KWADUKUZA
MUNICIPALITY

"By 2030, KwaDukuza shall be a vibrant city competing in the global village economically, socially, politically and in a sustainable manner"

Annual Report
2021-2022

Vision

"By 2030, KwaDukuza shall be a vibrant city competing in the global village economically, socially, politically and in a sustainable manner".

Mission

The mission of KwaDukuza Municipality is to achieve the highest economic status through:

- Driving local economic development;
- Delivering a high standard of essential services;
- Encourage public participation; and
- Overcoming debt and achieving cost recovery on services provided.

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GENERAL INFORMATION

KWADUKUZA MUNICIPALITY: LOCAL GOVERNMENT

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ABBREVIATIONS

AFS	Annual Financial Statements
AGSA	Auditor General South Africa
AR	Annual Report
APR	Annual Performance Report
AIDS	Acquired immune deficiency syndrome
AUDCOM	Audit Committee
BU	Business Unit
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BSC	Bid Specification Committee
CLO	Community Liason Officer
CSS	Customer Satisfaction Survey
CSV/COMM SERV	Community Services and Public Amenities Business Unit
Cllr	Councillor
COGTA	Department of Co-operative Governance and Traditional Affairs
CIDB	Construction Industry Development Board
DSD	Department of Social Development
DOH	Department of Housing
DEFF	Department of Environmental Forestry and Fisheries
DOE	Department of Energy
ES	Electrical Services & Fleet Management
EPWP	Expanded Public Works Programme
EDP	Economic Development and Planning
EXCO	Executive Committee
EEDBS	Enhanced Extended Discount Benefit Scheme
EBU	Electrical Services Business Unit
FBU	Finance Business Unit
GIS	Geographic Information Systems

ABBREVIATIONS *...continued*

GRAP	Generally Recognised Accounting Principles
HIV	Human Immunodeficiency Virus
HR	Human Resources
ICT	Information, Communication Technology
IDP	Integrated Development Plan
IDPRF	Integrated Development Plan Representative Forum
IGR	Intergovernmental Relations
IT	Information Technology
KZN	KwaZulu Natal
KPA	Key Performance Area
KPI	Key Performance Indicator
KDM	KwaDukuza Municipality
LED	Local Economic Development
LPA	Local Public Administration
LR	Labour Relations
MANCO	Management Committee
MSA	Municipal Systems Act 2000
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MPAC	Municipal Public Accounts Committee
MPCC	Multi Purpose Community Centre
MEC	Member of Executive
MSCOA	Municipal Standard Chart of Accounts
MPPR	Municipal Planning and Performance Regulations
NDP	National Development Plan
NGP	New Growth Path
OHS	Occupational Health & safety
ORG	Organisational
OSS	Operation Sukuma Sakhe
PAC	Performance Audit Committee
PPPF	Preferential Procurement Policy Framework
POE	Portfolio of evidence
POPI ACT	Protection of Personal Information Act
Q	Quarter
PMU	Project Management Unit
PME	Performance, Monitoring and Evaluation
PMS	Performance Management System
PGDS	Provincial Growth and Development Strategy
PDMC	Provincial Disaster Management Centre
RMC	Risk Management Committee
SCM	Supply Chain Management
SASSA	South African Social Security Agency
SDBIP	Service Delivery and Budget Implementation Plan
SETA	Sector Education and Training Authority
SMME'S	Small Medium Micro Enterprises
SPLUMA	Spatial Land Use Management Act
WSP	Workplace Skills Plan
WULA	Water Use License Application

CHAPTER One

COMPONENT A: Mayor's Foreword
COMPONENT B: Executive Summary

Mayor of KwaDukuza Municipality
Cllr. Lindi Nhaca

Mayor's Foreword

On behalf of the KwaDukuza Municipal Council and Officials, I greet you all and wish to take this opportunity to thank the residents of our beloved municipality for having participated in the 2021 Local Government Elections whose outcomes led to the successful constitution of the 6th Council Administration which bestowed to me the Mayorship responsibility.

Therefore, I wish to state that it is my honour to present the municipality's 2021/2022 Annual Report to all our stakeholders, which gives insight into the performance and achievements of the municipality against the Council's set targets during the year under review. These outcomes have undergone rigorous scrutiny from the Annual Report Drafting Committee, Public Participation Meetings and MPAC Annual Report Oversight Committee.

A birds eye view of the year under review represents a period that was marred by disaster, from the Lockdowns which were implemented to respond to the National State of Disaster proclamation brought by COVID-19, to the July 2021 unrests which enabled unprecedented levels of looting and disruption that hampered service delivery value chains and rendered certain businesses, to the floods that deranged our infrastructure gains and displaced thousands of our people who will probably get meaningful assistance in 2022/2023 financial year.

Whilst it is commendable to note the improvements in relation to our spending and expenditure patterns during the year under review, I am adamant that we need to do more in order to reverse the impact of the April 2022 floods. I know that the ever-present excuse of inadequate resources is a legitimate one, but the key question is how effectively we can use the resources at our disposal moving forward. I believe that this report shows our agility to improve all round, although we are not there yet.

Whilst the external environment hasn't been favourable for our municipality to thrive, the municipality was able to complete all projects cited on Appendix H in line with its service delivery mandate and in doing so assisted with realisation of job creation and enterprise development in our area, something I want to ensure becomes the order of proceedings in our municipality.

Being the new captain of KwaDukuza, my resolve will be based on delivering quality services to our communities, positioning KwaDukuza as a safe and favourable destination to invest, reside and school, as well as make sure that the number of families who go to bed without a meal are reduced and ultimately erased in KwaDukuza. Moving forward, it will be of paramount importance to synchronise our plans with quarterly targets to achieve the broader goals of an effective and efficient municipality.

EXECUTIVE SUMMARY

ALIGNMENT TO THE PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS)

The KwaZulu-Natal Provincial Growth and Development Strategy (PGDS) has the purpose for the provision of strategic direction for development and planning in the Province. The following five provincial priorities that address a number of developmental challenges related to economic and social needs of the province provide the focus of the PGDS:

> Strengthening governance and service delivery;
> Integrating investments in community infrastructure;
> Sustainable economic development and job creation; developing human capability;
> Developing a comprehensive response to HIV/Aids; and
> Fighting poverty and protecting vulnerable groups in society

The Provincial Administration of KwaZulu-Natal has developed a strategic plan with overarching objectives and clear outcomes to be achieved in the medium term. The vision in the strategic plan is "By 2035, the Province of KwaZulu-Natal should have maximized its position as a gateway to Southern Africa, as well as its human and natural resources, so creating a healthy, safe and sustainable living environment".

The strategic plan sets out seven (7) strategic goals that determine policy direction and key interventions required to achieve the objectives and these are:

NO.	PGDS STRATEGIES GOAL	ALIGNMENT THEREOF
1	Inclusive economic growth	Promote radical socio-economic transformation agenda to address inequality, unemployment and poverty
2	Human Resources Development	Create and promote a culture of enhanced service delivery, innovation and excellence through capable cadres of local government.
3	Human and Community Development	Build the capacity and systems for the 4th Industrial Revolution and the integrated e-government services. Create and promote a culture of enhanced service delivery, innovation and excellence through capable cadres of local government.
4	Strategic Infrastructure	Expand and maintain the provision of quality basic services and the integrated human settlements.
5	Responses to Climate Change	Develop comprehensive response to rapid urbanisation, low carbon development and environment sustainability.
6	Governance and policy	Build the capacity and systems for the 4th Industrial Revolution and the integrated e-government services; Create and promote a culture of enhanced service delivery, innovation and excellence through capable cadres of local government; Improve good governance, audit outcomes and consequence management; Strengthen public participation, complaints management system and accountability; Ensure mainstreaming and meaningful participation of vulnerable groups (i.e., Youth, women, disabled people) in all developmental programmes;
7	Spatial Equity	Develop comprehensive response to rapid urbanisation, low carbon development and environment sustainability. Expand and maintain the provision of quality basic services and the integrated human settlements.

ACHIEVEMENT OF STRATEGIC OBJECTIVES IN THE IDP

As a way to keep in touch, promoting transparency and ensuring constant communication through applicable Public Participation avenues with local communities, Ward Councillors are mandated to host a series of Community Meetings in order to touch base with local Communities. This promotes a much-needed communication between the local communities and local political leaders. It also allows for a space to get clear status updates on Municipal projects taking place per Ward.

It is important to note that effective communication, through Public Participation, especially with local communities, which is reliant on local Communities, leads to effective communication which results in transparency, being in the know about one's area and effectively prevents service delivery riots from taking place as everything is clear. It should also be noted that the Municipality also relies on Ward Committees to ensure that Public Participation takes the centre role in the development of local communities. Each municipality is expected to prepare its ward committee assessment report on quarterly basis with a file consisting of a functionality calculator\ and a portfolio of evidence against each of the six (6) functionality indicators. COGTA conducts verification of results based on evidence against each indicator as presented by the municipality and compiles a consolidated provincial quarterly report. Where a municipality has failed to submit its assessment results that will be regarded as an indication that its ward committees are non-functional. The verification process is conducted in each district in the presence of municipal officials responsible for public participation in a municipality. Verified results are communicated to municipalities through different structures, such as District Public Participation Forum, PPPSC meetings, Speakers' Forum meetings, etc.

Output 5 of the Outcome 9 Delivery Agreement is about deepening democracy through a refined ward committee model and commits the sector to strengthening the ward committee system and ensuring the functionality of ward committees. Furthermore, in terms of section 73(4) of the Municipal Structures Act, the municipality is expected to make administrative arrangements to enable ward committees and ward sub committees to perform their functions and exercise their powers effectively.

KwaDukuza's Strategic Plan Aligned to the National KPAs, KZN Provincial Development Growth Strategy, iLembe Strategic Objectives as well as National Outcomes:

KDM GOALS	DGDS-GOALS	PGDS- GOALS	NDP - GOALS	SDG – GOALS
Goal 1: Improve good governance, audit outcomes and consequence management.	6	6	3, 8	16
Goal 2: Strengthen public participation, complaint management system and accountability.		3	4	16
Goal 3: Promote radical socio-economic transformation agenda to address inequality, unemployment and poverty.	1, 3, 5,	1, 7	1, 2,3, 4	1, 2, 5, 6, 7, 8, 9, 10,11
Goal 4: Create and promote a culture of enhanced service delivery, innovation and excellence through capable cadres of local government.		2, 3, 4	3, 4, 7	4, 5, 6, 9
Goal 5: Enhance municipal financial sustainability.			3, 8	
Goal 6: Develop comprehensive response to rapid urbanization, low carbon development and environment sustainability.	4	5	2	13, 14, 15
Goal 7: Expand and maintain the provision of quality basic services and the integrated human settlements.	5		2, 3, 4, 7	6, 7, 11
Goal 8: Ensure mainstreaming and meaningful participation of vulnerable groups (i.e., youth, women, and disabled people) in all development programmes.		3	4, 5	4, 5, 8, 10, 16
Goal 9: Create a safer and crime free municipal area through community-public private partnerships.	5		7	11, 16
Goal 10: Build the capacity and systems for the 4th Industrial Revolution and the integrated E-government services.		2, 3, 4	5, 7	4

PARTICIPATION IN THE IDP PROCESS

(A) PUBLIC PARTICIPATION CONTEXT

In terms of the provisions of Chapter 4 of the Municipal Systems Act (Act 32 of 2000), a municipality must encourage and create conditions for the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its Integrated Development Plan. Accordingly, KwaDukuza Municipality has maintained its commitment to a participatory process of IDP review whereby the community would play a meaningful role.

There are four major functions that can be aligned with the public participation process vis-à-vis:

- Needs identification.
- Identification of appropriateness of proposed solutions.
- Community ownership and buy-in; and
- Empowerment.

(B) MECHANISMS FOR PARTICIPATION

The following mechanisms for participation were utilised:

IDP STEERING COMMITTEE

The Steering Committee is a technical working team consisting of Departmental Heads within the Municipality. This committee is chaired by the Municipal Manager and the IDP Unit is responsible for co-ordinating meetings. The invitation to attend the working sessions is usually extended to middle managers. These are all the representatives who are involved in the preparation of technical reports and information, formulation of recommendations as well as to prepare any other pertinent documents during the compilation of the IDP processes. IDP Steering Committee meets every Monday in the form of Manco and Extended Manco where all issues related to the IDP are attended to.

IDP REPRESENTATIVE FORUM (IDPRF)

This forum represents all stakeholders and remains as an inclusive structure as much as possible. Efforts are continuously made to bring additional organisations into the IDPRF and to ensure their continued participation throughout the process. The IDP Representative Forum is constituted as part of the preparation phase of the IDP and continues its functions throughout the annual IDP Review process. The composition of this IDPRF is not limited to following:

- Councillors
- Ward Committee representatives
- Senior Municipal officials
- Ratepayers Associations
- National and Provincial Departments regional representatives
- Non-Governmental Organizations
- Parastatal organizations
- Business Organisations

The main functions of the IDPRF includes the following

- Representing the interest of the Municipality's constituency in the IDP process.
- Providing an organizational mechanism for discussion, negotiation and decision making between the stakeholders inclusive of municipal government.
- Ensuring communication between all the stakeholder representatives inclusive of municipal government.
- Monitoring the performance of the planning and implementation process.

WARD COMMITTEES AND COMMUNITY DEVELOPMENT WORKERS

Ward Committees and Ward Councillors are formal structures established as per the provisions of the Municipal Structures Act. Accordingly, these structures are utilized as a link between the Municipality and Communities, for the purposes of obtaining information pertaining to the IDP implementation.

NEWSPAPERS USED IN PUBLISHING IDP/PMS/BUDGET ACTIVITIES

ACTIVITY	DATE PUBLISHED	PRINT MEDIA/NEWSPAPER
Adoption of the 2021/2022 Integrated Development Plan (2)	14 June 2021	North Coast Courier Xpress Times
Invitation to register as IDP stakeholder.	04 May 2021	Xpress Times
KwaDukuza draft IDP, PMS and Budget process plan 2021/2022.	01 May 2020	Xpress Times North Coast Courier
Mayoral Izimbizo in preparation for 2021/2022 financial year, IDP and SDF review process.	11 Nov 2020	Xpress Times

MUNICIPAL CHALLENGES AND PROPOSED IDP INTERVENTIONS ON BASIC SERVICE DELIVERY

NO.	CHALLENGES / COMMUNITY NEEDS IDENTIFIED	IDP INTERVENTIONS
1.	Poor public street lighting.	> Roll-out maintenance of streetlights using the panel of service providers and internal staff; > Roll-out retrofitting of existing street lights with energy efficiency streetlights; > Installation of new energy efficiency streetlights within the boundaries of the municipality; and; > Implement ongoing Installation of high mast lights (Apollo lights).
2.	Poorly maintained roads.	> Hasten the implementation of pothole patching and road rehabilitation programme through panel of contractors servicing all clusters; > Engage in and expedite the rehabilitation of roads by both ILembe DM and Fibre optic contractors, through signed MOA and wayleave applications; > Upgrade roads from gravel to black-top; and > Utilisation of internal capacity to re-gravel the gravel roads.
3.	Shortage of low-cost and affordable housing.	> Bring to completion all houses that are under construction and continue to mobilise the increment of Housing Development Grant; > Unclog the blocked projects for implementation i.e. Rocky Park, Driefontein; > Fast-track the appointment of Social Housing companies to unlock social housing projects within the municipality; and > Expedite the closure of old projects and issue of title deeds.
4.	Poor waste collection services in the semi-urban areas and northern area of KwaDukuza.	> Finalise and implement the recommendations of section 78 study (PPP); > Provide additional skips; > Promote community waste management initiatives using utilising programmes i.e. CWP and Good Green Deeds; > Ensure public education on waste management and impact of illegal dumping; and > Extend the roll-out of recycling bins in the municipal's area of jurisdiction.
5.	Poor capital expenditure and negative impact on communities.	> Establish and use a panel of contractors to implement capital expenditure; and > Increase capacity to monitor performance of contractors. > Curb red tape and delays on SCM processes through forward planning.
6.	Shortage of burial space especially in the Northern section, even though land has been acquired. The establishment process is proving quite lengthy.	The burial space has been identified in the Northern section, including in the Groutville area, and a desktop study was undertaken on the two properties. The Municipality is in a process of engaging with the property owners in terms of signing the MOU to allow the Municipality to undertake feasibility studies in order to confirm the suitability of the land for the intended purpose prior to the commencement of the acquisition process.

Chapter Three of the Annual Report further indicates the Key performance areas, the Annual targets, reasons for targets not being met and the corrective action that will be taken going forward.

Municipal Manager:
Mr. NJ Mdakane

Municipal Manager's Foreword

During the 2021/2022 financial year, the KwaDukuza Municipality guided by COVID-19 Regulations, had to adopt new innovative ways of working to ensure that targets that were set in the Annual Performance Plan were achieved.

In the year under review, financial ratings agency, Ratings Afrika declared the KwaDukuza Municipality as the best performing municipality in KwaZulu-Natal and number three in the country in terms of financial sustainability. The municipality was scored 66 over 100, following Saldanha Bay in the Western Cape with a score of 72 and Midvaal in Gauteng with the highest rating of 75. They measured each municipality's operating performance, liabilities management, budget practices, and liquidity position, it then compiles the MFSI, giving each municipality a mark out of 100.

Also, in the year under review, the Municipality received its 17th unqualified audit opinion, which it has been able to achieve over the past 17 consecutive years. As a municipality we have strived to endeavour that our constitutional mandates are achieved, in terms of the Constitution Sections 155 and 156.

I express my gratitude to my colleagues at all levels as this is evident of their hard work and commitment to ensuring that the Municipality embodies the values of good governance and improved service delivery for the benefit of our communities.

EXECUTIVE SUMMARY

PREVIOUS FINANCIAL YEARS AUDIT OPINION

KwaDukuza Municipality received its 16th unqualified audit report for the 2020/21 financial year with emphasis on the following matters:

UNCERTAINTY RELATING TO THE FUTURE REIMBURSEMENT OF BULK ELECTRICITY SUPPLY COSTS

As disclosed in note 38 to the financial statements, the municipality entered into service level agreements with property developers to reimburse them for the cost of bulk electricity supplies. The reimbursements are dependent on the developers meeting future targets as set out in the service level agreements. The timing and outcome of the reimbursement cannot currently be determined and no provision for any liability that may result had been made in the financial statements.

MATERIAL LOSSES — ELECTRICITY

As disclosed in note 52 to the financial statements, material electricity losses of 153 728 734 kwh (2019-2020: 137 297 1 68 kwh) amounting to R181 211 586 (2019-20: R152.56m million) were incurred, which represents 22.82% (2019-20: 20.94%) of total electricity purchased. The losses were due to transmission/distribution losses and illegal connections.

UNDERSPENDING OF CAPITAL BUDGET

As disclosed in the statement of comparison of budget with actual information, the municipality materially underspent on its' capital budget by R78 001 900, which represents 33% of the total capital budget. The main reason for this underspending was because of delays in construction activities due to the nationwide lockdown.

EXPENDITURE MANAGEMENT

Reasonable steps were not taken to prevent irregular expenditure amounting to R68.75 million as disclosed in note 49 to the annual financial statements, as required by section 62(1) (d) of the MFMA.

PROCUREMENT AND CONTRACT MANAGEMENT

Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by Supply Chain Management (SCM) regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation36 (I). Similar non-compliance was also reported in the prior year.

CONSEQUENCE MANAGEMENT

Some of the irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2) (b) of the MFMA.

ASSET MANAGEMENT

An effective system of internal control for assets was not in place. As required by Section 63(2)(c) of the MFMA.

CURRENT FINANCIAL HEALTH OF THE MUNICIPALITY

It is of vital importance that the municipality has adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its functions. The Division of Revenue Act (DORA)has laid out the level of funding from National Government that will be received for the 2021/2022 to 2023/2024 MTREF. The financial health of the municipality is discussed in further depth according to the below categories:

> CASH/LIQUIDITY POSITION

Cash management is crucial for the short and long-term survival and good management of the organization. To assess the liquidity of the municipality, a current ratio will be used; this ratio expresses the current assets as a proportion to current liabilities. A current ratio of 2:1 and greater is healthy. KwaDukuza's audited current ratio for the 2021/2022 financial year is 2.77:1.

The acid test ratio (which excludes inventory from the current ratio) is 2.75:1. These ratios are within the norm and are indicative of a good liquidity position. However, it must be stressed that certain expenses and income are cyclical in nature and a reduction of this ratio is generally experienced in the first and second quarter of the financial year.

> SUSTAINABILITY

The municipality must ensure that the budget is balanced, funded and credible. Revenue must exceed expenditure. Services provided at all levels should be affordable. However, subsidies need to be made available to the indigent households who cannot afford to pay for basic services. Total assets exceed the total liabilities of the municipality, and the municipality is a going concern.

> ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE

The budget process and other financial decisions are open to public participation. It is critical that accurate information is produced within acceptable timeframes. KDM remains accountable to the community who provides the financial resources through either payment of rates and tariffs, or services. The actual in year outcomes are reported to the Finance Portfolio Committee, Budget Steering Committee and Council on a monthly and/or quarterly basis to ensure adequate oversight. These reports are published on the municipal website and subject to continuous engagements by Provincial Treasury.

> EQUITY AND REDISTRIBUTION

KwaDukuza Municipality must treat people fairly and equitably when it comes to the provision of services, just as KwaDukuza Municipality expects to be treated equitably by the national and provincial government when it comes to inter-governmental transfers. KwaDukuza Municipality must ensure that redistribution is in line with the IDP. Detailed consultation occurs via various IDP and Budget platforms to ensure the budget is not only funded but also meets the needs of the community.

A) REVENUE TREND BY SOURCE INCLUDING BORROWINGS

Long term loans bear interest at 8.05% to 9.73%. The costs of borrowings have a definite impact on the budget.

Off the adopted capital budget for 2022/2023 with an amount of R605, 084,879, R10 000 000 is to be funded by borrowings. Cost of borrowings has been provided for in the municipal budget in the Medium-Term Revenue and Expenditure Framework.

KwaDukuza Municipality must honour all its loan obligations timeously. Failure to effect prompt payment will adversely affect the raising of future loans at favorable interest rates. Failure to pay any loan instalment will have severe repercussions and may jeopardize the municipality's credit rating. In addition to the timeous repayment of the loans, the municipality should adhere to the covenants stipulated in the loan agreements and the under-mentioned are some examples of typical covenant requirements:

- Furnish audited annual financial statements timeously
- Reporting of material changes in the financial position of the municipality
- Material changes in the functions, power and duties of the municipality

The municipality has developed a Borrowing Framework Policy and Guidelines. The objective of the policy is to limit interest rate and credit risk exposure; to maintain debt within specified limits; ensure adequacy for the repayment of debt and to ensure compliance with all Legislation and council policy governing borrowing of funds. The primary goal in the borrowing of funds is to leverage finance at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.

The scope of the policy includes:

- Risk – The need to manage interest rate risk, credit risk exposure and to maintain debt within specified limits.
- Cost of Borrowings - should be structured to obtain the lowest possible interest rate, on the most advantageous terms and conditions.
- Prudence - Borrowings shall be made with care, skill, prudence and diligence.
- Ownership - All loans must be in the name of KwaDukuza Municipality.

In accordance with the above, KwaDukuza has met all loan obligations and covenants in a timely manner.

I) ASSESSMENT BY THE ACCOUNTING OFFICER ON ARREARS

Total debtors as of 30 June 2022 are made up as follows:

DESCRIPTION	TOTAL DEBT R'	PROVISION FOR IMPAIRMENT R'	NET DEBT R'
Long term receivables	3 077 094	(2 728 659)	348 435
Current portion of long-term receivables	31 479	0	31 479
Receivables from Exchange Transactions	188 512 832	(65 912 575)	122 600 257
Receivables from Non-Exchange Transaction	344 999 590	(223 415 851)	121 583 739
TOTAL	536 620 995	(292 057 085)	244 563 911

Table 1 Chapter 1: *Total Debtors by end 30 June 2022*

Total net debtors' amount to R244 563 911 as at 30 June 2022 representing a 15% increase since 2021 (R212 576 661 restated).

The increase in debtors of approximately R32m over the reporting period is attributable to the following:

> Many accounts in arrears do not have conventional or prepaid meters due to bulk metering or being serviced by Eskom. We are unable to disconnect and there is no leverage to pressure debtors into settling their account or making an arrangement.

> Many of the Handover accounts are still being attended to and not yet resolved. This is a lengthy process.

> Trusts and Deceased Estates are a challenge to locate parties liable for payment.

> Business and Households are still recovering from the effects of Covid-19. The pandemic placed a financial strain on individuals and business alike.

> Rising interest rates and cost of basic services have had a negative impact on household disposable income adding pressure on debtors to maintain payments.

Council will maintain efficient debt collection and credit control systems and procedures to further reduce the outstanding debt. The importance of this function is heightened when one considers the challenging economic climate facing the country.

II) ASSESSMENT BY THE ACCOUNTING OFFICER ON PERFORMANCE OF REVENUE

Percentage Debt collection rates as at 30 June 2022

% DEBT COLLECTION RATE	PERFORMANCE TARGET	COLLECTION	VARIANCE
ELECTRICITY	90%	101.07%	11.01%
RATES	90%	98.39%	8.39%
REFUSE	90%	98.65%	8.65%

B) IMPACT OF THE FLOODS: 08 – 12 APRIL AND 21-22 MAY 2022 FLOODS DISASTER

During the period of 08 - 12 April 2022 and 21-22 May 2022, heavy downpours of rain and flooding was experienced, battering the Province of KwaZulu Natal that has left a trail of destruction and damage to infrastructure.

Communities were left devastated, and people have been left homeless with many lives being lost. The KwaDukuza Municipality was affected and conducted the Disaster Assessments during the Month of April to May 2022.

The heavy rains caused damage to property, flooding, sinkholes, and landslides within the jurisdiction of the KwaDukuza Municipality and caused damage to infrastructure i.e., electrical, civil engineering, building, and public amenities. The damage by the flooding disaster also left bridges, causeways, and electrical sub-stations and transformers washed away leading to road closures which resulted in people being unable to go to work and with no electricity supply.

Damages also affected the iLembe District Municipality services relating to water and wastewater purification plants; Provincial and National Roads infrastructure were compromised and the mobile telecommunication causing challenges to people to reach out for help and communication with friends and families. Approximately 650 families were affected by floods and some communities were displaced. They were temporally housed at Community Halls, Crèches and other Public Facilities.

The South African Government declared this a National State Disaster on 18 April 2022.

KZN human settlements assisted by approving the temporary unit funding for those families that are displaced; appointed a service provider to do the engineering assessment and construct the Temporary Units.

On the 05 May 2022, the KwaDukuza Municipality submitted an overall business plan report on the damages to the infrastructure applying for disaster grant funding. The Estimated costs for rehabilitation and reconstruction of the KDM Infrastructure as submitted to the Provincial Disaster Management Centre (PDMC) was estimated at R1.4 Billion. As at the end of the financial year funding was awaited.

C) SHARING OF FUNCTIONS WITH SECTOR DEPARTMENTS

DEPARTMENT OF HUMAN SETTLEMENTS PROJECTS

KWADUKUZA HOUSING SUBSIDY SYSTEM ALLOCATION FOR HUMAN SETTLEMENTS FOR THE 2021/2022 FINANCIAL YEAR

NO.	WARD	PROJECT NAME	BUDGET
1.	7 & 20	Etete Phase 4	R 13 140 639,00
2.	1	Sakhamkhanya	R 7 669 020,00
3.	15	Groutville P1 Chris Hani	R 10 512 511,20
4.	14	Groutville P1 Lloyds	R 7 446 362,10
5.	26	Groutville P1 Ntshaweni	R 7 446 362,10
6.	24	Sihle Phakathi	R 14 690 700,00
7.	9	Mgigimbe	R 8 803 400,00
8.	19	Rocky Park	R 13 173 485,24
9.	13,16,& 26	Steve Biko Phase 2	R 13 637 700,00
10.	3	Nyathikazi	R 7 773 300,00
11.	27	Madundube	R 11 441 116,00
TOTAL	**R 115 734 595,64**		

DEPARTMENT OF EDUCATION PROJECTS:

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
ALDINVILLE PRIMARY SCHOOL	Water and sanitation	Water and sanitation	10	8 764	0	882	300	275
BANGUNI SECONDARY SCHOOL	Storm damage to 2 classrooms	Storm damage	25	3 898	0	225	858	798
BANGUNI SECONDARY SCHOOL	2 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 4 office(s), 4 storeroom(s), 1 strongroom, 1 disabled toilet,	Upgrade and additions	25	19 904	0	83	0	0
BONGIMFUNDO PRIMARY SCHOOL	Replace roof sheet, ceiling, paintwork, floor & electrical repairs	Storm damage	3	524	0	1 459	0	0
DARNALL PRIMARY SCHOOL	Damage to 3 classrooms	Storm damage	2	3 906	0	0	223	975
DARNALL SECONDARY SCHOOL	Damage to 3 classrooms	Storm damage	2	13 113	0	6 714	150	0
DR B W VILAKAZI PRIMARY SCHOOL (GROUTVILLE)	Repairs and renovations	Renovations, rehabilitation or refurbishments	10	2 142	0	95	384	332
DR B W VILAKAZI PRIMARY SCHOOL (GROUTVILLE)	Storm damage to 2 classrooms	Storm damage	10	3 912	0	0	223	1 084
ETETE PRIMARY SCHOOL	New school	New school	7	11 000	0	0	3 793	0
ETETE PRIMARY SCHOOL	Construction of boys and girl's toilet block,	Water and sanitation	7	3 552	0	1 207	100	0
GLEDHOW PRIMARY SCHOOL	Storm damage to 2 classrooms	Storm damage	15	3 928	0	0	203	1 095
GLENHILLS COMBINED SCHOOL	Repairs and renovations	Renovations, rehabilitation or refurbishments	13	6 987	0	499	0	0
GUZANA SECONDARY SCHOOL	Construction of boys and girl's toilet block,	Water and sanitation	23	1 780	0	193	117	441
HULSUG PRIMARY SCHOOL	Storm damage to school	Storm damage	3	1 600	0	96	1 047	137
ILEMBE MAINTENANCE DISTRICTS:DOE	Maintenance	Maintenance	#N/A	15 000	0	3 000	3 000	3 000
IMBUYISELO SECONDARY SCHOOL	Storm damage to 4 classrooms	Storm damage	1	3 940	0	0	203	980

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
IMBUYISELO SECONDARY SCHOOL	Construction of 4 girls, 2 basin, 2 boys, 2 urinals and 2 adult seats. 1 urinal 2 adult female toilet & 1 paraplegic.	Water and sanitation	1	2 986	0	62	0	0
INKOSI ALBERT LUTHULI SIVANANDA SECONDARY SCHOOL	Chemical toilets: construction of permanent structures	Water and sanitation	24	2 400	0	207	117	533
IZIPHOZETHU PRIMARY SCHOOL	Storm damage to 1 classroom	Storm damage	5	2 900	0	0	203	756
KEARSNEY INTERMEDIATE SCHOOL	Storm damages to school	Storm damage	27	2 900	0	0	0	134
KHUTHALANI INTERMEDIATE SCHOOL (STANGER)	Damage to 3 classrooms	Storm damage	3	3 948	0	0	203	1 109
KRANSKOP S	Storm damaged phase 19	Storm damage	#N/A	1 600	0	96	1 047	137
KWADUKUZA PRIMARY SCHOOL (GRAMMAR ST)	Storm damage to 2 classrooms	Storm damage	16	3 950	0	0	203	1 071
LEE PRIMARY SCHOOL	Replacing roof structures, broken windows and doors, plastering and paint works, stormwater drainage improvement	Storm damage	#N/A	4 000	0	200	203	1 079
LETHITHEMBA SECONDARY SCHOOL	Storm damage 4 classrooms	Storm damage	27	3 642	0	946	103	0
LLOYD PRIMARY SCHOOL	5 standard classrooms, 5 grade r, 4 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 1 computer room(s), 6 office(s), 7 storeroom(s), 1 strongroom, 1 teacher toilet seats, 2 disabled toilets	Upgrade and additions	14	62 457	0	2 796	556	0

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
LLOYD PRIMARY SCHOOL	Storm damage to 6 classrooms	Storm damage	14	3 958	0	216	384	899
LUBISANA PRIMARY SCHOOL	Construction of boys and girls' toilets	Water and sanitation	11	5 921	2 899	748	0	0
LUBISANA PRIMARY SCHOOL	1x male teacher's facilities,1x female teacher's facilities, 2x boy's facilities, 4x girls facilities, 1x grade r facilities, 1x grade r teacher's facilities, 1x disabled facilities	Water and sanitation	11	2 400	0	967	237	0
M L SULTAN STANGER SECONDARY SCHOOL	Storm damage to 2 classrooms	Storm damage	16	4 046	0	0	203	1 129
MAGUYANA PRIMARY SCHOOL	Storm damage to 1 classroom	Storm damage	21	3 970	0	0	203	1 107
Manqoba High School	Upgrade and additions	Upgrade and additions	#N/A	1 600	0	0	0	166
MBEKAMUSI COMBINED SCHOOL	10 standard classroom, 4 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 7 office(s), 7 storeroom(s), 1 strongroom, 1 snp kitchen/ tuckshop, 9 girls' toilet seats, 9 boys' toilet seats and urinal spaces, 4 teacher toilet seats, 2 disabled toilets	Upgrade and additions	12	23 087	0	2 051	0	0
MBEKAMUSI COMBINED SCHOOL	Storm damage to 2 classrooms	Storm damage	12	3 982	0	0	497	1 022
MBEKAMUSI COMBINED SCHOOL	Construction of boys and girl's toilet block,	Water and sanitation	12	1 780	0	193	117	441

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
MGIGIMBE PRIMARY SCHOOL	Construction of 1 boy, 2 urinals, 2 girls, 1 disabled, staff 1m, 1 urinal, 0 female toilet block	Water and sanitation	9	3 778	0	605	120	0
MGQWABAGQWABA PRIMARY SCHOOL	Storm damage to 4 classrooms	Storm damage	1	3 988	0	0	497	1 034
MGQWABAGQWABA PRIMARY SCHOOL	Construction of 1 boy, 2 urinals, 2 girls, 1 disabled, staff 1m, 1 urinal, 0 female toilet block	Water and sanitation	1	5 685	127	552	320	0
NEW ETETE SECONDARY SCHOOL	21 classrooms, 4 specialist classroom, 1 library, 3 computer room, administration block, 2 deputy principal's offices, general office, printing room, counselling suite, 3 hod offices, 3 teachers workroom, garden stores change room, access control, kitchen and dining, multipurpose hall, 600 bed hostel including administration room, 1 central service building with superintendent, matron flat lets and laundry, girls' toilet seats, boys' toilet seats and urinal spaces, teacher toilet seats, disabled toilets, dormitory block toilets, 29 parking bays, soccer field.	New school	#N/A	31 061	0	2 513	3 891	3 751

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
NEW GUELDERLAND INTERMEDIATE SCHOOL	Storm damage 4 classrooms	Storm damage	3	3 996	0	0	497	947
NEW STANGER DISTRICT CIRCUIT OFFICES	Repairs and renovations	Renovations, rehabilitation or refurbishments	#N/A	3 882	0	233	384	980
NYAKANA INTERMEDIATE SCHOOL	3 standard classroom, 2 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 6 office(s), 7 storeroom(s), 1 teacher toilet seats, 2 disabled toilets	Upgrade and additions	25	8 000	0	478	133	2 206
NYAKANA INTERMEDIATE SCHOOL	Damage to 3 classrooms	Storm damage	25	4 012	0	0	497	1 055
OSIZWENI PRIMARY SCHOOL	Replacing roof structures, broken windows and doors, plastering and paint works, stormwater drainage improvement	Storm damage	28	4 016	0	201	979	851
OSIZWENI PRIMARY SCHOOL	Sanitation phase 3 programme- demolition of existing ablution/s, repairs and renovations of existing ablution/s, construction of new borehole, provision for new water harvesting JoJo tanks, construction of v-drains, construction of retaining structures, construction of covered & open walkways and desludging of existing ablutions	Water and sanitation	28	1 900	0	198	1 278	127

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
PROSPECT FARM PRIMARY SCHOOL	Storm damage to 2 classrooms	Storm damage	27	4 020	0	0	497	1 053
QOQULWAZI SECONDARY SCHOOL	Storm damage to 1 classroom	Storm damage	21	4 022	0	0	515	1 029
RADHA ROOPSINGH PRIMARY SCHOOL	Storm damage to 1 classroom	Storm damage	20	4 026	0	0	497	1 035
RAMLAKAN PRIMARY SCHOOL	Storm damage to 2 classrooms	Storm damage	25	4 028	0	0	531	1 043
SHAKASKRAAL PRIMARY SCHOOL	7 standard classrooms, 4 grade r,4 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 1 computer room(s), 7 office(s), 7 storeroom(s), 1 strongroom, 1 snp kitchen/ tuckshop, 4 girls' toilet seats, 2 boys' toilet seats and urinal spaces, 2 disabled toilets	Upgrade and additions	23	22 000	0	1 305	2 584	5 358
SHAKASKRAAL PRIMARY SCHOOL	Storm damage to 2 classrooms	Storm damage	23	4 032	0	0	489	1 039
SIZANI INTERMEDIATE SCHOOL	Storm damage to 2 classrooms	Storm damage	22	4 038	0	0	490	1 065
ST CHRISTOPHER PRIMARY SCHOOL	Construction of boys and girl's toilet block	Water and sanitation	1	1 780	0	193	117	441
ST CHRISTOPHER PRIMARY SCHOOL	17 standard classroom, 4 multipurpose classrooms including laboratories and specialist rooms, 1 media centre, 7 office(s), 7 storeroom(s), 1 strongroom, 1 snp kitchen/ tuckshop, 6 girls' toilet seats, 10 boys' toilet seats and urinal spaces, 4 teacher toilet seats, 2 disabled toilets.	Upgrade and additions	1	60 000	0	1 800	2 674	802

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

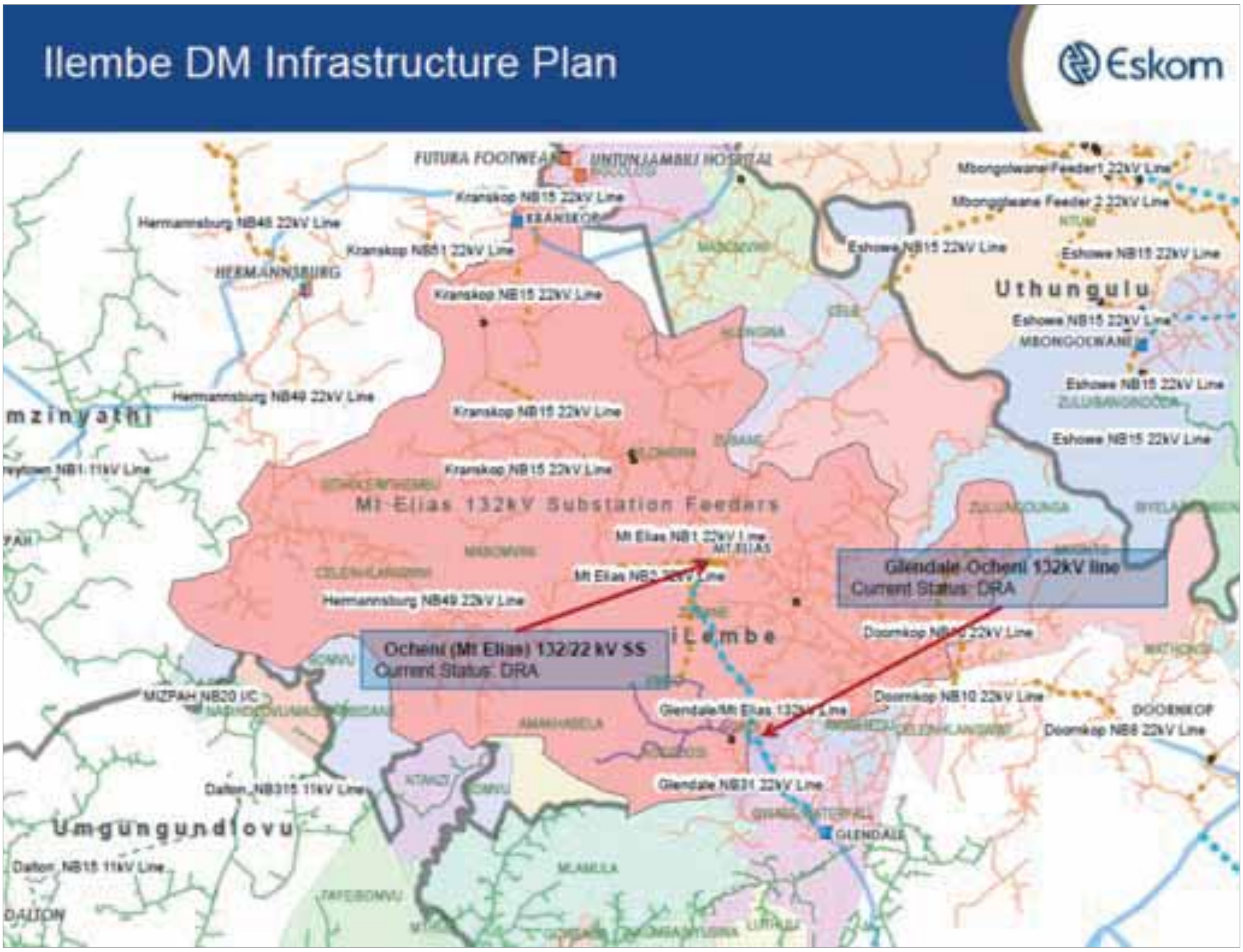
PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
STANGER HIGH SCHOOL	Storm damage to 2 classrooms	Storm damage	19	4 044	0	0	484	1 062
STANGER MANOR SECONDARY SCHOOL	Renovations to 47 x classrooms, 1 x caretaker home, 1 x admin, renovation to ablutions	Upgrade and additions	16	28 026	0	1 844	487	7 709
STANGER MANOR SECONDARY SCHOOL	Accessibility to existing classrooms & repairs and renovation to existing building	Learners with special educational needs	16	5 000	0	406	117	1 063
STANGER SECONDARY SCHOOL	Repairs and renovations	Renovations, rehabilitation or refurbishments	16	15 984	0	886	454	4 026
STANGER SOUTH SECONDARY SCHOOL	Storm damage repairs	Storm damage	19	2 000	0	100	2 000	0
STANGER TRAINING CENTRE	80 boys & girls bedspaces, 2 x tv rooms, 2 x games room, 2 x duty rooms, 4 x duty rooms cubicles, 6 x sickbay bed spaces, 2 x sickbay toilet & shower, 2 x dispensary, 6 x bathtubs, 6 x showers, 16 x wc, 8 x urinals, 12 x washbasins, 2 x baggage store, 2 x tuck store, 2 x linen store, cleaning room, 2 x house mother & father flat, admin, kitchen, dining hall & laundry	Learners with special educational needs	13	88 637	0	417	1 307	392
THEMBENI PRIMARY SCHOOL	Storm damage to school	Storm damage	11	1 600	0	96	1 047	137
TINLEY MANOR PRIMARY SCHOOL	Upgrade and additions	Upgrade and additions	7	23 877	1 750	162	0	0
TINLEY MANOR PRIMARY SCHOOL	Construction of new grade r facilities and ablutions	Early childhood development	7	1 412	0	843	222	0

DEPARTMENT OF EDUCATION PROJECTS: *...continued*

PROJECT NAME	SCOPE OF WORKS	SUB PROGRAMME	WARD	TOTAL PROJECT COST R'000	EXPENDITURE 2020-21	DRAFT ESTIMATE ALLOCATION 2021-22 R'000	DRAFT ESTIMATE ALLOCATION 2022-23 R'000	DRAFT ESTIMATE ALLOCATION 2023-24 R'000
TSHELABANTU PRIMARY SCHOOL	Storm damage to 2 classrooms	Storm damage	25	2 483	0	857	227	0
TSHELABANTU PRIMARY SCHOOL	Construction of new ablution facilities, repairs and renovations of existing ablution/s, construction of new borehole, provision for new water harvesting JoJo tanks, construction of v-drains, construction of covered & open walkways and desludging of existing ablutions	Water and sanitation	25	5 625	72	521	222	0
TSHELENKOSI SECONDARY SCHOOL	Storm damaged phase 18	Storm damage	18	2 900	0	384	288	668
UMHLALI COLLEGE	New school program: consultant appointments	New school	0	8 609	0	352	1 801	673
UMHLALI PREPARATORY SCHOOL	Storm damage to 1 classroom	Storm damage	22	4 064	0	0	497	1 070
ZILUNGISELE INTERMEDIATE SCHOOL	Construction of boys and girl's toilet block,	Water and sanitation	9	1 780	0	193	117	441
ZILUNGISELE INTERMEDIATE SCHOOL	Storm damage to 1 classroom	Storm damage	9	4 072	0	231	1 047	772

ESKOM PROJECTS

ILEMBE DM - INFRASTRUCTURE PLAN AND PROGRESS				
	PROJECT DESCRIPTION	PROJECT STATUS	CONSTRUCTION START DATE	SCHEDULE COMPLETION DATE
1	Mandini 132/11kV 20 MVA Transformer Upgrade	Finalised		
2	Mangethe 8km 132kV Kingbird loop in/ loop out	Finalised		
3	Mangethe 132/11 kV 20 MVA SS est	Finalised		
4	Ndwendwe-Appelsbosch 132kV line establishment	Conceptual Stage	Beyond 2025 (project not funded)	
5	Glendale 132/22kV substation Capacity Increase from 7.5MVA to 20MVA	Finalised		
6	Glendale NB30 Sewer Line Upgrade	Finalised		
7	Ocheni 132/122 kV 20 MVA Substation Establish	Design Stage	Partially Funded	Beyond 2015
8	Glendale - 2 Additional MV feeders to split Glendale NB30	Finalised		
9	Mandini-Amatikulu 132kV line - Customer project	Conceptual Stage	The project will be triggered by the Amatikulu's commitment to co-generate and will be initiated as a DIRECT CUSTOMER project.	
10	Appelsbosch 11-22kV Conversion	Finalised	Partial Conversion Finalised	



DEPARTMENT OF PUBLIC WORKS SUMMARY REPORTS ON INFRASTRUCTURE PROJECTS 2021 / 2022

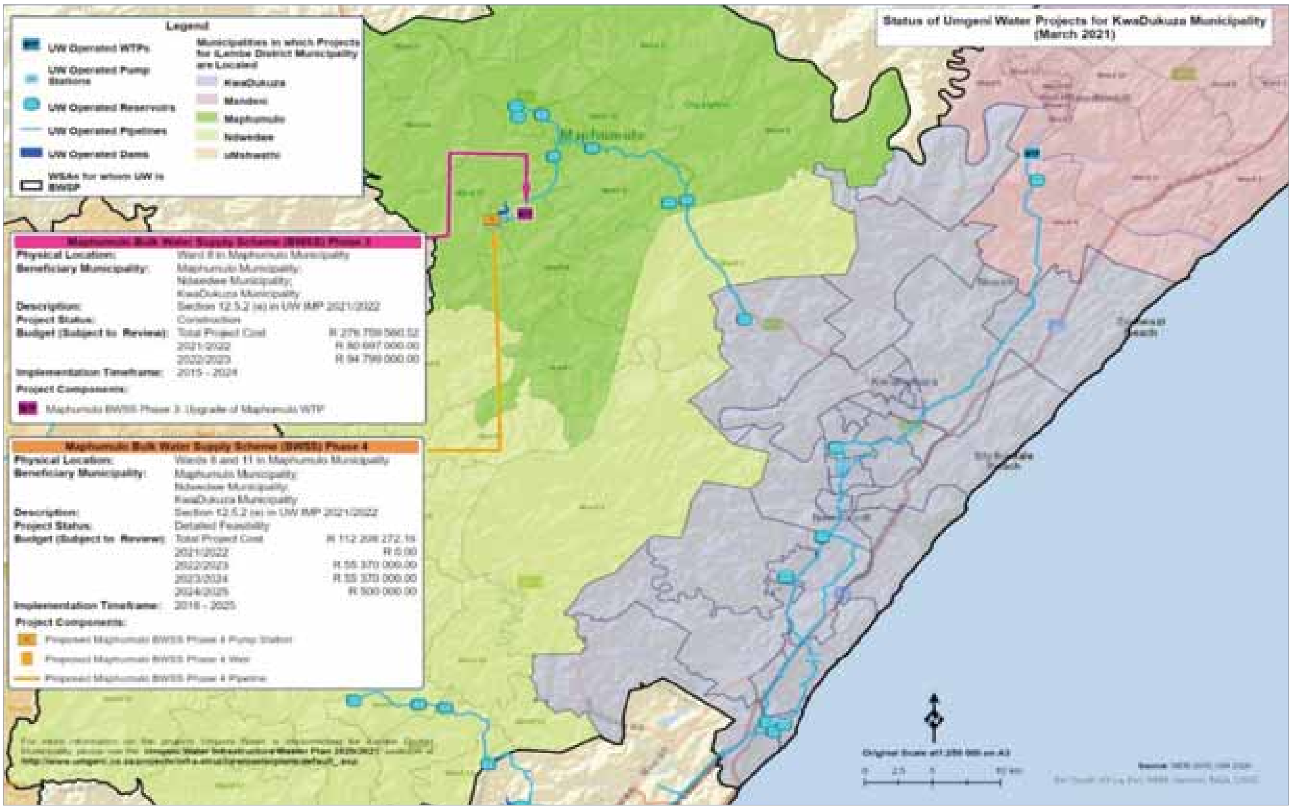
CLIENT DEPARTMENTS	NUMBER OF PROJECTS	2021/22 ORIGINAL BUDGET ALLOCATION
Department of Education (Maintenance projects)	52	R 4 545 454,55
Department of Education (Capital projects)	81	R 80 116 040
Department of Social Development	13	R 2 485 998,44
Department of Public Works (Maintenance)	05	R 750 000,00
Department of Transport (Maintenance)	05	R 2 012 500,00
Department of Health (Maintenance projects)	10	R 5 000 000
Department of Health (Capital projects)	10	R 527 692 055
	176 PROJECTS	R622 602 047,99

DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

NATIONAL KPA	WARD NO.	PROGRAMME & PROJECT DESCRIPTION	PROJECT STAGE			
				2019/2020 R (000)	2020/2021 R (000)	2021/2022 R (000)
Cross cutting – Environmental Management, DEFF Working for the Coast	Tongaat to Amatigulu River	Implementation	Protection and conservation of coastal environment.	R9 947 500 per District		
Cross cutting – Environmental Management, DEFF Working for the Coast - Source to Sea	River based	Planning	Protection and conservation of coastal environment.	R1 750 000		
Cross cutting – Environmental Management, Thumamina Good Green Deeds		Implementation	The project is aimed at encouraging better environmental management practices through street cleaning, clearing of illegal dumps and public open spaces as well as the conducting of environmental education with the following deliverables: recruitment and placement of participants, street cleaning and clearing of illegal dumps, Education and Awareness campaigns, Non-accredited training to participants.	R10 407 240 per District		
Cross cutting – Environmental Management, Cleaning and Greening		Planning	The project is aimed at encouraging better environmental management practices through street cleaning, clearing of illegal dumps and public open spaces as well as the conducting of environmental education with the following deliverables: recruitment and placement of participants, street cleaning and clearing of illegal dumps, Education and Awareness campaigns, Non-accredited training to participants.	NOT AVAILABLE		

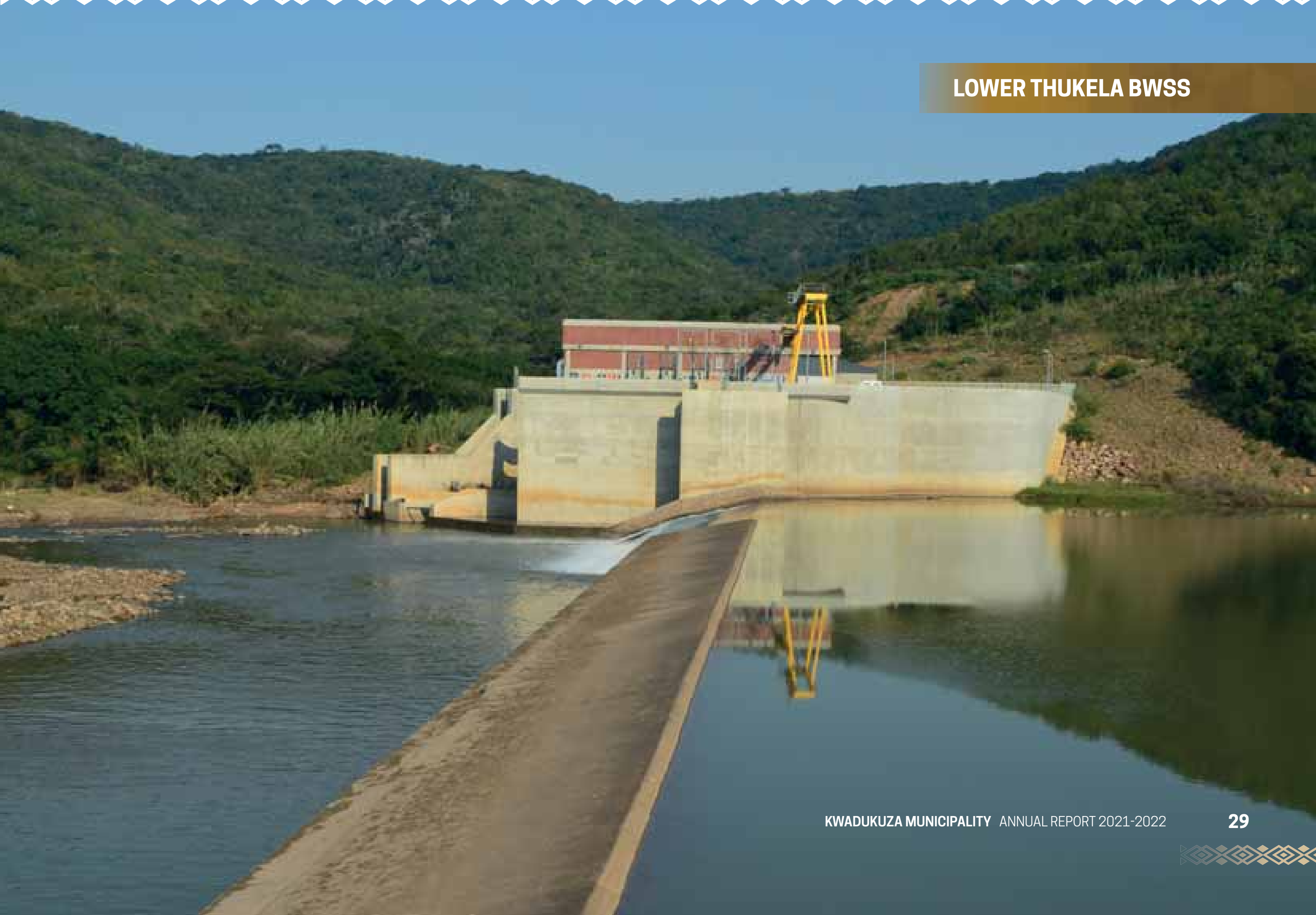
NATIONAL KPA	WARD NO.	PROGRAMME & PROJECT DESCRIPTION	PROJECT STAGE	MTEF (2021/2024)		
				2021/2022 (RANDS)	2022/2023 (RANDS)	2023/2024 (RANDS)
Outcome 6	Ward 8 in Maphumulo Municipality. KwaDukuza Municipality is a beneficiary.	Maphumulo Bulk Water Supply Scheme (BWSS) Phase 3. This project upgrades the 6 Ml/ day Maphumulo Water Treatment Plant (WTP) to a treatment capacity of 12 Ml/day. The raw water and potable water pumps are also upgraded in this project. See Section 11.5.2 (e) in the Umgeni Water Infrastructure Master Plan 2021/2022.	Implementation	R 60,321,000.00	R 94,799,000.00	R 60 767 763.52
Outcome 6	Wards 8 and 11 in Maphumulo Municipality. KwaDukuza Municipality is a beneficiary.	Maphumulo Bulk Water Supply Scheme (BWSS) Phase 4. This project consists of a new weir, abstraction works, pump station on the Hlimbitwa River and pipeline to convey raw water into the iMvutshane Dam to meet the future 12 Ml/ day demand. See Section 12.5.2 (e) in the Umgeni Water Infrastructure Master Plan 2021/2022.	Design	R 0	R 55,370,000.00	R 55,370,000.00
Outcome 6	Wards 7, 10, 14, 20, 24 and 29	Replacing the corroded AC pipeline	Upgrade	R21 728 000.00	R21022 000.00	R47 778 000.00
Outcome 6	Wards 2,3,15,16, 19 and 26	Rehabilitation	Fix leaks on the Lower Thukela Gravity Pipeline	R30 000 000.00	R15 000 000.00	R13 000 000.00

UMGENI WATER PROJECTS



NATIONAL KPA	WARD NO.	PROGRAMME & PROJECT DESCRIPTION	PROJECT STAGE	MTEF (2021/2024)		
				2021/2022 (RANDS)	2022/2023 (RANDS)	2023/2024 (RANDS)
Outcome 6	Ward 8 in Maphumulo Municipality. KwaDukuza Municipality is a beneficiary.	**Maphumulo Bulk Water Supply Scheme (BWSS) Phase 3.** This project upgrades the 6 Ml/day Maphumulo Water Treatment Plant (WTP) to a treatment capacity of 12 Ml/day. The raw water and potable water pumps are also upgraded in this project. See Section 11.5.2 (e) in the Umgeni Water Infrastructure Master Plan 2021/2022.	Implementation	R60,321,000.00	R94,799,000.00	R60 767 763.52
Outcome 6	Wards 8 and 11 in Maphumulo Municipality. KwaDukuza Municipality is a beneficiary.	**Maphumulo Bulk Water Supply Scheme (BWSS) Phase 4.** This project consists of a new weir, abstraction works, pump station on the Hlimbitwa River and pipeline to convey raw water into the iMvutshane Dam to meet the future 12 Ml/day demand. See Section 12.5.2 (e) in the Umgeni Water Infrastructure Master Plan 2021/2022.	Design	R 0	R55,370,000.00	R55,370,000.00
Outcome 6	Wards 7, 10, 14, 20, 24 and 29	Replacing the corroded AC pipeline	Upgrade	R21 728 000.00	R21022 000.00	R47 778 000.00
Outcome 6	Wards 2, 3, 15, 16, 19 and 26	Rehabilitation	Fix leaks on the Lower Thukela Gravity Pipeline	R30 000 000.00	R15 000 000.00	R13 000 000.00

IMVUTSHANE DAM



LOWER THUKELA BWSS

STATUS OF DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND RURAL DEVELOPMENT

NATIONAL KPA	WARD NO.	PROGRAMME & PROJECT DESCRIPTION	PROJECT STAGE	MTEF (2018/2021)		
				2019/2020 R (000)	2020/2021 R (000)	2021/2022 R (000)
Cross cutting – Environmental Management, DEFF Working for the Coast	Tongaat to Amitigulu River	Implementation	Protection and conservation of coastal environment.	R9 947 500 per District		
Cross cutting – Environmental Management, DEFF Working for the Coast - Source to Sea	River based	Planning	Protection and conservation of coastal environment.	R1 750 000		
Cross cutting – Environmental Management, thumamina Good Green Deeds		Implementation	The project is aimed at encouraging better environmental management practices through street cleaning, clearing of illegal dumps and public open spaces as well as the conducting of environmental education with the following deliverables: recruitment and placement of participants, street cleaning and clearing of illegal dumps, Education and Awareness campaigns, Non-accredited training to participants.	R10 407 240 per District		
Cross cutting – Environmental Management, Cleaning and Greening		Planning	The project is aimed at encouraging better environmental management practices through street cleaning, clearing of illegal dumps and public open spaces as well as the conducting of environmental education with the following deliverables: recruitment and placement of participants, street cleaning and clearing of illegal dumps, Education and Awareness campaigns, Non-accredited training to participants.	NOT AVAILABLE		

SIZA WATER PROJECTS AND PLANNED PROGRAMMES FOR MTEF 2019-2022

PROGRAMME & PROJECT DESCRIPTION	PROJECT STAGE	MTEF (2019/2022)		
		2019/2020 R (000)	2020/2021 R (000)	2021/2022 R (000)
Pre-Planning	Shakashead/Lali Park sewer reversal	R1,171,232.45	R2,000,000.00	R2,000,000.00
Implementation	Ballito Hills SPS and rising main & sewer gravity into Frasers	R9,747,862.42	R10,000,000.00	
Planning	Bi-directional water pipeline	R278,485.68	R7,000,000.00	
Planning	New Shakashead reservoir (Imbonini Phase 2)	R0.00	R12,000,000.00	
Completed	Taffeni Reservoir & Zululami Bulk Sanitation	R26,617,097.46	R0.00	

D) RISK

The top 5 risks were developed with the following actions to be taken to mitigate these risks: -

RISK DESCRIPTION	ACTION PLAN	ACTION OWNER	STATUS
1. Failure to develop, implement and maintain an Anti-Fraud & Corruption control environment. Energy losses.	Review the Fraud Prevention Strategy to encompass: 1. Fraud awareness campaigns 2. Establishing of Fraud Reporting Facility.	Chief Operations Officer and Assistant Manager Risk and Ethics	Finalised
	Develop a Gifts & Donations Policy.	Chief Operations Officer	Not Finalised
2. Inability to build capacity and systems for the exploitation of the 4th Industrial Revolution.	Initiate implementation of digitalization to drive 4IR (Presentation on digitalization)	Director ICT	Finalised
	Document and present for (Awareness to staff): 1. Simple ICT initiatives and 2. Related Cyber Risks	Director ICT	Finalised
3. Failure to recognize ICT as a strategic enabler.	Conduct business process re-engineering activities for ICT purposes. 1. Identify all processes that can be automated. (30/09/21) 2. Prioritize core functions. (31/12/21) 3. Document the current processes. (31/03/21) 4. Develop a plan for automation.	ED: Corporate Services and Director ICT	Not finalised
4. Failure to effect systems (structures, processes & tools) of good governance in the municipality.	Establish a sub-committee of the Governance & Compliance Committee. 1. The committee will ensure quality assurance on governance documents and follow-up on action plans	Chief Operations Officer	Finalised
	Review the Consequence Management Policy to: 1. Ensure that consequence actions are impactful in addressing accountability.	Chief Operations Officer	Finalised
	Implement consequence management	Municipal Manager	Not Applicable
5. Loss of revenue /increase in debtors	Develop a Standard Operating Procedure Manual for Sundry Revenue.	Chief Financial Officer / Director Revenue	Finalised
	Reconcile the Valuation Roll on a monthly basis.	Chief Financial Officer / Director Revenue	Finalised
	To include Call Centre positions on the critical post list.	Chief Financial Officer / Director Revenue	Finalised

E) MUNICIPAL OVERVIEW

1.3.1 VISION

"By 2030, KwaDukuza shall be a vibrant city competing in the global village economically, socially, politically and in a sustainable manner."

1.3.2 MISSION

To achieve this vision, the KwaDukuza Municipality will:

- Drive local economic development;
- Deliver a high standard of essential services;
- Encourage public participation; and
- Overcome debt and achieve cost recovery on services provided.

1.3.3 VALUES

Essentially the operations of KwaDukuza Municipality are informed by the Batho-Pele Principles which act as guidelines in respect of relations and interaction between the Municipality and its customers, the community of KwaDukuza Municipality and other stakeholders. Accordingly, the core values upon which the Municipality operates are as follows:

- Ethical behaviour
- Respect
- Honesty & Integrity
- Accountability to each other and the public
- Teamwork
- Initiative and Innovation
- Fiscal Responsibility
- Excellent Customer Service
- Hard work and Timelines
- Care & protection of resources
- Flexibility and cooperatives
- Compliance with all set regulations
- Loyalty
- Unity
- Efficiency
- Professionalism
- Cost Effectiveness
- Discipline
- Diligence
- Openness and Transparency
- Non-discriminatory

1.3.4 LEGISLATIVE AND OTHER MANDATES

1.3.4.1 CONSTITUTIONAL MANDATES

The Constitution of the Republic of South Africa (1996) provides the national overarching framework for the work of all government departments in South Africa. Chapter 7 outlines the objectives and mandates in respect of local government. The following mandates for the municipality can be extracted from this:

- To establish municipalities consistent with national legislation;
- To support and strengthen the capacity of municipalities;
- To regulate the performance of municipalities in terms of their functions listed in schedules 4 and 5 of the Constitution;
- To intervene where there is non-fulfilment of legislative, executive or financial obligations; and
- To promote developmental local government.

1.3.4.2 LEGISLATIVE MANDATES

The White Paper on Local Government (1998) and the subsequent package of related legislation (outlined below) provide the national context for local governance across the country.

NO.	LEGISLATION	MANDATE
A	Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998)	This Act provides for > criteria and procedures for the determination of municipal boundaries by an independent authority.
B	Local Government: Municipal Structures Act, 1998 (Act 117 of 1998).	This Act provides for > the establishment of municipalities in accordance with the requirements relating to the categories and types of municipalities; > the establishment of criteria for determining the category of municipality to be established in the area; > a definition of the type of municipality that may be established within each category; > an appropriate division of functions and powers between categories of municipality; and > the regulation of the internal systems, structures and office bearers of municipalities.
C	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)	This Act provides for > the core principals, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities; > ensuring universal access to essential services that are affordable to all; > defining the legal nature of a municipality, including the local community within the municipal area; > municipal powers and functions; > community participation; > the establishment of an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change; > a framework for local public administration and human resource development; > empowerment of the poor, ensuring that municipalities establish service tariffs and credit control policies that take their needs into account; and > investigations in relation to allegations of fraud, maladministration, corruption and/or failures to adhere to statutory obligations at a municipal level
D	Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)	This Act provides for > securing sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; and > establishing treasury norms and standards for the local sphere of government.
E	Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) as amended by the Local Government: Municipal Property Rates Amendment Act, 2014 (Act No. 29 of 2014)	This Act provides for > securing sound and sustainable management of the financial affairs of municipalities; > the establishment of norms and standards against which the financial affairs can be monitored and measured; > regulating the power of a municipality to impose rates on a property; > excluding certain properties from rating, to make provision for municipalities to implement a transparent and fair system of exemptions; > introducing a rebate through rating policies; > making provision for fair and equitable valuation methods of properties; and > making provision for an 'objection and appeal' process. The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015. The Act aims to provide for the various amendments, insertions and deletions in order to enhance proper reporting, compliance and implementation of the processes and procedures pertaining to the Act.
F	Disaster Management Act, 2002 (Act 57 of 2002)	This Act provides for > integration and co-ordinating disaster management policy, which focuses on preventing or reducing the risk of disasters mitigating the severity of disasters; > emergency preparedness, rapid and effective response to disasters and post-disaster recovery; > the establishment of national, provincial and municipal disaster management centres; > disaster management volunteers; and > matters incidental thereto

1.3.4.2 LEGISLATIVE MANDATES *...continued*

NO.	LEGISLATION	MANDATE
G	Disaster Management Amendment Act, 2015 (Act 16 of 2015)	This Act provides for > clarification of the policy focus on rehabilitation and functioning of disaster management centres; > the alignment of the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction; > the South African National Defence Force, South African Police Service and any other organ of state to assist the disaster management structures; and > the strengthening of the disaster risk reporting systems in order to improve the country's ability to manage potential disasters.
H	Inter-governmental Relations Framework Act, 2005 (Act 13 of 2005)	The aim of this Act is > to establish a framework for national government, provincial governments and municipalities to promote and facilitate inter-governmental relationships; and > to provide mechanisms and procedures to facilitate the settlement of inter-governmental disputes
I	Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)	This Act > provides for a framework for spatial planning and land use management in the republic > specifies the relationship between the spatial planning and the land use management system and other kinds of planning > the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government > provides a framework for the monitoring, co-ordination and review of the spatial planning and land use management system > provides a framework for policies, principles, norms and standards for spatial development planning and land use management > addresses past spatial and regulatory imbalances > promotes greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decision and development applications > provides for the establishment, functions and operations of Municipal Planning Tribunals > directs the facilitation and enforcement of land use and development measures.

A) TRANSVERSAL LEGISLATION

A series of transversal administrative requirements impacts on the work of the Municipality across all its various functions, namely:

- Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations of 2000;
- Public Finance Management Act, 1999 (Act 1 of 1999) and National Treasury Regulations;
- Annual Division of Revenue Act;
- Skills Development Act, 1998 (Act 97 of 1998);
- Skills Levy Act, 1999 (Act 9 of 1999);
- Employment Equity Act, 1998 (Act 55 of 1998);
- Labour Relations Act, 1995 (Act 66 of 1995);
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997);
- Occupational Health and Safety Act, 1993 (Act 85 of 1993);
- Municipal Electoral Act 2000, (Act 27 of 2000);
- Promotion of Access to Information Act 2000, (Act 2 of 2000).

B) LOCAL GOVERNMENT POLICY MANDATES

The following provide the policy framework for local government:

- White Paper on Local Government, 1998;
- National Local Government Turn Around Strategy 2009;
- Local Government Anti-Corruption Strategy, 2006;
- Free Basic Services Policy, 2000/01;
- National Public Participation Framework, 2007; and
- National Back to Basics Strategy, 2014

1.3.4.3 DEMOGRAPHIC PROFILE

The population of KwaDukuza Municipality has grown by 37.8 % since 2011 from 231 187 to 276 719 in 2016 (Statistics South Africa Census 2016). Furthermore, it has been speculated that during peak seasons KwaDukuza's population reaches +/- 320 000 people owing to the presence of tourists in the area. KwaDukuza Municipality is one of the four KwaZulu-Natal Municipalities which has shown significant growth in the population between 2011 and 2016.

As reflected in the table below, two thirds of the population of KwaDukuza indicates that as at 2016 the population under 15 years of age was 27.7%, population between 15 and 64 years of age stood at 67.4% while the population over 65 years of age at 4.9% are of working age (15 – 64). The official unemployment rate stood at 25% which translates into 75% of those in employment. Paradoxically, the youth unemployment rate stood at 30.8%.

POPULATION	2011	2016
	231 187	**276 719**
Age Structure		
Population under 15	29%	27.7%
Population 15 to 64	66.7%	67.4%

Figure 1 Chapter 1: *Population Information*

1.3.4.4 ECONOMIC PROFILE

The main contributors to the KwaDukuza Municipality's local economy are agriculture, majority sugarcane farming and processing; light industry, including engineering, and manufacturing of paper and packaging; and tourism. The region boasts a number of seaside resorts and popular coastal towns for holiday making and recreation, including Ballito, Zinkwazi and Blythedale Beach. The economy of KwaDukuza Municipality is dominated by primary and secondary sectors with a smaller portion from the tertiary sector, meaning the economy has a good balance of sectors.

According to the KZN Provincial Growth and Development Plan (which is aligned to the NGP and presents the 2035 development vision), the agricultural sector contributes 8% towards employment in the iLembe District Region. While this is a relatively low contribution to employment in the District, the agricultural industry is growing and increasing employment within the agricultural sector which has been set as a primary economic goal for the province.

While the unemployment rate in the Municipality is high (46%), KwaDukuza Municipality is experiencing a high rate of population increases and several new housing, health care and commercial complexes are being developed in the area, which will provide work opportunities. A key area of focus is education in the population, with only 1.5% of the Municipality's population having a higher education than secondary school, and only 14% having completed secondary school. Also of concern is the income levels of the majority of the households in KwaDukuza Municipality, with 81.4% of households surviving on less than R6,300 per month (Statistics South Africa, 2011).

02

CHAPTER Two

POLITICAL, ADMINISTRATIVE GOVERNANCE AND BASIC SERVICE DELIVERY

2.1 COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1.1 POLITICAL GOVERNANCE STRUCTURE

After the 2021 Local Government Elections, KwaDukuza Municipality's wards were increased from 29 to 30 wards while councillors increased from 57 seven to 59. KwaDukuza full Council meets quarterly while the Executive Committee (EXCO) meets twice a month. Members of the public and media are also encouraged to attend some Council meetings. KwaDukuza Council's Portfolio Committees sets policies and provide guidance towards the implementation of all KwaDukuza Council's Service Delivery.

These portfolio committees are structured as per the national guidelines. Each Portfolio Committee meets once per month. Their core function is to look at specific issues that relate to each portfolio committee, research those issues and find all the necessary facts before these issues are discussed by Councillors that sit in each of the portfolio committees. The portfolio committees deliberate issues and then make recommendations to EXCO and the full Council, for the latter to take decisions. The five portfolio committees, as gazetted, are as follows:

> Finance Portfolio Committee and Corporate Services.

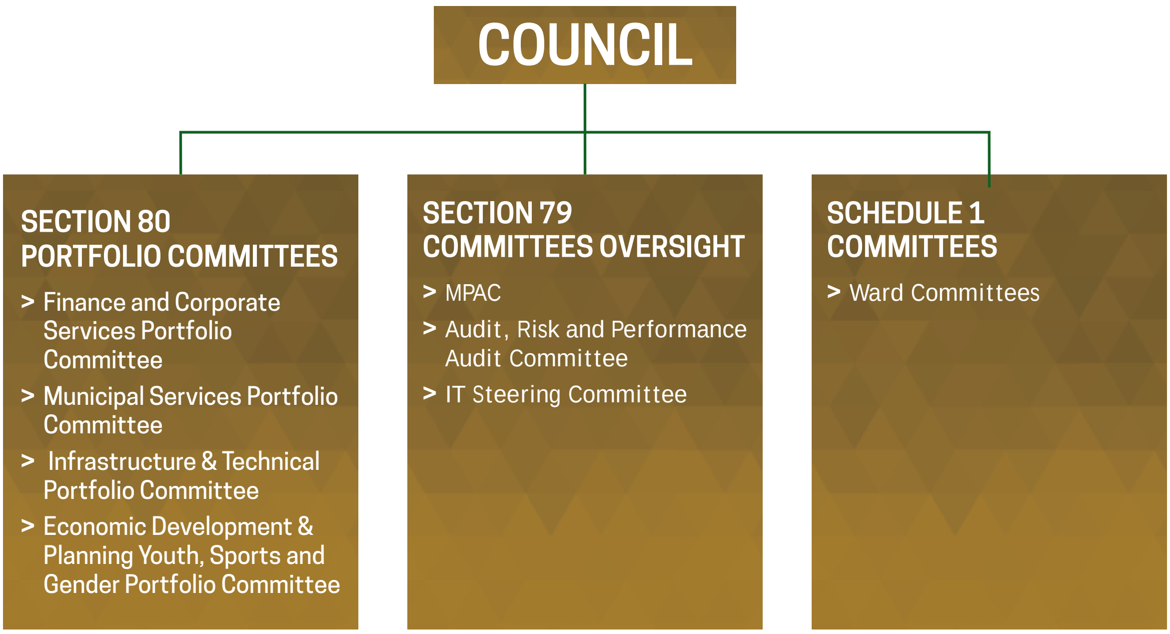
> Economic Development, Planning, Special Programs and Youth Affairs.

> Municipal Services Portfolio Committee.

> Infrastructure and Technical Portfolio Committee

> Municipal Public Account Committee (MPAC)

KDM GOVERNANCE FRAMEWORK DEPICTED AS FOLLOWS:



THE POLITICAL STRUCTURE

COUNCIL SITTINGS

The Council of KwaDukuza Municipality consists of 59 Councillors, 30 of whom were directly elected to serve on the Council. Membership of the Council is made up of: -

1. 29 African National Congress Councillors.
2. 4 Inkatha Freedom Party Councillors.
3. 9 Democratic Alliance Councillors.
4. 4 Economic Freedom Fighter Councillors.
5. 5 Independent Party Councillors.
6. 5 Actionsa Councillors
7. 1 ACDP Councillor
8. 1 AIC Councillor
9. 1 ATM Councillor

TOTAL: 59 COUNCILLORS

To ensure compliance with the legislative requirement the Council meets at least quarterly. However, to meet compliance requirements in relation to such issues as Budget approvals, mid-term Budget Reviews, Adjustments Budgets, IDP Reviews, Annual Report and Annual Report Oversight reviews, the Council effectively meets almost once every month. To optimise efficiency of operation the Council has reserved to itself decision making powers on certain critical and strategic matters - such as considering the results of the provincial government's monitoring of the Municipality, deciding whether to provide security for any of the Municipality's debt obligations and deciding to recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure. It has otherwise delegated to its Executive Committee power to exercise all powers of the Council in respect of matters not specifically excluded from delegation in terms of Section 160 (2) of the Constitution and Section 59 of the Systems Act.

To facilitate maximum participation by Councillors in the decision-making processes of the Council and its Committees, all Councillors are provided with copies of the agenda and minutes of all meetings of the Council, it's Executive Committee, its Portfolio Committees and its Sub-Committees and Task Teams.

EXECUTIVE COMMITTEE

KwaDukuza Municipality has established an Executive Committee consisting of 10 Councillors. Although the way the composition of the Executive Committees should be determined is not prescribed by legislation, when establishing the Executive Committee, the Council was mindful of the provisions of Section 160(8) of the Constitution of the Republic of South Africa, which requires that: -

"Members of a Municipal Council are entitled to participate in its proceedings and those of its committees in a manner that: -

1. Allows parties and interests reflected within the Council to be fairly represented.
2. Is consistent with democracy; and
3. Maybe regulated by national legislation."

In keeping with the requirements of that Section of the Constitution, the Executive Committee was constituted based on proportional representation, giving the following membership: -

1. African National Congress = 4 Councillors
2. Inkatha Freedom Party = 1 Councillor
3. Democratic Alliance = 1 Councillor
4. Actionsa = 1 Councillor
5. Independent Alliance = 1 Councillor
6. AIC = 1 Councillor
7. EFF = 1 Councillor

The Executive Committee holds ordinary meetings twice per month with additional special meetings being convened as and when necessary. The Terms of Reference of the Executive Committee require that, amongst other things, it: -

Performs the functions of an Executive Committee set out in the Local Government: Municipal Structures Act, 1998; Takes such action as may be necessary to ensure compliance by the Council with all legislation relating to or affecting local government. Receives reports from other committees, and then forwards those reports, with its recommendations, to Council Performs the functions of an Executive Committee set out in the Local Government: Municipal Structures Act, 1998; Takes such action as may be necessary to ensure compliance by the Council with all legislation relating to or affecting local government.

PORTFOLIO COMMITTEES (SECTION 80)

KwaDukuza Municipality has established four Portfolio Committees to assist the Executive Committee, these being: -

1. Finance and Corporate Services Portfolio Committee
2. Infrastructure and Technical Portfolio Committee.
3. Economic Development and Planning, Special Programs and Youth Affairs.
4. Municipal Services Portfolio Committee.

Each of the Committees has defined terms of reference covering the whole range of the functions of the Municipality. The Portfolio Committees meet once per month and the recommendations of the Portfolio Committees are submitted to the meeting of the Executive Committee following the meeting of the Portfolio Committee. They are established in terms of Municipal Structures Act, section 80. Committees are established by Council, and members are appointed by Council, but do not report to Council. Portfolio Committees report to the Mayor or Executive Committee.

SUB COMMITTEES (SECTION 79)

They are established in terms of Municipal Structures Act, section 79. They are established by and are responsible to Council. They may include members from outside the Council. Their functions and procedures are determined by Council.

The Council has also established Sub-Committees, including: -

1. Budget Steering Committee.
2. Local Labour Forum.
3. Ethics Committee.
4. Women's caucus.
5. Street Naming.
6. Human Resource Development Sub-Committee.
7. IT Steering Committee.
8. Audit Committee, Risk Committee and Performance Audit Committee.
9. Housing Tribunal.
10. Security Panel.

These meet on a regular basis to develop strategies and approaches to address challenges in connection with their specific areas of expertise.

FUNCTIONS OF THE SPEAKER

The Speaker: Cllr. G. Govender

Councillor G Govender, was elected as the Speaker of KwaDukuza Municipal Council in accordance with Section 36 of the Municipal Structures Act, and Section 160(1) (b) of the Constitution for the 2021 to 2026 electoral term. Her legal obligations are, amongst other duties:

> To provide guidance at meetings of the Council.

> Perform duties and exercises the powers delegated to the Speaker in terms of Section 59 of Local Government Municipal Systems Act.

> Ensure that the Council meets monthly.

> Ensure compliance of the Council and Council Committees with the Code of Conduct for Municipal Councillors.

> She must maintain order during Council meetings.

> She must ensure that Council meetings are conducted in accordance with Standing Rules and Orders; and

In line with the Municipal Structures Act Section 60 (1) (a) (b) (c); a municipal council that has more than nine members, its Mayor.

> Must appoint a mayoral committee from among the councillors to assist the Mayor.

> May delegate specific responsibilities to each member of the committee; and

> May delegate any of the mayor's powers to the respective members. All full-time councillors, except the Speaker and the Chief Whip, are members of the Mayoral Committee, with the mayor as its chairperson. Members of the Mayoral Committee are the various Section 80 Committee Chairpersons.

Cllr. O.L Nhaca

The mayor is elected by Council to co-ordinate the work of Council.
She is the Political Head of Council. The mayor performs functions and duties as set out in the legal framework for Municipalities. She also performs duties as delegated to her by Council. The deputy Mayor assumes the delegated duties of the mayor in her absence.

The functions and duties of the Chief Whip amongst other things are to:
Ensure that Councillors attend to their duties and are accountable to their constituencies.

He assists Council with the deployment of councillors to various Council Committees.

He gives political management of Council meetings.

The Chief Whip: Cllr. H. Mbatha

EXECUTIVE COMMITTEE MEMBERS


Cllr. O.L Nhaca


Cllr. T.V Ntuli


Cllr N Cele


Cllr C Mdletshe


Cllr T Nkosi


Cllr T Colley


Cllr C Ntleko


Cllr N Sewraj


Cllr D Mthembu


Cllr M Sibisi

2.1.1.1 GOVERNANCE AND LEADERSHIP

The Council continues its role as a strong and effective advocate, lobbying on behalf of our community for action on important local issues and continues to receive grants from other spheres of government and external bodies.

The following high-level goals and strategic objectives would guide the direction to be taken by the Council of KwaDukuza during the duration of their term of office.

