  |                |              |              |              |         |               |
|----------------------|--------------------------|--------------------------------|----------------------------------|--|----------------|--------------|--------------|--------------|---------|---------------|
| <a href="#">C481</a> | 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  |
| <a href="#">C484</a> | 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       |
| <a href="#">C486</a> | 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        |
| <a href="#">C487</a> | 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       |
| <a href="#">C491</a> | 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     |
| <a href="#">C497</a> | 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    |
| <a href="#">C505</a> | 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 |
| <a href="#">C507</a> | 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     |
| <a href="#">C511</a> | 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<br>(WARD 01)   |                |              |              |              |         |                  |
| <a href="#">C512</a> | 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 |
| <a href="#">C514</a> | 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        |
| <a href="#">C516</a> | 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     |
| <a href="#">C519</a> | 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           |
| <a href="#">C520</a> | 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           |
| <a href="#">C521</a> | 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        |
| <a href="#">C526</a> | 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          |
| <a href="#">C527</a> | 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           |

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| <a href="#">C528</a> | 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 |
| <a href="#">C531</a> | 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        |
| <a href="#">C532</a> | 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         |
| <a href="#">C534</a> | 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     |
| <a href="#">C535</a> | 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         |
| <a href="#">C541</a> | 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   |
| <a href="#">C544</a> | 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  |
| <a href="#">C548</a> | 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     |
| <a href="#">C550</a> | 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         |
| <a href="#">C551</a> | 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         |
| <a href="#">C557</a> | 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   |

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| <a href="#">C558</a> | 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        |
| <a href="#">C560</a> | 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 |
| <a href="#">C563</a> | 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  |
| <a href="#">C568</a> | 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:<br><br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE                                      | R -            | 2023/05/03 | 2026/04/30 | 36 | CURRENT | ESHOWE        |
| <a href="#">C569</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | R -            | 2023/05/03 | 2026/04/30 | 36 | CURRENT | ESHOWE        |
| <a href="#">C570</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS   | R -            | 2023/05/03 | 2026/04/30 | 36 | CURRENT | ESHOWE        |

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|                      |                          |                         |                            | & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE  |     |            |            |    |         |              |
| <a href="#">C571</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE                                      | R - | 2023/05/03 | 2026/04/30 | 36 | CURRENT | ESHOWE       |
| <a href="#">C572</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> SERVICES OR REPAIRS & MAINTENANCE   | R - | 2023/05/03 | 2026/04/30 | 36 | CURRENT | RICHARDS BAY |
| <a href="#">C573</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | R - | 2023/05/03 | 2026/04/30 | 36 | CURRENT | ESHOWE       |

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| <a href="#">C574</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | R -                             | 2023/05/03   | 2026/04/30   | 36           | CURRENT | ESHOWE           |
| <a href="#">C576</a> | 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 |
| <a href="#">C578</a> | 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           |
| <a href="#">C579</a> | 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           |

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| 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   |
| <a href="#">C586</a> | 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  |
| <a href="#">C587</a> | 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        |
| <a href="#">C590</a> | 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     |
| <a href="#">C591</a> | 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 |
| <a href="#">C592</a> | 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  |
| <a href="#">C593</a> | 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        |

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| <a href="#">C594</a> | 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 |
| <a href="#">C595</a> | 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  |
| <a href="#">C596</a> | 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         |
| <a href="#">C597</a> | 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    |
| <a href="#">C598</a> | 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   |
| <a href="#">C600</a> | 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       |
| <a href="#">C601</a> | 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      |
| <a href="#">C602</a> | 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        |

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| <a href="#">C603</a> | 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 |
| <a href="#">C604</a> | 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      |
| <a href="#">C605</a> | 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  |