KEY PERFORMANCE AREA	KZN PGDS	OUTCOME 9	KDM GOALS	STRATEGIC OBJECTIVE OF THE IDP
Municipal Transformation and Institutional Development	Governance and Policy	An efficient, effective and development oriented public service. Human Resources Development.	Build the capacity and systems for the 4th Industrial Revolution and the integrated e- government services. Create and promote a culture of enhanced service delivery, innovation and excellence through capable cadres of local government.	To invest in skills development. **To enhance organisational performance.** (2)
Good Governance and Public Participation	Governance and Policy	An efficient, effective and development oriented public service. Deepen democracy through a refine ward committee model.	Improve good governance, audit outcomes and consequence management. Strengthen public participation, complaints management system and accountability. Ensure mainstreaming and meaningful participation of vulnerable groups (i.e., Youth, women, disabled people) in all developmental programmes. Create a safer and crime free municipal area through community-public-private partnerships.	To ensure co-ordination and alignment of developmental programmes of the municipality with other spheres of government. **To involve local communities in matters of local government.** To ensure effective and efficient integrated legal and advisory Legal Services for Council. To provide effective and efficient Internal Audit services for Council. To ensure compliance with the laws and regulations. **To enhance organisational performance.** To identify, assess and manage key risks of which organisation is exposed to. To perform follow-ups on implementation of action plans. To address oversight requirements of risk management and institution's performance with regards to risk management. To ensure coordinated effort for the implementation of positive impact towards behavior change. To streamline Empowerment and development of vulnerable groups (9).
Local Economic Development	Inclusive Economic Growth	Creation of a Conducive and enabling environment for economic growth and development	Promote radical socio-economic transformation agenda to address inequality, unemployment and poverty	To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed. To develop a prosperous, inclusive, transformative and diverse local economy. (2)

2.1.1.1 GOVERNANCE AND LEADERSHIP *...continued*

KEY PERFORMANCE AREA	KZN PGDS	OUTCOME 9	KDM GOALS	STRATEGIC OBJECTIVE OF THE IDP
Basic Service Delivery & Infrastructure Development	Infrastructure Development	Improved Access to Basic Services. Ensuring access to adequate Human Settlements and quality basic services	Expand and maintain the provision of quality basic services and the integrated human settlements	**To involve local communities in matters of local government.** To facilitate provision of formal housing through construction of high-quality houses. To ensure fair, transparent and compliant housing beneficiary management system. To restore human dignity through asset ownership. To ensure that all citizens have an electricity service connection. To ensure that energy losses are reduced within legislated guidelines. To maintain and upgrade existing municipal infrastructure. To ensure that all households have access to roads. To ensure safety to road users. To ensure that the community has access to functional public amenities. To provide access to basic municipal services to all citizens. To provide access to basic solid waste services to all citizens. To ensure that the community has access to licensed burial facilities (12)
Financial Management and Viability	Human and Community Development. Governance and Policy	An inclusive and responsive social protection system. Responsive, accountable, effective and efficient developmental local government system	Enhance municipal financial sustainability.	**To contribute to a safe and secure environment.** To ensure municipal budget complies with MFMA and Treasury regulations. To improve expenditure on Municipal Infrastructure Grant (MIG) allocation. To improve expenditure on Capital Budget. To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes. To ensure that the revenue of the municipality is collected and accounted for. To ensure proper Asset Management in line with prevailing accounting standards. To ensure that at least of 45% of procurement is awarded to designated sectors i.e., Youth, Women and disabled. To ensure financial viability of the municipality (8)
Spatial Planning and Environmental Management	Human and Community Development. Environmental Sustainability. Spatial Equity.	An inclusive and responsive social protection system. Sustainable human settlements and improved quality of household life. Protect and enhance our environmental assets and natural resources. An efficient, effective and development oriented public service.	Develop comprehensive response to rapid urbanisation, low carbon development and environment sustainability	**To contribute to a safe and secure environment.** To prevent and reduce the impact of disasters within KDM jurisdiction. Developing and sustaining the spatial, natural and built environment. Promote and support Low Carbon Development Path. To promote economic growth by creating an enabling environment for SMME. To provide educational guidance to local citizens development. To involve local communities in matters of local government (7)
KPA'S 6	6	11	10	**40**

2.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The Municipal Manager heads the administrative structure of KwaDukuza Municipality and is assisted by eight Heads of Business Units (Chief Financial Officer, Chief Operations Officer and Executive Directors). The departments are Finance, Corporate Services, Chief Operations Office, Economic Development and Planning, Community Services and Public Amenities, Community Safety, Civil Engineering & Human Settlements and finally Electrical Engineering Services.

Mr. Mdakane is responsible for performance in the following areas:

> Setting up effective and sound local administration.
> Coordination and compilation of the Integrated Development Plan (IDP).
> Performance management system of the Municipality.
> Oversees the management of internal audit.
> Overall responsibility for finances of the Municipality.
> Advise Political Office Bearers and Council on various issues.
> Responsible for compliance of the Municipality with various pieces of legislation; and
> Ensures community participation in the affairs of the Municipality.

Mr. Manzini is responsible for providing strategic direction in the following areas:

> Ensures compliance to all governance prescripts.
> All legal matters of the KDM, compilation of legal reports, legal opinions and comments, drafting of loan and service agreements.
> Functionality of Performance Management of the municipality.
> Administrative management of Internal Audit and Risk Management.
> Management of Corporate Communications and IGR.
> Administrative management of the IDP and Public Participation.
> Internal Audit.
> Special Projects.

Mr. S.M Rajcoomar
Chief Financial Officer

Mr. Rajcoomar is responsible for performance in the following areas:

> Financial Planning and Treasury.
> Supply Chain Management.
> Expenditure Control.
> Credit Control and Debtors.
> Revenue Control.
> Asset Management.
> Budget and Compliance.
> Revenue.
> Income and Expenditure.

Mr. S.M Khanyile
Executive Director: Community Services and Public Amenities

Mr Khanyile is responsible for the strategic performance of the following basic service delivery areas:

> Community Services.
> Waste Management Services.
> Beach maintenance and Marine Safety.
> Cemeteries and Crematorium.
> Parks and Gardens.
> Maintenance of Community Facilities.
> Management of Community Halls and Multi-Purpose Community Centre (MPCC).
> Libraries, Museums and Heritage.

2.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE *...continued*

Mr. S.V Hlongwane
Executive Director: Economic Development and Planning

Mr. Hlongwane is responsible for ensuring basic service delivery and performance in the following areas:

> Local Economic Development and Tourism.
> Development Planning and Building Control.
> Heritage and Museum Services.
> Business Licensing.
> Building Control.
> Development Enforcement.
> Outdoor Advertisement.
> Environmental Management.
> Geographic Information Systems (GIS).

Mr. E.M Sithole
Executive Director: Civil Engineering and Human Settlements

Mr Sithole is responsible for ensuring basic service delivery and performance in the following areas:

> Civil Engineering Services including, construction, maintenance, upgrading and expansion of municipal built assets.
> Road and storm water drainage.
> Project Management Unit (PMU).
> Building Maintenance.
> Infrastructure planning.
> Delivering of sustainable and integrated Human Settlements.
> Expanded Public Works Programme (EPWP).

Mr. S C Viramuthu
Executive Director: Community Safety

Mr. Viramuthu is responsible for the strategic performance of the following basic service delivery areas:

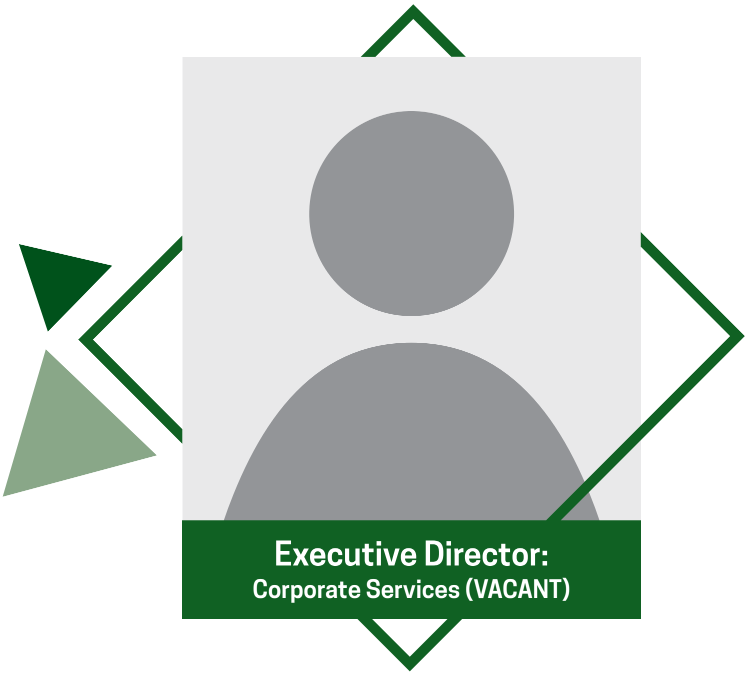
> Disaster Management.
> Law Enforcement/Traffic Policing.
> Crime Prevention.
> Social crime prevention.
> Motor Licensing and Testing Services.
> Fire and emergency services.
> Disaster Management.

Mr. S. Jali
Executive Director: Electrical Engineering Services and Fleet Management

Mr Jali is responsible for ensuring basic service delivery and performance in the following key performance areas:

> Electrical Engineering Planning and Customer Care.
> Electricity Operations.
> Mechanical Workshop.
> Electricity Planning.
> Fleet Management.

2.1.2 ADMINISTRATIVE GOVERNANCE STRUCTURE *...continued*



Executive Director:
Corporate Services (VACANT)

This position is responsible for the following :

- Maintenance and promotion of healthy labour relations and HR management of staff regarding matters such as staff recruitment, personnel development, personnel administration and employment equity.
- Controlling of statutes and all government and provincial gazettes.
- Controlling of archives and records of council.
- Building administration for KDM and the Mayor's house.
- The provision of secretariat services for all Committees of KDM as well as for Council meetings.

Executive Director:
Youth Development (VACANT)

This position is responsible for the following:

- Youth Development.
- Youth career and entrepreneurship advisory services.
- Sports Development.
- Mass Sports Participation.
- Creative Industry /Arts and Culture Development.

2.2 COMPONENT B: INTERGOVERNMENTAL RELATIONS (IGR)

The role of KDM IGR is to plan and evaluate Inter-governmental relationship initiatives, interventions and monitors procedural applications ensuring efficient relations and sharing models of good practice with other municipalities. Considering short- and long-term objectives, action plans, operating standards and performance targets of inter- government functions referring to Integrated Development Plan and Service delivery strategies. Monitoring and assessing the applicability and appropriateness of specific inter-government programmes to the broader objectives of the Municipality, referring to programme plans and outcomes. Providing guidance and support to the organization's functional areas on the alignment of policies and procedures regulating inter-governmental relationships and evaluates projects/programme conformity with the critical integration requirements. To ensure internal structures, methods and procedures support the objective of integration and the contributions and roles required to sustain relationships defined and understood.

The IGR systems should add value in effective service delivery, development and good governance across the three spheres of government. Further to this, the plan was to coordinate meetings between the municipality and relevant stockholders. Such meetings had started but due to the president declaring the state of National Disaster Act, meetings were subsequently suspended.

There has been gradual improvement around the understanding of the role of IGR from other business units, in terms of service delivery issues/concerns. There is still some work to be done when it comes to external stakeholders. The proposal in dealing with the above is to hold a workshops/meeting with the external stakeholders, which will help them understand the importance of IGR unit in assisting with fast tracking service delivery, through creating and sustaining relationships as required by the Constitution of the Republic.

Some of the challenges we have, are that we have a poor alignment of IDP within its cycle of development. Absence of early warning systems within municipalities leads to us identifying problems at an advance stage. Lack of streamline and support of one sphere by another makes it extremely difficult to try and resolve concerns on time. Reduced communication and information sharing between stakeholders is another challenge. The issue of budget constraints and cost containment measures within the municipality makes it difficult for the unit to plan and deliver programs within the municipality. Such programs could place the municipality at the world stage and assist in show casing our municipality to the much-needed foreign investment.

Meetings do sit at a district level to deal with these challenges. The process is as such that, each municipality would submit challenges to the IGR unit at the district municipality. The matters are then discussed, and possible solutions are agreed upon for actioning and monitoring. The below table provides the number of interventions conducted through the IGR office:

DATE	VENUE	NATURE OF EVENT
17/08/2021	Vulamehlo Hospice	KwaDukuza Gender Women Caucus and Senior Citizens Forum visit people living at Vulamehlo Hospice to celebrate Life of Nelson Mandela: they were given Cleaning Detergents: Sunlight Bar Soap, Sunlight Powder Soap, Sunlight Liquid Soap, Handy Andy, Jik, Masks, Sanitizers and Grocery.
18/08/2021	Shakashead Community Hall	KwaDukuza Women Caucus sub committee had a prayer in ward 4 (Shakashead) as according to stats shows that there is a high crime rate women stabbed by their loved ones. High rape crisis and abuse of women and children.
20/08/2021	Stanger High School Grounds	KwaDukuza in partnership with Sports and Recreation hosts Learn and Play for Preschools and Creches within KwaDukuza jurisdiction. Sports and Recreation handover Sports Equipment to Preschools and Creches that participated on the day.
24/08/2021	iLembe Auditorium	+-20 boys from grade 9 were transported to iLembe Auditorium to be addressed by different departments. They were taught and assisted in choosing the right subjects that will lead to choose right career. Departments: DSD, SASSA, DOH, DoE, Department of Environment, KwaDukuza Fire, KwaDukuza Social Crime.

DATE	VENUE	NATURE OF EVENT
19/11/2021	Stanger High School Grounds Community Hall	Senior Citizens Selections Games to select KwaDukuza Squad to compete at District games selecting squad that will represent District at the Provincial level.
24/11/2021	Mhlongo Village	Office of the Premier with KwaDukuza Municipality partnered to do 16 Days of activism awareness campaign with elders.
25/11/2021	KwaDukuza Town Hall	Office of the Premier with KwaDukuza Municipality partnered to do 16 days of Activism awareness campaign with elders.
14/12/2022	KwaDukuza Town Hall	Her Worship the Mayor handed over X10 Wheelchairs and X50 walking sticks Disability, Senior Citizens and children in need.
14/12/2022	KwaDukuza Social Welfare	Every year Mayor had a responsibility to treat vulnerable groups. She visited children under KwaDukuza Child Welfare and hand over Christmas hampers.
21/12/2021	KwaDukuza Town Hall	X60 Elders in need were handed Christmas groceries worth R1000pp. X2 Elders identified per ward.
03/12/2021	Thandanani Community Hall	Blitz handing over pamphlets and talks to community sensitizing community about Gender Based Violence then Dialogue between young generation and Elders.
18 - 25/03/2022	Different Schools	Dress a Child campaign done on yearly basis to assist learners that are in need. About 25 schools benefited. Each needy child receives Full uniform: Boys- X2 Shirts, X1 Trouser, X2 pairs of socks, X1 jersey, X1 pair of Black shoes. Girls receive: Tunic/Skirt, X1 shirt, X2 pairs of socks, X1 jersey and X1 pair of shoes.
25 - 31/05/2022	**Schools:** Nonoti Primary School Darnall Secondary School Thembeni Primary School Aldinville Primary School Zilungisele School Tinley Manor Primary	Annually May month is dedicated to Protection of children. Program is done in partnership with other stakeholders ensuring that the campaign is a success focusing on: Teenage Pregnancy and Drug Abuse Problem of Human /Child Trafficking Bullying and HIV/AIDS etc.

Table 2 Chapter 2: *IGR and special programmes achievements*

STRUCTURE DEPICTING IGR IN THE DISTRICT

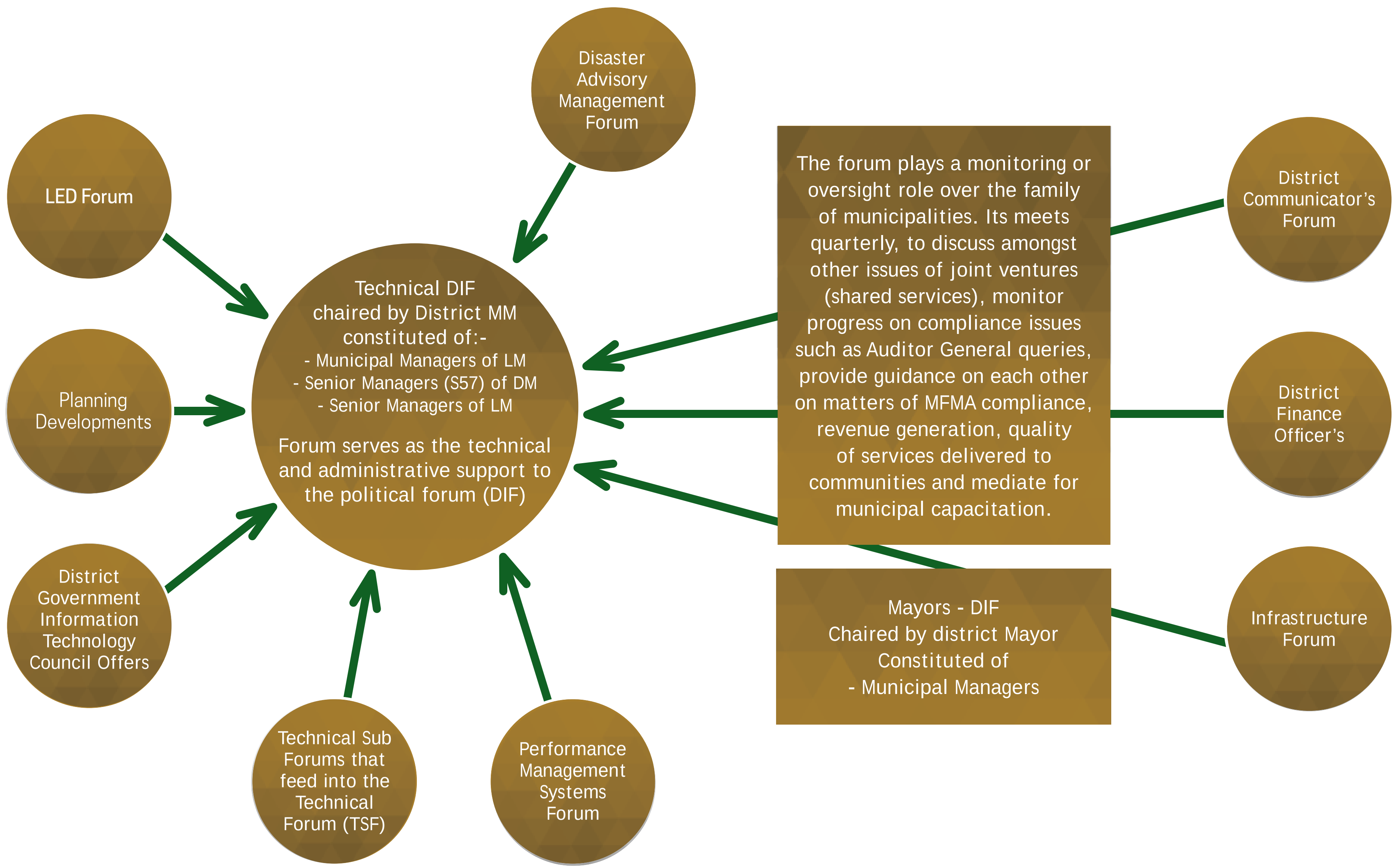


Figure 1 Chapter 2: *Intergovernmental Relations Structure*

2.3 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.3.1 PUBLIC MEETINGS FOR THE 2021/2022 IDP - IDP ROADSHOWS/IZIMBIZO IDP

In compliance with Chapter 4, Section 16(1) of the Municipal System Act 32 of 2000, KwaDukuza Municipality in collaboration with iLembe District Municipality conducted the IDP, PMS and Budget Roadshows which were scheduled as follows:

DATE	WARD/GROUP	VENUE	TIME
10 November 2020 Tuesday	27	Madundube Community Hall	09H00
	01	Sokesimbone Community Hall	09H00
	22	Salt Rock Library	18H00
11 November 2020 Wednesday	03	Nonoti Mouth Hall	09H00
	25	Vulingqondo Community Hall	09H00
	19	KDM Supper room (behind Town Hall)	18H00
12 November 2020 Thursday	05	Lindelani Community Hall	09H00
	18	Shakaville Hall	09H00
	16	Mdoniville Hall	18H00
13 November 2020 Friday	14	Lloyd Community Hall	09H00
	24	KwaDube (next Combo Court)	09H00
17 November 2020 Tuesday	15	Chris Hani Community Hall	09H00
	26	Ntshawini Community Hall	09H00
	06	Nokukhanya Building (KDM Ballito)	18H00
19 November 2020 Thursday	08	Nkobongo Community Hall	09H00
	23	Shayamoya Community Hall	09H00
20 November 2020 Friday	02	Zamani Community Hall	09H00
	12	Thembeni Community Hall	09H00
24 November 2020 Tuesday	29	Charlottdale Grounds	09H00
	11	Thandanani Community Hall	09H00
25 November 2020 Wednesday	09	Malende Community Hall	09H00
	10	Mhlongo Community Hall	09H00
27 November 2020 Friday	13	Glenhills Multi-Purpose Centre	10H00
01 December 2020 Tuesday	Amakhosi	KDM HR Boardroom	09H00
	28	Shakaskraal Secondary School	14H00
	North Ratepayers Association	KDM Council Chambers	09H00
02 December 2020 Wednesday	21	Driefontein Community Hall	09H00
	04	Shakashead Community Hall	09H00
	17	Stanger Manor Community Hall	18H00
03 December 2020 Thursday	07	Velani Community Hall	09H00
	20	Snyman Community Hall	09H00
	Ballito Chambers	Ballito Chamber of Commerce	18H00
05 December 2020 Friday	Ward Committee Members	KDM Town Hall	09h00

SCHEDULE FOR MAYORAL IZIMBIZO WHICH TOOK PLACE APRIL TO MAY 2021

DATE	WARD/GROUP	VENUE	TIME
22 APRIL 2021 (THURSDAY)	06	Nokukhanya Luthuli Building	17H30
23 APRIL 2021 (FRIDAY)	25	Vulingqondo Community Hall	09H00
	01	Sokesimbone Community Hall	
28 APRIL 2021 (WEDNESDAY)	15	Chris Hani Community Hall	09H00
	07	Velani Community Hall	
	08	Nkobongo Community Hall	13H00
	17	Stanger Manor Community Hall	17H30
30 APRIL 2021 (FRIDAY)	AMAKHOSI	KDM Council Chambers	10H00
	ILEMBE CHAMBER OF COMMERCE, INDUSTRY AND TOURISM	Unit 14, the Quarter 1 Stewart Drive, Ballito Business Park, Ballito	13H00
01 MAY 2021 (SATURDAY)	04	Shakashead Community Hall	09H00
	26	Ntshawini Community Hall	
	23	Shayamoya Community Hall	13H00
	28	Shakaskraal Secondary School	
04 MAY 2021 (TUESDAY)	27	Madundube Community Hall	09H00
	21	Driefontein Community Hall	
	14	Lloyd Community Hall	13H00
	22	Salt Rock Library	17H30
05 MAY 2021 (WEDNESDAY)	IDP REP FORUM/ WARD COMMITTEES	KwaDukuza Town Hall	09H00
	19	KwaDukuza Town Hall	17H30
06 MAY 2021 (THURSDAY)	11	Thandanani Community Hall	09H00
	20	Snyman Community Hall	09H00
	16	Mdoniville Hall	17H30
07 MAY 2021 (FRIDAY)	10	Mhlongo Hall	09H00
	24	KwaDube (next to Combo Court)	
	02	Zamani Community Hall	13H00
09 MAY 2021 (SUNDAY)	13	Glenhills Multi-Purpose Centre	09H00
	12	Thembeni Community Hall	
	29	Groutville Community Hall	13H00
	18	Mbozamo Community Hall	

2.3.2 NATIONAL AND PROVINCIAL PROGRAMMES ROLLED OUT IN KWADUKUZA

(A) WARD COMMITTEES

The ward committee members were elected in line with the Municipal Structures Act of 1998 from the month of February 2022. KwaDukuza Municipality has 300 ward committee members. The inauguration ceremony was held in June 2022. All ward committee members are committed to serve their communities. A follow up workshop was conducted during the course July 2022 for all ward committee members were taken through the core municipal programmes and the role they must play in such programmes which include the following activities:

i) Organise and attend meetings of the ward committee, council, community and sector consultation and feedback meetings, in consultation with Ward Councillor.
ii) Receive and record complaints from the community within the ward regarding service delivery, payment systems and others and provide feedback on council's responses.
iii) Organise and attend meetings of the ward committee, council, community and sector consultation and feedback meetings, in consultation with Ward Councillor.
iv) Receive and record complaints from the community within the ward regarding service delivery, payment systems and others and provide feedback on council's responses.
v) Coordinating ward programmes.
vi) Participating in IDP Review and Representative Forum.
vii) Participating in budget processes.
viii) Participating in performance management.

The municipality set resources aside to assist with the operational costs of the ward committee structures to enrich the public participation activities they are involved in daily in their respective wards. On a monthly basis the ward committee members compile ward reports which are submitted to the public participation unit in the municipality. These reports are then compiled with quarterly then sent to the Provincial department of Cooperative Governance and Traditional Affairs (Cogta) for assessment on the functionality of the ward.

2.3.3 IDP PARTICIPATION AND ALIGNMENT

The defined and adopted process plan for the KwaDukuza Municipality: as detailed in the table below.

ALIGNMENT OF IDP, BUDGET AND MUNICIPAL PERFORMANCE MANAGEMENT PROCESSES & DATES FOR THE 2021/2022 FINANCIAL YEAR

SCHEDULED DATES	IDP	PMS	BUDGET
JULY 2020	> Lodge advert to register on IDP Forum Database > Adopt the Draft IDP Process Plan at the end of July 2020 > Ensuring alignment of the Section 57 Managers individual Scorecards with the IDP strategies	> Signing of new performance contracts for Section 56/57 Managers and submission to EXCO (Section 69 of the MFMA and Section 56/57 of the MSA). > Prepare Departmental Business Plans SDBIP (Component 3) for the next financial year. > Previous year S56/57 Managers' Performance Assessments > Adoption of 2020/21 SDBIP	> IDP and Finance to discuss the 2020/2021 Budget planning issues > Prepare budget process plan and timetable for the 2021/2022. > Compile Section 71 Reports and present to the Mayor.
AUGUST 2020	1. By 1st of August 2020 Draft 2021/22 IDP Process Plan to be Advertised 2. Adoption of 2021/22 Final Process Plan by the 30th of August 2020 adoption Plan. 3. Director IDP and Public Participation to submit the Final IDP, PMS and Budget Process Plan. 4. Receive MEC comments on previous year's IDP COGTA submission. 5. 30th August 2020 IDP Project Steering Meeting (Extended MANCO)	> Quarterly Project Implementation Report > Quarterly Audit Committee meeting > Performance evaluation panel > Start the process of the Drafting Annual Report 2019/20	> Obtain Council's approval for 2021/2022 Multi-year budget process and timetable (IDP Process Plan) > Review external mechanisms affecting the medium-term budget forecasts. > Compile Section 71 Reports and present to the Mayor.
SEPTEMBER 2020	> Submission of the final IDP, PMS and Budget Process Plan to COGTA. > Formalise Council's Vision, Mission, Objectives and Strategies > Consultation with and alignment with Sector Departments. > Create template in relation to the scorecard **(*Situational Analysis*)** > Feedback to Steering Committee regarding MEC's assessment > Review and updating of Departmental Sector Plans > Ward Councillors and Ward committees to submit community needs for budget consideration > Revise prioritization in terms of performance > IDP Representative Forum on/by the end of September 2020.		> Assess Council's 2019/2020 Financial Statements and current year's revised results and capacity, to determine the impact on future strategies and budgets > Assess the funding policies including the tariff structures. > Compile Section 71 Reports and present to the Mayor.

ALIGNMENT OF IDP, BUDGET AND MUNICIPAL PERFORMANCE MANAGEMENT PROCESSES & DATES FOR THE 2021/2022 FINANCIAL YEAR *...continued*

SCHEDULED DATES	IDP	PMS	BUDGET
OCTOBER 2020	> Integration of information from adopted Sector Plans into the IDP Review > Beginning of October 2020 come up with dates for Mayoral Izimbizo (Public Participation). > Review mission, vision and objectives > Cross border municipal alignment and Formulate Strategies > Feedback from Senior Managers on Priorities - Projects – as well as Budget inclusions > Regional alignment (District Municipality) Mayoral Izimbizo to commence.		> Complete first Quarter Section 52 Financial Performance Evaluation Report. > Discuss Findings and obtain input from management, BSC and Council. > Compile Section 71 Reports and present to the Mayor.
NOVEMBER 2020	> November 2020 - IDP Steering Committee - Reviewing of strategies > November 2020 - Sector Alignment Workshop – COGTA > Finalise Roadshows report	> Quarterly Project Implementation Report (for first quarter) > Quarterly Audit Committee meeting (for the first quarter)	> Compile Section 71 Reports and present to the Mayor.
DECEMBER 2020	> Review KPI's and targets > IDP Best Practise Conference with COGTA > ILembe District Municipality Planner's Forum > Review of Strategies > Alignment of Capital estimates to the IDP	> Compile annual report (MFMA Sect 121)	> Compile Section 71 Reports and present to Mayor.
JANUARY 2021	> Steering Committee in the month of January 2021 > Send reminders 18-22 January 2021 requesting projects (with proposed budgets) > IDP Review integration phase > Projects/Send template by the end of January 2021	> Mayor tables annual report MFM Sect 127 (2) > Make public annual report and invite community inputs into report (MFMA Sect 127 & MSA Sect 12a) > Sect 56/57 Managers' quarterly assessments (for second quarter) > Tabling of Midterm Report to Council by the 25th of January.	> Submit the mid-year budget and performance assessment report to Council. Submit to National Treasury and Provincial Treasury both printed and electronic form the mid-year budget and performance assessment (Section 35). > Compile Section 71 Reports and present to Mayor.
FEBRUARY 2021	> Consolidation of information and finalization of MEC Assessment issues > Meeting with COGTA IDP submission and assessment > Draft IDP & Budget – Prioritization and Budget Allocation > Conclusion of Sector Plans initiated and integration into the IDP Review report > Finalise outstanding MEC assessment issues	> Quarterly Project Implementation Report (for second quarter implementation) > Quarterly performance audit committee meeting > Oversight process for the annual report and public participation. > Submit annual report to AG, Provincial & DTLGA (MFMA Sect 127). > Adjustment of the Organizational Scorecard targets tabled to Council with Adjustment budget.	> Compile Section 71 Reports and present to Mayor. > Adjustment budget to be considered if necessary > Make public the adjustment budget and supporting documentation within 10 working days after being approved by Council (Section 126). > Draft IDP & Budget – Prioritization and Budget Allocation > Review of the Mid-year visit Report by National Treasury and implementation of any recommendations. > Compile Section 71 Reports and present to Mayor.

ALIGNMENT OF IDP, BUDGET AND MUNICIPAL PERFORMANCE MANAGEMENT PROCESSES & DATES FOR THE 2021/2022 FINANCIAL YEAR *...continued*

SCHEDULED DATES	IDP	PMS	BUDGET
MARCH 2021	> IDP Representative Forum on/by the15th of March 2021 > 22-26 March 2021 Adoption of Draft IDP 2021/22 financial year. > Submit 2021/22 Draft Multi-year budget, IDP and Service Delivery and Budget implementation plan in both printed and electronic format forwarded to Provincial COGTA, within 10 working days after being approved by Council.	> Council to consider and adopt an oversight report [Due by 31 March 2020 MFMA Sec 129 (1)] > Set performance objectives for revenue for each budget vote (MFMA Sect 17) > Annual Customer Satisfaction survey (to be considered to annual report) MSA Sect 40. > Submit 2021/2022 Service Delivery and Budget Implementation Plans submitted to Executive Committee and Council for approval > Submit 2021/2022 Draft Multi-year and Service Delivery and Budget implementation plan in both printed and electronic format forwarded to National and Provincial Governments, including National Treasury within 10 working days after being approved by Council. > Final approval and adoption of the 19/20 APR by Council by end of March.	> Submit 2021/2022 Draft Multi-year budget and IDP submitted to BSC and Council for consideration. > Submit 2021/2022 Draft Multi-year budget in both printed and electronic format forwarded to National and Provincial Governments, including National Treasury within 10 working days after being approved by Council. > Make public the tabled draft budget and supporting documentation within 10 working days after being approved by Council. > Compile Section 71 Reports and present to Mayor.
APRIL 2021	> Notice to publicize the draft IDP (21 days) > Incorporate comments –adjust the IDP & Budget where necessary > IDP Budget Roadshows. > Report back on the results of Assessment Feedback > Ward committee meeting highlighting involvement of members in the IDP and Budget Public Participation process > Possibly undertake a 2- week community consultation process of the budget. > Adjustment of Draft IDP from 15th of April 2021.	> Strategies, objectives, KPA's, KPI's and targets and inclusion into IDP Review Report. > S56/57 Managers' Quarterly Performance Assessments > Publicise Annual Report [Due by 7 April MFMA Sec 129 (3)] > Submit Annual Report to Provincial Legislature/MEC Local Government (Due by 7 April MFMA Sec 132 (2)	> Revision of the budget and IDP from inputs received from the community, Government departments and National Treasury, if required > Compile Section 71 Reports and present to Mayor.
MAY 2021	> Adjustment of Draft IDP from the 1st – 15th May 2021 > On/By 31st of May 2021 Final 2021/22 IDP Adoption	> Implementation Report (for third quarter) > Quarterly Audit Committee meeting > Annual review of organizational KPIs > Review annual organizational performance targets (MPPR Reg)	> Compile Section 71 Reports and present to Mayor. > Final Alignment sessions between IDP, PMS and Budget. > Presentation of final Budget for adoption to Council.
JUNE 2021	> Submit to MEC on or before 10 days after adoption. > Prepare Draft IDP Process Plan for the 22/23 Financial Year. > Publish Council's adopted FINAL IDP 2021/22 on the Municipal website and local Newspapers.	> Submission of draft SDBIP to the mayor within 14 days of approval of the budget > Establish and complete performance evaluations for functional outcomes based on operational plans and the IDP > Approval of the SDBIP within 28 days after approval of the budget and completion of the annual performance contracts in accordance with S56/57 of MSA > Make public the SDBIP within 10 working days after being approved by Council > The Service Delivery and budget implementation plan in both printed and electronic format to be forwarded to national Treasury within 10 working days after being approved by Council	Compile Section 71 Reports and present to Mayor. > Approved 2021/2022 Multi-year budget in both printed and electronic format forwarded to National Treasury within 10 working days after being approved by council > Make public the approved budget and supporting documentation within 10 working days after being approved by Council. > Publish Council's budget on the website and local Newspapers.

2.4 COMPONENT D: CORPORATE GOVERNANCE

2.4.1 RISK MANAGEMENT

Section 62(1) (c) (i) of the Municipal Finance Management Act (MFMA) No. 56 of 2003 assigns an extensive responsibility to the Accounting Officer/ Municipal Manager to take all reasonable steps to ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

Risk management policy of KwaDukuza Municipality as approved by the Council further extends responsibility to all Municipal officials to implement effective systems of risk management within their areas of responsibility. Accordingly, the Risk Management Unit is established in the Office of the Municipal Manager and delegated to Chief Operations Officer.

The risk management function is currently performed by 1 staff member. Risk Management function reports to the Risk Management Committee and Audit Committee.

In accordance with the requirements of the MFMA, the annual risk assessment was conducted during the March-April 2021 through risk assessment workshops. The annual risk assessment covered both strategic and operational risks of the Municipality, fraud and corruption risks were also identified.

A detailed risk register was developed comprised of both strategic and operational risks with the top 10 risks being prioritized by management. All identified risks were grouped into specific risk categories to get a more manageable risk register with greater possibility to overview risks, followed by the rating of the risks and controls. Intervention measures were incorporated into the Risk Register through actions plans with clear time frames and assigning of responsibilities to relevant process owners and risk owners.

A) RISK ASSESSMENT

Risk assessment including development and implementation of measures to mitigate the top 10 risks

RESIDUAL RISK EXPOSURE	RISK ACCEPTABILITY	PROPOSED ACTIONS	RISK VALUE
Critical	Unacceptable	Take action to reduce risk with highest priority, accounting officer/chief executive officer and executive authority/ accounting Authority attention.	> 60
Major	Unacceptable	Take action to reduce risk with highest priority, accounting officer/chief executive officer and executive authority/ accounting Authority attention.	> 35 ≤ 60
Moderate	Unacceptable	Take action to reduce risk, inform senior Management.	> 20 ≤ 35
Minor	Acceptable	No risk reduction - control, monitor and inform management.	> 10 ≤ 20
Insignificant	Acceptable	No risk reduction - control, monitor and inform management.	≤ 10

Table 3 Chapter 2: *Risk values to risk exposures*

DETAILS OF TOP 10 KDM RISKS

NO.	REF.	RISK DESCRIPTION	RESIDUAL RISK RATING	ACTION PLAN	ACTION OWNER	STATUS
1.	SR01	Failure to develop, implement and maintain an Anti-Fraud & Corruption control environment. Energy losses.	Critical	Review the Fraud Prevention Strategy to encompass: 1. Fraud awareness campaigns 2. Establishing of Fraud Reporting Facility.	Chief Operations Officer and Assistant Manager Risk and Ethics	Finalised
				Develop a Gifts & Donations Policy.	Chief Operations Officer	Not Finalised
2.	SR02	Inability to build capacity and systems for the exploitation of the 4th Industrial Revolution.	Critical	Initiate implementation of digitalization to drive 4IR (Presentation on digitalization)	Director ICT	Finalised
				Document and present for (Awareness to staff): 1. Simple ICT initiatives and 2. Related Cyber Risks	Director ICT	Finalised
3.	SR03	Failure to recognize ICT as a strategic enabler.	Critical	Conduct business process re-engineering activities for ICT purposes. 1. Identify all processes that can be automated. (30/09/21) 2. Prioritize core functions. (31/12/21) 3. Document the current processes. (31/03/21) 4. Develop a plan for automation.	ED: Corporate Services and Director ICT	Not Finalised
4	SR04	Failure to effect systems (structures, processes & tools) of good governance in the municipality.	Critical	Establish a sub-committee of the Governance & Compliance Committee. 1. The committee will ensure quality assurance on governance documents and follow-up on action plans	Chief Operations Officer	Finalised
				Review the Consequence Management Policy to: 1. Ensure that consequence actions are impactful in addressing accountability.	Chief Operations Officer	Finalised
				Implement consequence management	Municipal Manager	Not Applicable
5.	RFin01	Loss of revenue / increase in debtors	Critical	Develop a Standard Operating Procedure Manual for Sundry Revenue.	Chief Financial Officer / Director Revenue	Finalised
				Reconcile the Valuation Roll on a monthly basis.	Chief Financial Officer / Director Revenue	Finalised
				To include Call Centre positions on the critical post list.	Chief Financial Officer / Director Revenue	Finalised

DETAILS OF TOP 10 KDM RISKS *...continued*

NO.	REF.	RISK DESCRIPTION	RESIDUAL RISK RATING	ACTION PLAN	ACTION OWNER	STATUS
6.	ROMM01	Ineffective implementation of Performance Measurement Systems.	Critical	Ensure quality at all stages of planning through: 1. Consolidate all the strategic planning (IDP, Organizational Scorecard, Budget & SDBIP) objectives into one Excel Spreadsheet. 2. Signing-off of all updates and submissions by Executive Directors. 3. Reviews and signing-off by the PMS Specialists & Budget Department of the quality of assessments.	Chief Operations Officer / Director PM&E	Finalised
				Continuous submission to Good Governance committee of the targets throughout the quarter to enable. 1. Continues monitoring of the quality of submissions.	Director PM&E	Finalised
				Form a Sub-Committee of the Governance & Compliance Committee to. Provide quality assurance (Oversight) on. 1. SMART Targets 2. Compliant KPI 3. Alignment	Chief Operations Officer / Director PM&E	Finalised
7.	RCSaf:02	Possible termination of the Testing License by the Department of Transport.	Critical	Write and send a motivation to Council narrating the essence of filling posts (Traffic section)	ED: Community Safety	Finalised
8.	RCS02	Insufficient buildings to accommodation of staff.	Critical	Finalization of the purchase and sale agreement for building.		Not Finalised
9.	SR07	Failure to promote economic transformation across the municipality.	Major	Develop a Sub-Contracting Procedure Manual for projects.	Chief Financial Officer	Finalised
				Develop a database for small business to facilitate rotation on project	ED: Economic Development and Planning and Chief Financial Officer	Not Finalised
10.	SR06	Inadequate capacity to manage all occupational, health and safety protocols.	Major	Conduct an OHS risk assessment.	ED: Corporate Services/ Director Corporate Services	Finalised

CATEGORY	PROPOSED ACTION PLANS 21/22	FINALIZED	NOT FINALIZED	N/A	% ACHIEVEMENT
Top 10 Risk Register	19	14	4	1	74%

Table 4 Chapter 2: *Top 10 Risk Register*

2.4.2 ANTI-FRAUD AND CORRUPTION

The strategy is intended to set down the stance of KwaDukuza Local Municipality towards fraud and corruption as well as to reinforce existing systems, policies, procedures, rules and regulations of KwaDukuza Local Municipality aimed at preventing, deterring, detecting, reacting to, and reducing the impact of fraud and corruption, where such dishonest activities exist.

The commitment of KwaDukuza Local Municipality to this strategy is for the protection of the public funds it administers and to achieve a reputation for maintaining good systems of internal controls that are determined to prevent and detect all forms of internal and external fraud and corruption committed against KwaDukuza Local Municipality.

KwaDukuza Local Municipality upholds the principles guiding the conduct of the holders of public service, some of which are:

> Integrity
> Professionalism
> Transparency
> Accountability
> Objectivity
> Respect
> Quality of service delivery and value for money.

The objectives of the strategy are to create a culture within the Municipality which promotes public service and discourages unethical conduct, fraud and corruption by:

> Creating a culture within the Municipality, which is intolerant to unethical conduct, fraud and corruption
> Preventing and detecting unethical conduct, fraud and corruption
> Development of anti-corruption capacity within the Municipality
> Investigating detected unethical conduct, fraud and corruption
> Taking appropriate action in the event of such irregularities e.g., disciplinary action, recovery of losses, prosecution etc.
> Applying sanctions, which includes redress in respect of financial losses
> Providing a focus point for the allocation of accountability and authority
> Encouraging all public servants and stakeholders to report suspicious fraudulent activities without fear of reprisals or recriminations
> Strengthening community participation in the fight against fraud, theft and corruption
> Reinforcing transparency of the work of the Municipality and encouraging participation of civil society and community groups in oversight structures
> Improving good governance and building resilient government through:
- Improving the application of systems, policies, procedures, rules and regulations within the Municipality.
- Improving accountability, efficiency and effective administration within the Municipality, including decision-making and management conduct, which promotes integrity.

KwaDukuza Local Municipality has a zero-tolerance attitude to fraud and will do everything financially prudent to ensure that fraud, corruption or misconduct, cannot affect its assets and financial well-being. In keeping with the zero-tolerance approach, acts of fraud, corruption and misconduct will not be tolerated at any level. All fraud will be investigated and followed up by the application of all remedies available within the full extent of the law as well as the application of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls, and checking mechanisms as prescribed in the systems, policies, procedures, rules and regulations of government.

A) INTERNAL AUDIT

In terms of section 216(1)(c) of the Constitution of the Republic of South Africa, (Act 108 of 1996), national legislation must prescribe measures to ensure both transparency and expenditure control in all spheres of government by introducing uniform treasury norms and standards. Good governance involves show an organization is managed, its organizational culture, policies, strategies and the way it deals with its stakeholders. The internal audit and audit committee provide objective, independent advice to improve oversight, governance and help to mitigate risks.

The internal Audit unit is formed in accordance with the Municipal Finance Management Act, Act 56 0f 2003, Section 165 and National Treasury, MFMA Circular 65. The main aim of internal audit is to assist in a municipality with internal systems of internal control and effective operation of the audit committee for sound corporate governance in a municipality.

THE FUNCTIONS OF INTERNAL AUDIT

The internal audit unit of a municipality or municipal entity must:

> prepare a risk-based audit plan and an internal audit program for each financial year.

> advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:

- internal audit.
- internal controls.
- accounting procedures and practices.
- risk and risk management.
- performance management.
- loss control; and compliance with this Act, the annual Division of Revenue Act and any other applicable legislation; and
- perform such other duties as may be assigned to it by the accounting officer.

The internal audit function referred to in subsection (2) may be outsourced if the Municipality or municipal entity requires assistance to develop its internal capacity and the council of the municipality or the board of directors of the entity has determined that this is feasible or cost-effective.

2.4.3 SUPPLY CHAIN MANAGEMENT

2.4.3.1 SUPPLY CHAIN MANAGEMENT (S C M) COMMITTEES

The following SCM Committee members were appointed for the 2021/2022 financial year.

The Bid Specifications Committee comprised of the following members: -

TENDER SPECIFICATION COMMITTEE - CIVIL	
NAME	DEPARTMENT
F Mhlongo (Chairperson)	CIVIL
W Vilakazi (Alt. Chairperson)	EDP
N Singh	FINANCE
L Tshonapi	SCM

TENDER SPECIFICATION COMMITTEE ELECTRICAL AND OTHER TECHNICAL PROJECTS	
NAME	DEPARTMENT
D Mhaule (Chairperson)	ELECTRICAL
A Sompersadh (Alt. Chairperson)	CIVIL
L Ntuli	FINANCE
S Msweli	SCM

TENDER SPECIFICATION COMMITTEE - NON-TECHNICAL	
NAME	DEPARTMENT
M Faya – Chair	COMM. SAFETY
N Gumbi – Alt Chair	COMM. SAFETY
N Nxumalo	SCM
S Ngobese	SCM
S Cundasamy	FINANCE

The Bid Evaluation Committee comprised of the following members: -

TENDER EVALUATION COMMITTEE - CIVIL	
NAME	DEPARTMENT
M Ntanta (Chairperson)	EDP
S Buthelezi (Alt. Chairperson)	CIVIL
P Govender	CG
V Sreramulu	SCM

TENDER EVALUATION COMMITTEE - ELECTRICAL	
NAME	DEPARTMENT
S Jali (Chairperson)	ELECTRICAL
F Naidoo (Alt. Chair)	EDP
A Nunkumar	FINANCE
M Pillay	SCM

TENDER EVALUATION COMMITTEE - NON – TECHNICAL	
NAME	DEPARTMENT
Sv Hlongwane (Chair)	EDP
N Ngwane (Alt. Chair)	COMM. SERV.
M Ngubane	CS
D Sreramulu	SCM

The Bid Adjudication Committee comprised of the following members.

TENDER ADJUDICATION COMMITTEE	
NAME	**DEPARTMENT**
S Rajcoomar (Chairperson)	FINANCE
S Khanyile (Alternate Chair)	CS & PA
L Moothusamy	SCM
M Sithole	CIVIL
S Chongeune	FINANCE

For the 2021/2022 Financial year the CFO, Mr. SM Rajcoomar, nominated the Director Expenditure, Mr. S Chonguene to attend any TAC meetings in his absence in terms of Regulation 29(2)(a) of the SCM Policy, as a member only.

The Bid Appeals Committee comprised of the following members: -

TENDER APPEALS COMMITTEE	
NAME	**DEPARTMENT**
C. Viramuthu (Chairperson)	COMMUNITY SAFETY
S. Zulu (Alt. Chairperson)	COMMUNICATIONS
S. Kuber	I.T.
N. Thungo	LEGAL

Municipal Bids Tribunal is not applicable to KwaDukuza Municipality.

The Accounting Officer established a Variation Committee. The members were as follows:

VARIATION COMMITTEE	
NAME	**DEPARTMENT**
S.V Hlongwane – Chair	ECONOMIC DEVELOPMENT & PLANNING
S Khanyile – Alt. Chair	COMMUNITY SERVICES
A Nunkumar	FINANCE
N Gumbi	LEGAL SERVICES
S Msweli	SCM

A) TRAINING

The following training was conducted during 2021/2022 financial year: -

COURSE / WORKSHOP NAME	ATTENDEES
CSD - BY NATIONAL TREASURY	SCM Practitioners Procurement Clerk Buyer
E-TENDER PORTAL SYSTEM TRAINING	Vanessa Sreramulu Sethembile Nyirongo Mbali Mtshali Thobeka Magwaza
MSCOA TRAINING	All SCM Practitioners Buyer Head:SCM Demand Manager
MUNSOFT TRAINING	Buyer Procurement Clerk SCM Practitioners Logistics Staff (Note Logistics Staff Did Not Have Access To Microsoft Teams However Did Sit In With Another Attendee)
CIDB WORKSHOP	SCM Practitioners Buyer CFO
SALGA: Introductory Session on a Course: Introduction to Supply Chain	M Pillay – SCM Practitioner
Vuthela mSCOA transactional training.	SCM Practitioners Buyer Head:SCM Storeman Procurement Clerk Demand Manager
Vuthela Budget Management and Transacting Support Programme	Vanessa Sreramulu Sandile Msweli Khethiwe Mlambo
CIDB WORKSHOP Overview of the CIDB Build Programme and Contractor Development Framework	SCM Practitioners Buyer Procurement Clerk Storeman Head:SCM Ed: Electrical Engineering Director Electrical Operations Director Civil PMU Manager

COURSE / WORKSHOP NAME	ATTENDEES
MSCOA TRAINING BY VUTHELA	Buyer Procurement Clerk SCM Practitioners Chief Clerk Stores

B) CODE OF CONDUCT AND DECLARATION OF INTEREST

All personnel within the SCM unit together with other role players such as Tender committee members have signed the code of Conduct for SCM role players and have also declared their interest. It is a common practice that such declarations be reviewed annually to give personnel the opportunity to declare their interest should their circumstances alter within the financial year. Corporate Services with the take on of new personnel will introduce the declaration of interest as a measure to avoid future conflicts of interests; however, employees are encouraged to also do so when their circumstances alter within the financial year during their employment at KwaDukuza Municipality. At every meeting of Tender Committees, members are given the opportunity to declare their interests.

2.4.3.2 SCM CHALLENGES AND RECOMMENDATIONS

CHALLENGES	SOLUTIONS
ACQUISITIONS - R0 - R200K	
• Suppliers don't respond to requests for quotes • Under quoting resulting in withdrawals of CQs • CSD is an ongoing problem. Not functional • Requests for buying are received late for planned events • Lack of clear specifications • CSD does not identify specialist for a particular commodity reason being service providers are permitted to register for all commodities • Incorrect votes used for procurement • All applicable websites e.g.. CSD and CIDB are extremely slow • Due to policy calling for 1 and 2 CIDB grading's, specialist service providers cannot be sourced	• IT system for SCM needs to be upgraded for example fibre optic cables • IT equipment for SCM must be upgraded and prioritised • Turnaround should be at least 2 days for below R30k procurements subject to the requests are received timeously. • Turnaround times for CQ's should be 10 days which includes time for advertising and evaluation and award • With Section 36's – all requests for 36's in terms of the deviations as outlined in the regulations must be approved within 7 days of incident to ensure compliance of the SOP. • Specifications must be drafted by a senior official of the BU • Service providers are to be called telephonically once requests are sent and orders are placed • For all capital procurement the budget office must sign off all requests to ensure that funds are available for such requests • The SCM practitioner together with the Buyer must ensure that the vote recorded on the request for buying is legitimate before any procurement takes place.
DEMAND MANAGEMENT - TENDERS	
• Tenders are being extended to many times. • Open ended extension of validity letters • No quorums for scheduled meetings • Late arrival of members (members require secretariats to constantly remind them of meetings despite emails and notices being circulated) • Items / reports submitted by departments are unclear and not credible; for example, authors of the items do not consult with their superiors • Non-compliant with advert requirements (budget clearance certificate, minutes not being sent, signed tender advert not submitted) • Business units are not availing themselves to attend meetings although notice of meetings is sent • Item Deferred – budget clearance certificate not submitted by the Business Unit to TSC. • Items are not signed off by the relevant ED / Directors • Items deferred for various reasons are not submitted on time to the various committees. • Tenders closed not being sent for evaluation within the validity period • Non-adherence of the procurement plan • Information missing from Bid Document - (MDB 6.2 LOCAL CONTENT)	• Validity to be extended only for 30 days • Scheduled meeting as follows: Monday TAC; Tuesday TEC & Thursday TSC • Communication to members is via e-mails only. After 15 minutes the attendance register will be ruled off. All apologies must go via the secretariat with reasons for nonattendance. Before the attendance register is tabled at FPC the chairs will given an opportunity to vet the attendance. • All report must sign off by the EDs • In future all adverts will be advertised by the SCM Admin Officer. • It is mandatory that the BU attends the Bid committee meetings to present their items. Officials up to a Manager level are only to present to the committees • Bid Documents to be sold will only be the ones that are signed off by the members of TSC. • Before the item is tabled at TSC the BU must obtain a Budget Certificate from the Budget Office • items that are differed must be resubmitted in 3 days to the Admin Officers for tabling • Tenders must be tabled at the Committee within the validity period. • Invite the Demand Manager to BU Manco to address the PP

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
July					
07-JUL-21	TENDER NO. MN 56/2020- PANEL OF CONTRACTORS FOR STORMWATER IMPROVEMENT FOR A PERIOD OF THREE (3) YEARS	GABADELE TRADING (PTY) LTD	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
07-JUL-21		KB LEVEL CONSTRUCTION	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
05-JUL-21		INKONKA CIVILS	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
06-JUL-21		HAVILAH COMMERCIAL PROJECTS	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
06-JUL-21		TIAWEST (PTY) LTD	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
05-JUL-21		STRICHCODE CONSTRUCTION	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
05-JUL-21	TENDER NO. MN 119 / 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 4 (WARD 5)	THIHLI TRADING ENTERPRISE	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
05-JUL-21	TENDER NO.: MN 123/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 2 (WARD 2)	SKADIE TRADING (PTY) LTD	Resolved	07-JUL-21	Letter with reasons for disqualification / non-responsive issued on 02 July 2021
05-JUL-21	TENDER NO.: MN 123/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 2 (WARD 2)	SBORONG TRADING (PTY) LTD	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
05-JUL-21	9.1 TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	STRICHCODE CONSTRUCTION	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
05-JUL-21	9.1 TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	THIHLI TRADING ENTERPRISE	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval
07-JUL-21	9.1 TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	THOLEYAKHO CONSTRUCTION AND PROJECTS	Resolved	19-JUL-21	Letter with reasons for disqualification / non-responsive issued on 07 July 2021

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
July					
02-JUL-21	TENDER NO. MN 91/2020 - PANEL OF CONTRACTORS FOR THE DISCONNECTION, RECONNECTION AND AUDITING OF ELECTRICITY SERVICES INCLUDING TID ROLLOVER IMPLEMENTATION AS AND WHEN REQUIRED FOR A PERIOD THREE (3) YEARS	HLONOFATSO ELECTRICAL CC	Resolved	07-JUL-21	Letter with reasons for disqualification / non-responsive issued on 02 July 2021
02-JUL-21	TENDER NO. MN 91/2020 - PANEL OF CONTRACTORS FOR THE DISCONNECTION, RECONNECTION AND AUDITING OF ELECTRICITY SERVICES INCLUDING TID ROLLOVER IMPLEMENTATION AS AND WHEN REQUIRED FOR A PERIOD THREE (3) YEARS	IJUBANE INVESTMENTS (PTY) LTD	Pending	20-JUL-21	Awaiting signed report from the chairperson of the appeals committee to be forwarded to the accounting officer for approval

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Aug					
07-JUL-21	TENDER NO. MN 56/2020- PANEL OF CONTRACTORS FOR STORMWATER IMPROVEMENT FOR A PERIOD OF THREE (3) YEARS	GABADELE TRADING (PTY) LTD	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
07-JUL-21		KB LEVEL CONSTRUCTION	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
05-JUL-21		INKONKA CIVILS	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
06-JUL-21		HAVILAH COMMERCIAL PROJECTS	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
06-JUL-21		TIAWEST (PTY) LTD	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
05-JUL-21		STRICHCODE CONSTRUCTION	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
05-JUL-21	TENDER NO. MN 119 / 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 4 (WARD 5)	THIHLI TRADING ENTERPRISE	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
05-JUL-21	TENDER NO.: MN 123/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 2 (WARD 2)	SKADIE TRADING (PTY) LTD	Resolved		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
05-JUL-21	TENDER NO.: MN 123/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 2 (WARD 2)	SBORONG TRADING (PTY) LTD	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Aug					
05-JUL-21	TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	STRICHCODE CONSTRUCTION	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
05-JUL-21	TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	THIHLI TRADING ENTERPRISE	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
07-JUL-21	TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	THOLEYAKHO CONSTRUCTION AND PROJECTS	Pending	19-JUL-21	Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
02-JUL-21	TENDER NO. MN 91/2020 - PANEL OF CONTRACTORS FOR THE DISCONNECTION, RECONNECTION AND AUDITING OF ELECTRICITY SERVICES INCLUDING TID ROLLOVER IMPLEMENTATION AS AND WHEN REQUIRED FOR A PERIOD THREE (3) YEARS	IJUBANE INVESTMENTS (PTY) LTD	Pending	20-JUL-21	Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
10-AUG-21	TENDER NO. MN 120/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 8 (WARD 12)	MVELASE SA INVESTMENT (PTY) LTD	Resolved		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
10-AUG-21	TENDER NO. MN 121/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 9 (WARD 13 & 26)	THIHLI TRADING ENTERPRISE			Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
10-AUG-21	TENDER NO. MN 121/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 9 (WARD 13 & 26)	AFRICAN SPEAR TRADING 218 CC	Resolved	16-AUG-21	Bidder was advised the reasons why there were deemed non-responsive.
10-AUG-21	TENDER NO. MN 135/2020 - KDM MV CABLE NETWORK UPGRADE	YEBO YS PROJECTS	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
10-AUG-21	TENDER NO. MN 135/2020 - KDM MV CABLE NETWORK UPGRADE	RAW POWER (PTY) LTD	Pending		Bidder tendered apology on 31.08.2021 due to month end and meeting was rescheduled to be held on 02 September 2021
11-AUG-21	TENDER NO. MN 120/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 8 (WARD 12)	BANDEZI DEVELOPMENT SERVICE (PTY) LTD	Resolved	16-AUG-21	Bidder was advised the reasons why there were deemed non-responsive.
23-AUG-21	TENDER NO. MN 19/2021: THE APPOINTMENT OF A MULTI DISCIPLINARY TEAM/ CONSORTIUM TO IMPLEMENT THE KWADUKUZA MUNICIPALITY EASE OF DOING BUSINESS TOOLS & SYSTEMS PROJECT (TURKEY)	CYBERFOX	Pending		Bidder tendered apology on 31.08.2021 due to month end and meeting was rescheduled to be held on 02 September 2021
24-AUG-21	TENDER NO. MN 135/2020 - KDM MV CABLE NETWORK UPGRADE	CAPITAL POWER PROJECTS	Pending		Bidder was advised the reasons why there were deemed non- responsive.

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Sept					
07-JUL-21	TENDER NO. MN 56/2020- PANEL OF CONTRACTORS FOR STORMWATER IMPROVEMENT FOR A PERIOD OF THREE (3) YEARS	GABADELE TRADING (PTY) LTD	Pending		Report received from the accounting officer and included on tac agenda for noting
07-JUL-21		KB LEVEL CONSTRUCTION	Pending		Report received from the accounting officer and included on tac agenda for noting
05-JUL-21		INKONKA CIVILS	Pending		Report received from the accounting officer and included on tac agenda for noting
06-JUL-21		HAVILAH COMMERCIAL PROJECTS	Pending		Report received from the accounting officer and included on tac agenda for noting
06-JUL-21		TIAWEST (PTY) LTD	Pending		Report received from the accounting officer and included on tac agenda for noting
05-JUL-21		STRICHCODE CONSTRUCTION	Pending		Report received from the accounting officer and included on tac agenda for noting
05-JUL-21	TENDER NO. MN 119 / 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 4 (WARD 5)	THIHLI TRADING ENTERPRISE	Pending		Committee meeting concluded the matter, and we awaits approval from the accounting officer to be finalised
05-JUL-21	TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	STRICHCODE CONSTRUCTION	Pending		Report received from the accounting officer and included on tac agenda for noting
05-JUL-21	TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	THIHLI TRADING ENTERPRISE	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
07-JUL-21	TENDER NO.: MN 125/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.3 (WARD 16)	THOLEYAKHO CONSTRUCTION AND PROJECTS	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
02-JUL-21	TENDER NO. MN 91/2020 - PANEL OF CONTRACTORS FOR THE DISCONNECTION, RECONNECTION AND AUDITING OF ELECTRICITY SERVICES INCLUDING TID ROLLOVER IMPLEMENTATION AS AND WHEN REQUIRED FOR A PERIOD THREE (3) YEARS	IJUBANE INVESTMENTS (PTY) LTD	Pending		Report received from the accounting officer and included on tac agenda for noting
10-AUG-21	TENDER NO. MN 121/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 9 (WARD 13 & 26)	THIHLI TRADING ENTERPRISE	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
10-AUG-21	TENDER NO. MN 135/2020 - KDM MV CABLE NETWORK UPGRADE	YEBO YS PROJECTS	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised
10-AUG-21	TENDER NO. MN 135/2020 - KDM MV CABLE NETWORK UPGRADE	RAW POWER (PTY) LTD	Pending		Committee meeting concluded the matter and awaits approval from the accounting officer to be finalised

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Sept					
23-AUG-21	TENDER NO. MN 19/2021: THE APPOINTMENT OF A MULTI DISCIPLINARY TEAM/ CONSORTIUM TO IMPLEMENT THE KWADUKUZA MUNICIPALITY EASE OF DOING BUSINESS TOOLS & SYSTEMS PROJECT (TURKEY)	CYBERFOX	Resolved	02-SEP-21	Appeal was resolved and dismissed by the committee
24-AUG-21	TENDER NO. MN 135/2020 - KDM MV CABLE NETWORK UPGRADE	CAPITAL POWER PROJECTS	Resolved	22-SEP-21	Bidder was advised the reasons why there were deemed non-responsive.

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Quarter 2					
04-OCT-21	TENDER NO. MN 124/ 2020: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.1 (WARD 16)	DA BLOKA PROJECTS (PTY) LTD	Resolved	19-OCT-21	Letter with the reasons was issued to the bidder
19-OCT-21	TENDER NO. MN 99/2021 - REMOVE EXISTING, SUPPLY, INSTALL, COMMISSION AND MAINTAIN NEW CREMATOR EQUIPMENT AT THE KWADUKUZA CREMATORIUM	ENGINEERED TERMINAL SYSTEM	Resolved	20-OCT-21	Letter with the reasons was issued to the bidder
22-OCT-21	TENDER NO. MN 83/2020 – CONSTRUCTION OF DUKUZA 132KV SWITCHING SUBSTATION & 132/33KV SUBSTATION	EDISON POWER (PTY) LTD	Resolved		Appeal withdrawn
19-NOV-21	TENDER NO. MN 116/2021 – SUPPLY, INSTALL, COMMISSION AND MAINTAIN TEN AIRCONDITIONERS AT KWADUKUZA TOWN HALL	AFRICAN SPEAR	Resolved	24-NOV-21	Letter with reasons issued to the bidder on 24th November 2021
30-NOV-21	TENDER NO. MN 131/2021– PROVISION OF INDIGENT AND PAUPER BURIAL SERVICES FOR A PERIOD OF THREE YEARS	REDDY'S FUNERAL SERVICE	Resolved	30-NOV-21	Letter with reasons issued to the bidder on 30th November 2021
19-DEC-21	TENDER NO.MN 63/2021 - PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF 36 MONTHS (1 OCTOBER 2021 – 30 SEPTEMBER 2024)	SERENITY FINANCIAL SERVICES CC	Resolved		Letter with reasons for non-responsiveness issued and sent on 21 December 2021
21-DEC-21	TENDER NO. MN 42/2021: PROVISION OF BANKNG SERVICES FOR A PERIOD OF 60 MONTHS (1 JULY 2021 TO 30 JUNE 2026)	NEDBANK LIMITED	Resolved		Letter with reasons for non-responsiveness issued and sent on 22 December 2021
21-DEC-21	TENDER NO. MN 98/2021 - SUPPLY AND INSTALL PREFABRICATED TEMPORARY STRUCTURE CRECHE IN WARD 16 – NYONIYAMANZI	SOUTHEN HOLDINGS T/A PARKHOME MODULAS	Resolved		Letter with reasons for non-responsiveness issued and sent on 22 December 2021
30-DEC-21	TENDER NO. MN 178/2019 – THE CUTTING OF GRASS AND LITTER PICKING WITHINI KWADUKUZA MUNICIPALITY: ZONE 3 (WARD 4, 6 & 21)	AGRI AFRICA HOLDINGS (PTY) LTD	Pending		The response letter will be issued and sent out in January 2022

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Quarter 3					
Jan					
07-JAN-22	TENDER NO. MN 150/2021: PANEL OF CONTRACTORS FOR THE SUPPLY AND FITTMENT OF BATTERIES AND TYRES FOR A PERIOD OF THREE (3) YEARS	SUGAR COAST MOTORS CC	Resolved	26-JAN-22	
Feb					
11-FEB-22	TENDER NO. MN 105/2021: PROVISION OF SECURITY SERVICES FOR A PERIOD OF THREE YEARS FOR THE KWADUKUZA MUNICIPALITY	IMVULA QUALITY PROTECTION (AFRICA) (PTY) LTD	Pending		
11-FEB-22		ROYAL SECURITY CC	Pending		
		ISIDINGO SECURITY	Pending		
16-FEB-22		BLACKMAN SECURITY	Resolved	09-MAR-22	Appeal committee resolved that Blackman objection is a process that is within the scope of the accounting officer in terms of request of bid documents and the required information, therefore the appellant needs to relies with the legal services unit for guidance and send application of access of information to the accounting officer
16-FEB-22	TENDER NO. MN 97/2021 – PANEL OF CONTRACTORS FOR FENCING INSTALLATION FOR KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS	MAPCREPE RETAINER WALLS AND FENCING	Resolved	18-FEB-22	
March					
11-FEB-22	TENDER NO. MN 105/2021: PROVISION OF SECURITY SERVICES FOR A PERIOD OF THREE YEARS FOR THE KWADUKUZA MUNICIPALITY	IMVULA QUALITY PROTECTION (AFRICA) (PTY) LTD	Resolved	17/02/2022	Letters with reasons for disqualification were sent 17/02/2022
11-FEB-22		ROYAL SECURITY CC	Resolved	17/02/2022	Letters with reasons for disqualification were sent 17/02/2022
11-FEB-22		ISIDINGO SECURITY	Resolved	17/02/2022	Letters with reasons for disqualification were sent 17/02/2022
16-FEB-22		BLACKMAN SECURITY	Pending	09-MAR-22	The matter was referred to the accounting officer for PAIA application.
16-FEB-22	TENDER NO. MN 97/2021 – PANEL OF CONTRACTORS FOR FENCING INSTALLATION FOR KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS	MAPCREPE RETAINER WALLS AND FENCING	Resolved	18-FEB-22	Letters with reasons for disqualification were sent 16/02/2022

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Quarter 4					
April					
20-APR-22	TENDER NO. MN 99/2020 PANEL OF CONTRACTOR FOR HIRING OF PLANT FOR THREE YEARS	STRICHCODE CONSTRUCTION	Pending	29-APR-22	Appeals committee hereby recommend to SCM to provide the committee with the printed CSD at the tac meeting held on the 08 April 2022 and the current CSD report to verify the company directors and the tac decision
May					
20-APR-22	TENDER NO. MN 99/2020 PANEL OF CONTRACTOR FOR HIRING OF PLANT FOR THREE YEARS	STRICHCODE CONSTRUCTION	Resolved	06-MAY-22	Appeals committee hereby recommend that Strichcode Construction be part of the panel, the committee verified the bid document together with the CIPC certificate provided by the appellant and the certificate in terms of WIDI confirmed that Strichcode construction belongs to Mr Mthiyane Nhlakanipho Sithembile identity number 7903235354089 from the 1st of February 2022 and this director is the only director of the company
28-APR-22	TENDER NO. MN 99/2020 PANEL OF CONTRACTOR FOR HIRING OF PLANT FOR THREE YEARS	ZAMA ENGINEERING MANUFACTORS	Resolved	06-MAY-22	Appeals committee hereby recommend that Zama Zama engineering manufactures should be part of the panel of contractors for the following reasons – > that the appellant is a solo owner of the cc > that the appellant has correctly completed and signed the document > that the appellant acknowledge that the letter was not attached > that the returnable schedule 8 paragraph e was correctly completed and signed > that the bidder cannot have a board resolution because he is a solo owner of a close corporate and cannot grant power of attorney to himself, this is not applicable to the cc
29-APR-22	TENDER NO. MN 99/2020 PANEL OF CONTRACTOR FOR HIRING OF PLANT FOR THREE YEARS	MLOMBOVU PROJECTS	Resolved	06-MAY-22	Appeals committee hereby recommend that Mlombovu projects be part of the panel as the appellant has complied with the requirement of the schedule, letter submitted from the landlord confirms that all municipal levies and amounts are up to date. The appellant is renting an office at suit 12 Truworths square 88 king shake street, the confirmation letter is signed by the landlord Mr S. Majour.
11-MAY-22	TENDER NO. MN 99/2020 PANEL OF CONTRACTOR FOR HIRING OF PLANT FOR THREE YEARS	HAVILAH COMMERCIAL PROJECTS	Resolved	06-MAY-22	Appeals committee hereby recommend that Havilah commercial projects be part of the panel as the address information on the CIPC is the same as the address on the ward councillor letters, therefore the committee finds that sufficient and accurate information, the bidder is complying with the requirement of the schedule.
07-MAY-22	TENDER NO. MN 99/2020 PANEL OF CONTRACTOR FOR HIRING OF PLANT FOR THREE YEARS	TEZ TRUCK PLANT & CIVILS CC	Resolved	06-MAY-22	Appeals committee hereby recommend that the appellant be part of the panel. It be noted that upon perusal of the tender document, the utility bill for iLembe was found attached and stapled in the document under schedule 17.

2.4.3.3 TENDER APPEALS RECEIVED FOR THE 2021/2022 FINANCIAL YEAR *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPEALLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
Quarter 4					
June					
	MN89/2021- PANEL OF CONTRACTORS FOR BETTERMENT AND REGRAVELLING OF ROADS 3 YEAR CONTRACT	SKHOTHEMLO CONSTRUCTION AND TRADING	Resolved	30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
28-APR-22		UMZULU TRADING	Resolved	30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
29-APR-22		NJOMCO ENTERPRISE (PTY) LTD	Resolved	30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
11-MAY-22		HAVILAH COMMERCIAL PROJECTS	Resolved	30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
21-JUN-22		KUHLEKONKE EMSENI TRADING AND PROJECTS (PTY) LTD	Resolved	330 JUNE 2022	The bidder was issued a letter that states reasons for non-responsiveness
22-JUN-22		SANE'S CONTRACTING AND TRADING		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
29-JUN-22		CONAN CONSTRUCTION CC		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		KHULANIMATHENJWA TRADING (PTY) LTD		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		FUTURE VALDO PROJECTS (PTY) LTD		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		HLOMUKA SUPPLIERS AND TRADING (PTY) LTD		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		IBAMBANANI AFRICA TRADING		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
24-JUN-22		JKDM COMPANY (PTY) LTD		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		MHLONIPHENI GENERAL TRADING		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
24-JUN-22		UNLIMITED ABC TRADING AND PROJECTS		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
29-JUN-22		NHLANGOTHI CLEANING SERVICES		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		NJOMISA BOERDERY		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
30-JUN-22		ONOMBUTHU (PTY) LTD		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		SEKESIME TRADING		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
30-JUN-22		SIHAWUSETHU TRADING (PTY) LTD		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
30-JUN-22		TODAY'S HOPE TRADING AND PROJECTS		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
27-JUN-22		TRISHUUL PLANT AND CIVILS		30-JUN-22	The bidder was issued a letter that states reasons for non-responsiveness
	MN105-2021-	BLACKMAN		24-JUN-22	That the committee noted with concern that there is no appeal for tender no. Mn 105/2021: provision of security services for a period of 3 years for the KwaDukuza municipality. That it is a request for information which should have been pointed in the right direction.

2.4.4 MUNICIPAL BY-LAWS AND POLICIES

A municipal by-law must be published promptly in the Provincial Gazette, and, when feasible, also in a local newspaper or in any other practical way to bring the contents of the by-law to the attention of the local community; and takes effect when published or on a future date determined in or in terms of the by-law. By-Laws assist in:

> Addressing and regulating a particular situation or issue within the local community in, e.g., street trading, littering, nuisance, noise, parks, etc.

> Legislating on the safety and comfort of the residents within the municipal area and ensuring that certain kinds of anti-social behaviour are prohibited and punished if the prohibitions are not observed.

> Creating specific rights and obligations and informing people's interactions with the municipality through explicit regulatory mechanisms.

> Giving effect to policy in a way that is legally-binding on the community.

KWADUKUZA MUNICIPALITY HAS THE FOLLOWING BY-LAWS IN PLACE:

Advertising	as published on 19 September 2000
Animals and Birds	as published on 19 September 2000
Boating and other craft in tidal lagoons, rivers and watercourses	as published on 19 September 2000
Caravan Parks	as published on 19 September 2000
Cemetery and Crematorium	as published on 19 September 2000
Child Minder Service	as published on 19 September 2000
Credit control and debt collection	as published on 19 September 2000
Dairies, Cowsheds, Milk Shops, Milk Dealers and Purveyors	as published on 19 September 2000
Dogs	as published on 19 September 2000
Electricity Supply	as published on 19 September 2000
Financial Bylaw	as published on 19 September 2000
Fire Safety	as published on 19 September 2000
Fireworks and Explosives	as published on 19 September 2000
Halls, Rooms and Sportsfield	as published on 19 September 2000
Industrial Effluent	as published on 19 September 2000
Libraries	as published on 19 September 2000
Markets	as published on 19 September 2000
Museums	as published on 19 September 2000
Manufacture, storage and sale of foodstuffs	as published on 19 September 2000
Nature Reserve	as published on 19 September 2000
Noise Control	as published on 19 September 2000
Nuisance	as published on 19 September 2000
Parking	as published on 19 September 2000
Parking of Heavy Vehicles and Caravans	as published on 19 September 2000
Public Amenities	as published on 19 September 2000
Removal of Refuse	as published on 19 September 2000
Slaughtering of Animals	as published on 19 September 2000
Street Trading	as published on 19 September 2000
Taxis and bus ranks	as published on 19 September 2000
- Unsightly and Neglected Buildings and Premises	as published on 19 September 2000
Electricity By laws	as published on 01 July 2015
KDM Outdoor Advertising Bylaw	as published on 01 July 2018
Kwa Dukuza Municipal Special Planning and Land Use Management Bylaws No. 2002	as published on 27 September 2018
Kwa Dukuza Municipality Problem Building Bylaw	as published on 01 June 2019
Credit Control and Debt Collection Bylaws	as published on August 2021
Rates Bylaws	as published on August 2021
Standing Rules and Orders for the meeting of Council and Committees	as published on 19 May 2022

Table 5 Chapter 2: *Municipal Bylaws*

KWADUKUZA MUNICIPALITY HAS THE FOLLOWING POLICIES / FRAMEWORKS IN PLACE:

KDM Staff Remuneration Policy
Human Resource Development Strategy
Priority Skills Strategy
Leave Management Strategy
Succession Planning
Supervisor Development Strategy
Recruitment and Selection Policy
Performance Management Policy
Recognition of Prior Learning Policy
Conditions of Service Policy
Exit Management Policy
Cost Containment Measures
5 Years and Subsequent 1 Year Review of Staff Establishment Structure
KwaDukuza Municipality Policy on the naming and renaming of streets and other Public Places
KwaDukuza City Development Strategy
KwaDukuza Municipality Spatial Development Framework
Guidelines for Temporary Building Structures
Land Use Management System Transitional Measures Policy Adoption
Climate Change Response Strategy
Low Carbon Emission Strategy
Green Building Guidelines
KDM Telecommunication Mast Policy
Continuous Professional Development (CPD) Policy and Procedure Adopted by SACPLAN
KDM Conditions of Service and Policy Procedure Manual
KDM Staff Bursary Policy
KDM Staff Exit Management Policy
KDM Recognition of prior learning Policy and Procedure
KwaDukuza Municipality Expanded Public Works Programme (EPWP) Policy.
Ethics Policy
Whistle Blowing Policy
Anti- Fraud and Corruption Policy
Enterprise -wide Risk Management Policy
Integrated Energy Policy
KDM Close Protection Policy.
KDM Subsistence and Travelling Policy
KDM Internship and In-service Policy.
KDM Locomotion Policy
Supply Management Policy
Rates Policy
Credit Control & Debt Collection Policy
Indigent Policy
Tariff Policy
Cash Management & Investment Policy
Borrowing Policy
Virement Policy
Budget Policy
Funding & Reserves Policy
Asset Management Policy
Long term Financial Planning Policy
Policy on Infrastructure, Invest. & Cap. Projects
Supply Chain Management Policy for Infrastructure Procurement and Delivery Management
Policy on the issuing of vouchers
KDM Recruitment and Selection Policy
KDM Delegation System
KDM Records Management Policy
KDM Auxiliary and Support Service Policy
KDM Immovable Property Disposable Policy
KDM Cascading of Individual Performance Management Policy
KDM Performance Management Framework Policy and Procedure Manual (Organization/Senior Management)
KDM Occupational Health and Safety Policy
Allocation of Old Age Units Policy
Wayleave Policy
ICT ICT Policy Framework ICT Disaster Recovery Policy ICT Security Policy
Cost Containment Policy
Halls Policy
Rules and orders of virtual meetings of the KDM Municipal Council and its committees
Complaints Management Policy
Grant In Aid Policy

Table 6 Chapter 2: *Municipal Policies*

2.4.5 WEBSITES

KwaDukuza Municipality has its own Municipal Website where tenders, council minutes, vacancies, previous annual reports and information that must be publicised in terms of the relevant legislations can be accessed. Information pertaining to all municipal documents and information can be accessed via this site on the following address: www.kwadukuza.gov.za

2.4.6 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

A Customer Satisfaction Survey will be undertaken with the new Councils term of office, scheduled for beginning of the 2022/2023 financial year. The customer satisfaction survey for the 2021/2022 financial year was not conducted. The survey was planned to be online, however Council felt that people in the deep rural areas would not be able to have access to the survey, new plans are thus being made to have the survey both online and physical.

2.4.7 MUNICIPAL OVERSIGHT COMMITTEES

a) Municipal Public Accounts Committee (MPAC)
b) Audit Committee (AUDCOM)
c) Performance Audit Committee (PAC)
d) The Ethics, Fraud and Risk Management Committee (RMC)

A) MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The Committee consists of 10 Councillors of the Municipality, who are not members of the Executive Committee. The Committee examines: -

> The financial statements of all executive organs of Council.
> Any audit reports issued by the Auditor General on the affairs of the Municipality and its Municipal Entity. Any other financial statements or reports referred to the Committee by the Council.
> The annual report on behalf of the Council. Reports to the Council, through the Speaker, on any of the financial statements and reports referred to above.
> Develops the annual oversight report based on the annual report.
> It initiates any investigation in its area of competence; and
> Performs any other function assigned to it by resolution of the Council.

Members should not serve on any other committee. The Chairperson of the committee is appointed by the Council. MPAC has only one mandatory responsibility –

To prepare a draft Oversight Report and other service delivery related matters. Any other responsibilities must be assigned by Council, through the adoption of a Terms of Reference (Charter). Council must also approve an annual Work Programme.

MPAC MEMBERS

> Cllr TT Mkhize (Chairperson)
> Cllr A Mhlongo
> Cllr N Qwabe
> Cllr E Kolia
> Cllr JF Magwaza
> Cllr SC Mwandla
> Cllr K Naidoo
> Cllr V Govender
> Cllr DN Ngema
> Cllr NJ Mpanza

Cllr TT Mkhize (Chairperson)

B) AUDIT COMMITTEE (AUDCOM)

Section 166 of the MFMA requires that each municipality must have an audit committee. The audit committee must advise the municipal council, the political office bearers, the accounting officer and the management of the municipality on matters relating to:

> Internal financial control and internal audits.
> Risk management.
> Accounting policies.
> The adequacy, reliability and accuracy of financial reporting and information.
> Performance management; Effective governance.

AUDCOM MEMBERS

> Ms. N Mchunu (Chairperson)
> Ms. S Gertze
> Ms. S Mthembu
> Mr. C Meyiwa
> Mr. A Jordan

Ms. N Mchunu (Chairperson)

C) PERFORMANCE AUDIT COMMITTEE (PAC)

In terms of the Local Government Municipal Performance and Planning Regulations 2001, the functions of the Performance Audit Committee are as follows:

(a) A performance audit committee must meet at least twice during the financial year: of the municipality concerned.

(b) A special meeting of the performance audit committee may be called by any member of the committee.

(c) A performance audit committee may determine its own procedures after consultation with the mayor or the executive committee of the municipality concerned, as the case may be.

(d) A performance audit committee must –
- (i) review the quarterly reports submitted to it by Internal Audit;
- (ii) review the municipality's performance management system and make recommendations in this regard to the council of KwaDukuza Municipality; and
- (iii) at least twice during a financial year submit an audit report to the KwaDukuza municipal council.

(e) In reviewing the municipality's performance management system, the performance audit committee must focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned.

(f) A performance audit committee may –
- (i) communicate directly with the council, municipal manager or the internal and external auditors of the municipality concerned;
- (ii) access any municipal records containing information that is needed to perform its duties or exercise its powers;
- (iii) request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- (iv) investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

PAC MEMBERS

- Mr. C Meyiwa (Chairperson)
- Ms. N Mchunu
- Ms. S Gertze
- Ms. S Mthembu
- Mr. A Jordan

Mr. C. Meyiwa (Chairperson)

D) THE ETHICS, FRAUD AND RISK MANAGEMENT COMMITTEE (RMC)

The Ethics, Fraud and Risk Management Committee is an oversight and support committee which assists the Accounting Officer in discharging his responsibility for ethics, fraud and risk management by reviewing the effectiveness of the Municipality's ethics, fraud and risk management systems, practices and procedures and providing recommendations for improvement.

Members for Ethics, Fraud and Risk Management Committee comprises both Executive Directors and an external member, who is the Chairperson of the Committee.

The chairperson of Ethics, Fraud and Risk Management Committee is an independent external person, appointed by the Council.

The responsibilities of the committee are formally defined in a charter that is approved by Council.

Mrs. Khanyile (Chairperson)

2.5 COMPONENT E: MUNICIPAL SERVICES AND BASIC SERVICE DELIVERY

2.5.1 ELECTRICAL ENGINEERING SERVICES AND FLEET MANAGEMENT

The Electrical Engineering Services business unit has the responsibility to provide a safe, reliable high- quality electricity and fleet service delivery and electrical infrastructure in an environmentally responsible manner, utilizing best practices through empowered employees who are committed to excellence and customer satisfaction.

A) ELECTRICITY APPLICATIONS

The table provides an illustration of the number of applications processed and the different types of applications.

APPLICATIONS PROCESSED	2020/2021	2021/22
New supply connections	616	388
Relaxation	284	139
Subdivision	35	17
Special consent applications	85	15
B3 and Occupational certificate	46	32
Encroachment	23	19
Building plans	58	31
SDP	23	20
Wayleave	32	85
Consolidation	21	9
Relocation	150	0
Rezoning	32	14
Billboards	16	16

Table 7 Chapter 2 ES: *Electricity applications*

I) ELECTRICITY INFRASTRUCTURE

The table below has a list of electricity capacity for the northern and southern regions of the municipality from the period of 2015-2022.

AREA	2015 (MVA)	2016 (MVA)	2017 (MVA)	2018 (MVA)	2019 (MVA)	2020 (MVA)	2021 (MVA)	2022 (MVA)
Northern Network	57	60	61	61	62	63	64	64,4
Southern Network	59	59	68	69	69	71	63	68,7
Total	116	119	129	130	131	134	128	133,1

Table 8 Chapter 2 ES: *Electricity capacity*

II) ELECTRICAL PROJECTS IMPLEMENTED AS PRIORITIES DURING 2021/2022 FINANCIAL YEAR

Below is a list of projects for the electricity department for the 2021/22 financial year. The table provides the budgeted figures, expenditure and status of each project.

NO	WARD/ CLUSTER	PROJECT DESCRIPTION	2021/22 BUDGET	EXPENDITURE	PROJECT STATUS
1	4, 13, 14, 15, 16, 19, 20, 21, 22, 29	Implementation of KDM Scada System	21 186 747,00	572 119,27	Construction stage
2	29	Gizenga Substation 440423981	30 000 000,00	29 335 315	Construction Stage
3	30	Dukuza 80MVA Bulk 400452153	2 500 000,00	2 498 370	Construction stage
4	All	Housing Electrification Project	7 178 261	7 176 631	Completed
5	12	Tinley Manor 11kV OHL Phase 6	1 397 969	1 391 423	Completed
6	4, 13, 14, 15, 16, 19, 20, 21, 22	NV Replace Grid Protection Relays 11K P3 430452146	3 963 478	3 963 476	Construction Stage
7	15	MV Substations Rebuild: SAPPI Substations - KDM	500 000	0	Tender Stage
8	All	NV Mechanical Workshop Tools Equipment 360400027	190 000	188 035	Completed
9	1, 2, 3, 25	NV Street Lights Cluster A 100 SL 400452122	950 004	950 004	Completed
10	3, 19, 27	NV Street Lights Cluster B 37SL 400452123	950 004	950 004	Completed
11	14, 15, 24, 26	NV Street Lights Cluster C 100SL 400452124	950 004	950 004	Completed
12	9, 10, 11, 12	NV Street Lights Cluster D 100SL 400452125	950 004	950 004	Completed
13	7, 8, 20, 23, 28	NV Street Lights Cluster E 100 SL 400452126	950 004	950 004	Completed
14	4, 6, 21, 22	NV Street Lights Cluster F 50 SL 400452127	950 004	950 004	Completed
15	5, 16, 17, 18	NV Street Lights Cluster G 50 SL 400452128	950 004	950 004	Completed
16	All	Municipal Fleet	7 393 029	5 694 654	Completed
17	2, 5, 6, 9, 11, 15, 16, 28, 29	Energy Efficiency Retrofit	3 478 261	3 478 260	Completed
18	1, 2, 3, 25	Streetlights Refurbishment Cluster A	8 00 000	800 000	Completed
19	3, 19, 27	Streetlights Refurbishment Cluster B	8 00 000	800 000	Completed
20	14, 15, 24, 26	Streetlights Refurbishment Cluster C	800 000	799 228	Completed
21	9, 10, 11, 12	Streetlights Refurbishment Cluster D	8 00 000	800 000	Completed
22	7, 8, 20, 23, 28	Streetlights Refurbishment Cluster E	8 00 000	800 000	Completed
23	4, 6, 21, 22	Streetlights Refurbishment Cluster F	8 00 000	800 000	Completed
24	5, 16, 17, 18	Streetlights Refurbishment Cluster G	8 00 000	800 000	Completed
25	1, 2, 3, 25	LV network upgrades Cluster A	275 004	275 004	Completed
26	3, 19, 27	LV network upgrades Cluster B	975 004	975 004	Completed
27	14, 15, 24, 26	LV network upgrades Cluster C	275 004	249 867	Completed
28	9, 10, 11, 12	LV network upgrades Cluster D	275 004	242 395	Completed
29	7, 8, 20, 23, 28	LV network upgrades Cluster E	275 004	248 526	Completed
30	4, 6, 21, 22	LV network upgrades Cluster F	275 004	238 140	Completed

Table 9 Chapter 2 ES: *2021/2022 Electrical Projects*

B) FLEET SERVICES

The below are a list of 10 vehicles that have been bought during the 2021/2022 financial year.

BUSINESS UNIT	CAR TYPE	PURCHASE PRICE INCL VAT	BUDGET	ORDER STATUS
Community Services	CWE 330 Quester UD Truck	R 2 076 454.43	R 1 500 000.00	Received
Community Services	Case TLB -Extended backhoe arm	R 1 248 220.12	R 3 156 000.00	
Community Services	Quester CWE 330 UD 10 Cube tipper Truck	R 1 638 294.60	R 1 700 000.00	
Electrical Engineering BU	Hilux 2.4 GD6 S/C 4x4 Raider MT C 09	R 446 539,25	R 5 000 000.00	Received
Electrical Engineering BU	Hilux 2.4 GD6 D/C Raider MT 4x4 C 32	R 503 091.65		Received
Electrical Engineering BU	Hilux 2.4 GD6 D/C RB SR MT4x2 C34	R 418 531.00		Received
Electrical Engineering BU	Hilux 2.4 GD6 D/C RB SR MT4x2 C34	R 418 531.00		
Electrical Engineering BU	Hilux 2.4 GD6 D/C RB SR MT4x2 C34	R 418 531.00		
Electrical Engineering BU	UD Truck Croner-Galvanised Dropside with 14m Reach Aerial platform,2 x Toolboxes, solid controller cover Crew cab	R 1 451 281.01		
Electrical Engineering BU	UD Truck Croner-Galvanised Dropside with 14m Reach Aerial platform,2 x Toolboxes, solid controller cover Crew cab	R1 497 281,01		received 23/05/2022

Table 10 Chapter 2 ES: *Fleet services*

2.5.2 COMMUNITY SERVICES AND PUBLIC AMENITIES

A) SOLID WASTE MANAGEMENT SERVICES

Section 156 (read in conjunction with Schedule 4B and 45) of the Constitution of South Africa (Act 108 of 1996), assigns cleansing and solid waste removal and disposal to Municipality. KwaDukuza Municipality has established a Solid Waste Management division whose mandate is to provide solid waste removal, transportation, disposal and general cleanliness of the streets as well as public areas.

KwaDukuza Municipality has a serious challenge of illegal dumping and litter in most of the wards especially in the urban fridge areas that are along the R102 corridor which include Darnall/Zamani township, Gledhow, Ntshawini, Groutville, Charlottedale, Ethembeni, eTete, Shakaskraal, Shakashead and Driefontein. This challenge is directly linked to the rapid growth experienced by KwaDukuza Municipality as an economic hub within Ilembe family of municipalities. Illegal dumping leads to environmental pollution, exposes communities to unhealthy environment, unhealthy odours and most often the decomposed material, toxic waste is carried to water streams by heavy rains this polluting rivers and streams.

The waste management section during the 2021/2022 financial year has continued to improve its functionality through the development and implementation of a multi progged strategy coined "Program for Change". The "Program for Change" strategy underpinned by five key focus areas that will bring enhanced waste management services.

The five key focus areas are entailing the following:

- As a rapid response (short-term) KDM has established an Illegal Dumping Team constituting of the TLB Operator, Tipper Truck Driver and Five-member crew that will focus on the clearing of illegal dumps.
- Tabling of a feasibility report before Council regarding the extension of roadside refuse removal service to high populated areas that are currently serviced via communal skips.
- Establishment of the education and awareness sub-directorate to drive a rigorous/massive awareness campaign (Change Management).
- Establishment of Municipal bylaws enforcement unit that will ramp up the enforcement thereby harshly and decisively deal with those responsible for illegal dumping and litter.
- Establishment of a collaborative efforts with the stakeholders' citizens, KDM EDP, KDM Civil Engineering, Ilembe District Municipality. NPO's, Business, KZN Department of EDTEA, Taxi Association, Informal Traders, Chamber of Business, Ratepayers Associations & Waste Recyclers.

It must be stressed that KwaDukuza Solid Waste Management Services understands that significant challenges we face with regards to illegal dumping and culture of throwing away litter cannot be solved with the same level of thinking that created the problem.

There is a need for change and new level of thinking to solve waste management problems in KwaDukuza, every big problem has at its source little violations that people think are inconsequential. Littering is one such conduct that considered to be minor that citizens of KwaDukuza undertake without realizing it long-term adverse effects. Littering is the forbearer of illegal dumping it is often started by one irresponsible resident and eventual the whole neighborhood would dump waste in the street corners.

Table below provides an illustration of how minor act of litter can turn into an illegal dump:

It is for that reason that management has continuously arranged the division's systems, processes, procedures and resource for optimal service provision. This includes hardwiring of innovative, purpose made approaches in all the operations of the division and insist on strong control environment with practical and routinely executed internal controls aimed at improving performance.

HIGHLIGHTS:

- KwaDukuza had its Integrated Waste Management Plan endorsed by the Minster of Economic Development, Tourism and Environmental Affairs.
- KDM Solid Waste Management Division acquired two additional Skip-loader trucks.
- KDM Solid Waste Management Division acquired a TLB that will be used in illegal dumps clearing operations.
- KDM Solid Waste Management Division acquired a Tipper truck that will be used illegal dump clearing operations.
- KDM Solid Waste Management Division initiated ward based clean up campaigns in collaboration with social partners.
- KDM Solid Waste Management Division procured 16 Steel Bulk Refuse Containers (Skips) – 8 cubic meters.
- KDM Solid Waste Management Division tabled a reviewed draft Waste Removal By-Law before portfolio committee.

CHALLENGES:

CHALLENGES	POSSIBLE SOLUTIONS
Refuse trucks breakdowns & poor turn around time on repairs.	Improvement of workmanship at the workshop and increase of workshop staff complement.
Untidiness of CBD streets	Intense education and awareness campaigns amongst business owners. Encourage use of wheelie bins by shop owners We will engage formal and informal traders through interactions and educational workshops.
Illegal dumping in wards and CBD	The section will conduct education and awareness sessions with community members, bylaws enforcement and clean up campaigns.

B) BEACH AMENITIES

KwaDukuza is a coastal municipality comprising of approximately a 50km stretch of coastline on its eastern boundary from Tongaat river in the South to just beyond the Zinkwazi River in the North, its pristine coastline and beaches is a major attraction for local and international tourists. There are currently 10 beach nodes, namely Salmon Bay, Willard Beach, Thompson's Bay, Shakas Rock, Salt Rock, Sheffield, Tinley Manor, Blythedale Beach, Nonoti Beach and Zinkwazi Beach.

Beach amenities is responsible for the daily management and maintenance of the beach public facilities and the coastline area, which runs between Tongaat river mouth and Zinkwazi river mouth.

All maintenance related work and operations are carried out in line with the blue flag requirement as per WESSA guidelines and regulations. The Blue Flag is an international annual award, which focuses on the environmental management of our coastline and coastal waters to help tourism growth and development. The Blue Flag program offers many benefits: improved tourism facilities, enhanced management of coastal ecosystems, increased awareness of the coast and capacity building of coastal municipalities.

The following Beach Facilities received a Blue Flag Pilot Status:

1. Thompsons Bay Beach
2. Willard Beach
3. Tinley Manor Beach
4. Blythedale Beach
5. Salt Rock Beach
6. Zinkwazi Main Beach

KZN Department of Economic Development, Tourism and Environmental Affairs (EDTEA) approved a KwaDukuza Coastal Maintenance Management Plan which its prime objective is to provide preapproval for any coastal maintenance and emergency work for the beach infrastructure for a period of five years. This authorization makes provision for most of the possible remedial work on the KwaDukuza Coastline.

HIGHLIGHTS:

- Completion of the refurbishment of the Blythedale Beach Lifesavers Building
- Procurement of Paraplegic Floating Wheelchair
- Procurement of Paraplegic Beach Access Matts
- Six Beach facilities were chosen for a Blue Flag Pilot Status

- Approval of the Maintenance Management Plan for the KwaDukuza Coastline by the KZN Department of Economic Development, Tourism and Environmental Affairs (EDTEA)
- Refurbishment of Beach Accesses – Christmas Bay Beach Access and George Hallett Beach Access

CHALLENGES

- Ageing fleet, which is continually breaking down, and take a long time to repair.
- Lack of adequate fleet to service the entire coastline
- Lack of adequate budget for maintenance of the beach infrastructure
- Massive storm damages to beach infrastructure

Procured Paraplegic Floating Wheelchair

The Blythedale Beach Lifesavers Tower after the renovations

Refurbishment of Beach Accesses – George Hallett Beach Access

Procured Paraplegic Floating Wheelchair

Refurbishment of Beach Accesses – Christmas Bay Beach Access

C) LIBRARIES, MULTI-PURPOSE COMMUNITY CENTRE AND COMMUNITY

LIBRARIES

The primary purpose of the public libraries is to provide resources and services in a variety of media to meet the needs of individuals and groups for education, information and personal development including recreation and leisure. They have an important role in the development and maintenance of a democratic society by giving the individual access to a wide and varied range of knowledge, ideas and opinions.

The KwaDukuza Municipality has a total of six libraries as follows:

BIGGER LIBRARIES


KwaDukuza Library


Ballito Library


Stanger Manor Library

SMALLER LIBRARIES


Shakaskraal Library


Umhlali Library

Darnall Library

The following are the services that are offered by the KwaDukuza Libraries

LIBRARY	BOOKS	AUDIO VISUAL	COMPUTERS FOR PUBLIC	CYBER CADET	GAMING	TOY LIBRARY	MINI LIBRARY FOR THE BLIND	E-BOOKS	ACTIVITIES ROOM
KwaDukuza Library	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes
Stanger Manor Library Manor	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes
Ballito Library	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes
Shakaskraal Library	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No
Umhlali Library	Yes	Yes	Yes	No	No	No	No	Yes	Yes
Darnall Library	Yes	Yes	Yes	No	No	Yes	No	Yes	No

Table 11 Chapter 2 Community Services: *KDM libraries*

CYBER CAFÉ

A Cyber Café that was funded by Provincial Library Services can be found at the KwaDukuza, Stanger Manor, Ballito, Shakaskraal, Umhlali and Darnall Libraries. KwaDukuza, Stanger Manor and Shakaskraal library have a Cyber Cadet to ensure the smooth operation of these Cyber Cafes. The Cyber Cadets also offer the free basic computer training to the interested library users and the certificates of attendance are being issued to the attendees after completion of the training. KZN Provincial Library Services have provided Ballito, Umhlali and Darnall libraries with public access computers with free internet access and the KwaDukuza Municipality is responsible to provide IT support in all libraries. The Cyber Cafes have free internet services that are available to the public.

OUTREACH PROGRAMMES

The KwaDukuza libraries division undertook and participated in many outreach programmes. The aim of the outreach programmes is to promote the services offered by the libraries and encourage people to enrol at the library with a view to educate the entire community about library services. Furthermore, library practitioners assist in setting up school libraries so that children who are unable to visit the public libraries at least they can use school library to borrow books and do their assignments.

The libraries division managed to do outreach on 30 June 2022 at Winter Fair after the lockdown was terminated. The Mobile Library truck from Department of Arts and Culture was present and gift packs was given to all persons visited the Mobile library truck. People were encouraged to enrol at their nearest library.

Mobile Library truck from Department of Arts and Culture

MINI LIBRARY FOR THE BLIND

The Mini library for the blind was introduced at KwaDukuza library was introduced by KZN Provincial Library Services. The KwaDukuza Library have received all the necessary equipment which is: Desktop computer, which is installed with the Jaws programme, Document Reader, Daisy Machine, Table,2Chairs, Filing Cabinet, Banner and two posters for promotion.

The library works with the community and the social worker to get more people aware of the service that is provided at the KwaDukuza library. Banner and posters informing the community about this service are displayed at KwaDukuza library.

E-BOOKS SERVICES

All KwaDukuza libraries offer e-books services which allow members to access books on tablets, smartphones and Chrome books. It is reported that Ballito library currently has the highest e-books registered members. E-book's service is available 24/7 and it's easy: browse checkout, download, automatic returns and no late fees. Visit your library for step by step on how to access e-books.

LIBRARIES RENOVATIONS

DARNALL LIBRARY

Floor renovations

Resurfaced parking area

UMHLALI LIBRARY

Renovated Activities Room

New carpet and air conditioner

STANGER MANOR LIBRARY

New counter

New notice board

COMMUNITY HALLS

NO	NAME OF HALL	WARD
1	Sokesimbone Hall	1
2	Zamani Hall	2
3	Nonoti Old Library	2
4	Nyathikazi Hall	3
5	Nonoti Mouth Hall	3
6	Shakashead Hall	4
7	Lindelani A Section Hall	5
8	Lindelani E Section Hall	5
9	Velani Hall (Tete)	7
10	Nkobongo Hall	8
11	Malende Hall	9
12	Hangus Hall	9
13	Mgigimbe Hall	9
14	Groutville Hall	10
15	Thandanani Hall	11
16	Thembeni Hall	12
17	Shayamoya Hall	13
18	Glenhills MPCC Hall	13
19	Lloyd Hall	14
20	Chris Hani Hall	15
21	Mdoniville Hall	16
22	Stanger Manor Hall	17
23	Shakaville Hall	18
24	Mbozamo Hall	18
25	Town Hall	19
26	Supper Room Hall	19
27	R.A. Moodley Hall	19
28	Etete Snyman Hall	20
29	Driefontein Old Hall	21
30	Driefontein Hall	21
31	Shayamoya Hall	23
32	Vulinqondo Hall	25
33	Mdlebeni Hall	25
34	Ohlange Hall (snags incomplete)	25
35	Ntshawini Hall	26
36	Madundube Hall	27
37	Mellow wood Hall	28
38	Groutville Dube village Hall	29

Table 12 Chapter 2 Community Services: *KDM Community Halls*

Below table shows the major renovations done at the halls during 2021/2022 financial year:

HALL NAME	WARD NO.	NATURE OF RENOVATION	FINANCIAL IMPLICATIONS	SUPPLIER
Zamani Hall	2	Repair palisade fence and gates	R33 615.55	Onombuthu
Nonoti Mouth Hall	3	Installation of burglar bars and gates. Hall repairs.	R67 825.00 SakhonaVilakazi	SI Afrika Trading R75 500
Shakashead Hall	4	Toilets renovations	R64 355.00	Siyamlonda Trading
Lindelani A Section Hall	5	Replacement of doors locks, installation of 2 X gates, replacement of windowpanes, repair fence, repair toilets.	R52 700. R55 00.00 R17 500.00	Qwabe Elihle Pty Ltd Onombuthu Nthandoyakhe projects
Etete (Velani Hall)	7	Repair roof leaks and damaged ceiling board.	R80 000.00	C4S Hospitality
Nkobongo Hall	8	Refurbishment of Nkobongo hall roof	R782 114.10	SakhonaVilakazi
Mgigimbe hall	9	Renovations	R72 250.00	JKDM Company
Malende Hall	9	Install burglar gates	R12 247.50	Shekane Engineering
Thandanani hall	11	Repair roof leaks and damaged ceiling board	R80 000.00	C4S Hospitality
Shayamoya Hall	13	Install burglar bars and gates	R60 966.00	Qwabe Elihle Pty Ltd
Lloyd Community Hall	14	Install boards into burglar bar screens	R26 871.27	Shekane Engineering
KwaDukuza Town Hall	19	Installation of air conditioners	R591 027.00	Masina Engineering
Tete Hall (Khalafukwe)	20	Installation of burglar bars and gates	R47 615.00	Qwabe Elihle PTY Ltd
Driefontein hall	21	Renovations	R72 250.00	JKDM Company
Shayamoya Hall	23	Installation of burglar bars and gates	R47 615.00	Qwabe Elihle PTY Ltd
Madundube hall	27	Installation of burglar bars and gates	R67 825.00	SI Afrika Trading

Table 13 Chapter 2 Community Services: *Hall's renovations*

Nkobongo hall refurbished roof

KwaDukuza Town Hall installed air conditioners

MULTI- PURPOSE COMMUNITY CENTRE (MPCC)

The Glenhills MPCC became fully functionally during the council's previous terms (2011-2016). The operations of this Centre took place after the review of the 1st generation of the MPCC in the country by the GCIS and Office of the Presidency. This culminated in the adoption of the branding name of MPCC to the Thusong Community Centre's. The Glenhills MPCC/Thusong Centre has been identified as a unique case because of its location and proximity to existing community service centers (Government Offices in the CBD). The operation of the MPCC is based on the objectives of the strategic 2nd generation which are:

1. To bring government information and service providers closer to the people to promote opportunities as a basis for improved livelihoods.
2. To promote cost-effective, integrated, efficient and sustainable service provision to better serve the needs of citizens.
3. To build sustainable partnerships with government, business and civil society.
4. To create a platform for greater dialogue between citizens and government.

Therefore, the Glenhills MPCC strive to fulfill its mandate taking into account its location and proximity to various government services within KwaDukuza CBD.

1. The Glenhills MPCC has been operating in pursuit of its original inception goals in line with Thusong Service Centre Operating Guidelines/Business Plan.
2. The MPCC over the years have persuaded various government agencies to take permanent residency in the Centre but all in vain. The main reason for the government agencies/departments not to take permanent occupation at the center is it's proximity to KwaDukuza CBD, where most of them have permanent offices.
3. The MPCC does house some of government agencies but not on the permanent basis.
4. The MPCC has been able to forge various partnerships with various community-based organizations/service providers who provide various services to the ward 26 and 13 community.
5. KwaDukuza Municipality also has allocated ward 13 councillors, an office to service his constituency. The presence of the councilor at the Centre has add-value to the operations of the Centre and ensures that government is closer to the community.
6. KwaDukuza Municipality participates in the provincial MPCC Centre Manager's Forum and also submits bi-monthly MPCC operations report. Therefore, the Centre operations are also monitored by COGTA.
7. KwaDukuza municipality, in particular the MPCC Centre supervisor has received letters and verbal commendation by COGTA for having one of the best performing Centre despite its site location.

The report below provides daily/weekly activities that are taking place in the Centre which are provided by private sector, civil society and government departments.

DAILY SERVICES AND ACTIVITIES OFFERED AT THE CENTRE

ACTIVITY	DAYS	COMMENTS	RENTAL
Karate	Mondays or Wednesday's depending on the booking and payment. 16h30 – 18h30	They utilise the hall on some Monday's and Wednesdays of the month.	R 50.00 per usage
Church Services	Sundays	Church utilises the hall every Sunday. Block booking policy is applied.	Hall Tariffs (R 461.00 per service and R130.00 for an hour or less)
ABET	Monday-Thursday. 18h00 – 20h00	ABET exempted from charges	Exempted
Alcoholics Anonymous Meetings	Friday 19h00-22h00	AA meetings exempted from charges.	Exempted
CNCD Site	Monday-Friday	The Department of Social Development have established a CNCD site at the centre whereby meals are prepared and served for beneficiaries	R 500.00 Monthly
Department of Health	Every Friday	The Department of health have requested the premises for the Glenhills Clinic outreach team and community Health workers to use the hall for their weekly meetings	Exempted

D) CEMETERIES & CREMATORIA

Cemeteries and Crematorium section is responsible for providing burial and cremation services to the community of KwaDukuza. It has a responsibility of ensuring that there is more than enough burial space (cemeteries) for the community. That the crematorium is always operational; and that it is compliant in terms Environmental Regulation under National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).

Cemeteries and Crematorium section is responsible for providing burial and cremation services to the community of KwaDukuza. It has a responsibility of ensuring that there is more than enough burial space (cemeteries) for the community. Currently, KwaDukuza Municipality only has one operational / opened cemetery; and that is Vlakspruit cemetery in the Southern region of the Municipal area of jurisdiction. However, the municipality has identified potential cemetery sites in the Northern area of KwaDukuza, and preliminary investigations have been done on those sites. All other cemeteries within KwaDukuza municipal jurisdiction have reach their capacity and as a result are closed. Reburials / second interments are allowed in closed cemeteries unless the first burial has more than 10 years since it was interred. It be noted that if a grave is less than 10 years old, no permission is granted for reburial. The crematorium is operational, and it is compliant in terms Environmental Regulations as provided under National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).

The municipality offers the following itemised cremation and burial services which have applicable tariff of charges as approved by Council.

- Adult Resident – weekday cremation
- Adult Resident - weekend & public Holidays cremation
- Child resident – weekday cremation
- Child Resident – weekend cremation
- Indigent burial
- Indigent cremation
- Self-dug graves
- Pre-dug graves
- Backfilling of the grave
- Hospital paupers
- Reservation of a grave
- Wall of remembrance

HOURS OF OPERATION:

- Monday to Thursday 07:15 to 16:15
- Friday 07:15 to 13:15

BURIAL SERVICES OFFERED

1. IN-GROUND BURIAL SERVICES

a. KwaDukuza Municipality provides in-ground burial space/ grave site to facilitate the dignified disposal of human remains for citizens who wish to lay their loved ones to rest.

b. Citizens who wish to bury their loved ones in the municipal cemeteries are required to make to book a burial at the municipal offices located at 2 Industria Crescent KwaDukuza Lavoipierre Building 3rd Floor.

c. The bereaved family paperwork is required to produce the following paperwork when making a booking for burial at KwaDukuza Municipality
   i. Medical Certificate B1663
   ii. ID document of the deceased
   iii. Death Certificate
   iv. Address of the deceased

d. There is service charged payable at the municipal cashiers' offices located at General Justice Gizenga Building 104 Mahatma Street KwaDukuza or via EFT.

e. A booking clerk shall issue a booking order to confirm the booking once all paperwork has been received to the satisfaction of KDM and payment has been made.

f. Once everything has been confirmed a burial permit is issued by cemetery office and such must be produced at the point of entry to our cemeteries.

2. PAUPER BURIALS SERVICES

a. KDM also provides pauper burial services which is a burial of unknown human remains that are found within the jurisdiction of KwaDukuza or where no family is found to claim the corpse.

b. Such corpses are collected and stored by the service provider that is contracted to the municipality. It is important to note that the instruction to the service provider to collect the corpse is only given by the cemetery administration office.

c. KDM also does Hospital/SAPS paupers, and these are paid for by the hospital.

d. Wednesdays are dedicated to the burial of either Hospital or KDM paupers.

INDIGENT BURIALS

1. KDM also provides the indigent burial service to support impoverished persons or family that is qualifying for an indigent fee he/she or the household must be registered on the KwaDukuza municipality indigent register.
2. KDM Council approved tariff of charges policy clause which prescribes that only households or persons that are duly registered in the Municipal indigent register will be considered for this service.
3. If the household is not on the approved Municipal indigent register, the respective ward Councilor can make a special application/send a request to the office of the Municipal Manager for consideration and approval for that person to pay an indigent fee.
4. The office of the mayor in terms of the policy must give concurrent support and approval of the motivation submitted by a ward councilor.
5. If the household is not on the indigent register and does not have approval from the Municipal Manager, that person pays a normal fee for burial.

CREMATION SERVICES

a. KwaDukuza Crematorium is situated at erf 301 Lindelani Cemetery along the provincial road,

b. KwaDukuza offers cremation services to facilitate dignified disposal of human remains.

c. The bereaved family is required to produce the following paperwork when making a booking for a cremation at KwaDukuza Municipality
   - Application for cremation
   - ID document of the deceased
   - Death Certificate
   - Certificate by medical attendant
   - Confirmation by medical attendant
   - Certificate after post-mortem examination
   - Authority to cremate

d. A booking clerk shall issue a booking order to confirm the booking once all paperwork has been received to the satisfaction of KDM and payment has been made.

e. Once everything has been confirmed a cremation permit is issued by the cemetery office and such must be produced at the point of entry to our crematorium.

f. The current furnace is diesel powered and designed to take one corpse at a time and cremated remains are extracted separately to ensure that the bereaved receives ashes that are unique to the deceased.

g. The crematorium facility is fully compliant and licensed, although the facility has been in operation for a long period KDM obtained an Atmospheric Emission License for the KwaDukuza Crematorium on 28 September 2018 which is valid for four (4) years ending 28 September 2022.

h. The municipality has commenced with the process of reviewing the current license and a consultant has been appointed to run with the process. A meeting was then held with the Provincial Licensing Authority (Environmental Department of Trade and Environmental Affairs: Air Quality).

i. There is a special condition of the license that is the facility must comply with the 2020 Atmospheric Emission Standards by April 2020.

j. In this regard, the license requires that proper and necessary abatement equipment be installed in the stack to trap impurities and gaseous pollutants.

k. This is because the air that is emitted exceeds the regulated air emissions standards, and this is dangerous for the environment/ecosystem, hence the need to correct the situation before the municipality gets a fine or closure of the crematorium.

l. KwaDukuza is required by law to conduct air quality emission audits annually and the results are submitted to the Department of Environmental Affairs: Air Emissions at a National

m. In terms of the last air emissions audit that was conducted by the municipality of which the results were submitted to the National Department, have revealed that KDM crematorium is not complying with the new regulated air emissions standards.

n. Given the result it was therefore recommended or emphasized that the municipality needs to have the abatement equipment installed in the cremators.

o. The municipality then carried out a preliminary investigation to find the best cost-effective solution to comply with the Crematorium License conditions.

p. It be noted that abatement equipment cannot be purchased off the shelf but are made to order.

q. Informal market testing revealed that manufacturers would fabricate the equipment and install it but would not offer guarantees that it would meet the new 2020 Atmospheric Emission standards.

r. The estimated cost to fabricate (locally), install and commission the abatement equipment was approximately R3 million each (more costly than a new cremator).

s. Abatement equipment that would guarantee compliance with the 2020 Atmospheric Emission standards was available in the United Kingdom at a cost of 305 000 pounds (estimated at R6,7 million based on current exchange rates) each.
t. An example of an abatement equipment was viewed at a sister municipality.
u. Unfortunately, their system only functioned for two years before the cremator burned down.
v. An abatement system installed at a sister municipality required space adjacent to the chimney stacks outside the building for erection. At the KwaDukuza Crematorium the space is tight and expensive earthworks are envisaged to prepare a platform.
w. In addition, there are numerous components that would require ongoing servicing and maintenance, and this will turn out to be more costly for the municipality. Also, it is not guaranteed that the equipment will not give us problems similar to those experienced by a sister municipality.
x. A new cremator (imported from America) was installed in this sister municipality.
y. The technology in this cremator makes it comply with the 2020 Atmospheric Emission Standards without the need for an added-on abatement system.
z. Their cremator is gas powered. It was also established that this technology is now available locally in South Africa and manufactured here under license and offers guarantee of compliance with the 2020 Atmospheric Emission Standards.
aa. An approach like that which the sister municipality undertook may be the better solution at KwaDukuza.
bb. The market has been tested formally for firm prices on similar solutions, though initial research shows that the costs are much lower than the cost of fabricating an abatement system.
cc. Cremators that can handle between 5 and 6 bodies each per day will be adequate to match the existing capacity at the KwaDukuza crematorium.
dd. The existing cremators are deemed obsolete as they do not comply with the Atmospheric Emission Standards and thus should be considered for replacement with ones that comply.
ee. This therefore means the existing cremators at the crematorium will have to be removed and be replaced with the new cremators that are factory fitted with the abatement equipment. The municipality will then need to change from diesel to gas for cremations.
ff. KwaDukuza Municipal Council embarked on a procurement process for the appointment of a service provider for the supply and installation of the gas fueled Cremators. The tender was cancelled because no bidder was deemed responsive for the tender, therefore the tender will have to be re-advertised.

HIGHLIGHTS:

1. Renovation of the KwaDukuza Crematorium
1. The Business procured one additional bakkie for the section
2. Procure a diesel tank for transportation of diesel to the crematorium for cremations
3. The Municipality has made progress towards the identification of land development area suitable for the development of new cemetery in the Northern part of the Municipality area of jurisdiction. The preliminary site investigation, which amongst other things looks at the topographical, physical, geotechnical and environmental conditions including the slope, are concluded.
4. The municipality continues to provide the pauper and indigent burial services to the community of KwaDukuza. This includes paupers received from the General Gizenga Hospital, KwaDukuza Police Station and Umhlali Police Station.

CHALLENGES:

1. Unavailability of burial space in the Northern area of KwaDukuza
2. Shortage of human resources in a form of a manager: Cemeteries and Crematorium

E) PARKS AND GARDENS

KwaDukuza Municipality has a vision of a society that will be sharing a common space through improved public open spaces, parks, sports and recreational amenities across all the divisions of race, gender and religion. In quest of attaining this, strategic goal Parks & Gardens aspire to provide equitable access to parks, sport and recreational facilities throughout the Municipal area of jurisdiction.

HIGHLIGHTS:

1. Completion of two project kick abouts. One in ward 29, the other in ward 16

CHALLENGES

2. Aged fleet, which is continually breaking down, and take a long time to repair.
3. Lack of vehicles
4. Vacancies which are taking a long time to be filled.
5. Area of work is increasing, and the staff compliment is not growing accordingly.

SPORTS AND RECREATIONS

Sports and Recreation division is responsible for the planning, development and maintenance of sporting facilities in an effort to promote personal well and encourage social inclusion. In the 2021/22 financial the division has constructed three Combi courts in the following wards 1, 9 and 26.

Combi Courts are described as sporting courts that cater for more than one sporting coded including netball, tennis, volleyball and basketball.

Ward 16 Kick About

Ward 29 kick about before

Ward 29 Kick About after

2.5.3 COMMUNITY SAFETY BUSINESS UNIT

The Community Safety Business Unit is charged with the responsibility of ensuring that we provide for a safe environment to live, work and play. This Business Unit is in the forefront of delivering sustainable services in an integrated approach. The Community Safety Business Unit comprises of the following Departments: Traffic and Technical Services, Special Operations Unit, Saturation Unit, Social Crime Prevention, Motor Licensing & Testing Centre, Fire & Emergency Services, Disaster Management, Marine Safety, and Law Enforcement Administration.

The Management Team is made up as follows:

Executive Director: Community Safety	-	Mr. S.C. Viramuthu
Director: Community Safety	-	Mr. M. Faya
Director: Disaster Management and Emergency Services	-	Mr. I.M. Zuma
Senior Manager: Operations	-	Vacant
Chief: Fire & Emergency Services	-	Ms. N. Mkhwanazi
Manager: Traffic, Technical Services and Law Enforcement Administration	-	Vacant
Manager: Crime Prevention	-	Mr. M.F.J. Prinsloo
Manager: Social Crime Prevention	-	Vacant
Acting Manager: Motor Licensing & Testing	-	Mr. K. Munien
Manager: Marine Safety	-	Mr. S. Honneysett
Acting Assistant Manager: Disaster Management	-	Mr. M. Gcabashe

The Business Unit's successes and challenges for the 2021/2022 financial year are as follows:

A) TRAFFIC

MONTH	2020/2021					2021/2022				
	WARRANTS EXECUTED	DRUNKEN DRIVING	SECTION 56 NOTICES	SECTION 341 NOTICES	SECTION 341 SPEED	WARRANTS EXECUTED	DRUNKEN DRIVING	SECTION 56 NOTICES	SECTION 341 NOTICES	SECTION 341 SPEED
July	0	0	24	12	0	6	0	810	209	0
August	0	0	40	75	0	16	0	724	130	0
September	0	0	260	509	0	10	0	465	191	0
October	0	2	468	243	0	2	0	497	233	0
November	0	0	408	84	0	16	0	590	274	0
December	0	1	367	156	0	23	1	770	356	0
January	0	0	68	79	0	16	0	896	174	0
February	0	1	275	85	0	8	0	837	175	0
March	0	0	556	204	0	29	0	1174	115	0
April	0	0	679	181	0	13	0	614	52	0
May	0	0	540	253	0	23	0	849	56	0
June	0	1	446	165	0	6	0	326	51	0
TOTAL	**0**	**5**	**4 131**	**2 046**	**0**	**168**	**1**	**8 556**	**2 016**	**0**

Table 14 Chapter 2 Community Safety: *Traffic Offences*

HIGHLIGHTS:

- Income received through traffic offences – R889 000.00
- Income received from all traffic licences issued – R5 122 030.41
- Income received from all motor vehicle licenses issued – R6 692 493.93
- No. of outreach programmes: 7 Schools visited for Road Safety Awareness Campaigns
- 10 Road Safety Community Outreach programmes conducted
- 17 Wards visited for Social Crime Prevention programmes

CHALLENGES:

- Overtime incurred in the provision of emergency services, and assistance provided to municipalities within the District.
- All essential services employees have been working overtime during the national disaster, and this has resulted in exceeding the overtime threshold and has strained the overtime budget.

SPECIAL OPERATIONS ATTENDED TO:

- Ballito Pro
- Winter Fair
- Festive season operations: Easter operations, school vacation operation and December operations
- Road Safety campaigns with Department of Transport
- KwaDukuza Mayoral Games
- Stabilization of freight roadblock operations
- SAPS joint operation "Gijima"
- SAPS district joint operations
- Ward Councillors' safety stability operations
- NATJOINTS SAPS multi-disciplinary operations

B) SPECIAL OPERATIONS UNIT

ARREST STATISTICS

ARREST DETAILS	2020/2021	2021/2022
Hijacking	2	9
Unlicensed firearms	5	8
Fraud	1	0
Kidnapping	1	0
Murder	1	0
Attempted murder	1	7
Armed robbery	5	7
Theft of motor vehicles	12	0
Drunken driving	4	1
Possession of Dagga	4	11
Section 36 – Property suspected to be stolen	7	3
Rape	0	1
Possession of Dangerous Weapons	1	3
Reckless & Negligent Driving	2	0
Dealing in fake DVDs	0	0
Housebreaking	3	0
Housebreaking (armed)	0	3
Possession of stolen property	1	2
Theft	5	7
Execute warrant of arrest	0	0
Possession of dependant producing drugs (Whoonga)	4	5
Possession of dependant producing drugs (heroin)	20	41
Displaying false licence discs on motor vehicle	0	0
Dealing in Drugs: Rock, Cocaine, Mandrax tablets	7	15
Illegal trading	6	1
Illegal immigrant	1	0
Car jacking	2	1
Poaching	0	0
Illegal cigarettes	1	0
Assault of police officer	0	0
Driving and launching on beach (Environment Protection Act)	0	0
Non-compliance of Disaster Management Act / Lockdown	5	0
TOTAL	**96**	**186**

Table 15 Chapter 2 Community Safety: *Statistics on Arrests*

RECOVERIES STATISTICS

RECOVERIES DETAILS	2020/2021	2021/2022
Stolen Motor Vehicles	28	25
Firearms	5	7
Magazine (Firearm)	3	9
Dagga	1 169gm	1 996gm
Loose dagga	308	293
Loose Dagga Valued at	R0	R750 000
Cellular phones	1	0
Recovery of alcohol valued at	0	R 0
Recovery of Cigarettes (Packets)	0	0
Recovery of Cigarettes (cartons)	21	0
Recovery (Rock Cocaine, Mandrax, Heroin, etc.)	392	541
Whoonga straws / capsule	106	154
Shoes & Clothing	180	4
150DVD/CD pirates	0	0
Cash	R0	R0
Firearm ammunition	28	86
Tablet / dependent producing drugs	641	1190
Flat screen Television	2	2
Beer cases	12	3
Counterfeit goods-branded clothes	360	19
Dependent producing drug heroin at a value of	R500 000.00	R0
Copper Cables at a Value of	R0	R 700.00
Dangerous Weapon	0	16

Table 16 Chapter 2 Community Safety: *Statistics on Recoveries*

C) TESTING & MOTOR LICENSING

KWADUKUZA TESTING STATION

STATISTICS DRIVERS

	2020/2021	2021/2022
TRANSACTIONS	27 245	31 619
AMOUNT	**R4 706 440.00**	**R5 214 289.00**

BALLITO MOTOR LICENSING

	2020/2021	2021/2022
TRANSACTIONS	24 947	18 446
AMOUNT	**R1 949 238.56**	**R1 532 468.72**

KWADUKUZA MOTOR LICENSING

	2020/2021	2021/2022
TRANSACTIONS	117 003	162 387
AMOUNT	R5 489 968.93	R5 166 628.43

STATISTICS – MOTOR LICENSING NORTH AND SOUTH

	2020/2021	2021/2022
TRANSACTIONS	141 950	180 833
AMOUNT	R7 439 207.49	R6 699 097.15

TESTING OPERATIONS

	2020/2021	2021/2022
Examining of eyes & fingerprints	15 656	20 916
Examining of public professional driving permits clearances	2 157	2 469
Examining of learner license	2 778	6 147
Examining of driver's licenses	489	715
Examining of vehicles	44	241
Examining of instructors permits	Nil	NIL
Issuing of traffic fines / suspension notice	30	NIL

HIGHLIGHTS:

- Additional air conditioners were fitted to the seating area and cashier's office.
- The COVID-19 regulations have been relaxed, and as such, additional clients may be assisted.
- The learner licence classroom now can accommodate full capacity to 15 applicants per class.
- Due to the excessive backlog with learner license applicants, additional classes have been opened at 13h15.

CHALLENGES:

- A major challenge that needs to be addressed is the POOR COMMUNICATION VIA INTERNET.
- Fibre Optic Cables need to be installed to overcome this persistent problem.
- Due to the poor speed of the internet all 3 LEU workstations cannot be used at the same time.
- The cell phones have weak signals and cannot be answered inside the buildings. The above issue has been taken up with our I.T. Department.
- The roads and infrastructure leading to the test station are in a poor condition.
- The local driving school association had carried out a protest action demanding an "A Grade" Test Station and are complaining about the poor condition of roads riddled with potholes, poor road marking and no police visibility on the test routes.
- The Vehicle Testing Station is under-utilised by major transport companies due to the narrow roads and entrances to the testing station making it difficult for articulated trucks and trailers to gain entry.

D) FIRE AND EMERGENCY SERVICES

Fire & Emergency Services comprises of three Divisions, namely:

RE ACTIVE SERVICES

- Operations

PRO ACTIVE SERVICES

- Fire Prevention
- Public Education, Information & Training

EMERGENCY CALL CENTRE

- Call receiving and despatching of resources

RE ACTIVE SERVICES

The following table reflects statistical report on Emergency incidents which occurred during the year 2021/2022

DETAILS	2018/2019	2019/2020	2020/2021	2021/2022
Fires:				
Fires involving structures	91	94	101	120
Fires involving vehicles	45	29	38	44
Fires involving bushes and other types of fires (e.g., trees, tyres, sugarcane, electricity poles, etc.)	239	168	209	182
Rescue/Emergency Medical Assistance:				
Medical assistance	2	26	7	2
Hazardous Materials Incidents	**5**	**2**	**6**	**4**
Other (special services, hoax calls, false alarms, no service rendered)	29	24	43	56
Motor Vehicle accidents	123	105	101	122

Table 17 Chapter 2 Community Safety: *Emergency Incidents Statistical report*

FIRE PREVENTION ACTIVITIES:

Robust Fire Prevention activities were conducted to ensure safety of citizens and enforcement measures were affected by officials who were seconded to Fire Prevention.

Two hundred and sixty-eight (268) Building Plans were processed by the Fire Prevention team with fifty-eight (58) premises being inspected for compliance with the National Building Regulations and Building Standards Act and relevant National Standards.

FIRE SAFETY PROGRAM:

> 14 Wards visited for Fire Safety Awareness Talks (school visits and special programs)
> The department was also involved in the Child Protection Campaign which was coordinated by Department of Education and Ilembe District Municipality.

HIGHLIGHTS:

Below are some of the incidents which were attended to by the Fire-fighting team:

STRUCTURAL FIRE - 69 MINERVA ROAD, BALLITO

> A garage was completely guttered by flames and was extinguished by KwaDukuza Fire and Emergency Services.
> The cause of fire is yet to be established because no comprehensive investigation has been carried out.
> The Fire brigade managed to stop the fire from spreading to neighbouring houses.
> No casualties were registered.

STRUCTURAL FIRE – KING SHAKA STREET, KWADUKUZA

- The second floor of the building was completely guttered by flames and was extinguished by KwaDukuza Fire and Emergency Services.
- The cause of fire is yet to be established because no comprehensive investigation has been carried out.
- The Fire brigade managed to stop the fire from spreading to neighbouring businesses and houses.
- No casualties were registered.

STRUCTURAL FIRE – STANGER TRAINING CENTRE

- The storeroom and the bus were completely guttered by flames and was extinguished by KwaDukuza Fire and Emergency Services.
- The cause of fire is suspected to be arson.
- The Fire brigade managed to stop the fire from spreading to neighboring houses.
- No casualties were registered.

MVA – TINLEY MANOR LINK ROAD

- It is alleged that a fully loaded diesel Tanker lost control and landed on its side.
- The incident resulted in one (1) Green Code patient and was stabilized by KwaDukuza Fire and Emergencies and other medical agencies.
- Diesel spill was contained and decanted into another Tanker.

MVA – NTSHAWINI AREA

- A Toyota Hilux was found in the banks of the Ntshawini River covered in sand, with the key still in the ignition.
- It is suspected that the vehicle was washed away during the floods that occurred in April 2022.
- Relevant agencies such as KwaDukuza Fire & Emergency Services and Medical services were summoned to the scene.
- No casualties were registered.

MVA – MOFFAT DRIVE, BALLITO

- It is alleged that a Ford Ranger lost control and collided with a Nissan NP300.
- The incident resulted in two (2) Red Code patients and were stabilized by KwaDukuza Fire and Emergency Services and other medical agencies.

SPECIAL OPERATIONS ATTENDED TO:

- Gxoba Isitibuli Cycling Academy launch
- Local Government Elections 2021
- New Year's Day beach patrols
- Black Coffee music concert 2021
- KZN Floods 2022
- Ballito Pro 2022
- Winter Fair 2022
- Road Safety Campaign
- Letsema Program
- 5th Global Conference on the Elimination of Child Labour
- Nyathikazi Human Settlement project
- KwaDukuza Mayoral Games

E) DISASTER MANAGEMENT

1. PURPOSE

The purpose of this report is to highlight the achievements and shortcomings experienced within the KwaDukuza Local Municipal Disaster Management Unit during the period 01 July 2021 to 30 June 2022 in compliance with the provisions of the Disaster Management Act 57 of 2002.

2. INTRODUCTION

The KwaDukuza Local Municipality Disaster Management Unit has the mandate and responsibility to ensure that issues concerning disasters and disaster management are dealt with in an integrated and coordinated approach. KwaDukuza Local Municipality Disaster Management Unit acts as an advisory and consultative body on issues concerning disasters to all organs of state and stakeholders, NGOs, CBOs, private sector as well as communities within the Municipality. It is imperative that the KwaDukuza Local Municipality Disaster Management Unit has the responsibility to build the necessary capacity to implement the provisions of the Act as well as to raise awareness to the communities and individuals regarding the risks that affects the Municipality. KwaDukuza Local Municipality Disaster Management Unit Annual Report reflects on the significant milestones achieved in line with the Disaster Management Act.

3. KEY PERFORMANCE AREA 1: INTERGRATED INSTITUTIONAL CAPACITY FOR DISASTER RISK MANAGEMENT

Key Performance Area 1 focuses on establishing the necessary institutional arrangements for implementing disaster risk management within KwaDukuza Municipality. It specifically addresses the application of the principle of co-operative governance for the purpose of a comprehensive disaster management strategy for KwaDukuza Municipality. It also emphasizes the involvement of all stakeholders in strengthening the capability of the Municipality to reduce the likelihood and severity of disasters.

In creating institutional arrangements for co-operative governance and co-ordination, the emphasis is on facilitating co-operation and co-ordination among existing structures, organizations and institutions wherever possible and on harnessing existing skills and expertise. The institutional arrangements also facilitate inclusivity, and their primary focus is on capacitating and building communities at risk KwaDukuza.

3.1 STATUS OF DISASTER MANAGEMENT UNIT

The KwaDukuza Local Municipality Disaster Management Unit was established in December 2012. Although the municipality does not have an independent disaster management centre, the current satellite disaster management office that is used for disaster management activities is located at KwaDukuza Local Municipality offices and is furnished with the required resources. The department falls within the Community Safety Business Unit and reports to the Municipal Services Portfolio Committee.

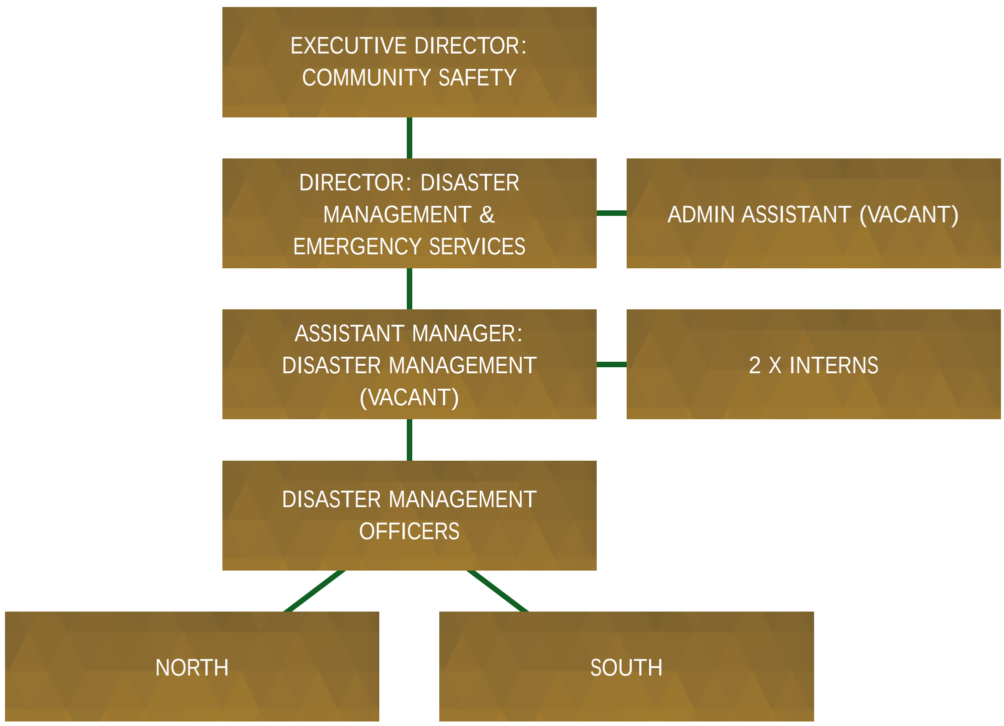


Figure 2 Chapter 2 Community Safety: *KwaDukuza Disaster Management Unit Organogram*

3.2 DISASTER RISK MANAGEMENT PLAN

The Disaster management plan is crucial for the Municipality since the Municipal Systems Act No. 32 of 2000 requires all municipalities to undertake an integrated development planning process to produce currently relevant Integrated Development Plans (IDPs). The applicable Disaster Management Plan is a core component of the IDP as it is stipulated by Section 26 (g) of the Municipal Systems Act No. 32 of 2000 and furthermore Section 53 (2) (a) of Disaster Management Act stipulate that a disaster management plan for a municipal area must form an integral part of the municipality's IDP. KwaDukuza Disaster Management Plan has been developed and adopted by the Council in June 2016.

3.3 DISASTER RISK MANAGEMENT POLICY FRAMEWORK

The Disaster Management Act of 2002 (Act no. 57 of 2002) requires the development of policy frameworks at a national level (Section 6), a provincial level (Section 7) and at a municipal level (Section 42). KwaDukuza Municipality is required to establish and implement a policy in the municipality as a management and co-ordination framework for disaster risk management in the area. In the 2021-2022 financial year, the KwaDukuza Disaster Management Unit completed a draft of the disaster risk management policy framework for KwaDukuza in collaboration with the iLembe District Disaster Management Centre and the Provincial Disaster Management Centre.

3.4 STATUS OF READINESS TO DEAL WITH DISASTERS

KwaDukuza Local Municipality is prone to incidents such as heavy rain, floods, lightning, strong winds, fires and hail that can kill and injure people, destroy their homes and damage property. The Disaster Management Practitioners have been capturing, monitoring and analysing minor and major incidents on an ongoing basis, as required by Disaster Management legislation. The Disaster Management Unit has been proactive in anticipating the types of disasters that may occur, planning ways of preventing or mitigating the major incidents and disasters. In its role of disaster management co-ordination, the Disaster Management Unit responds to reported incidents.

In line with the provisions of the Disaster Management Act as well as the National and Provincial Disaster Management Frameworks, KwaDukuza Local Municipality Disaster Risk Management Practitioners respond, assess and capture incidents as they occur. The early warning system from SAWS were crucial and helpful since the municipality managed to disseminate the warnings/alerts to the local stakeholders, including Ward Councillors, Amakhosi, Izinduna, for ultimate dissemination to affected communities. KwaDukuza Local Municipality also plays a meaningful role towards recovery and rehabilitation, by engaging all the relevant line function departments in fulfilling their mandatory roles towards this process.

3.5 STATUS OF INTER-GOVERNMENTAL RELATIONS (IGR) STRUCTURES

3.5.1 MUNICIPAL DISASTER MANAGEMENT INSTITUTIONAL ARRANGEMENTS

The Municipality has the responsibility of establishing effective institutional arrangements for the development and approval of integrated disaster risk management matters. To achieve this responsibility, the Municipality has established a Municipal Services Portfolio, and a Management Committee. In the 2021-2022 financial year, disaster management issues were discussed in these committees.

Municipal Services Portfolio Committee: The Municipal Services Portfolio Committee is an internal portfolio committee that deals with matters relating to Disasters and Disaster Risk Management. The committee is fully functional and meets on a monthly basis.

Management Committee (MANCO): This is a senior management committee, which meets on a weekly basis where issues pertaining to disaster management are discussed on an ongoing basis.

Disaster Management Ward-Based Consultative Forum: In the 2021-2022 financial year, The KwaDukuza Disaster Management Unit started plans to revive the Disaster Management Ward-Based Consultative Forum to ensure effective community involvement in disaster management and Disaster Risk Reduction measures.

3.5.2 MUNICIPAL DISASTER MANAGEMENT ADVISORY FORUM (DMAF)

To make provision for the integration and coordination of disaster management activities and to give effect to the principle of co-operative governance, KwaDukuza Local Municipality has established a Disaster Management Advisory Forum in accordance with Section 51 of the Disaster Management Act. KwaDukuza LM Disaster Management Advisory Forum was launched on 20 February 2015.

The disaster risk management advisory forum meetings are held quarterly comprising of all relevant stakeholders. The private sector and civil society participate in the forum and have crucial roles to play. The fostering of partnerships between government, civil society and the private sector is a prerequisite for effective and sustainable disaster management. The Disaster Management Advisory Forum (DMAF) is a body in which all role players consult one another and coordinate their actions on matters relating to disaster management within the Municipality and meets on quarterly basis or as and when necessary. The forum is a fundamental disaster management IGR structure that provides a mechanism for relevant role players to participate in disaster management issues and provide advice to disaster management stakeholders, with the implementation of the Disaster Management Act.

The establishment of such a forum in the municipalities is in line with Section 44(1) (b) of the Disaster Management Act, which provides for an integrated and coordinated approach to disaster management in municipal areas, with special emphasis on prevention and mitigation. In the 2021-2022 financial year, the advisory meetings sat for all four quarters.

4. KEY PERFORMANCE AREA 2: DISASTER RISK ASSESSMENT

A disaster risk assessment is the first step in planning an effective Disaster Risk Management policy. It aims to examine the likelihood of expected disaster events. This includes investigating related hazards and conditions of vulnerability that increase the chance of loss.

Section 52 of the Disaster Management Act states that each municipality must:

- Conduct a disaster risk assessment for its functional area
- Identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats

Conducting disaster risk assessments is fundamental for the development and implementation of effective disaster risk management policies and plans in the KwaDukuza area. All disaster risk management planning and the development and application of disaster risk reduction policies in KwaDukuza, must therefore be informed by disaster risk assessment information. Disaster Risk Assessment information must also be used to guide priority setting for risk reduction programmes undertaken by role players.

4.1 STATUS AND RESULTS OF DISASTER RISK ASSESSMENTS UNDERTAKEN

4.1.1 LIST OF PRIORITY RISKS (HAZARDS)

The Municipality is prone to a number of natural and man-made hazards, inter alia, (veld fires and structural fires), heavy rain, lightning, strong wind, hail etc. In line with the Disaster Management Act and the Disaster Management Framework, it is necessary to conduct a Risk Analysis, which will identify and prioritize potential hazards and threats that are likely to occur within the Municipality. The vulnerability of communities within the Municipality varies, which mainly depends on socio-economic status as well as the exposure of a particular household or community to a specific hazard. The Risk Analysis conducted at all four local municipalities place emphasis on all specifics, which reflects the hazards threatening the communities. The list of priority hazards that are affecting the Municipality, with spatial-temporal characteristics of these hazards well known since they have been observed and recorded continuously are illustrated in a Table below:

HAZARD	HAZARDS INDICES	VULNERABILITY INDICES	MANAGEABILITY/ CAPACITY	RELATIVE RISK	RELATIVE RISK PRIORITY
	HAZARD RATING	VULNERABILITY RATING	MANAGEABILITY RATING		
Heavy Rainfall	9	9	5	10	Extreme
Structural Fires	9	7	7	9	High
Strong Winds	8	8	5	8	High
Flooding	5	7	5	5	Moderate
Lightning	5	6	7	5	Moderate
Structural Collapse	5	8	4	5	Moderate
Veld Fires	3	4	6	3	Low

Table 18 Chapter 2 Community Safety: *Priority Hazards identified within the Municipality*

4.1.2 HAZARD AND VULNERABILITY MAPS

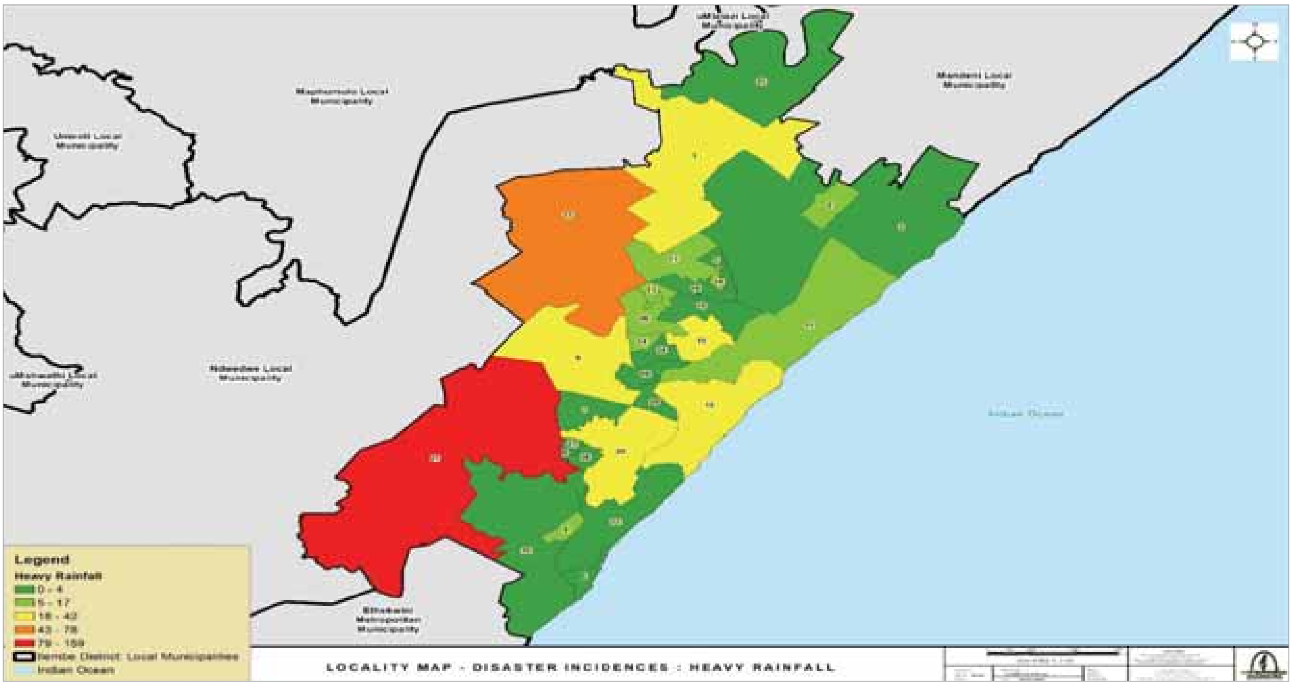


Figure 3 Chapter 2 Community Safety: *Heavy Rainfall in KwaDukuza*

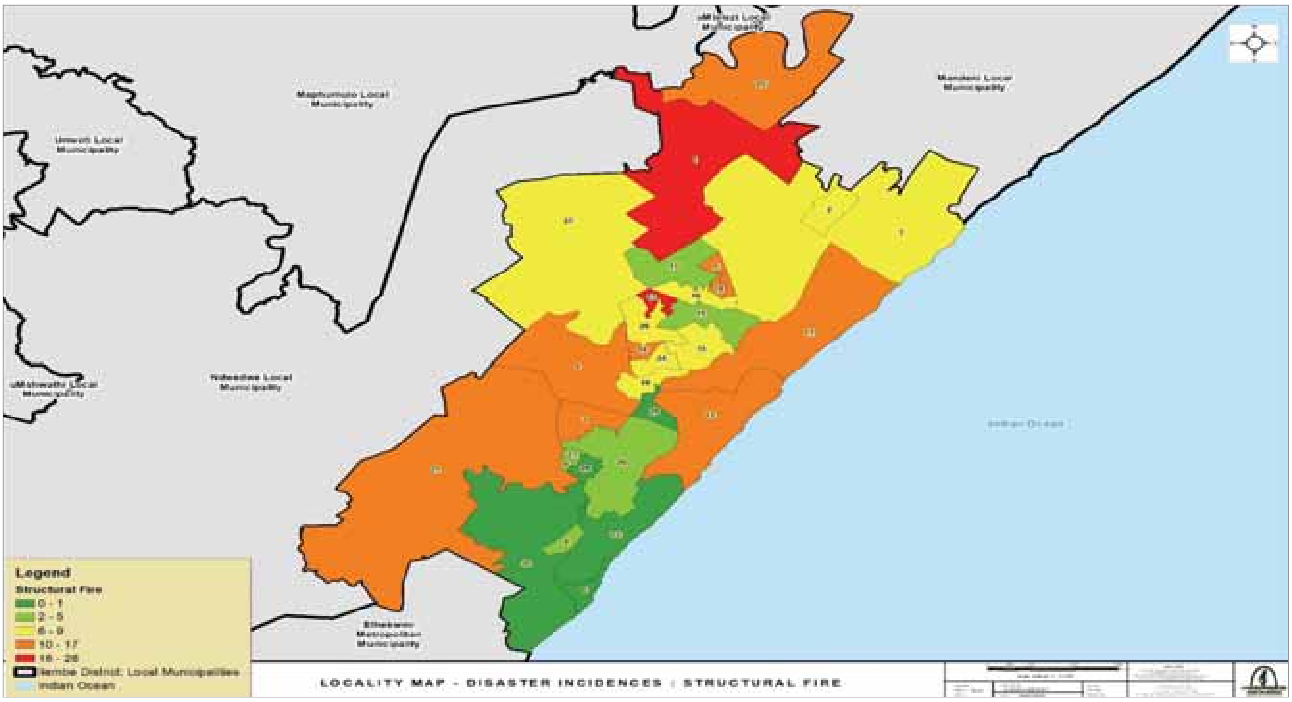


Figure 4 Chapter 2 Community Safety: *Structural Fires in KwaDukuza*

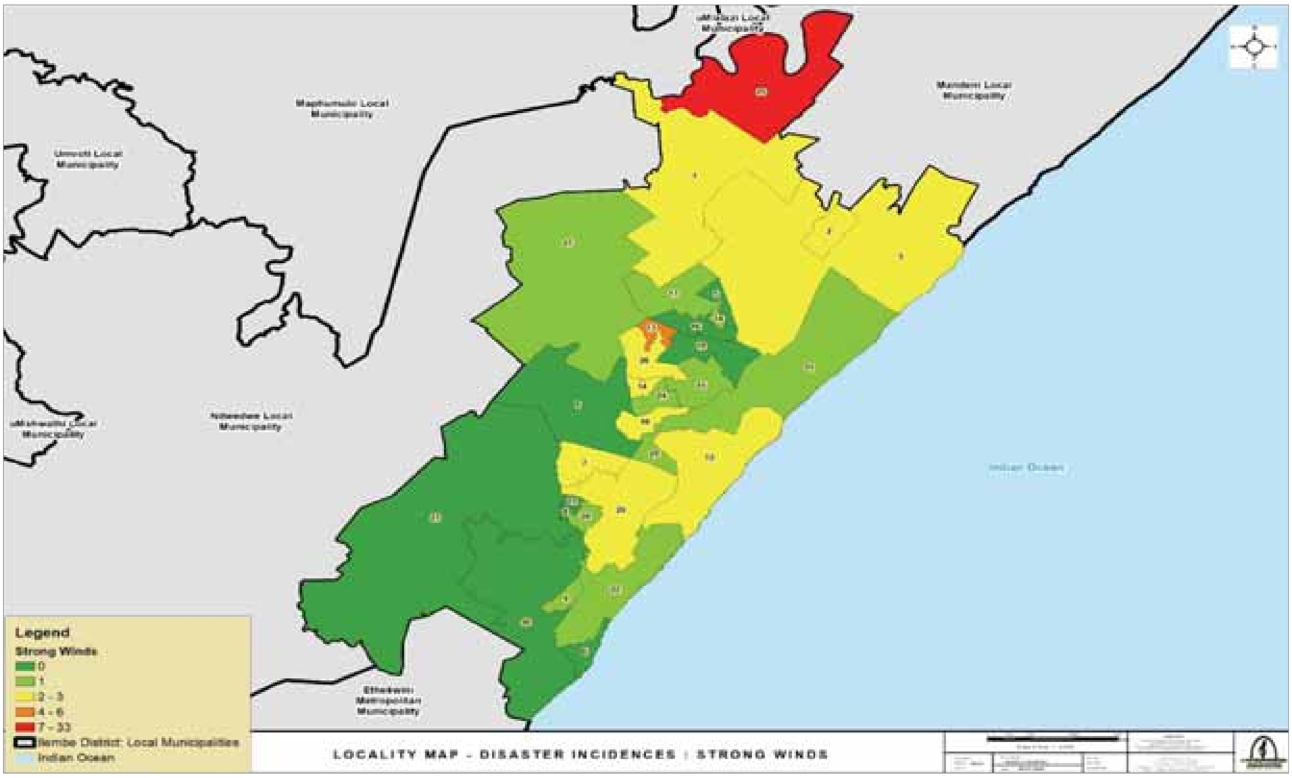


Figure 5 Chapter 2 Community Safety: *Strong Winds in KwaDukuza*

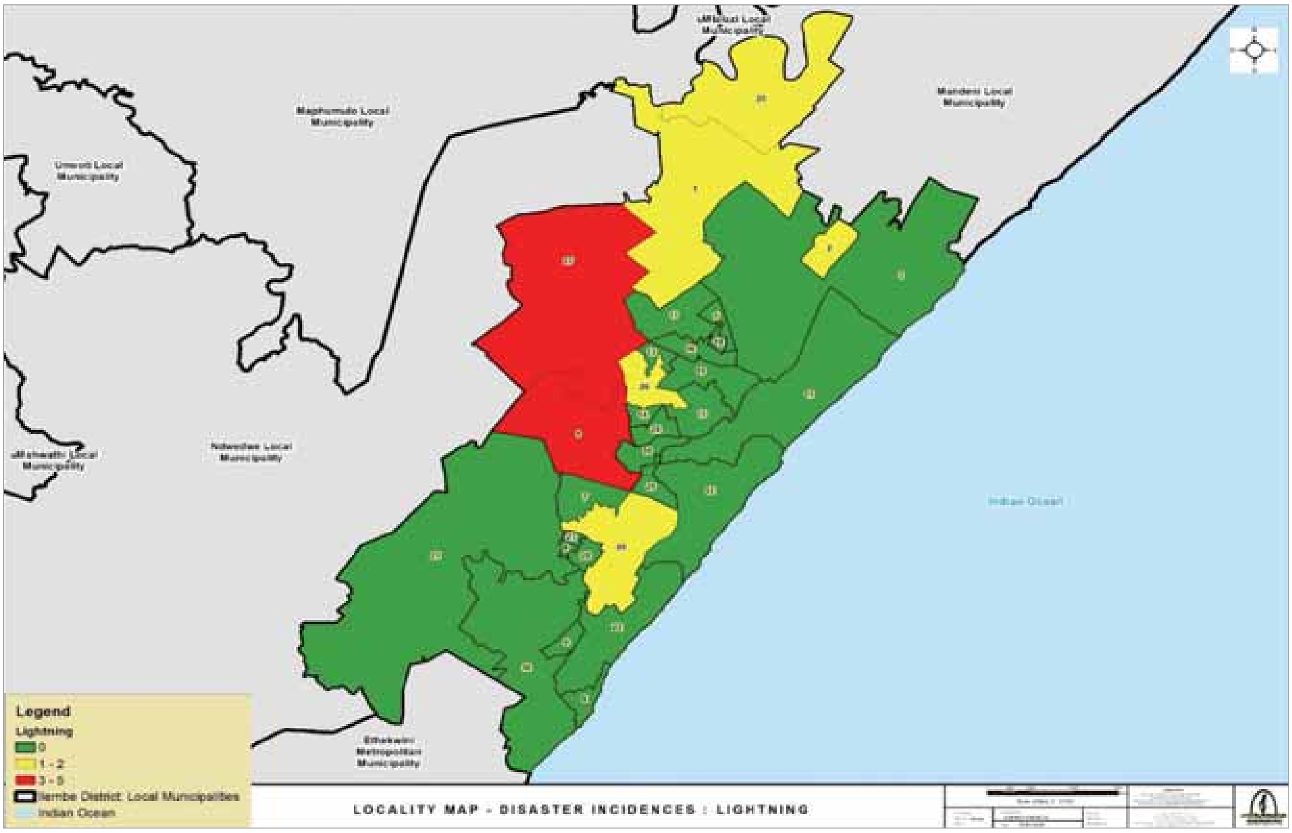


Figure 6 Chapter 2 Community Safety: *Lightning in KwaDukuza*

The Hazard and Vulnerability Maps show risks identified in KwaDukuza during disaster risk assessments in the 2021-2022 financial year and the distribution and severity of these risks in various wards in KwaDukuza.

5. KEY PERFORMANCE AREA 3: DISASTER RISK REDUCTION

The KwaDukuza Municipality Disaster Management Unit must develop, implement and maintain Disaster Risk Reduction measures for the Municipality after consultation with the Disaster Management Act, the District Municipality and other relevant stakeholders in order to provide a coherent, transparent and inclusive risk reduction for the KwaDukuza Local Municipality; and which anchors uniformity and joint standards of practice as cornerstones and is consistent with the national and provincial disaster risk management frameworks.

The KwaDukuza Disaster Risk Management Unit must ensure that all municipal entities and other institutional role players undertake coherent and relevant disaster risk management planning. Risk reduction plans providing for prevention and mitigation strategies have been compiled through a participative process and have not been vetted or submitted to feasibility studies. The risk reduction plans outlined in this document and its annexures which are implementable must be considered for inclusion within the IDP projects of the municipality and if included must be budgeted for in terms of the operating and capital budgets of the municipality. Each project should be evaluated to determine which municipal department could lead its implementation.

5.1 DISASTER RISK REDUCTION PROGRAMMES UNDERTAKEN BY THE KWADUKUZA DISASTER MANAGEMENT UNIT IN THE 2021-2022 FINANCIAL YEAR.

DISASTER RISK REDUCTION PROGRAMME	QUARTER 2021-2022	TARGET AUDIENCE	COMMENTS
Awareness Campaigns > Mgigimbe Community Hall > Enduduzweni Community Care Centre > Nonoti Area	First Quarter	Senior Citizens, Learners and General Public	Hazard-Specific awareness campaigns to reduce risks in targeted areas
Awareness Campaigns > Driefontein Community Hall > Nonoti Community Hall	Second Quarter	General public	Hazard-Specific awareness campaigns to reduce risks in targeted areas
Awareness Campaigns > Prospect Farm Primary School > Nonoti Primary School > Mbuyiselo Secondary School	Third Quarter	Learners	Summer Season Hazard awareness campaigns to reduce summer risks in targeted areas
Installation of Lightning conductors	Third Quarter	Wards with severe Lightning risks	In collaboration with the iLembe District Disaster Management Centre and the Provincial Disaster Management Centre to reduce lightning risk in wards identified during disaster risk assessments
Child Protection Program > Darnall Secondary School > Nonoti Primary School	Fourth Quarter	Learners	In collaboration with the Department of Education to reduce climate change risks.
79 Units of Building Material	Third Quarter and Fourth Quarter	People with affected houses	To reduce disaster risks by enabling affected people to build back better

Table 19 Chapter 2 Community Safety: *Disaster Risk Reduction Programmes undertaken by the KwaDukuza Disaster Management Unit in the 2021-2022 financial year*

6. KEY PERFORMANCE AREA 4: DISASTER RESPONSE AND RECOVERY

The Objective of disaster response and recovery is to ensure a coordinated process of supporting emergency-affected communities in reconstruction of physical infrastructure and restoration of emotional, social, economic and physical wellbeing. The KwaDukuza Local Municipality Disaster Management Unit has an obligation to respond, assess and capture disaster incidents as they occur as per the mandate stipulated on the Disaster Management Act. When an incident occurs, the disaster management practitioner must coordinate disaster management activities and ensure adequate preparedness at all levels in order to meet major incidents and or disaster challenges.

6.1 INCIDENT STATISTICS

QUARTER	TYPE OF INCIDENT						TOTAL
	HEAVY RAINFALL	STRUCTURAL FIRE	STRONG WIND	STRUCTURAL COLLAPSE	LIGHTNING	OTHER	
FIRST QUARTER (July-September)	1	8	0	1	1	0	11
SECOND QUARTER (October-December)	8	10	47	0	0	2	67
THIRD QUARTER (January-March)	8	9	0	0	0	0	17
FOURTH QUARTER (April-June)	782	6	0	0	0	0	788
Total	**799**	**33**	**47**	**4**	**1**	**2**	**883**

Table 20 Chapter 2 Community Safety: *Number of incidents experienced during the period 01 July 2021 – 30 June 2022*

The table above illustrates the number of incidents that were experienced at the Municipality from 01 July 2021–30 June 20212 period. A total number of **Eight Hundred and Eighty-Three (883)** incidents were reported. The KwaDukuza Municipality Disaster Management Unit noted that heavy rainfall incidents were dominant in the period under review as illustrated in the table above. The April/May 2022 floods which occurred in the fourth quarter were the reason for the dominance. Fire incidents was also dominant in the period under review. It was noted that most of the fire related incidents were due to negligence since most of the reported fire incidents were due to unattended candles, illegal connection of electricity and gases.

6.2 DISTRIBUTION OF INCIDENTS IN KWADUKUZA

Distribution of incidents in KwaDukuza Municipality from 01 July 2021 to 30 June 2022

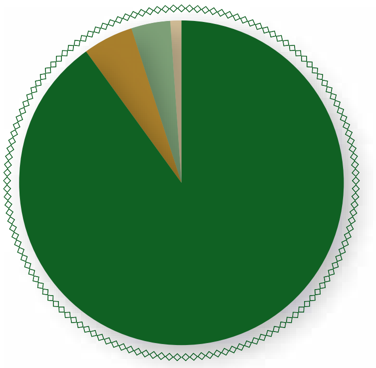


Figure 7 Chapter 2 Community Safety: *KDM Distribution of Incidents during 01st of July 2021– 30th of June 2022*

6.3 IMPACT OF INCIDENTS

QUARTER	NUMBER OF INCIDENTS	HOUSEHOLDS AFFECTED	HOUSES PARTIALLY DESTROYED	HOUSES TOTALLY DESTROYED	HOMELESS	PEOPLE AFFECTED	FATALITIES	INJURIES
1ST QUARTER	12	22	12	7	13	44	1	0
2ND QUARTER	67	76	54	22	22	298	0	0
3RD QUARTER	19	27	15	10	4	82	1	1
4TH QUARTER	788	972	335	363	138	3124	10	15
TOTAL	**886**	**1097**	**416**	**402**	**177**	**3548**	**12**	**16**

Table 21 Chapter 2 Community Safety: *Impact of incidents that incurred during the period 01 July 2021 – 30 June 2022*

The table above illustrates the impact of the incidents during the 2021/2022 financial year. KwaDukuza Local Municipality accounted for a total number of **One Thousand and Ninety- Seven (1 097)** households affected, **Four Hundred and Sixteen (416)** houses partially destroyed, **Four Hundred and Two (402)** houses totally destroyed, **One Hundred and Seventy-Seven (177)** families left homeless, and **Three Thousand Five Hundred and Forty-Eight (3 548)** people affected. Unfortunately, during the course of these incidents, there were **Sixteen (16) injuries** and **Twelve (12) fatalities**.

6.4 DISASTER INCIDENT PICTURES

Pictures representing disaster incidents that occurred during the period of 01 July 2021 to 30 June 2022.

6.4.1 FIRST QUARTER

Conveys the aftermath following a structural fire incident in Ward 4 (Shakashead) during the month of July 2021

Conveys the aftermath after a structural fire in Malende Ward 9 during the month of August 2021

6.4.2 SECOND QUARTER

Conveys the aftermath following a Heavy Rainfall incident in Ward 02 (Zamani) in the month of December 2021.

Conveys the aftermath after a Heavy rainfall incident in Ward 09 (Mnyundwini) during the month of December 2021.

6.4.3 THIRD QUARTER

Conveys the aftermath following a Structural fire incident in Ward 21 (Driefontein) in February 2022

Conveys the aftermath following a Structural Collapse incident in Ward 17 (Monkey Town) in March 2022

6.4.4 FOURTH QUARTER

Conveys the aftermath following a Heavy Rainfall incident in Ward 09 (Malende in April 2022)

Conveys the aftermath following a Heavy Rainfall incident in Ward 18 (Shakaville in May 2022)

6.5 IMMEDIATE RESPONSE

A thorough assessment was conducted to get the magnitude of the damage caused by the incidents. During the 2021-2022 financial year, KwaDukuza Local Municipality offered immediate assistance to the affected families in the following form:

AID DISTRIBUTED	TOTAL NO. OF AID DISTRIBUTED
1. Blankets	367
2. Plastic Sheeting	175
3. Food Parcels	182
4. Sponges	322
6. Box B	104
7. Gel Stoves	30
8. Cosmetic Packs	30
TOTAL	**1 210**

Table 22 Chapter 2 Community Safety: *Immediate Response 2021/2022*

7. ENABLER 1: INFORMATION MANAGEMENT AND COMMUNICATION

The objective of Enabler 1 is to ensure that there is a comprehensive information management and communication system in the KwaDukuza Municipality Disaster Management Unit and establish integrated communication links with all disaster risk management, information management and communication, to enable the receipt, storage, dissemination and exchange of information. The system must fulfil the requirements stipulated in the National Policy Framework and be fully integrated into the national system network.

7.1 EARLY WARNING SYSTEM

The KwaDukuza Municipality Disaster Management Unit operates a bulk information distribution system to disseminate early weather warnings received from South African Weather Services. Once a severe weather warning is received, it is passed on to disaster management stakeholders via telephone and social media groups so that vulnerable communities within KwaDukuza are alerted.

7.2 INFORMATION MANAGEMENT SYSTEM

The KwaDukuza Municipality Disaster Management Unit has a system in place to receive, manage and store documents to facilitate effective disaster management in the Municipality. (Damage assessments to beneficiary lists, monthly reports to quarterly and annual reports) - These documents are passed on to relevant stakeholders to determine the possible required interventions. The Unit plans to adopt a method of cloud storage for historical data to ensure that the data is stored safely for intervention purposes.

8. ENABLER 2: EDUCATION, TRAINING, PUBLIC AWARENESS AND RESEARCH

It is the responsibility of the KwaDukuza Municipality Disaster Management Unit to create training programmes for the community that focus on disaster risk awareness, disaster risk reduction, volunteerism and preparedness. Indigenous knowledge must be harnessed and included in the training programme and its outcomes. The Unit must promote, support and monitor the implementation of knowledge management programmes for Disaster Risk management in KwaDukuza Municipality in accordance with national and provincial standards.

8.1 COMMUNITY AWARENESS CAMPAIGNS

The KwaDukuza Disaster Management Unit conducted 11 Awareness Campaigns during the period under review. These awareness campaigns were conducted in collaboration with the KwaDukuza Fire & Emergency Services, Marine Safety, Social Crime and Ilembe District Disaster Management focusing on:

- Households and Veld Fires
- Heavy rainfall
- COVID-19
- Lightning
- Beach Safety
- Illegal substance abuse
- Safety at School

8.2 EDUCATION AND TRAINING

In line with Section 44 of the Disaster Management Act, (Act 57 of 2002), the KwaDukuza Municipality Disaster Management Unit promotes capacity building, training and education. During the 2021-2022 financial year, the Unit took five students from Institution of higher learning (Durban University of Technology) to provide them with the adequate training required to complete their Work Integrated Learning.

9. ENABLER 3: FUNDING ARRANGEMENTS FOR DISASTER RISK MANAGEMENT

9.1 FINANCIAL CAPABILITIES

During the 2021-2022 financial year, the Municipality has budgeted for Disaster Risk Management, and the budget included only:

- Emergency Relief (blankets, plastic sheeting, food parcels, sponges etc.)
- Temporary Shelter

The Municipality monitors the disaster management budget on an ongoing basis and conducts variances where applicable. The Municipal Disaster Management Unit has prepared and submitted a Sector Plan designed to establish the framework for implementation of the provisions of the Disaster Management Act and Disaster Risk Management Policy Framework, as well as the related provisions of the Municipal Systems Act No. 32 of 2000. Fundamentally, the identified disaster risk reduction activities in the Sector Plan must be budgeted for and integrated and aligned with the main activities contained in the municipal IDP.

10. DISASTER MANAGEMENT SWOT ANALYSIS

OPPORTUNITIES	THREATS
> Employment of more disaster management personnel. > Securing of political buy-in. > Development or and review of disaster risk management plans.	> Lack of comprehensive understanding of disaster risk management amongst other stakeholders. > Lack of cooperation from other sectors. > Climate change impact. > Lack of budgeting for disaster management
STRENGTHS	**WEAKNESSES**
> Comprehensive programmes developed. > Good institutional arrangements. > Political buy in established. > Integration of disaster risk management issues with other municipal programmes. > Sharing of best disaster management practices with other stakeholders such as other local municipalities, the district disaster management centre and the provincial disaster management centre.	> Insufficient human and physical resources to provide effective service delivery. > Small office space. > Storage space for relief. > Vehicles are not of the specification that is required by the terrain we navigate through. > Disaster Management Unit has no budget allocated, only relies on equitable share, which is utilized for relief. > Lack of manpower to effect enforcement measures.

11. CONCLUSION

The KwaDukuza Local Municipality Disaster Management unit has implemented a very strict proper coordination and integration of disaster related matters, which resulted in the effective monitoring and analyzing the incident that was experienced by the municipality. In line with the requirements of the Disaster Management Act 57 of 2002, KwaDukuza Local Municipality must make a provision for resources to be allocated for immediate relief aid such as blankets, food parcels and sponges to the affected families.

F) MARINE SAFETY AND LAUNCH SITE MANAGEMENT

HIGHLIGHTS:

- 0 drownings on the main bathing beaches.
- 1 ocean drowning and 7 River and Dam drownings.
- 2 marine animals stranding.
- Daily safety and beach information on local radio station Life & Style 88.0 FM - Monday to Saturday performed by the Beach Manager.
- 35 Learn to Surf programmes conducted.
- 27 Learn to Swim programmes conducted.
- No incidents at our launch sites and no issues with EDTEA and SAMSA.

CHALLENGES:

- Use of aged jet rescue skis.
- Unable to conduct safety patrols to isolated beaches – No quad bikes.
- Due to staffing capacity, we are currently unable to conduct water safety campaigns.
- SCM Procurement issues. Not receiving equipment that requisitions were made for.

Marine Safety Management from left to right: Freedom Mthethwa – Lifeguard Supervisor, Steve Honneysett – Marine Safety Manager, Cecil Viramuthu – Executive Director: Community Safety, Mthembeni Zuma – Director: Disaster Management & Emergency Services and Bongani Xulu – Lifeguard Supervisor.