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| 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     |
| <a href="#">C610</a> | 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         |
| <a href="#">C612</a> | 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      |
| <a href="#">C613</a> | KZN ULM 01-23-24 OTH      | SERVICE LEVEL AGREEMENT | NEVLYN TRADING CC                      | THREE YEAR PANEL FOR REFRIGERATION SERVICES: AIRCONDITIONING/FRIDGES - MAINTENANCE AND REPAIRS AND NEW INSTALLATIONS                  | R -<br>-                    | 2023/11/20 | 2026/11/20 | 36 | CURRENT | MELMOTH        |
| <a href="#">C614</a> | 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   |
| <a href="#">C615</a> | 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 |
| <a href="#">C616</a> | 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         |
| <a href="#">C617</a> | 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   |
| <a href="#">C618</a> | 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 |

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| <a href="#">C619</a> | 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       |
| <a href="#">C620</a> | KZN ULM 32-23-24 SEC SERV | SERVICE LEVEL AGREEMENT | SELECT SECURITY 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 |
| <a href="#">C621</a> | 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   |
| <a href="#">C622</a> | 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       |
| <a href="#">C623</a> | 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    |
| <a href="#">C626</a> | 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       |
| <a href="#">C627</a> | 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       |
| <a href="#">C628</a> | 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       |
| <a href="#">C629</a> | 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      |
| <a href="#">C630</a> | 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    |
| <a href="#">C632</a> | 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       |

|                      |                           |                         |                                     |  |                |              |              |              |         |                 |
|----------------------|---------------------------|-------------------------|-------------------------------------|--|----------------|--------------|--------------|--------------|---------|-----------------|
| <a href="#">C633</a> | 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          |
| <a href="#">C634</a> | 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          |
| <a href="#">C635</a> | 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    |
| <a href="#">C636</a> | 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       |
| <a href="#">C637</a> | 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         |
| <a href="#">C638</a> | 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          |
| <a href="#">C639</a> | 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 |
| <a href="#">C642</a> | 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        |
| <a href="#">C644</a> | 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          |

|                      |                           |                         |   |   |                                  |              |              |              |         |              |
|----------------------|---------------------------|-------------------------|---|---|----------------------------------|--------------|--------------|--------------|---------|--------------|
| <a href="#">C646</a> | 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                     | 2024/05/01   | 2027/04/30   | 36           | CURRENT | BALLITO      |
| <a href="#">C647</a> | 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      |
| <a href="#">C651</a> | 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  |
| <a href="#">C652</a> | 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 |

|                      |                                    |                                |  |  |                |               |               |               |         |               |
|----------------------|------------------------------------|--------------------------------|--|--|----------------|---------------|---------------|---------------|---------|---------------|
| <a href="#">C653</a> | 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        |
| <a href="#">C654</a> | 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        |
| <a href="#">C655</a> | 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        |
| <a href="#">C656</a> | 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     |
| <a href="#">C657</a> | 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     |
| <a href="#">C658</a> | 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 |
| <a href="#">C659</a> | 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 |
|----------------------|------------------------|-------------------------|--|---------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C86</a>  | 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  |                                |   |                                |
| <a href="#">C172</a> | KZN ULM 19-14-15 OTH   | APPOINTMENT LETTER      | CHS DEVELOPMENTS                         | PLANNING & ECONOMIC DEVELOPMENT | MZIMELA RURAL HOUSING PROJECT - 1000 UNITS                                   | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C173</a> | 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  |                                |
| <a href="#">C174</a> | 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  |                                |
| <a href="#">C175</a> | 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  |                                |
| <a href="#">C176</a> | 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  |                                |
| <a href="#">C229</a> | 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 |
|----------------------|----------------------|-------------------------|-------------------------------------|---------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C230</a> | 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  |                                |   |                                |   |                                |
| <a href="#">C296</a> | 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  |                                |   |                                |
| <a href="#">C358</a> | 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  |                                |
| <a href="#">C387</a> | KZN ULM - OTH        | SERVICE LEVEL AGREEMENT | BAHLOMILE                           | PLANNING & ECONOMIC DEVELOPMENT | APPOINTMENT AS IMPLEMENTATION AGENT :SUNNYDALE PHASE 02 HOUSING PROJECT                                | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C388</a> | 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          |
|----------------------|--------------------------|-------------------------|--|--------------------------------|--|---|--|--------------------------------|---|---|---|--------------------------------|---|---|
| <a href="#">C416</a> | 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 |
| <a href="#">C455</a> | 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  |                                |   |   |
| <a href="#">C455</a> | 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  |
|----------------------|--------------------------|--------------------|--------------------|--|---|---|--|--------------------------------|---|--------------------------------|---|--|---|---|
| <a href="#">C465</a> | KZN ULM 13-20-21 CON FEE | APPOINTMENT LETTER | GIBB (PTY)LTD      | ELECTRICAL / MECHANICAL SERVICES<br><br>ENGINEERING SERVICES | APPOINTMENT OF CONSULTANTS FOR INEP PROJECTS (51-RURAL AND URBAN HOUSEHOLD ELECTRIFICATION) IN UMLALAZI MUNICIPAL AREA. RURAL ELECTRIFICATION.<br><br>> IZINSUNDU ELECTRIFICATION IN WARD 01 - 105 CONNECTIONS<br>> 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 |
|----------------------|--------------------------|-------------------------|---|--|---|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C466</a> | KZN ULM 13-20-21 CON FEE | SERVICE LEVEL AGREEMENT | HAMSA CONSULTING ENGINEERS  | ELECTRICAL / MECHANICAL SERVICES<br>ENGINEERING SERVICES | APPOINTMENT OF CONSULTANTS FOR INEP PROJECTS (51-RURAL AND URBAN HOUSEHOLD ELECTRIFICATION) IN UMLALAZI MUNICIPAL AREA. RURAL ELECTRIFICATION.<br><br>> IZINSUNDU ELECTRIFICATION IN WARD 01 - 105 CONNECTIONS<br>> IZIKOSHI ELECTRIFICATION IN WARD 20 - 100 CONNECTIONS | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C467</a> | 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  |                                |
| <a href="#">C481</a> | 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  |                                |