Marine Safety Management with Lifeguards in their new uniform


Learn to Swim programme at Thompsons Bay tidal pool


Learn to Swim programme at Shakashead swimming pool


Learn to Swim programme at Salt Rock tidal pool


Learn to Swim programme – fitness training


Emergency Services assisting with rescues during the April 2022 floods


Emergency Services assisting with rescues during the April 2022 floods


Emergency Services assisting with rescues during the April 2022 floods

Lifeguards rescue during floods – Nyathigazi River

Lifeguards rescue during floods – Nyathigazi River

Ballito Pro 2022 Media Launch with Paul Canning of O'Neill SA, the Honourable Mayor Cllr Lindi Nhaca and Vice President Surfing South Africa Bongani Xulu

Crowd on the beach – Ballito Pro 2022

Lifeguards on the beach – Ballito Pro 2022

Safety Officers – Ballito Pro 2022

Safety Officers – Ballito Pro 2022

Staff annual fitness and retest training

Staff annual fitness and retest training

Marine Safety new rapid response vehicle

2.5.4 CIVIL ENGINEERING AND HUMAN SETTLEMENTS

A) CIVIL ENGINEERING

The Civil Engineering & Human Settlement Business Unit is responsible for the infrastructure development and service delivery to ensure that KwaDukuza Municipality's vision and mission are achieved as a legislative mandate in sections 152 & 152 of the Constitution for the planning and implementation in these performance areas:

- Human Settlement Projects
- Roads and Stormwater Projects
- Community Facilities Projects such as halls, creches, sports facilities, commuter shelter, etc.
- Maintaining of Civil Engineering Infrastructure
- Traffic Calming and Pedestrian facilities

The Civil Engineering and Human Settlement Business unit have a total staff complement of 129 employees. (100 in the Civil Engineering section,26 staff in the Human Settlement section, and 3 staff in the Project management unit). The goals and objectives of the Civil Engineering & Human Settlement Business Unit is mandated from Integrated Development aligned to KZNPGDS and National Development Plan.

CIVIL ENGINEERING HIGHLIGHTS

The Business Unit has managed to achieve the following under the different stages of lockdown over the last 12 months:

The initial Municipal Infrastructure Grant (MIG) allocation for KwaDukuza Municipality was R54 549 000 for the 2021/2022 financial year which includes the 5% PMU Top slice. The KwaDukuza Municipality performed well as a result and receive an additional MIG allocation/Funding of R7,000,000.00 as an incentive grant making the total allocation of R61 549 000. The KwaDukuza Municipality MIG Expenditure as of 30 June 2022 was R 61 432 184.08 (99.81%) of the Total MIG Allocation.

The Civil Engineering and Human Settlements Capital Budget for the 2021/2022 financial year had a total of R 100 809 429,18 and managed to spend R 96 034 335 (95%) as of the end of June 2022.

108 % of the maintenance budget spent which also was utilized for mop-up plan operations of the 08 – 12 April 2022 flood disaster to remove debris, silted soil along the roads/ streets, fallen trees: clearing of water ponding, unblocking catchpits manholes and ensuring access of community to their properties.

The business unit is making steady progress in terms of addressing the backlogs that have been identified in the integrated development plan and infrastructure projects were successfully completed in the midst of the Covid, Disaster in April/ May 2022. The business unit has found a balance in terms of creating new infrastructure such a tarred/ surfaced roads and stormwater, halls and crossings vs maintaining and rehabilitation of existing road infrastructure.

Planning documents (Infrastructure master plans) are now in place which include the following:

- Roads Master Plan,2021 - approved & implementation
- Pavement Management System (PMS) Road Master Plan, 2019 - approved & implementation
- Public Local Transport Plan,2021 - approved & implementation
- Housing Sector Plan, 2018- - approved & implementation
- Restructured Zones, 2020 –- approved & implementation
- Stormwater Management Plan- incomplete

STORM WATER DRAINAGE

The municipality has a stormwater panel that has been appointed and projects were implemented in wards 8,24 and 26.

RE-GRAVEL ROADS (OPERATION BUDGET)

The municipality managed to re-gravel and carry out betterment of 3Km roads in ward 3,7 & 16. blade and re-gravel 10.0 km of roads during this financial year.

ROAD CONSTRUCTION, MAINTENANCE AND STORM WATER DRAINAGE

PROJECT NAME	EXPENDITURE %	PROJECT SCOPE AND ACHIEVEMENT
Renovations to Compounds – Ward 15	86%	Project scope involved roof replacement, broken windows, plaster and paint to match existing in Gledhow Compounds. Project is complete.
Retaining of Wall Road Access and Storm Water - Ward 18	65%	Contractor installed gabions and retaining blocks walls. Project complete
Darnall/ Hullet Bridge – Ward 2	83%	The scope of the project comprises provision of a safe and reliable bridge to link two townships separated by Nonoti river in Darnall Ward 2. Project feasibility, technical investigation and concept design forms the early stages of the project. The bridge was washed away during the recent floods.
Melville Stormwater Improvement Gabion lining - Ward 24	100%	The scope involves gabion lining ,concrete road and new pipe crossing. Project complete.
Stormwater Culvert - Ward 26	100%	The scope involved gabion lining and repairs to existing stormwater pipe culvert bridge and concrete surfacing.
Nkobongo Storm Water Improvement – Ward 8	100%	Contractor appointed to complete the works of gabion baskets, new stormwater line and clearing of existing stormwater lines. Project completed.
Lindelani Main Road (taxi route) - Ward 5	100%	Patching and overlay of existing road. Project complete
Thembeni Roads Upgrade (Rehab) - Ward 12	100%	Milling and resurfacing of road. Project complete.
Internal Roads - MIG- Ward 13	100%	Milling and resurfacing of existing roads. Project complete.
Mdlebeni Access Roads and Stormwater - Ward 25	100%	The project involves construction of tarred roads and repairing existing road Project is complete.
Mellow Wood Community Hall – Ward 28	100%	The project involved construction of parking, and improvements to security and the kitchen Project is 100% complete
Sheffield Beach Road - Ward 22	100%	Milling and resurfacing of roads
Waterworks Road Upgrade to Blacktop - Ward 26	100%	Construction of 0.58 km of tarred roads and stormwater. Project complete.
Gravel Road Upgrade to Blacktop - Ward 8	78%	Base improvement and resurfacing. Project complete
R 102- Townview link road - Ward 19	100%	Project in planning stage, challenge with land ownership.
Rocky Park link to Testing Station - Ward19/16	0%	The scope involves Construct of bridge on Rockwell Drive link to van der Wagen Road that crosses over the Mavivane River in Stanger. Bid document for a 30 m bridge crossing has been finalized
Chris Hani Sport field – Ward 15	100%	The scope of the project comprises provision of a soccer field and running track, Change rooms and ablution facilities, parking and fencing, grandstand, fencing etc. The construction of a sports facility had been completed
Chief Albert Luthuli Road in Ward19/16 WIP	100%	The project scope involves Road rehabilitation ,milling and resurfacing. Project 100% complete
NV Roads Stormwater Traffic Calming Measures 170461528 WIP	100%	Project complete in all wards
Groutville Surface Roads and Stormwater Ward 12	100%	Construction of 0.8kms , Contractor appointed and has established on site Project complete Contractor busy with earth works and layer works. Project complete

ROAD CONSTRUCTION, MAINTENANCE AND STORM WATER DRAINAGE *...continued*

PROJECT NAME	EXPENDITURE %	PROJECT SCOPE AND ACHIEVEMENT
Sidewalk project -	100%	Sidewalks upgraded in ward 19.Project complete
Rehab of Blythedale Road (Mvoti Drive Tarpon Crescent - Ward 11	100%	Road rehabilitation, Milling and resurfacing of Blythedale road. Project complete
Rehab Tinley Manor Rd.(Lagoon Dr. Ocean View Seaview) WIP - Ward12	100%	Road rehabilitation, Milling and resurfacing of Lagoon Dr Ocean Driver road. Project complete
Retaining of Lloyds Housing Pr (Walls (Gabion Guard) - Ward 14	0%	Project in planning stage.
REHABILTATION OF ROADS - WARD 28:	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Rehab. of Valley & Dwaya Drive - Ward 16	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Dendethu Access Road - Ward 17	100%	The scope involved construction of gravel roads and stormwater. The project was affected due to the floods. Completion certificate for 1.4 km of betterment and gravelling issued.
Sheffield Lane Upgrade to Blacktop - Ward 22	100%	Road rehabilitation, base repair and resurfacing of road. Project complete
Rehab of Hugh Dent Basil Hullet Club Road - Ward 22	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Upgrading of Road (Jomba & Zamani) - Ward 2	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Wooden Bridges Ezihlabathini - Ward 26	100%	Project was completed and washed away during the floods.
Pedestrian bridge linking Lindelani and Shakaville- Ward 18	100%	Project was completed and washed away during the floods.
Rehabilitation of Lloyd Road - Ward 14	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Rehab of Panorama drive - Ward 3	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Nkobongo Commuter Shelters – Ward 8	87%	Construction Of Nkobongo Taxi Rank and Hall Parking
Gledhow South Link – Ward 15	100%	Construction of blacktop road, stormwater upgrading; signage and relocation of existing services, Contractor has finished surfacing and practical certificate has been issued.
NV Roads Stormwater Rehab of Roads 170461529	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
NV Roads Stormwater Rehab of Roads 170461529	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Shakashead and Driefontein Stormwater - Ward 4 & 21	20%	Project could not be completed due to challenges with sourcing of material and contractor invoiced for work done.
Groutville Community Hall – Ward 29	100%	Parking and security upgrade complete.
Rehab of Shela Road – Ward 10	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Rehab of Palm Land Road – Ward 11	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Rehab of Tasneem and Dhalia Road – Ward 16	100%	Road rehabilitation, Milling and resurfacing of road. Project complete
Rehab of Nkwazi Road – Ward 12	100%	Road rehabilitation, Milling and resurfacing of road. Project complete

The 2.86 kilometers of roads upgraded from gravel to premix roads (blacktop) in wards 12, 15 and 26.

PROJECTS UNDER CONSTRUCTION, COMPLETED PROJECTS AND HANDOVERS IN THE VARIOUS WARDS


GIZENGA STREET (WARD 09)
Completed and handed over


NKOBONGO COMMUTER SHELTERS (WARD 8) - Project completed.

GLEDHOW SOUTH LINK (WARD 15) - Construction in progress

WATER WORKS ROADS PHASE 1 (WARD 14& 26)- Completed project handed over

Ward 10 Road Rehabilitation commencement.

WATER WORKS ROADS PHASE 2 (WARD 26) - Construction in progress

B) HUMAN SETTLEMENT

HUMAN SETTLEMENTS HIGHLIGHTS:

> KZN DOHS/Department approved the following projects to graduate from the Preplanning stage to Detailed planning (Stage 1):

- Shakaville integrated Development
- Rocky Ridge Development
- Sheffield Beach Development

> KZN DOHS/Department approved the following projects to graduate from Detailed Planning to Installation of Services (Stage 2):

- Nyathikazi Housing Project
- Madundube Housing Project
- Mgigimbe Housing Project

> During the 2021/22 Financial Year, the KwaDukuza Municipality achieved all the milestones that have designated the categorization of the 16 informal settlements of the National Upgrading Support Programme (NUSP) initiated by the National Department of Human Settlements supported by Province. The categories are as follows:

- A - In Situ Formalization
- B1 – In Situ Basic Services and Category
- B2 – Relocate with Interim Basic Services

INFORMAL				IN SITU																	SDA'S					
				SAN SOUCI	OHLANGE	NTWASHINI	LINDELANI EXTENSION	SHAKA SPRINGS	DUMP SITE	HILLVIEW	NYONI YA MANZI	MURUGANS AREA, WARD 19	MPONGO MPONGWENI	SHAYAMOYA	MAWOWANE	EMADANISHINI	HANGOES	UMGABABA	SHEFFIELD	SUBTOTAL IN SITU	SDA1: PTN 3 LOT11 OF FARM 1676 FU	SDA 2: STANGER	SDA 3: HANGOES	SUBTOTAL RELOCATION	SUBTOTAL (INSITU +RELOCATION)	DEFICIT
#	INFORMAL SETTLEMENT NAME	NUMBER UNITS 2020	NUSP CATEGORY	261	2 390	98	326		91	286	698	166	190	248	90	134	171	260	700	6 109	265	913	241	1 419	7 528	
1.1	San Souci	224	A/B1	224																224				0	224	-
1.2	Ohlange	1 499	A/B1		1 499															1 499				0	1 499	-
2.2	Ntwashini	32	B1			32														32				0	32	-
3.1	Lindelani Extension	444	B1/B2				326													326		118		118	444	-
3.2	Shaka Springs	265	B2																	-	265			265	265	-
3.3	Dump Site	144	B1/B2						91											91		53		53	144	-
3.4	Hillview	416	B1/B2							286										286		130		130	416	-
3.5	Nyoni ya Manzi	1 068	B1/B2								698									698		370		370	1 068	-
3.6	Murugans Area, Ward 19	261	B1/B2									166								166		95		95	261	-
3.7	Mpongompongweni	293	B1/B2										190							190		103		103	293	-
3.8	Shayamoya	292	B1/B2											248						248		44		44	292	-
4.1	Mawowane	150	B1/B2												90					90			60	60	150	-
4.2	Emadanishini	123	B1													123				123				0	123	-
4.3	Hangoes	228	B1/B2														171			171			57	57	228	-
4.4	Umgababa	384	B1/B2															260		260			124	124	384	-
5.1	Sheffield	167	A/B1																167	167				0	167	-
	Total	5 990		224	1 499	32	326	0	91	286	698	166	190	248	90	123	171	260	167	4 571	265	913	241	1 419	5 990	0
	Surplus			37	891	66	0	0	0	0	0	0	0	0	0	11	0	0	533	1 538	0	0	0	0	1 538	

- KwaDukuza Municipality together with the Provincial Department of Huma settlements successfully launched the Nyathikazi housing project on 29 May 2021 and graduated into Stage 2 Installation of services which will be providing internal roads, water, sanitation, and stormwater thereby creating job opportunities for the ward 3 community and surrounding wards.

Ward 3 Nyathikazi Housing Project

Ward 3 Nyathikazi Housing Project Launch

HOUSING STATISTICS FOR A 3-YEAR PERIOD

Number of houses constructed, handed over, and site service in a 3-year period, It should be noted that the 2021/22 vast funding budget was towards site servicing.

KPI	2019/20	2020/21	2021/22
New Houses Constructed	365	275	73
Houses Handed Over	365	275	58
Sites serviced	428	268	460

Table 23 Chapter 2 Civil & Human Settlements: *Constructed, handed and site serviced*


Ntshawini Housing Project


Sakhumkhanya Housing Project

CHALLENGES IN HOUSING PROVISION

- Budget Cut-/Constraints
- Unavailability of Funds for Land Acquisition
- In sufficient capacity of bulk services provided by the Ilembe District Municipality
- Land Invasion
- Illegal Sale of Council
- Discontinuing of rectification Programme
- None-Prioritization of Rural Projects
- Rapid increase of Population adds on the Housing Backlog
- No Budget Provision for Blocked Projects
- The withdrawal of a contractors and implementing Agents on projects

FINANCIAL PROJECTIONS AS PER NATIONAL & PROVINCIAL BUSINESS PLAN

PROJECT NUMBER	PROJECT NAME	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET
K15100002	Charlottedale	R3 365 000	R1 000 000	R 1 000 000
K07080006	Groutville Priority 1 Ph 2 Lloyds	R34 564 126	R18 292 934	R7 446 362.10
K07080004	Groutville Ntshawini Priority 1 Ph 2	R34 564 125	R18 292 934	R7 446 362.10
K04010006	Ethafeni	R0	R0	R3 158 025
Still to be Approved	Groutville Priority 1 Ph 2 Sihle Phakathi	R1 000 000	R19 992 934	R0
K04090001	Etete Phase 4	R30 890 190	R18 362 501	R13 140 369.00
K07080005	Groutville Priority 1 Ph 2 Chris Hani	R34 564 125	R18 292 934	R10 512 511.20
K06020002	Sakhamkhanya Phase 2 Housing Project	R26 993 820	R18 827 934	R7 669 020.00
K11080002	Sokesimbone	R 16 085 524	R25 507 045	R0
K03090001	Steve Biko Ph 2	R34 875 267	R27 357 546	R13 637 700.00
K10110002	Rocky Park	R0	R0	R19 000 000
K11110008	Nonoti Mouth	R0	R0	R2 475 994.00
K08120001	Madundube	R0	R0	R0
K1930002	Mgigimbe	R 1 000 000	R 2 000 000	R 8 803 400.00

Table 24 Chapter 2 Civil & Human Settlements: *National and Provincial budgeted projects business plan*

> LEVEL 2 ACCREDITATION

KwaDukuza Municipality was initially granted Accreditation Level 2 in 2013 with a duration of three (3) years; it expired in 2016 and was extended by one year. In September 2018, KDM was again assessed by the appointed Accreditation Panel to figure out whether they were still worth being granted Level 2 Status and the results came back positive, however, the contracts were not concluded as they were waiting for the new Cabinet after May 2019 Elections. The municipality did not have the contract from April 2019 to March 2020. This has resulted in the Municipality financing the accreditation program. The Implementation Protocol was signed on 22 October 2020. The duration of the Implementation protocols 3 years commenced on the 1st of April 2020 to March 30, 2023. The Implementing Protocol is linked to the Medium-Term Expenditure Framework of the Municipality.

> BLOCKED HOUSING PROJECTS

The Projects that fall within this category are mostly old Projects where some construction has been completed with only Subsidy Administration issues and social facilitation is required to resolve beneficiary issues.

Some Blocked Projects require funding to complete some milestones namely Town Planning, Conveyancing, and expropriation etc., some projects will be funded using the Special Funding from the Swiss Economic Corporation Office and World Bank and this funding is mainly for those projects that require registering of Property (Title Deeds Restoration Programme).

KwaDukuza Municipality will develop a plan where some projects will be budgeted for each financial year starting from the 2021/22 financial year.

The following projects fall under this category:

NO	PROJECT NAME
1	Lindelani Phase2
2	Ext 46 Lindelani Phase1
3	Mbozamo Phase 1
4	STANGER EXTENSION 46: Senzangakhona
5	Steve Biko Phase 1
6	Nkobongo Phase1
7	Nkobongo Phase2
8	Shakashead Phase 2
9	Ethafeni
10	Chief Albert Luthuli (CALLRUP)
11	Groutville Priority 5
12	Shayamoya Phase 2
13	Groutville 1
14	Groutville Priority 2
15	Dube Village
16	Aldenville

Table 25 Chapter 2 Civil & Human Settlements: *Blocked housing projects*

HOUSING RECTIFICATION

> PROJECTS DEFINITION OF RECTIFICATION PROGRAMME

Rectification Programme is a program that aims to assist projects that were implemented between1996 -2002. These are projects that were implemented when the subsidy was too minimum, and the product resulted in being small and with poor workmanship. KwaDukuza Municipality has nine (9) projects that meet the criteria of a rectification program.

> IDENTIFIED PROJECTS FOR RECTIFICATION BY NHBRC

4 Projects were assessed by National Home Builders Regulatory Council (NHBRC) Inspectors to check what kind of rectification is required for each house of the projects. The Inspectors then make recommendations and are then approved by the MEC of Human Settlement.

The Rectification program was discontinued, and only the Mbozamo project benefited from the program.

> AFFORDABLE HOUSING

KwaDukuza Municipality took a resolution to initiate Integrated Developments. The main objective of this initiative was to promote people of different income brackets to live together. These developments will have various programs within one development such as Low Income, Affordable (FLIPS), Community Residential Units (CRU), Social Housing, etc. The following are the projects that have been initiated and are at various stages of implementation:

NO.	WARD	PROJECT NAME	IMPLEMENTING AGENT	PROJECT STATUS
1.	19	Rocky Park	Likhanyile Consulting Engineers	Construction Stage.
2.	11	Hyde Park Country Estate	Vumesa (PTY) LTD	Planning Stage
3.	7/8/20/23/28	Vlakspruit Farm	BVI	Planning Stage
4.	18	Shakaville Extension	SMA Consultants	Planning Stage
5	4	Shakashead development	SCM Process	SCM Process

Table 26 Chapter 2 Civil & Human Settlements: *Affordable housing projects*

The Rocky Park project has been reiterated after it was blocked. The municipality was able to secure funding for the project hence it is in the construction stage.

SOCIAL HOUSING

KwaDukuza Municipality has demarcated the below areas (Restructuring Zones):

RESTRUCTURING ZONE	AREAS
ZONE 1 Approved	KwaDukuza CBD, Rocky Park, Stanger Height, Doctorskop, Blythedale Beach and Hyde Park
ZONE 2 Requested	Shakaskraal, Umhlali, Salt, Rock Park, Ballito, Compensation and Greater Driefontein

Table 27 Chapter 2 Civil & Human Settlements: *Social Housing*

> DEFINITION OF THE RESTRUCTURING ZONE:

The Restructuring Zone is a geographic area identified for targeted investment based on the need for social, spatial, and economic restructuring of the area/s. Individual sites do not constitute restructuring zones.

In terms of the Social Housing Act, it defines Restructuring Zones as the geographic area which has been-

- Identified by the Municipality with the concurrence of the government for the purpose of Social Housing,
- Designated by the Minister in the Gazette for an approved project.

The Restructuring Zone will be identified by Council and declared by the Minister of Human Settlements.

PROGRESS TO DATE:

- Council has approved projects within KwaDukuza Restructuring Zones.
- KwaDukuza Civil Engineering and Human Settlement Business Unit are currently following SCM Procedures for the appointment of the Panel of Social Housing Institutions.
- KwaDukuza Municipality has submitted the new restructuring zone boundaries for Zone 1 which is approved and gazette
- KwaDukuza Municipality submitted an application for Zone 2 to Human Settlements

08 – 12 APRIL AND 21-22 MAY 2022 FLOODS DISASTER

During the period of 08 - 12 April 2022 and 21-22 May 2022, heavy downpours of rains and floods were experienced battering the Province of KwaZulu Natal that has left a trail of destruction and damage to infrastructure. Communities are devastated and people have been left homeless and lives have been lost. The KwaDukuza Municipality was affected and conducted the Disaster Assessments during the Month of April to May 2022 about 650 families were affected by floods and some communities were displaced and hence are temporally housed at Community Halls, Crèches, or Public Facilities. KZN human settlements intervened by approving the temporary unit funding for those families that are displaced and appointed a service provider to do the engineering assessment and construct the Temporary Units.

The heavy rains caused damage to property, flooding, sinkholes, and landslides in the KwaDukuza Municipality and caused damages to infrastructure i.e., electrical, civil engineering, building, and public amenities.

The costs for reconstruction and rehabilitation of the KDM Infrastructure were estimated to be R1,4 Billion.

The damage by the flooding disaster left bridges, causeways, and electrical sub-stations/ transformers washed away leading to road closures which resulted in people being unable to go to work and have electricity supply.

Damages also affected the iLembe District Municipality services of water and wastewater purification plant; Provincial and National Roads infrastructure have compromised and the mobile telecommunication causing challenges to people to reach out for help and communication with friends and families.

08-12 APRIL 2022 FLOOD DAMAGED BRIDGES AND CAUSWAYS CROSSINGS

1. **WARD NO.:** 8
   NAME: Nkobongo Bridge (by the taxi rank)

2. **WARD NO.:** 21
   NAME: Driefontein – DOT bridge

3. **WARD NO.:** 8
   NAME: Nkobongo Bridge (C1)

4. **WARD NO.:** 2
   NAME: Darnall Bridge- Separating Zamani Darnall communities

5. **WARD NO.:** 17
   NAME: Riverside Drive bridge to link Stanger manor (ward 17) at Doesburg collapsed

6. **WARD NO.:** 16
   NAME: Bridge on Yellowwood Rd by SASSA and half of the road is eroded

7. **WARD NO.:** 16
   NAME: Bridge on Yellowwood Rd by Inkosi Timber and road is eroded (corner of Yellow wood and Bauhinia)

8. **WARD NO.:** 18
   NAME: Bridge linking Sugra and Mbozamo area

9. **WARD NO.:** 18
   NAME: bridge on Mfecane to D section (Mbozamo area) eroded

10. **WARD NO.:** 18
    NAME: bridge and gabions retaining wall eroded on Mfecane (between Mthiyane Street and Mbozamo hall) ward 18

11. **WARD NO.:** 5
    NAME: bridge on the extension of Nokhenke to link Lindelani

12. **WARD NO.:** 18
    NAME: Wooden/ Pedestrian bridge that links ward 5 & 18 on Ngulube Street washed away

2.5.5 ECONOMIC DEVELOPMENT AND PLANNING

The Economic Development and Planning Business Unit is in the forefront in dealing with and facilitating economic development within the municipal jurisdiction. The Business Unit (BU) is comprised of three directorates, namely:

> Development Planning,
> Development Enforcement and
> Local Economic Development.

Under Development Planning Section, the following functions and/activities are discussed:

A. Forward Planning: SPLUMA Implementation.
B. Municipal Planning Tribunal Activities
C. Land Use Management (Town Planning)
D. Building Activities
E. Outdoor Advertising

A) FORWARD PLANNING: SPLUMA IMPLEMENTATION

The Spatial Planning and Land Use Management By-law which governs development planning related activities (development applications in particular) is in place since 2015 and has been amended twice since its initial adoption with the latest Gazetted in September 2018 (By-law No. 2002). The By-law provides for a number of elements including the establishment of decision making structures (i.e. Municipal Planning Approval Authority, Municipal Planning Appeal Authority and the Municipal Planning Enforcement Authority); to provide for adoption and amendment of the Municipality's land use scheme; to provide for applications for municipal planning approval; to provide for appeals against decisions of the Municipal Planning Approval Authority; provide for offences and penalties; to provide for compensation and matters incidental thereto.

In relation to establishment of Decision-Making Authorities, the following is the status:

> **Municipal Planning Tribunal (MPT):** Council approved a new term of office for members for a period of five (5) years commencing from November 2020. The MPT is comprised of internal professionals from different municipal business units and external professionals after they were selected after going through a public nomination process. The external committee members are comprised of the following practitioners:
  - Town & Regional Planners x 2.
  - Civil Engineers x3.
  - Electrical Engineers x 2.
  - Legal x5.
  - Quantity Surveyor x2
  - Traffic Engineers x1
  - Environmental x1

> **Authorized Officials (AA):** Council also delegated three (3) senior officials as Authorised Officials and are tasked with taking decisions on a number of applications as prescribed in the municipal bylaw. These officials are Director Development Planning, Senior Manager Development Control, Chief Town and Regional Planner.

> **Municipal Appeals Authority (MAA):** Council also approved a new term of office for an 'external' Appeals Committee to preside over appeal matters. The committee of five (5) is comprised of the following practitioners:
  - Town and Regional Planners x2
  - Legal x3

It must be noted that whilst the MAA operates as a committee with members available for each sitting as compared to the MPT wherein are selected from the pool available based on expertise required and on a rotational basis.

I) SPLUMA APPLICATIONS PROCESSED

Development application discussed under this category include Land Use Scheme amendments, Rezonings, Subdivision, Consolidation applications, etc.

The table below reflects the number of development applications that were submitted to the municipality together with revenue raised and cover both pre-submission and formal submissions stages.

NO.	MONTH	NUMBER OF PRES-SUBMISSION APPLICATIONS	NUMBER OF FORMAL APPLICATIONS	FEES GENERATED
1.	July 2021	0	5	R 86 483.00
2.	August 2021	3	2	R 15 852.74
3.	September 2021	3	3	R 16 710.68
4.	October 2021	3	0	R 3 949.56
5.	November 2021	2	1	R 6 864.52
6.	December 2021	5	4	R 56 813.22
7.	January 2022	1	5	R 9 041.68
8.	February 2022	1	3	R 98 221.30
9.	March 2022	6	2	R 98 909.28
10.	April 2022	5	1	R 9 453.16
11.	May 2022	5	4	R 85 247.40
12.	June 2022	5	2	R 24 878.08
TOTAL				**R 512 424.62**

Table 28 Chapter 2 EDP: *Summary of Applications Received*

With regards to the applications received/processed, the following can be deduced:

a) The above table reflects applications that were received as well as processed between June 2021 and July 2022. This includes all phases of the application such as:
   - Receipt and re-submission of the application
   - Response to the applicant
   - Public consultation
   - Decisions made on the application (approval, disapproval or deferral)
   - Issuing of the Record of Decision to the applicant

b) The applications mentioned above are not limited to applications that were received in the relevant financial year but include applications that were already in the system prior to the commencement of the financial year and were yet to be finalised.

II) SUMMARY OF APPLICATIONS PROCESSED:

The table below reflects the number of development application processed by Forward Planning:

APPLICATION PROGRESS	NUMBER
Number of applications approved	31
Number of applications disapproved	1
Number of pending applications	28
Pending applications include the following: > Applications awaiting MPT and MPAO decision > Applications deferred by the MPT > Pre-submission applications to be assessed > Pre-submission application deferred by the Municipal Planning Registrar These remaining applications have now overlapped into the current financial year (2022/2023)	
TOTAL	60

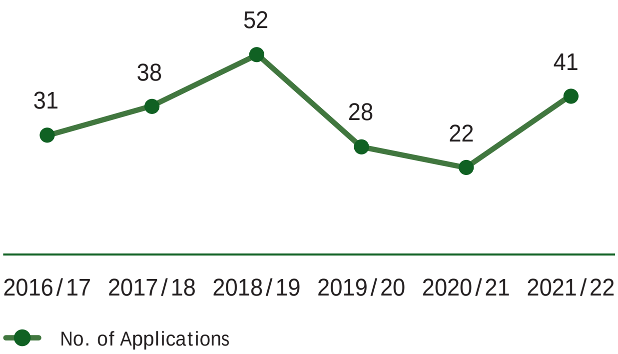
Table 29 Chapter 2 EDP: *Applications Processed (2021/2022)*

III) APPLICATIONS PROCESSED AS COMPARED TO PREVIOUS FINANCIAL YEAR:

In the 2020/2021 Financial year, a total number of 81 applications were processed. This indicates a decrease in the number of applications that were received in the 2021/2022 financial year. This decrease may be attributed to the July 2021 unrest as well as the April 2022 floods which resulted in fewer applications being submitted as well as a delay in the processing of some applications in the system.

The graph below reflects the number of applications as received for each of the financial years:

No. of Applications per Financial Year



The graph clearly indicates a decline in the number of applications received during the 2019/2020 financial. The municipality has however seen a gradual increase in the number of applications received during the 2021/2022 financial year.

B) MUNICIPAL PLANNING TRIBUNAL ACTIVITIES

I) DEVELOPMENT APPLICATIONS PROCESSED

During the 2021/2022 financial year, the KwaDukuza Municipal Planning Tribunal (MPT) sat almost once a month to consider applications in order to approve, disapprove and/or defer applications that do not have sufficient information to assist members on making an informed decision. With the state of disaster was formally pronounced because of the Covid-19 pandemic, the MPT was able to schedule its sittings virtually using the MS Teams platforms. Thus, the tribunal sat a total of 11 times (1 less meeting that the previous financial year) and below is a summary of MPT activities for the year in comparison the previous financial year.

ITEM	2020/21	2021/22
1. Sittings	12	11
2. Development Applications considered (incl. deferral items)	39	40
3. Approvals	22	27
4. Disapprovals	3	1
5. Deferrals	14	12

Table 30 Chapter 2 EDP: *Summary of MPT Activities (2021/2022)*

II) MUNICIPAL PLANNING TRIBUNAL COST IMPLICATIONS:

The costs involved in the functioning of the MPT include the following:

a. Remuneration of external MPT members (per sitting and travelling)
b. Supplying lunch at MPT sittings (for meetings anticipated to be longer than 5 hours)
c. Making copies and scanning of the agenda.
d. Data costs per MPT member have been taken into account since the lockdown period started.

All external members are compensated per MPT sitting as per the Council Resolution C875 dated November 2020, which are indicated in the table below:

POSITION	REMUNERATION
Chairperson	R6500
Deputy Chairperson	R6000
Member	R5500

Table 31 Chapter 2 EDP: *Remuneration of MPT Members*

Due to the national lockdown regulations, MPT Sittings for this financial year were held virtually only and members were compensated for data costs with a standard rate of R300 per sitting.

External MPT members are compensated for travelling as per the rates established by the Automobile Association – All MPT Sittings held this financial year have been virtual, therefore, no members have been compensated for travelling.

Based on the above remuneration rates and the departmental records, approximately R 292 000 has gone towards the functioning of the MPT. This shows an increase in expenditure; however, this may be attributed to the increased number of applications that were considered as compared to the previous financial year as well as the annual increase of the remuneration towards members.

2019/20	2020/21	2021/22
R254 000,00	R237 800,00	R292 000,00

Table 32 Chapter 2 EDP: *MPT Expenditure Over The Last Three Financial Years*

C) LAND USE MANAGEMENT (TOWN PLANNING) APPLICATIONS

Land Use management is mainly responsible for category 1 Applications, namely consent (relaxations, Special consent), assessing building plans in relation to town planning scheme, etc. Activities relating to this category are discussed below.

I) LAND USE (TOWN PLANNING) APPLICATION SUBMISSIONS:

The table below reflects the number of Land Use Management (Town Planning) applications that were submitted to the municipality for Category 1 applications together with revenue raised.

PERIOD	NO. OF APPLICATIONS	REVENUE
Quarter 1	30	R 63.98.00
Quarter 2	44	R 47.000.78
Quarter 3	43	R 98.12.00
Quarter 4	31	R47 59.71
TOTAL	**148**	**R 67970.49**

Table 33 Chapter 2 EDP: *Land Use Application Submissions*

The table below reflects the number of Site Development Plan applications that were submitted to the municipality together with revenue raised.

PERIOD	NO. OF APPLICATIONS	REVENUE
Quarter 1	5	R 12691.04
Quarter 2	10	R 21062.20
Quarter 3	5	R 8395.20
Quarter 4	4	R 9085.26
TOTAL	**24**	**R 51232.70**

Table 34 Chapter 2 EDP: *Site Development Plan Submissions*

II) LAND USE APPLICATIONS PROCESSED:

A total number of 189 Relaxation, Special Consents and Site Development Plan Applications has been processed between the months of July 2021 and June 2022. There has been an in the number of Relaxation and Special Consent Applications and SDP Application submitted and processed in the 2021/2022 Financial Year.

The table below provides an overview of the progress that has been made to date on Relaxations and Special Consent Processed.

APPLICATION PROGRESS	NUMBER
Number of applications approved	94
Number of applications Referred	30
Number of pending applications	37
Lapsed Applications	1
Withdrawn Applications	0
TOTAL	**162**

Table 35 Chapter 2 EDP: *Summary of Land Use Applications Processed (Relaxations & Consent)*

The table below provides an overview of the progress that has been made to date on Site Development Plans Processed.

APPLICATION PROGRESS	NUMBER
Number of applications approved	19
Number of applications Referred	5
Number of pending applications	3
Lapsed Applications:	0
Withdrawn Applications	0
TOTAL	**27**

Table 36 Chapter 2 EDP: *Site Development Plan Processed*

D) BUILDING ACTIVITIES

I) BUILDING PLANS SUBMISSIONS VS REVENUE GENERATED (2021/22)

The total number of building plans submitted for the 2021/2022 financial year is 1 235. This is a 467 increase in comparison with the 2020/2021 financial year, as a total number of building plans submitted for the 2020/2021 financial year was 768. The total income generated from the building plans submission is for the 2021/2022 financial year amounts to R 10 942 855. 82. This is more than that generated in the previous financial year, which was R 9 277 364.58, with a difference of R 1 665 491. 24 increases.

The significant increase in revenue collection was noted, which surpassed the initial projected revenue of R 6,500,004.00. Whereas the construction industry was affected by the pandemic in the past two financial years, the increase of building plans submission in the current economic climate caused by the COVID-19 pandemic indicates that the development appetite is still there. Furthermore, the revenue increase was enabled by various measures or interventions that were implemented during the initial hard lockdown. The introduction of an online submission platform on the 11th of May 2020 paved a way and ensured a continued development facilitation without exposing KDM Officials to COVID-19.

Although the process proved to be a rough terrain with multiple hurdles, the department continued to accept and process all applications received. This continued to the 2021/2022 financial year up until the end of April 2021. As of May 2021, to June 2022, the online submission for building plan applications was changed back to the manual submission. This change was subsequent to a number of challenges encountered with the online submission process, as the Building plan applications picked and clogged the system.

	2020/2021 FINANCIAL YEAR	2021/2022 FINANCIAL YEAR	VARIANCE
No. of Plans Submitted	768	1 235	+467
Plan Fees	R 9 277 364.58	10,942,855.82	+ R 1,665,491.24

Table 37 Chapter 2 EDP: *Comparison Table (plan fees).*

In addition to the building plan fees charged for the submission and assessment of building plans, further revenue is received from other building control applications. These include applications such as demolition permits, application for early commencement, pre-submission of building plans, applications for temporary occupations, extension of validity of temporary occupation certificates, extensions of validity of building plans, re-inspection fees and from making copies of building plans for clients. The table below reflects the income received for building plans fee and other applications, and the total of the actual revenue received for the Building Control income vote. The differences reported between the previous fiscal and present fiscal reflect a significant increase in revenue.

	PREVIOUS YEAR 01/07/2020 TO 30/06/2021	CURRENT YEAR 01/07/2021 TO 30/06/2022	DIFFERENCE	% DIFF
Building Plan Fees	R 9 277 364.58	R 10 942 855.82	+ R 1 665 491.24	+15.2%
Other Revenue	R 1 782 010.02	R 871 790.25	- R 910 219.77	-51.1%
Total	**R 11 059 374.60**	**R 11 814 646.07**	**+R 755 271.47**	**+6.4%**

Table 38 Chapter 2 EDP: *Building Control Income Vote: 15510040*

II) MAJOR DEVELOPMENTS FOR THE 2021/2022 FINANCIAL YEAR

The following tables outline some of the major developments which took place in the financial years in question. Please note the difference between the building plan fees as the major developments have a great contributing factor in the economy of the KwaDukuza area.

PLAN NO	DESCRIPTION	OWNERS NAME	FEES	UNITS	EST VALUE	AREA
21/07/419	New Units	Arcis KZN Pty Ltd	170 419.38	68	71 040 000	5 920
21/07/420	New Units	Arcis KZN Pty Ltd	189 168.66	68	78 960 000	6 580
21/07/434	Shops/Offices	Chetty Property Trust	60 532.62	17	12 000 000	1 586
21/09/554	New Units	Tamasa Development (Pty) Ltd	18 135.00	3	7 128 000	594
21/09/589	Deviations	HESTO HARNESSES	73 964.68		50 000 000	5 580
21/10/683	Factory	Proud Prop 45 Pty Ltd	33 047.19		6 650 000	950
21/10/719	New Units	Arcis KZN (Pty) Ltd	150 516.82	54	52 540 000	5 254
21/11/824	New Units	Arcis Prop Dev	248 241.53		61 152 000	5 096
21/12/844	New Units	Zimbali Resort Development	49 401.30	32	27 390 000	1 660
21/12/900	Adds/Alts	Shakas Grove (Pty) Ltd	59 450.10		12 324 000	1 896
21/12/925	Adds/Alts	ATN Communication	51 710.90		20 400 000	1 700
21/12/926 - 21/12/1143	New Dwellings	Golden Glaze Inv / Sortor Inv	711 625.58	218	432 340 760	15 703
22/01/008	New Units	Zululami Development	32 924.66	12	12 792 000	1 066
22/02/112	New Units	North Coast Developers	53 946.58	11	21 840 000	1 820
22/03/149	New Units	Equinox Empire (Pty) Ltd	172 123.86	26	71 652 000	5 971
22/03/215	N/Factory	Hesto Harnesses	270 654.71		20 000 000	8 733
22/04/232	New Units	Ilanagabi Electrical (Pty) Ltd	53 971.86	4	17 760 000	1 480
22/04/233	New Units	Sealing Shipping cc	93 724.40	16	25 280 000	2 528
22/04/234	New Units	Arcis KZN (Pty) Ltd	114 171.54	43	47 184 000	3 932
22/04/244	N/Warehouse	Gulfpoint investments (Pty) Ltd	259 574.92	26	63 056 000	9 008
22/04/253	Deviations	HESTO HARNESSES	175 557.83		50 000 000	5 583
22/04/272	New Units	Collins Residential (Pty) ltd	33 577.62	4	10 632 000	886
22/04/282	Adds/Alts	The Ballito Junction Development	47 622.19		15 640 000	1 564
22/04/283	Adds/Alts	Lahaf (Pty) Ltd	98 645.98		27 080 000	2 708
22/04/284	New Units	Tamasa Developments (PTY) Ltd	31 203.22	5	12 513 600	1 043
22/05/322	New Units	EM & EM Engineering	226 650.26	18	95 220 000	7 935
22/05/323	New Units	Arcis KZN Pty Ltd	103 359.54	38	42 972 000	3 581
22/05/369	New Warehouse	Shree Property Holdings	68 681.64		15 246 000	2 178
22/05/371	New Units	Collins Residential (Pty) Ltd	99 399.38	22	40 944 000	3 412
22/05/391	New Units	Nexxagen Pty Ltd	70 440.18	6	38 857 500	2 355
22/06/414	New Units	The Horsewood Trust	83 292.93	10	27 840 000	2 320
22/06/415	New Units	Zimbali resort Development	78 394.42	13	43 560 000	2 640
22/06/454	Prop warehouse	S. Padayachee	30 100.82		5 500 000	940
22/06/457	New Units	Arcis KZN (Pty) Ltd	209 132.42	46	53 340 000	4 445
22/06/482	Adds/Alts	Waldene Estate (Pty) Ltd	27 168.43		10 152 000	846
			4 250 533.15	**760**	**1 600 985 860**	**129 493**

LOT NO	DESCRIPTION	STREET ADDRESS	FEES	UNITS	EST VALUE	AREA
1590 SH	Mini Warehouses	Imbonini Services Park, Ph 2	172 843,27		39 456 300	5889
79 STG	New Service Station	24 - 26 Ogle Road	3 173,00		0	0
1681 SH (1352, 1353, 1346, 1347)	Deviations	1 hawk & 9 Eagle Road (Boxer Superstores)	17 196,00		6 372 600	559
3/4484 BA	Early Learning Centre	Ballito Hills, Reddam House	71 781,00		30 107 400	2 641
4057 BA	Deviations	Lee Barns Boulevard, Ballito Groves	18 197,00		6 646 200	583
82 & 83 SH	Adds/Alts	9 & 11 Coconut Groove	23 721,00		5 252 800	784
4661 BA	New Units	Phase 10	230 973,00	185	97 777 800	8 577
4661 BA	New Units	Phase 11	223 469,00		94 631 400	8 301
4661 BA	New Units	Phase 12	229 901,00		97 413 000	8 545
1/3721 BA	Warehouse	Lee Barns Road	9 337,00		2 736 000	288
505 SB	New Units	Unit 29 - 44, Phase 3, 32 Summit Road	63 221,00	16	25 980 600	2279
1612 TMRP	New Units	44 Lake Great Bear, Phase 1	53 053,00	10	21 101 400	1851
3284 STG	Warehouse	9 Cinnamon Park	22 619,00		3 500 000	746
268 STG	Factory	Gledhow Mill Road	520 112,11		20 000 000	30 695
420/11& 635/365/56 BA	Adds/Alts	1 Chapman Dr, Wakenshaw	39 621,00		16 473 000	1 445
16/72/1526 UMH	New Service Station	R 102 Umhlali	42 163,00		9 471 500	997
4661 BA	New Units	Phase 13, Ballito Hills	259 381,00	72	109 998 600	9 649
4661 BA	New Units	Phase 14, Ballito Hills	230 973,00	64	97 766 400	8 576
4661 BA	New Units	Phase 15, Ballito Hills	230 973,00	64	97 766 400	8 576
4661 BA	New Units	Phase 16, Ballito Hills	230 973,00	64	97 766 400	8 576
4661 BA	New Units	Phase 17, Ballito Hills	230 973,00	64	97 766 400	8 576
4661 BA	New Units	Phase 18, Ballito Hills	244 909,00	66	103 705 800	9 097
4661 BA	New Units	Phase 19, Ballito Hills	223 469,00	61	94 631 400	8 301
4661 BA	New Units	Phase 20, Ballito Hills	173 621,00	48	73 324 800	6 432
4661 BA	New Units	Phase 21, Ballito Hills	230 973,00	64	97 766 400	8 576
501 SB	New Units	Zululami Drive	28 917,00	5	11 286 000	990
491 PZ	New Units	Unit 1 & 2	18 197,00	2	9 780 000	600
4064 BA	Mini Factories	Gourly Road	129 818,00		41 847 500	4405
206/6/868 BA	Adds/Alts	Compensation	79 203,00		27 683 000	2914
R 85 STG	Offices	King Shaka Street	35 294,61		5 000 000	1171
923 SIM	New Units	Ironwood Way	85 197,00	11	38 837 500	3107
528 SHK	New Warehouse	R102, Old Main Road	37 728,00		8 482 200	1266
1336 SB	New Units	Zululami Estate	51981,00	8	20 634 000	1 810
2086 TMRP	New Units	Sugar Ridge	32 117,00	7	13 167 000	1155
2087 TMRP	New Units	Sugar Ridge	42 317,00	9	16 929 000	1485
7/260 STG	Warehouse	4 Russell Street	15 414,45		5 000 000	460
59/4/868 BA	Warehouse	Main Road, Compensation	47 081,00		14 744 000	1552
3597 BA	Warehouse & Offices	Gumede Drive	58 675,93		18 800 500	1979
2586 BA	Warehouse & Offices	4 Wimble Close	27 232,00		8 759 000	922
2071 TMRP	New Units		41 513,00	7	15 492 600	1359
205 CBD	Offices	Cnr Hulett & Gizenga Street	0,00		15000000	2010
268 CR	New Units	Unit 31 & 32 Tahari	20 850,00	2	6 840 000	600
1374 SH	Warehouse & Offices	Imbonini	60 872,25		15 295 000	1610
920/433/56/931 BA	New Units	Phase 1, Ballito Village, Pre-Sub	72 562,00		67 419 600	5914
920/433/56/931 BA	New Units	Phase 2, Ballito Village, Pre-Sub	80 548,00		74 852 400	6566
4 TM	New Units		25 165,00	6	8 056 000	848
1360 SB	New Units		128 178,84	53	53 625 600	4704
4/501 SB	New Units	Zululami	36 941,00	7	15 070 800	1322
4659 BA	New Showroom	Moffat Drive, CTM	87 341,00		30 077 000	3166
			5 040 769,46		**1 890 091 300**	**202 454**

Table 39 Chapter 2 EDP: *Major Developments for the 2021/2022 financial year.*

III) BUILDING PLAN APPROVALS

The total number of building plans approved for the 2021/2022 financial year is 1 055. This is increase of 477 more building plan approvals from the 2020/2021 financial year, as a total of 578 building plans were approved. In the year 2021/2022, the number of approved building plans had increase to about 477 from the previous year. This is a great increase for the year under review. The total value of the property of the approved building plans for the 2021/2022 financial year is about R 2.5 Billion, which is a decrease of about R 477 595 100 from the 2020/2021 financial year, which was about R 3 Billion.

	2020/2021 FINANCIAL YEAR	2021/2022 FINANCIAL YEAR	VARIANCE
No. of Plans Approved	578	1 055	+ 477
Estimated Property Value	R 3 050 049 500	R 2 572 454 400	-R 477 595 100

Table 40 Chapter 2 EDP: *Comparison Building Plans*

IV) BUILDING WORKS COMPLETIONS AND OCCUPATION CERTIFICATES ISSUED

Upon completion of building works and issuing of occupation certificates, the municipality starts generating further income as the use of the building/property is subject to pay rates. A total of 755 occupation certificates were issued for the 2021/2022 financial year. This is an increase of 256 from the previous financial year, as a total of 499 occupation certificate were issued.

	2020/2021 FINANCIAL YEAR	2021/2022 FINANCIAL YEAR	VARIANCE
No. of Buildings Completed	499	755	+ 256
Estimated Values	R 1 142 529 800	R 1 756 155 000	+ R 613 625 200

Table 41 Chapter 2 EDP: *Comparison Building Works Completions and Occupation Certificates Issued*

V) BUILDING CONTROL CONTRAVENTION NOTICES ISSUED.

A total of 292 Contravention Notices were issued for the 2021/2022 financial year, which is an increase of 163 from the 129 which were issued in the 2020/2021 financial year. The Development Enforcement Department currently responsible for all legal matters handed over by Building Control section and this has contributed to significant improvement in terms of litigation turn-around times in closing these legal matters.

Herein below is a list of milestones, which were achieved in the financial year under review.

1. **Appointment of an Additional Plans Examiner:**
   In addressing the challenges of backlogs related to the processing of the Building Plan processes, the Department appointed an additional qualified Architect as a Plans Examiner (Bonke Duma) with extensive experience in the Private sector. This appointment provided some relief and value in terms of effective plans assessment, and it gives one great pleasure to report to Council that the processing of building plans continues to improve. The official resumed with his duties on 1 June 2022.

2. **Building Control Reforms:**
   The KwaDukuza Municipality has been engaged in a Vuthela LED programme which is supported by the Swiss Bank with an aim of enhancing investment in the region. An extensive study was carried out to identify challenges in obtaining construction permits in the KDM. The outcome of the audit indicated that the Development Planning applications with a focus on building plans which had an average annual referral rate of 90%. The data that was used in the study was of 2017/2018 fiscal year which is between July 2017 and June 2018. The study was not exclusive to building plans processes but also Town Planning applications, which also indicated lengthier turn-around times in processing and issuing of an application decision.

   It must be noted that the implementation of the Building Control reforms during the 2021/2022 financial year has been positively welcomed by the Clients served by the municipality and the building plan application process has since improved however, the rate of referral has not decreased due to reasons associated with the online submission, as the online submission process omitted the pre-scrutiny process. The pre-scrutiny process, under normal circumstances, assists in the identification of the errors which Clients have to address prior to the formal submission as such issues lead to the referral of the building plan applications.

3. Building Plan Application Referral Rate:

During the 2021/2022 financial year, the referral rate was an average of 79.6%. This is an improvement from the 2020/2021 financial year where the average referral rate was an average of 86.9%. A reduction of about 7.6% in the referral rate is witnessed in the financial year under review, which signifies great improvement. Table below provides statistics of the referrals for both regions.

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Referral Rate 2020/2021 Financial Year	78.8%	97.6%	84.7%	86.4%
Referral Rate 2021/2022 Financial Year	76%	76%	83.1%	83.4%

Table 42 Chapter 2 EDP: *Rate of Referrals*

4. INSPECTIONS:

As of the beginning of the last financial year, the number of building inspections carried out decreased from seven (7) to three (3). The inspections which are deemed mandatory are commencement and trench inspection, open drainage inspection and final/completion inspection. Although the number of inspections has decreased, there has been compliance certificates that have been added as prerequisites for the issuing of occupation certificates, for instance the Plumbing Industry Registration Board (PIRB)-Plumbing Certificate of Compliance. The Building Control Department introduced the digital requests for inspections which has proved very effective.

5. INTERNAL CIRCULATION OF BUILDING PLANS:

This has been one of the major challenges which impacted negatively on the business process in the last financial year. The Economic Development and Planning Business Unit appointed an official who will be conducting messenger services, amongst other duties. The appointment is projected to see an improvement in the internal circulation of the building plans. This will allow for the Plans Examiners to invest more of their time assessing building plans, which is time that has been previously lost in the previous years due to the internal circulation function.

VII) HIGH IMPACT (CATALYTIC PROJECTS) APPLICATIONS PROCESS:

The submissions are accepted at the submission counter. A joint inspection is carried out by all members of the Development Assessment Committee (DAC) that is formed by the commenting departments such Health, Civil, Electrical, Fire. A seating takes place after the inspection to consolidate all inspection findings. A decision is communicated to the Applicant.

In the 2021/2022 financial year, a total of 13 DAC meetings were held virtually and physically. The following applications were considered by the Committee:

NAME OF DEVELOPMENT	NAME OF DEVELOPMENT
> Ballito Village > Build Rite - Erf 220, Balcomb Street, > Ref 35: Compensation Beach. > Zululami Estate – Erf 505 > Hesto Development – Phase Two > KwaDukuza Private Clinic > Royal Palm Estate > Elaleni The Woods > Salt Rock Shopping Centre > Ballito Club Med Holiday Resort > Elaleni Leisure Centre	> Ballitoville –Proposed Shops & Storage Warehouse > Reddam House > Salt Rock, Phase Two Extension – Mount Richmore > Shakaskraal Shopping Centre > Palmview Eco Estate – Woodmead > KwaDukuza Museum Project > Ballito Boulevard > Zimbali Lakes – New Units > Shakas Head, Imbonini P2 – Residential Component. > Ballitoville Development

There has however been a number of challenges related to the effective functioning of the committee, ranging from the (1) circulation and return of applications; (2) poor attendance by key stakeholders; and (3) timeous provision of comments by the relevant stakeholder. The Department has raised such issues with the respective HOD's in an attempt to address the aforementioned however, the problem persists.

VIII) REVISED MINOR BUILDING WORKS PROCESS:

The National Building Regulations provide a list of minor building works that can be approved by the Building Control Officer if they comply with this list. Previously, such plans would follow the normal process. The municipality has decided not to follow the normal 30/60 days' system when processing such applications. This has subsequently led to a maximum number of ten days to process the said applications.

The Applications for minor building works are processed by the administrators and subsequently circulated to the Building Control Officer (BCO). The BCO approves and signs off the applications. The statistics of the Minor Building Works Applications for the period July 2021 to June 2022 are reflected on table below:

	JUL 19-JUN 20	JUL 20-JUN 21	JUL 21-JUN 22
No of Applications Submitted	60	35	79
Minimum No. of Days for assessment assess	2	3	1
Maximum No. of Days to approve (without referrals)	39	41	1
Average No. of Days for assessment	23.4	13.5	3.1
Applications approved under 10 days	7	6	47
Applications assessed in under 10 days	38	14	71
Percentage of applications approved within timeline	11%	17%	59.5%
Percentage of applications assessed within timeline	63%	40%	89.9%
Applications assessed outside of timeline	12	12	8
Percentage of applications assessed outside of timeline	20.0%	34.3%	10.1%

Table 43 Chapter 2 EDP: *Minor Building Works*

E) OUTDOOR ADVERTISING

I) APPLICATIONS PROCESSED

Applications that are discussed are, namely: Permanent; Temporary Signage.

YEAR	NUMBER OF APPLICATIONS		
	RECEIVED	APPROVED	DISAPPROVED/ PENDING
2020/2021	29	27	2 pending applications
2021/2022	41	31	7 referred applications and 3 pending applications as of 30th June 2022.

Table 44 Chapter 2 EDP: *Permanent Signage*

The permanent applications received and approved in the 2021/2022 financial year has increased in comparison to 2020/2021 financial year.

YEAR	NUMBER OF APPLICATIONS		
	RECEIVED	APPROVED	DISAPPROVED/ PENDING
2020/2021	59	59	0
2021/2022	79	79	0

Table 45 Chapter 2 EDP: *Temporary Signage*

The temporary applications received and approved in the 2021/2022 financial year has increased in comparison to the 2020/2021 financial year. It should also be noted that in the 2020/2021 financial year the Unit saw a decline in temporary applications in comparison to 2019/2020 financial year.

II) ANNUAL DISPLAY FEE BILLING

The Billing below is the annual display fees billing which was loaded for the 2021/2022 Financial year and will be the projected revenue that the Municipality will receive going forward. The annual display fee billing is loaded onto the financial system to allow for an annual or monthly billing to take place. The amounts below were amounts which were billed either on a monthly of annual basis for the 2021/2022 financial year ending 30th June 2022. The total for permanent Annual Display Fees, excluding VAT for the 2021/2022 financial year that has been loaded on for billing amounted to R 477,849.00.

III) OUTDOOR ADVERTISING FINANCIALS 2021/2022

CATEGORY	AMOUNT
Application Fees for permanent applications and concessionaries.	R 3 140 212.89
Annual Display Fees, temporary application fees and charges.	R 818 702.54
Total	**R 3 958 915.43**

Table 46 Chapter 2 EDP: *INCOME Outdoor Advertising (excluding Vat)*

CATEGORY	2020/2021 FY	2021/2022 FY
Outdoor Advertising Total Revenue for each Financial year	R 1 597 587.48	R 3 140 212.89
	R 1 024 153.21	R 818 702.54
TOTAL	**R 2 621 740.99**	**R 3 958 915.43**

Table 47 Chapter 2 EDP: *Comparison with previous years (Exclusive Of Vat)*

NOTE: The Value Difference between the 2020/2021 financial year and 2021/2022 financial year is = R 1 337 174.44.

Based on the above, this means that the revenue received between 2021/2022 is higher than that of 2020/2021.

IV) CONCESSIONARIES

The status quo for concessionaries as at 30 June 2022 was as follows:

CATEGORY	SERVICE PROVIDER	EXPIRY DATE OF CONTRACT
a) Street Name Signs (MN 64/2014)	PRIMEDIA AD Lites	Month to Month applications
a) Street Pole Signs (MN 211/2019)	Masakhe Media	30th April 2024
c) Litter Bins (MN 66/2014)	Outdoor Network	Month to Month applications
d) Billboards (MN 127/2020)	PRIMEDIA Outdoor	28th February 2025
	Outdoor Network	31st March 2025

The tender processes are underway for the Ad- Lights and Litter Bins and will be concluded in the 2022/2023 financial year.

V) LEGAL MATTERS

The Outdoor Advertising Unit has the following legal matters, and the status quo is as follows as per year ending 30 June 2022.

CREDIT CONTROL LEGAL MATTER	STATUS QUO
Exo Outdoor	The matter was handed over to Municipal attorneys for the recovery of monies owed to the Municipality for Annual Display Fees. As of 30th June 2022, the outstanding amount is **R 654 462.92.**

VI) OUTDOOR ADVERTISING CHALLENGES

- > Misuse of streetlamp poles, continuous illegal advertising of road tar signs, and posters that are not approved despite removals.
- > Continuous illegal advertising within the jurisdiction on Municipal verges and public open spaces, especially over weekends when there is no monitoring.
- > The increase in the illegal advertising has resulted in advertising clutter.
- > Illegal Stickers displayed on walls of buildings affecting the aesthetics of the area.
- > Lack of Public Awareness of the Outdoor Advertising By-law.
- > Increasing number of illegal Development Boards and non-compliance from Private property owners.
- > Disregard of the Outdoor Advertising By-law from members of public when issuing notices.
- > Lack of capacity and tools for daily removals and enforcement and inspections.
- > Lack of storage space for the removal of illegal structures.

VII) INTERVENTIONS IMPLEMENTED TO ADDRESS CHALLENGES

- > The Unit is currently utilising the Slum Clearance team on an ad-hoc overtime basis to clear up illegal signage on the verges and open public spaces.
- > The Unit has also requested assistance from Parks and Gardens for utilisation of specialised tools and personnel to handle these tools.
- > Engagements with businesses are ongoing to ensure that business de-clutter and manage their advertising through submissions to the Municipality and creating awareness of the Outdoor Advertising Bylaw.
- > To address the issue of Development Boards and private property owners the Unit has now imposed conditions in line with the Outdoor Advertising Bylaw in the-Development Planning record of decision, Building Plans approval, Occupation Certificate Clearance and Town Planning. The Unit is also conducting awareness programmes and notices are being issued for continuous contraveners.
- > Enforcement Blitz assists with awareness of the Outdoor Advertising Bylaw and notifying contraveners of their contraventions.
- > The unit is still exploring options for storage space to ensure that signage removed is stored safely for a period of 3 months prior to disposal.

VIII) OUTDOOR ADVERTISING TRENDS

- > Media companies are seeking Outdoor Advertising opportunities within Municipal owned properties and along major roads (i.e., National Road - N2 and provincial roads -e.g., M4, P330, R102, etc.) for the introduction of new products. In relation to the latter, the municipality is fast-tracking the conclusion of a guiding policy to increase opportunities along the N2 and M4 to increase revenue and ensure Bylaw Compliance.
- > Due to enforcement initiatives that the municipality through the outdoor advertising unit is undertaking, there has been an increase in compliance for developments and private property owners. One of the most effective interventions implemented introduced is the Unit becoming a commenting department for Occupation Clearance Certificates.

F) ENVIRONMENTAL MANAGEMENT

The Environmental Management sub-unit also is advocating for a low emission trajectory wherein municipal planning and decision making are assessed for adhering to the KDM green building guidelines. In addition, the unit assists with the implementation of education and awareness programmes by international organizations, national and provincial departments through increasing community participation on climate change response related projects. This section will elaborate in detail on the following areas:

1. Community Awareness Programmes
2. School Awareness Programmes
3. KDM's Affirmation of Low Emission Trajectory
4. Environmental Management Compliance and Enforcement
5. Challenges

I) ENVIRONMENTAL MANAGEMENT PROGRAMMES

The environmental management programmes conducted during 2021/ 2022 financial year are discussed in detail below:

a) **Community Awareness Programmes:** Community awareness is conducted with professionals, community members from diverse societies, people living with disabilities and the youth. Awareness is also conducted via the fully functional Environmental Ward Forum which seats once a month and programmes come from the forum representatives. The forum has received a number of workshops on biodiversity, wetlands, tree planting, climate change, recycling and environmental impacts. Issues of waste management education accompanied with cleanups are the main challenges communities.

b) **Good Green Deeds Awareness and Clean-Up Campaigns:** The municipality in collaboration with the Department of Forestry, Fisheries and the Environment (DFFE), Good Green Deeds team (EPWP) and other relevant sector departments conducted various awareness and clean ups within KwaDukuza Municipality's CBDs.

c) **Birds' Park Tree Planting Programme:** The municipality in collaboration with the Department of Economic Development, Tourism and Environmental Affairs (DEDTEA) conducted the greening programme and ten (10) trees were planted at birds' park ward 19.

d) **Women In Environment Capacity Building Workshop-Ward 24 And Ward 15:** The municipality hosted two capacity building workshops focusing on local women in environment empowerment that were held at Melville primary school (ward 24) and Ntshawini Chris Hani Community Hall (ward 15). topics covered include the environment concept and legislation, environmental health, water management and waste management. Stakeholders who presented include KwaDukuza Municipality, DFFE, EDTEA, and iLembe district (planning and environmental health). Furthermore, seedlings were also distributed on these days which were vegetables given to the women to plant at their gardens.

e) **Odyssey Mall Ballito Environmental Exhibition in Commemoration of Biodiversity Month 2022:** The municipality in partnership with the Odyssey Mall, Department of Forestry, Fisheries & Environment (DFFE) and the Department of Economic Development, Tourism and Environmental Affairs conducted an environmental awareness exhibition themed "Building a shared future for all life". This awareness programme entailed an exhibition stand with information packs on all sectors of environmental management as well as PITCH IN KDM Mascot to sensitise community about proper waste management practices. It was an opportunity to redirect attention to creating an economy that brings back the health of our planet, protects our species, and provides opportunities for all. Over 100 interested people passed by our stand.

f) **KwaDukuza Environment Day Open Street Event 2022:** The municipality hosted its second Open Street event in commemoration of World Environment Day 2022 emanating from successfully hosting the first open street event in 2019. The theme for the KwaDukuza Environment Day Open Streets was #Building-A-Climate-Smart-City and this event was conducted in commemoration of World Environment Month that is celebrated in June annually. The event was held on the Thursday 23 June 2022 in KwaDukuza CBD along King Shaka Street (between Gizenga Street and Chief Albert Luthuli Street).

This event was two-fold, it commenced with an awareness walk in the morning that took the route from Chief Albert Luthuli Street (In front of KDM Civic Municipal Offices), down Hullet Street- up Gizenga Street and ended at King Shaka Street (Town Hall). Through the DEDTEA - Environment Empowerment Services unit, fifteen (15) schools within KwaDukuza Municipality were invited to participate in the event but only seven (7) schools (listed in the table below) consisting of approximately ten (10) learners & two (02) educators from each school were available to attend/ partake in the abovementioned event:

NAME OF SCHOOLS THAT PARTICIPATED	
Stanger Heights Primary School	Melville Primary School
KwaDukuza Primary School	Gledhow Primary School
Prospect Farm Primary School	Iziphozethu Primary School
Ashville Primary School	

The Municipality also received support from neighbouring companies and organisations some in a form of sponsorships towards the event and on the day of the event. The table below alludes to the type of support received from each stakeholder:

NAME OF STAKEHOLDER	TYPE OF SUPPORT/ SPONSORSHIP
aQuelle'	Hundred (100) bottles of flavoured water.
McDonald's Stanger	Lunch for school learners and participants
Alert Emergency Medical Services	Ambulance services
AVBOB KwaDukuza	Hundred and sixty-four (164) bottles of still water
KwaZulu-Natal Natal Sharks Board	An educational talk and shark dissection
Ezemvelo KZN Wildlife	An educational talk and exhibition.
Department of Sports, Arts & Culture	Health and fitness activities and educational talk.
DEDTEA- Environment Empowerment Services	Coordinating the participation of KDM Schools.
Department of Forestry, Fisheries & the Environment (DFFE)	Donation of indigenous trees, an educational talk
Department of Social Development (DSD)	Baby Formula and Toiletries N.B. all the above items were directly distributed by DSD officials to the public community during the event.
Umgeni Water	An educational talk: exhibition accompanied by Iconsi Mascot.
Goldrush Bingo Stanger	Water
Outdoor advertising service providers	Billboards (Ballito area) and street poles (Stanger area) advertisement

In addition, the event incorporated diverse organisations/ businesses that voluntarily participated in various activities on the day of the event (23 June 2022) and that is discussed below:

Exhibitors: Prospect Farm Primary School; Ashville Primary School; ILembe District Municipality; Eskom; RecycleX; Total Sports Stanger; Nedbank Stanger; AVBOB Stanger; IMF Gym; Exact Stanger; Relay Jeans Stanger; American Swiss Watermelon Clothing brand; Goldrush Bingo; Department of Health (Wellness testing); Sanlam; IEC; Standard Bank; Khethimpilo organization; Zamokuhle Muthi Shop

Food Stalls: Sizwisizwe (Pty) Ltd(Burgers & Fried Potato Chips); Mtimande Enterprise (Braai)

Entertainment: Programme Director- Wokusa SDP (Menzi Nxumalo); Manyosi Bross (DJ)

Other Activities: Gxoba Cycling Academy/ KZN Cycling (Cycling stunts); Chess Group (Chess board game) ; Informal traders (stalls).

Ultimately, the KwaDukuza Open Streets Event was aimed at creating an enabling environment for non- motorized transport in order to improve mobility within the city. Lastly, the event was a huge success complemented with informative and fun activities.

II) SCHOOLS AWARENESS PROGRAMMES

KwaDukuza Municipality has established a school based environmental schools programme that commemorates all the South African Environmental Calendar Days to promote environmental education and awareness. This programme is aligned with the eco-schools and Schools Environmental Education Programme (SEEP) in partnership with the Department of Economic Development, Tourism and Environmental Affairs. The education and awareness programmes, educational tours, educational talks, competitions and excursions are conducted with schools and the KwaDukuza community. The programmes highlighted below were commemorated during the year **2021-2022:**

a) Arbor Day/ Spring Day Programme 2021

KwaDukuza Municipality in collaboration with relevant stakeholders commemorate Arbor week annually. Last year the municipality commemorated Arbor Day/ spring day with Stanger Heights Primary School since the school sent a formal request to the municipality requesting support with shrubs and flowering plants to beautify the school garden in commemoration of Arbor Day/ spring day 2021.

b) National Marine Week Commemoration

In commemoration of marine week 2021, the municipality hosted the awareness programme event in collaboration with KZN Sharks board, Department of Economic Development, Tourism and Environmental Affairs, Department of Forestry, Fisheries & the Environment, ILembe District municipality and Ezemvelo KZN Wildlife at the Umfolozi TVET college – Albert Luthuli Campus in Groutville.

c) Rehabilitation at Zilungisele Primary School

KwaDukuza Municipality had conducted a three (3) week programme of removing of alien plants within the school premises and boundaries which ended in May 2021. The municipality in partnership with the local community then embarked on a rehabilitation programme to restore indigenous trees, establish a wind break and setting up a food garden at the school.

d) Wetlands Day 2022

The Environmental Management Unit in partnership with the Department of Economic Development, Tourism & Environmental Affairs (DEDTEA); and the Department of Forestry, Fisheries & Environment (DFFE) conducted an awareness programme in commemoration of world wetlands day 2022 at Gledhow Primary school and Melville Primary school.

e) National Water Week Awareness Programme (Mini-Sass River Health Testing 2022)

The Municipality (Environmental Management unit & Waste Management unit) in partnership with the Department of Forestry, Fisheries & Environment (DFFE) conducted an awareness programme at Dr BW Vilakazi Junior Primary school. This awareness programme entailed conducting a Mini- Stream Assessment Scoring System (Mini-SASS) river health testing in Mnyundwini river and a waste clean-up on some areas along the river in commemoration of National Water Week 2022. In addition, KDM Environmental Management sponsored the school with ten indigenous trees and three 240litre green waste wheelie bins branded with KwaDukuza Municipal logo.

f) New Guelderland Intermediate Farm School Educators Environmental Management Workshop

The Municipality (Environmental Management) in collaboration with Department of Economic Development, Tourism and Environmental Affairs and Umgeni Water conducted an environmental management workshop for the educators of New Guelderland Intermediate Farm School that was hosted at the school on the 17th of May 2022. The workshop focused on highlighting some of the support that the school can receive from the various stakeholders and available programmes that the school can participate in that are aligned to improving environmental education within the school.

g) Environmental Management (Waste Management) Awareness And Litter Clean-Up Programme

The Municipality (Environmental Management unit & Waste Management unit) in partnership with the Department of Forestry, Fisheries & Environment (DFFE) and the Department of Economic Development, Tourism and Environmental Affairs hosted an environmental management (waste management) awareness and litter clean-up programme at Mbekamuzi Combined/ Secondary School. The programme also focused on encouraging the school to register to become a member in the School Environmental Education Programme (SEEP) which would ultimately assist the school to revive the recycling programme (plastic & paper) that they already started with KwaDukuza Municipality.

III) KDM'S AFFIRMATION OF LOW EMISSION TRAJECTORY

a) ICLEI Renewal of three (3) year Membership

The municipality renewed its three-year full membership with ICLEI Local Government for Sustainability last year in August 2021 valid till August 2025. The Municipality has been a proud member of ICLEI- Local Governments for Sustainability for the past eight years. Since 2013 our ICLEI membership has encouraged best practice, increased exposure, including learning and taking advantage of innovative steps that KwaDukuza Municipality has taken towards sustainable development. This shows that the municipality is still committed to continue to lead and be pioneers in sustainable development. Further to this, we are committed to maintain a fruitful partnership with ICLEI- Africa by renewing our membership for another three years to strengthen collaboration in project implementation of climate change adaptation & mitigation actions aligned with the municipal low carbon trajectory vision.

b) Greening CBD Library for KwaDukuza Municipality Project

The project commenced in 2019 with a situational assessment conducted on the library building and related operations. Thereafter an efficiency report outlining possible areas of improvement was developed based on the audit findings and Engineering Letter Report which encompassed the situational analysis. Throughout this process reports have been submitted timeously to Council for noting and approval, of which Council have shown continuous support for this project. The aim of the project is to ensure that the current water and electricity consumption of the library is decreased, thereby improving the energy and resource efficiency of the building which emanates from the Council approved Green Building Guidelines policy. Hence, the project implementation will adopt a holistic approach also focusing on improving elements i.e., waste disposal on site, landscaping etc. that will ensure that the library is a resource efficient building. The project deliverables for the implementation are phased out and the project deliverables from phase 1 and phase 2 have been completed and project implementation will continue with phase 3 project deliverables which anticipated to be completed by the end of the 2022/23 financial year (dependent on the procurement process).

c) KwaDukuza Municipality Selected to Participate in a Year of Climate Action with WWF and Futureproofed Cities

This great opportunity emanates from KwaDukuza Municipality becoming the National OPCC 2020 winner. The Municipality submitted its application/ the expression of interest to participate in the programme where WWF confirmed that KwaDukuza has been selected as one of the 50 cities that will be supported on the Futureproofed platform as part of the programme. The confirmation correspondence was followed by an open letter (a year of climate action) from WWF in mid-December 2021 inviting the political leadership of KwaDukuza Municipality to confirm in writing that the municipality is committed to being part of a year of climate action. In response to the open letter, early January 2022, Her Worship the Mayor of KwaDukuza Municipality- Councillor Lindile Nhaca on behalf of Council submitted the city's intent and commitment in joining the climate action efforts towards reaching Net Zero.

d) Natural Resource Management: Mavivane Transformative Riverine Management Programme

KwaDukuza Municipality participated in the 2021/22 Natural Resource Management Municipality Competition (NRM 2021/22) that took place in September, October last year. As part of the assessment the municipality submitted the Natural Resource Management: for the competition. Successfully, the municipality received 2nd place and prize money to the value of R1, 700 000.00 for the Mavivane Transformative Riverine Management Programme which is a conditional grant that must be used to enhance the performance of the municipality in implementation of iLembe Climate Change Strategy and Climate Change Response Plan. As part of formally accepting the funds, the municipality submitted a Business Plan that included all relevant details relating to the implementation of the project as guided by the department. Further to this, the Municipality also entered into a formal Memorandum of Agreement with the department which will govern the implementation of the project and expenditure of the funds.

IV) ENVIRONMENTAL MANAGEMENT COMPLIANCE AND ENFORCEMENT

The national, provincial and local environmental authorities have a constitutional duty to enforce and monitor compliance with the National Environmental Management Act 107 of 1998 (NEMA) and the specific environmental management acts (SEMAs). In line with that, KwaDukuza Municipality (KDM) deals with various environmental issues through the guidance of section 24 of the Constitution of the Republic of South Africa Act 106 of 1996, the National Environmental Management Act of 107 of 1998 and the other specific environmental management acts (SEMAs) which are:

- National Environmental Management: Protected Areas Act (57 of 2003), known as the NEM: PAA,
- National Environmental Management: Biodiversity Act (10 of 2004), known as the NEM:BA,
- National Environmental Management: Air Quality Act (39 of 2004), known as the NEM: AQA,
- National Environmental Management: Integrated Coastal Management Act (24 of 2008), known as the NEM: ICM,
- National Environmental Management: Waste Act (59 of 2008), known as the NEM: WA.

The Senior Environmental Officer has successfully completed the Department of Environment, Forestry and Fisheries –Environmental Management Inspectors course and the designation by the MEC of EDTEA was obtained in October 2021.

The following compliance inspections were conducted at the following sites these were conducted with the Department of Economic Development, Tourism and Environmental Affairs:

- Compliance Promotion between KwaDukuza Municipality and Department of Economic Development, Tourism and Environmental Affairs at Imbonini Industrial Park.
- DC29/Q0017/2022: The Business License Associated with Grumpy' s Beach Bar located within the Admiralty Reserve in Blythedale Beach
- Burst Sewer Rising Main Simbithi Dr.
- Thompsons Bay Beach Sewer spill.
- Section 30A emergency situations as per the recent declared Disaster in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002), and need urgent and immediate responses or interventions.
- Sector compliance inspection for KwaDukuza Crematorium.

In addition to the mentioned inspections, the unit also conducts reactive inspections and supports internal municipal departments such as the Development enforcement blitz, Civil Engineering, Human Settlements and Community services and Public Amenities to ensure compliance to the National Environmental Management Act 107 of 1998 and the other specific environmental management acts.

V) CHALLENGES

The following are some of the challenges that the municipality is grappling with as part of fulfilling its environment management & Climate Change function:

- The Mineral Petroleum Resources Development Act of the Department of Mineral Resources was amended in 2012 allowing for a single environmental approval process for mining, with the state hoping to streamline regulatory processes and licensing systems for mining environmental management within the DMR, DEA and DWA. Several illegal mining issues have erupted in KwaDukuza Municipality; however, the DMR has shown poor coordination with relevant stakeholders to resolve the compliance and enforcement issues arising. Officials in the Environmental Control Unit have coordinated blitz with relevant sector departments at the illegal mining sites, however this has proven difficult considering the disintegration of stakeholders to take proactive against the transgressors. More coordinated enforcement effort on DMRs is integral to this process.
- Water Use License Applications (WULA) is the mandate of the Department of Water and Sanitation through National Water Act. The National Water Act 36 of 1998 ("the NWA") requires a person undertaking a water use to obtain a water license in specified circumstances. This includes all activities which could pollute a water resource, the disposal of wastewater, stream diversions, abstraction, storing water, and using water for recreational purposes. The Water Use Authorisation Process can run concurrently to the EIA process however, a proposed project can obtain Environmental Authorisation (EA) approval and whilst awaiting the Water Use Authorisation no construction can commence as this would be in breach of the Environmental Authorisation issued by EDTEA. There is an evident backlog within the Department in assessing and issuing WULAs which hinders implementation of key municipal projects especially the delivery of basic services such as housing, the limitations in obtaining a water use license efficiently affects service delivery in the municipality. Another challenge is liaising with the Department of Water and Sanitation is difficult because some applications are dealt with by the DWS within the province and others are dealt with at National level.

G) DEVELOPMENT ENFORCEMENT DIRECTORATE

The Development Enforcement Directorate is a newly established directorate within the Economic Development and Planning Business Unit (EDP). The unit became effective from the 1st of July 2018. The first incumbent (Director: Development Enforcement) was appointed on the 1st of May 2019 with the main purpose of setting up new systems, policies, and strategies for the effective functioning of the directorate.

During the 2021/2022 financial year the department expanded with the following new internal appointments:

1. Enforcement Specialist: Building Control (Appointed: 1st June 2022)
2. Secretary: Director Development Enforcement (Appointed: 1st June 2022)

The above-mentioned appointments strengthen the ability of this unit to enforce the municipal bylaws. Despite limited capacity, the unit has been able to achieve good results during the 2021/2022 financial year. It must be noted that this directorates work is dependent on the cooperation and support of other key directorates within the EDP business unit in particular, Development Planning. This directorate also requires the continuous support of both Community Safety and Finance Business Unit for effective operation.

i) Active High Court Matters

The Municipality is empowered in terms of the constitution and laws of the country to uphold the laws. Legislation compels the municipality to act against illegal developments and the transgression of the bylaws. The municipality will be failing in its duty if it does not act accordingly to bring order within its area of jurisdiction, which is to be in the best interest of its community.

The Development Enforcement Directorate takes matters to court as a last resort, with main focus on those declared as repeat offenders, and those which totally ignore the safety of our community.

Below are some of the matters that are still pending before the court due to various reasons.

PROPERTY DESCRIPTION	NATURE OF APPLICATION	STATUS OF MATTER
KDM VS ESSIENNA PROPERTY CC **ERF PTN 4/166 28 King Shaka Road.**	The owner of the property has been constructed illegally on the property. Furthermore, the property does not comply with the parking provisions, fire, and safety requirements, and Electricity compliance. The property is also poorly maintained, is dilapidated and deficient in various respects, and is noncompliant with the National Building Regulations. This matter came before the court on 23rd August 2016 in which the municipality was successful. Due to blatant disregard of the court order, we are proceeding with a demolition order for certain parts of the building that are noncompliant with previously approved building plans.	Council will recall that on the 23rd of August 2016 the High Court granted an order against Essienna Property CC. The owner was interdicted from amongst other things, illegal building works, illegal occupation of the property, etc. The court also as part of the order agreed to consider a demolition order in the event of further non-compliance. Due to the owner's blatant disregard of the matter, the municipality agreed to proceed with an application for demolition. We have since received confirmation that the matter is set down for hearing on the 9th of March 2023.
ERF 771 - 3 MAHATMA GANDHI STREET	Repairing of motor vehicles in a dilapidated building.	This matter relates to the illegal occupation and operation of a motor vehicle repair shop on Erf 771 Mahatma Gandhi Street. Despite various notices, the owners made no attempts to stop the illegal use. This forced the municipality to approach the courts for relief against the owners of the property and the twenty-four illegal occupants. The matter was heard in the PMB High court on the 1st of October 2020. The owners opposed the application. A default judgement was issued by the court against the twenty-four illegal occupiers. The illegal occupiers were removed from the property on the 10th of December 2020.The final relief against the owners are still pending before the court. We have finalized our supplementary papers. We are now waiting for a court date for the hearing of the matter.

Below are some of the matters that are still pending before the court due to various reasons *...continued*

PROPERTY DESCRIPTION	NATURE OF APPLICATION	STATUS OF MATTER
ERF 981, KING SHAKA STREET KWADUKUZA CBD (JABULA HARDWARE)	Illegal operation of hardware and illegal building works on a MUCO 3 Zone.	The Municipality as part of its enforcement of bylaws identified illegal building works and the operation of a Hardware (Jabula Hardware) without municipal land use approvals, plan approvals and a certificate of occupation. After Jabula Hardware ignored several notices issued by the municipality, it was forced to launch an application in the high court to get relief in the form of an interdict in the following order: (i) Interdict Jabula Hardware for using the property as hardware, which is prohibited by KDM Land Use Management Scheme (LUMS)/ Town Planning Scheme. (ii) Interdict Jabula Hardware for using the municipal property as a hardware yard, and access to the new yard without the consent of the Council. (iii) Interdict Jabula Hardware for illegal buildings and occupying the building without a Certificate of occupation as legally required. The matter was heard by Judge Kruger in the Durban High Court on the 26th of November 2020. The court did not deal with the merits of the matter, but instead began to entertain claims that the municipality is using selective enforcement and that officials are acting on behalf of their competitor (Singh's Hardware). The judge further indicated that the municipality was supposed to use an alternative remedy of opening a criminal case against the offender (Jabula Hardware) rather than approaching the courts. The municipality's arguments were ignored, and the Judge ruled in favour of Jabula Hardware. The municipality, in consultation with its legal team, evaluated the judgement and decided to appeal the judgment, in particular (1.) to ensure that the merits of the case is being heard, (2) to set aside the reasons of the judge relating to the perception that the municipality's officials were enforcing the bylaws on behalf of Singh Hardware, and (3.) to set aside the reasons of the judge that the municipality must use the route of criminal case, instead of a court interdict to stop illegal activities. The municipality thereafter petitioned the Supreme Court of Appeal (SCA) on the 26th of November 2021, to allow the municipality the right to appeal. The Supreme Court of Appeal granted the municipality condonation and referred the matter back to the full bench of KZN High Court. This judgment was issued on the 14 of February 2022. All heads of arguments have been filed timeously. The matter has been set down for hearing on the 23rd of April 2023. The matter remains subjudice pending the finalization of the appeal.

The Municipality has successfully defended some matters which were taken to court by private property owners. One of such matters is Pedro's Kwadukuza, which opened without an Occupation certificate and Business license. Pedro's thereafter took KwaDukuza Municipality to court to interdict KwaDukuza Municipality from implementing its bylaws. The Matter was heard in the Kwadukuza Magistrates court and judgement was in favour of KDM with costs.

ii) Integrated Blitz Enforcement Operations

In dealing with enforcement, an integrated approach is used where all departments work together to bring about order within the KwaDukuza area of jurisdiction. The blitz operation is coordinated by the EDP Enforcement department, and all other internal directorates are invited, i.e., Community Safety, Civil Department, Electrical Department; Fire department; Building Control; Town Planning; Environmental unit; including the SAPS, iLembe health, KZN Liquor.

During the 2021/22 financial year the department has conducted eleven (8) Enforcement operations.
These were reported to Council via the EDP Portfolio Committee meeting during the year.

The list below indicates the dates and focus areas wherein these operations took place.