| 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 |
|----------------------|--------------------------|-------------------------|---------------------------|--------------------------------|---|---|--|--|---|--|---|--------------------------------|---|--------------------------------|
| <a href="#">C484</a> | 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  |                                |
| <a href="#">C486</a> | 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  |                                |
| <a href="#">C487</a> | 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  |                                |
| <a href="#">C488</a> | 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.   |                                |

| 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   |
|----------------------|--------------------------|-------------------------|----------------------------------|--|--|---|--|--------------------------------|---|---|---|---|---|--|
| <a href="#">C491</a> | 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  |  |
| <a href="#">C497</a> | KZN ULM 12-21-22 ELE     | SERVICE LEVEL AGREEMENT | KHULE DKS TRADING ENTERPRISE     | ELECTRICAL / MECHANICAL SERVICES<br>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 |

| 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   |
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| <a href="#">CS05</a> | 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. |
| <a href="#">CS07</a> | 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   |  |
| <a href="#">CS11</a> | 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   |  |
| <a href="#">CS12</a> | 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   |  |

| 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 |
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| <a href="#">C514</a> | 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  |                                |   |                                |
| <a href="#">C516</a> | KZN ULM 46-20-21 IT SERV    | APPOINTMENT LETTER      | TMANSWORLD TECHNOLOGIES  | CORPORATE SERVICES             | APPOINTMENT OF A SERVICE PROVIDER FOR HOSTING, MAINTENANCE AND <del>AND</del> CONTENT MANAGEMENT OF THE EXISTING UMLALAZI MUNICIPALITY WEBSITE FOR A PERIOD OF 36 MONTHS | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C519</a> | 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  |                                |
| <a href="#">C520</a> | KZN ULM 24-21-22 - MUN SERV | SERVICE LEVEL AGREEMENT | ZOTHILE FUNERAL SERVICES | COMMUNITY SERVICES             | DESTITUTE BURIAL SERVICES  | 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 |
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| <a href="#">C521</a> | 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  |                                |
| <a href="#">C526</a> | 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  |                                |
| <a href="#">C527</a> | 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  |                                |
| <a href="#">C528</a> | KZN ULM 13-21-22 ACC & TRA  | SERVICE LEVEL AGREEMENT | NATHIMISODILE TRADING CC              | FINANCE                        | SERVICE OF A TRAVEL AGENCY   | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C531</a> | 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  |                                |
| <a href="#">C532</a> | 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  |                                |
| <a href="#">C534</a> | 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  |                                |