1. 03rd September 2021 – Ballito/Salt Rock
2. 10th September 2021 - Stanger Manor/New Guelderland/ Kwadukuza CBD
3. 31st December 2021 – Nkobongo area
4. 10th December 2021 – Kwadukuza Northern areas.
5. 14th March 2021 – Nkobongo/Sheffield
6. 31st March 2022 – Scrap metal dealers
7. 17th June 2022 – Kwadukuza/Oceanview/Stanger Manor.
8. 24th June 2022 – Ballito /Salt Rock

iii) Enforcement in Gated Estates

Further to the normal Blitz operation done, the Enforcement Department also coordinates operation within Gated Estates once every quarter. The purpose is to ensure that our legislation/ regulations have been complied with in these Estates. Since the start of these operations, we have noticed a decline in illegal development within gated estates.

During the 2021/2022 financial year, the following Gated Estates were visited as part of the Blitz Operation:

1. Ballito Hills
2. Brooklyn Estate
3. Mbonini Industrial Park
4. Zululami Coastal Estate
5. Springvale Country Estate
6. Zululeni Estate
7. Zululami Estate
8. Palm Lakes Estate

iv) Targetted Enforcement Operations - Scrap Yard/Scrap Metal Dealers

Scrapyards and scrap metal dealers are regulated in terms of the Second-Hand Goods Act, 2009 (Act No 6 of 2009), of which the SAPS remains the custodian. Every person, business or organization that carries on a business of dealing in second-hand goods, must register with the South African Police Service. This includes an auctioneer, general dealer, jeweller, motor vehicle dealer and scrap metal dealer / recycler.

The theft of copper cables and other metals from public infrastructure has crippled power supplies in many municipalities, left trains unable to operate and damaged public facilities in many parts of South Africa. At a local level, Kwadukuza municipality is a regular victim of theft and vandalism of public infrastructure, which contributes to this multi-billion-rand industry. This is one of the contributing factors for the high energy losses experienced by Kwadukuza Municipality, which has led us to zoom in on these establishments to ensure compliance.

Within the Kwadukuza area, we have approximately nine established scrapyards of which we are aware. Most of these scrapyards are licensed by the SAPS, and the transgressions relate mainly to contravention of the Planning and Building regulations. Unfortunately, KDM are not part of the application and/or approval process, hence we are always on the backfoot of trying to enforce compliance after the damage is done. We will however be robustly engaging with SAPS to raise our concerns as a Municipality, and to ensure that KDM is fully represented in the decision-making process.

A Blitz Enforcement operation conducted on the 31st of March 2022. Notices were issued to the relevant scrapyards calling for compliance with Building and Planning regulations. Going forward, scrapyards will feature as part of the quarterly blitz operations planned by the department.

BLITZ ENFORCEMENT STATISTICS

TOTAL NUMBER OF BLITZ ENFORCEMENT OPERATIONS:		TOTAL NUMBER OF NOTICES ISSUED (CONTRAVENTION NOTICES; SECT. 341 NOTICE; FINES)	
Gated Estates	8	Gated Estates	32
Integrated CBD/Residential	8	Integrated CBD/Residential	46

v) Repeat Offender Focus

The purpose of repeat offender focus is to monitor and ensure that in cases where there is a court order in place, the owners comply and are not in contempt of court. During the 2020/21 financial year we have visited the following properties that are in violation of a court order:

a) Erf 1909 – 37 Lilly Road Stanger Manor

The owner of the property was interdicted by the Durban High Court on the 18th of March 2020 from conducting repairs to vehicles on a residential property and on municipal road. The owner is in contempt of court as he has failed to remove all the scrap vehicles on Council property and make good the road. We have since implemented the illegal Rate coding on the property.

b) Singh's Hardware

Singh's Hardware was interdicted from conducting business, parking vehicles on Council verge and using a portion of the Dawn view Primary School (Educational site) property for business purposes (**storage of building material, i.e., sand, stone, etc.**). Despite various warning, they continue to be in contempt of the court order. We have since implemented the illegal Rate coding on the property.

c) Erf 771 Mahatma Gandhi Street /King Shaka Street)

Council will recall that the undocumented immigrants were interdicted by the Durban High court on the 1st of October 2020 from occupying and carrying our motor vehicle repairs on the abovementioned property. This property had to blocked off with wooden bollards and had to be constantly monitored to ensure compliance of the court order.

vi) Implementation of the Illegal Rate Category

One of the objectives of the EDP Enforcement Strategy was the introduction of the **"Unauthorized or Illegal development or use and Abandoned Property or Building"** rate category, which we refer to in short as **"Illegal Rate coding."** This is a punitive rate category in terms of Council's Rate Policy, which is five times the normal rates. The implementation is intended to be a deterrent for illegal activities and should not be construed or interpreted as a fine.

Council has, over the years been losing substantial revenue due to illegal developments, while at the same time incurring huge costs due to litigation. When people build or use the property in contravention of the scheme, Council loses revenue in terms of plan fees payable, developers' contribution, verge deposits, planning application fees, basis service charges, rates that are incorrectly levied, encroachment fees, etc.

It must be noted that the provision of this punitive **"Unauthorized or illegal development or use and abandoned property or building"** category intervention currently serves as one of the key effective tools to deal with the noncompliance of Bylaws, and has considerably decreased our legal matters, and costs associated in respect thereof.

We have implemented the "illegal rate coding" during the 2020/2021 financial year on thirty-two properties that were in gross noncompliance of the applicable legislation.

The affected properties are listed as follows:

1. Erf 1909, 37 Lilly Road Stanger Manor.
2. Erf 746, 9 Voortrekker Street, Dawnside.
3. Erf 249, 180 Main Road, Shakaskraal.
4. Portion 118 of 65 of Erf 71, 7 Foxhill Lane, Umhlali.
5. Erf 3141, 30 - 40 Corner of Justice Gizenga and King Shaka Street.
6. Erf 627, 17 Centenary Road, Oceanview.
7. Erf 628, 19 Centenary Road, Oceanview.
8. Erf 747, 7 Voortrekker Street, Dawnside.
9. Erf 1334 – Singh's Hardware – Mahatma Gandhi Street.
10. Erf 3551 – CTM Ballito – Moffat Road Ballito.
11. Erf 857 – Jabula Hardware – Corner Link Road/R102.
12. Erf 284 – The Square – 15 Russel Street, KwaDukuza.
13. Erf 2390 – Eskay Plaza – Yusuf Suleman Street.
14. Erf 2/101 – Balvas Property Inv.CC – Corner Mahatma Gandhi/Lindley Street.
15. Erf 38 - Sheffield-Villa Royalle
16. Erf 212 - Chief Albert Luthuli Street
17. Erf 661- 31 Ridge Road, Oceanview.
18. Portion 2 of 101 – Shakaskraal
19. Portion 12.71.1524 - JDI Church
20. Erf 224 – 96 Glen Drive, Zinkwazi (Anew Hotel)
21. Erf 115 Hulett Street – 163 Yusuf Suleman Street (Hulett Street)
22. Erf 123 Shakas Rock – 4 Main Road Shakas Rock.
23. Erf 271 Sheffield Beach – 46 Sheffield Drive.
24. Erf 5030 Capricorn Street – 12 Capricorn Street.
25. Portion 140 of 1521 – 3 Murray Crescent.
26. Erf 2516 – 29 Radiyat Road, Stanger Heights.
27. Erf 4279 Glenhills – 5 Glenhills Drive.
28. Erf 4707 Venus Drive – 10 Venus Drive, Glenhills.
29. Portion 42 of Erf 71 – Foxhill Road, Salt Rock.
30. Portion 50 of Erf 71 – Foxhill Road, Salt Rock.
31. Erf 5 Shakaskraal – 53 Main Road Shakaskraal.
32. Erf 1789 Palm Lakes – Royal Palm Estate.

During the 2021/2022 financial year, the municipality has collected more than R1 617 509.56 as additional revenue paid as the punitive fee for non-compliance with the municipal Bylaws.

The illegal rate coding will only be removed when there is compliance with the regulations.

In terms of the above, it must be noted that only three properties have complied with the regulations by rectifying non-compliance with Town planning and National building regulations and made full payments that were due in terms of the Illegal rate coding. This has led the municipality to review these property categorizations to revert to normal property rates.

These properties are listed below as follows:
a) Bosschrand Beleggings - **R 72 244.08**
b) Almuss Property Ltd - **R 303501.24**
c) Exclusive Access Trading - **R 270480.49**

vii) Problem Buildings for the 2021/2022 Financial Year

The Problem Building Bylaw is a new Bylaw that was adopted by the Council, gazetted on the 13th of June 2019, and became effective from 1st of July 2019.

Problem Buildings – is defined as buildings that are derelict in appearance, overcrowded or is showing signs of becoming unhealthy, unsanitary, unsightly, or objectionable and offensive and which causes the value of surrounding properties to be detrimentally affected.

The process of declaring a building a “Problem Building” – involves identification of the building, notifying the owner in writing to fix it and if there is no positive response, then the building can be classified as Problem building. Once the building is classified as problem building the municipality has the following options:

(a) Get a court order to compel the owner to rectify or demolish the building. If owner does not comply, the municipality can also demolish at owner’s account.
(b) To rate code this building as “Illegal” in terms of Council Rates Policy.

During the first and second quarter, the department has identified five buildings that have been causing problems within the CBD, which has also been raised in various platforms, including the iLembe Security cluster meetings. These building are currently being dealt with in terms of the Problem Building Bylaws and are at various stages in the process.

These buildings as listed below :
1. Erf 783 Addison Road
2. Erf 981King Shaka Street
3. Erf Ptn 2/101 – Mahatma Gandhi Street.
4. Erf 3665 King Shaka Street
5. Erf 79 Corner Blaine and Mahatma Gandhi

viii) Buildings Declared A “Problem Building”

Of the five buildings identified, two buildings have complied and one building is in the process of complying. The other two building have not made any progress and was declared as “Problem Building” in terms of the Problem Building Bylaws. These buildings are listed below as follows:
1. Erf 3665 King Shaka Street
2. Erf 79 Corner Blaine and Mahatma Gandhi

ix) Nomination for Member to Serve on the Ilembe Liquor Committee

The KZN Liquor Act, Section 30 empowers the MEC for EDTEA a right to establish Local Committees of the KZN Liquor Authority. Every three years an invitation is made to the public for nomination to appoint representatives to serve on this structure to represent various interested and affected parties, and technically knowledgeable people to evaluate applications and make recommendation for the approving/disapproving of liquor licenses.

KwaDukuza Municipality is being invited for the first time to nominate a representative, as the district has always been a representative of all family of municipalities. The KZN Liquor Authority in the last two years has worked closely with KDM regarding both the smooth issuing of liquor licenses, and the enforcement of bylaws. The municipality has always been praised formally by the Liquor Authority as a model municipality in terms of facilitating Business licenses for the liquor retailors /entrepreneurs who operate in the areas that were outside the Town planning scheme or rural areas.

It is against this background that on the 12th of April 2022, the municipality has been requested officially to nominate an official to be a municipal representative on this Committee.

Council at its meeting dated 26th May 2022, resolved that the Director: Development Enforcement: Mr. F R Naidoo be nominated to be serve on the iLembe District Local Liquor Board. In the event that Mr. Naidoo is not available, the Business Licensing Officer: Ms. Glenys Peters will be in attendance as the alternative person nominated.

x) Current Challenges Faced by the Department

- Lack of awareness of Bylaws by the public.
- Delaying tactics by habitual/repeat offenders in complying, which forces the municipality to approach the courts for relief.
- Legislated fines are too low and outdated. Various pieces of Legislation make provisions for fines and penalties. These fines and penalties are extremely low and outdated and do not serve as a deterrent to stop illegal activities and uses.
- The magistrate's courts do not have the expertise and capacity to deal with the enforcement of Bylaws. This forces the municipalities to seek relief from the high court which is an expensive option. We are currently in the process of doing the necessary feasibility study for the establishment of a Municipal Court.
- There has been a spike in illegal activities from the start of the pandemic. During COVID many People took advantage of the fact that the municipality was not fully operational and proceeded to build illegally.

xi) Peer Learning Exchange

- Participated in the Germany-South African Peer Learning Network Programme for Integrated and Safe neighbourhoods, which was held in Nelson Mandela Bay on the 2 – 6th May 2022.
- We have guided colleagues in other municipalities on Enforcement related matters, i.e., Maphumulo Municipality; Jozini Municipality; Salga; Cogta

H) LOCAL ECONOMIC DEVELOPMENT OPPORTUNITIES AND GROWTH

The Local Economic Development Unit falling under the Economic Development and Planning Business Unit of the Municipality is tasked to undertake the objectives of stimulating and advancing the economic development. Therefore, KwaDukuza strives to improve the economy, creating job opportunities, and alleviate poverty and ensuring a balanced dissemination of prosperity for all KwaDukuza residents. In line with KwaDukuza Integrated Development Plan (IDP), the economic development function has two strategic objectives to fulfil:

- Positioning KwaDukuza as preferred tourism and investment destination.
- Developing a prosperous, inclusive, transform and diverse local economy.

To realize this strategic vision, the unit engages in several initiatives such as enterprise and sector development, provision of access to information and market opportunities, investment promotion and facilitation, facilitating strategic collaborations with LED actors, stimulating the development of priority economic sectors through business support services and building a thriving tourism industry.

During 2021/2022 the local economy was still recovering from the Covid 19 pandemic, which impacted negatively to our local economy. The recovery plan which was implemented during 2020/2021 was beginning to show some strides in particular around tourism, hospitality and property sector.

2021/2022 ECONOMIC SHOCKS

Whilst the local economy was still recovering from the effects of Covid 19 pandemic, it was hit by two shocks which are the 2021 July Public unrest and 2022 April Floods. These two economic shocks reversed the progress that have been made in overcoming the effect of Covid 19. Jobs and infrastructure were lost during these devastating events in our area. KwaDukuza Council responded with its limited legislative power and resources towards the supports of those affected by the two events. This situation did have an impact on various municipal programme, which led to reprioritisation of budgets to deal with human catastrophe (floods disaster).Below is the report of highlighting activities for the 2021/22 period as follows:

i) Business Licensing Function

The Business Licensing as the function was identified as one of the pillars of post-Covid 19 economic recovery of the hospitality and tourism sector. On the 16th of July 2022, The Minister of Small Business published a government Gazette 44853, Disaster Directives on Business Licenses and permits. The main thrust of this gazette as interpreted and implemented by KwaDukuza Municipality is as follows.

- That KwaDukuza Municipality Licensing Authority cease to charge all business license applicants the tariffs of charges until the 31 December 2022.
- That KwaDukuza Municipality Licensing Authority grants all valid business license an extension of validity until 31 December 2022.
- That all the applications that will be granted during this financial year will all expiry by the 31 December 2022.

During the same financial year, the municipality has been able to conduct a number of inspections and issued the following licenses. The following was achieved during the 2021/2022 financial year.
(a) Number of new business licences issued – 76
(b) Number of businesses licensed renewed – 35
(c) Number of businesses inspected – 184

INFORMAL TRADING ECONOMY

The main objective of this programme is to promote informal trading businesses within KwaDukuza. The implementation of this function involves ensuring that all informal traders comply with the relevant by- laws, provision of working materials, capacity building initiatives, conducive working space and issuing of trading permits. The informal traders during this financial year were hard hit by both July 2021 public unrest and also 2022 floods.

KEY INITIATIVES IMPLEMENTED IN 2021/22

- A total number of 371 permits issued to informal traders during 2021/22.
- The municipality facilitated various interventions to support informal traders affected by Covid 19 and public unrest.
- A joint session was held with the provincial EDTEA to assist informal traders to apply for SEFA Informal Trading scheme administered by NEDBANK. Three hundred and four (304) applications were submitted to NEDBANK for our informal traders to access R3500 once off grant. Unfortunately, the KwaDukuza based informal traders did not receive this grant which led to public protest by informal traders. The municipal leadership intervened and approved various resolutions to address the demands of the informal traders.
- Forty-five (45) informal traders who their trading stalls were removed and damaged during the public riots and those who lost some items, were granted a R8000 once-off grant by Independent Development Corporation (IDC) through its **intermediary Enterprise Ilembe**.

ii) Construction of KwaDukuza Musuem

The Economic Development and Planning (EDP) BU implemented its major capital project of R22, 5 million (excluding professional fees), which is known as KwaDukuza Museum. The project is joint funded by the KZN Department of Arts and Culture and KwaDukuza Municipality, with R10 million and R14 million respectively. The site was handed over to the contractor (Rapid Builders and Construction) on the 25th of June 2021. This is a ten (10) months contract. The project is aimed in creating a contemporary museum building, which will be position as an anchor of the King Shaka heritage precinct. The completed Museum building will be double-story structure with the following amenities, as mentioned in the below table.

GROUND FLOOR	FIRST FLOOR
> 4 x display areas > Reception area > Artefacts storage > Kitchen > Public Toilet > Tourism Office /information desk > Covered amphitheatre > Security gate > Stand by Generator	> Exhibition Gallery Space > Seminar Room (45 seats) > Meeting areas > Reference library > Viewing Deck > Curator office, > Storage areas > Kitchen > Toilet

This project is one of the key projects identified as part of the tourism recovery plan and flagship of KwaDukuza CBD Regeneration Plan. It envisaged that this project will stimulates tourism related activities in the Northern part and hinterland of KwaDukuza Municipality.

KEY ACHIEVEMENTS OF THIS PROJECT DURING 2021/2022:

1. The KwaDukuza Municipality was able to spend 100% of the provincial grant before 31 March 2022. This was done to ensure that the municipality does not lose the grant, or it does not find itself applying for roll-over.
2. The project has been able to break ground on time and able to offer some sub-contracting opportunities to contractors from ward 19.
3. The project at the end of the financial year, was 65% complete, with delays caused by July 2021 unrest, rainy days (approximately 37 days), flood damages, steel strike and delay in supply of other materials. Extension of time has been granted with an expectation that practical completion will be achieved before end of first quarter of 2022/2023 financial year.

Demolished KwaDukuza Museum

Artistic impression of the new KwaDukuza Museum under construction.

iii) Tourism Marketing

KwaDukuza Municipality adopted the use of events as a springboard for destination marketing tool targeting both domestic and foreign tourists. During the 2021/2022 the KwaDukuza Municipality a number of events were approved to be hosted during 2021 Festive Season. The following events were approved by council, Ballito Rage, Ballito Pro Surfing and Africa is a Jungle. The KwaDukuza Municipality hosted Ballito Pro Surfing Event immediately after cancelling of Ballito Rage due to it becoming a Covid 19 super spread event. The Ballito Pro was implemented with huge success without any incidents. This event became a redeemer and attracted positive coverage of KwaDukuza as the safe tourist destination of choice. The Ballito Pro assisted to market the area to people within and outside our borders. The event also attracted new media partners in the form of DSTV weather channel and Open view Channel. The event marketing strategy is based on digital marketing, with the use of social media, website and livestreaming. The impact of the area coverage received in digital platforms, electronic and print media, bestowed confidence to local businesses and benefited most of them during the same period. Below is the summary of the reach of the events for national and international audience before, during and after the event.

iv) The Ballito Pro

The 2021 Ballito Pro Event Media Report & Stats is as follows:

1. WORLD SURF LEAGUE MEDIA STATISTICS AND REPORT

TOP PAGE VIEWS:

WSL Website - 89k
KwaDukuza municipality Facebook page – 93k
WSL Social (Twitter, Facebook, Instagram) – 597k
WSL Video (on all channels – Live & Video) – 490K

LOCAL PRESS MENTIONS:

23 in local newspapers.

WSL WEBSITE:

No 1 Country – USA 24%
Mobile Users – 36%
Page Views – 89k
Visits – 16k
Users – 28k

SOCIAL MEDIA

TOTAL EXPOSURE

- 62 Posts
- 597 Impressions
- 55k Engagement

Twitter (14.6k followers / 4,759 Interactions / 123 068 Impressions)

Facebook (145k Fans / 5 230 Interactions / 353 560 impressions)

Instagram (93.1k Followers / 45 554 Interactions / 798 091 impressions)

VIDEO VIEWS:

490K – Video Views across U-tube, WSL Player & Social Media)

U-tube – Live Views 57 363 / Video – 17 630)
Total Views: 415 578

PRESS

Endemic and Non- endemic news outlets covered the Ballito Pro 2021: -

- 23 mentions (total press articles)
- Reach 6 MTM (Media that Matter)

2. BALLITO PRO PRESENTED BY O'NEILL WEBSITE & SOCIAL MEDIA PLATFORMS REPORT & STATS

WEBSITE ANALYTICS (THE BALLITO PRO)

- Website Visitors – Users 8 345
- Top Countries (South Africa, USA, Angola, UK, Australia, New Zealand, Spain, Germany, Ireland, France)
- Page Views – 39 667

SOCIAL MEDIA ANALYTICS (FACEBOOK/INSTAGRAM/TWITTER)

Total Reach – 627 278
Total Engagements – 33 815
New Followers – 1494

FACEBOOK ANALYTICS

(Post Reach – 45k / Total Page Likes – 24 347 / Reactions – 7.4k / Shares – 423 / Comments 329)
Total Reach – 101 912

INSTAGRAM ANALYTICS

- Instagram Overview - 70 posts / 7.8k followers / 25k engagements / 14k post video views
- Top Countries – SA 91.6% / UK 1.5 % / Australia 0.8 %
- Top SA Cities – Durban 20% / Cape Town 11% / KwaDukuza 10% / Ballito 4%

TWITTER ANALYTICS

- Twitter Overview – 65 tweets / 4k followers / 159 engagements
- Twitter Engagements – 96 likes / retweets 57 / quote tweets 4 / replies 2

3. TELEVISION MEDIA STATISTICS:

DSTV – PEOPLES WEATHER & OPENVIEW MEDIA REPORT & STATS

- Surf took center stage – December 2021 with Live Broadcast, local and international surf documentaries and regional lifestyle elements
- Peoples Weather - Channel 180 avail on all DSTV bouquets in SA (7million viewers in SA & 20 million people reached in total) Broadcast in 13 Southern African Countries
- OpenView – Channel 115 reached 6 million subscribers
- First time in People's Weather Channel history to go LIVE with an event.
- 3 days Premier – 11am to 1pm
- Total Views (Friday 17th 79 205views – Average View per 30min 19 801 / Saturday 18th Dec – 55 318 views – Average View per 30min 13 829 / Sunday 19th Dec (FINALS day) 220 970 views with average view per 30min 55 243)
- Marketing ROI (Publicity value) ETV Promotions 3266 Slots – R40 496 763,00 / Dec Peoples Weather 283 slots – R2 162 116,00 / Jan Peoples Weather – 100 slots – R589 994,00
- Competitions – People reached - 4219
- SA Cities turning In – Western Cape 40,0 % / Gauteng 27.3 % / KZN 16,4 % / Eastern Cape 9.1 % / Free State 3.6%
- Age Demographics - 18 – 24 (53.9%) 25 – 34 (16.7 %) 35 – 44 (12.9%) 45 – 54 (12.6%) 55 – 64 (4.1%) 65+ (3.5%)
- Gender: Female (35.8) Male (63.2%)

BALLITO TV – LOCAL COMMUNITY ON-LINE

- Views 21 401
- Reach 34 112
- Engagements 4517
- Views made up 38% of total viewership in the month of December 2021, which equated to an increase of 50% on viewership and 60% engagement for the Month of December 2021 for Ballito TV online Community TV Station.

4. THE BALLITO PRO EVENT MAGAZINE

10 000 copies (hard copy) – Online copies as per media Website Stats)

The above statistics clearly indicates the impact of Ballito Pro event in marketing KwaDukuza as the tourism destination and also the segment of markets it reaches.

v) High Economic Impact Project (Hesto Harness Extension Project)

KwaDukuza Municipality in partnership with state-owned company (Transnet) and investor (HESTO Harness) successful facilitated the delivery of the completed factory in time. Both KwaDukuza Municipality and Transnet availed their land adjacent to the old HESTO factory, for the new project. The investor invested R1, 2billion in this project directly linked to the Ford Investment at Silverton SEZ (City of Tshwane), which forms part of the Presidential Investment Initiative. The completed factory obtained its occupation certificate during the third quarter of 2021/2022 financial year. Parallel to this process HESTO embarked on the recruitment process between July 2021 and October 2021, whereby more than 20 000 applications were received for the entry position of the new plant. The new plant is expected to create additional 3000 jobs. The selection process and training resumed in the month of November 2021 and accelerated in the last two quarters of the financial year. A number of unemployed youths has been interviewed and appointed. As per the agreement between KwaDukuza Municipality and HESTO, the job opportunities will accommodate residents from our district and distributed as follows:

MUNICIPALITY	PERCENTAGE ALLOCATED FOR RECRUITEES
KwaDukuza	60%
Mandeni	20%
Ndwedwe	10%
Maphumulo	10%

During the second quarter, KwaDukuza Municipality granted an early commencement for the building of the new plant of UNITRADE (PTY) LTD which is the supplier and subsidiary of the HESTO Harness (PTY_ LTD. This plant is being built in the land that council made available to HESTO Harness. As part of HESTO – KwaDukuza Municipality an advert requesting local contractors to enlist with the main contractor database for sub-contracting was issued and closed on the 15th of June 2022. This approach has been used successful to facilitate local small businesses inclusion in various private sector driven projects in our area. HESTO will remain a major private sector employer in KwaDukuza area.

CHALLENGES

- Local economy in particular small businesses and informal traders still struggling to overcome the impact of various economic shocks (Covid 19, 2021 July Unrest and Floods).
- The gradual removal of Covid 19 restrictions on travelling has impacted negatively on the recovery of the local economy.
- Poor turnaround by government agencies in processing application for relief has led to informal traders marching to council demanding answers.
- The impact of floods on the key road networks (N2, R102 and various local/district roads) has impacted negatively to the logistics and the economy of this district.
- The resignation of two key personnel with the LED Unit (Manager: LED and LED officer) during this financial year impacted negatively in the performance of the business unit.
- The electricity and water outages in some parts of KwaDukuza continues to threaten the existence of some small businesses.
- The on-going load shedding has not done any favour to KwaDukuza economic recovery.
- Failure to manage bad publicity of the area due to Ballito Rage Festival in the last two festive seasons (2020 and 2021), costed hospitality industry badly.

POSSIBLE SOLUTIONS

- The KwaDukuza Tourism section will participate in a number of Tourism Trade shows to market the destination as safe and affordable destination.
- Digital Marketing investment in the next financial will further ensure that we build on the success of e-marketing by Ballito Pro event.
- The municipality will be beefing up the LED unit and filling all vacant positions during the next financial year.
- The LED unit will ensure that as part of the Disaster Recovery and restoration of infrastructure, municipality priorities roads networks that support movement of goods and people in our area.

I) YOUTH AND SPORTS DEVELOPMENT UNIT

Two-thirds of KwaDukuza Municipality population is youth. Therefore, it is assumed that most of the services and development projects implemented by the municipality are responsive to young population. And this is to expose the youth to various career paths and opportunities in order to broaden their futures .During this financial year the municipality facilitated a number of youth development initiatives and programmes as part of addressing challenges facing young people within KwaDukuza.

YOUTH DEVELOPMENT BUSINESS UNIT INITIATED PROGRAMS:

1. YOUTH DEVELOPMENT

1.1 SPONSORSHIP PROCEDURE

The KwaDukuza Youth and Sports Development Unit annually establish sponsorship procedure tool that seeks to promote a better way of using minimum resources to make a maximum impact.

This tool seeks to firmly establish a standardized manner of the disbursement of resources/funds/support to all prospective beneficiaries and develop requisite qualifying criteria that are robustly linked to the municipality's stated mandated areas.

The main objective of the guideline procedure in the unit is to support the implementation of youth and sport development policy framework by providing necessary support/resources to beneficiaries that would enhance their developmental initiatives through youth mass participation initiatives and development programme. The guideline procedure would thus serve as a barometer through which a pool of deserving applicants will be assessed and accordingly considered.

Youth development as an important programme, not only promotes healthy and active lifestyles, but also nation building and social cohesion, hence there is a need to have a well-coordinated approach through which we would be able to address the varied support requests from different role-players in youth and sport development within the municipality. This tool will also serve as guiding document of operations of the unit in terms of delivery of sports development and youth development programmes. The sponsorship procedure is informed by various approved 2022/2023 budget vote under youth development Business unit.

The action plan will also ensure that the Directorate spends within the approved budget and also programmes are well planned. The Department constantly engages various sector departments and other social partners to provide additional resources for various actions that will be implemented by the Departments. This plan will be communicated to youth forums structures and also other strategic partners. The sponsorship procedure comes to effect from **01 July 2021** to **30 June 2022**.

1.2 KWADUKUZA CREATIVE WALL ART COMPETITION

KwaDukuza Municipality staged a creative wall art competition from **1 August 2021 - 23rd September 2021**. This competition is a stance to affirm that council acknowledges the creative minds of many KwaDukuza youth, and that this competition provides a platform for promoting emerging artists and their work, to the art loving public at large. This Competition is anticipated to be 'beyond' just being another art competition but rather encourage entrants to submit works that are imaginative, transgressive, inspiring, boundless and 'beyond'. The winner's artwork was to be displayed/painted in KwaDukuza Municipality building (youth office) and should remain a legacy.

Creative Criteria in general is known to be:

a) Is a natural behaviour - Just like language is a natural behaviour of expressing oneself, so is art. When children are young, they draw to express themselves. They try to draw something creative that reflects their thought process.
b) Media for communication - There are different types of language. You might not understand a particular language. But art is a universal form of communication. Everyone can understand it. With art, you can share your ideas and thoughts with other people.
c) It talks about culture and society - When you look at the paintings made in caves and rocks by the ancient people, it gives us an idea about their culture. So, art is a form of preserving culture. It reflects a society's beliefs, cultural values, etc.
d) Attracts tourism - People visit many places because of art, like the Louvre in Paris or Granville Island in Vancouver. Art doesn't only mean expensive things; these are architecture and sculpture as well.

1.3 YOUNG WOMEN DIALOGUE 2021

It is worth acknowledging that according to the historical background of SA women have been the most disadvantaged sector in our society. History tells us that women played a major role in the liberation struggle of our country. While our constitution put it categorically, clear that women should have equal opportunities like, but when it comes to implementation not much has been done in empowering our women so that they seize opportunities that are available for them. The aim of this dialogue is to bring young women under one roof, invite people who will provide them with different knowledge concerning how they can empower themselves economically and educationally. The dialogue also gives those young women a platform to discuss and give each other tips on issues that affect particularly young women.

Since the year 2021 was declared by the national government as the "Year of Charlotte Maxeke" it was befitting for to host a women dialogue on the 28th of August 2021 as the woman's month programme, to receive a lecture on her life and times and how she contributed to the struggle for the liberation of our country. After a lecture than delegates to the dialogue will be given a chance to engage on her contributions to the struggle, also discuss issues pertaining to women empowerment economically, educationally and politically. The dialogue was held in Ward 12, targeting Groutville cluster such as ward 12, ward 11, ward 29, ward 09 and ward 10. Under strict Covid-19 regulations that allowed for at least a maximum of 50 people to gather indoors. The dialogue had two speakers; the first speaker, speaking on issues of women empowerment and the role that young woman should be playing in the current epoch, economically and politically. The second speaker delivering a lecture on Mam Charlotte Maxeke's life and times.

1.4 KWADUKUZA BUSINESS MANAGEMENT TRAINING

The Entrepreneurship Development Programme (EDP) is designed to create entrepreneurship awareness and provide business skills training to aspiring and existing young entrepreneurs in order to develop their Personal Entrepreneurial Competences. It is furthermore the ultimate goal of the programme to enable these young aspiring and existing entrepreneurs to establish or expand their enterprises that will lead to job creation and increased incomes for sustainable livelihoods.

The NYDA- ILembe District Office facilitated the Business Management Training on the **6th to the 10th of September 2021** that was based on Entrepreneurship Profile, Research, Legal Aspects, Marketing Strategy, Management Functions, Costing and Pricing, Finance Management, Business Administration, Business Plan, Determine the Financial requirements of the new Venture, Manage Finances of the new Venture and a Business Plan for the new Venture. As a follow-up to the training there was a Business Sales Pitch and BBBEE session on the 16th of September 2021 then on the 17th of September 2021 there was a Participants Pitch where entrepreneurs presenting their POE's in a form of a Business Plan.

NYDA through these sessions has made grants approvals for seven entrepreneurs as follows:

NO	NAME	WARD NO	COMPANY NAME	GRANT AMOUNT
1.	Ndabenhle Mzoneli	10	MN Cubicle Empire Projects	R49,999.99
2.	Zamokuhle Mbonambi	15	032 Hair Castle (Pty) Ltd	R40,553.00
3.	Ntuthuko Gumede	12	Brazos Brands (Pty) Ltd.	R45,316.66
4.	Thabile P. Dlamini	10	K20200825112	R50,000.00
5.	Ntuthuko Mlambo	5	Khulamanqoba (Pty) Ltd.	R50,000.00
6.	Siphiwe Goge	22	African Tree Fellas (Pty) Ltd.	R50,000.00
7.	Nombulelo Zondo	18	Onzwakele (Pty) Ltd.	R49,450.00
				Total granted R335,319.65

1.5 HERITAGE MONTH PROGRAMME

September is pronounced as Heritage month in our country, the time of the year when South Africans are encouraged to reflect on their cultures, beliefs and diversity of beliefs. Many of the elements that make South Africa unique are celebrated during the month of September. Music celebrations, traditional festivals and traditional cuisines are just few options worth considering when celebrating Heritage month.

Heritage month recognises aspects of South African Culture which are both tangible and intangible. Creative expressions such as music and performances, our historical heritance, language, the food we eat as well as popular memory. The question of Heritage and Culture are not as straightforward as they might first appear. We first need to acknowledge that in South Africa there is not one heritage, or an easily desalinated set of distinct identities. The heritages of South Africa are multiple, diverse and dynamic hence there is a need to try to cover as many heritage groups as we possibly can when organising it. With Covid-19 regulations allowing a maximum participation of 50 people to gather indoors, the youth development BU hosted the Annual Heritage Month Event under strict Covid-19 regulations.

Due to Covid-19 regulations;, the 2021 Heritage Month program was held in separate sessions, Maskandi and Indlamu competition held as separate event, Indian Cultural Dance be held separately and also Imfene and iIsigekle held in a separate event. Maskandi Music and Indlamu competition was held at Ward 25 Vulingqondo Hall on the 25th of September 2021 whilst the two sessions were suspended due to challenges experience in coordination with the identified wards. Hosting of Heritage events seeks to : -

> To ensure that heritage opens opportunities, provide platforms for performers, advance inclusive cultural diversity, contribute towards social-cohesion, nation building and reconciliation.

1.6 ICT PROJECT – TRAINING COURSE

This is a Vuthela LED programme which is planned to be implement together with partners such as Moses Kotane Institute (in Mandeni Local Municipality (MLM)) and Enterprise iLembe (in KwaDukuza Municipality). This is a one-year ICT programme through the service provider, IT Varsity to train 60 local youth who meet the required entrance requirements which have been selected for the programme.

Through this project, the IT Varsity will deliver its "Apptrepreneur" course; an accredited qualification: National certificate in Systems Development, SAQA ID: 48872, 133 credits. The course is designed to provide students with technical app development skills as well as entrepreneurship skills.

This is a Social partners funded programme and KDM responsible for coordination and recruitment. Induction session was held on the **1st of October 2022** at KwaDukuza Town hall.

1.7 MISS KWADUKUZA OUTREACH PROGRAMME

Miss KwaDukuza plan of action for the year 2021 was centred around the following objectives:

> Aimed at discussing the challenges face by youth in schools in terms of academics to find the solution of how to overcome those academic challenges.

> To invite individuals who have been through high school and tertiary to share their journey and share their recipe for success because this program will assist learners with reflecting the reasons or goals that underline their involvement in academic activities.

Programmes:

> Matric assistance with tertiary applications.

> Matric final exams support (study aids).

On the **07th of October 2021** Miss Kwadukuza visited two KwaDukuza secondary schools as part of her outreach programme namely Inkosi Chief Albert Luthuli Secondary school and Stanger South secondary school. The said schools benefited with study materials (scientific calculators, past exams question papers).

1.8 KWADUKUZA CAREER GUIDANCE PROGRAMME

KwaDukuza Youth Development office annually conducts career guidance sessions to all KwaDukuza high/secondary schools. The aim of the career guidance sessions was to equip the grade 12 learners with the relevant information that will prepare them to further their studies post matric. We were also joined by the Department of Education at Guzana Secondary and they did a presentation focusing on the subject area for senior phase. The career guidance sessions covered the following:

1. Study options
2. Career Choices,
3. Entry point system requirements
4. The application process to tertiary institutions,
5. Bursaries, KDM Financial Assistance and NSFAS application process,
6. Health and wellbeing

List of schools visited:

NO	DATE	SCHOOL NAME	WARD NO	LEARNERS SEEN
1	03/05/2022	Lethithemba Secondary	27	10
2	04/05/2022	Qoqulwazi Secondary	21	74
3	05/05/2022	Stanger South Secondary	19	Not conducted
4	06/05/2022	Banguni Secondary	25	64
5	09/05/2022	Stanger High	19	60
6	10/05/2022	Mbekamuzi Combined	12	Not conducted
7	11/05/2022	Tshelenkosi Secondary	18	121
8	03/05/2022	Stanger Manor Secondary	17	25
9	04/05/2022	Darnall Secondary	02	Not conducted
10	05/05/2022	Imbuyiselo Secondary	01	Not conducted
11	06/05/2022	Shekembula Secondary	25	43
12	09/05/2022	Guzana Secondary	23	40
13	10/05/2022	Nonhlevu Secondary	29	Not conducted
14	06/05/2022	Inkosi Albert Luthuli Sec	24	22
15	05/05/2022	Groutville High	29	460
16	06/05/2022	Glenhills Secondary	13	29
17	09/05/2022	North Coast AgricCollege	28	Not conducted
18	10/05/2022	Stanger Secondary	16	Not conducted
19	11/05/2022	Stanger M.L Sultan	16	Not conducted

1.9 2022 FINANCIAL ASSISTANCE PROGRAMME

Council resolved to assist and award 90 needy and deserving students who intend to further their studies in any of the reputable and recognized tertiary institution within the Republic of South Africa. Council offered registration and admission related costs. An official beneficiary handover ceremony was hosted at Ilembe auditorium hall to award all the 2022 selected candidates. Council hosted the official handover function to award the 69 eligible and deserving learners. 21 Candidates were assisted through cases reported at the office of the Mayor.

1.10 BACK TO SCHOOL PROGRAMME (DRESS A CHILD CAMPAIGN)

Dress a child campaign is an annual programme that was adopted by the then KwaDukuza Local Youth Affairs sub-committee in 2013. The aim of the programme is to address the issue of inequality among the school children and assist those children whose parents are not affording to buy the school uniform.

The year 2022 marks the decade since the dress a child programme started, we request that Council endorses 16 primary schools to benefit for the 2022 dress a child campaign which will accommodate 20 learners per primary school which will see 508 primary school and high school learners supported through this initiative. The learners benefited with full school uniform. Further provisions of 50 school uniform through vouchers were made available to cater for needy high school learners in KwaDukuza.

Council approved support towards 508 needy learners from various KwaDukuza wards and schools within KwaDukuza jurisdiction.

The programme was coordinated between FEBRUARY 2022- MAY 2022

NO	NAME	SUBMITTED BY WARD	NO OF LEARNERS TO BENEFIT
1	Lloyd Primary school	14	20
2	Mbozamo Primary school	18	10
3	Mavivane Primary school	18	10
4	Thembeni Primary school	11	20
5	Nonoti Primary school	1	10
6	Mgqwabagqwaba Primary school	1	10
7	Dinuphozo Primary school	8	20
8	Shakaskraal SA Primary school	28	10
9	Dinuphozo Primary school	28	10
10	Iziphozethu Primary school	5	20
11	Glenhills Primary school	16	10
12	Mbekamuzi Combined school	12	10
13	Aldinville Primary school	10	10
14	Dr B.W Vilakazi Primary school	10	10
15	Lee Primary school	2	10
16	Tinley Manor Primary school	7	20
17	Kearsney Primary school	16	10
18	Mgigimbe Primary school	09	10
19	Zilungisele school	09	10
20	Khuthalani Primary school	03	20
21	RA Padayachee school	04	10
22	Kernesy Primary school	13	10
23	Gledhow primary school	15	10
24	Nkukhwini primary school	15	10
27	Ashville school	27	10
28	Prospect Farm Primary school	27	10

ADDITIONAL SCHOOLS SUPPORTED			
NO	NAME	SUBMITTED BY WARD	NO OF LEARNERS TO BENEFIT
1.	Darnall Secondary School	02	10
2.	Mbekamuzi Combined School	12	10
3.	Glenhills Primary and High school	13	10
4.	Dawnview	19	4
5.	Stanger Height Primary	19	2
6.	Stanger Primary	19	1
7.	Stanger Secondary	19	3
8.	Tshelenkosi	19	2
9.	Glenhills Secondary	19	4
10.	Glenhills Primary	19	4
11.	RA Padayachee	20	8
12.	Maguyana primary	21	5
13.	Etete Primary School	21	5
14.	Qoqulwazi Secondary	21	10
15.	Sizani Combined Primary School	22	10
16.	Guzana Secondary	23	20
17.	Melville, Thembeni, Aldenville and Groutville High	24	10
18.	Nkukhinini & Inkosi Albert Secondary	24	10
19.	Nyakane	25	8
20.	Tshelabantu (8) and Ramkalan (4)	25	12
21.	Glenhills primary, Glenhills Secondary, Thembeni Secondary, Lloyd Primary, L Bodasingh school, Chief Albert School	26	10
22.	Nonhlevu Secondary, Chief Albert School, Groutville High, Nkukwini, Glenhills Primary, Lloyd Primary	26	10
23.	Groutville	29	10
24.	Nonhlevu Secondary school	29	10

KwaDukuza Back to school programme.

1.11 KWADUKUZA YOUTH MONTH CELEBRATION PROGRAMME

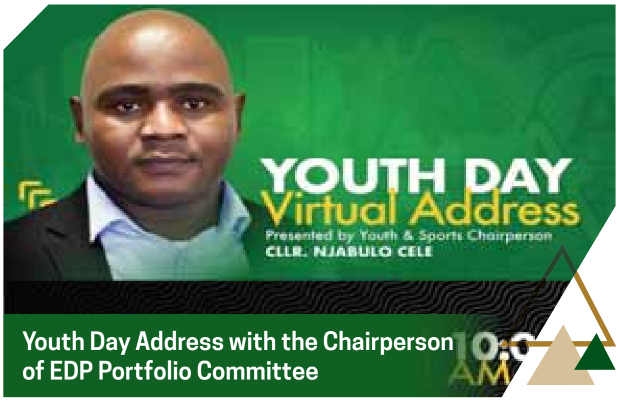
June is celebrated as Youth Month in South Africa, with a specific focus on 16 June, which is also known as Youth Day. Youth Month pays tribute to the school pupils who lost their lives during the 16 June 1976 uprising in Soweto.

On 16 June 1976, more than 15 000 students gathered at Orlando West Secondary School with the intention of participating in a peaceful march to the nearby Orlando Stadium. The demonstration had been planned in protest against the use of Afrikaans as the medium of instruction at schools. This year marks the 45th anniversary of the 16 June 1976 student uprising in Soweto when young people protested against imposition of Afrikaans by the apartheid regime as a medium of instruction. The uprising ended tragically with hundreds of young people being brutally killed. Following the advent of democracy in 1994, the new democratic government declared 16 June as National Youth Day and June as the Youth Month. The declaration honours of the contribution of the youth in the struggle for the liberation of South Africa. This year National Youth Day and Youth Month will be celebrated under the theme: ***Promoting sustainable livelihood and resilience of young people for better tomorrow***.

For Kwadukuza Council in Celebrating Youth Month in the Year of Charlotte Maxeke, Reminding Youth of their Role to Society, it is therefore fitting to host an annual youth month celebration events/festivities targeting various sectors events and activations will be coordinated in partnership with stakeholders KwaDukuza creative arts formations, youth forums/council. A number of scheduled or calendar of activities consisted of programmes proposed to council and endorsed by ESY portfolio committee.

2021/2022 implemented programmes:

DATES	PROGRAMME	TARGETS & VENUE
11 June 2022	Netball development – King Shaka Netball club	Provision of Support to King Shaka netball club towards the Provincial Super league. – KwaMsani sports complex
15 June 2022	Rugby development -Kwadukuza Hotspot rugby development	Partnership with KZN Rugby Union is coordinating schools' rugby development programme (learn to play) targeting all KwaDukuza schools – Stanger high school grounds
16 June 2022	Youth day message	Commemoration of the Youth day , a Virtual address by the ESY Portfolio chairperson
16 June 2022	Inaugural Mayoral Cup Main event 2022	Final games for Football streams, Netball, Basketball, Volleyball, Cricket and Chess games – Stanger high school grounds
16 June 2022	Support towards Ward based youth day celebration games	Kwadukuza municipality providing support to all wards in staging youth day celebration games- all wards
14 June 2022	Kwadukuza Business seminar and Youth in Business launch	Kwadukuza Youth actively in business in all sectors. Structure to be launch in accordance with the council approved terms of reference
23 June 2022	Kwadukuza Environmental day – open street event	The event is in commemoration of World Environment Day this year in June. the day is to create car-free streets across KwaDukuza. Closed from motorized traffic, streets become a platform for community building, recreation and active mobility – KwaDukuza main streets
26 June 2022	Kwadukuza youth month celebration Talent show	A set platform for youth in creative art space to showcase their talents and be rewarded. The programme will consist of various popular genres within the performing art space but not limited to Music genres, comedy, poet and drama – Kwadukuza Town hall




Talent Show


Talent Show - KKK


Chess Tournament

2. SPORTS DEVELOPMENT

2.1 INDIGENOUS GAMES ACTIVATIONS

The purpose of these activations is to make sure that our youth and other community members do not forget about the sporting activities that their ancestors traditionally played and to further instill pride for these games. This is a sustainable program that will help to enhance our recreational involvement and promote our heritage as a province and country at large. The Department of Sports and Recreation ILembe District has produce ILembe District IG's plan with the aim of re-introducing Indigenous Games to our communities and schools. The plan of action to address these challenges is to relook at local Municipalities, by doing so it will help increase the number of participants attending local and district selections programmes of 2022.

To improve the programme this year, consultative meetings with Department of Sports and Recreation held on the 11 March 2022 to revised implementation a plan of action. a train the trainer workshop was proposed to be used to elect a new KwaDukuza and District Indigenous Games council. Each ward bringing 2 representatives to be train for different codes of Indigenous games. The following are the Indigenous games codes are current part of the revival and development of the programme:

a) Dibeke Mixed team
b) Drie stokkies Mixed team
c) Ingqathu Mixed team
d) Jukskei Mixed team
e) Amagenda Mixed team
f) Induku Mixed team
g) Incuva Mixed team
h) Umlabalaba Mixed team
i) Khokho Male team and Female team

The programme kickstarted on the 30th of April 2022 at Stanger high school grounds, the following cluster of wards visited:

- Lindelani sports grounds
- Groutville ,Market grounds
- Darnall sports ground
- Madundube sports ground
- Ethembeni sports field
- Nkobongo sports grounds

2.2 KWADUKUZA AEROBICS MARATHON

The council approved support toward hosting Aerobics marathon that took place on the 07th of August 2021 at Groutville High School Ward No.29. Kwadukuza Municipality Sports development office as a local authority is in direct contact with the sites of delivery of sport and recreation within KwaDukuza jurisdiction. The primary functions of the office are to:

> Develop a policy framework for the governance of sport at local level that is in concert with the national and provincial sport and recreation policy.
> Make sport and recreation accessible to all people in the local area.
> Create the infrastructure required for the delivery of sport and recreation given that the club is the basic unit of sport and recreation, the local authorities are an important link in the value chain.
> Ensure the existence of programmes that develop the human resource potential in sport and recreation.
> Effect agreements in concert with provincial DSRs, as reached by the national DSR, for sharing skills transfer and the development of sport and recreation.

Event Highlights

The event was a great success and was enjoyed by all who were in attendance.

The event saw attendance by aerobics instructors and participants from Durban, Richard's bay, Eshowe, Ntshawini, Johannesburg and KwaDukuza.

The programme included the following items namely, Hilo, Box, Functional training, Step and Box-step.

The provision and sponsorship made by the KwaDukuza Municipality tremendously aided in the success of the event.

2.3 GOLDEN GAMES/ SENIOR CITIZENS PROGRAMME

Golden Games are part of Active Ageing Programme which seeks to promote active participation among older persons through sports. The programme is National flagship programme for senior citizens and are organized jointly by the Departments of Social Development and Sports, Arts and Culture in collaboration with nine Provincial Governments and Municipalities. The programme form part of government's effort to encourage active and healthy lifestyles among the elderly as well as give them a platform to socialize and discuss challenges they face.

The golden games programme also seeks to amongst its objectives; promote intergenerational solidarity between the youth, adults and older persons through social integration. The Golden games programme are coordinated at a local level, District, Provincial and National level.

For KwaDukuza Municipality the programme is coordinated by Gender and Sports development office under the Youth Sports and Gender Portfolio committee.

Golden Games Sport activities /codes

a) Duck Walk (Females and Males)
b) Dress – up (females and/or males)
c) Passing the ball (females and/ or males
d) 100m Run (female and male)
e) 200m Run (female and male)
f) 400m Run (female and male)
g) 500m Brisk Walk (female and male)
h) 800m Run (female and male)
i) 400m Relay (female and male)
j) Rugby ball Throw (female and male)
k) Jukskei (females and males)
l) Ring the stick (females and/or males)
m) Ball Pass and Kick (females or/ males)
n) Ball Relay (females and/ or males)
o) Goal Shooting (female and/or male)
p) Pegging Washing Pegs (only wheelchair bound) (female and/or male)
q) Soccer (males only)
r) Soccer (females only)

2.4 INKOSI CHIEF ALBERT LUTHULI TOURNAMENT

The annual Chief Albert Luthuli tournament is a partnership programme between the Luthuli Museum, Department of Sport & Recreation, KwaDukuza Municipality and Ilembe District municipality

The programme is held annual to commemorate the life and achievement of Inkosi Chief Albert Mvumi Luthuli as the recipient of the Nobel Peace prize awarded for his work , sacrifices and dedication to the liberation struggle and the fight for human rights.

Why Chief Albert Luthuli Sports Tournament ?

Chief albert Luthuli was himself amongst other leaders was a sports fanatic, particularly soccer. He became part of the structures for regulating soccer in our country and wanted to ensure that everyone who live in this country is given an equal opportunity to partake in soccer. Chief Luthuli was the first secretary of the South African Football Association. He confesses in his autobiography that he became "a compulsive football fan" and mentions that he was "carried away helplessly by the excitement of a soccer match". This love for soccer led to his becoming supervisor and secretary of the Adams College Shooting Stars Football Club in the 1920s.

In 1929 he was elected vice-president of the Durban and District African Football Association (DDAFA). He withdrew from soccer administration after he was elected as Chief of Groutville in 1936. However, in 1946 he participated with Rev. Bernard Sigamoney (an Anglican pastor from Johannesburg) in establishing the Natal Inter-Race Soccer Board, which organised competitions between African, Indian and Coloured teams in Natal.

Historically, the game of soccer has an interesting and socially recognizable background, with the documentation from a mission-school pastime for the amakholwa to a popular form of urban African 'free time' within a racially segregationist environment. The game provided an opportunity to escape from the negativities of the environment and to build camaraderie. More than this, however, it provided opportunities to challenge the racist environment and served as a symbol of resistance, particularly in situation such as prevailed on Robben Island.

It has been commented that soccer provided a "remarkable ability to penetrate among the poorest, most exploited group in the society." Soccer provided and gave meaning to people's lives and gave a sense of achievement and social upliftment.

The 2022 Chief Albert Luthuli Tournament

The event was launched on the 08th of December 2021 at Luthuli museum gallery. The event was graced by all principals of the partnered stakeholders i.e., Luthuli museum was represented by Mr Brian Xaba, the Director of the entity , Mr Mkhize as the chairperson of the board, DSR represented by Ms P Majola as the District head, Hon Deputy Mayor Cllr J van Wye from iLembe district municipality, the Mayor of Kwadukuza municipality Hon Cllr L Nhaca and the Chairperson of the EDP, Special programme and Youth Affairs Cllr S Cele. SAFA Kwadukuza conducted the live fixture of all the participating teams and was distributed accordingly.

The event was effectively hosted on the **16th of December 2021** at Stanger high school as per plenary measures.

2.5 RUGBY DEVELOPMENT PROGRAMME

Rugby is one of the inactive sports codes within Kwadukuza and Ilembe district this is due to lack of capacity building conducted to keen coordinators that reside within the jurisdiction. For a number of years Rugby is amongst the code that have been withdrawn from participating in the Provincial SALGA Games due to lack of capacity and players activeness. Through a series of engagement with Rugby union in an attempt to develop and revive Rugby development in Kwadukuza, many attempts have not materialised due to demarcation challenges and resources to have Rugby interventions be decentralised to local areas than Districts.

The sports development unit have once again engaged with KZN Rugby Union to revive school sport activities within the area on Rugby development programmes. Engagement have yield positive results now that a planned programme targeting Kwadukuza municipality jurisdiction has been activated and that will be rolled out in partnership with KwaDukuza municipality and targeted schools.

Following the collapse partnership between KDM and Mr Price , Forming partnership KZN Rugby Union as the mother body of Cell C Sharks development academy pose good opportunity for Kwadukuza primary and secondary Schools rugby players. The programme will set to expose Kwadukuza talented athletes to Sharks academy development programmes which could lead to deserving athletes being selected as part of the Talent ID programmes.

Having such a programme with KZNRU will assist the Municipality in realising the need to revive and strengthen Kwadukuza school Sport programmes as an all-inclusive, widest, broadest possible process that will eventually ensure that :

(i) The development and promotion of Sport and Recreation in Kwadukuza and the District is maintained
(ii) Resources are provided that will see the municipality realising the impact of staging programmes that will seek to promote cohesion as a key and strategic element in child development.
(iii) Improve the general lives of all children (Boys & Girls) involved in the program through the beautiful game of football.
(iv) Provides an opportunity for children from 10 under-privileged primary schools and 2 community fields to be trained by accredited football coaches.
(v) opportunity provides positive engagement for these youngsters during school, after school and during school holidays…. thus, preventing them from getting involved in negative social activities such as drugs, alcohol and crime.

The Pilot KwaDukuza Rugby Activation Programme

Process of Identification of Schools

- KZNRU introduced the programme to all schools within the KDM jurisdiction and were invited to partake in the activation programme
- The programme targets primary and secondary schools within KwaDukuza jurisdiction
- Due to tense programme layout and the available Union instructors , Schools were to be featured on cluster bases not more than seven(7) schools per session.
- The below listed schools are the yet responsive and committed schools in the programme.
- Schools to feature on the next term/ activations to be confirmed after revisit by the Union and KDM Sports development office and entities to enter in a formal MOU for the duration of the programme

The first seven(7) listed schools are to be part of the first activation

1. Stanger Primary
2. North Coast Primary
3. Melville Primary
4. Dr BW Vilakazi Primary
5. Stanger Manor S School
6. Groutville High School
7. Mbekamuzi High School

Programme Features

All schools identified have a coach that the KZNRU assigned to coach and coaches are from KwaDukuza area. Schools sign an MOU giving their concern and acknowledge participation. Training sessions are visited from time to time for monitoring. All fixtures are played as festival format to allow kids to be capacitated as well. Upskilling of coaches are provided with the help of the KZNRU, and other stakeholders involved.

Programme Focus on the following age group: -

- Under 9
- Under 12
- Under 14,
- And Under 16 both boy and girls,
- senior players targeted as and when confirmed by participating schools

Schools are required to assign a dedicated educator to manage the programme and as a school point of contact.

2.6 EQUIPMENT SUPPORT TO KWADUKUZA SPORTS ASSOCIATIONS/FEDERATIONS

Kwadukuza Municipality Sports development office as a local authority, is in direct contact with the sites of delivery of sport and recreation within KwaDukuza jurisdiction. The primary functions of the office are to:

(i) Develop a policy framework for the governance of sport at local level that is in concert with the national and provincial sport and recreation policy.
(ii) Make sport and recreation accessible to all people in the local area.

(iii) Create the infrastructure required for the delivery of sport and recreation given that the club is the basic unit of sport and recreation, the local authorities are an important link in the value chain.
(iv) Ensure the existence of programmes that develop the human resource potential in sport and recreation.
(v) Effect agreements in concert with provincial DSRs, as reached by the national DSR, for the purpose of sharing skills transfer and the development of sport and recreation.

And as a Local sphere of government, Kwadukuza Municipality, particular the sports development offices are charged with the following roles in attempt to promote and develop sports and recreation activities within grass route level.

> Policy development at local level.
> Implementation and monitoring of sport and recreation policies.
> Funding of its principal agencies i.e. clubs and individuals.
> Building, upgrading, maintenance and management of infrastructure for sport and recreation in municipalities, metros and districts.

During this financial year 2021/22, the KwaDukuza sports development has vowed to support progressive and complying local sports associations with development/ training needs towards the everyday running of their sports development programmes. This was an attempt to at least support 05 codes this financial year and the remaining be supported along the upcoming financial years guided by available resources. All 16 KwaDukuza sports codes/federations were given an opportunity to apply for assistance in their respective capacities to identify much needed yet critical items that will enable them to operate in the respective fields. A deadline was set, and the following sports codes managed to make submissions and support was prioritized.

Supported KwaDukuza Sports codes/federations.

Football (Request submitted on time)
Chess (submitted on time)
Basketball (submitted on time)
Cricket (submitted on time)
Football (submitted on time)
Netball (submitted on time)

The above listed sports codes have over years have been most improved sports associations /federation within KwaDukuza and the district, the said structures for a number of years have been consistent in terms of performance both in the district and provincial championship Championships such as SALGA Games. These federations form part of the list of structured sports association/bodies within KwaDukuza, that annually has a comprehensive annual calendar and participate in all levels of sports categories from local, district, provincials and National championships.

Support Offered to Associations

Code of Sport

Basketball -10 Agility hurdles -2 sets Movable hoop -20 Molten Balls (S6&7)-06 Whistles & 06 Stop watches200 Training cones- Elbow pads- 3 sets Training bibs and 6 Kneecaps

Cricket 3 x Bats -3 Pairs batting gloves -3 x Helmets -1 Pair Wicket keepers' gloves-50 x Boundary Markers (Heavy Cones) -6 x Practice Balls 156 grams-First Aid Kit-1 Pair keepers' gloves-3 Pairs pads

Chess clocks 2010(10)

Dance Sound systems -2 x radio sound system/ speaker- Girls Latin shoes 4-inch hill (5pairs)

Football 32 Training balls-32 sets of Training bibs-16 sets Goalkeeper gloves-320 Training cones -32 Whistles and 32 stop watches

Netball Training bibs- match balls- whistles- cones and Kit

2.7 KWADUKUZA CYCLING DEVELOPMENT PROGRAMME

As part of KZN Cycling laid-out programme parameters for 2021/2022 time period, KZN Cycling is undertaking various targeted capacity building courses that is intended to feed into the other important imperatives, that being job creation opportunities. iLembe district, KwaDukuza municipality in particular is the amongst the targeted districts to benefit on this programme.

KwaDukuza Cycling Development Status

(i) A number of young people have been trained to partake in cycling trainings

(ii) Through working with development structures, cluster launch of the programme has been conducted in ward 04, ward 07,08,23 and ward 26

(iii) Launching cycling activities in these wards have assisted greatly in realising the vision of expanding the programme to other wards/clustered wards with limited access.

To this end, KZN Cycling is in the process to implement Trail Builder Courses that will then be followed by building of the actual facility by the participants/attendees of the course and will carry out the work under the guidance and supervision of the course instructor in the identified districts. The trail build programme seen 12 people/coordinators trained on the course and the same coordinators were contracted to build the facilities together with the course instructors to gain the "on the job" experience .The track is a 400m manicured track consisting of rollers, jump and berms. The track is wide enough to accommodate 12 riders per race and has a start and end point that don't link.

The workshop was conducted on the 14th of January 2022

KZN Cycling Responsibilities

1. 2 days Training course
   - provision of meals
   - study material
   - lunch for participants

2. Facility Building
   - Facility build (5) days.
   - Transport fee for attendees.
   - Meals (lunch) for attendees.

KDM Responsibilities:

1. Identification of land/sports ground/open track/space
2. Identification of Attendees
3. Provision of equipment to carry out this program, building equipment needed for attendees to use build the required facility.
   - 6 x spade
   - 6 x metal rakes
   - 6 x plastic rakes
   - 4 x trail tools
   - 4 x picks
   - 4 x wheelbarrows and Hand roller.

Strategic Implications

Cycling development is part of the process for Talent Identification, transformation and athlete's progression to elite rowing programme.

2.8 DISABILITY GAMES PROGRAMME

The District Disability games are an annual programme hosted by the Department of Sports and Recreation in partnership with Dept of Social Development, Dept of Health and Ilembe family of municipalities. These game aim to support people living with disabilities.

Sports towards people living with disability can be viewed as a tool that can help diminish the stigma and discrimination associated with disability because it can alter the attitudes of the community about persons with disabilities by emphasizing their skills and reducing the tendency to see the disability instead of the person. Through sport, persons with disabilities acquire vital social skills, develop independence and become physically and mentally stronger. Sport teaches individuals how to communicate effectively as well as the significance of teamwork and cooperation. These skills can be transferred into other aspects of daily life including employment and advocacy work further helping to build independence.

The event took place as follows:
Date: 04 March 2022
Venue: Ndwedwe Regional grounds
Time: 09h00-17h00

The games were attended by Ndwedwe, Mandeni and KwaDukuza municipalities. Athletes that represented the KwaDukuza municipality came from the following wards:

- Ward 01 - Doringkop
- Ward 02 – Darnall
- Ward 08 – Nkobongo
- Ward 09 – Hangoes
- Ward 10 – Groutville
- Ward 11- Thembeni (Thandanani Hall)
- Ward 12 – Thembeni (Thafeni)
- Ward 14 - Ntshawini
- Ward 15 - Ntshawini
- Ward18 – Shakaville
- Ward 20 – eThethe

The following codes were part of the day's event, KwaDukuza municipality managed to win 1st place in Netball, 2nd place in Soccer and 1st in Morabaraba. A number of participants won 1st, 2nd or 3rd place in athletics events.

> Netball (Females)
> Soccer (Males)
> Athletics
> Chess
> Morabaraba

Role of KwaDukuza Municipality and Partners

> Each local municipality was required to provide the selected squad with sports attire to aid in participating in the various activities, water, powerade as well as to transport the players to the games venue.
> The Department of Sports and Recreation provided breakfast for participants, 2 marquees, tables, chairs, medals and trophies for winners, an emergency ambulance services as well as have the event insured (Insurance).
> The iLembe district Municipality office provided lunch for the VIP's and officials, a 2-pole marquee, as well as a sound system.
> The department of Social Development provided lunch for the participants.

For KwaDukuza Municipality, the programme is coordinated by the sports development unit together with special programmes offices.


Disability Participants

2.9 KWADUKUZA ROWING DEVELOPMENT

Rowing South Africa hosted the first Indoor Rowing Expo and Championships KZN, KwaDukuza in particular held in Shayamoya indoor sports complex from the 6th to the 08th of June 2018. For the province and the area, this project captured the attention of many organisers as a possible province to host major events and has accessibility to resources/infrastructure such as accommodation, playing facilities, medical services, parking bays etc.

The idea to host the championships in different provinces comes after an observation of the impact the code had received in all the provinces where it was introduced. There's still a need to do much more to create awareness about the sport in more districts and hosting this event in different provinces assist in advancing the goals of popularising the code. Thus, this will ensure sustainability of the programme and establish support base from the provincial stake holders as part of our process to implement the transformation goals and objectives set by the department of sports and recreation South Africa that we need to create accessibility to all sports codes.

Rowing transformation journey has been incredible thus far, and hence the SA National Indoor Championships was launched in 2014. The event is part of the process for Talent Identification and athlete's progression to elite rowing. The event has increased momentum in all the schools' clubs and the learners work very hard to qualify for this event.

KwaDukuza Rowing Development - Sustainability Plans

Rowing sport code has been introduced to schools across KwaDukuza jurisdiction through the hosted expo and championships. The programme now has reached club implementation phase. KwaDukuza Local Municipality as the pilot municipality is therefore requested to once again partner with Rowing SA to initiative club implementation phase in the Municipality Rowing South Africa have long realised that the development progress is never a one man's job but when we are unified with Provincial, District and Municipality sport constituencies, are able to deliver mass participation and transformation in a bigger scale while ensuring stability and sustainability.

It should be noted today KwaDukuza is now the only municipality in the entire province that has affiliated Development rowing clubs that are accredited to run the codes at club level. The said status has allowed the clubs to compete with other provinces and elites' clubs in the country under the development category and has in the past presented medals in these categories. There are two (2) clubs KwaDukuza that are now affiliates and are recognised by Rowing KZN and Rowing SA

1. Ethembeni Rowing club – 23rd February 2022
2. And Shayamoya Rowing club – 23rd February 2022

Stakeholders Involvement and Contributions

NO.	DESCRIPTION (CONTRIBUTION)	BY
1	Facilitation of Club establishment	Rowing SA & Sports and recreation SA Sport council(KZN & Ilembe District)
2	Provision of Rowing equipment Provision of rowing instructors and coaches	Rowing SA
3	Accommodation at championships	Rowing SA
4	Coordination of Participants	DSAC and DOE
5	Sponsorship towards rowing equipment and trainer's traveller costs	Ilembe district municipality
6	Provision of the hosting venues	
7	Provision of transport for participants (provincial and national camps, trials)	KwaDukuza municipality
8	Provision of light refreshments for participants	KwaDukuza municipality

2.10 KWADUKUZA GRAND MAYORAL CUP

The KwaDukuza annual Mayoral cup tournament is a partnership programme between Kwadukuza Municipality and various sport federations within KwaDukuza municipality. The department of Sports and recreation has been requested to partner with Kwadukuza municipality in hosting the programme and confirmation is yet to be finalised by the head office.

The programme has been into existence more 05 years and in for the past two years been disrupted by the pandemic and government restrictions. The year 2022 provides a fair opportunity to reinstate the programme and ensure that sport development is back on track and supported by Kwadukuza municipality.

The programme is annually hosting during the Easter period and ensures that majority codes streams partake in the programme. The programme main objective was centred around benefiting all KwaDukuza based sport clubs to help ease burden of costs associated with running clubs to owners. The said programme is also used as the Municipality relief response tom local clubs in a form of competition. In the previous years the programme only included football, however a request was made to include other sports codes that are active within KwaDukuza municipality. The following codes will be approached and added to the programme.

> Football
> Netball
> Basketball
> Volleyball
> Cricket.
> Chess

The Honourable MAYOR of Kwadukuza Municipality, Cllr L Nhaca is the only face of the tournament.

Annually approximately over 1600 youth mass participate in the programme through teams that residents within KwaDukuza municipality jurisdiction and almost all wards.

Kwadukuza streams that partake in the programme:

Football
> 18x Premier league clubs (Main league)
> 12x Regional leagues clubs
> 06x Ladies clubs

Netball
> Under 17 (Females)
> Seniors (Females)
> Under 19 (Males)
> Seniors (Males)

Basketball
> Under 15 (Females)
> Open (Females)
> Under 15 (Males)
> Open (Males)

Volleyball
> Under 19 (Females)
> Seniors (Females)
> Under 19 (Males)
> Seniors (Males)

Cricket
> Under 16 (Males)
> Seniors (Males)

Chess
> Males
> Females

The programme is facilitated by Kwadukuza sports development office through a once off sponsorship provided based on the needs, projected incentives versus the available funds. Coordinated by all federations involved in the programme.

The 2022 KwaDukuza Mayoral Cup (Format)

- As part of federations consultative sessions, all federations met with officials and submitted proposals that entails requirements, winning teams' incentives and logistics required to undertake the programme
- A partnership with the above-mentioned sports federations ultimately reaches a number of beneficiaries in particular sports fraternity, all clubs from respective streams will partake in the programme which in turn approximately 1600 youth and administrators are set to take part in this year's programme.
- The preliminary games are set to kick off in the month of March and the semis and finals concluded in the Month of June(Youth DAY).
- Project to be officially launched in March 2022,
- The programme is better suited in being held during Youth month due the following consideration:
  1. Congested local league fixtures
  2. DSR SAFA programmes (tight schedules)
  3. National leagues deadlines/play offs

Programme Highlight and Impact

- Approximately 1600 athletes participated in the programme and impacted in this programme

Prizes breakdown

- 1st place winners – each winner per code and per stream were awarded with R3500 with medals and trophies
- 2nd place – R2500 with medals and trophies
- and third place – R2000 with medals and trophies
- Federations were at the centre of the sport system and are the main custodians for the development of their sport.
- The primary focus of the Federations was the welfare and performance of their athletes.
- The performance indicators for the athletes were measured and will be used for future programmes and is related to identification and nurturing of talented participants in their sport, club development.
- The KDM sports Development Units in partnership with social partners lived and achieved expected duties of facilitating the revival and capacitation of these structures, supporting federations in realizing their set targets and promote excellence
- The Mayoral Games being held in June to enable young people to further consolidate their vision with the youth of 1976 in sharpening our democracy and in leading the way towards building a nation that is prosperous and united.

KWADUKUZA MAYORAL CUP 2022@16 JUNE 2022

03

CHAPTER *Three*

ANNUAL PERFORMANCE REPORT

KWADUKUZA MUNICIPALITY

ANNUAL PERFORMANCE REPORT FOR 2021/2022

I certify that the performance reporting of the municipality has been done in line with the 6 national KPA's and is the focus of the MSA Section 46 requirements as set out from pages 169 to 208 and therefore reflects the performance of the municipality for the financial year 2021/2022, comparisons to performance of the previous financial year and measures taken to improve performance.

....

NJ. MDAKANE (MUNICIPAL MANAGER)

31 AUGUST 2022

INTRODUCTION:

This section indicates, in more detail, the performance of the municipality for the financial year and makes reference to the supporting documentation, including the Organisational Scorecard. The report has been compiled taking cognisance of the relevant Legislations guiding the development and implementation of the Performance Management System of a Municipality as outlined hereunder.

> ***The Municipal Systems Act of 2000, Chapter 6 & Section 46.***
> ***The Municipal Finance Management Act 56 of 2003, Chapter 12***
> ***Treasury Regulations, Circular 63***
> ***2001 Municipal Planning and Performance Management Regulations***
> ***2006 Section 57 Performance Management Regulations***

The performance reporting of the municipality is done in compliance with the 9 national Key Performance Indicators (KPI's) and is the focus of the MSA Section 46 requirements and therefore reflects the performance of the municipality for the financial year, comparisons to performance of the previous financial year and measures taken to improve performance. The 9 National KPIs listed below can be found within the Annual Performance Report across all the Business Units under each legislated Key Performance Area (KPAs), they are:

NATIONAL KPI'S AS PER – LOCAL GOVERNMENT: MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS, 2001.	ADJUSTED (SHOWN IN ITALICS) IN TERMS OF MUNICIPAL SYSTEMS ACT 32 OF 2000, SECTION 38(A)(II) TO THE FOLLOWING KPI'S TO ENABLE KWADUKUZA MUNICIPALITY TO REPORT EFFECTIVELY :
1. The percentage of households with access to basic level of electricity.	1. The number of households with access to basic level of electricity.
2. The percentage of households with access to basic level of solid waste removal.	2. The percentage of households with access to basic level of solid waste removal
3. The percentage of households earning less than R1100 per month with access to free basic services	*3. The percentage of households earning less than R4 200 (Policy of KDM) per month with access to Free Basic Electricity*
4. The percentage of households earning less than R1100 per month with access to free basic services	*4. The percentage of households earning less than R4 200 (Policy of KDM) per month with access to basic level of free solid waste removal*
5. The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.	5. The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan
6. The number of jobs created through municipality's local, economic development initiatives including capital projects.	*6. The number of jobs created through municipality's local economic development initiatives.*
	7. Number of jobs created through municipality's Capital Projects in the IDP
7. The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.	*8. The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan* *Highest Three levels:-* *1) Top Management MM, ED, and Directors (Task Grade 19 -26)* *2) Senior Management (Task Grade 16 - 18)* *3) Professionals (Task Grade 14 -15)*
8. The percentage of a municipality's budget actually spent on implementing its workplace skills plan.	9. The percentage of a municipality's budget actually spent on implementing its workplace skills plan
9. Financial viability as expressed by the following ratios: Debt coverage, cost coverage & outstanding service debtors to revenue	*Financial Management and viability expressed in the ff ratios:*
	10. Debt coverage ratio. Total operating revenue received - operating grants/ debt service payments
	11. Ratio of Current Assets: Current Liabilities
	12. Ratio: Total operating revenue divided by debt service payments (i.e., interest plus redemption).
	13. Ratio of Outstanding service debtors to annual revenue actually received for services (i.e., electricity and refuse)

Table 48 Chapter 3 APR – *National Key Performance indicators*

The different KPAs which form basis of the reporting as legislated and found across all Business Units are:

- ***Municipal Institutional Development & Transformation (MID&T)***
- ***Good Governance & Public Participation (GG&PP)***
- ***Local Economic Development (LED)***
- ***Financial Viability and Management (FV& M)***
- ***Basic Service Delivery and Infrastructure Development (BSD)***
- ***Spatial Planning & Environmental Management (SP& EM)***

KwaDukuza Municipality's Annual Performance Report has therefore complied with all the relevant legislations in terms of the setting of performance indicators and targets, alignment to the IDP and the Performance Agreements of the Section 56 and Section 57 Senior Managers that have been developed from the Top Layer of the SDBIP as prescribed by Circular 13 of the MFMA 56 of 2003. The performance indicators and targets have been set in line with a SMART principal model, which states that they should be simple, measurable, achievable, realistic and time bound.

The Annual Report of the Municipality covers in detail the assessment of Service Providers as required by "Circular 63 on the compilation of the Annual Report," which will appear on Appendix I of the Annual Report. This assesses the efficiency and effectiveness of the services acquired from the service providers to ensure value for money for the municipality.

In this Annual Performance Report, in terms of the Municipal Systems Act, Section 76, the service providers performing the core functions of the Municipality at KwaDukuza Municipality is Dolphin Coast Waste Management and an assessment of the service provider can be found below under "Performance of Service Providers."

BACKGROUND TO THE ORGANISATIONAL SCORECARD.

SUMMARY OF 2020/2021 AG REPORT ON PERFORMANCE INFORMATION.

During the 2020/2021 financial year, the Auditor-General conducted an audit of predetermined performance objectives. The focus being on ***Basic Service Delivery.***

There were no material findings on the usefulness and reliability of the reported performance information for the selected key performance area.

" I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the basic service delivery and infrastructure development objective presented in the municipality's annual performance report for the year ended 30 June 2021.

I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected key performance area."

The opinion expressed by The Auditor General was an Unqualified Opinion with no findings.

PERFORMANCE MANAGEMENT PROCESSES

The Municipal Systems Act (MSA) of 2000, Section 38(a) mandates municipalities to establish performance management systems, and the Planning and Performance Management Regulations of 2001, describes the municipality's Performance Management System (PMS) as consisting of a framework that articulates and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed as well as to determine the roles of different stakeholders Performance management is a process that measures the implementation of an organisation's strategy. It provides a mechanism to measure whether targets to meet its strategic objectives set by municipalities and its employees are met. The PMS implementation and management process is carried out at KwaDukuza Municipality in different phases namely:

Phase 1: Planning

Phase 2: Monitoring and managing performance information

Phase 3: Performance measurement and analysis

Phase 4: Performance review and improvement

Phase 5: Performance report

Co-ordination involves the overall responsibility of being the custodian of the municipality's performance management system and managing the system on behalf of the Municipal Manager. This is a strategic function which resides in the Office of the Municipal Manager.

The co-ordination of the implementation phases of performance management is the function of the PME department who are responsible for the following core activities:

> Co-ordination of the development and implementation activities of the organisational PMS, through interaction with all relevant stakeholders;
> Ensuring and overseeing the implementation of the Performance Management Framework and compliance to all performance legislative requirements in respect of the implementation of the PMS;
> Providing regular support and capacity to the different departments in developing departmental scorecards;
> Continuously providing technical support to the Municipal Manager and the senior management team with implementation, assessment, review, monitoring and information management;
> Providing capacity for analysing organisational performance information submitted by Senior Managers on a quarterly, mid-term and annual basis in preparation for reporting;
> Responsible for co-ordination and compiling the annual Section 46 performance report;
> Ensuring that all quarterly, mid-term and annual organizational performance reports are submitted to relevant stakeholders timeously, for example, quarterly, mid-term and annual performance reports to EXCO, Council, the Auditor-General, MEC of Cooperative Governance and Traditional Affairs (COGTA) and the public (through website; print media notification and copies are made available for viewing at municipal venues).

EXECUTIVE SUMMARY OF PERFORMANCE FOR THE 2021/2022 FINANCIAL YEAR:

Below is the summary of performance results for all strategic objectives included in the organisational scorecard for the 2021/2022 as follows:

STRATEGIC OBJECTIVES:

Summary of performance results for all strategic objectives included in the organisational scorecard are as follows. Out of the total of 41 strategic objectives contained within all 6 National KPAs and 82 performance targets in the Organisational Scorecard, The analysis below is based on the 82 targets that were due for reporting at the end of Financial Year.

22 targets were exceeded (27%), 25 targets were fully achieved (30%), 35 targets were not achieved (43%). It is of concern that the number of targets that were not met is above 5%. The overall achievement for both targets exceeded and fully achieved at the end of June 2022 is 57% as graphically illustrated below:

2021/2022 overview of Targets

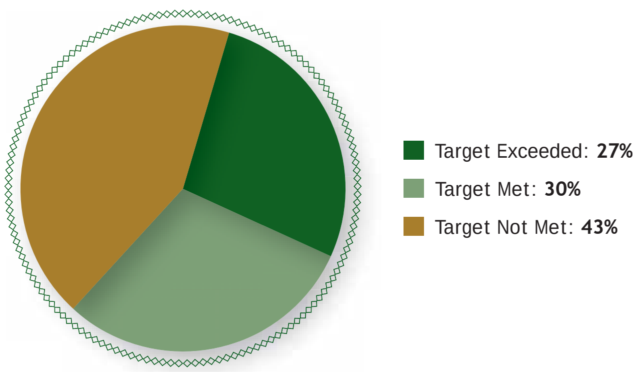


Figure 1 Chapter 3 APR: *Performance Analysis 2021/2022*

BUDGET SPENDING: OVERALL CAPEX AND OPEX

BUDGET EXPENDITURE	2019/2020 EXPENDITURE	2020/2021 EXPENDITURE	CAPITAL 2021/2022 EXPENDITURE	OPEX 2021/2022 EXPENDITURE	OVERALL 2021/2022
Green - Budget Expenditure	87%	81%	75,7 (76%)	99%	88%
Red - Non-expenditure	13%	19%	24,3 (24%)	1%	12%
TOTAL	100%	100%	100%	100%	100%

Table 49 Chapter 3 APR - *3 Year Budget analysis*

3 Year budget comparison

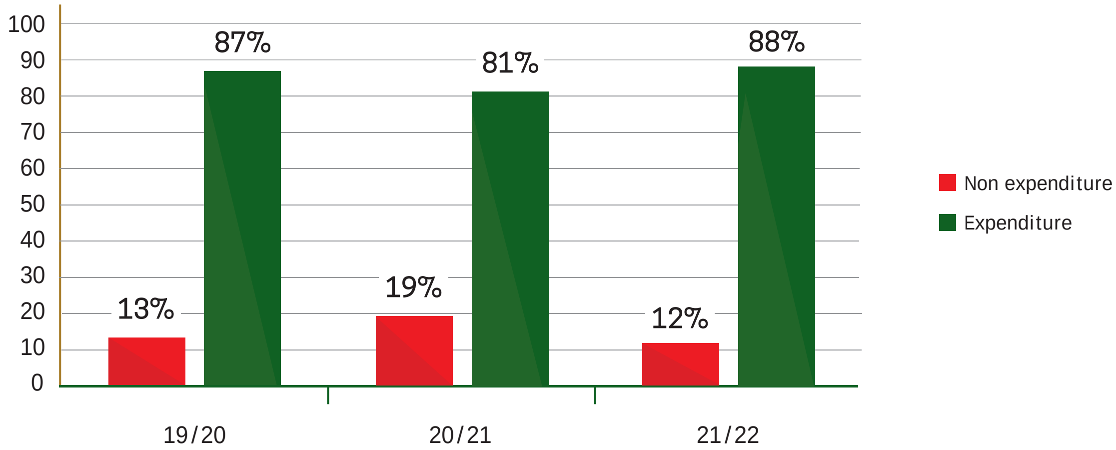


***Figure 2 Chapter 3 APR:** 3 Year Budget comparison*

The Overall Expenditure on Capex and Opex in 2021/2022 was 88%, which shows a 7% increase from 2020/2021. The expenditure on MIG projects was 99.8%.

Overall Capital budget spend has been lower than anticipated for 21/22. The main reason for non expenditure was delays around the Preferential Procurement Policy (PPP) constitutional court judgement. Projects were requested for roll-over into the new financial year, as there were delays created by the moratorium placed by National Treasury in terms of the PPP Framework Act of 2000 and the Preferential Procurement Regulations of 2017.

Lower than targeted spends on the Capital budget could have also been attributed to the lockdown due to COVID, effects of looting that occurred in July and flood disasters in April, resulting in budgets being moved to a state of disaster and other Council re-prioritisations.