| 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  |
|----------------------|---------------------------|-------------------------|--|--------------------------------|--|---|--|--|---|---|---|--------------------------------|---|---|
| <a href="#">C535</a> | KZN ULM 05-22-23 ADV      | SERVICE LEVEL AGREEMENT | AYANDA MBANGA COMMUNICATIONS PTY LTD             | CORPORATE SERVICES             | ADVERTISING AGENT SERVICES   | GOOD  | GOOD   |  | GOOD  |   | GOOD  |                                | GOOD  |   |
| <a href="#">C541</a> | 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  |   |
| <a href="#">C544</a> | 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  |   |
| <a href="#">C548</a> | KZN ULM34-21-22 INS       | APPOINTMENT LETTER      | KUNENE MAKOPO RISK SOLUTIONS (PTY)LTD            | FINANCE                        | PROVISION OF SHORT-TERM INSURANCE  | GOOD  | GOOD   |  | GOOD  |   | GOOD  |                                | GOOD  |   |
| <a href="#">C550</a> | 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  |   |
| <a href="#">C551</a> | 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  |   |
| <a href="#">C557</a> | 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 |
| <a href="#">C558</a> | 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  |

| 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   |
|----------------------|--------------------------|--------------------|-------------------------------------|--------------------------------|--|---|--|---|---|--------------------------------|---|--------------------------------|---|--|
|                      |                          |                    | TRADING CC                          |                                | (WARD 1)   |   |  |   |   |                                |   |                                |   | service provider together with the request for his turnaround plan   |
| <a href="#">CS60</a> | 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. |
| <a href="#">CS63</a> | 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  |  |
| <a href="#">CS68</a> | 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:<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | GOOD  | GOOD   |   | GOOD  |                                | GOOD  |                                | GOOD  |  |

| CONTRACT NUMBER      | BID/QOUTATION 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 |
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| <a href="#">C569</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C570</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE                                      | 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 |
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| <a href="#">C571</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C572</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> SERVICES OR REPAIRS & MAINTENANCE  | 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 |
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| <a href="#">C573</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | GOOD  | GOOD   |                                | GOOD  |                                | POOR  | TERMINATED                     | POOR  | TERMINATED                     |
| <a href="#">C574</a> | 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:<br><br>> VEHICLE AUTO ELECTRICAL REPAIRS<br>> BRAKES & CLUTCH REPAIRS & MAINTENANCE<br>> HYDRAULIC REPAIRS & MAINTENANCE<br>> SERVICES OR REPAIRS & MAINTENANCE | 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 |
|----------------------|------------------------------------|--------------------|---|--------------------------------|---|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C575</a> | 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  |                                |
| <a href="#">C576</a> | 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  |                                |
| <a href="#">C577</a> | 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  |                                |
| <a href="#">C578</a> | 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  |                                |
| <a href="#">C579</a> | 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  |                                |

| 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 |
|----------------------|------------------------------------|----------------------|--|--------------------------------|---|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C580</a> | 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  |                                |
| <a href="#">C581</a> | 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  |                                |
| <a href="#">C582</a> | 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  |                                |
| <a href="#">C583</a> | 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  |                                |
| <a href="#">C586</a> | KZN ULM IT SERV                    | APPOINTMENT LETTER   | VESTA TECHNICAL SERVICES (PTY) LTD                     | FINANCE                        | ALIGNMENT OF CURRENT CHART TO MSCOA CHART   | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                | GOOD  |                                |
| <a href="#">C587</a> | 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  |                                |

| 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   |
|----------------------|--------------------------|-------------------------|--|---------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--|
| <a href="#">C588</a> | 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) |
| <a href="#">C589</a> | KZN ULM 07-23-24 CON     | APPOINTMENT LETTER      | MSUSANDABA TRADING ENTERPRISE            | ENGINEERING SERVICES            | YIMBA GRAVEL ROAD  | GOOD  | GOOD   |                                | GOOD  |                                | GOOD  |                                |   |  |
| <a href="#">C590</a> | 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  |
| <a href="#">C591</a> | 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  |
| <a href="#">C592</a> | 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  |  |