2021/2022 PERFORMANCE OVERVIEW OF NATIONAL KPAS:

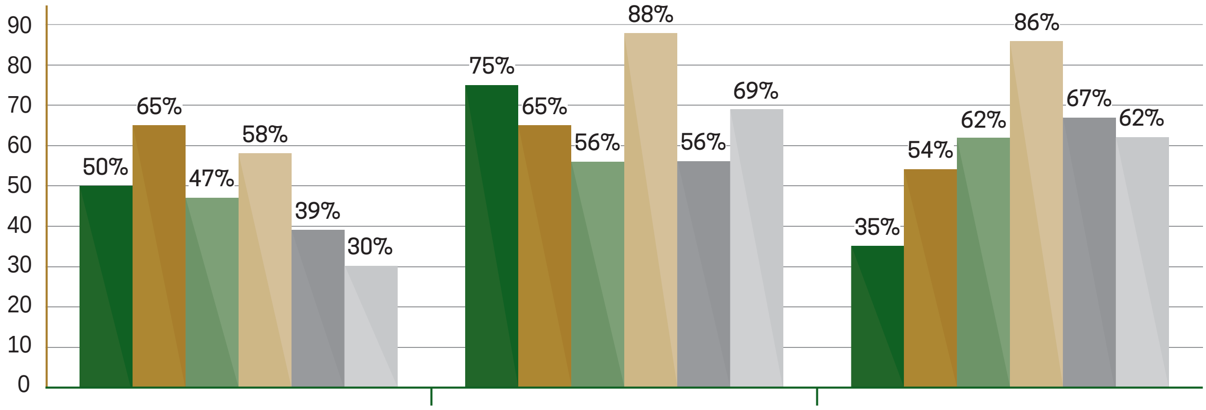
KPA	NO OF STRATEGIC OBJECTIVES	TOTAL NO. OF INDICATORS IN SCORECARD	TOTAL NO. OF OPMS TARGETS YEAR END	EXCEEDED	ACHIEVED	NOT ACHIEVED	% ACHIEVED PER KPA
Institutional Transformation	2	17	17	2	4	11	35%
Spatial Planning & Environmental Management	7	7	7	6	0	1	86%
LED	2	3	3	2	0	1	67%
Financial Management & Viability	7	13	13	5	2	6	54%
Basic Service Delivery	13	29	29	7	11	11	62%
Good Governance & Public Participation	10	13	13	0	8	5	62%
TOTAL	**41**	**82**	**82**	22	25	35	
OVERALL ACHIEVEMENT				57%		43%	

***Table 50 Chapter 3 APR:** KPA Overview*

KPA	2019/2020 FY (% ACHIEVED)	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Institutional Transformation	50%	75%	35%	40%-
Financial Management and Viability	65%	65%	54%	11%-
Basic Service Delivery	47%	56%	62%	6%+
Spatial Planning & Environmental Management	87%	88%	86%	2%-
Local Economic Development	39%	56%	67%	11%+
Good Governance and Public Participation	30%	69%	62%	7%-

***Table 51 Chapter 3 APR -** 3 Year Comparisons of KPAs*

Graphical representation of performance comparison of KPAs from year to year



	2019/2020	2020/2021	2021/2022
MIDT	50%	75%	35%
MFV&M	65%	65%	54%
BSD	47%	56%	62%
SP	58%	88%	86%
LED	39%	56%	67%
GG & PP	30%	69%	62%

Figure 3 Chapter 3 APR - *KPA's performance over the past 3 years*

MIDT - Municipal Institutional Development and Transformation
MFV&M - Municipal Financial Viability & Management
BSD - Basic Service Delivery
SP - Spatial Planning
LED - Local Economic Development
GG & PP - Good Governance and Public Participation

Summary of Graph as illustrated above: The biggest declines(over 5%) were experienced in the following Key Performance Areas:

> Municipal Institutional Development and Transformation (-40%).

> Municipal Financial Viability and Management (-11%).

> Good Governance and Public Participation (-7%).

The Organisational Scorecard approach below reflects the 6 national KPA's and local priorities and enables a wider assessment of how the municipality is performing. The performance report is based on measures included within the Organisational Scorecard. This incorporates 41 strategic objectives from the IDP. These were agreed by Council vide resolution C 171. The criteria used reflects factors such as previous performance levels, comparative performance and budget implications. The traffic light system used to report performance is as follow:

> Blue – Performance targets exceeded (over-achieved)

> Green – Performance target met

> Red – Performance target not met

> In relation to the 2021/2022 year-end performance results, the final position shows that:
  - 27% of the year targets have been exceeded.
  - 30% of the year targets were fully met.
  - 43% of the targets have not been met.
  - Overall performance for 2021/2022 is 57%.

COMPARISON OF ACHIEVEMENT OVER 2020/2021 AND 2021/2022

2020/2021	2021/2022
68%	57%

Table 54 Chapter 3 APR - *Achievement of targets over 2 years*

PERFORMANCE AND SUPPORTING INFORMATION

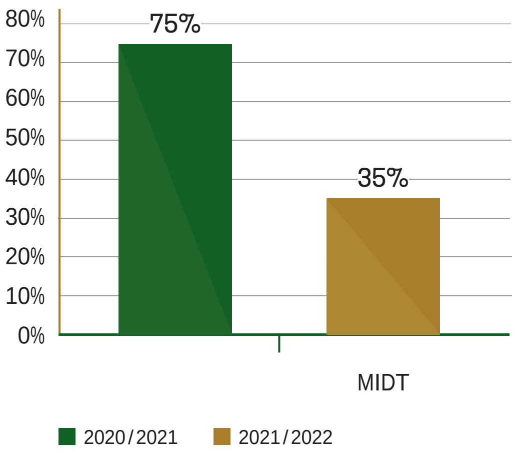
This section indicates, in more detail, the performance of the municipality for the financial year and makes reference to the supporting documentation, including the Municipal Scorecard, below. A comparative summary of each KPA is provided over 2020/2021 and 2021/2022 financial years.

MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

The overall performance for the KPA is 35% for 2021/2022, down by 40% from 2020/2021.

KPA	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Institutional Transformation	75%	35%	40%-

Comparison between 2020/2021 & 2021/2022



THE PERFORMANCE HIGHLIGHTS FOR 2021/2022

- 8 Successful candidates were employed in the top management, Senior Management and Professionals category. This means 5 more people than the targeted 3 people, employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.
- The compliance issues relating to The PMS framework adoption and approval of the Top Layer of the SDBIP were done timeously.
- The Annual Report processes rolled out timeously and involved active participation from the public.
- The APR and AFS were submitted on time to the Auditor General.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

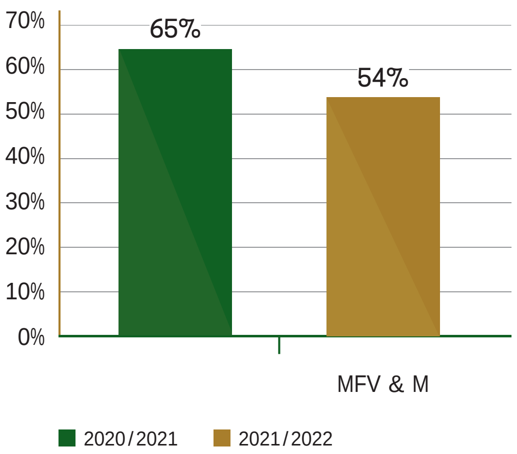
CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
Lesser than targeted woman appointed, due to less females applying for the advertised posts.	Implement lifeguard trainings targeting women only. Review employment equity plan. Encourage councillors nominate female CPO's.
Lesser than targeted youth appointed, due mainly to temporal appointments being made. The SOP on appointments refer only to long term and permanent.	Review HR policy to include a clause that posts below T10 should target youth
Disabled persons were not employed due to late finalisation of Lekgotla resolutions resulting in the delays in the prioritisation of post.	Post identification exercise for disabled people in all business units will be conducted in the first quarter of the new financial year.
Spending on the WSP was very low.	Court order judgement has been resolved that resulted the delays in appointment of service providers for training. Tenders have been advertised for training. Trainings will commence in Q1 of 2022/2023.
Out of the 90% of IT activities required for actioning 44% were fully addressed	Revise SLA and periodic performance management will commence in earnest in Q1 of the 2022/3 financial year.
Conflicting legislation in terms of complying with the MFMA Section 53 (3) b and the LG: Municipal Regulations for MM and Managers accountable to the MM, 2006, when dealing with performance agreements.	The target has been amended in the 2022/2023 financial year to align to the legislation. The municipality will in future be complying with Section 53 (3) b of the MFMA, which states that the agreements be submitted 14 days after the approval of the SDBIP, instead of the LG: Municipal Regulations for MM and Managers accountable to the MM, 2006.
The Mid year review was held after the due date of 31 March 2022, due to many postponements and unavailability of committee members.	The Mid year review date and year end assessment date will be reviewed during the mid year adjustments process of 2022/2023.
Quarterly Performance Reports were delayed due to capacity constraints in the Internal Audit Section.	Internal Audit investigating the possibility of employing a PMS Auditor to assist with specific audits.

MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY

The overall performance for the KPA is 54% for 2021/2022, down by 11% from 2020/2021.

KPA	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Financial Management and Viability	65%	54%	11%-

Comparison between 2020/2021 & 2021/2022



THE PERFORMANCE HIGHLIGHTS FOR 2021/2022

- The revenue collected from traffic licenses was R5 122 030.41. R1 122 030.41 more than the anticipated amount.
- The annual budget for 2022/2023 was approved timeously by Council on the 25 May 2022.
- All compliance information such as the MFMA, Section 52(d) and 72 reports were submitted to Council on time.
- The targets for the National Key Performance Indicators for ratios were all exceeded.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
The revenue collected from outstanding fines and other traffic offences were low, due to -Insufficient roadblocks to execute warrant of arrests. Fines reduced at court & Errors on fines.	Increase number of warrant roadblocks. Engagement with Senior Public Prosecutor regarding cancellation of fines. Implement in-service training.
99.81% expenditure on implementation of MIG infrastructure projects according to the reconciliation by COGTA however on the side of KDM the General Ledger shows 100% spend as there are no monies on the vote.	Section 71 and 72 report to National Treasury will report 100% expenditure as all MIG funds are exhausted.
Capital budget spend has been lower than anticipated. The main reason for non expenditure was delays around the PPPF constitutional court judgement. Delays in the SCM processes. The effects of the lockdown, looting and floods slowed down capital budget spend.	Projects were requested for roll-over into the new financial year, as there were delays created by the moratorium placed by National Treasury in terms of the Preferential Procurement Policy Framework Act of 2000 and the Preferential Procurement Regulations of 2017. SCM processes to be sped up with the intervention from the MM.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE *...continued*

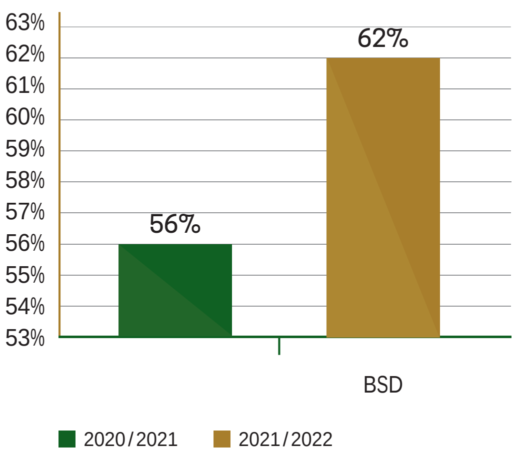
CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
The targeted amount of 70% reduction in irregular expenditure was not met. The amount of irregular expenditure was reduced by 37%, due to the Security Services Contract. As at June 2021- R68 753 851. As at June 2022 – R43 369 542. Decrease in Value = R25 384 309 thus 37% reduction of irregular expenditure. There were other matters (such as Grass cutting contracts, Section 36, Section 32 appointments and procurement of refuse removal services) that contributed to irregular expenditure; however, these were resolved during December 2021.	The Community Safety Business Unit has started a new tender process for Security Services – Tender 105/2021. The sale of tender ended on 3 September 2021. The clarification meeting was on the 6th of September 2021, and the tender closed on 22 September 21. Department evaluation completed and submitted to Tender evaluation committee meeting on 14 December 2021. The tender is now at tender adjudication stage – Tender adjudication committee meeting took place on 21 January 2022. The matter has been resolved at TAC and the tender is at Appeal stage. Process to be fast tracked and finalize the tender process for the security contract.
Debt Reduction was 0.21% against a 2% reduction target.	1. Arrear debtors who utilise prepaid electricity are partially blocked from buying electricity. Debtors in arrears are being handed over to the debt collection panel of attorneys. 2. There is an on-going strategy to have debtors' statements e-mailed and completion of debit order forms. 3. Reports on recovery of arrear debtors through disconnection and meter inspections are interrogated at the energy loss task team in order to address any challenges experienced and expedite debt recovery. 4. Vigorous disconnection of electricity and meter inspections of electricity has commenced in by a newly appointed service provider. Handing over of debtors in arrears.

BASIC SERVICE DELIVERY

The overall performance for the KPA is 62% for 2021/2022, up by 6% from 2020/2021.

KPA	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Basic Service Delivery	56%	62%	6%+

Comparison between 2020/2021 & 2021/2022



THE PERFORMANCE HIGHLIGHTS FOR 2021/2022

- The number of houses constructed was 13 more than targeted 60 for the year. 73 New houses were constructed.
- The number of sites serviced to ensure access to adequate housing was 399. A significant increase from the targeted amount of 200 sites.
- 53 552m^2 of black top roads were rehabilitated.
- Ward 24 Melville stormwater and Gabions lining; Ward 26 stormwater culvert and Ward 08 Nkobongo stormwater improvement were completed in Q3 of the 2021/2022 financial year.

- There were 824 new household connections for electricity, the national KPI for number of households with access to basic level of electricity was 60 463, this was registered on the municipal Contour and Munsoft Systems.
- The municipality has registered a total number of 10971 consumers on the electricity indigent register.
- Expenditure on streetlights have been optimally utilised for new, refurbished and energy retrofit streetlights.
- The Switch Room and Control Room at the Industrial Substation (KwaDukuza Mall) was completed successfully.
- The municipality has registered a total number of 849 consumers on the solid waste removal indigent register.
- The Combo Court in Ward 9 was successfully completed.
- The refurbishment of the Combo Court in Ward 1 was successfully completed.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

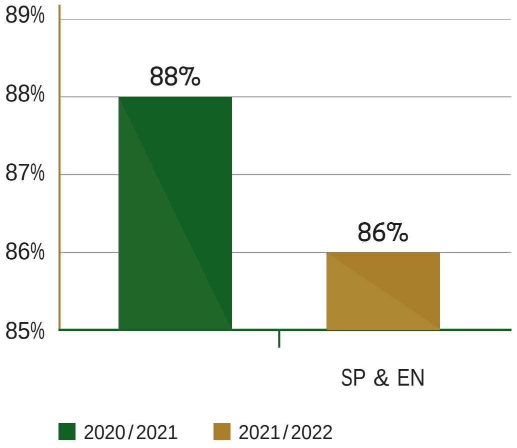
CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
Delays in the handing over of houses to beneficiaries. 58 out of 60 handed over.	There were delays in handing all houses to beneficiaries, due to locating legitimate beneficiaries. These will be handed over in Q1 of 2022/2023.
There were only 11 Post 1994 housing units transferred.	The Civil department will seek early approval from rural development going forward as the land is not owned by the municipality.
There were only 27 Enhanced Extended Discount Benefit Scheme (EEDBS) units transferred as at 30 June 2022.	The Civil department will seek early approval from rural development going forward as the land is not owned by the municipality.
0.8kms for Groutville surface and stormwater was not completed	There were delays as contractor couldn't not access site due heavy rains experienced in April and some of the work had to be redone as it was damaged. The project was rolled over for completion in Q1 0f 2022/2023 financial year
Dendethu Gravel Access Road was not done.	There were delays as contractor could not access site due to heavy rains experienced in April and some of the work had to be redone as it was damaged. Access to site has since been opened and contractor has started with work. Project has been rolled over to next financial year.
Chris Hani Sportsfield was not completed. Contractor had challenges accessing the site after floods in April. There were also delays in delivery of materials as most roads were damaged.	Project rolled over for completion in Q1 of 2022/2023 financial year
The municipality's target to reduce energy losses from 22% to 18% was not met. Energy losses stands at 24.83%. Much more needs to be done to reach the 12% threshold.	The Energy Loss task team has been appointed to monitor and control the execution of energy losses reduction in KDM. The panel of contractors have been appointed for disconnections, meter replacement, inspections and audit to curb energy losses. Check meters have been installed at Intake point of supply to ensure proper billing by Eskom.
Projects such as MV network upgrades in Clusters B & D and substation upgrades were slow to progress, due to SCM delays and SCM amended PPP regulation.	Exemption was applied for in April by the Electrical Business Unit, to proceed with advertisement of the tender. Projects have been budgeted for in the 2022/2023 financial year.
There was a delay in obtaining the Environmental Authorisation for Nonoti Beach Node Development. KZN Department of EDTEA required additional information relating to Lifeguard Tower.	Environmental Authorisation by EDTEA to be obtained in Q1 of 2022/2023.

SPATIAL PLANNING & ENVIRONMENTAL MANAGEMENT

The overall performance for the KPA is 86% for 2021/2022, down by 2% from 2020/2021.

KPA	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Spatial Planning & Environmental Management	88%	86%	2%-

Comparison between 2020/2021 & 2021/2022



THE PERFORMANCE HIGHLIGHTS FOR 2021/2022

- There were 118 multi-disciplinary law enforcement operations conducted against a targeted 40.
- There were 48 outreach programmes on fire safety, social crime prevention, and schools/community road safety, conducted in the various wards.
- Targets were exceeded on SPLUMA applications processed within 90 days, consent applications processed within 60 days and building plans more than 500 m2 processed within 60 days.
- 14 Environmental Management Community awareness programmes were conducted.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

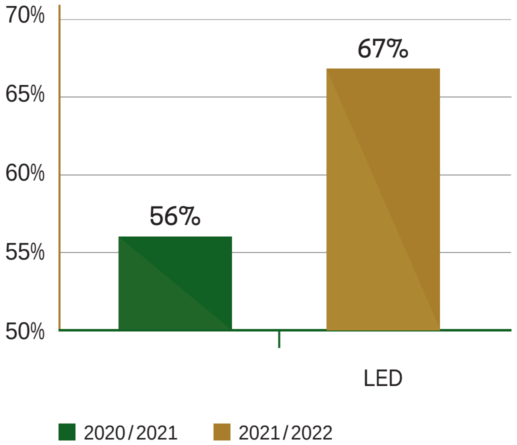
CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
The KwaDukuza Museum completion has been delayed by the April Floods and the imported mechanical works from Italy and China.	Approval has been granted for extension of time and the project is expected to be completed before end of September 2022.

LOCAL ECONOMIC DEVELOPMENT

The overall performance for the KPA is 67% for 2021/2022, up by 11% from 2020/2021.

KPA	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Local Economic Development	56%	67%	11%+

Comparison between 2020/2021 & 2021/2022



THE PERFORMANCE HIGHLIGHTS FOR 2021/2022

- The number of jobs created through the Municipality's Expanded Public Works Programme (EPWP) was far exceeded. The target was 40 job opportunities to be created through the implementation of the Expanded Public Works Programme and the actual created was 126, as additional funds were provided by Council.
- The total number of jobs created through capital projects were 358. Due to more labour-intensive methods being applied. The target was exceeded against a predetermined 265 jobs. The job creation was recorded as follows, Community Services (96 jobs created); Electrical (83 jobs created) and Civil & Human Settlements (179 jobs created).

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

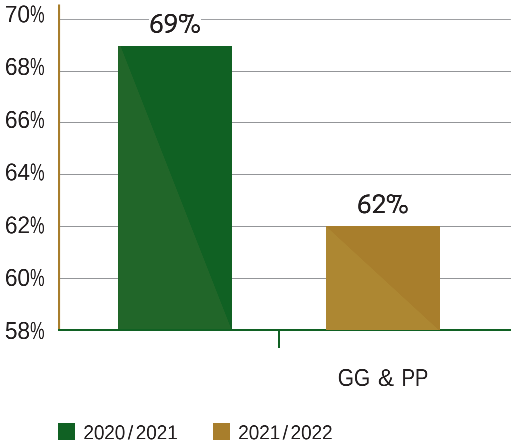
CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
The number of jobs created through LED initiatives was 59 which indicated 61 less than the anticipated target of 120. Jobs created through the LED unit involved facilitation with private sector partners and these could not be counted due to the POPI Act.	The municipality is working on a better way of sourcing this information without disclosing the protected information in line with POPI Act. This will be done with the next recruitment in the 2022/2023 financial year.

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The overall performance for the KPA is 62% for 2021/2022, down by 7% from 2020/2021.

KPA	2020/2021 FY (% ACHIEVED)	2021/2022 FY (% ACHIEVED)	% INCREASE (+) DECREASE (-) FROM 20/21
Good Governance and Public Participation	69%	62%	7%-

Comparison between 2020/2021 & 2021/2022



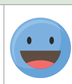
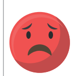
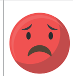
THE PERFORMANCE HIGHLIGHTS FOR 2021/2022

- The strategic compliance matters such as the approval of the Integrated Development Plan (IDP); The Risk Register and Risk based Internal Audit Plan were done timeously with Council approval.
- The Audit Committee and Performance Audit Committee submitted 2 reports as required by legislation, to Council in March and June 2022.
- All Risk Reports were submitted to the Risk Management Committee (RMC) timeously.
- There were 3 programmes identified and successfully implemented for vulnerable groups, such as 16 days of Activisms on Senior citizen, children and women; Dress a school child campaign and Child Protection awareness campaign.

CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
Reports on the percentage of AG findings resolved in the AG action plan were not submitted to MPAC and EXCO.	Progress report on A.G action plan will be reported to MPAC and EXCO meetings scheduled in Quarter 1 of 2022/2023.
Reports to Council on the implementation of Lekgotla Resolutions – only 2 reports were submitted out of 4. Late submission of resolutions by other business units resulted in COO's office missing the submission deadline.	The office of COO will send out frequent reminders to all BUs to submit the resolutions prior to the deadline.
2 out of 4 war-room intervention reports on Operation Sukuma Sakhe were submitted to Council.	Formulate BU's submission plans that will be inline with council meeting dates from Q1 of 2022/2023
KDM Business continuity plan and adoption by Council was not done due to delays in submission of information by KDM Business Units.	KDM Business continuity plan will be tabled to Council in August 2022.

2021/2022 ORGANISATIONAL SCORECARD

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
OPMS: 01	To build capable and transformed institutional capacity	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan (NKPI): Highest Three levels:- 1) Top Management MM, ED, and Directors (Task Grade 19 -26) 2) Senior Management (Task Grade 16 - 18) 3) Professionals (Task Grade 14 -15)		2 people employed from employment equity target groups employed in the three highest levels of management by 30 June 2021	TARGET EXCEEDED 6 people employed in the three highest level	3 people employed from employment equity target groups in the three highest levels of management by 30 June 2022	**Target exceeded 8 people employed from employment equity target groups in the three highest levels of management**	N/A	
OPMS: 02	To build capable and transformed institutional capacity	Number of quarterly reports submitted to Corporate Services and Finance Portfolio Committee (CSFPC), on the number of trainings of Councillors and staff conducted by target date.	N/A	4 quarterly reporting on the number of trainings of Councillors and staff conducted by 30 June 2021	TARGET MET 4 report submitted on trainings conducted on councillors and staff	4 quarterly reports submitted to the Corporate Services and Finance Portfolio Committee (CSFPC) on the number of trainings of Councillors and staff conducted by 30 June 2022.	**Target not met 3 Quarterly reports submitted, on trainings conducted for staff and councillors. Q1 report submitted on 09/09/2021- LPA 137, Q2 report submitted on 10/02/2022, Q3 report submitted on 22/06/2022, FLPA 182**	Commencing in Q1 of 2022/2023 – Training reports for all quarters will be submitted to CSFPC on time.	
OPMS: 03	To build capable and transformed institutional capacity	% employment of women at all levels by target date.	All wards	Maintaining 50% employment of women and youth at all levels by 30 June 2021	TARGET EXCEEDED 85% employment of women and youth at all levels	Maintaining 50% employment of women at all levels by 30 June 2022	**Target not met 31% (19 out of 62 people appointed) of women employed in all levels**	1. Implement lifeguard trainings targeting women only. 2. Review employment equity plan. 3. Encourage councillors nominate female CPO's	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
OPMS: 03a	To build capable and transformed institutional capacity	% employment of youth at all levels by target date.	All wards	N/A	N/A	Maintaining 50% employment of youth at all levels by 30 June 2022	**Target not met 40% (25 out of 62 people appointed annually) of youth appointed in all levels**	Review HR policy to include a clause that posts below T10 should target youth.	
OPMS: 03b	To build capable and transformed institutional capacity	Number of disabled people appointed in accordance with 2016-2021 Employment Equity (EE) policy.	All wards	Appointment of 2 disabled persons in line with employment equity plan by 30 June 2021	TARGET MET 2 disabled people appointed in line with employment equity	Appointment of 1 disabled person in line with the Employment Equity plan by 30 June 2022	**Target not met 0 disabled persons appointed.**	Post identification exercise for disabled people in all business units will be conducted in the first quarter of the new financial year .	
OPMS: 04	To invest in skills development	The percentage of a municipality's budget actually spent on implementing its Workplace Skills Plan (WSP);(NKPI)	N/A	90% of a municipality's training budget actually spent on implementing its workplace skills plan by 30 June 2021	TARGET EXCEEDED 98% spent in WSP	90% of a municipality's training budget spent on implementation of the WSP by 30 June 2022	**Target not met 59% spent on WSP.**	Court order judgement has been resolved that resulted the delays in appointment of service providers for training. Tenders have been advertised for training. Trainings will commence in Q1 of 2022/2023.	
OPMS: 05	To build capable and transformed institutional capacity	Percentage IT activities raised by the AG audit contained in the AG action plan resolved	N/A	90% of IT activities raised by the AG audit contained in the AG action plan resolved by 30 June 2021	TARGET NOT MET Only 50% percent of Audit finding resolved. The IT Charter and IT policies are submitted to LPA for noting in the 2020/21 financial year	90% of IT activities raised by the AG audit contained in the AG action plan resolved by 30 June 2022	**Target not met. 44% of the AG audit findings have been fully addressed.**	Revise SLA and periodic performance management will commence in earnest in Q1 of the 2022/3 financial year.	
OPMS: 06	To enhance organisational performance	Adoption of the PMS Framework by target date.	N/A	Adoption of the reviewed 2020/2021 PMS Framework and Procedure Manual by Council 31 July 2020	TARGET MET PMS framework submitted to Council on the 4th of August 2020 through resolution C427	Adoption of PMS Framework by Council by 30 June 2022.	**Target met PMS Framework adopted by council on 30/06/2022. C705/2022**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
OPMS: 07	To enhance organisational performance	Adoption of the Top layer of the Service Delivery and Budget Implementation Plan (SDBIP) and Organisational Scorecard for 2022/2023 by target date.	N/A	Adoption of top layer of SDBIP for 2020/2021 by 31 July 2020	TARGET MET adopted by Council on the 4th of August 2020 through resolution C428	Adoption of the Top layer of the SDBIP and Organisational Scorecard for 2022/2023 by 30 June 2022.	**Target exceeded. SDBIP adopted by council on 15/06/2022. C 637/2022**	N/A	
OPMS: 08	To enhance organisational performance	Submission of Performance Agreements to MEC for Local Government within specified timeframe.	N/A	Submission of 9- S56 performance agreements to the MEC for Local Government by 15 August 2020	TARGET MET 9 S56 performance agreements submitted to Cogta on 19 August 2020.	Submission of the Performance Agreements to the MEC for Local Government within 14 days after approval of the SDBIP.	**Target not met 8 performance agreements were submitted on 14 August 2021 to the MEC in line with Chapter 2 (4) (5) the LG: Municipal Regulations for MM and Managers accountable to the MM, 2006.**	The target has been amended in the 2022/2023 financial year to align to the legislation. The municipality will in future be complying with Section 53 (3) b of the MFMA, which states that the agreements be submitted 14 days after the approval of the SDBIP, instead of the LG: Municipal Regulations for MM and Managers accountable to the MM, 2006.	
OPMS: 09	To enhance organisational performance	Publication of Performance Agreements on the municipal website by target date.	N/A	Publication of Performance Agreements on the municipal website and local newspaper by 02 September 2021	TARGET NOT MET	Publication of the Performance Agreements on the municipal website 14 days after the approval of the SDBIP.	**Target not met 8 Performance Agreements publicised on municipal website on 27/09/2021**	The target has been amended in the 2022/2023 financial year to align to the legislation. The municipality will in future be complying with Section 53 (3) a of the MFMA, which states that the agreements be made public 14 days after the approval of the SDBIP.	
OPMS: 10	To enhance organisational performance	Date submission of the Annual Performance Report (APR) to the Auditor General (AG).	N/A	Submission of 2019/2020 APR to AG by 31 October 2020	TARGET MET APR was submitted on the 30th of October 2020.	Submission of 2020/2021 APR & AFS to AG by 31 August 2021	**Target met APR and AFS submitted to AG on 31/08/2021.**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
OPMS: 11	To enhance organisational performance	Date submission of the Oversight report to Council for adoption	N/A	Submission of the Oversight report to Council for adoption by 31 May 2021.	TARGET NOT MET Submission of the Oversight report for adoption was done on 29 June 2021	Submission of the Oversight report to Council for adoption by 31 March 2022	**Target met Oversight report submitted to council on the 31/03/2022 (C-178)**	N/A	
OPMS: 12	To enhance organisational performance	Publication of the Oversight report 7 days after approval by Council	N/A	Publication of the Oversight report by 09 June 2021	TARGET NOT MET The Oversight report was not published on our municipal website	Publication of the Oversight report 7 days after approval by Council	**Target met. Oversight report approved by Council on 31 March 2022. Advertised in local newspaper which was made public on 6/04/2022 - Xpress Times.**	N/A	
OPMS: 13	To enhance organisational performance	Number of quarterly performance reports submitted to PAC by target date.	N/A	2 quarterly performance analysis reports submitted to PAC and Council by 30 June 2021.	TARGET MET Q1 and Q2 quarterly analysis report submitted to PAC on 26 March 2021 and to Council on 28 January 2021. Q3 quarterly analysis report submitted to PAC on 20 May 2021.	4 Quarterly performance Reports submitted to the Performance Audit Committee (PAC) by 30 June 2022.	**Target not met 3 reports submitted to PAC. (i) Q4 (2020/2021) and Q1 2021/2022 submitted to PAC on 07/12/2021. (ii) Q2 2021/2022 Performance report submitted on the 15/03/2022**	Once the Q3 Internal Audit Report is finalised a completed pack consisting of a PMS Strategy Implementation Progress Report, PMS Analysis Report and Internal Audit Report will be submitted to PAC in Q1 of 22/23.	
OPMS: 13a	To enhance organisational performance	Number of quarterly performance reports submitted to Exco and Council by target date.	N/A	N/A	N/A	2 quarterly performance reports submitted to Exco, and 2 quarterly performance reports submitted to Council by 30 June 2022.	**Target not met. 2 Reports submitted to EXCO. 1 Report to Council. Q4 (2020/21) & Q1 (21/22) submitted to Exco on 08/12/2021 – C56 & C 57. Q2 21/22 submitted to Council on 27/01/2022.**	Once the Q3 Internal Audit Report is finalised a completed pack consisting of a PMS Strategy Implementation Progress Report, PMS Analysis Report and Internal Audit Report will be submitted to EXCO in Q1 of 22/23.	
OPMS: 14	To enhance organisational performance	Number of Performance evaluations and reviews conducted by target date.	N/A	1 Mid-year Performance Evaluation/ Review conducted for S56 by 30 June 2021.	TARGET MET 1 Mid-Term Performance evaluation conducted on: 17 February 2021 and 02 March 2021	i) 1 mid year review for 2021/2022 financial year conducted by 31 March 2022. ii) 1 Performance evaluation for 2020/2021 financial year conducted by 30 June 2022.	**Target not met. Year End Assessment for 2020/2021 – was held on 4 and 5th of May 2022. Mid year formal review for 2021/2022 – was held on 10; 11 and 17th May 2022**	The dates for review and assessments be revised during the 2022/2023 adjustments process. That the reviews be conducted timeously from 2022/2023.	

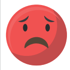
2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY									
OPMS: 15	To ensure that the revenue of the municipality is collected and accounted for.	Rand Revenue collected from all traffic licenses issued	All wards	R5 000 000 collected from all traffic licenses issued by 30 June 2021	TARGET EXCEEDED R5 054 700 collected from all traffic licenses issued	R4 000 000 collected from all traffic licenses issued by 30 June 2022	**Target exceeded R5 122 030,41 collected.**	N/A	
OPMS: 16	To ensure that the revenue of the municipality is collected and accounted for.	Rand value revenue collected from outstanding fines and other traffic offences	All wards	R1 000 000 revenue collected from outstanding fines and other traffic offences by 30 June 2021	TARGET NOT MET R316 000 revenue collected from outstanding fines and other traffic offences	R5 000 000 revenue collected from outstanding fines and other traffic offences by 30 June 2022	**Target not met - R889 000,00 collected.**	1) Increase number of warrant roadblocks 2) Engagement with Senior Public Prosecutor regarding cancellation of fines. 3) Implement in-service training	
OPMS: 17	To ensure municipal budget complies with MFMA and Treasury regulations	Submission of 2022/2023 credible, accurate and transparent budget to Council in line with MFMA, 56 of 2003	N/A	Submission of 2021/2022 credible, accurate and transparent budget to Council in line with MFMA, 56 of 2003 by 31 May 2021A	TARGET MET The budget was submitted to Council on the 27 May 2021. (C853). The advertisement of the final budget was done on the 4 June 2021.	Submission of 2022/2023 credible, accurate and transparent budget to Council in line with MFMA, 56 of 2003 by 31 May 2022	**Target met. The budget was submitted to Council on the 25 May 2022 (C573) and advertised on the express newspaper on 1 June 2022**	N/A	
OPMS: 18	To improve expenditure on Municipal Infrastructure Grant (MIG) allocation	% expenditure on implementation of MIG infrastructure projects within budget	All wards	90% expenditure on implementation of MIG infrastructure projects by 30 June 2021	TARGET MET 100% expenditure on implementation of MIG infrastructure projects	100% expenditure on implementation of MIG infrastructure projects by 30 June 2022	**Target not met. 99.81% expenditure on implementation of MIG infrastructure projects according to the reconciliation by COGTA however on the side of KDM the General Ledger shows 100% spend as there are no monies on the vote.**	The Section 71 and 72 reports to National Treasury will report 100% expenditure as all MIG funds are exhausted.	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY									
OPMS: 19	To improve expenditure on Capital Budget	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan (NKPI)	All wards	90% of a municipality's capital budget actually spent on capital projects by 30 June 2021	TARGET NOT MET Total spent is 61% 144 039 979 out of 235, 267, 125.	90% of a municipality's capital budget actually spent on capital projects by 30 June 2022	**Target not met.** **Total Capital spend is 76%.**	Majority of the projects were requested for roll-over as there were delays created by the moratorium placed by National Treasury in terms of the Preferential Procurement Policy Framework Act of 2000 and the Preferential Procurement Regulations of 2017	
OPMS: 20	To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes	Number of Budget implementation Section 52(d) and Section 72 Reports submitted to Council by target date.	N/A	i) 4 Budget implementation Section 52(d) reports by 30 June 2021 ii) 1 MFMA S72 Report submitted to Council on budget spent, by 31 January 2021	TARGET NOT MET The S52 (d) reports were submitted as follows: Q1 - 1 report was submitted to Council on the 30 July 2020. Q2 - 1 report was submitted to Council on the 29 October 2020. Q4 - The S52 report was submitted to Council on the 29 April 2021. The S72 report was submitted as follows: Q3 - 1 report was submitted to Council on the 28 January 2021 (ref : C09).	i) 3 Budget implementation Section 52(d) reports by 30 June 2022 ii) 1 MFMA S72 Report submitted to Council on budget spent, by 31 March 2022.	**Target met.** **(i) 3 Budget implementation S52(d) reports were submitted to Council as follows :** **Quarter 1: 29 July 2021,** **Quarter 2:14 October 2021, and 30 April 2022.** **(ii)1 S72 report was submitted to Council on the 27 January 2022.**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY									
OPMS: 21	To ensure that the revenue of the municipality is collected and accounted for.	% reduction of irregular expenditure when compared to the 2020/2021 financial year.	N/A	60% reduction of irregular expenditure when compared to the 2019/2020 financial year.	TARGET NOT MET Irregular expenditure decreased by 56%.	70% reduction of irregular expenditure when compared to the end of June 2020/2021 financial year.	**Target not met. Irregular expenditure was reduced by 37%, As at June 2021- R68 753 851. As at June 2022 – R43 369 542. Decrease in Value = R25 384 309 thus 37%, due to the Security Services Contract.**	The Community Safety Business Unit has started a new tender process – Tender 105/2021. The sale of tender ended on 3 September 2021. The clarification meeting was on the 6th of September 2021, and the tender closed on 22 September 21. Department evaluation completed and submitted to Tender evaluation committee meeting on 14 December 2021. The tender is now at tender adjudication stage – Tender adjudication committee meeting took place on 21 January 2022. The matter has been resolved at TAC and the tender is at Appeal stage. Process to be fast tracked and finalize the tender process for the security contract.	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY									
OPMS: 22	To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes	% Reduction of debt in the greater than 60 days category when compared to debt as at 30 June 2021	N/A	2% reduction in debt > 60 days as at 30 June 2020 when compared to 30 June 2021	TARGET NOT MET. 0.32% decrease in debt - age analysis and summary reports and unallocated deposits reconciliation filed in the POE file.	2% reduction of debt in the greater than 60 days category when compared to debt as at 30 June 2021, by 30 June 2022.	**Target not met. 0.21% reduction in debt**	1. Arrear debtors who utilise prepaid electricity are partially blocked from buying electricity. Debtors in arrears are being handed over to the debt collection panel of attorneys. 2. There is an on-going strategy to have debtors' statements e-mailed and completion of debit order forms. 3. Reports on recovery of arrear debtors through disconnection and meter inspections are interrogated at the energy loss task team in order to address any challenges experienced and expedite debt recovery. 4. Vigorous disconnection of electricity and meter inspections of electricity has commenced in by a newly appointed service provider. Handing over of debtors in arrears.	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY									
OPMS: 23	To ensure that at least 45% of procurement is awarded to designated sectors i.e., Youth, Women and disabled.	Number of progress reports submitted to the Corporate Services and Finance Portfolio Committee (CSFPC) on the percentage of awards made to designated sectors (i.e., Youth, Women and disabled)	N/A	4 progress reports submitted to Council on the percentage of awards made to designated sectors (i.e., Youth, Women and disabled) by 30 June 2021.	TARGET MET 4 reports were submitted to Council as follows: Q1 - 30 September 2020 Q2 - 26 November 2020. Q3 - 1 report was submitted to Council on the 29 March 2021 - (C427). The report depicted the following percentages: Youth = 9%, Women = 6.23% Disabled = 13.33%. Q4 - 1 report was submitted to Council on the 27 May 2021 - (C847). The report depicted the following percentages : Youth = 13.14%, Women = 6.71% Disabled = 11.36%.	4 progress reports submitted to Corporate Services and Finance Portfolio Committee (CSFPC) on the percentage of awards made to designated sectors (i.e., Youth, Women and disabled) by 30 June 2022	**Target not met. 2 reports submitted as follows : Q3 - 1 report was submitted to Council on the 31 March 2022 (155/2022). Q4 - 1 report was submitted to FPC on the 22 April 2022 (FCS 105). The target was adjusted in Q3 therefore the item was submitted to FPC in Q4.**	The reports will be submitted to the Secretariat of the Committee of CSFPC. Q1 - 1 report was submitted to the Secretariate on the 17/08/2021 for inclusion on the Council Agenda. However, FBU was advised that the MM indicated that the item be submitted to Finance and not Council Level. The said report was submitted to the secretariate of Finance Portfolio committee on the 19/08/2021 however all Portfolio meetings were suspended. Q2 - 1 report on the designated sector was submitted. However due to the pending LG elections all portfolio meetings were suspended. Further MM directed that these reports should be taken to FPC and not	

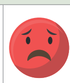
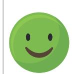
2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY									
OPMS: 24	To ensure financial viability of the municipality	**Financial Management and viability expressed in the ff ratios:** (NKPI) Ratio of Current Assets: Current Liabilities	N/A	Not less than 1.5:1	TARGET EXCEEDED Actual: 3.04:1	Not less than 1.5:1	**Target exceeded Actual: 3.20 : 1**	N/A	
OPMS: 25	To ensure financial viability of the municipality	Ratio of Outstanding service debtors to annual revenue actually received for services (i.e., electricity and refuse)	N/A	Outstanding service debtors to revenue not greater than 0.5:1	TARGET EXCEEDED Electricity - 0.8% Refuse - 0.35% Overall - 0.10%	Outstanding service debtors to revenue not greater than 0.5:1	**Target exceeded : Electricity - 0.07% Refuse - 0.32% Overall - 0.09%**	N/A	
OPMS: 26	To ensure financial viability of the municipality	Debt coverage ratio. Total operating revenue received - operating grants/ debt service payments	N/A	Not less than 15:01	TARGET EXCEEDED Actual : 52.31:1	Not less than 15:01	**Target exceeded Actual : 57.31 :1**	N/A	
OPMS: 27	To ensure financial viability of the municipality	Ratio: Total operating revenue divided by debt service payments (i.e., interest plus redemption).	N/A	Not less than 15:01	TARGET EXCEEDED Actual : 59.96:1	Not less than 15:01	**Target exceeded Actual : 64.32 :1**	N/A	
BASIC SERVICE DELIVERY									
OPMS: 28	To facilitate provision of formal housing through construction of high-quality houses.	Number of new houses constructed	All wards	184 new houses constructed by 30 June 2021	TARGET NOT MET 141 new houses constructed by 30 June 2021	60 new houses constructed by 30 June 2022	**Target exceeded. 73 new Houses constructed.**	N/A	
OPMS: 29	To ensure fair, transparent and compliant housing beneficiary management system.	Number of houses handed over to beneficiaries	All wards	184 houses handed over to beneficiaries by 30 June 2021	TARGET NOT MET 159 houses handed over to beneficiaries by 30 June 2021	60 houses handed over to beneficiaries by 30 June 2022	**Target not met. 59 Houses handed over to beneficiaries.**	There were delays in handing all houses to beneficiaries, due to locating legitimate beneficiaries. These will be handed over in Q1 of 2022/2023.	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 30	Improved access to adequate housing	Number of sites serviced	All wards	400 sites serviced by 30 June 2021	TARGET EXCEEDED 414 sites serviced by 30 June 2021	200 sites serviced by 30 June 2022	**Target exceeded. 399 sites serviced.**	N/A	
OPMS: 31	To restore human dignity through asset ownership	Number of Post 1994 units transferred as per the business plan with Dept of Human Settlements (DOHS)	All wards	50 post 1994 units transferred as per business plan with DOHS by 30 June 2021	TARGET NOT MET 0 post 1994 units transferred as per business plan with DOHS by 30 June 2021	20 Post 1994 units transferred as per business plan with DOHS by 30 June 2022	**Target not met. 11 Post 1994 units transferred.**	Delays in transfers and obtaining power of attorney by department of rural development. To seek early approval from rural development as the land is not owned by the municipality.	
OPMS: 31a	To restore human dignity through asset ownership	Number of Enhanced Extended Discount Benefit Scheme (EEDBS) units transferred as per the business plan with Dept of Human Settlements (DOHS)	All wards	2 meetings held with iLembe in respect of settling of debts for the beneficiaries of EEDBS by 30 June 2021.	TARGET NOT MET 1 meeting held with iLembe in respect of settling of debts for the beneficiaries of EEDBS by 30 June 2021.	100 EEDBS units transferred as per business plan with DOHS by 30 June 2022	**Target not met 27 EEDBS transferred.**	Delays in transfers and obtaining power of attorney by department of rural development. To seek early approval from rural development as the land is not owned by the municipality.	
OPMS: 32	To maintain and upgrade existing municipal infrastructure	m^2 of black top roads rehabilitated	Ward 22, Ward 8 and Ward 12	N/A	N/A	41096 m^2 of black top roads rehabilitated by 30 June 2022	**Target exceeded. 53 552 m^2 of blacktop roads rehabilitated**	N/A	
OPMS: 33	To maintain and upgrade existing municipal infrastructure	Kilometres of access roads upgraded to blacktop completed by target date.	Ward 26, 12.	N/A	N/A	1,38 kms of access roads upgraded to blacktop completed by 30 June 2022: a) Ward 26 -waterworks road upgrade 0.58 kms b) Groutville surface and stormwater - 0.8kms	**Target not met. a) 0.58km's completed, for Waterworks road upgrade Completion certificate - dated 30 June 2022 b) 0.8kms for Groutville surface and stormwater not completed.**	b) There were delays as contractor couldn't not access site due heavy rains experienced in April and some of the work had to be redone as it was damaged. The project was rolled over for completion in Q1 Of 2022/2023 financial year	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 34	To maintain and upgrade existing municipal infrastructure	Km's of Dendethu gravel access road completed by target date.	Ward 17	N/A	N/A	1.4 Km's of Dendethu gravel access road completed by 30 June 2022	**Target not met.**	There were delays as contractor could not access site due to heavy rains experienced in April and some of the work had to be redone as it was damaged. Access to site has since been opened and contractor has started with work. Project has been rolled over to next financial year.	
OPMS: 35	To maintain and upgrade existing municipal infrastructure	km's of roll over access roads upgraded to blacktop completed by target date.	Ward 25, 15	N/A	N/A	3km roll over access roads upgraded to blacktop completed by 30 June 2022. i) 2km Mdlebeni roads and stormwater. ii) 1 km of Waterworks road	**Target met. 3.2km's completed.** **i) Practical completion certificate provided for Mdlebeni roads & Stormwater, dated 04 May 2022** **ii) 1km of Waterworks Road completed, completion certificate dated 14 October 2021.**	N/A	
OPMS: 36 Removed during adjustment at Council on 31/03/2022									
OPMS: 37	To maintain and upgrade existing municipal infrastructure	Number of storm water infrastructure projects completed by target date.	Ward 08, 24, 26	N/A	N/A	3 stormwater infrastructure projects completed by 31 March 2022 i) Ward 24 Melville stormwater and Gabions lining ii) Ward 26 stormwater culvert iii) Ward 08 Nkobongo stormwater improvement	**Target met.** **i) Ward 24 Melville Stormwater and Gabions completed on 23 March 2022.** **ii) Ward 26 Stormwater improvement completed on 14 January 2022.** **iii) Ward 08 Nkobongo Stormwater completed on 26 January 2022.**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 38	To maintain and upgrade existing municipal infrastructure	Construction of Chris Hani sportsfield by target date.	Ward 15	N/A	N/A	Construction of Chris Hani sportsfield completed by 30 June 2022	**Target not met.**	Contractor had challenges accessing the site after floods in April. There were also delays in delivery of materials as most roads were damaged. Project rolled over for completion in Q1 of 2022/2023 financial year	
OPMS: 39	To ensure that all citizens have an electricity service connection	The number of new households with access to basic level of electricity	All wards	Target 1. 975 new households with access to basic level of electricity by 30 June 2021.	TARGET NOT MET Target 1: =1444 new connections. (Munsoft 53 & Contour 1391).	350 new households with access to basic level of electricity by 30 June 2022.	**Target exceeded. 824 new household connections completed. (Munsoft 38 Contour 786)**	N/A	
OPMS: 39a	To ensure that all citizens have an electricity service connection	**The number of households with access to basic level of electricity (NKPI)**	All wards	Target 2: TAC approval and appointment of Panel of Contractors.	Target 2: TAC 040 dated 24 May 2021 cancelled the tender.	59 989 households with access to basic level of electricity by 30 June 2022.	**Target exceeded. 60 463 households with access to basic level of electricity**	N/A	
OPMS: 40	To ensure that all citizens have an electricity service connection	**The percentage of households earning less than R4 200 per month with access to Free Basic Electricity (FBE) (NKPI)**	All wards	100% access to consumers registered on the indigent register by 30 June 2021	TARGET MET The actual number of indigent applications as at 30 June 2021 is 10994. The indigent register and confirmation by the Manager Billing form part of the POE together with the application forms.	100% access to consumers registered on the indigent register by 30 June 2022	**Target met. 100%. The number of consumers registered on the indigent register as at 30 June 2022 was 10971.**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 41	To ensure that energy losses are reduced within legislated guidelines	% of Energy kilowatts loss reduced by target date.	All Wards	Energy kilowatts loss reduced to 15 % by 30 June 2021	TARGET NOT MET Energy kilowatts loss increased to 21,44%	Energy kilowatts loss reduced from 22% to 18% by 30 June 2022	**Target Not Met. Energy losses has increased. As at end June 2022 energy losses = 24.83%.**	1. The Energy Loss task team has been appointed to monitor and control the execution of energy losses reduction in KDM. 2.The panel of contractors have been appointed for disconnections, meter replacement, inspections and audit to curb energy losses. 3.Check meters have been installed at Intake point of supply to ensure proper billing by Eskom .	
OPMS: 42	To maintain and upgrade existing municipal infrastructure	TEC approval ,TAC approval for MV networks upgrades in Cluster B & D by target date.	Cluster B (13; 19 & 27) and D (9;10;11 & 12)	N/A	N/A	TEC approval, TAC approval for MV networks upgrades in Cluster B & D by 30 June 2022	**Target not met.**	Project did not proceed from TSC due to SCM amended PPP regulation. Exemption applied in April to proceed with advertisement of the tender.	
OPMS: 43	To maintain and upgrade existing municipal infrastructure	TAC approval and appointment of the contractor for the upgrade & refurbishment of 7 Substations by target date.	Ward 19,16, 6 & 13	N/A	N/A	Multi year project Year 1= 2021/2022. TAC approval and appointment of the contractor for the upgrade & refurbishment of 7 substations by 30 June 2022.	**Target not met.**	TAC approval pending due to delays in SCM processes. The department has written to MM requesting the intervention to engage TAC in speeding up the process of adjudication of tenders. Awaiting the outcome of the letter to MM.	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 44	To maintain and upgrade existing municipal infrastructure	Replace 33kV Cable between Lavopiere and Industrial Sub Phase. i)Appointment of contractor. ii)70% expenditure on project (Procurement of cable and trenching) by target date.	Ward 19	TEC approval, TAC approval and appointment of contractor for the 33kV Cable between Lavopiere and Industrial Sub Phase by 30 June 2021.	TARGET NOT MET TEC approved 18,05,21. TAC 24/05/21 cancelled the tender due to non-responsive bids TARGET NOT MET TEC approved 18,05,21.	Multi year project to Replace 33kV Cable between Lavopiere and Industrial Sub Phase Year 1= 2021/2022. i)Appointment of contractor. ii)70% expenditure on project (Procurement of cable and trenching) by 30 June 2022.	**Target Exceeded i)Contractor appointed, appointment letter dated 21/01/2022- Yebo Ys Projects ii) Budget of R11 337 401, spend was R8 582 561 (75.70%)**	N/A	
OPMS: 45	To maintain and upgrade existing municipal infrastructure	% expenditure of new streetlights.	All wards	90% (10% retention) expenditure on capital budget for the installation of new streetlights in 7 Clusters by 30 June 2021	TARGET MET 100 % expenditure on projects with completion certificates and handover certificates dated 02/07/21 to 08/07/21	90% expenditure on the installation of new streetlights by 30 June 2022.	**Target Exceeded. Budget of R6 650 028, spend was R6 650 028 (100%)**	N/A	
OPMS: 46	To maintain and upgrade existing municipal infrastructure	% expenditure on the refurbishment of streetlights	All wards	N/A	N/A	100% expenditure on the refurbishment of streetlights by 30 June 2022.	**Target Met. Budget of R5 600 000, spend was R5 599 228 (100%)**	N/A	
OPMS: 47	To maintain and upgrade existing municipal infrastructure	% expenditure on Energy retrofit.	All wards	N/A	N/A	100 % expenditure on Energy retrofit by 30 June 2022	**Target Met. Budget of R3 478 261, spend was R3 478 260 (100%)**	N/A	
OPMS: 48	To maintain and upgrade existing municipal infrastructure	Switch room and control room completed at industrial substation by target date.	Ward 19	N/A	N/A	Multi (2) Year project - Year 2 -2021/2022 - (KwaDukuza Mall Bulk Supplies) Phase 2 Switch room and control room completed at industrial substation by 31 March 2022	**Target met - Practical completion certificate dated - 29/09/2021**		
OPMS: 49	To provide access to basic municipal services to all citizens	**The percentage of households earning less than R4 200 per month with access to basic level of free solid waste removal (NKPI)**	All wards	100% indigent households earning less than R3 500 per month with access to basic level of free solid waste removal by 30 June 2021	TARGET MET 100% access to basic level of free solid waste removal for consumers registered on the Council approved indigent register.	100% indigent households earning less than R4 200 per month with access to basic level of free solid waste removal by 30 June 2022	**Target met. 100% access to basic level of solid waste removal for consumers registered on the Council's approved indigent register 849 in total.**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 50	To provide access to basic solid waste services to all citizens	**The percentage of households with access to basic level of solid waste removal (NKPI)**	All wards	100% households with access to basic level of solid waste removal by 30 June 2020	TARGET MET 100% of estimated households with access to basic level of solid waste removal by 30 June 2021.	100% households with access to basic level of solid waste removal by 30 June 2022	**Target met. 100% of estimated households with access to basic level of solid waste removal**	N/A	
OPMS: 51	To ensure that the community has access to functional public amenities	TSC Approval and TEC Approval for a Prefabricated Temporary Structure (Crèche) in Ward 16 completed by target date.	Ward 16	N/A	N/A	Multi Year Project Year 1 - 2021/2022 TSC Approval and TEC Approval for a Prefabricated Temporary Structure (Crèche) in Ward 16 completed by 30 June 2022.	**Target not met.**	TENDER NO. MN 98 / 2021 - Supply and Install Prefabricated Temporary Structure Creche in Ward 16 was cancelled on the basis that all bids received were deemed non-responsive. Wrote to KZN Treasury in terms of Regulation 13 (3). The response from Treasury was received in May 2022. The funds for the project have been rolled over to the new financial year. In Q1 of the 2022/2023 TSC approval and advert will be completed	
OPMS: 52	To ensure that the community has access to functional public amenities	Construction of Combo Court Ward 9 completed by target date.	Ward 9	N/A	N/A	Construction of Combo Court in Ward 9 completed by 30 June 2022.	**Target met. Practical Completion certificate for Construction of the Combo Courts Ward 9 issued by FDKL Engineering Consultants (Pty) Ltd issued to Craft Artistry (Pty) Ltd dated 30/06/2022**	N/A	
OPMS: 53	To ensure that the community has access to functional public amenities	Cremator Filtration System. 1.Obtain authorisation from Provincial Treasury to re-tender & 2. TSC Approval completed by target date.	Ward 19	N/A	N/A	Cremator Filtration System. 1.Obtain authorisation from Provincial Treasury to re-tender & 2. TSC Approval completed by 30 June 2022.	**Target met. 1.Authorisation from Provincial Treasury received on the 13th of May 2022. 2. TSC approved - minutes dated 23/06/2022**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
BASIC SERVICE DELIVERY									
OPMS: 54	To ensure that the community has access to functional public amenities	Refurbishment of Combo Court - Ward 1 by target date.	Ward 1	N/A	N/A	Refurbishment of Combo Court - Ward 1 completed by 30 June 2022.	**Target met. Practical Completion certificate for Refurbishment of Combo Courts Ward 1 issued by FDKL Engineering Consultants (Pty) Ltd issued Flaxen Lake (Pty) Ltd dated 30/06/2022**	N/A	
OPMS: 55	To ensure that the community has access to functional public amenities	Obtain Environmental Authorisation for Nonoti Beach Node Development from The Economic Development, Tourism and Environmental Affairs (EDTEA) by target date.	Ward 11	N/A	N/A	Obtain Environmental Authorisation for Nonoti Beach Node Development from The Economic Development, Tourism and Environmental Affairs (EDTEA) by 30 June 2022.	**Target not met.**	KZN Department of EDTEA required additional information relating to lifeguard Tower. Environmental Authorisation by EDTEA to be obtained in Q1 of 2022/2023	
SPATIAL PLANNING AND EVIRONMENTAL MANAGEMENT									
OPMS: 56	To contribute to a safe and secure environment	Number of multi-disciplinary law enforcement operations conducted	All wards	16 multi-disciplinary law enforcement operations conducted by 30 June 2021.	TARGET EXCEEDED 33 multi-disciplinary roadblocks conducted.	40 multi-disciplinary law enforcement operations conducted by 30 June 2022	**Target exceeded - 117 multi-disciplinary law enforcement operations conducted by 30 June 2022.**	N/A	
OPMS: 57	To prevent and reduce the impact of disasters within KDM jurisdiction	Number of outreach programmes conducted on fire safety, social crime and road safety campaigns.	All wards	48 fire compliance inspections conducted in areas identified as high-risk occupancies and sensitive land use by 30 June 2021.	TARGET EXCEEDED 129 fire compliance inspections conduct TARGET EXCEEDED 38 campaigns conducted ed.	20 outreach programmes conducted on fire safety, social crime prevention and school/ community Road Safety Outreach programmes by 30 June 2022.	**Target exceeded 48 outreach programmes conducted. 14 Wards visited for Fire safety. 17 Wards visited for Social Crime Prevention. 17 Road Safety Outreach programmes conducted.**	N/A	
						6 Fire Safety Outreach programmes.	**Ward 22 & 19. Ward 6 (07/12) & 19 (01/10). Ward 19 (22/03), 22 (16/03), 15 (03/02), 3 (26/01) & 14 (22/01). Wards 24 (03/06), 1 (03/06 & 25/05), 16 (02/06), 9 (31/05), 20 (31/05), 10 (30/05), 11 (30/05) & 2 (25/05).**		

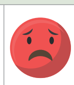
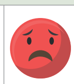
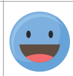
2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
SPATIAL PLANNING AND EVIRONMENTAL MANAGEMENT									
						6 Social Crime Prevention Outreach programmes.	Q4: Ward 20 (31/05), 9 (31/05), 10 (30/05), 11 (30/05), 1 (25/05), 2 (25/05) & 12 (22/05) Q3: Ward 16 (18/03, 26/01, 20/01), 29 (16/02), 15 (03/02), 1 (27/01), 12 (26/01), 27 (25/01) & 7 (16/01, 15/01), 16 (18/03, 26/01, 20/01), 29 (16/02), 15 (03/02), 1 (27/01), 12 (26/01), 27 (25/01) & 7 (16/01, 15/01) Q2:Ward 11 (03/12), 1 (9/12) & 8 (10/12) Q1: Ward 19, 18, 5 & 6		
						8 Schools/ Community Road Safety Outreach programmes.	Q4:Ntshaweni area (17/06), Shakaskraal Taxi Rank (16/06), Ellen Gumede Primary School (03/06), Bonjour Garage Stanger (18/04), Mvoti Toll Ultra City (10/04) & Mvoti Toll south bound (09/04). Q3: Isinembe Sec School (09/03), Darnall Primary (15/02), Stanger Heights Primary (26/01), Prospect Farm School (25/01), Shakaskraal R102 (23/01), Ntshwawini Ngqobheni (22/01), Ashram Primary School (20/01), KwaDukuza Mall (09/01, 08/01) Q2:Darnall Lee Primary on 21/10. However, road safety programmes were conducted at Mvoti Toll on 30/10 & 31/10 and Ballito Taxi Rank 23/10 & 24/10.		
						8 Schools/ Community Road Safety Outreach programmes.	Q4:Ntshaweni area (17/06), Shakaskraal Taxi Rank (16/06), Ellen Gumede Primary School (03/06), Bonjour Garage Stanger (18/04), Mvoti Toll Ultra City (10/04) & Mvoti Toll south bound (09/04). Q3: Isinembe Sec School (09/03), Darnall Primary (15/02), Stanger Heights Primary (26/01), Prospect Farm School (25/01), Shakaskraal R102 (23/01), Ntshwawini Ngqobheni (22/01), Ashram Primary School (20/01), KwaDukuza Mall (09/01, 08/01) Q2:Darnall Lee Primary on 21/10. However, road safety programmes were conducted at Mvoti Toll on 30/10 & 31/10 and Ballito Taxi Rank 23/10 & 24/10.		

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
SPATIAL PLANNING AND EVIRONMENTAL MANAGEMENT									
OPMS: 58	Developing and sustaining the spatial, natural and built environment	Percentage of SPLUMA applications (Rezoning/ subdivision/ Scheme Amendments) processed within stipulated time	All wards	85% of SPLUMA applications processed within 90 days from the closing date of advert by 30 June 2021	TARGET MET 88% of SPLUMA applications processed within 90 days from the closing date of advert	85% of SPLUMA applications processed within 90 days from the closing date of advert by 30 June 2022	**Target exceeded. 92% of SPLUMA applications processed within 90 days from the closing date of advert by 30 June 2022**	N/A	
OPMS: 59	Developing and sustaining the spatial, natural and built environment	Percentage of consent applications (i.e., relaxations) processed within 60 days from closing date of advert or date of submission	All wards	85% of consent applications processed within 60 days, from the closing date of advert or date of submission by 30 June 2021	TARGET EXCEEDED 98% of consent applications processed within 60 days, from closing date of advert or submission date.	85% of consent applications processed within 60 days, from the closing date of advert or date of submission by 30 June 2022	**Target exceeded, 96.07% of consent applications processed within 60 days, from the closing date of advert or date of submission by 30 June 2021**	N/A	
OPMS: 60	Developing and sustaining the spatial, natural and built environment	Percentage of building plans more than 500m^2 approved within 60 days	All wards	90% of building plans more than 500 m^2 processed within 60 days by 30 June 2021	TARGET EXCEEDED 96% of building plans more than 500 m^2 processed with 60 days by 30 June 2021	90% of building plans more than 500 m^2 approved within 60 days of submission.	**Target exceeded 96.2% of building plans more than 500m^2 processed within 60 days by 30 June 2022**	N/A	
OPMS: 61	Developing and sustaining the spatial, natural and built environment	Number of Environmental Awareness Programmes conducted	All Wards	4x Environmental Management Community awareness programmes conducted by 30 June 2021	TARGET EXCEEDED 9 Environmental Management Community awareness programmes conducted in the 2020-2021 financial year.	6x Environmental Management Community awareness programmes conducted by 30 June 2022	**Target exceeded; 14 x Enviro management awareness programmes conducted by 30 June 2022. (Awareness and seedling distribution/ greening - 28 July 2021, Clean up and public awareness - 5 August 2021, Women in enviro capacity building workshop - 20 August 2021, Arbor Day/Spring Day) - 3 Sep 2021. Q (Rehabilitation Zilungisele Primary School - 01 Oct 2021, Marine week at Umfolozi College - 7 Oct 2021, CBD Clean ups 4 to 8 Oct 2021) Wetlands Day - 3 Feb 2022. Commemoration 2) Water week programme - 7 March 2022. (Greening programme Earth Day 28/04/2022); New Guelderland School Enviro Management Educators workshop 17/05/2022; World biodiversity exhibition at Odyssey Mall (Ballito) 20/05/2022; Enviro Management (waste management) awareness & clean-up Mbekamuzi School 31/05/2022; Kwadukuza Enviro Day Open street event (23/06/2022)**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
SPATIAL PLANNING AND EVIRONMENTAL MANAGEMENT									
OPMS: 62	Developing and sustaining the spatial, natural and built environment	Completion of Museum by target date.	Ward 19	N/A	N/A	Completion of Museum by 30 June 2022.	**Target not met.**	The project was delayed by the April Floods and the imported mechanical works from Italy and China. Approval granted for extension of time and the project expected to be completed before end of September 2022.	
LOCAL ECONOMIC DEVELOPMENT									
OPMS: 63	To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed	The number of jobs created through municipality's local economic development initiatives. (NKPI)	All Wards	120 Jobs created through LED initiatives by 30 June 2021	TARGET NOT MET: 91 Jobs created through LED initiatives.	120 Jobs created through LED initiatives by 30 June 2022	**Target not met - 59 jobs created through LED initiatives.**	The other jobs created through LED unit facilitation with our private sector partners can't be counted due to POPI Act. The municipality is working on the better way of sourcing this information without disclosing the protected information in line with POPI Act. This will be done with the next recruitment.	
OPMS: 64	To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed	The number of jobs created through municipality's capital projects. (NKPI)s	All Wards	275 jobs created through municipality's Capital Projects in the IDP by 30 June 2021: ii) Electrical Services: 75 jobs created. iii) Civil and Human Settlement 100 jobs created iii) Community Services: 100 jobs created	TARGET EXCEEDED 410 jobs created through municipality's Capital Projects in the IDP: ii) Electrical Services: 86 jobs created iii) Civil and Human Settlement 197 jobs created iii) Community Services: 127 jobs created	275 jobs created through municipality's Capital Projects in the IDP by 30 June 2022: i) Community Services: 100 jobs ii) Electrical Services: 75 jobs created. iii) Civil and Human Settlement 100 jobs	**Target exceeded. Total = 310 jobs created. Due to more labour-intensive methods being applied. i) Community Services (96 jobs created) ii) Electrical (83 jobs created) iii) Civil & Human Settlements (131 jobs created)**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
LOCAL ECONOMIC DEVELOPMENT									
OPMS: 65	To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed	**Number of job opportunities created through implementation of Expanded Public Works Programme (EPWP)**	All Wards	50 job opportunities created and maintained through implementation of Expanded Public Works Programme by 30 June 2021	TARGET MET 51 job opportunities created through implementation of Expanded Public Works Programme by 30 June 2021	40 job opportunities created through implementation of Expanded Public Works Programme by 30 June 2022	**Target exceeded; 126 jobs created through a municipality's Expanded Public Works Programme.**	N/A	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
OPMS: 66	To ensure coordination and alignment of developmental programmes of the municipality with other spheres of government	Approval and adoption of the 2022/2023 IDP in line with S129 MFMA & Chapters 5&6 MSA by Council by target date	All wards	2020/2021 IDP in line with Chapters 5&6 MSA approved by Council 31 May 2020	TARGET MET through Resolution C417, Council 30/07/2020	2022/2023 IDP in line with Chapters 5&6 MSA approved by Council 31 May 2022	**Target met. 2022/2023 IDP adopted on 25/05/2022 -C571/2022**	N/A	
OPMS: 67	To provide effective and efficient Internal Audit services for Council	Approval of the 2021-2022 Risk based Annual Internal Audit Plan by Audit Committee and Council by target date	N/A	2020-2021 Risk based Internal Audit Plan approved by the Audit Committee and Council by 30 September 2020	TARGET NOT MET	2021/2022 Risk based Annual Internal Audit Plan to be approved by Audit Committee and Council by 30 September 2021.	**Target met 2021/2022 Risk based annual internal audit plan was submitted to Council on 30 September 2021. C 1472.**	N/A	
OPMS: 68	To ensure compliance with the laws and regulations	Number of reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to Audit Committee, MPAC and Exco	N/A	N/A	N/A	4 quarterly reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to Audit Committee, MPAC and Exco by 30 June 2022	**Target not met 3 reports submitted to Audit committee but not submitted to MPAC and EXCO i) Quarter 4 submitted to Audcom on 27/07/2021 ii) Quarter 1 submitted to Audcom on 13/12/2021 iii) Quarter 2 & Quarter 3 submitted to Audcom on 06/06/2022**	The Organisational compliance report for the quarters will be presented to the next Audit committee, MPAC and EXCO scheduled in Quarter 1 of 2022/2023.	
OPMS: 69	To ensure compliance with the laws and regulations	Number of Audit and Performance Audit Committee Reports submitted to Council as required by MPPMR 14(4) (a) (iii).	N/A	N/A	N/A	2 Audit & Performance Audit Committee reports submitted to Council by the Audit Committee by 30 June 2022	**Target met 2 Audit & Performance Audit committee reports submitted to council on 31/03/2022-C146/2022 & 30/06/2022-C706/2022**	N/A	

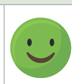
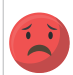
2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
OPMS: 70	To ensure compliance with the laws and regulations	Number of progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to Audit comm, MPAC and Exco.	N/A	N/A	N/A	4 progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to Audit comm, MPAC and Exco.	**Target not met. Not submitted to MPAC & EXCO. 3 reports submitted as follows: - i) Quarter 4 (20/21) submitted to Audcom on 27/07/2021 ii) Quarter 1 (21/22) submitted to Audcom on 13/12/2021 iii) Quarter 2 & Quarter 3 submitted to Audcom on 06/06/2022**	Progress report on A.G action plan will be reported to MPAC and EXCO meetings scheduled in Quarter 1 of 2022/2023.	
OPMS: 71	To ensure compliance with the laws and regulations	Adoption of 22/23 Risk Register by council by target date.	N/A	Risk Registers approved and adopted by Council by 30 June 2021	TARGET MET Risk Register adopted C999 on the 24th of June 2021	Adoption of 22/23 Risk Register by Council by 30 June 2022	**Target met 22/23 Risk register adopted by Council on 30/06/2022-C734**	N/A	
OPMS: 72	To ensure compliance with the laws and regulations	Number of Risk reports submitted to the Risk Management Committee and Exco	N/A	4 reports submitted to Risk Committee, Audit Committee and Exco by 30 June 2021	TARGET MET 4 reports submitted to Risk Committee, Audit Committee and Exco by the end of the financial year.	4 Risk Reports submitted to the Risk Management Committee and Exco by 30 June 2022.	**Target met (a) Q4 of 2020/2021 Risk report submitted to RMC on 16/09/2021 & EXCO on the 08/12/2021. (b) Q1 Risk Management report submitted to RMC on 09/12/ 2021 & EXCO on 20/01/2022. (c) Q2 Risk Management report to RMC on the 17/03/ 2022 & Council on 29/06/2022-C169 & C170 (d) Q3 of 2021/2022 risk report submitted to risk management committee on 09/05/2022 & EXCO held on 29/06/2022 C702 & C703**	N/A	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
OPMS: 73	To ensure compliance with the laws and regulations	Number of risk management reports on risk action plan implemented	N/A	N/A	N/A	2 Risk management reports on risk action plans implemented submitted to Risk Management Committee (RMC)	**Target met 2 Risk Management report on risk action plan implemented submitted to RMC on 17/03/2022 & 09/05/2022.**	N/A	
OPMS: 74	To ensure compliance with the laws and regulations	Number of reports on top 10 risk action plans submitted to risk management committee and EXCO	N/A	N/A	N/A	3 reports on top 10 risk action plans submitted to risk management committee and EXCO by 30 June 2022	**Target met** **(a) Top 10 risk report submitted to RMC on 09/12/2021 and EXCO on 20/01/2022.** **(b) Top 10 risk report submitted to RMC on 17/03/2022 and Full council on 31/03/2022** **(c) Report on Top 10 was submitted to RMC on the 09/05/2022 and EXCO on the 29 June 2022.**	N/A	
OPMS: 75	To enhance organisational performance	Progress made on implementation of Lekgotla Resolutions	N/A	N/A	N/A	Submission of 4 reports to Council on the implementation of Lekgotla Resolutions by 30 June 2022. (Lekgotla of 2016)	**Target not met**	Late submission of resolutions by other business units resulted in coo's office missing the submission deadline. The office of COO will send out frequent reminders to all BUs to submit the resolutions prior to the deadline.	
OPMS: 76	To ensure co-ordination and alignment of developmental programmes of the municipality with other spheres of government	Number of war-room intervention reports on Operation Sukuma Sakhe submitted to Council.	N/A	N/A	N/A	4 war-room intervention reports on Operation Sukuma Sakhe submitted to Council by 30 June 2022.	**Target not met 2 reports submitted to Council.** **i) 28/04/2022 - C440 &** **ii) 30/06/2022 -C707/2022**	Formulate BU's submission plans that will be inline with council meeting dates from Q1 of 2022/2023.	

2021/2022 ORGANISATIONAL SCORECARD *...continued*

OPMS NO	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WARD	2020/2021 TARGET	2020/2021 ACTUAL ACHIEVED	2021/2022 TARGET	2021/2022 ACTUAL ACHIEVED	MEASURES TO IMPROVE PERFORMANCE	STATUS
GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
OPMS: 77	To streamline empowerment and development of vulnerable groups	Number of programmes identified and implemented for vulnerable groups	N/A	7 programmes identified and implemented for vulnerable groups by 30 June 2021	TARGET EXCEEDED 10 programmes identified and conducted.	03 programmes identified and implemented for vulnerable groups by 30 June 2022	**Target met.** **03 programmes conducted** **i) 16 days of Activisms on Senior citizen children and women, 24/11/2021-Mhlongo village community hall and 25/11/2021-KwaDukuza Town Hall.** **ii) Dress a school child campaign -100 benefited from dress a child campaign** **(a) Lloyd primary school - 20 children dressed.** **(b) Mavivane primary school - 10 children dressed** **(c) Mgqwabagqwaba primary school - 10 children dressed.** **(d) Mbozamo Primary school -10 children dresses.** **(e) Iziphozethu primary -20 children dressed.** **(f) Shakaskraal Primary -10 children dressed.** **(g) Nonoti primary - 10 children dressed.** **(h) Glenhills primary - 10 children dressed** **iii) Child Protection awareness campaign -25,30,31 May 2022 Nonoti Primary; Darnall Secondary; Nyakana Primary; Thembeni Primary; Tinley Manor; Primary; Zilungisele Secondary.**	N/A	
OPMS: 78	To enhance organisational performance	Develop KDM business continuity plan and adoption by council by target date	N/A	Approval of the Business Continuity plan by 30 June 2021	TARGET NOT MET The business continuity plan has been handed over to Vuthela.	Develop KDM Business continuity plan and adoption by Council by 30 June 2022	**Target not met.**	Delays in submission of information by KDM Business Units. Report will be tabled to Council in August 2022.	

KEY AREAS TO NOTE

IMPROVING PERFORMANCE

There was a definite increase of 6% in Basic Service Delivery from 56% to 62% achieved in the 2021/2022 financial year. There were many issues that impacted on Service Delivery such as the National Lockdown due to Covid 19, the looting that halted important municipal processes, environmental changes and localised flooding, if it wasn't for these environmental phenomena, it is evident that there would have been higher capital spend and a higher increase in Basic Service Delivery.

Reporting on Performance is done on a quarterly basis, Section 56 Managers are required to respond to Internal Audit Queries on the Performance findings of the respective departments to ensure that audited reports are submitted to the Performance Audit Committee and Exco or Council. The effective implementation of the performance management framework as adopted by Council, and the different roles and responsibilities that will be played by different stakeholders will serve as an early warning indicator for the KwaDukuza Municipality to keep abreast of performance and to effect corrective measures timeously in any of the weak functional areas identified by the performance management system.

DETERIORATING PERFORMANCE

There is a challenge with the increase in energy losses which was targeted to decrease from 22% to 18% during the 2021/2022 Financial Year and from 18% to the required threshold of 12% in the outer year(2022/2023), but this has remained high at 24.83% as at 30 June 2022. The Municipality's Revenue Protection Unit has completed 4254 households' inspections, 542 electrical disconnections and 532 fines were issued to defaulting consumers.

The strategies that have been put in place to reduce energy losses were as follows :

1. The Energy Loss Task Team has been appointed to monitor and control the execution of energy losses reduction in KDM.
2. A panel of contractors have been appointed for disconnections, meter replacement, inspections and audit to curb energy losses.
3. Check meters have been installed at the "Intake" point of supply to ensure proper billing by Eskom.

The additional targets set by the Municipality's Electrical BU and the Finance BU going forward, to reduce energy losses are as follows : -

1. Energy losses root cause analysis to be performed.
2. Implementation of energy losses methodology must be submitted to the Councils Infrastructure and Technical Committee to provide regular updates.
3. Four (4) Eskom check meters will be installed within the jurisdiction of KwaDukuza Municipality.
4. There will be Service Level Agreements developed and implemented for all KDM re-sellers of electricity.
5. There will be a power system simulation software that will be procured and implemented.
6. Implementation of Smart metering.
7. Report to Councils IAT Portfolio Committee on large power users' energy consumption analysis and defects repairs.
8. Develop KDM Customer network link for 13000 KDM customers.
9. Analysis reports of meters issued by SCM to EBU to ensure that meters are registered on the billing system.
10. Monthly reports to the Electrical BU on faulty meters for investigation.
11. Quarterly Report to the Electrical BU on pre-paid non purchases for investigation.
12. Quarterly analysis of meter consumption reports on meters billed on estimates for a period longer than 2 months and submission to the contractor or Electrical BU for investigation.

The municipality has also been dealing with repeat findings on irregular expenditure. During this 2021/2022 Financial Year, the irregular expenditure target has not been met. This is mainly attributed to the Security Services Contract. The Business Unit tasked with Security Services has ensured that they follow the processes to regularise the Security Services Contract, the matter has been resolved at Tender Adjudication Committee (TAC) and the tender is at Appeal stage. There was other irregular expenditure incurred during the financial year which includes grass cutting contracts, as per Unauthorised, Irregular, Fruitless and Wasteful (UIFW) register. This was however resolved in December where majority tenders were finally awarded to various grass cutting contractors through the supply chain management process.

LESSONS LEARNT

- That the manual system of the Performance Management System, i.e., the use of Excel spreadsheets has caused many problems where departments remove targets, and this is picked up too late during reporting.
- That there are departments that are submitting information after the deadline.
- That the Portfolio of Evidence in most cases for targets achieved do not have credible evidence.

WAY FORWARD

- The Performance Monitoring and Evaluation (PME) Unit together with Manco are investigating the use of an electronic system called Performance Assist by Munsoft. Munsoft is an existing system within the KwaDukuza Municipality' Finance Business Unit and will involve adding a module for the Digitisation of the Performance Management System implementation. This will eradicate duplications on the top layer of the service delivery and budget implementation plan. It will also send timeous reminders to all users. The system also closes for any updated, so that late information and defaulting departments can be easily picked up and reported accordingly.
- The support and co-operation of Council will also steer the performance management system and drive better performance for KwaDukuza as a whole.
- There is a Consequence Management Policy for KwaDukuza Municipality that has been adopted by Council and this will be implemented.
- The Municipal Manager submits regular reminders via the PME Unit to Manco and Good Governance Committee's on information that is outstanding by departments, formal letters are written to Section 56 employees and filed accordingly.

PERFORMANCE OF SERVICE PROVIDERS

All service providers performance is monitored and reviewed on a monthly/quarterly basis, however as defined in the Systems Act Section 76 the service providers performing the core functions of the Municipality are rated below in the table.

PERFORMANCE ANALYSIS AND RATING CRITERIA

For contractor performance rating purposes, the following rating criteria is used:

PERFORMANCE WEIGHTING		
1	POOR	Performance did not meet most contractual requirements and contains serious problem(s) for which correction actions were ineffective.
2	SATISFACTORY	Performance did not meet some contractual requirements; contractors' actions appear only marginally effective or were not fully implemented.
3	GOOD	Contractual performance of contractor contains some minor problems for which corrective action taken by the contractor appear or were satisfactory
4	VERY GOOD	Performs meets contractual requirements some minor problems for which corrective action taken by the contractor were effective
5	EXCELLENT	Performance meets contractual requirements with few minor problems for which corrective actions by contractor were highly effective.

The performance ratings of service providers performing the core function of the municipality are as follows:

SERVICE PROVIDER PERFORMANCE REPORT														
	2020/2021 ANNUAL PERFORMANCE RATINGS							2021/2022 ANNUAL PERFORMANCE RATINGS						
COMPANY NAME	EXCELLENT (5)	VERY GOOD (4)	GOOD (3)	SATISFACTORY (2)	POOR (1)	NOT ENGAGED	NO REPORT SUBMITTED	EXCELLENT (5)	VERY GOOD (4)	GOOD (3)	SATISFACTORY (2)	POOR (1)	NOT ENGAGED	NO REPORT SUBMITTED
COMMUNITY SERVICES AND PUBLIC AMENITIES														
DOLPHIN COAST WASTE MANAGEMENT	√							√						

NOTES TO THE ANNUAL PERFORMANCE REPORT:

1. National Key Performance Indicators – (OPMS 01; 04; 19; 24; 25; 26; 27; 39a; 40; 49; & 50) (shaded grey)
2. OPMS 36 – removed during the adjustment at mid year.
3. New targets for 2021/2022 – OPMS 03a; 13a; 32; 33; 34; 35; 37; 38; 42; 43; 46; 47; 48; 51; 52; 53; 54; 55; 62; 68; 69; 70; 73; 74; 75 & 76)
4. % on OPMS 44 to 47 rounded off.
5. Adjusted Scorecard approved by Council C 171 – 31/03/2022 – advertised in the Dolphin Coast Mail 8 April 2022.
6. Explanatory Note for OPMS 39a: 2020/2021 -Total Number of households listed on the Municipal Contour System is 48914. Total Number of Households on the Municipal Munsoft System is 10725. Making the Total Number of Households provided with electricity by KwaDukuza Municipality to be 59 639 as at the end of June 2021.
7. OPMS 18 – 99.8% spend on MIG as opposed to 100%. 0.02 equates to approximately R116 000.00.

04

CHAPTER Four

ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS)

In terms of the Municipal Systems Act and the Municipal Performance Regulations, KwaDukuza has developed a Performance Management System to measure and assess the Performance of the Organisation and its Section 57 employees known as Executive Directors reporting directly to the Municipal Manager.

The organisational performance is based on the programmes in the IDP, Budget and is being implemented through the use of the Top layer of the Service Delivery Budget Implementation Plan (SDBIP) to monitor performance that is in the Organisational Scorecard and the Performance Agreements of the Municipal Manager and the Heads of Business units. Their performance is monitored quarterly by the Performance Evaluation Committee set up by Council and internally audited by the Internal Audit. A report is sent to Audit Committee, Performance Audit Committee and Council.

PERFORMANCE MONITORING & REVIEWS

In order to fulfil the objective of ensuring accountability, reviews are conducted according to certain lines of accountability:

RESPONSIBILITY	FREQUENCY	NATURE OF REVIEW
Municipal Manager	Quarterly	The departmental scorecards of the Executive Directors are updated and submitted to a review session with the Municipal Manager on a quarterly basis. The scorecards must ensure that the actuals, reasons for not meeting targets and clear corrective actions are given. The MM then provides input and further corrective measures to be put in place to ensure targets are met. This is recorded by the Human Resources Department.
Mayor	Quarterly	The Mayor reviews the Organisational Scorecard which is Municipal Managers Scorecard aligned to the IDP and the Budget on a quarterly basis. The Mayor provides feedback on targets not met and encourages redirection of actions so that targets can be met. This is recorded by the Human Resources Department.
Council	Quarterly/Annually	The Performance Management System is monitored on a Quarterly basis with the Quarter one; quarter three and quarter four PMS reports being submitted to the Executive Committee. The Quarter 2 and Annual Performance Report is submitted to full Council for oversight.
Public	Annually	It is required by legislation that the public is involved in reviewing municipal performance at least annually. The Annual Report of the Municipality is collated and adopted by Council in January of each year. The Municipal Public Accounts Committee (MPAC) meets four times after council has adopted the Annual Report to consider public comments. An oversight report is drafted and adopted by March together with the Annual Report.

PERFORMANCE REPORTING

There are various types of reports that must be generated and disseminated to all the relevant stakeholders:

> Monthly reports,
> Quarterly performance reports,
> Mid-year assessment report also referred to as section 72 reports,
> S57 Performance Assessment and Evaluation report, and
> Annual Performance Report.

Annual reports which are key reporting instruments for municipalities to report against performance targets and budgets outlined in IDP.

Annual Reports contain information of service delivery, performance and how the budget was implemented. The oversight report is the final major step in the annual reporting process of a municipality.

It is essential that all these reports are made accessible to everybody through publication in the municipal website in order to ensure transparency and access to information.

In order to ensure accountability and credibility, the quarterly reports are audited internally by the Internal Audit unit, the Performance Audit Committee and annually by the Auditor-General. The Performance Audit Committee must then table audited performance reports to Council bi-annually.

In terms of this Policy, the frequency of reporting intervals is that all Quarterly Reports are due for submission to the PM&E unit on the 10th after the end of the quarter. If the 10th falls on a Sunday or Public Holiday, the report will be due on the following day, if the 10th falls on a Saturday, the reports are due a day before or the following Monday, but only if that has been negotiated with the PME unit.

PERFORMANCE AUDITING :

In order for the performance management system to enjoy credibility and legitimacy from the public and other stakeholders, performance reports, must be audited. Audits should ensure that reported performance information is accurate, valid and reliable.

In terms of the provisions of the Municipal Systems Act and the Performance Regulations of 2001, the annual performance report must be audited internally, and before being tabled and made public, the annual performance report will also be audited by the Auditor-General. It is therefore important to allow sufficient time between completion of annual performance reports and the tabling of the annual performance report for auditing.

After being tabled at the Executive Committee or Council, the annual performance report must then be submitted to the Auditor-General before 31 August of every year, for auditing and be submitted to the MEC for local government in the province for the MEC to complete an annual report of performance of all municipalities in the province, identifying poor performing municipalities and proposing remedial action and submit the provincial report to the national minister. The national minister will then present a consolidated report to parliament.