| 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          |
|----------------------|------------------------|-------------------------|--|--------------------------------|---|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|---|
| <a href="#">C593</a> | 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 |
| <a href="#">C594</a> | 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  |   |
| <a href="#">C595</a> | 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  |   |
| <a href="#">C596</a> | 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  |   |

| 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  |
|----------------------|----------------------|--------------------|--|--------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|---|
| <a href="#">C597</a> | 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  |   |
| <a href="#">C598</a> | 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  |   |
| <a href="#">C599</a> | 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  |   |
| <a href="#">C600</a> | 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 |
| <a href="#">C601</a> | 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  |

| 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 |
|----------------------|---------------------------|--------------------------------|---|--------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C602</a> | 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                           |
| <a href="#">C603</a> | 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  |                                |
| <a href="#">C604</a> | 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  |                                |
| <a href="#">C605</a> | 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  |                                |

| 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 |
|----------------------|--------------------------|--------------------|---|--------------------------------|---|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C606</a> | 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  |                                |
| <a href="#">C607</a> | 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  |                                |
| <a href="#">C608</a> | 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  |                                |
| <a href="#">C609</a> | 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  |                                |

| 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 |
|----------------------|---------------------------|-------------------------|--|--------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C610</a> | 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  |                                |
| <a href="#">C612</a> | 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  |                                |
| <a href="#">C613</a> | 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  |                                |
| <a href="#">C614</a> | 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  |                                |
| <a href="#">C615</a> | 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  |                                |

| 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   |
|----------------------|---------------------------|-------------------------|------------------------------------|--------------------------------|---|---|--|--------------------------------|---|--------------------------------|---|--|---|--|
| <a href="#">C616</a> | 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  |  |
| <a href="#">C617</a> | KZN ULM 10-23-24 OTH      | APPOINTMENT LETTER      | SL RECOVERY (PTY) LTD              | FINANCE                        | DEBT RECOVERY SERVICES  |   |  |                                | GOOD  |                                | GOOD  |  | GOOD  |  |
| <a href="#">C618</a> | 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 |
| <a href="#">C619</a> | 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  |  |
| <a href="#">C620</a> | 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  |  |

| 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 |
|----------------------|---------------------------|-------------------------|---|--------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C621</a> | 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  |                                |
| <a href="#">C622</a> | 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  |                                |
| <a href="#">C623</a> | 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  |                                |
| <a href="#">C624</a> | 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.   |                                |
| <a href="#">C625</a> | KZN ULM 22-23-24 CON      | APPOINTMENT LETTER      | INDONIYAMANJ OMANE (PTY)LTD                         | ENGINEERING SERVICES           | HULLY AVENUE STORM WATER EXTENSION   |   |  |                                | GOOD  |                                | GOOD  |                                | PROJECT COMPLETE.   |                                |
| <a href="#">C626</a> | 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   |                                |
| <a href="#">C627</a> | 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   |                                |

| 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 |
|----------------------|----------------------|-------------------------|---------------------------------|--------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|--------------------------------|
| <a href="#">C628</a> | 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   |                                |
| <a href="#">C629</a> | 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   |                                |
| <a href="#">C630</a> | 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   |                                |
| <a href="#">C631</a> | 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   |                                |
| <a href="#">C632</a> | 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   |                                |
| <a href="#">C633</a> | 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   |                                |
| <a href="#">C634</a> | 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   |                                |
| <a href="#">C635</a> | 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   |                                |

| 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  |
|----------------------|---------------------------|-------------------------|-------------------------------------|---------------------------------|--|---|--|--------------------------------|---|--------------------------------|---|--------------------------------|---|---|
| <a href="#">C636</a> | 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   |   |
| <a href="#">C637</a> | 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   |   |
| <a href="#">C638</a> | 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  |   |
| <a href="#">C639</a> | 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  |   |
| <a href="#">C640</a> | 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 |
| <a href="#">C641</a> | 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:**

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**DISCLOSURE OF FINANCIAL INTEREST**

There were no financial disclosures reported for the year under review.

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**APPENDIX K:**

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**REVENUE COLLECTION PERFORMANCE**

Information is available in the AFS – Page 6

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**APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE**

Information is available in the AFS

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**APPENDIX K (II):**

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**REVENUE COLLECTION PERFORMANCE BY SOURCE**

Information is available in the AFS

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**APPENDIX L:**

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**CONDITIONAL GRANTS RECEIVED**

Information is available of AFS – Page 83 to 84

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## APPENDIX M:

## CAPITAL EXPENDITURE – NEW &amp; 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 |
|---|------|-------------------|--------------------|--------------------|
| <b>HALLS AND OFFICES</b>                            |      |                   |                    |                    |
| 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            |
| <b>ROADS AND CAUSEWAYS</b>                          |      |                   |                    |                    |
| 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             |
| <b>SPORTS FIELDS</b>                                |      |                   |                    |                    |
| 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          |
| <b>Sub total</b>                                    |      | <b>59 616 250</b> | <b>- 3 429 300</b> | <b>56 186 950</b>  |
| <b>PMU ADMIN</b>                                    |      | <b>3 158 750</b>  | <b>- 769 700</b>   | <b>2 389 050</b>   |
| <b>TOTAL</b>  |      | <b>62 775 000</b> | <b>- 4 199 000</b> | <b>58 576 000</b>  |

## 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 |
|---|------|------------------|----------------------------|-----------------------|-----------------------|-----------------------|
| <b>HALLS AND OFFICES</b>                |      |                  |                            |                       |                       |                       |
| 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             |
| <b>ROADS AND CAUSEWAYS</b>              |      |                  |                            |                       |                       |                       |
| ENDAYENI TO NGEDLEZI ROAD               | 4    | New              |                            |                       | 3 000 000             |                       |
| ESIPHEZI ROAD & CAUSEWAY                | 9    | New              | 100 000                    | 3 077 300             |                       |                       |
| EHASHI 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             |
| <b>SPORTS FIELDS</b>                    |      |                  |                            |                       |                       |                       |
| KING DINIZULU SPORTS PARK - PHASE 1     | 12   | Ongoing/ Upgrade | 8 000 000                  | 14 035 000            |                       |                       |

## uMLALAZI MUNICIPALITY: Annual Report

| 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             |
| <b>Sub total</b>                    |      |         | <b>38 118 750</b>          | <b>40 423 450</b>     | <b>43 535 650</b>     | <b>44 000 000</b>     |
| <b>PMU ADMIN</b>                    |      |         | <b>2 006 250</b>           | <b>2 127 550</b>      | <b>2 291 350</b>      | <b>2 389 050</b>      |
| <b>TOTAL</b>                        |      |         | <b>40 125 000</b>          | <b>42 551 000</b>     | <b>45 827 000</b>     | <b>46 389 050</b>     |

## 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:

| DESCRIPTION   | Ward | Original Budget   | Adjustments        | Adjustments Budget |
|---|------|-------------------|--------------------|--------------------|
| <b>HALLS AND OFFICES</b>                            |      |                   |                    |                    |
| 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            |
| <b>ROADS AND CAUSEWAYS</b>                          |      |                   |                    |                    |
| 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             |
| <b>SPORTS FIELDS</b>                                |      |                   |                    |                    |
| 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          |
| <b>Sub total</b>                                    |      | <b>59 616 250</b> | <b>- 3 429 300</b> | <b>56 186 950</b>  |
| <b>PMU ADMIN</b>                                    |      | <b>3 158 750</b>  | <b>- 769 700</b>   | <b>2 389 050</b>   |
| <b>TOTAL</b>  |      | <b>62 775 000</b> | <b>- 4 199 000</b> | <b>58 576 000</b>  |

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APPENDIX P:

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SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Information will be available in the IDP

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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

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APPENDIX R:

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DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Information is available in the AFS. Page 83 - 84

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APPENDIX S:

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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.

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APPENDIX T:

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NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

Information will be available in the IDP. Page 39