In terms of Regulation 14 of the Planning and Performance Regulations of 2001, every municipality must develop and implement mechanisms, systems and processes for auditing the results of performance measurements as part of its internal auditing processes. The specific functions of the internal audit unit on performance information include the assessment of the following:

- The functionality of the municipality's performance management system.
- Whether the municipality's performance management system complies with the provisions of the Municipal Systems Act.
- The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on its own indicators and the national indicators.
- The Regulations further provides that the municipality's internal auditors must:

  On a continuous basis, audit the performance measurements of the municipality; and Submit quarterly reports on their audits to the municipal manager and the performance audit committee.

INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

The Local Government Municipal Staff Regulations, September 2021, for all levels of employees below a Section 56/57 Employee, will come into effect from the 1 July 2022.

COMPONENT A: INTRODUCTION TO MUNICIPAL WORKFORCE

The KwaDukuza Human Capital Management Department is established as a centralized function to provide both strategic and operational support to the Nine (9) Business Units created by the Municipality with a total staff complement of 1031 permanent staff members.

The support provided includes, Talent acquisition and Management, Labour Relations, Organizational Development and Individual Performance Management, Benefits administration, Occupational Health and Safety and Skills development.

Total number of Employees per Business Unit and Vacancy Rate are:

NO.	BUSINESS UNIT	MASTER STAFF COMPLEMENT	BUDGETED IN 2021/22	ACTUAL	VACANT	VACANCY RATE
1	Office of the Municipal Manager	73	48	46	2	4%
2	Corporate services	66	52	46	6	7%
3	Finance	125	103	99	4	4%
4	Economic Development and Planning	106	106	102	4	4%
5	Municipal services and Public Amenities	322	305	281	24	9%
6	Community Safety	264	244	229	15	7%
7	Civil Engineering and Human Settlement	151	129	121	8	7%
8	Electrical Engineering	170	107	97	10	10%
9	Youth Development	29	12	10	02	20%
	Total	**1306**	**1106**	**1031**	**75**	**7%**

EMPLOYMENT EQUITY

In accordance with the Employment Equity Act (55 of 1998) the KwaDukuza Municipality has an Employment Equity Plan (EEP). In line with the Employment Equity Plan, the municipality submitted its Employment Equity Report to the Department of Employment and Labour as per required timeframes.

THE TABLE BELOW REFLECTS THE EMPLOYMENT EQUITY: (INCLUSIVE OF COUNCILLORS, TEMPORAL AND CASUAL EMPLOYEES).

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Top management	40	0	12	1	20	0	6	1	0	0	**80**
Senior management	4	0	5	0	4	0	0	0	0	0	**13**
Professionally qualified and experienced specialists and mid-management	14	1	5	2	5	0	2	0	0	0	**29**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	108	1	41	2	64	0	26	2	0	0	**244**
Semi-skilled and discretionary decision making	95	1	26	0	59	1	18	1	0	0	**201**
Unskilled and defined decision making	138	1	6	0	101	0	1	0	0	0	**247**
TOTAL PERMANENT	399	4	95	5	253	1	53	4	0	0	**814**
Temporary employees	210	2	14	1	111	1	13	1	0	0	**353**
GRAND TOTAL	**609**	**6**	**109**	**6**	**364**	**2**	**66**	**5**	**0**	**0**	**1167**

STAFF TURNOVER

A high staff turnover proves costly to a municipality and can negatively affect productivity, service delivery and institutional memory/organizational knowledge. This section seeks to report on the municipal staff turnover as well as reasons for such staff turnover for the year under review. The Municipal staff turnover consists of various categories ranging from resignation, death, medical boarding, retirement and dismissal.

The Municipality has an existing management policy that assists to gather information that may assist reducing the turnover rate especially those resulting from resignations. The Municipality also has a programme to assist those employees' approaching retirement. During the 2021/2022 financial year the Municipality experienced 25 terminations categorised as follows:

EXIT CATEGORY	NUMBER OF STAFF
Death	08
Early Retirement	05
Retirement	03
Resignation	03
Dismissal	04
Boarded	02
Total	**25**

TALENT ACQUISITION/RECRUITMENT

In ensuring that the municipality is able to deliver services and provide the required support, it is critical that the municipality is from time to time able to acquire right people to fill vacancies. During the financial year in question a total of 211 new appointments(inclusive of temporal employees) and internal promotions were made to fill vacancies. The table below reflects total number of appointments made as well as categories:-

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Top management T19 Up	3	0	0	0	0	0	0	0	3
Senior management T16 - 18	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management T14 - 15	3	0	0	0	0	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents T9 - 13	19	0	0	0	15	0	0	0	43
Semi-skilled and discretionary decision making T4 – 8	18	1	2	0	21	1	2	0	45
Unskilled and defined decision making T1 – 3	8	0	0	0	6	0	0	0	14
TOTAL PERMANENT	52	1	2	0	42	1	2	0	109
Temporary employees	78	2	3	2	11	1	4	1	102
GRAND TOTAL	130	3	5	2	53	2	6	1	211

YOUTH EMPLOYMENT INITIATIVES

KDM has included in its target Youth Employment initiatives to ensure that at least 50% of such initiatives are youth. These initiatives are indeed to reduces youth unemployment within the municipal boundaries and to ensure the imparting of skills from municipal seasoned employees. This will assist most in succession planning and ensure sustainability of service delivery.

The following table reflect numbers of youth employment initiatives implemented:-

INITIATIVE	MALES	FEMALES	TOTAL
Permanent Employment	38	26	62
Temporal Employment	57	45	102

CHALLENGES IN HUMAN RESOURCE DEVELOPMENT IN 2021/2022

CHALLENGES	MITIGATIONS
Less women appointed in 2021/2022	> HR Unit working together with Community Safety unit will implement/ introduce lifeguard trainings programme focusing mainly on women as the new area identified with less female applicants. > Review Employment Equity Plan for certain task grades to prioritise female appointments > Encourage councillors to also nominate female CPO's .
Less youth appointed in 2021/2022	> Review HR Policy to include a clause that posts below T10 & others should target the youth employment
Appointment of disabled persons in line with approved employment equity plan	> HR Unit together with Municipal Business Units in the first Quarter of 2022/2023 FY will conduct identify posts that will be prioritised for disabled people.
Delays in filling vacancies	> Setting aside funding for critical vacancies
Overtime	> Overtime Reduction Plan and Overtime Scheduling Plan

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE LEVELS ON REPORTING

HUMAN RESOURCES POLICIES AND PLANS

Corporate Service's main functions is the development and review of Human Resource related policies. The following HR policies were reviewed, tabled and adopted by the Council during the 2021/22 financial year.

NAME OF POLICIES
KDM Staff Remuneration Policy
Leave Management Strategy
Succession Planning
Recruitment and Selection Policy
Staff Conditions of Service
Performance Management Policy
Recognition of Prior Learning Policy
Conditions of Service Policy

INJURIES ON DUTY 2021/2022

The Human Resource Management and Development service is responsible for the reporting and administration of injuries on duty for permanent staff members. This involves the administrative process to report the injury that occurred after it has been reported by the employee or the head of department, the arranging of medical examination, arranging of follow-up visits for treatment and/or evaluation.

The submission of accounts to the Compensation Commissioner is also done. For the year 2021/2022, there were 26 injuries on duty that were reported to the compensation commissioner.

It can be noted that these were minor injuries not leading to any disability injuries on duty in the year under review has decreased when compared to the previous years 32 injuries.

NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
1	17/01/2022	Community Safety -Traffic	Multiple injuries	P44 Ballito (next to Umhlali Golf Course)	Member was conducting vehicle check point (VCP) and was knocked by a vehicle while standing	22/03/2022
2	31/03/2022	Community Safety -Traffic	Injury to the right foot	Basil Hullet & Hugh Dent Drive	Whilst conducting roadblock a vehicle accidently drove over her foot	25/05/2022
3	30/03/2022	Community Safety -Traffic	Injury to the left hand	Corner of Gazelle Rd & Dolphin Cresc	Whilst inspecting a motor vehicle she burnt her left hand with exhaust outlet	25/05/2022
4	09/03/2022	Community Safety -Traffic	Multiple injuries	Ballito Fire station	She slipped and fell on concrete surface whilst performing traffic duties	15/07/2022
5	22/05/2022	Community Safety	Multiple injuries	Ballito Fire station	Whilst she was performing her firefighting duties she slipped and fell	13/06/2022
6	09/03/2022	Community Safety	Injury to the right knee	Ballito Fire station	Whilst performing general duties she slipped and fell	13/06/2022
7	18/10/2021	Community Safety	Multiple injuries	R102 Shakaskraal Business Park	She was a passenger in the vehicle that was involved in an accident	13/06/2022

COMMUNITY SERVICES						
NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
8	14/02/2022	Community Services Waste Management	Injury to the head	Ntshawini Taxi Rank	Whilst she was sweeping the container,the door swiped and hit her head	13/06/2022
9	25/03/2022	Community Services-Waste Management	Multiple injuries	Balcomb Steet	Whilst he was holding on the rear right side step of the truck the taxi was overtaking and knocked him	25/03/2022
10	03/01/2022	Community Services-Beach Amenities	Injury to the right hand	Mahatma Ghandi street	Whilst performing his general worker duties (picking up litter)she injured her right hand	04/04/2022
11	10/12/2021	Community Services -WASTE Management	Multiple injuries	Maphumulo Taxi Rank (KwaDukuza CBD)	Whilst she was sweeping, she slipped, fell and sustained multiple injuries	22/03/2022
12	14/12/2021	Community Services -Municipal Services	Multiple injuries	Compensation Beach Rd, Ballito	Upon pulling and tagging the Parm front it fell and hit his neck and right shoulder.	04/04/2022
13	25/12/2021	Community Services- Municipal Services	Injury to the head	Shakaskraal	She sustained head injuries when her head hit the metal bar when the truck in which she was a passenger speedily drove over an unmarked speed hump	22/03/2022
14	02/06/2022	Community Services	Injury to the left hand	King Shaka Street	Whilst performing his general worker duties (street sweeping)he sustained a cut from a bottle	21/07/2022
15	30/12/2021	Community Services	Injury to the right hand	King Shaka Street	Whilst performing her street sweeping duties and emptying bins a sharp object from the bin bag poke her on her right hand	15/02/2022
16	26/04/2021	Municipal Services	Injury to the right hand	KwaDukuza Municipality (Lavoipierre)	Employee slipped and fell in the yard whilst attempting to sign the register and injured her right hand	26/04/2021

ELECTRICAL ENGINEERING SERVICES						
NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
17	23/03/2022	Electrical Engineering Services	Multiple injuries	KwaDukuza Municipality (Stores)	Whilst performing his Artisan duties, he slipped and fell off the ladder on the side of the van	25/05/2022
18	20/06/2022	Electrical Engineering Services	Injury to the right foot	Stanger Sports Grounds	Whilst completing installation of lamps at sport grounds, he slipped and injured his right foot	15/07/2022

ECONOMIC DEVELOPMENT & PLANNING						
NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
19	04/02/2022	Building Control	Multiple injuries	KwaDukuza Municipality (Ballito)	Whilst performing his office duties, he slipped and fell down the steps	04/04/2022

FINANCE						
NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
20	20/04/2022	Finance	Multiple injuries	KwaDukuza Municipality	Incumbent kicked uneven paving, tripped and fell and sustained multiple injuries	25/05/2022
21	26/04/2022	Finance	Injury to the left foot	KwaDukuza Municipality (SCM Yard)	Whilst performing his general assistant duties offloading cables off the vehicle an object fell and injured his left foot	25/05/2022
22	03/11/2021	Finance	Injury to the right hand	Compensation Rd	Whilst performing her meter reading duties, she tried to close the kiosk box and was electrocuted in the process	15/02/2022

CORPORATE SERVICES						
NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
23	20/04/2022	Corporate Services	Multiple injuries	KwaDukuza Council Chambers	Whilst performing her general worker duties she fell and sustained multiple injuries	25/05/2022

CIVIL ENGINEERING & HUMAN SETTLEMENT						
NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF ACCIDENT	SHORT DESCRIPTION OF ACCIDENT	DATE OF SUBMISSION TO W.C.A
24	19/07/2022	Civil Engineering Services (EPWP)	Multiple injuries	KwaDukuza Municipality (civil)	While waiting for the truck to pick them up for work, the truck drove over her left foot	21/07/2022
25	28/06/2022	Civil Engineering Services (EPWP)	Multiple injuries	KwaDukuza Municipality	Whilst performing her general worker duties she fell and sustained multiple injuries	04/07/2022
26	06/12/2021	Civil Engineering Services (EPWP)	Injury to the right hand	Gizenga street	Whilst she was sweeping she fell and injured her right hand	22/03/2022

EMPLOYEE ASSISTANCE PROGRAMME

KwaDukuza Municipality is committed to the health and the wellbeing of its employees and recognized that a variety of personal problems can disrupt their personal and work lives. Serious family problems are usually amiable to treatment and rehabilitation. Personal problems like alcoholism; drugs; gambling; stress and emotional distress have devastating effects on the health and life of the person. Provision of professional advice to employees will go a long way towards improving their wellbeing in the workplace, KDM further recognizes that the Employee Assistance Practitioner is a tertiary form of support to employees.

KwaDukuza municipality in 2021/2022 financial year conducted the following programmes under EAP office.

> Employee Wellness Sports Day
> Alcohol & Drugs Awareness Session
> Financial Awareness Session for KDM employees .
> Worker's Covid-19 Vaccination session.

Some of the key challenges of EAP office and Mitigation Strategies include:

CHALLENGES	MITIGATIONS
SCM processes delays the process of outsourcing the medical assistance for KDM staff (mental health specialist, drug and alcohols rehabs)	> EAP Office has requested the intervention of the accounting officer to intervene in the fast tracking of SCM processes. > Create awareness on KDM staff of the services and assistance offered by EAP office.
Limited operational budget	Motivate for more budget allocation in the next financial year.

OCCUPATIONAL HEALTH & SAFETY

The outbreak of the COVID-19 pandemic had a significant impact on the approaches to Occupational Health & Safety in every municipal workplace, in that it has elevated the importance of OHS in the municipalities.

The advent of COVID-19 coupled by the introduction of various Ministerial Directives imposes a paradigm shift and step change on the municipal OHS management approaches, system and attitude. The municipal sector is definitely on the path of the new normal when it comes to the OHS.

This unique challenge is over and above statutory obligations generally set for municipalities as employers in terms of the Occupational Health and Safety Act, No. 85 of 1993 (the OHSA). While acknowledging this as a daunting task, it offers opportunities for organizational renewal and transformational change in our municipal employee engagement and wellness value proposition.

Occupational Health and Safety meetings were held as follows : -

NO.	DATE	ITEMS
1	09.09.2021	> KDM COVID-19 Workplace Safety Measures > COVID-19 Statistics > Occupational Injuries
2	17.03.2022	> Progress Report on Occupational Health Interventions > Occupational Injuries
3	21.04.2022	> KDM COVID-19 Workplace Safety Measures Adjusted Level 1
4	06.05.2022	> KDM Workplace COVID-19 measures for the Adjusted Alert Level 1.

CONSEQUENCE MANAGEMENT

For the municipality to be effective and efficient it requires high level of disciplined staff members geared towards services delivery. For this to be achieved a number of labour relations awareness workshops were conducted.

The Municipality has a responsibility to maintain a capable and disciplined workforce that is able to drive its mandate with discipline while observing relevant legislation and rules. Further the municipality has to ensure that staff members are disciplined through taking disciplinary actions against those involved in corruption, fraud, theft and other forms misconduct.

The following table reflects the number of employees who were disciplined:

NO.	BUSINESS UNIT	TYPE OF MISCONDUCT	MANAGEMENT LEVEL	OTHER EMPLOYEES	OUTCOME
1	Electrical Engineering	Tender irregularity	1	0	Finalized but waiting for progress report from Labour Court.
2	Community Safety	Unauthorised Use of Vehicles	0	1	Finalised 10 days unpaid suspension
3	Corporate Services	Theft, Unauthorised use of vehicle	0	1	Finalised: Dismissed
4	Corporate Services	Theft	0	1	Finalized: Dismissed
5	Corporate Services	Assault and insolence	0	1	Finalized: written warning
6	Corporate Services	Theft	0	1	Finalizes: Dismissed
7	Corporate Services	Assault	0	1	Finalized: Dismissed
8	Corporate Services	Absconded	0	1	Retired
9	Corporate Services	Fraudulent and Personal gain	1	0	Finalized: Not guilty
10	Community Safety	Sexual Harassment	1	0	Finalized: Withdrawn
11	Community Safety	Sexual Harassment	0	1	Finalized: Retired
12	Community Services & Public amenities	Absconded	0	1	Finalized: Retired
13	Community Services	AWOL, Insubordination	0	1	Final written warning
14	Corporate Services	AWOL	0	1	Final written warning
TOTAL				14	

COMPONENT C

SKILLS DEVELOPMENT

The vision of the Skills Development Unit is to ensure that Council has a skilled and capable workforce to support inclusive growth and development of skills within KwaDukuza Municipality. This is achieved through the co-ordination and provision of quality assured skills development interventions for Council employees to ensure that they function at an optimal level thus contributing to effective and efficient service delivery.

Skilling of Council employees, Interns and Councillors is achieved through relevant training interventions and sustainable development initiatives that cascade skills to all disciplines on all levels within the organisation. This is done through The Workplace Skills Plan (WSP) that serves as the strategic document that gives direction to training and development .

The Budget allocation for skills development for the year under review was R 1 070 004 but only 59 % was spent, the challenges mainly being that all trainings were placed on hold due to a court judgement on the Preferential Procurement Framework Policy.

SKILLS DEVELOPMENT CONDUCTED FOR STAFF

The Skills Development Act,1998 (Act No 97 of 1998) and the MSA, require that Employers provide the employees with requisite training to develop the human capital capacity. Section 55(1)(1) provides that the Head of Administration, the Municipal Manager is responsible for the management as well as training of staff.

This section highlights the efforts of the Municipality with regards to skills development. Capacitating Municipal Workforce Occupational Levels.

The table below reflects the trainings provided for the period under review:

OCCUPATIONAL CATEGORY	MALES	FEMALES	TOTAL
Legislators	0	0	0
Directors and Corporate Managers	7	2	9
Professionals	4	3	7
Technicians and Trade Workers	0	3	3
Community and Personal Service Workers	76	24	100
Clerical and Administrative Workers	3	3	6
Machine Operators and Drivers	6	0	6
Labourers	96	35	153

BURSARIES AWARDED TO INTERNAL STAFF

KwaDukuza Municipal Council has not awarded any bursaries to municipal employees for the year under review.

COMPETENCY TRAINING FOR SENIOR MANAGERS: MUNICIPAL FINANCIAL MANAGEMENT PROGRAMME (MFMP)

NAME OF OFFICIAL	A	B	C	D	E	F
	Total Number of Employees employed by the Municipality: Regulation 14(4)(a)(c)	Total of officials employed by the municipal entity Regulation 14(a)(c)	Consolidated total of A and B	Consolidated competency assessments completed for A and B: Regulation 14(4)(b)(d)	Consolidated Total number of officials whose performance agreements comply with Regulation 16: Regulation 14(4)(f)	Consolidated Total number of officials that meet the prescribed competency levels: Regulation 14(4)(e)
FINANCIAL OFFICIALS						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Executive Directors	6	0	6	6	6	5
Directors	23	0	23	21	0	21
SUPPLY CHAIN MANAGEMENT OFFICIALS						
Head of SCM	1	0	1	1	1	1
SCM Managers	1	0	1	1	1	1
Any other financial officials	13	0	13	10	13	10
TOTAL	**45**	**0**	**46**	**41**	**23**	**40**

WORK INTEGRATED LEARNING/ IN-SERVICE TRAINING/ INTERNSHIPS

During the 2021/2022 Financial year a number of learners and graduates were placed on work integrated learning and internship programmes for different business units as illustrated on the graph below:

BUSINESS UNITS	AREA OF FOCUS/ SECTION	NO. OF INTERNS
Community safety Business Unit	Intern -Disaster Management	01
Community safety Business Unit	Intern -Traffic & Crime	01
Community safety Business Unit	Intern -Testing & Motor Licensing	01
Finance Business Unit	Intern -Finance	04
Economic Development & Planning	Interns - Admin	05
Economic Development & Planning	Intern - Town Planning	02
Economic Development & Planning	Intern -LED	02
Economic Development & Planning	Intern -Sport	01
Office of the Municipal Manger's Business Unit	Intern -Internal Audit	02
Corporate Services	Intern - IT	01
Corporate Services	Intern - Admin	01
Corporate Services	Intern - HR	03
Electrical Engineering	Apprenticeship	02
TOTAL		**26**

COMPONENT D

EMPLOYEE AND COUNCILLORS – REMUNERATION

COUNCILLORS	2022	2021 - RESTATED
	R	R
Mayor	897 392	804 153
Deputy Mayor	781 584	575 865
Speaker	735 224	441 738
Executive Committee	4 956 636	6 013 319
Councillors	13 022 329	13 145 189
Councillor's pension contribution	1 802 383	1 861 445
Traditional leaders	14 800	6 000
	22 210 348	**22 847 709**

EMPLOYEE RELATED COSTS		
Basic	257 719 929	244 123 626
Bonus	20 751 104	18 967 553
Medical aid - company contributions	26 413 812	25 536 261
UIF	2 069 355	1 804 161
Industrial council levies	126 423	121 810
Leave pay provision charge	8 509 405	7 597 567
Leave & bonus provision expense	1 305 585	1 517 495
Travelling allowances	16 098 553	15 423 443
Overtime payments	65 269 750	49 738 863
Housing benefits and allowances	1 092 105	1 065 704
Group Life Assurance	1 845 091	1 781 435
Pension Contributions	46 781 101	45 191 212
Standby, Uniform, Telephone and Tool allowance	14 222 392	13 289 110
	462 204 606	**426 158 240**

05

CHAPTER Five

FINANCIAL PERFORMANCE

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

REVENUE

KwaDukuza Municipality's (KDM) operating revenues grew by 9.01% from R1 959 359 603 (restated) in 2021 to R2 135 930 401 in 2022. Major attributes to the increase in revenue are Fines Income of a 149.04% increase from 2021 and marginal increases in Property Rates Penalties Imposed by 37.66%; Interest earned on outstanding debtors of 35.14% and increase in services charges by 14.85%. This is mainly attributable to the effects on COVID 19 on the economy.

Own revenue remained within the 85% range of total revenue. This indicates that the Council is not dependent on grant funding as it operates successfully on its own.

Assessment rates reflected an increase of 4.29% (2021: 6.22% restated), refuse income increased by 12.97% (2021: 4.66%) and electricity revenue increased by 15.00%. The increase in the percentage year-on-year electricity revenue can be attributable to a combination of higher electricity tariff increases and growth of the consumer database. It should also be noted that ESKOM bulk tariff increases for 2021/2022 was 17.1% growth in bulk electricity costs.

EXPENDITURE

An overall increase of 14.82% was recognised compared to prior financial year (increase of 8.26%). The following key categories contributed to the increase:

- Bulk Purchase - an increase in expenditure by 21.25%
- Contracted Services - an increase of 22.61% mainly attributable to an increase in repairs and maintenance.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

The capital budget is committed largely to new infrastructure projects and the renewal of existing capital assets with a focus on direct service delivery projects. KDM had an approved Capital Budget of R316 099 000. The total spending for the year amounted to R 239 339 828 which represents 75% of the total approved adjusted capital budget.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

The cash and cash equivalents of the municipality as of 30 June 2022 amounts to R872 437 220. This represents an increase of 4.45% as compared to the previous financial year. This however excludes the short-term deposits.

The interest earned on investments in the 2021/2022 financial year amounted to R32 050 374 which represents an 8.82% increase from 2020/2021. This is due to marginal increases in interest rates due to the gradual stabilization of the economy.

Finance costs have decreased by 5.43% in the 2021/2022 financial year. No additional loans were taken up during 2021/2022.

The purchase of PPE resulted in an outflow of R239 339 828 in 2022 amounting to a 75% capital spend. The following ratios confirm the liquidity of our municipality:

- Current ratio is at 2.77:1 as compared to the previous year of 2.83:1
- The acid test ratio is at 2.75:1 as compared to the previous year 2.81:1

It should be noted that the ratios are within the norm however there is a marginal decrease in the liquidity ratios.

Although it may appear that our cash reserves have increased, a substantial component of the cash reserves are ring fenced for statutory or constructive obligations. Further the 2022/2023 capital budget relies heavily on cash reserves which will reduce our cash holdings as the 2022/2023 financial year progresses.

COMPONENT D: OTHER FINANCIAL MATTERS

KwaDukuza Municipality has ensured that it improves its financial management through the implementation of relevant internal controls and adhering to legislation.

Financial reporting – finance reports are presented to the Finance and Local Public Administration Portfolio Committee on a monthly basis. All statutory returns have been submitted to National Treasury on a monthly, quarterly, bi-annually and annually basis. S71, S52 (d) & S72 reports are compiled and submitted to National Treasury.

During the 2021/2022 Financial Year, KwaDukuza closely monitored the implementation of MSCOA. This process commenced in the 2017/18 financial year.

Various awareness and training sessions were held throughout the municipality to ensure that all necessary role-payers were familiar with the implications and enhancements which MSCOA had on our operations. We will continue to improve on our internal controls in order to ensure that we achieve our goal of obtaining a clean audit opinion.

COMPONENT E: REPORT OF THE AUDIT & PERFORMANCE AUDIT COMMITTEE

The Honourable Speaker
KwaDukuza Municipality
14 Chief Albert Luthuli Street
Stanger Central
4450

REPORT OF THE AUDIT, RISK AND PERFORMANCE AUDIT COMMITTEE TO THE COUNCIL OF KWADUKUZA MUNICIPALITY FOR THE PERIOD ENDED 30 JUNE 2022

The Audit, Risk and Performance Audit Committee ("Audit Committee") hereby submits this report to the Council of KwaDukuza Municipality. This report is submitted in terms of the provisions of sections 121 (3) (j), 166(2) (b) and 166(2) (c) of the Municipal Finance Management Act of 2003 ("the MFMA") and covers the financial year from 1 July 2021 to 30 June 2022.

The legal responsibilities of the Audit Committee are set out in terms of the Municipal Finance Management Act, No. 56 of 2003 (Section 166) read in conjunction with the National Treasury's MFMA Circular 65.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE AT MEETINGS

The Audit Committee was appointed on 1 January 2022 and is comprised of 5 independent, external members.

The Committee is required to meet at least 4 times per annum as per the Audit Committee Charter and the MFMA. However, additional meetings may be called as the need arises. Members' attendance at the meetings is listed below:

NAME	MEETINGS SCHEDULED	MEETINGS ATTENDED
Ms. N Mchunu *(AC chairperson)*	9	9
Mr C Meyiwa *(PAC chairperson)*	9	9
Mr A Jordan	9	9
Ms S Gertze	9	8
Ms S Mthembu	9	8

The following are standing invitees to the Audit Committee Meetings.

- Representative from Office of the Auditor-General (AG)
- Representatives from Provincial Treasury and COGTA
- Honourable Mayor
- MPAC Chairperson
- Risk Committee Chairperson
- Internal Audit Manager
- The Municipal Manager (MM)
- The Chief Financial Officer (CFO)
- Executive Directors
- Director: PMS

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee has been set up in accordance with the Municipal Finance Management Act, No. 56 of 2003 (Section 166) and operates within the terms of the Audit Committee Charter which has been approved by the Council of the KwaDukuza Municipality.

Section 121(4) (g) of the Municipal Finance Management Act, No. 56 of 2003 also requires that the annual report must include any recommendations of the Municipality's Audit Committee.

In the conduct of its duties, the Audit Committee has performed the following statutory duties:

1. REVIEWED INTERNAL FINANCIAL CONTROL AND INTERNAL AUDITS

For the purposes of executing its statutory duties as contained in section 166(2)(a) of the MFMA as well as its mandate as set out in the Audit Charter, the Audit Committee relies on the work performed by the Internal Audit Unit in line with the risk-based internal audit plan.

The Audit Committee at each meeting assesses performance against the plan and reviews the plan to assess whether critical risks relating to the administration and operations of KwaDukuza Municipality are identified and addressed.

Internal audit was functional throughout the financial year, however there were various challenges encountered with the implementation of the annual audit plan for 2021/22. These included inadequate capacity within the Internal audit department, delays or non-submission of information required for audit, delays in the responses from management regarding findings raised. Consequently, this has impacted the finalisation of some of the audits as per planned timeframes.

The reports for audits completed were tabled to the Audit Committee in meetings held during the reporting period. These reports contained findings, recommendations, and management actions to be implemented. The audit conclusions relating to the areas reviewed were assessed as High-Risk Exposure, and management was urged to identify the root courses and implement corrective actions accordingly.

The reports presented to the committee covered the following areas from which critical findings were identified and therefore further investigations were recommended by the AUDCOM:

AUDIT AREA	OUTCOME – RESIDUAL RISK EXPOSURE
Revenue Management	High
Human Resources and Payroll	High
Supply Chain Management	High
Compliance Management	High
Electricity Infrastructure Maintenance	High

Critical matters requiring intervention:

GENERAL

- Limitation of scope where documents were not provided for audit.
- Management responses to audit findings not being submitted on time.

REVENUE MANAGEMENT:

There were various exceptions in relation to electricity sales and these included:

- Discrepancies identified to electricity vendors' records.
- Metre movements not adequately accounted for.
- Long time lag between the issuing of metres from stores, installation, and registration on the Municipal system. On average the period was approximately 8 to 12 months.
- Discrepancies identified between metre readings and the billing system.
- Inadequate monthly reconciliation processes.

HUMAN RESOURCES AND PAYROLL:

- Discrepancies relating to overtime processes.
- Discrepancies relating to overtime payments, including excess overtime.
- Discrepancies relating to the leave processes.

SUPPLY CHAIN MANAGEMENT:

- Discrepancies relating to SCM processes (e.g., bid submissions not validated, inadequate guarantees etc)
- Unrecorded potential irregular expenditure.
- Incomplete contracts registers
- Payments made on expired contracts (potential irregular expenditure)

ELECTRICAL INFRASTRUCTURE MAINTENANCE:

- Inadequacies over processes for the maintenance of electricity infrastructure. (Unfavourable conditions in the substations, testing of fire extinguishers, voltage parameter monitoring, training of artisans etc)
- Lack of adequate budget to fund maintenance plan.
- Scope limitation re Electricity Task Team

The committee engaged with management on the above reports and findings, and the Revenue Management and HR & Payroll were referred for investigation due to the nature of findings. The SCM report and other matters were referred to an in-committee meeting, which has not sat to date. Action plans in respect of the balance of the reports will be followed into the next quarter.

It is important to note that the maintenance of an effective system of internal control and risk management, remains the responsibility of management. Leadership both political and administration is accordingly urged to hold those charged with a duty of responsibility to account when it comes to non-compliance with the internal processes and non-implementation of recommendations made.

2. RISK MANAGEMENT

The MFMA requires the accounting officer of the municipality to take all reasonable steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of financial, risk management and internal control.

Risk management is the identification, assessment and prioritisation of risks and the application of resources to minimise, monitor and control the probability and/or impact of the risks. The Audit Committee is responsible for the oversight of the internal and external audit function as well as financial reporting. The assessment of internal controls over financial reporting is risk based, and as a result the Audit Committee is responsible for overseeing management's risk policies and discussing the Municipality's key risk exposure and management.

The municipality currently has a system of managing risk, as required in terms of S 62 of the MFMA. This function involves an annual assessment of municipal risk, and periodic risk reviews carried out by management and the Risk Committee and relevant personnel at the municipality. The committee has noted with pleasure that the vacancy of the Manager: The committee was informed that the Risk has been filled although this has resulted in a void in the Internal Audit Unit which should be filled as a matter urgency to strengthen capacity in Internal Audit.

The committee was furnished with the Q 4 Risk Management Report which was presented by the Risk Committee Chairperson. Report revealed that the municipal has a functional risk management process however there were critical matters that required management intervention, and these were:

> There was 72% achievement on the Enterprise Risk Implementation which was lower than benchmark by Risk Committee.
> Alignment of Risk management to Internal Audit.
> Portfolio Committees to be capacitated to perform oversight on Risk Management.
> Delays in the development of the Business Continuity Plan
> Proper alignment of Risk Management to daily business processes.

3. REVIEW OF FINANCIAL STATEMENTS AND ACCOUNTING POLICIES.

The Audit Committee has the obligation to review the Municipality's Annual Financial Statements and provide the Council with an authoritative and credible view of the Municipality's financial position, performance, and cash flow position. To do this, the Audit Committee relies on the work conducted by the Internal Auditors, and therefore such reviews have been provided for in the Annual Internal Audit Plan.

The Audit Committee was furnished with the action plan to address the findings raised by the AG in the 2020/21 audit. The committee noted that some progress had been made in addressing the findings however there were matters that remained outstanding.

Further to the above, attention is drawn to the finding raised by the Auditor General in relation to the costs incurred and potential financial losses on the Woodmead project. Relevant documents were submitted to the AG and progress on this project will be monitored by committee.

4. THE ADEQUACY, RELIABILITY AND ACCURACY OF FINANCIAL REPORTING AND INFORMATION

The Audit Committee is also required to advise council on the adequacy, reliability and accuracy of financial reporting and information in accordance with S 166 of the MFMA.

Internal audit is in the process of conducting audits covering the various cycles supporting reported information at the municipality. Findings from some of the audits concluded were tabled to the Audit Committee at each meeting. Further to that the committee also considered reports presented by management.

The committee sat to review the financial statements for the year ended 30 June 2022, in a meeting held on 26 August 2022.

Various key matters were identified from engagements with management and internal audit, and these included:

> **Energy losses -** The losses as at 30 June 2022 amounted to 24.83% of electricity purchased, equating to R237 728 877, which is significantly above the NERSA guidelines and worse than recorded in the prior year at 22.82%. The municipality is urged to focus on the implementation and continued monitoring of the Revenue enhancement measures that have been put in place.

- The energy losses task team must provide a status quo report on the effectiveness the current measures, outcomes, and challenges to the Council and other relevant structures (including the Audit Committee).
- **Debt collection** – debt reduction was targeted at 2% but only 0.21% was achieved. This is symptomatic of the current economic conditions and focus needs to be heightened.
- **UIFW -** Unauthorised, irregular, fruitless and wasteful expenditure and the investigation thereof. Consequence management is not yet evident; Audit Committee recommends that MPAC completes investigations and escalate to Council for final action in this regard. The AG has highlighted the urgent need to beef up the MPAC investigative capacity and this will be closely monitored by the audit committee going forward.
- **Capital Budget -** the capital budget as at 30 June 2022 was 69.8% utilised. The low spend in Capex is a result of the Treasury directive on Preferential Procurement Regulations of 2017 and the impact of the flood disaster. Challenges have previously been experienced in this area, and must be carefully monitored on an ongoing basis.

5. PERFORMANCE MANAGEMENT

The Audit Committee also serves as the Performance Audit Committee (PAC) for KwaDukuza Municipality. The legal responsibilities of the Audit Committee in this regard are set out in terms of the Local Government: Municipal Planning and Performance Management Regulations 2001.

Review of the previous Audit Committee reports and engagements with management and internal audit revealed that there were challenges in three critical areas where management performance has been below set targets namely; underspending of the capital budget, material energy losses and to a lesser extent the continued incurrence of irregular expenditure. The disturbing pattern is the recurrence of these challenges over the past 3 years.

The support of Council will steer the performance management and ensure the implementation of the consequent management policy that has been adopted within KwaDukuza Municipality. Council should take action in addressing the incurrence of (UIFW) expenditure and take appropriate action.

The committee sat to review the Municipal Performance in a meeting held in August 2022. It must be noted that both Q3 and Q4 audited performance reports were not available and this points to the capacity issues within internal audit function. The following was established from the review of the Annual performance report:

- There was a total of 82 performance targets for the financial year and 22 targets were exceeded (27%), 25 targets were fully achieved (30%), 35 targets (43%) were not achieved. This brings the overall achievement to 57%
- This represents a decline of 11% year on year.
- Reasons for non-achievement related to:
  - Non and late submission of information.
  - Non sitting of Portfolio Committees and Council
  - Worsening of energy losses.
  - Delays in SCM processes and implementation of procurement plans.

It was also established that performance targets were often not supported by an adequate portfolio of evidence which is both credible and reliable. This has also had the impact of putting a strain on both PMS and internal audit resources, where audits have been extended over a long time due to delayed or non-submission of information which impacts the timeous implementation of the annual audit plan and PMS reporting.

6. EFFECTIVE GOVERNANCE

The Audit Committee fulfils an oversight role regarding the Municipality's reporting process, including the system of internal financial control. It is responsible for ensuring that the Municipality's internal audit function is independent and has the necessary resources, standing and authority within the Municipality to enable it to discharge its duties. Furthermore, the Audit Committee oversees cooperation between the internal and external auditors and serves as a link between the Council and these functions.

The internal and external auditors, Council and Council Committees and Management have unlimited direct access to the Audit Committee, primarily through its chairperson(s).

To strengthen accountability the Mayor, Deputy Mayor and MPAC chairperson are standing invitees in the Audit and Performance Audit Committee meetings.

The Committee trusts that these engagements will strengthen governance and oversight by the Audit Committee and result in the improvement of systems and promotion of a clean administration.

The committee notes with concern the vacancy at senior management level for the Executive director: Corporate Services. The filling of this vacancy must be fast tracked to ensure that the municipality is adequately capacitated and all functions are effectively performed and managed.

7. COMPLIANCE WITH LEGISLATION AND ETHICS

The Audit Committee noted some instances of non-compliance with policies and procedures, the Municipal Finance Management Act and other related legislation. These instances were brought to attention of management via the compliance report from Internal Audit and engagements with management. Matters requiring attention are listed below:

> Delays in the investigation of UIFW,

> No evidence that consequence management is being implemented by the municipality.

> Non submission of compliance checklists by some of the business units (limitation of scope).

> Although there was a reduction, the municipality incurred irregular expenditure during 2021/22 financial year.

The audit committee urges council and management to intentionally address matters relating to non-compliance, including matters listed above.

8. RECOMMENDATIONS

> **Consequence Management -** The Audit Committee has expressed concerns over instances where there were repeat audit findings, non- submission of information and audit evidence especially in relation to performance management. The municipality has developed a policy for consequence management, and as such must use this policy to enforce a culture of accountability in the municipality.

> **Compliance -** Audit Committee recommends that compliance is a standing item for MANCO and Portfolio Committee meetings and that a senior manager be made responsible for compliance across the municipality.

> **UIFW Expenditure -** Council is urged to take action in addressing the incurrence of irregular expenditure and implement consequence management, where necessary. UIFW expenditure must be investigated properly, recommendations must be implemented, and action is to be taken against those found to be responsible (including recovery where possible).

> **Vacancies -** Council must fast track the filling of vacancies especially for key positions including, Internal auditors. Executive Director: Corporate Services and other critical positions.

> **Risk Management -** Council and management to continue to monitor implementation of risk action plans.

> **Audit Findings -** Council and management to prioritise the implementation of audit recommendations by IA and the AG, to improve systems and promote a clean administration.

> **Electricity losses -** Council and management to urgently intensify strategies to curb electricity losses. There must be ongoing monitoring and evaluation of strategies implemented to ensure effectiveness.

9. CONCLUSION

The implementation and maintenance of proper systems of internal controls, risk management, the prevention of fraud and errors, safeguarding of the assets of the municipality and compliance with relevant laws and regulations, are the responsibility of Council. The role of the audit committee is to monitor the efficiency of the procedures and mechanism which Council has put in place to ensure that its policies and procedures are adhered to.

The Audit Committee confirms its commitment to assist Council in making progress towards a clean administration and wishes to thank Council, management, internal and external audit for their support and contributions.

On behalf of the Audit Committee

MS N MCHUNU
On behalf of the **Audit, Risk and Performance Audit Committee**
Date: 18 January 2023

06

CHAPTER Six

ANNUAL FINANCIAL STATEMENTS

Auditor-General of South Africa

KwaDukuza Municipality

Audit report for the year ended 30 June 2022

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on KwaDukuza Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the KwaDukuza Municipality set out on pages 240 to 325, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the KwaDukuza Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP), the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2021 (Act No. 9 of 2021) (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 auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 41 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Material impairments – receivables from exchange transactions

8. As disclosed in note 9 to the financial statements, the municipality recognised a provision for impairment of R65,91 million (2020-2021: R69,67 million) as the recoverability of these amounts was doubtful.

Material impairments – receivables from non-exchange transactions

9. As disclosed in note 10 to the financial statements, the municipality recognised a provision for impairment of R223,42 million (2020-2021: R212,56 million) as the recoverability of these amounts was doubtful.

Contingent liability

10. As disclosed in note 38 to the financial statements, the municipality entered into service level agreements with property developers to reimburse them for the cost of bulk electricity supplies. The reimbursements are dependent on the developers meeting future targets as set out in the service level agreements. The timing and outcome of the reimbursement cannot currently be determined and no provision for any liability that may result has been made in the financial statements.

Material losses - electricity

11. As disclosed in note 52 to the financial statements, material electricity losses of 171 753 233 kwh (2020-21: 153 728 734 kwh) amounting to R237,73 million (2020-21: R181,21 million) were incurred, which represents 24,83% (2020-21: 22,82%) of total electricity purchased against a national norm of between 6% to 12%. The losses were due to transmission or distribution losses and illegal connections.

Other matters

12. I draw attention to the matters below. My opinion is not modified in respect of these matters.

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.

Unaudited supplementary schedules

14. The supplementary information set out on pages 326 to 328 do not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of 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.

16. 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.

Auditor-general's responsibilities for the audit of the financial statements

17. 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.

18. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected key performance area presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

20. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the basic service delivery key performance area presented on pages 191 to 198 in the municipality's annual performance report for the year ended 30 June 2022.

22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

23. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected key performance area.

Other matter

24. I draw attention to the matter below.

Achievement of planned targets

25. The annual performance report on pages 169 to 208 sets out information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

27. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

28. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

29. Reasonable steps were not taken to prevent irregular expenditure amounting to R48,63 million as disclosed in note 49 to the annual financial statements, as required by section 62(1) (d) of the MFMA. The majority of the irregular expenditure related to expired security contracts.

Consequence management

30. Irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Other information

31. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected key performance area presented in the annual performance report that has been specifically reported in the auditor's report

32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

33. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

34. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

35. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

36. Oversight and monitoring of compliance with laws and regulations were not diligent enough. Policies and procedures relating to consequence and expenditure management were not implemented effectively by assigned officials.

Material irregularities

37. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularity identified during the audit

38. The material irregularity identified is as follows:

Impairment of costs incurred on Woodmead Transport Node project

39. The municipality failed to comply with section 63(1)(a) of the MFMA as assets were not appropriately maintained and safeguarded. The municipality awarded a contract to a supplier to the value of R44 924 642.42 for phase two of the construction of the public transport facility for Woodmead Commercial & Industrial Node which commenced in 2014 and was planned for completion in April 2015. Due to the poor performance of the above service provider, there were delays with the completion. In June 2015, with the project still not completed, the municipality terminated the contract with the service provider. A new service provider was appointed on 24 December 2015 to complete the project and their contract expired in 2017, however, the project was still not completed at that time.

40. The project was accounted for as a work-in-progress asset in the annual financial statements of the municipality. In the 2020-21 financial year, the municipality accounted for an impairment of the project to the value of R19 918 488.97 as the work-in-progress asset was found to be in a very poor condition due to vandalism, as disclosed in note 31 of the 2020-2021 annual financial statements. The condition of the work-in-progress asset is evidence of a failure by the municipality to safeguard this asset.

41. The accounting officer was notified of the material irregularity on 01 March 2022 and was invited to make a written submission on the actions taken and that will be taken to address the matter. The following actions have been taken or are planned to be taken to address the material irregularity:

- The internal controls around the safeguarding of assets are being strengthened to prevent a recurrence. These include the immediate introduction of security patrols to the site, construction guarantees from contractors to cover any risks that may arise, and the updating of the municipality's standard operating procedures regarding assets under construction by 31 December 2022.

- Retention monies withheld by the municipality from the contractor on the project will be used to cover the restoration costs.

42. I will follow up on the status of the planned actions during my next audit.

Other reports

43. I draw attention to the following engagement that could have an impact on the municipality's financial statements, reported performance information and compliance with applicable legislation and other related matters. The reports noted do not form part of the opinion on the financial statements or findings on the reported performance information or compliance with legislation.

44. A separate real-time audit of expenditure related to repairs and rehabilitation of infrastructure damaged during floods in April 2022 is currently in progress. Once completed, a separate report will be tabled to the council.

Auditor-General

Pietermaritzburg

02 December 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected key performance area and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. 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 by the accounting officer.
   - conclude on the appropriateness of the accounting officer's 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 KwaDukuza 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

3. 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 to 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.

KWADUKUZA
MUNICIPALITY

AUDITED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

I am responsible for the preparation of these Annual Financial Statements, which are set out on pages 240 to 325, in terms of Section 126(1) of the Municipal Finance Management Act No. 56 of 2003 and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 29 of these Annual Financial Statements are within the upper limits of the framework envisaged in Section 219 of the Constitution of South Africa Act No.108 of 1996, read with the Remuneration of Public Officer Bearers Act No. 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with this Act.

....	31 August 2022 ....
N J MDAKANE MUNICIPAL MANAGER	Date

ANNUAL FINANCIAL STATEMENTS FOR KWADUKUZA MUNICIPALITY

for the year ended	30 June 2022
Province:	KwaZulu-Natal
AFS rounding:	R

Contact Information:

Name of Municipal Manager:	Mr N J Mdakane
Name of Chief Financial Officer:	**Mr S M Rajcoomar**
Contact telephone number:	032 - 4375500
Contact e-mail address:	Shamirr@kwadukuza.gov.za
Name of contact at Provincial Treasury:	**Mr Sandeep Gobind**
Contact telephone number:	033 - 897 4354
Contact e-mail address:	SANDEEP.GOBIND@kzntreasury.gov.za
Name of relevant Auditor:	**The Auditor-General**
Contact telephone number:	033 - 264 7400
Contact e-mail address:	nomalungelom@agsa.co.za
Name of contact at National Treasury:	**Ms Una Rautenbach**
Contact telephone number:	012 - 315 5534
Contact e-mail address:	Una.Rautenbach@treasury.gov.za

KWADUKUZA MUNICIPALITY
AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

GENERAL INFORMATION

MEMBERS OF THE COUNCIL

O L Nhaca	Mayor
T V Ntuli	Deputy Mayor
G Govender	Speaker
S L Cele	Member of the Executive Committee
T Colley	Member of the Executive Committee
T Nkosi	Member of the Executive Committee
C M Ntleko	Member of the Executive Committee
D H Mthembu	Member of the Executive Committee
M M Sibisi	Member of the Executive Committee
N Sewraj	Member of the Executive Committee
N C Mdletshe	Member of the Executive Committee
H Mbatha	Chief Whip
S K Shandu	Councillor
D N Ngema	Councillor
S O Nxele	Councillor
J M Banda	Councillor
A M Baardman	Councillor
B C Fakazi	Councillor
M E Ngidi	Councillor
N J Mpanza	Councillor
T T Dube	Councillor
S Sithole	Councillor
N Qwabe	Councillor
W N Mntambo	Councillor
B P Ndlovu	Councillor
S S Mthiyane	Councillor
C M Naicker	Councillor
S B Ntuli	Councillor
N S Bhengu	Councillor
N H Sithole	Councillor
V Mwandla	Councillor
S P Khuzwayo	Councillor
TC Nxele	Councillor
S G Mcineka	Councillor
V Govender	Councillor
T T Mkhize	Councillor
K Naidoo	Councillor
B Mvulana	Councillor
M Vembali	Councillor
N A Singh	Councillor
R Pooran	Councillor
T N Mthethwa	Councillor
P Naidoo	Councillor
F Abrahams	Councillor
N J Mbonambi	Councillor
A S Mhlongo	Councillor
M M Madlala	Councillor
P S Shezi	Councillor
E M Kolia	Councillor
J F Magwaza	Councillor
P F Masuku	Councillor
S Zungu	Councillor
S C Mwandla	Councillor
A A Singh	Councillor
S Dladla	Councillor
P L Zungu	Councillor
S C Pandaram	Councillor
S P Ashworth	Councillor
C P Dumakude	Councillor
V Mathonsi	Traditional Leader
V S Mthembu	Traditional Leader

MUNICIPAL MANAGER
Mr N J Mdakane

CHIEF FINANCIAL OFFICER
Mr S M Rajcoomar

GRADING OF LOCAL AUTHORITY
Category 4

AUDITORS
Auditor General South Africa (AGSA)

PRIMARY BANKERS
ABSA Bank

REGISTERED OFFICE:
KwaDukuza Municipality

PHYSICAL ADDRESS:
14 Chief Albert Luthuli Street
KwaDukuza
4450

POSTAL ADDRESS:
PO BOX 72
KwaDukuza
4450

Telephone number: (032) 437 5000
E-mail address: municipalm@kwadukuza.gov.za

KWADUKUZA MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

INDEX

AUDITED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2022

	NOTE	2022	2021 - RESTATED
		R	R
ASSETS			
Current assets		**1 217 447 536**	**1 214 643 939**
Inventories	8	10 225 799	9 877 909
Receivables from exchange transactions	9	122 600 257	105 901 590
Receivables from non-exchange transactions	10	121 583 740	106 033 106
VAT receivable	11	12 142 442	6 997 303
Current portion of long-term receivables	7	31 479	22 313
Short term investments	12	78 426 597	150 572 381
Cash and cash equivalents	13	872 437 220	835 239 337
Non-current assets		**2 583 213 449**	**2 421 327 306**
Investment properties	2	192 670 000	171 625 000
Property, plant and equipment	3	2 389 055 561	2 247 411 395
Intangible assets	4	1 034 066	1 565 873
Heritage Assets	5	105 386	105 386
Long-term receivables	7	348 436	619 652
Total Assets		**3 800 660 985**	**3 635 971 245**
LIABILITIES			
Current liabilities		**438 829 885**	**429 267 948**
Leases	16	52 985	870 986
Employee benefit obligations	6	3 757 000	3 309 000
Trade and other payables	20	310 255 758	281 944 283
Unspent conditional grants, receipts and Public contributions	17	65 497 296	89 960 576
Current provisions	18	2 760 651	1 941 467
Consumer Deposits	21	39 877 832	36 991 209
Long service awards	6	4 035 000	2 613 000
Current portion of long term liabilities	19	12 593 362	11 637 428
Non-current liabilities		**326 590 095**	**327 968 208**
Leases	16	-	53 776
Employee benefit obligations	6	107 236 000	96 661 000
Non-current provisions	18	19 928 324	20 302 298
Long service awards	6	23 330 000	22 262 000
Long-term liabilities	19	176 095 771	188 689 134
Total Liabilities		**765 419 980**	**757 236 156**
Net Assets		**3 035 241 007**	**2 878 735 065**
NET ASSETS			
Reserves			
Revaluation reserve	14	18 313 137	18 313 137
Housing Operating Account	15	8 728 156	8 728 156
Accumulated surplus		3 008 199 713	2 851 693 771
Total Net Assets		**3 035 241 007**	**2 878 735 065**

AUDITED STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022	2021 - RESTATED
		R	R
REVENUE			
Revenue from exchange transactions			
Service charges	22	1 089 571 392	948 659 842
Rental of facilities and equipment		2 051 045	1 938 237
Interest earned outstanding debtors		6 042 994	4 471 515
Other income	23	64 888 791	66 033 720
Gain on disposal of property, plant and equipment		165 489	-
Interest received - investments	24	32 050 374	29 453 425
Housing development construction contract revenue	60	63 738 044	60 705 591
Total revenue from exchange transactions		**1 258 508 129**	**1 111 262 331**
Taxation revenue			
Property rates	25	545 078 244	522 670 144
Property rates - penalties imposed	25	13 470 630	9 785 339
Licences and permits (Non-exchange)		10 572 409	9 915 254
Transfer and other revenue			
Government grants, subsidies & Public Contributions	26 & 27	298 218 460	301 677 939
Donations	3	3 070 683	25 972 693
Fines	43	10 082 528	4 048 596
Total revenue from non-exchange transactions		**880 492 955**	**874 069 965**
Total Revenue		**2 139 001 084**	**1 985 332 296**
EXPENDITURE			
Employee related costs	28	462 204 606	426 158 240
Remuneration of councillors	29	22 210 348	22 847 709
Adjustments to Provisions	18	445 209	776 357
Depreciation and amortisation	30	86 183 461	77 739 892
Impairment loss	31	8 902 124	24 770 712
Finance costs	32	18 936 993	20 023 659
Debt Impairment and write offs	33	13 440 310	12 165 160
Bulk purchases	34	943 600 182	778 234 052
Contracted services	44	238 447 316	194 481 383
General Expenses	35	125 887 332	103 501 416
Employee and Long Services Benefits	6	13 513 000	18 333 000
Housing development construction contract expenditure	60	63 738 044	60 705 591
Total Expenditure		1 997 508 926	1 739 737 171
Operating Surplus		141 492 158	245 595 125
Loss on disposal of assets and liabilities	3	(6 031 215)	(4 684 595)
Fair value adjustments	36	21 045 000	1 525 000
		15 013 785	(3 159 595)
SURPLUS FOR THE YEAR		**156 505 942**	**242 435 530**

AUDITED STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 30 JUNE 2022

	REVALUATION RESERVE	HOUSING OPERATING ACCOUNT	TOTAL RESERVES	ACCUMULATED SURPLUS	TOTAL NET ASSETS
	R			R	R
Surplus for the year 2019/2020	-	-	-	182 640 870	**182 640 870**
Adjustment to Rates Revenue prior to 2020/2021 due to S78 and other related adjustments				-10 616	**-10 616**
Adjustment to depreciation prior 2020/2021 in respect of prior year completed projects now being capitalised				-592 736	**-592 736**
De-recognition of Land - prior 2019/2020				-24 550 000	**-24 550 000**
Balance at 30 June 2020	**18 313 137**	**8 728 156**	**27 041 293**	**2 609 258 242**	**2 636 299 532**
Surplus for the year 2020/2021	**-**	**-**	**-**	**242 435 530**	**242 435 530**
Balance at 30 June 2021	**18 313 137**	**8 728 156**	**27 041 293**	**2 851 693 771**	**2 878 735 062**
Surplus for the year 2021/2022	**-**	**-**	**-**	**156 505 942**	**156 505 942**
Balance at 30 June 2022	**18 313 137**	**8 728 156**	**27 041 293**	**3 008 199 713**	**3 035 241 003**
Note(s)	14	15			

Note 41 provides further details of adjustments pertaining to the 2019/2020 and 2020/2021 financials years.

AUDITED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022	2021 - RESTATED
		R	R
Cash flows from operating activities			
Receipts			
Interest income		32 050 374	29 453 425
Cash received		2 051 949 344	1 931 829 191
		2 083 999 719	**1 961 282 616**
Payments			
Finance costs		(18 936 993)	(20 023 659)
Cash paid		(1852 903 302)	(1575 865 808)
		(1871 840 295)	**(1595 889 467)**
Net cash flows from operating activities	42	**212 159 424**	**365 393 149**
Cash flows from investing activities			
Purchase of Property, Plant & Equipment	3	(239 339 828)	(157 265 226)
Proceeds from sale of property, plant and equipment	3	1 855 083	-
Purchase of other intangible assets	4		(47 999)
Movement in short term investments		72 145 783	(6 672 704)
Net cash flows from investing activities		**(165 338 961)**	**(163 985 928)**
Cash flows from financing activities			
Consumer deposits		2 886 623	1 664 940
Movement in long term liabilities		(11 637 428)	(10 771 480)
Finance lease payments		(871 776)	(677 563)
Net cash flows from financing activities		**(9 622 581)**	**(9 784 103)**
Net increase/(decrease) in cash and cash equivalents		**37 197 882**	**191 623 118**
Cash and cash equivalents at the beginning of the year		835 239 337	643 616 219
Cash and cash equivalents at the end of the year	13	**872 437 220**	**835 239 337**

AUDITED STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS

FOR THE YEAR ENDED 30 JUNE 2022

	APPROVED BUDGET	ADJUSTMENTS	ADJUSTMENTS BUDGET	30 JUNE 2022 FINAL BUDGET	ACTUAL AMOUNTS AS PER RESTATED BUDGET	ACTUAL AMOUNTS AS PER AFS	RECONCILIATION EXPLAINED IN NOTE 58	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	PERCENTAGE VARIANCE	NOTE REFERENCE
	R	R	R	R	R	R	R	R		
Statement of Financial Performance										
Revenue										
Revenue from Exchange Transactions:										
Service Charges	1 144 363 000	-64 188 000	1 080 175 000	1 080 175 000	1 089 618 767	1 089 571 392	-47 376	9 396 392	1%	
Rental of facilities & Equipment	3 426 000	-600 000	2 826 000	2 826 000	2 051 045	2 051 045	-	-774 955	-27%	58.1
Interest earned outstanding debtors	9 000 000	-	9 000 000	9 000 000	6 042 994	6 042 994	-	-2 957 006	-33%	58.2
Other Income	48 843 000	316 000	49 159 000	49 159 000	38 839 858	64 888 791	26 048 933	15 729 791	32%	58.3
Gains on disposal of property, plant and equipment	2 919 000	-	2 919 000	2 919 000	165 489	165 489	-	-2 753 511	-94%	58.17
Interest received - investments	27 024 000	-633 000	26 391 000	26 391 000	32 050 374	32 050 374	-	5 659 374	21%	58.4
Housing development construction contract revenue	-	-	-	-	63 738 044	63 738 044	-	63 738 044	100%	60
TOTAL REVENUE FROM EXCHANGE TRANSACTIONS	**1 235 575 000**	**-65 105 000**	**1 170 470 000**	**1 170 470 000**	**1 232 506 572**	**1 258 508 129**	**26 001 557**	**88 038 129**		

AUDITED STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	APPROVED BUDGET	ADJUSTMENTS	ADJUSTMENTS BUDGET	30 JUNE 2022 FINAL BUDGET	ACTUAL AMOUNTS AS PER RESTATED BUDGET	ACTUAL AMOUNTS AS PER AFS	RECONCILIATION EXPLAINED IN NOTE 58	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	PERCENTAGE VARIANCE	NOTE REFERENCE
	R	R	R	R	R	R	R	R		
Statement of Financial Performance *...continued*										
Revenue from Non-Exchange Transactions:										
Taxation Revenue										
Property rates	577 128 000	15 600 000	592 728 000	592 728 000	554 757 058	545 078 244	-9 678 814	-47 649 756	-8%	
Property rates - penalties imposed		-		-	-	13 470 630	13 470 630	13 470 630	100%	58.5
Licences & permits (including agency fees)	703 000	-	703 000	703 000	10 572 409	10 572 409	-	9 869 409	1404%	58.6
Transfer and Other Revenue										
Government grants and subsidies	228 202 000	17 000	228 219 000	228 219 000	216 476 114	216 476 114	0,43	-11 742 886	-5%	
Public contributions and donations		-		-	2 573 136	3 070 683	497 547	3 070 683	100%	58.7
Fines	18 246 000	-3 979 000	14 267 000	14 267 000	19 892 286	10 082 528	-9 809 758	-4 184 472	-29%	58.8
TOTAL REVENUE FROM NON-EXCHANGE TRANSACTIONS:	**824 279 000**	**11 638 000**	**835 917 000**	**835 917 000**	**804 271 003**	**798 750 609**	**-5 520 394**	**-37 166 391**		
Total Revenue	**2 059 854 000**	**-53 467 000**	**2 006 387 000**	**2 006 387 000**	**2 036 777 575**	**2 057 258 738**	**20 481 163**	**50 871 738**		

AUDITED STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	APPROVED BUDGET	ADJUSTMENTS	ADJUSTMENTS BUDGET	30 JUNE 2022 FINAL BUDGET	ACTUAL AMOUNTS AS PER RESTATED BUDGET	ACTUAL AMOUNTS AS PER AFS	RECONCILIATION EXPLAINED IN NOTE 58	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	PERCENTAGE VARIANCE	NOTE REFERENCE
	R	R	R	R	R	R	R	R		
Expenditure										
Employee Related Costs	511 232 000	-29 475 000	481 757 000	481 757 000	460 814 045	462 204 606	1 390 561	-19 552 394	-4%	
Remuneration of Councillors	25 399 000	-2 007 000	23 392 000	23 392 000	22 210 348	22 210 348	-	-1 181 652	-5%	
Depreciation, amortisation and impairment / reversal of impairment	98 446 000	-	98 446 000	98 446 000	95 085 584	95 085 586	2	-3 360 414	-3%	
Finance Costs	24 894 000	-5 541 000	19 353 000	19 353 000	18 936 993	18 936 993	-	-416 007	-2%	
Debt Impairment and write offs	163 109 000	-150 449 000	12 660 000	12 660 000	12 725 829	13 440 310	714 481	780 310	6%	58.9
Bulk purchases	887 793 000	49 745 000	937 538 000	937 538 000	943 701 712	943 600 182	-101 530	6 062 182	1%	
Contracted services	224 624 000	58 082 000	282 706 000	282 706 000	245 515 838	238 447 316	-7 068 522	-44 258 684	-16%	58.10
Other Expenditure	133 732 000	-2 469 000	131 263 000	131 263 000	114 598 549	139 845 541	25 246 992	8 582 541	7%	58.11
Losses	-	-	28 500 000	28 500 000	19 544 215	6 031 215	-13 513 000	-22 468 785	-79%	58.12
Transfers and subsidies	7 030 000	149 000	7 179 000	7 179 000	6 657 601	-	-6 657 601	-7 179 000	-100%	58.13
Housing development construction contract expenditure	-	-	-	-	63 738 044	63 738 044	-	63 738 044	100%	60
Total Expenditure	**2 076 259 000**	**-81 965 000**	**2 022 794 000**	**2 022 794 000**	**2 003 528 759**	**2 003 540 141**	**11 382**	**-19 253 859**		
Operating Surplus										
Transfers recognised - capital	88 744 000	6 880 000	95 624 000	95 624 000	81 432 586	81 432 586	-	-14 191 414	-15%	58.14
Contributions recognised - capital	18 180 000	-1 322 000	16 858 000	16 858 000	20 779 540	309 760	-20 469 780	-16 548 240	-98%	58.15
Fair Value Adjustments	-	-	-	-	21 045 000	21 045 000	-	21 045 000		
	106 924 000	5 558 000	112 482 000	112 482 000	123 257 126	102 787 346	-20 469 780	-9 694 654		
									6%	58.9
Surplus before taxation	**90 519 000**	**34 056 000**	**96 075 000**	**96 075 000**	**156 505 942**	**156 505 943**	**-**	**60 430 943**		

AUDITED STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	APPROVED BUDGET	ADJUSTMENTS	ADJUSTMENTS BUDGET	30 JUNE 2022 FINAL BUDGET	ACTUAL AMOUNTS AS PER RESTATED BUDGET	ACTUAL AMOUNTS AS PER AFS	RECONCILIATION EXPLAINED IN NOTE 58	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	PERCENTAGE VARIANCE	NOTE REFERENCE
	R	R	R	R	R	R	R	R		
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement										
Surplus for the year	90 519 000	34 056 000	96 075 000	96 075 000	156 505 942	156 505 943	-	60 430 943		
Funding of Capital										
Non-Current Assets										
Transfers recognised - capital	81 061 000	5 967 000	87 028 000	87 028 000		81 432 586		-5 595 414		
Internally generated funds	220 088 000	-2 445 000	217 643 000	217 643 000		157 597 482		-60 045 518		
Public Contributions and Donations	15 252 000	-3 824 000	11 428 000	11 428 000		309 760		-11 118 240		
Borrowings	5 000 000	-5 000 000	-	-		-		-		
Total Sources of capital funds	**321 401 000**	**-5 302 000**	**316 099 000**	**316 099 000**		**239 339 828**		**-76 759 172**	**-24%**	**58.16**

AUDITED STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	APPROVED BUDGET	ADJUSTMENTS	ADJUSTMENTS BUDGET	30 JUNE 2022 FINAL BUDGET	ACTUAL AMOUNTS AS PER RESTATED BUDGET	ACTUAL AMOUNTS AS PER AFS	RECONCILIATION EXPLAINED IN NOTE 58	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	PERCENTAGE VARIANCE	NOTE REFERENCE
	R	R	R	R	R	R	R	R		
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement *...continued*										
Cash Flow Statement										
Cash flows from operating activities										
Payments										
Net cash from/(used) - Operating activities	**327 416 000**	**-66 917 000**	**260 499 000**	**260 499 000**		**212 159 424**		**-48 339 576**		
Cash flows from investing activities										
Net cash from/(used) - Investing activities	-321 401 000	5 301 000	-316 100 000	-316 100 000		-165 338 961		150 761 039		
Net increase/(decrease) in cash and cash equivalents	-512 000	-66 415 000	-66 927 000	-66 927 000		37 197 882		104 124 882		
Net cash from/(used) - Financing activities	-6 527 000	-4 799 000	-11 326 000	-11 326 000		-9 622 581		1 703 419		
Cash/cash equivalents at the year end	**758 150 000**	**160 735 000**	**918 885 000**	**918 885 000**		**872 437 220**		**-46 447 780**		

AUDITED REPORTABLE SEGMENTS

FOR THE YEAR ENDED 30 JUNE 2022

For management purposes, the municipality is organised and operates in nine key functional segments (or business units). To this end, management monitors the operating results of these business units for the purpose of making decisions about resource allocations and assessment of performance.

Revenues and expenditures relating to these business units are allocated at a transactional level.

	CORPORATE SERVICES	YOUTH DEVELOPMENT	CHIEF OPERATIONS OFFICER	COMMUNITY SERVICES & PUBLIC AMENITIES	COMMUNITY SAFETY	FINANCE	ECONOMIC DEVELOPMENT & PLANNING	CIVIL ENGINEERING & HUMAN SETTLEMENTS	ELECTRICAL ENGINEERING SERVICES	TOTAL
	R	R	R	R	R	R	R	R	R	R
Segment Revenue										
External revenue from non-exchange transactions	62 624 259	5 957 664	10 447 344	73 743 228	23 748 938	579 472 453	27 837 678	80 575 808	37 130 583	901 537 956
External revenue from exchange transactions	1 182 828	-	-	79 767 001	25 252	29 040 746	16 823 847	64 957 737	1 034 494 854	1 226 292 266
Revenue from transactions with other segments										-
Interest revenue						31 513 626		536 749		32 050 374
Gain on disposal of property, plant and equipment	6 503			47 374		111 612				165 489
Segment Expenses										
Total segment expenses	-100 087 232	-6 902 218	-53 553 939	-225 708 976	-157 134 623	-71 862 949	-48 361 742	-155 210 199	-1 079 597 806	-1 898 419 686
Depreciation and amortisation	-2 760 298	-102 481	-152 318	-19 406 519	-2 352 328	-963 684	-1 118 961	-32 701 326	-26 625 547	-86 183 462
Interest expense								-6 651 583	-12 285 410	-18 936 993
Internal charges	-2 849 267	-	-4 300	-616 546	-382 623	-463 056	-120 686	-341 842	4 778 320	-
Surplus / deficit for the year	**-41 883 207**	**-1 047 035**	**-43 263 212**	**-92 174 439**	**-136 095 384**	**566 848 748**	**-4 939 864**	**-48 834 656**	**-42 105 005**	**156 505 944**
Other Information										
Segment assets	362 009 046	35 003 588	-18 543 671	160 415 095	-14 630 861	1 050 385 168	138 042 884	670 529 113	1 441 758 569	3 824 968 930
Segment liabilities	-53 017 461	584 270	-42 472 479	-2 863 765	-4 439 642	-420 663 264	-6 404 050	-119 002 672	-117 140 915	-765 419 978
Additions to non-current assets	6 662 586	999 650	500 492	26 921 955	3 219 177	221 078	14 674 719	105 053 806	81 086 365	239 339 828
Non-cash revenue (included above)	3 077 187	-	-	47 374	-	21 156 612	-	-	-	24 281 172
Non-cash expense (included above)	14 475 902	102 834	152 318	20 709 333	2 649 484	15 415 246	1 118 961	40 727 273	33 163 970	128 515 320
Cash flows from operating activities	-25 600 329	-1 756 744	-46 537 620	-66 114 436	-142 846 735	529 032 827	-7 597 372	752 631	-27 172 798	212 159 424
Cash flows for investing activities	-6 662 586	-999 650	-500 492	-26 921 955	-3 219 177	73 779 789	-14 674 719	-105 053 806	-81 086 365	-165 338 961
Cash flows from financing activities	-41 285	-	-	-36 466	-	1 389 228		-3 480 976	-7 453 082	-9 622 581

REPORTABLE SEGMENTS

30 JUNE 2021

	CORPORATE SERVICES	YOUTH DEVELOPMENT	CHIEF OPERATIONS OFFICER	COMMUNITY SERVICES & PUBLIC AMENITIES	COMMUNITY SAFETY	FINANCE	ECONOMIC DEVELOPMENT & PLANNING	CIVIL ENGINEERING & HUMAN SETTLEMENTS	ELECTRICAL ENGINEERING SERVICES	TOTAL
	R	R	R	R	R	R	R	R	R	R
Segment Revenue										
External revenue from non- exchange transactions	106 473 261	5 957 664	9 739 500	76 509 167	17 628 478	538 191 626	18 627 930	64 093 785	38 373 555	875 594 965
External revenue from exchange transactions	3 918 245	-	-3 936	73 677 108	128 629	29 533 176	17 257 568	61 804 330	895 493 786	1 081 808 905
Revenue from transactions with other segments	-	-	-	491 763	-	-	-		11 526 123	12 017 885
Interest revenue	-	-	-	-		29 444 751	-	8 674		29 453 425
Gain on disposal of property, plant and equipment										-
										-
Segment Expenses										-
Total segment expenses	-105 685 293	-5 330 659	-46 586 870	-219 387 235	-144 736 255	-60 096 629	-43 111 126	-128 738 811	-892 207 465	-1 645 880 342
Depreciation and amortisation	-1 628 649	-44 292	-127 378	-17 135 410	-2 089 458	-933 370	-1 089 808	-29 637 229	-25 054 298	-77 739 891
Interest expense	-	-	-	-	-	-	-	-6 967 076	-13 056 583	-20 023 659
Internal charges	-2 575 213	-	-4 300	-415 210	-360 978	-329 107	-107 983	-332 889	-7 892 206	-12 017 885
Segment Gains/Losses										
Net Gains/Losses									-777 873	-777 873
Surplus / deficit for the year	**502 351**	**582 713**	**-36 982 985**	**-86 259 817**	**-129 429 584**	**535 810 448**	**-8 423 419**	**-39 769 216**	**6 405 039**	**242 435 530**
Other Information										
Segment assets	164 686 584	-10 281 549	-64 985 788	12 299 219	193 925 314	2 809 987 259	113 722 133	-353 812 824	794 980 869	3 660 521 217
Segment liabilities	36 039 786	282 955	46 015 708	1 247 570	3 001 094	408 667 591	9 309 262	110 224 461	142 447 730	757 236 156
Additions to non-current assets	2 366 861	2 872 861	-	23 408 202	24 280 665	103 714	681 836	77 501 175	52 070 602	183 285 917
Non-cash revenue (included above)	25 972 693	-	-	-	-	1 525 000	-	-	-	27 497 693
Non-cash expense (included above)	23 325 526	44 292	127 378	42 006 779	3 130 790	2 417 521	1 089 808	33 378 542	32 949 080	138 469 716
Cash flows from operating activities	27 487 053	958 985	-43 423 976	-43 621 319	-129 124 347	510 589 813	-121 993	-4 843 671	47 492 603	365 393 148
Cash flows for investing activities	-2 366 861	-2 872 861	-	-23 408 202	-24 280 665	-6 776 418	-681 836	-55 501 175	-48 097 909	-163 985 928
Cash flows from financing activities	-56 317	-	-	-32 755	-	1 715 688	-7	-3 165 483	-8 245 230	-9 784 104

ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2022

1. BASIS OF PRESENTATION

The unaudited 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 112(3) of the Municipal Finance Management Act (Act 56 of 2003).

These unaudited 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.

The Minister has determined the following Standards of GRAP for Municipalities.

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates
GRAP 8	Investment in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economics
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related-party disclosures
GRAP 21	Impairment of Non-cash generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash Generating Assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 32	Service concession arrangements: Grantor
GRAP 100	Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 105	Transfers of Function between Entities under Common Control
GRAP 106	Transfers of Function between Entities Not under Common Control
GRAP 107	Mergers
GRAP 108	Statutory receivables
GRAP 109	Accounting by principals and agents

In addition the municipality has applied all the other Interpretation Standards and directives determined by the Minister in the updated Directive 5.

1.1 CHANGES IN ACCOUNTING POLICY AND COMPARABILITY

Changes in accounting policies due to adoption of newly effective Standards of GRAP have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy or where allowed transitional provisions had been adopted. In such cases the municipality would restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Errors are corrected retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality would restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

The municipality changes an accounting policy only if the change:

a) is required by a Standard of GRAP; or

b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the performance or cash flow.

1.2 COMPARATIVE INFORMATION

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are reclassified. The nature and reasons for the reclassification are disclosed.

1.3 PRESENTATION OF BUDGET INFORMATION IN THE FINANCIAL STATEMENTS

The municipality presents a comparison of the budget amounts for which it is held publicly accountable and actual amounts as a separate statement called the 'Statement of Comparison of Budget and Actual Amounts'. This statement compares the budget amounts with the amounts in the financial statements adjusted to be on a comparable basis. The comparison of budget and actual amounts presents separately for each level of legislative oversight the following:

- the approved and final budget amounts;
- the actual amounts ; and
- by way of note disclosure, an explanation of material differences between the budget for which the municipality is held publicly accountable and actual amounts, unless such explanation is included in other public documents issued in conjunction with the financial statements, and a cross reference to those documents is made in the notes.

1.4 CRITICAL JUDGMENTS, ESTIMATIONS AND ASSUMPTIONS

The following are the critical judgments, apart from those involving estimations, that the management has made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in Annual Financial Statements:

REVENUE RECOGNITION

Accounting Policy 1.22 on Revenue from Exchange Transactions and Accounting and Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality.

In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-exchange Transactions. In particular when services are rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

FINANCIAL ASSETS AND LIABILITIES

The classification of financial assets and liabilities into categories is based on relevant accounting standards as assessed by management.

IMPAIRMENT OF FINANCIAL ASSETS

Accounting Policy 1.15.4 on Impairment of Financial Assets describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments. The management of the municipality is satisfied that the impairment of financial assets recorded during the year, is appropriate.

USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT ("PPE")

As described in Accounting Policies 1.12.3 and, 1.13.2 the municipality depreciates/amortises its property, plant and equipment, and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use. The useful lives and residual values of the assets are based on industry knowledge.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

IMPAIRMENT: WRITE DOWN OF PPE AND INVENTORIES

Significant estimates and judgments are made relating to PPE impairment tests and write down of inventories to net realisable values.

DEFINED BENEFIT PLAN LIABILITIES

As described in Accounting Policy 1.18, the municipality obtains actuarial valuations of its defined benefit plan liabilities. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25 Employee Benefits. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Note 6 to the Annual Financial Statements.

Multi-employer defined benefit funds are accounted for as defined contribution plan as set out in note 6.

1.5 PRESENTATION CURRENCY

These unaudited Annual Financial Statements are presented in South African Rand, which is the functional currency of the municipality.

1.6 GOING CONCERN ASSUMPTION

These unaudited Annual Financial Statements have been prepared based on the expectation that the municipality will continue to operate as a going concern basis for at least the next 12 months.

1.7 OFFSETTING

Assets, liabilities, revenues and expenses have not been offset, except when offsetting is required or permitted by a Standard of GRAP.

1.8 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

Council has adopted the following GRAP standard on Statutory receivables to determine its disclosure on specific operational objectives and major activities of the municipality.

GRAP 108: STATUTORY RECEIVABLES

Municipalities are required to separately account for receivables arising from legislation, regulations or similar means. Examples include receivables related to property rates and fines. Statutory receivables are accounted for initially in accordance with GRAP 23 Revenue from Non-exchange Transactions (Taxes and Transfers) and subsequently at cost less impairment using GRAP 108. Separate disclosure is required for statutory and other receivables.

1.10 HOUSING OPERATING ACCOUNT

The Housing Operating Account 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 the Housing Operating Account. Housing selling schemes both complete and in progress as at 1 April 1998, were also transferred to the Housing Operating Account.

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 Operating Account. Where the municipality experiences a nett loss on proceeds realised these are funded by the accumulated surplus. Monies standing to the credit of the Housing Operating Account can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.11 INVESTMENT PROPERTY

1.11.1 INITIAL RECOGNITION

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures investment property at fair value including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction or at a nominal value its cost is its fair value as at the date of acquisition.

The cost of self-constructed investment property is the cost at date of completion.

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 Investment Properties;
- Land held for a currently 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, Inventory as appropriate:

- Property intended for sale in the ordinary course of operations or in the process of construction or development 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, property held for future development and subsequent use as owner-occupied property, property occupied by employees such as housing for personnel (whether or not the employees 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.

A register of Investment Properties held are available for inspection upon request.

1.11.2 SUBSEQUENT MEASUREMENT - FAIR VALUE MODEL

Investment property is measured using the fair value model. Investment property is carried at fair value, representing open market value determined annually by external valuators at the reporting date. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. A gain or loss arising from a change in the fair value of investment property is included in surplus or deficit for the year.

The carrying amount of an investment property is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from de-recognition of an investment property is included in surplus or deficit for the year when the asset is derecognised.

Gains or losses are calculated as the difference between the net book value of assets (fair value) and the sales proceeds.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

1.12 PROPERTY, PLANT AND EQUIPMENT

1.12.1 INITIAL RECOGNITION

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

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

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

Property, plant and equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost, where applicable, also includes the necessary costs of dismantling and removing the asset and restoring the site on which it was located.

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

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets is measured at its fair value. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

1.12.2 SUBSEQUENT MEASUREMENT

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the municipality and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all property plant and equipment, are measured at cost (which includes deemed cost for previously unrecognised assets), less accumulated depreciation and accumulated impairment losses.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

1.12.3 DEPRECIATION

Land is not depreciated as it is regarded as having an indefinite life. Depreciation of assets other than land is calculated, using the straight line method, to depreciate their cost to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are based on the following estimated useful lives.

Depreciation only commences when the asset is available for use, unless stated otherwise.

DETAILS	YEARS
Infrastructure	
Roads	10 – 45
Electricity	5 – 50
Storm Water	10 – 80
Solid Waste Disposal	10 – 45
Community	
Community and Recreation Facilities	5 – 50
Other Assets	2 – 50
Vehicles	3 – 10
Furniture and Fittings	3 – 5

The assets' residual values, estimated useful lives and depreciation method are reviewed annually, and adjusted prospectively if appropriate, at each reporting date.

1.12.4 WORK IN PROGRESS

Work in progress is stated at historical cost. Depreciation only commences when the asset is available for use.

1.12.5 FINANCE LEASES

Assets capitalised under finance leases are depreciated over their expected useful lives on the same basis as PPE controlled by the entity or where shorter, the term of the relevant lease.

1.12.6 INFRASTRUCTURE ASSETS

Infrastructure Assets are any assets that are part of a network of similar assets. Infrastructure assets are shown at cost less accumulated depreciation and accumulated impairment. Infrastructure assets are treated similarly to all other assets of the municipality.

1.12.7 DE-RECOGNITION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from de-recognition of an item of property, plant and equipment is included in surplus or deficit for the year when the item is derecognised.

Gains or losses are calculated as the difference between the net book value of assets (cost less accumulated depreciation and accumulated impairment losses) and the sales proceeds.

1.12.8 IMPAIRMENT OF ASSETS

1.12.8.1 CASH - GENERATING ASSETS

IDENTIFICATION:

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

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

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.

DISCOUNT RATE

The discount rate is a 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

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit for the year.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

> To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

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 had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit for the year.

1.12.8.2 IMPAIRMENT OF NON-CASH GENERATING ASSETS

IDENTIFICATION

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

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset no impairment is recognised.

VALUE IN USE

Value in use of an asset is the present value of the asset's remaining service potential.

The present value of the remaining service potential of an asset 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 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 overdesigned or overcapacity asset. Overdesigned 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.

RECOGNITION AND MEASUREMENT

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit for the year.

An impairment loss is recognised for non-cash-generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

> To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

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 had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit for the year.

1.13 INTANGIBLE ASSETS

1.13.1 INITIAL RECOGNITION

Identifiable non-monetary assets without physical substance which are held for use in the production or supply of services, for rental to others, or for administrative purposes are classified and recognised as intangible assets. The municipality recognises an intangible asset only 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.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is recognised as an expense when incurred.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life. Development assets are tested for impairment annually.

Intangible assets are initially recognised at cost. Where an intangible asset is acquired at no cost or for a nominal consideration, its cost is its fair value as at the date it is acquired. Where an intangible asset 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.

The municipality does not recognise electricity servitudes arising from a legal right as intangible assets.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

1.13.2 SUBSEQUENT MEASUREMENT, AMORTISATION AND IMPAIRMENT

Subsequently all intangible assets are measured at cost, less accumulated amortisation and accumulated impairment losses.

Amortisation is charged on a straight-line basis over the intangible assets' useful lives, which are estimated to be between 2 to 7 years. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised, for example servitudes (excluding electricity servitudes) obtained by the municipality give the municipality access to land for specific purposes for an unlimited period - however, such intangible assets are subject to an annual impairment test.

Intangible assets are annually tested for impairment, including intangible assets not yet available for use. Where items of intangible assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation. The impairment loss is the difference between the carrying amount and the recoverable amount.

The estimated useful life and amortisation method are reviewed annually. Any adjustments arising from the annual review are applied prospectively as a change in accounting estimate in surplus or deficit for the year.

1.13.3 DE-RECOGNITION OF INTANGIBLE ASSETS

The carrying amount of an intangible asset is derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from de-recognition of an intangible asset is included in surplus or deficit when the asset is derecognised. Gains are not included in revenue.

Gains or losses are calculated as the difference between the net book value of assets (cost less accumulated amortisation and accumulated impairment losses) and the sales proceeds. This is included in surplus or deficit for the year as a gain or loss on disposal of intangible assets.

1.14 HERITAGE ASSETS

Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to uncertainty regarding their estimated useful lives.

1.15 FINANCIAL INSTRUMENTS

The municipality has various types of financial instruments and these can be broadly categorised as either Financial Assets or Financial Liabilities.

1.15.1 FINANCIAL ASSETS - CLASSIFICATION

A financial asset is any asset consisting of cash or a contractual right to receive cash. The municipality has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

> Investments in Fixed Deposits (Banking Institutions, etc)
> Long-term Receivables
> Consumer Debtors
> Certain Other Debtors
> Short-term Investment Deposits
> Cash and Cash Equivalents

In accordance with GRAP 104, the Financial Assets of the municipality are classified as follows into the three categories allowed by this standard:

TYPE OF FINANCIAL ASSET	CLASSIFICATION IN TERMS OF GRAP 104
Short-term Investment Deposits	Financial assets at amortised cost
Cash and Cash Equivalents	Financial assets at amortised cost
Long-term Receivables	Financial assets at amortised cost
Consumer Debtors	Financial assets at amortised cost
Other Debtors	Financial assets at amortised cost
Investments in Fixed Deposits	Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Cash and cash equivalents include cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

1.15.2 FINANCIAL LIABILITIES – CLASSIFICATION

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. The municipality has the following types of financial liabilities as reflected on the face of the Statement of Financial Position or in the notes thereto:

> Long-term Liabilities
> Certain Other Creditors
> Current Portion of Long-term Liabilities
> Consumer Deposits

In accordance with GRAP 104, the Financial Liabilities of the municipality are classified into the following category as allowed by this standard

> Financial liabilities at amortised cost.

Financial liabilities at amortised cost are initially measured at fair value, net of transaction costs. These are subsequently measured at amortised cost using the Effective interest method, with interest expense recognised on an effective yield basis.

1.15.3 INITIAL AND SUBSEQUENT MEASUREMENT

1.15.3.1 FINANCIAL ASSETS:

Financial assets at amortised cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with revenue recognised on an effective yield basis.

1.15.3.2 FINANCIAL LIABILITIES:

Financial Liabilities at amortised cost are initially measured at fair value net of transaction costs. Subsequently, these liabilities are measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Financial liabilities are recognised on the trade date at which the municipality becomes a party to the contractual provisions of the instrument.

1.15.4 IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for indicators of impairment at reporting date. Financial assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with GRAP 104.

Initially Accounts Receivable are valued at fair value and subsequently carried at amortised cost using the effective interest rate method. An estimate is made for doubtful debt based on past default experience of all outstanding amounts at year-end. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of trade receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

the present value of estimated future cash flows, discounted at the original effective interest rate.

The provision is made whereby the recoverability of Consumer Debtors is assessed individually or collectively after grouping the assets in financial assets with similar credit risk characteristics if individual assessment was not possible.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets and recognised in surplus or deficit for the year with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in surplus or deficit for the year.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus or deficit for the year to the extent that the carrying amount of the instruments at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.15.5 DE-RECOGNITION OF FINANCIAL ASSETS

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

1.15.6 DE-RECOGNITION OF FINANCIAL LIABILITIES

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

1.16 LEASES

THE MUNICIPALITY AS LESSEE

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or Intangible Assets subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Corresponding liabilities are included in the Statement of Financial Position as Finance Lease Liabilities. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to Property, plant, equipment or Intangible Assets. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to de-recognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised as an expense in surplus or deficit for the year on a straight-line basis over the term of the relevant lease. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

THE MUNICIPALITY AS LESSOR

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease.

1.17 INVENTORIES

Inventories comprising consumable stores, raw materials and finishing goods are initially measured at cost except where inventories are acquired at no cost, or for nominal consideration, 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, determined on the weighted average cost.

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

Unsold properties represent unsold units in economic selling schemes where the net realisable value of each unit is either nil or a nominal amount. As a consequence of the passage of time the municipality is not in a position to determine the cost of such inventory. Furthermore, the use of current replacement cost would not only distort the statement of financial position by inflating the value of inventories but would also result in a credit to the Housing operating account contrary to section 14 of the Housing Act, 1997. Accordingly unsold properties are stated in the annual financial statements at net realisable value.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

1.18 EMPLOYEE BENEFITS

The objective of GRAP 25 is to prescribe the accounting and disclosure for employee benefits. The Standard of GRAP requires a municipality to recognise:

> a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
> An expense when a municipality consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

The Standard of GRAP states the recognition, measurement and disclosure requirements of:

> Short term employee benefits;
> All short term employee benefits;
> Short term compensated absences;
> Bonus, incentive and performance related payments;
> Post-employment benefits;
> Other long term employee benefits; and
> Termination benefits.

The municipality has adopted GRAP 25 Employee Benefits in the current year.

The objective of GRAP 25 is to prescribe the accounting and disclosure for employee benefits. The municipality has recognised:

> a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
> an expense when a municipality consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

This municipality recognises all actuarial gains and losses and past service costs immediately in the statement of financial performance once occurred.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

SHORT-TERM EMPLOYEE BENEFITS

Remuneration to employees is recognised in surplus or deficit for the year as the services are rendered, except for non-accumulating benefits, which are only recognised when the specific event occurs.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as an accrual in the Statement of Financial Position. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

PAST SERVICE COSTS

Past service costs are recognised immediately in surplus or deficit, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

POST-EMPLOYMENT BENEFIT: DEFINED CONTRIBUTION PLANS

Defined contribution plan is a plan under which the municipality 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 asset to pay all employee benefits relating to employee service in the current and prior periods.

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in surplus or deficit for the year in which the service is rendered by the relevant employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The municipality has no further payment obligations once the contributions have been paid.

POST-EMPLOYMENT BENEFITS: DEFINED BENEFIT PLANS

Defined benefit plan is a post- employment benefit plan other than a defined contribution plans.

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged to surplus or deficit for the year in which they arise.

PENSION OBLIGATIONS

The municipality and its employees contribute to the Natal Joint Municipal Pension Fund (Superannuation, Retirement and Provident fund). The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable. Natal Joint Superannuation & Retirement Funds are defined benefit funds. The Natal Joint Provident Fund is a defined contribution funds.

The schemes are funded through payments to fund administrator or trustee-administered funds, determined by periodic actuarial calculations.

Defined benefit plans have been accounted for as defined contribution plans in accordance with the requirements on multi-employer plans where sufficient information is not available to account for such plans as defined benefit plans. As the fund administrators do not have sufficient information available to allocate the shortfall on liabilities to individual employers, no liability is recognised for any shortfall of fund asset as compared to fund liabilities. Any surcharges that may be levied by the fund from time to time in order to compensate for shortfalls, are recognised as expenses in the period in which they become payable to the fund. As surcharges are advised long in advance, based on actuarial valuations of the fund as a whole, the necessary provision for the payment thereof is made in the course of the municipality's normal budgeting processes."

*POST-RETIREMENT HEALTH CARE BENEFITS:

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and recognised actuarial gains and losses, adjusted by past service costs where applicable. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and an appropriate discount rate. Valuations of these obligations are carried out every year by independent qualified actuaries.

Actuarial gains or losses are accounted for in full and are recognised in the Statement of Financial Performance.

*LONG-SERVICE ALLOWANCE

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, as well as additional once-off leave calculated in terms of the rules of the scheme, after 10, 15, 20, 25, 30, 35, 40 and 45 years of continued service.

The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for in surplus or deficit for the year.

Actuarial gains or losses are accounted for in full and are recognised in surplus or deficit for the year.

1.19. PROVISIONS

Provisions are recognised when:

> the municipality has a present or constructive obligation as a result of past events,
> it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
> a reliable estimate can be made of the obligation.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact, if any, of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost as it occurs.

1.20 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the annual financial statements.

1.21 CAPITAL COMMITMENTS

In terms of GRAP 17, contractual commitments are disclosed for all assets. The commitment is measured at the value of the contract less amounts paid until year end. Where contacts or letters of awards have been issued, this is classified as an approved and contracted commitment.

1.22 REVENUE RECOGNITION

REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue comprises the fair value of the consideration received or receivable for the sale or rendering of services in the ordinary course of the municipality's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits or service potential will flow to the municipality and when specific criteria have been met for each of the municipality's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

REVENUE FROM EXCHANGE TRANSACTIONS

SERVICE CHARGES

Service charges relating to electricity are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

PRE-PAID ELECTRICITY

Revenue from the sale of electricity pre-paid meter cards are recognised at the point of sale. Revenue from the sale of electricity prepaid meter cards made in the last month of the financial year is recognised based on an estimate of the prepaid electricity consumed as at the reporting date with reference to the consumption patterns of the individual users.

FINANCE INCOME

Interest earned on investments is recognised in surplus or deficit for the year on the time proportionate basis that takes into account the effective yield on the investment.

TARIFF CHARGES

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

RENTALS

Revenue from the rental of facilities and equipment classified as operating leases is recognised on a straight-line basis over the term of the lease agreement where material, where such lease periods span over more than one financial year.

1.23 REVENUE FROM NON-EXCHANGE TRANSACTIONS

RATES AND TAXES

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

FINES

Fines constitute both spot fines and summonses.

Revenue from traffic fines is initially measured on the value stipulated on the notice, summons or equivalent document.

The revenue from traffic fines is subject to further judicial process which is outside the municipality's control. These reductions are not considered in measuring the revenue and receivable on initial recognition. This is because of the high degree of uncertainty in estimating the likely outcome of this process. Once this separated process has been concluded, any reductions are accounted for as a change in estimated revenue and in accordance with IGRAP1.

PUBLIC CONTRIBUTIONS

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use. Revenue is recognised at the fair value of the consideration received. Where public contributions have been received and the municipality has not met the condition, a liability is recognised.

REVENUE FROM RECOVERY OF UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain. Such revenue is based on legislated procedures.

TARIFF CHARGES

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

1.24 GOVERNMENT GRANTS AND RECEIPTS

Income received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised as Accounts Receivable in the period in which they become receivable.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the liability and if it is the municipality's interest it is recognised as interest earned in surplus of deficit for the year.

1.25 BORROWING COSTS

Borrowing cost are interest and other expenses incurred by an entity in connection with the borrowing of funds. The municipality has opted to expense all borrowing costs.

1.26. CASH AND CASH EQUIVALENTS

Cash includes cash-on-hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

1.27 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No 56 of 2003). The definition thereof is more fully defined in the MFMA.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

1.28 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. The definition thereof is more fully defined in the MFMA.

1.29 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 Municipality's or Municipal Entities' supply chain management policies. Irregular expenditure excludes unauthorised expenditure

1.30 RELATED PARTIES

Individuals, including councillors, as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

The objective of this Standard of GRAP is to ensure that a municipality's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

This Standard of GRAP requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the municipality in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This Standard of GRAP also applies to individual financial statements.

This Standard of GRAP requires that only transactions with related parties where the transactions are not concluded within normal operating procedures or on terms that are no more or no less favourable than the terms it would use to conclude transactions with another municipality, entity or person are disclosed.

The Standard of GRAP sets out the requirements, inter alia, for the disclosure of:

- control;
- related party transactions; and
- remuneration of management.

1.31 EVENTS AFTER THE REPORTING DATE

Events after the reporting date that have been classified as adjusting events have been accounted for in the Annual Financial Statements. The material events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the Annual Financial Statements.

1.32 VALUE ADDED TAX

The Municipality accounts for Value Added Tax on the payments basis.

1.33 SERVICE CONCESSION ARRANGEMENTS: GRANTOR

The objective of this Standard is to prescribe the accounting for service concession arrangements by the grantor, a public sector entity.

An entity that prepares and presents financial statements under the accrual basis of accounting shall apply this Standard in accounting for service concession arrangements.

Arrangements within the scope of this Standard involve the operator providing a mandated function related to the service concession asset on behalf of the grantor. The operator providing the mandated function can either be a private party or another public sector entity.

Arrangements outside the scope of this Standard are those that do not involve the delivery of a mandated function and arrangements that involve the provision or management of services where the asset is not controlled by the grantor (e.g., outsourcing, service contracts, or privatisation).

1.33 ACCOUNTING BY PRINCIPLES AND AGENTS

The objective of this Standard is to outline principles to be used by an entity to assess whether it is party to a principal-agent arrangement, and whether it is a principal or an agent in undertaking transactions in terms of such an arrangement.

The definition of a principal-agent arrangement refers to an entity acting on behalf of another entity in relation to transactions with third parties. A principal is an entity that directs another (an agent) to undertake transactions with third parties, for the benefit of the principal, in terms of a binding arrangement. The focus of this Standard is establishing whether one entity directs another in relation to specific transactions with third parties within a particular arrangement, rather than considering whether one entity directs or has the power over another entity generally.
When an entity is party to a principal-agent arrangement, it shall assess whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement. The assessment of whether an entity is a principal or an agent requires the entity to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Principal-agent arrangements are governed by a binding arrangement. The requirements of these binding arrangements, particularly the rights and obligations established for the various parties, inform an entity's assessment of whether it undertakes transactions for its own benefit, or for the benefit of another entity. The terms and conditions of the binding arrangement should be assessed to determine the roles, responsibilities and authority of parties in relation to the activities and resulting transactions undertaken in terms of that arrangement.

When an entity 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 an entity concludes that it is not the agent, then it is the principal in the transactions.

An entity is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

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

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

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

Accounting by a principal or an agent
- A principal recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement.
- An agent recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal.
- An entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of other Standards of GRAP.

1.34 REPORTABLE SEGMENTS

The reportable segments of the municipality has been identified in accordance with GRAP 18. Reportable segments are the actual segments which are reported on in the Segment Report. The municipality has the following segments:
- Corporate Services
- Youth Development
- Chief Operations Officer
- Community Services & Public amenities
- Community Safety
- Finance
- Economic Development & Planning
- Civil Engineering & Human Settlements
- Electrical Engineering Services

KwaDukuza operates in a relatively contained geographical area with no foreign, national or inter-provincial operations. All operations occur within the iLembe district in accordance with the developmental nature of local government. Any further breakdown is currently not available and the cost to develop will be excessive.

Management shall consider the cost benefit of the above segment in the upcoming financial year.

ACCOUNTING POLICIES *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

1.35 STATUTORY RECEIVABLES

IDENTIFICATION:

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

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.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

RECOGNITION:

The Municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the accounting 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.

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.

1.36 CONSTRUCTION CONTRACTS

The Housing Development Construction contracts relate to the agreements entered into between the Municipality and the KwaZulu Natal Department of Housing in respect of housing projects where the municipality is the developer in this arrangement.

These are treated in accordance with GRAP 11, Construction contracts.

This arrangement is accounted for in line with the policy for National Housing Programmes. The Housing Development Construction contract expenses consists mainly of contracted services wherein the municipality procures the services of building contractors and other consultants in the construction of houses on its behalf.

The Housing Development Construction contract revenue is recognised when costs are incurred.

The amounts received in advance from Department of Human Settlements for work done is recognised as an unspent grant liability and disclosed on Note 17.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022			2021		
	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R
2 INVESTMENT PROPERTIES						
INVESTMENT PROPERTY	192 670 000	-	192 670 000	171 625 000	-	171 625 000
	192 670 000	**-**	**192 670 000**	**171 625 000**	**-**	**171 625 000**

	OPENING BALANCE	FAIR VALUE ADJUSTMENTS	TRANSFERS	CLOSING BALANCE
	R	R	R	R
RECONCILIATION OF INVESTMENT PROPERTY - 2022				
INVESTMENT PROPERTY	171 625 000	21 045 000	-	192 670 000
	171 625 000	**21 045 000**	**-**	**192 670 000**

Rent income received on the above investment properties during 2021/2022 financial year is R1 738 275.84
There is no expenditure relating to repairs and maintenance in the investment properties.

	OPENING BALANCE	FAIR VALUE ADJUSTMENTS	TRANSFERS	CLOSING BALANCE
	R	R	R	R
RECONCILIATION OF INVESTMENT PROPERTY - 2021				
INVESTMENT PROPERTY	170 100 000	1 525 000	-	171 625 000
	170 100 000	**1 525 000**	**-**	**171 625 000**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022			2021		
	COST	ACCUMULATED DEPRECIATION AND IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED DEPRECIATION AND IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R
3 PROPERTY, PLANT AND EQUIPMENT						
COMMUNITY ASSETS	397 778 589	(138 852 042)	258 926 547	356 056 170	(121 109 915)	234 946 255
SOLID WASTE	7 051 127	(2 858 378)	4 192 749	7 730 302	(2 989 837)	4 740 464
VEHICLES	97 684 679	(55 749 372)	41 935 307	90 011 827	(52 343 296)	37 668 531
INFRASTRUCTURE ROADS AND STORMWATER	1 424 000 621	(411 452 343)	1 012 548 278	1 332 520 756	(370 713 699)	961 807 057
INFRASTRUCTURE ELECTRICAL	975 689 058	(314 360 195)	661 328 863	897 132 161	(293 286 790)	603 845 371
FURNITURE & FITTINGS	79 329 671	(58 036 082)	21 293 589	70 143 814	(53 780 948)	16 362 866
LAND	388 099 174	-	388 099 174	386 612 974	-	386 612 974
LEASED ASSETS	3 898 102	(3 167 046)	731 056	3 898 102	(2 470 255)	1 427 847
	3 373 531 021	**(984 475 458)**	**2 389 055 561**	**3 144 106 106**	**(896 694 741)**	**2 247 411 395**

	OPENING BALANCE	ADDITIONS	RECLASSIFICATION OF CAPITALISED AUC	DONATIONS	RECOGNITION OF EXPENSED ITEMS	DERECOGNITION OF ASSETS	ASSETS WRITTEN OFF	DEPRECIATION	IMPAIRMENT LOSS	IMPAIRMENT REVERSAL	CLOSING BALANCE
	R	R		R	R	R	R	R	R	R	R
3 PROPERTY, PLANT AND EQUIPMENT *...continued*											
Community Assets	**234 946 254**	42 336 785	(614 366)					(17 559 877)	(182 251)		258 926 545
Solid Waste	**4 740 464**	585 369,60				(688 245)		(444 841)			4 192 748
Vehicles	**37 668 531**	11 095 951				(852 103)		(5 977 071)			41 935 308
Infrastructure Roads & Stormwater	**961 807 058**	98 026 414	(3 546 548)			(2 860 528)		(33 727 458)	(7 150 659)		1 012 548 279
Infrastructure Electrical	**603 845 372**	65 041 131	4 000 000		11 181 335	(1 568 162)		(21 140 300)	(30 513)		661 328 863
Furniture & Fittings	**16 362 866**	11 072 842	160 915	320 683		(459 215)	(28 758)	(6 105 316,07)	(30 429)		21 293 588
Land	**386 612 974**			2 750 000		(1 263 800)					388 099 174
Leased Assets	**1 427 847**							(696 791)			731 056
	2 247 411 395	**228 158 493**	**-**	**3 070 683**	**11 181 335**	**(7 692 053)**	**(28 758)**	**(85 651 654)**	**(7 393 852)**	**-**	**2 389 055 561**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	OPENING BALANCE	ACCUMMULATED IMPAIRMENT	ADDITIONS	TRANSFERRED OUT OF AUC	IMPAIRMENT	CLOSING BALANCE
	R	R	R	R	R	R
3 PROPERTY, PLANT AND EQUIPMENT *...continued*						
Classification of Assets Under Construction 2021/2022:						
Community Assets	**43 382 982**	(5 545 348)	39 674 437	(13 526 093)	-	63 985 978
Infrastructure Electrical	**45 422 703**		65 041 131	(36 447 525)		74 016 309
Furniture & Fittings			1 644 487			1 644 487
Roads & Stormwater	**107 239 278**	(23 453 140)	97 951 375	(97 054 565)		84 682 947
TOTAL	**196 044 963**	**(28 998 488)**	**204 311 429**	**(147 028 183)**	**-**	**224 329 721**

Disclosure of Slow Moving Assets under Construction

PROJECT	VALUE	REASON FOR DELAY
Nonoti Beach Node Development	**5 313 660**	The physical ground work could only commence after obtaining the environmental authorization and completion of other intricate legislative prerequisites.
Computer Software and Applications: Tools & Systems Project	**572 119**	Due to the complex requirements of the project , extended planning processes were required to ensure a successful project roll-out.

	2021/2022
	R
Loss on disposal as reflected on the Statement of Financial Performance consists of :	
Derecognition of Assets	3 921 348
Assets Written Off	-
Auction Assets	2 109 868
	6 031 215

	2021/2022
	R
Gain on disposal as reflected on the Statement of Financial Performance consists of :	
Derecognition of Assets	16 100
Assets Written Off	-
Auction Assets	149 389
	165 489

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	OPENING BALANCE	ADDITIONS	RECLASSIFICATION OF CAPITALISED AUC	DONATIONS	RECOGNITION OF EXPENSED ITEMS	DERECOGNITION OF ASSETS	ASSETS WRITTEN OFF	DEPRECIATION	IMPAIRMENT LOSS	IMPAIRMENT REVERSAL	CLOSING BALANCE
	R	R		R	R	R	R	R	R	R	R
3 PROPERTY, PLANT AND EQUIPMENT *...continued*											
RECONCILIATION OF PROPERTY,PLANT AND EQUIPMENT-2021 - RESTATED											
Community Assets	**222 759 013**	31 875 438	-					(16 403 886)	(3 284 311)		234 946 254
Solid Waste	**5 026 268**	179 350,40	-					(465 154)			4 740 464
Vehicles	**36 626 913**	5 772 832	-		12 990		(46 389)	(4 697 814)			37 668 531
Infrastructure Roads & Stormwater	**942 843 436**	73 619 946	-				(3 506 033)	(30 869 220)	(20 281 071)		961 807 059
Infrastructure Electrical	**582 726 722**	30 497 170	-	3 972 693	7 563 396		(782 079)	(20 060 062)	(72 468)		603 845 372
Furniture & Fittings	**13 182 748**	7 148 572	-				(15 845)	(3 952 437,81)	(171)		16 362 866
Land	**364 927 974**	-	-	22 000 000		(315 000)					386 612 974
Leased Assets	**1 495 812**	595 576	-					(663 541)			1 427 847
	2 169 588 885	**149 688 885**	**-**	**25 972 693**	**7 576 386**	**(315 000)**	(4 350 346)	**(77 112 115)**	**(23 638 021)**	**-**	**2 247 411 395**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

CLASS	OPENING BALANCE	ACCUMMULATED IMPAIRMENT	ADDITIONS	TRANSFERRED OUT OF AUC	IMPAIRMENT	CLOSING BALANCE
	R	R	R	R	R	R
3 PROPERTY, PLANT AND EQUIPMENT *...continued*						
Community Assets	51 562 937	(2 261 037)	30 917 862	(39 097 817)	(3 284 311)	37 837 635
Infrastructure Electrical	37 946 629		29 708 444	(22 232 370)		45 422 703
Furniture & Fittings			2 087 070	(2 087 070)		-
Roads & Stormwater	90 686 146	(3 534 651)	75 030 915	(58 477 782)	(19 918 489)	83 786 139
Solid Waste	431 823			(431 823)		-
TOTAL	**180 627 534**	**(5 795 688)**	**137 744 291**	**(122 326 862)**	**(23 202 800)**	**167 046 476**

	2020/2021
	R
Loss on disposal as reflected on the Statement of Financial Performance consists of :	
Derecognition of Assets	(315 000)
Assets Written Off	(4 350 346)
Intangible Assets	(19 250)
	(4 684 595)

	2022			2021		
	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R
4 INTANGIBLE ASSETS						
Intangible Assets	**21 008 960**	(20 547 013)	461 947	21 008 960	(20 015 206)	993 754
Intangible Assets - Under Development	**926 937**	(354 818)	572 119	926 937	(354 818)	572 119
	21 935 897	**(20 901 831)**	**1 034 066**	**21 935 897**	**(20 370 024)**	**1 565 873**

4 INTANGIBLE ASSETS *...continued*

	OPENING BALANCE	ADDITIONS	ASSET UNDER CONSTRUCTION BROUGHT INTO USE	ASSETS WRITTEN OFF	AMORTISATION	IMPAIRMENT LOSS	CLOSING BALANCE
	R	R	R	R		R	R
Reconciliation of Intangible Assets - 2022							
Intangible Assets	**993 754**				(531 807)	-	461 947
Intangible Assets - Under Development	**572 119**						572 119
	1 565 873	-	-	-	(531 807)	-	1 034 066

	OPENING BALANCE	ADDITIONS	ASSET UNDER CONSTRUCTION BROUGHT INTO USE	ASSETS WRITTEN OFF	AMORTISATION	IMPAIRMENT LOSS	CLOSING BALANCE
	R	R	R	R		R	R
Reconciliation of Intangible Assets - 2021							
Intangible Assets	**1 640 781**	-	-	(19 250)	(627 777)	-	993 754
Intangible Assets - Under Development	**878 938**	572 119	(524 120)	-	-	(354 818)	572 119
	2 519 719	572 119	(524 120)	(19 250)	(627 777)	(354 818)	1 565 873

5 HERITAGE ASSETS

	2022			2021		
	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R
	105 386	-	105 386	105 386	-	105 386
Historical Monuments	**105 386**	**-**	**105 386**	**105 386**	**-**	**105 386**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

6 EMPLOYEE BENEFIT OBLIGATIONS

6.1 PENSION BENEFITS

The Municipality's personnel are members of one of the Natal Joint Municipal Pension retirement funds, namely the Superannuation, Retirement and Provident Funds. As the aforementioned funds are multi-employer funds, the allocation of any surplus/deficit to individual municipalities cannot be determined. Furthermore disclosure of further details such as actuarial assumptions, cannot be attributed to any specific municipality and is of no relevance to users of the municipality's financial statements. Below is a synopsis of the most recent pension fund reports.

Superannuation

The interim valuation carried out on the Superannuation Fund as at 31 March 2021 reflected:

> The valuation reveals that the fund is 100.1% funded on the ""best estimate"" Funding basis as at the valuation date, and is also not fully funded on the alternative basis as set out in PF Notice No. 2 of 2016.
> Asset composition on valuation date appropriate to nature of the liabilities.
> Investment strategy suitable for the Fund.
> The view of the valuator is that the fund is in a sound financial position as at the valuation date."

Provident Fund

The interim valuation carried out on the Provident Fund as at 31 March 2021 reflected:

> The Fund is financially sound at valuation date
> The valuation reveals that the Fund is 100.6% funded as at the valuation date
> The contribution rate allocated towards risk benefits and expenses in the year following the valuation date is expected to be sufficient to cover the cost of these benefits and expenses.
> Asset composition appropriate to the nature of the liabilities
> Investment strategy suitable for Fund
> The fund self-insures its death benefits and disability benefits

Retirement Fund

The latest statutory valuation of the Retirement Fund (defined benefit) as at 31 March 2021 reflected:

The Fund is financially sound at valuation date

The fund is 101.0% funded on the "best estimate" Funding basis as at the valuation date, and it is not fully funded on the alternative bases as set out in PF Notice No. 2 of 2016.

Asset composition appropriate to the nature of the liabilities

Investment strategy suitable for the Fund

Fund's self insures its risk benefits

6.2 POST-EMPLOYMENT MEDICAL BENEFITS

The municipality operates on 5 accredited medical aid schemes, namely Bonitas, Key Health, LA Health, Samwumed and HosMed.

Pensioners continue on the option they belonged to on the day of their retirement. The independent valuers, ZAQ Consultants and Acturaries, carry out a statutory valuation on an annual basis.

The principal actuarial assumptions used were as follows:

In estimating the liability for post-employment medical aid benefits a number of assumptions are required as per GRAP 25. APN 30 states that the assumptions should be realistic and mutually compatible. The most relevant actuarial assumptions used in this valuation are discussed below.

	2022	2021 - RESTATED
	R	R
Discount rate per annum	13,14%	10,20%
Health care cost inflation rate	10,00%	6,85%
Net effective discount rate	2,39%	3,14%
Average retirement age	62	62
Proportion continuing membership at retirement	75%	75%
Mortality during employment	SA 85-90	SA 85-90
Mortality post-retirement	PA (90)	PA (90)-1 with a 1% mortality improvement p.a from 2010
(No explicit assumption was made about additional mortality or health care costs due to AIDS).		

6 EMPLOYEE BENEFIT OBLIGATIONS ...continued

	2022		2021 - RESTATED	
	MALES	FEMALES	MALES	FEMALES
	R	R	R	R
Percentage of in-service members withdrawing before retirement:				
Age 20 - 24	9%	9%	9%	9%
Age 25 - 29	8%	8%	8%	8%
Age 30 - 34	6%	6%	6%	6%
Age 35 - 39	5%	5%	5%	5%
Age 40 - 44	5%	5%	5%	5%
Age 45 - 49	4%	4%	4%	4%
Age 50 - 54	3%	3%	3%	3%
Age 55 - 59	0%	0%	0%	0%
Age 60+	0%	0%	0%	0%

Discount Rate:

GRAP 25 defines the determination of the Discount rate assumption to be used as follows: "The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve."

The nominal and real zero curves as at 30 June 2022 supplied by the JSE to determine our discounted rates and CPI assumptions at each relevant time period, has been used. For example, a liability which pays out in 1 year will be discounted at a different rate than a liability which pays out in 30 years. Previously only one discount rate was used to value all the liabilities.

	2022	2021 - RESTATED
	R	R
The amounts recognised in the Statement of Financial Position were determined as being the present value of the obligation:	**110 993 000**	**99 970 000**
Movement in the defined benefit obligation is as follows:		
Balance at beginning of the year	99 970 000	83 093 000
Current service cost	3 808 000	2 911 000
Interest cost	10 032 000	8 599 000
Benefit payments	(3 551 000)	(3 253 000)
Actuarial (gains)/losses	734 000	8 620 000
Balance at end of year	**110 993 000**	**99 970 000**
The amounts recognised in the Statement of Financial Performance were as follows:		
Current service cost	3 808 000	2 911 000
Interest cost	10 032 000	8 599 000
Benefit payments	(3 551 000)	(3 253 000)
Actuarial (gains)/losses	734 000	8 620 000
TOTAL	**11 023 000**	**16 877 000**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

6 EMPLOYEE BENEFIT OBLIGATIONS *...continued*

SENSITIVITY RESULTS

In order to illustrate the sensitivity of the results to changes in certain key variables, the liability has been recalculated using the following assumptions:
(1) A 1% increase / decrease in the medical aid inflation;
(2) A 20% increase / decrease in the assumed rate of mortality

Mortality Rate
Deviations from the assumed level of mortality experience of the current employees and the continuation members (pensioners) will have a large impact on the actual cost to the municipality. If the actual rates of mortality turn out higher than the rates assumed in the valuation basis, the cost to the muncipality in the form of subsidies will reduce and vice versa.

The following table illustrates the effect of higher and lower mortality rates by increasing and decreasing the mortality rates by 20%.

	-20% MORTALITY RATE	VALUE ASSUMPTION	+20% MORTALITY RATE
Total Accrued Liability	R 120 498 000	R 110 993 000	R 103 150 000
Interest Cost	R 12 326 000	R 11 337 000	R 10 520 000
Service Cost	R 4 372 000	R 3 980 000	R 3 653 000

Medical Aid inflation:
The cost of the subsidy after retirement is dependent on the increase in the contributions to the medical aid scheme before and after retirement. The rate at which these contributions increase will thus have a direct effect on the liabiltiy of future retirees.

The following table illustrates the effect of a 1% p.a change in the medical aid inflation assumption. The effect is as follows:

	-1% MORTALITY RATE	VALUE ASSUMPTION	+1% MORTALITY RATE
Total Accrued Liability	R 98 567 000	R 110 993 000	R 123 037 000
Interest Cost	R 10 033 000	R 11 337 000	R 12 602 000
Service Cost	R 3 260 000	R 3 980 000	R 4 694 000

6 EMPLOYEE BENEFIT OBLIGATIONS ...continued

6.3 LONG SERVICE AWARDS AND RETIREMENT GIFTS

The independent valuers, ZAQ Consultants and Acturaries, carry out a statutory valuation on an annual basis.

The principal actuarial assumptions used were as follows:

In estimating the liability for long service leave benefits, a number of assumptions are required as per GRAP 25. These assumptions should be realistic and mutually compatible. The most relevant actuarial assumptions used in this valuation are discussed below.

	2022	2021 - RESTATED
	R	R
Discount rate per annum	10.80%	9.44%
General Salary Inflation (long term)	8.47%	5.84%
Net effective discount rate	2.15%	3.40%
Examples of mortality rates used were as follows:		
Average retirement age	62 years	62 years
Mortality during employment	SA85-90	SA85-90

	2022		2021 - RESTATED	
	MALES	FEMALES	MALES	FEMALES
	R	R	R	R
Members withdrawn from service:				
Age 20 - 24	9%	9%	9%	9%
Age 25 - 29	8%	8%	8%	8%
Age 30 - 34	6%	6%	6%	6%
Age 35 - 39	5%	5%	5%	5%
Age 40 - 44	5%	5%	5%	5%
Age 45 - 49	4%	4%	4%	4%
Age 50 - 54	3%	3%	3%	3%
Age 55 - 59	0%	0%	0%	0%
Age 60+	0%	0%	0%	0%

Discount Rate:

GRAP 25 defines the determination of the Discount rate assumption to be used as follows: "The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve."

The nominal and real zero curves as at 30 June 2022 supplied by the JSE to determine our discounted rates and CPI assumptions at each relevant time period, has been used. For example, a liability which pays out in 1 year will be discounted at a different rate than a liability which pays out in 30 years. Previously only one discount rate was used to value all the liabilities

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
6 EMPLOYEE BENEFIT OBLIGATIONS *...continued*		
The amounts recognised in the Statement of Financial Position were determined as follows:		
Liability in the Statement of Financial Position	**27 365 000**	**24 875 000**
Movement in the defined benefit obligation is as follows:		
Balance at beginning of the year	24 875 000	23 419 000
Current service cost	2 418 000	2 309 000
Interest cost	2 228 000	1 638 000
Actuarial (Gain)/losses	451 000	116 000
Benefit payments	(2 607 000)	(2 607 000)
Balance at end of year	**27 365 000**	**24 875 000**
The amounts recognised in the Statement of Financial Performance were as follows:		
Current service cost	2 418 000	2 309 000
Interest cost	2 228 000	1 638 000
Actuarial (Gain)/losses	451 000	116 000
Benefit payments	(2 607 000)	(2 607 000)
TOTAL	**2 490 000**	**1 456 000**
In conclusion:		
Statement of Financial Position obligation for:		
Post-employment medical benefits	110 993 000	99 970 000
Current Portion	3 757 000	3 309 000
Non - Current Portion	107 236 000	96 661 000
Long Service Award	27 365 000	24 875 000
Current Portion	4 035 000	2 613 000
Non - Current Portion	23 330 000	22 262 000
	138 358 000	**124 845 000**
Statement of Financial Performance obligation for:		
Post-employment medical benefits	11 023 000	16 877 000
Long Service Award loss	2 490 000	1 456 000
	13 513 000	**18 333 000**

6 EMPLOYEE BENEFIT OBLIGATIONS ...continued

Withdrawal Rate:
Deviations from the assumed level of withdrawal experience of the eligible employees will have a large impact on the actual cost to the Municipality. If the actual rates of withdrawal turn out to be higher than the rates assumed in the valuation basis, then the cost to the Municipality in the form of benefits will reduce and vice versa.

Tables 1 illustrates the effect of higher and lower withdrawal rates by increasing and decreasing the withdrawal rates by 20%. the results of the sensitivity analysis.

	-20% WITHDRAWAL RATE	VALUE ASSUMPTION	+20% WITHDRAWAL RATE
Total Accrued Liability	R 28 541 000	R 27 365 000	R 26 279 000
Current Service Cost	R 2 677 000	R 2 530 000	R 2 396 000
Interest Cost	R 3 390 000	R 3 242 000	R 3 106 000

Norminal Salary Inflation:
The cost of the long service awards is dependent on the increase in the annual salaries paid to the employees. The rate at which salaries increase will this have a direct effect on the liability of future employees.

Table 2 illustrates the effect of a 15% p. a. change in the Norminal Salary inflation assumption.

	-1% NORMAL SALARY INFLATION	VALUE ASSUMPTION	+1% NORMAL SALARY INFLATION
Total Accrued Liability	R 25 834 000	R 27 365 000	R 29 048 000
Current Service Cost	R 2 362 000	R 2 530 000	R 2 718 000
Interest Cost	R 3 051 000	R 3 242 000	R 3 452 000

	2022	2021 - RESTATED
	R	R
7 LONG-TERM RECEIVABLES		
Housing selling scheme loans	3 108 574	3 726 531
Less: Allowance for impairment and future housing discounts	(2 728 659)	(3 084 565)
Total	379 915	641 965
Transfer to Current Portion		
Less: Current portion transferred to current receivables	(31 479)	(22 313)
Total Receivables	**348 436**	**619 652**
Written - off during the year	663 669	48 038

HOUSING SELLING SCHEME LOANS
Loans have been granted to individuals who qualified in terms of the KwaZulu-Natal Department of Housing' s programme. The loans are repayable over terms ranging from 5 to 30 years at interest rates varying between 11.25% and 13.5%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
8 INVENTORIES		
Housing Inventory	142 490	142 490
Consumable stores	1 191 177	1 368 042
Mechanical spares	10 627	19 540
Electrical maintenance spares	8 881 505	8 347 836
Total Inventories	**10 225 799**	**9 877 909**
Periodically, physical stock counts are carried out.		
9. RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Electricity	122 987 192	113 289 743
Estate	93 568	89 901
Refuse	22 451 197	22 458 899
VAT on Consumer debtors	24 385 830	22 134 856
Legal Fees	6 320 249	6 253 752
Encroachment and plot clearing	543 703	519 594
Sundry Adjustments	130 521	(124 865)
Interest	11 242 187	10 014 964
Add back credits included above	358 385	935 206
Less: Allowance for impairment	(65 912 575)	(69 670 460)
	122 600 257	**105 901 590**
Electricity		
Current (0 – 30 days)	111 108 691	96 185 515
31 - 60 Days	4 228 872	5 523 434
61 - 90 Days	2 260 449	3 183 601
91 - 120 Days	1 608 927	2 086 607
Greater than 120 days	3 780 253	6 310 586
Total	**122 987 192**	**113 289 743**
Estate		
Current (0 – 30 days)	1 692	1 869
31 - 60 Days	1 086	1 413
61 - 90 Days	1 086	1 105
91 - 120 Days	1 086	1 086
Greater than 120 days	88 619	84 428
Total	**93 568**	**89 901**
Refuse		
Current (0 – 30 days)	5 301 788	7 343 986
31 - 60 Days	1 103 721	1 039 482
61 - 90 Days	841 034	801 840
91 - 120 Days	787 485	724 316
Greater than 120 days	14 417 169	12 549 275
Total	**22 451 197**	**22 458 899**

	2022	2021 - RESTATED
	R	R
9. RECEIVABLES FROM EXCHANGE TRANSACTIONS *...continued*		
VAT on Consumer Debtors - Statutory Receivables		
Current (0 – 30 days)	17 237 323	15 595 741
31 - 60 Days	864 189	879 963
61 - 90 Days	492 093	579 487
91 - 120 Days	365 417	411 582
Greater than 120 days	5 426 809	4 668 083
Total	**24 385 830**	**22 134 856**
Legal Fees		
Current (0 – 30 days)	2 286 216	359 183
31 - 60 Days	98 426	127 808
61 - 90 Days	191 187	104 749
91 - 120 Days	103 344	142 622
Greater than 120 days	3 641 075	5 519 390
Total	**6 320 249**	**6 253 752**
Encroachment and plot clearing		
Current (0 – 30 days)	36 185	5 390
31 - 60 Days	101 866	388
61 - 90 Days	23 816	-
91 - 120 Days	-	5 145
Greater than 120 days	381 836	508 672
Total	**543 703**	**519 594**
Sundry Adjustments		
Current (0 – 30 days)	135 297	(77 248)
31 - 60 Days	9 329	(41 613)
61 - 90 Days	7 115	(16 908)
91 - 120 Days	(5 651)	(3 396)
Greater than 120 days	(15 569)	14 300
Total	**130 521**	**(124 865)**
Interest		
Current (0 – 30 days)	469 617	551 806
31 - 60 Days	365 118	343 966
61 - 90 Days	333 265	322 071
91 - 120 Days	306 765	301 899
Greater than 120 days	9 767 422	8 495 222
Total	**11 242 187**	**10 014 964**
Nett Credits included above		
Total	**358 385**	**935 206**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS ...continued

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
9. RECEIVABLES FROM EXCHANGE TRANSACTIONS ...continued		
Statutory receivables included in receivables from Exchange transactions are as follows;		
Gross Debtors:		
VAT on Consumer Debtors	24 385 830	22 134 856
	24 385 830	**22 134 856**
Impairment:		
VAT on Consumer Debtors impairment	(5 460 276)	(6 170 706)
	(5 460 276)	**(6 170 706)**
Net Debtors:		
VAT on Consumer Debtors	**18 925 554**	**15 964 150**
Reconciliation of the Allowance for Impairment		
Balance at beginning of the year		
Receivables from exchange transactions	69 670 460	64 626 961
Long term receivables	3 084 565	3 142 793
Receivables from non-exchange transactions	212 556 294	209 604 737
Total balance at beginning of the year	**285 311 320**	**277 374 492**
(Release from) / Contribution to provision		
Receivables from exchange transactions	(3 757 885)	5 043 499
Long term receivables	(355 907)	(58 228)
Receivables from non-exchange transactions	10 859 556	2 951 557
Total (Release from) / Contribution to provision	**6 745 764**	**7 936 828**
Balance at end of year		
Receivables from exchange transactions	65 912 575	69 670 460
Long term receivables	2 728 659	3 084 565
Receivables from non-exchange transactions	223 415 851	212 556 294
Total Balance at end of year	**292 057 084**	**285 311 320**
Bad debts written off		
Bad debts written off - Exchange Transactions	863 528	729 190
Bad debts written off - Non - Exchange Transactions	5 167 348	3 451 104
Total Bad debts written off	**6 030 876**	**4 180 294**
Rates - Statutory Receivables	171 510 911	164 252 180
Other debtors	171 952 797	152 578 481
Department of Housing - RDP projects	251 934	251 934
Operating leases	1 283 948	1 506 804
less: Allowance for impairment	(223 415 851)	(212 556 294)
	121 583 740	**106 033 106**

	2022	2021 - RESTATED
	R	R
10. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Rates		
Current (0 – 30 days)	35 031 513	23 417 480
31 - 60 Days	11 481 181	9 467 945
61 - 90 Days	8 089 585	7 030 175
91 - 120 Days	6 020 407	5 845 826
Greater than 120 days	110 888 225	118 490 754
Total	**171 510 911**	**164 252 180**
Other Debtors:		
Included in Other Debtors are:		
Traffic Fines Debtor - Statutory Receivables	121 426 432	112 253 277
Accrued Income	3 044 817	3 597 349
Ilembe water deposits	56 491	56 491
Sundry Debtors - R&G	35 479 032	33 519 617
Prepaid expenditure	10 332 903	1 064 966
Housing bridge financing and medical aid	146 104	146 104
Over payment of contractors	1 101 613	1 416 672
Department of Transport (DOT) - Motor vehicle licensing commission	365 404	524 005
	171 952 797	**152 578 481**
Statutory receivables included in receivables from non-exchange transactions are as follows;		
Gross Debtors:		
Traffic Fines	121 426 432	112 253 277
Property Rates	171 510 911	164 252 180
	292 937 343	**276 505 458**
Impairment:		
Traffic Fines impairment	(88 357 657)	(88 081 394)
Property Rates impairment	(126 686 915)	(116 911 505)
	(215 044 573)	**(204 992 899)**
Net Debtors:		
Traffic Fines	33 068 775	24 171 883
Property Rates	44 823 996	47 340 675
	77 892 770	**71 512 558**

Traffic fines constitute both spot fines and summonses. They are issued in terms of the Criminal Procedures Act, hence this is therefore recognised as a statutory receivable. Revenue from traffic fines is initially measured on the value stipulated on the notice, summons or equivalent document. The revenue from traffic fines is subject to further judicial process which is outside the municipality's control. These reductions are not considered in measuring the revenue and receivable on initial recognition. This is because of the high degree of uncertainty in estimating the likely outcome of this process. Once this separated process has been concluded, any reductions are accounted for as a change in estimated revenue and in accordance with IGRAP1.

Property rates is levied in terms of the Municipal Properties Rates Act, hence this is therefore recognised as a statutory receivable. The receivable is calculated by applying the Council approved rates randage against the valuation of the individual properties within the municipal juristrisdiction. Council approved rebates and exemptions are further applied to reduce the receivable. Interest and admin charges are applied on outstanding debt as per council's approved tariff of charges.
"The basis of impairment takes into account the following:
The estimate was determined in accordance with the Credit Control Policy of the municipality, and the impairment methodology.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R

10. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS *...continued*

In assessing whether statutory receivables are impaired, management considered both individual receivables that may be impaired as well as groups of similar receivables that may be impaired.

The total debtors were further separated into groups of similar receivables with similar risk profiles and assessed for impairment (indigent, in liquidation, accounts not paid for 3 months or longer, handed-over and deemed not recoverable and handed over accounts that have not been paid in the last 3 months and longer - 100%)"

	2022	2021 - RESTATED
11 VAT Receivable		
VAT	**12 142 442**	**6 997 303**
VAT is recognised / (accounted for) on a payments basis. Once payment is received from debtors VAT is paid over to SARS.		
"These amounts are receivable by the municipality as a result of transaction attracting value added tax (VAT) as legislated under the Value Added Tax Act 89 of 1991 from the South African Revenue Services. VAT is deemed as Statutory Receivables"		
No impairments against the VAT receivables.		
12 Short term investments		
The municipality has the following short term investments		
Standard Bank Account - Durban Branch Account Number 058756442-087/090	-	14 539 872
Nedbank Bank Account - Treasury Branch Account Number 03/7881022337/162/163/164	-	25 076 511
ABSA Bank Account - Stanger Branch Account Number 2079270909	30 241 597	28 757 700
Nedbank Bank Account - Treasury Branch Account Number 03/7881022337/165	-	26 734 095
Nedbank Bank Account - Treasury Branch Account Number 03/7881164077/000002	-	23 464 203
ABSA Bank Account - Stanger Branch Account Number 2079680324	-	32 000 000
ABSA Bank Account - Stanger Branch Account Number 2080460797	24 000 000	-
Standard Bank Account - Durban Branch Account Number 058756442-095	9 185 000	-
Nedbank Bank Account - Treasury Branch Account Number 03/7881022337/000169	15 000 000	-
	78 426 597	**150 572 381**

	BANK STATEMENT BALANCES		CASH BOOK BALANCES	
	2022	2021	2022	2021
	R	R	R	R
13 Cash and cash equivalents				
Cash and cash equivalents consist of:				
Bank Balances and short term deposits	864 085 490	832 403 650	872 437 220	835 239 337
The municipality had the following Investment and Bank accounts				

ACCOUNT NUMBER / DESCRIPTION	BANK STATEMENT BALANCES		CASH BOOK BALANCES	
	2022	2021	2022	2021
	R	R	R	R
First National Bank Account - Stanger Branch Account Number 62288308672	674 084	659 218	674 084	659 218
First National Bank Account - Stanger Branch Account Number 62288306147	336 330	328 912	336 330	328 912
First National Bank Account - Stanger Branch Account Number 62363519251	17 846 815	17 448 167	17 846 815	17 448 167
ABSA Account - Durban Branch Account Number 93 1800 0892	70 190 916	67 759 384	70 190 916	67 759 384
ABSA Bank Account - Stanger Branch Account Number 9330098057	36 838 166	113 977 478	36 838 166	113 977 478
ABSA Bank Account - Stanger Branch Account Number 932 12992298	827 377	801 108	827 377	801 108
ABSA Bank Account - Stanger Branch Account Number 932 1890676	248 189	240 309	248 189	240 309
ABSA Bank Account - Stanger Branch Account Number 932 1890529	918 357	889 200	918 357	889 200
ABSA Bank Account - Stanger Branch Account Number 932 1063433	3 147 716	3 047 778	3 147 716	3 047 778
ABSA Bank Account - Stanger Branch Account Number 932 1889635	4 189 965	4 056 936	4 189 965	4 056 936
ABSA Bank Account - Stanger Branch Account Number 932 1890113	285 537	276 471	285 537	276 471
ABSA Bank Account - Stanger Branch Account 932 3556707	13 289 612	12 854 848	13 289 612	12 854 848
ABSA Bank Account - Stanger Branch Account Number 932 6885911	6 472 880	6 267 370	6 472 880	6 267 370

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

ACCOUNT NUMBER / DESCRIPTION	BANK STATEMENT BALANCES		CASH BOOK BALANCES	
	2022	2021	2022	2021
	R	R	R	R
13 CASH AND CASH EQUIVALENTS *...continued*				
First National Bank Account - Stanger Branch Account Number 53730256310: Cheque Account	5 140 595	149 143 536	5 140 595	-423 770 711
Primary Bank Account ABSA Bank Stanger Branch Account Number 4087 627126	70 446 596	75 504 350	73 952 854	648 524 598
Fines Bank Account First National Bank Account - Stanger Branch Account Number 62079758268: Cheque Account	1 423 043	1 372 542	1 423 043	1 372 542
Grants Bank Account (2) ABSA- Stanger Branch Account Number 408 8893526: Cheque Account	62 596 581	61 419 315	62 596 581	61 419 315
ABSA Bank - Stanger Branch Account Number 408 8890536	42 240	2 355 303	4 450 344	4 291 637
ABSA Bank - Stanger Branch Account Number 408 8890196	5 184 876	5 383 915	5 184 876	5 383 915
ABSA Bank - Stanger Branch Account Number 408 889105	14 312 255	11 091 192	14 312 255	11 091 192
ABSA Bank - Stanger Branch Account Number 408 8891427	38 778	39 684	38 778	39 684
ABSA Bank - Stanger Branch Account Number 408 8892732	53 534	54 107	53 534	54 107
ABSA Bank - Stanger Branch Account Number 408 8893047	64 725	142 719	64 725	142 719
ABSA Bank - Stanger Branch Account Number 408 8893306	31 036	32 116	31 036	32 116
ABSA Bank - Stanger Branch Account Number 93 5527 2791	8 850 423	14 960 206	8 850 423	14 960 206
ABSA Bank - Stanger Branch Account Number 9357410284	15 724 920	15 592 901	15 724 920	15 592 901
ABSA Bank Account - Stanger Branch Account Number 93 3046 2759	2 652 194	2 567 989	2 652 194	2 567 989
ABSA Bank Account - Stanger Branch Account Number 93 3924 6273	14 475 931	14 002 358	14 475 931	14 002 358
ABSA Bank Account - Stanger Branch Account Number 93 3252 2727	6 241 037	6 042 888	6 241 037	6 042 888

ACCOUNT NUMBER / DESCRIPTION	BANK STATEMENT BALANCES		CASH BOOK BALANCES	
	2022	2021	2022	2021
	R	R	R	R
13 CASH AND CASH EQUIVALENTS *...continued*				
ABSA Bank Account - Stanger Branch Account Number 40 9577 4472	295 465 596	99 108 226	295 465 596	99 108 226
Standard Bank Account - Durban Branch Account Number 058756442-092	43 623 256	41 915 557	43 623 256	41 915 557
Standard Bank Account - Durban Branch Account Number 058756442-094	51 144 622	49 142 487	51 144 622	49 142 487
Nedbank Account - Stanger Branch Account Number 03/7881022337/166	65 211 668	9 789 885	65 211 668	9 789 885
Investec Bank Account - Durban Branch Account Number 1100-482666-620	43 297 209	41 402 313	43 297 209	41 402 313
ABSA Bank Account - Stanger Branch Account Number 4100653842	2 795 920	2 732 881	2 795 920	2 732 881
Nedbank Bank Account - Treasury Branch Account Number 03/7881022337/163	2 509	-	2 509	-
Petty Cash & Cash on hand	-	-	437 369	793 351
	864 085 490	**832 403 650**	**872 437 220**	**835 239 337**

	2022	2021 - RESTATED
	R	R
14 REVALUATION RESERVE		
Opening balance	18 313 137	18 313 137
Movement for the year	-	-
Closing balance	**18 313 137**	**18 313 137**
15 HOUSING OPERATING ACCOUNT		
The Housing Operating Account is represented by the following assets and liabilities:		
Fixed Assets	1 125 885	1 564 007
Housing Inventory	142 490	142 490
Debtors	458 006	626 446
Debtors: Department of Human Settlements	251 934	251 934
Accumulations	6 885 830	6 276 395
Prepaid debtors	(135 989)	(133 116)
	8 728 156	**8 728 156**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
16 LEASES		
Minimum Finance lease payments due:		
Within one year	53 466	904 077
Later than 1 year and no later than 5 years	-	54 264
	53 466	958 341
less: Future finance charges	(481)	(33 579)
Present value of minimum lease payments	**52 985**	**924 762**
Present value of minimum Finance lease payments due:		
Within one year	52 985	870 986
Later than 1 year and no later than 5 years	-	53 776
	52 985	924 762
"The municipality has entered into lease agreement with Motswako Office Solutions for the use of photocopy machines, effective 01 January 2019. The lease runs for a period of 3 years. The municipality has entered into lease agreement with Vodacom for the use of tablets effective 01 September 2020. The lease runs for a period of 2 years."		
OPERATING LEASES - RECEIVABLES (Municipality as a Lessor)		
The future minimum lease payments receivable under operating leases for the actual receivables are as follows:		
No later than 1 year	784 104	746 766
Later than 1 year and no later than 5 years	2 595 482	3 379 586
Later than 5 years	-	-
	3 379 586	**4 126 351**
Salient leases		
The municipality has entered into a non-cancellable lease with a private contractor to operate the Dolphin Caravan park. The lease runs for a period of 25 years, starting 1 July 2001. Real rental income escalates at 5% per annum.		
OPERATING LEASES - PAYABLES (Municipality as a Lessee)		
The future minimum lease payments payable under operating leases for the actual payables are as follows:		
No later than 1 year	424 153	392 734
Later than 1 year and no later than 5 years	-	-
Later than 5 years	-	-
	424 153	**392 734**
The municipality has entered into lease agreement with Shann Investments (PTY) LTD for the occupation of premises. The lease runs for a period of 3 years, which terminated on the 31 August 2018, with an option to extend for a further 2 years. Real rental expense escalates at 8% per annum. The municipality has extended the lease agreement.		

	2022	2021 - RESTATED
	R	R
17 UNSPENT CONDITIONAL GRANTS, RECEIPTS AND PUBLIC CONTRIBUTIONS		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts:		
Municipal Infrastructure Grant	-	4 940 243
Museum	-	6 419 725
New library	-	16 678
Housing Accreditation	6 550 354	10 161 422
Ballito Junction Road	9 873 612	9 873 612
IFA Hulletts Sports Facility	97 810	97 810
IFA Hulletts Beach Node Development	20 725	330 485
Neighbourhood Development Partnership Grant (SCADA)	-	4 724 568
Neighbourhood Development Partnership Grant (Ease of Business)	-	3 567 500
Title Deeds Restoration Grant	2 688 225	2 721 000
Natural Resource Management Project Grant (EDTEA)	1 700 000	-
Housing Grant (DOHS)	44 566 570	47 107 534
	65 497 296	**89 960 576**
Further details of amounts recognised in Revenue - refer to Note 26		
18 PROVISIONS		
Reconciliation of Current provision		
Reimbursement of Developers Contribution		
Opening balance	-	-
Transfer to current provisions	-	-
Utilised during the year	-	-
Total	-	-
Rehabilitation of Landfill Site		
Opening balance	1 941 467	1 837 706
Additions /(Decrease) to provisions	819 184	103 762
Total	2 760 651	1 941 467
Total Current Provision:	**2 760 651**	**1 941 467**
Reconciliation of Non - Current provision - 2022:		
1. Rehabilitation of Landfill Site		
Opening balance	11 718 044	11 045 449
Additions / (Decrease) to provisions	(373 975)	672 595
Total	**11 344 069**	**11 718 044**
2. Developers Contribution		
Opening balance	5 720 051	5 259 222
Additions / (Decrease) to provisions	55 096	460 830
Utilised during the year	-	-
Total	**5 775 147**	**5 720 051**
3. Deferred Interest		
Opening balance	2 864 203	3 325 033
Additions / (Decrease) to provisions	(55 096)	(460 830)
Utilised during the year	-	-
Total	**2 809 107**	**2 864 203**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
18 PROVISIONS *...continued*		
Total Non - Current Provision:		
Total Current Provision:	2 760 651	1 941 467
Total Non - Current Provision	19 928 324	20 302 298
Total Provisions:	**22 688 975**	**22 243 766**
Net adjustments to Provisions	445 209	776 357
The provision created for the rehabilitation of the landfill site is based on a professional study conducted by Ecological and Environmental Services of the rehabilitation costs of the Shakaville dumpsite.		
The provision reflects a total of R14 104 721 as the present value.		
19 LONG TERM LIABILITIES		
Loans - Bank Loans Bear interest at 8.05% to 9.73% and is redeemed in bi-annual instalments, including interest, over varying periods until 2032. **Please refer to Appendix A for further details.**		
Loans	188 689 134	200 326 562
Current portion transferred to Current Liabilities	(12 593 362)	(11 637 428)
Total Long Term Liabilities	**176 095 771**	**188 689 134**
20 TRADE & OTHER PAYABLES		
Trade payables	191 932 044	162 107 798
Payments received in advance	33 108 597	42 333 389
Other creditors	15 843 778	19 293 825
Housing Agency Creditor - Department of Human Settlements	-	-
Expenditure captured on Cash Book but not released	1 012 421	489 612
Deposits - other	3 656 437	4 319 874
Staff leave	23 952 490	22 561 928
Staff bonus	11 783 632	10 478 047
Retentions	28 966 359	20 359 809
	310 255 758	**281 944 283**
Payments in advance includes prepaid electricity accruals		
21 CONSUMER DEPOSITS		
Consumer Deposits in respect of:		
Electricity	**39 877 832**	**36 991 209**
22 SERVICE CHARGES		
Sale of electricity	1 011 897 755	879 902 721
Refuse removal	77 673 637	68 757 122
	1 089 571 392	**948 659 842**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
23 OTHER INCOME		
Contributions demand based	19 972 232	10 754 685
Building plan fees	10 265 589	9 616 847
Sundries	8 969 314	12 747 160
Admin charges	1 846 008	1 422 066
Miscellaneous income	6 301 383	12 589 932
Special Rating Areas Income	11 892 770	10 855 548
Advertising	3 140 213	1 597 587
Road Master Plans	1 436 483	2 261 159
Burial Fees	1 064 799	1 188 736
DCLM Re-Imbursement	-	3 000 000
	64 888 791	**66 033 720**
24 INVESTMENT REVENUE		
Interest revenue		
Interest Earned on Investments & Bank Accounts	**32 050 374**	**29 453 425**
25 PROPERTY RATES		
Residential	303 618 100	278 720 857
Commercial	151 120 768	146 605 977
Residential for commercial purposes	1 925 219	1 664 579
Education and State	10 758 755	7 826 200
Agriculture	3 245 378	3 450 609
Vacant	71 972 277	83 326 143
Public Service Infrastructure	14 747	23 978
Illegal Use/Unauthorised Use	2 423 000	1 051 800
Total Actual Assessment Rates	545 078 244	522 670 144
Property rates - penalties imposed	13 470 630	9 785 339
	558 548 874	**532 455 483**
Property Valuations		
Residential	59 180 897 586	42 200 374 900
Commercial	8 214 053 000	6 166 306 600
Residential for commercial purposes	284 270 000	190 040 000
Education and State	562 770 000	316 526 000
Municipal	1 423 421 000	765 187 000
Agriculture	4 355 902 000	3 519 269 000
Vacant	4 030 112 100	3 704 376 000
Land reform	1 290 282 000	1 007 695 000
Monuments	2 620 000	2 019 000
Public Service Infrastructure	1 605 352 000	3 211 258 000
Worship / Public Benefit Organisations	221 490 000	171 534 000
Illegal Use/Unauthorised Use	48 460 000	21 036 000
Total Property Valuations	**81 219 629 686**	**61 275 621 500**

The last general valuation came into effect on 01July 2021

Property rates levied in terms of the Local Government: Municipal Property Rates Act No. 6 of 2004 (MPRA) with effect from 01 July 2007

Adjustments to the valuation roll in terms of Section 78 of the MPRA (as amended) are effected on an on-going basis. The adjustments take into account consolidations and subdivisions as well as property category changes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
25 PROPERTY RATES *...continued*		
Assessment rates: Cents in the rand on market valuation as follows:		
Residential, informal settlements, land reform, monuments	0,824	0,824
Residential for commercial purposes	0,903	0,903
Agricultural	0,207	0,207
Industrial, business and commercial, vacant, public infrastructure, Municipal owned and worship	2,549	2,549
Properties used by an organ of state and used for public service purposes	2,549	2,549
Guest houses	2,307	2,307
Public service infrastructure	0,207	0,207
Illegal Use/Unauthorised Use	5,000	5,000
The first R100 000 of the valuation of residential properties are exempt from the calculation of rates		
The first 30% of the valuation of public service infrastructure properties are exempt from the calculation of rates		
Rebates:		
Land reform, worship, state land, PBO's, monuments, informal settlements and municipal owned property	100%	100%
Additional rebates applicable:		
Excluded services	15%	15%
All Pensioners		
Pensioners under 65 years	25%	25%
Pensioners between 65 & 75 years	30%	30%
Pensioners older than 75 years	35%	35%
Industrial incentives including:		
In the first and second year, thereafter phased out by 10% per annum	100%	100%
Residential Developers incentives		
In first & second year thereafter phased out by 10% per annum	100%	100%
Bonafide Agricultural properties		
Rates are levied as follows (in terms of Section 26 of the Municipal Property Rates Act No. 6 of 2004) for the 2020/2021 financial year:		
On an annual basis, by application, and the final date of payment being:	30 September 2021	30 September 2020
On a monthly basis, and the final dates of payment being the last working day of the month from August 2020 to June 2021.		
Interest is levied on outstanding rates per annum at:	10% per annum	10% per annum
Plus collection charges two months after the final date of payment in respect of annual rate payers and 01 July in respect of monthly rate payers:	10%	10%

	2022	2021 - RESTATED
	R	R
26 GOVERNMENT GRANTS AND SUBSIDIES		
Operating grants		
Equitable Share	198 138 243	219 085 000
Municipal Infrastructure Grant	61 549 000	48 200 696
Financial Management Grant	1 750 000	1 800 000
Department of Minerals and Energy	3 080 000	5 000 000
New Library Grant	742 678	845 716
Library Subsidy	5 610 000	5 427 000
Museum	8 644 725	895 992
Small Town Rehabilitation Grant	-	2 382 150
Energy Efficiency & Demand Side Management Grant	3 999 999	-
Expanded Public Works Programme	1 732 000	1 465 000
Housing Accreditation	5 642 364	2 775 645
Disaster Relief Grant	-	894 000
Neighbourhood Development Partnership Grant (SCADA)	-	572 119
Title Deeds Restoration Grant	32 775	-
Dept. Trade & Industry Grant (DTI)	6 986 917	-
	297 908 700	**289 343 318**
Equitable Share		
Balance unspent at the beginning of year	-	-
Current year receipts	198 138 243	219 085 000
Conditions met – transferred to revenue	(198 138 243)	(219 085 000)
	-	**-**
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
Municipal Infrastructure Grant		
Balance unspent at beginning of year	4 940 243	2 423 939
Current year receipts	61 549 000	50 717 000
Conditions met - transferred to revenue	(61 549 000)	(48 200 696)
Paid back to the National Revenue Fund	(4 940 243)	
Conditions still to be met - remain liabilities (see note 17)	**-**	**4 940 243**
This grant was used for municipal infrastructure.		
Financial Management Grant		
Current year receipts	1 750 000	1 800 000
Conditions met - transferred to revenue	(1 750 000)	(1 800 000)
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
This grant is used to assist the municipality to implement financial reforms required by the MFMA.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
26 GOVERNMENT GRANTS AND SUBSIDIES *...continued*		
Department of Minerals and Energy Grant		
Balance unspent at beginning of year	-	-
Current year receipts	3 080 000	5 000 000
Conditions met - transferred to revenue	(3 080 000)	(5 000 000)
Paid back to the National Revenue Fund	-	-
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
This grant is used for electrification projects as part of upgrading of informal settlement areas.		
New Library Grant		
Balance unspent at beginning of year	16 678	184 394
Current year receipts	726 000	678 000
Conditions met - transferred to revenue	(742 678)	(845 716)
Conditions still to be met - remain liabilities (see note 17)	**-**	**16 678**
This Grant is used for the payment of the cyber cadets at the Shakaskraal, Stanger Manor and KwaDukuza libraries.		
Museum		
Balance unspent at beginning of year	6 419 725	2 101 717
Current year receipts	2 225 000	5 214 000
Conditions met - transferred to revenue	(8 644 725)	(895 992)
Conditions still to be met - remain liabilities (see note 17)	**-**	**6 419 725**
This grant is for the Museum expenditure incurred.		
Small Town Rehabilitation		
Balance unspent at beginning of year	-	2 382 150
Current year receipts	-	-
Conditions met - transferred to revenue	-	(2 382 150)
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
This grant is for the upgrade of Theunissen Park.		
Energy Efficiency & Demand Side Management		
Balance unspent at beginning of year	-	-
Current year receipts	4 000 000	-
Conditions met - transferred to revenue	(3 999 999)	-
Paid back to the National Revenue Fund	-	-
Conditions still to be met - remain liabilities (see note 17)	**1**	**-**
This grant is for community upliftment		

	2022	2021 - RESTATED
	R	R
26 GOVERNMENT GRANTS AND SUBSIDIES *...continued*		
Expanded Public Works Program		
Balance unspent at beginning of year	-	-
Current year receipts	1 732 000	1 465 000
Conditions met - transferred to revenue	(1 732 000)	(1 465 000)
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
EPWP grant funding is used to expand job creation efforts in specific focus areas where labour intensive delivery methods can be measured.		
Library Subsidy		
Balance unspent at beginning of year	-	-
Current year receipts	5 610 000	5 427 000
Conditions met - transferred to revenue	(5 610 000)	(5 427 000)
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
This grant is used to fund operational expenditure within the various libraries in KwaDukuza.		
Housing Accreditation Grant		
Balance unspent at beginning of year	10 161 422	11 749 891
Current year receipts	2 031 297	1 187 176
Conditions met - transferred to revenue	(5 642 364)	(2 775 645)
Conditions still to be met - remain liabilities (see note 17)	**6 550 354**	**10 161 422**
This grant is for community upliftment		
Disaster Relief Grant		
Balance unspent at beginning of year	-	894 000
Current year receipts	-	-
Conditions met - transferred to revenue	-	(894 000)
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
This grant is to assist with Covid 19 expenditure		
Neighbourhood Development Partnership Grant (SCADA)		
Balance unspent at beginning of year	4 724 568	-
Current year receipts	-	5 296 687
Conditions met - transferred to revenue	-	(572 119)
Paid back to the National Revenue Fund	(4 724 568)	
Conditions still to be met - remain liabilities (see note 17)	**-**	**4 724 568**
This grant is for Electricity Network Management.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
26 GOVERNMENT GRANTS AND SUBSIDIES *...continued*		
Neighbourhood Development Partnership Grant (Ease of Business)		
Balance unspent at beginning of year	3 567 500	-
Current year receipts	-	3 567 500
Conditions met - transferred to revenue	-	-
Paid back to the National Revenue Fund	(3 567 500)	
Conditions still to be met - remain liabilities (see note 17)	**-**	**3 567 500**
This grant is for Economic Development and Planning.		
Title Deeds Restoration Grant		
Balance unspent at beginning of year	2 721 000	-
Current year receipts	-	2 721 000
Conditions met - transferred to revenue	(32 775)	-
Conditions still to be met - remain liabilities (see note 17)	**2 688 225**	**2 721 000**
This grant is to be used to fund expenses in respect of property transfers.		
Natural Resource Management Project Grant (EDTEA)		
Balance unspent at beginning of year	-	-
Current year receipts	1 700 000	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - remain liabilities (see note 17)	**1 700 000**	**-**
This grant is in respect of the Mavivane Transformative Riverine Management Project (TRMP) dealing with the rehabilitation of river catchments and addressing the issues of climate change.		
Dept. Trade & Industry Grant (DTI)		
Balance unspent at beginning of year	-	-
Current year receipts	6 986 917	-
Conditions met - transferred to revenue	(6 986 917)	-
Conditions still to be met - remain liabilities (see note 17)	**-**	**-**
This grant is to be used for the funding of electrical bulk infrastructure at the KwaDukuza Mall.		
27 PUBLIC CONTRIBUTIONS		
IFA Hulletts Sports Facility	-	178 124
Ballito Junction Road	-	-
IFA Hulletts Beach Node Development	309 760	2 418 485
KwaDukuza Mall Development	-	9 738 012
	309 760	**12 334 621**
Balance unspent at beginning of year	10 301 907	22 636 528
Current-year receipts	-	-
Conditions met - transferred to revenue	(309 760)	(12 334 621)
Balance unspent at end of year (Note 16)	**9 992 147**	**10 301 907**
Conditions still to be met - remain liabilities (see note 17)		

	2022	2021 - RESTATED
	R	R
28 EMPLOYEE RELATED COSTS		
Basic	257 719 929	244 123 626
Bonus	20 751 104	18 967 553
Medical aid - company contributions	26 413 812	25 536 261
UIF	2 069 355	1 804 161
Industrial council levies	126 423	121 810
Leave pay provision charge	8 509 405	7 597 567
Leave & bonus provision expense	1 305 585	1 517 495
Travelling allowances	16 098 553	15 423 443
Overtime payments	65 269 750	49 738 863
Housing benefits and allowances	1 092 105	1 065 704
Group Life Assurance	1 845 091	1 781 435
Pension Contributions	46 781 101	45 191 212
Standby, Uniform, Telephone and Tool allowances	14 222 392	13 289 110
	462 204 606	**426 158 240**
Remuneration of the Municipal Manager		
Salary and Allowances	1 458 154	1 458 443
Travel Allowance	96 000	96 000
Cell Allowance	17 160	17 160
Performance Bonus	152 872	-
Pension	142 170	142 198
Other contributions	19 397	14 262
Leave Pay Out	82 578	
	1 968 330	**1 728 063**
Remuneration of the Chief Financial Officer		
Salary and Allowances	1 061 905	1 072 393
Travel Allowance	475 104	475 104
Cell Allowance	14 520	14 520
Performance Bonus	206 399	-
Pension	180 729	170 560
Pension Surcharge	38 185	36 036
Other contributions	17 186	12 795
	1 994 028	1 781 407
Executive Director: Economic Development & Planning		
Salary and Allowances	1 141 563	1 141 824
Travel Allowance	96 000	96 000
Cell Allowance	14 520	14 520
Performance Bonus	171 295	-
Pension	187 647	187 703
Pension Surcharge	39 646	39 658
Other contributions	15 490	11 540
	1 666 161	1 491 245
Executive Director: Corporate Services		
Salary and Allowances	-	443 185
Travel Allowance	-	32 000
Cell Allowance	-	4 840
Leave Pay	-	115 669
Performance Bonus	57 098	-
Other contributions	-	4 308
	57 098	600 002
The Executive Directive: Corporate Services resigned on the 31 October 2020.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
28 EMPLOYEE RELATED COSTS *...continued*		
Executive Director: Community Safety		
Salary and Allowances	1 305 210	1 305 527
Travel Allowance	120 000	120 000
Cell Allowance	14 520	14 520
Performance Bonus	128 471	-
Other contributions	17 692	13 733
	1 585 894	**1 453 780**
Executive Director: Community Services & Public Amenities		
Salary and Allowances	1 055 263	1 055 531
Travel Allowance	180 000	180 000
Cell Allowance	14 520	14 520
Performance Bonus	171 295	-
Pension	189 947	189 996
Other contributions	15 125	11 236
	1 626 150	**1 451 283**
Chief Operations Officer		
Salary and Allowances	1 077 533	1 077 794
Travel Allowance	185 400	185 400
Cell Allowance	14 520	14 520
Performance Bonus	157 020	-
Acting allowance	8 595	10 744
Pension	162 277	162 333
Pension Surcharge	34 286	34 298
Other contributions	15 616	11 800
	1 655 248	**1 496 889**
Executive Director: Civil Engineering & Human Settlements		
Salary and Allowances	1 126 449	1 126 718
Travel Allowance	96 000	96 000
Cell Allowance	14 520	14 520
Performance Bonus	128 471	-
Pension	202 761	202 809
Other contributions	14 671	11 215
	1 582 872	**1 451 262**
Executive Director: Electrical Engineering Services		
Salary and Allowances	1 055 263	1 055 537
Travel Allowance	180 000	180 000
Cell Allowance	14 520	14 520
Performance Bonus	99 922	-
Pension	189 947	189 997
Other contributions	14 411	11 236
	1 554 063	**1 451 290**
Performance Bonuses for Municipal Manager, Chief Financial Officer and Executive Directors for the 2019/2020 and 2020/2021 financial years were approved and paid in the 2021/2022 financial year.		

	2022	2021 - RESTATED
	R	R
29 REMUNERATION OF COUNCILLORS		
Mayor	897 392	804 153
Deputy Mayor	781 584	575 865
Speaker	735 224	441 738
Executive Committee (EXCO)	4 956 636	6 013 319
Councillors	13 022 329	13 145 189
Councillors' pension contribution	1 802 383	1 861 445
Traditional leaders	14 800	6 000
	22 210 348	**22 847 709**
30 DEPRECIATION AND AMORTISATION		
Property, Plant & Equipment	85 651 655	77 112 115
Intangible assets	531 807	627 777
	86 183 462	**77 739 892**
31 IMPAIRMENT LOSS		
Impairments / (Impairment Reversals)		
Property, Plant & Equipment	7 393 852	23 992 839
Inventory	1 508 272	777 873
	8 902 124	**24 770 712**
32 FINANCE COSTS		
Finance costs on borrowings	**18 936 993**	**20 023 659**
33 DEBT IMPAIRMENT AND WRITE OFFS		
Contributions to debt impairment provision	6 745 764	7 936 828
Bad debts written off	6 694 545	4 228 332
	13 440 310	**12 165 160**
34 BULK PURCHASES		
Electricity	**943 600 182**	**778 234 052**

Bulk Purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to the consumers. Electricity is purchased from Eskom and Nersa approved a 17.8% tariff hike in favour of Eskom for the 2021/2022 financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
35 GENERAL EXPENSES		
Included in general expenses is the following: -		
Replacement of faulty meters	1 310 194	1 338 378
Call out to consumer complaints	807 153	439 887
Legal costs	5 674 518	7 103 976
Marketing	849 384	104 732
Audit fee - external audit	4 811 829	3 778 471
Bank charges	3 334 368	2 611 920
Insurance general	5 014 037	3 937 005
Refuse bags/contract	1 403 826	892 175
Ward Committee	2 538 188	4 162 200
Ballito Pro expenditure	3 615 101	-
Advertising	3 421 308	2 582 116
Printing, Stationery & postage	2 810 364	2 840 488
SALGA Subscriptions	5 193 624	5 148 890
Water & Sanitation	5 002 764	4 387 914
Sundry Oils & Fuels	12 243 861	8 991 290
Street lighting consumption - Eskom supplied areas	1 119 388	705 419
Staff & councillor training costs and bursaries	1 984 699	1 635 317
Travelling & subsistence	2 692 457	1 193 627
Telephone calls / rentals	3 102 776	4 491 298
Protective clothing	4 295 070	4 466 460
Non standard service connection	630 684	770 322
Software support & licences and agreements	6 578 117	5 016 695
Miscellaneous Expenses	20 949 959	14 694 849
Special Rating Area Expenditure	12 462 564	11 002 057
Rent of Property / Offices / House	2 578 091	2 563 353
EPWP	3 745 234	2 084 943
Public Affairs	74 990	343 344
Sukuma Sakhe	849 965	495 779
SALGA Games	229 262	186 026
Workman's Compensation	2 765 861	2 595 787
Skills Development Levy	3 797 695	2 936 698
TOTAL GENERAL EXPENSES	**125 887 332**	**103 501 416**
36 FAIR VALUE ADJUSTMENT		
Investment property (Fair value model)	**21 045 000**	**1 525 000**
37 COMMITMENTS		
Authorised capital expenditure		
Approved and Contracted for:		
Infrastructure	230 609 539	103 711 755
Community	20 843 241	43 859 844
	251 452 780	**147 571 599**
Total capital commitments		
Approved and Contracted for:	**251 452 780**	**147 571 599**
Capital Commitments are exclusive of VAT		

	2022 R	2021 - RESTATED R
38 CONTINGENT LIABILITIES		
Details of Contingent Liabilities		
Reimbursement of capital costs of bulk supply to developers: (Vat Exc)		
The reimbursement is dependent on the developers meeting future targets as set out in the service level agreements. The timing and outcome of the reimbursements cannot presently be determined and therefore no provision for any liability that may result has been made in the financial statements.	107 371 310	107 371 310
C M Nmwayo - Municipality is being sued for damages - plaintiff shot in leg by municipal employee using a municipal firearm. (Unlawful arrest)	18 794 000	18 794 000
SMADA Construction - municipality is being sued for contractual damages due to cancellation of contract.	18 841 161	18 841 161
R I Marais - Claim against the municipality for certain maintenance and repair work done on a public road on behalf of the municipality and not being compensated for this.	3 750 000	3 750 000
N N P SHINGA - claim against the municipality due to a dispute in a Purchase and Sale Agreement.	-	655 897
B S P Pillay - the Plaintiff is suing a municipal employee in her personal capacity for the damages, who was acting under her course and scope of employment.	100 000	100 000
Gabade Building & Projects CC - Adjudication proceedings in respect of work done by contractor	-	673 563
Salt Rock Beach Estates - Valuation appeals board decision in respect of valuation of ERF 900 Salt Rock	-	201 000
Rejoice T Ndlovu - claim against the municipality for damages suffered in the removal of a fence	200 000	200 000
Lorris L Sunker - claim against the municipality from damages to vehicle by pot holes	16 330	16 330
Nomagugu Fakude - claim against the municipality - motor vehicle collission	132 858	132 858
Vusa Isipho Enterprises - claim against the municipality - breach of contract	-	3 500 000
Wandile Nicolson Ndaba - claim against the municipality for breach of agreement - duplication of sale of property ERF 56 Shakaville.	50 000	50 000
Basil Willian Reekie - claim against the municipality for overcharged rates	101 983	-
Catide Investments (PTY) LTD - claim against the Municipality in respect of services rendered in the Sakhamkhaya Housing Project.	900 000	-
T P Ngcobo & Associates - this matter is linked to the Sakhamkhaya Housing project.	1 006 817	-
	151 264 459	**154 286 119**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
39 RELATED PARTIES AND CLOSE FAMILY MEMBERS		
Related Parties		
Staff member: P Murugan		
General Expenses for the year:	154 607	151 483
Nature of Transaction: The brother of the employee provide pest control services to the municipality.		
Councillor: G Govender		
General Expenses for the year:	78 637	42 240
Nature of Transaction: The son of the Councillor owns a company that provides panel beating and spray painting services.		
Staff member: C M Naicker		
General Expenses for the year:	1 510 886	1 096 527
Nature of Transaction: The son of the employee provided uniform and protective clothing services to the municipality.		
Staff member: R Bidesi		
General Expenses for the year:	48 373	22 793
Nature of Transaction: The relative of the employee provides electrical services to the municipality.		
Staff member: M Naidoo		
General Expenses for the year:	80 247	20 182
Nature of Transaction: The relative of the employee provides airconditioning services to the municipality.		
Staff member: N Nxumalo		
General Expenses for the year:	406 851	104 400
Nature of Transaction: The partner of the employee provides fixtures and fittings to the municipality.		
Staff member: J Sewdular		
General Expenses for the year:	2 618 150	2 253 090
Nature of Transaction: The spouse of the employee provides consultancy services in respect of various capital projects.		
Payments of remuneration to Senior Managers and Councillors - details of payments are set out in Notes 28 & 29		

	2022	2021 - RESTATED
	R	R
39 RELATED PARTIES AND CLOSE FAMILY MEMBERS *...continued*		
Awards to close family members of persons in the Service of the State:		
Particulars of Award	Conlog	
Expenditure	R22 287	
Individual's name / Service Provider	Mr Moodley & Mr Gaxeni	
Relation in Service of the State	Spouse	
State Employer	KZN Dept. of Health / Eskom	
Particulars of Award	Rocky Park Hardware	
Expenditure	R549 392	
Individual's name / Service Provider	L Naidoo	
Relation in Service of the State	Spouse	
State Employer	Dept Of Education	
Particulars of Award	Singh's Hardware	
Expenditure	R512 414	
Individual's name / Service Provider	Mrs Divesh	
Relation in Service of the State	Spouse	
State Employer	Dept Of Education	
Particulars of Award	Munsoft	
Expenditure	R3 522 668	
Individual's name / Service Provider	M Rerani	
Relation in Service of the State	Daughter	
State Employer	Office of Chief Justice	
Particulars of Award	PSA Africa	
Expenditure	R185 352	
Individual's name / Service Provider	T Frost	
Relation in Service of the State	Spouse	
State Employer	Dept. Of Justice	
Particulars of Award	Allied Hardware	
Expenditure	R47 716.38	
Individual's name / Service Provider	**Dr A Kazi**	
Relation in Service of the State	**Son**	
State Employer	**Intern Doctor - Stanger Hospital**	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
40 CHANGE IN ESTIMATE		
Property, Plant and equipment		
The Municipality reviewed the remaining useful lives of items of property, plant and equipment and intangible assets. Adjustments to these usefull lives affect the amount of depreciation for the current year and is expected to affect future periods as well. As a result of this adjustment, the current year total depreciation decreased by a net R106 824 and will continue to affect annual depreciation for the remainder of these assets' useful lives. The detail breakdown of the depreciation adjustment is as follows:		
Community Assets		(820)
Housing Assets		34
Electricity Infrastructure		(307)
Storm water		(318)
Roads Infrastructure		(1 591)
Furniture and Fittings		(7 582)
Vehicles		(333)
Intangible Assets		(95 900)
Leased Assets		(7)
		(106 824)
41 PRIOR PERIOD ERRORS		
The comparatives for 2020/2021 have been restated in respect of the following errors:		
41.1 RESTATEMENT OF NON-EXCHANGE RECEIVABLES (NOTE 10)		
Non - exchange receivables as previously reported		**106 064 440**
Adjustments to Rates Revenue prior 2020/2021 in respect of S78 & other related adjustments		(10 616)
Adjustments to Rates Revenue 2020/2021 in respect of S78 & other related adjustments		(20 719)
Restated balance as at 30 June 2021		**106 033 106**
41.2 RESTATEMENT OF TRADE & OTHER PAYABLES (NOTE 20)		
Trade & Other Payables as previously reported		329 053 783
Adjustment to General expenses - return of various sundry items to stores		**(1 967)**
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Opening Balance		**(52 676 287)**
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Receipts		**(53 675 622)**
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Interest and bank charges		**(1 461 216)**
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Exepnditure		**60 705 591**
Restated balance as at 30 June 2021		**281 944 282**

	2022 R	2021 - RESTATED R
41 PRIOR PERIOD ERRORS *...continued*		
41.3 RESTATEMENT OF PROPERTY, PLANT & EQUIPMENT (NOTE 3)		
Property, Plant & Equipment as previously reported:		**2 273 160 651**
Prior year completed projects - Community Assets - now being capitalised in 2021/2022 - Cost		7 193 548
Prior year completed projects - Community Assets - now being capitalised in 2021/2022 - WIP		(7 193 548)
Prior year completed projects - Community Assets - now being capitalised in 2021/2022 - Accumulated Depreciation 2021		(207 968)
Prior year completed projects - Community Assets - now being capitalised in 2021/2022 - Accumulated Depreciation Prior 2021		(101 067)
Prior year completed projects - Roads Assets - now being capitalised in 2021/2022 - Cost		27 159 293
Prior year completed projects - Roads Assets - now being capitalised in 2021/2022 - WIP		(27 159 293)
Prior year completed projects - roads Assets - now being capitalised in 2021/2022 - Accumulated Depreciation - 2021		(216 095)
Prior year completed projects - Roads Assets - now being capitalised in 2021/2022 - Accumulated Depreciation - Prior 2021		(484 886)
Prior year completed projects - Storm Water - now being capitalised in 2021/2022 - Cost		2 404 240
Prior year completed projects - Storm Water - now being capitalised in 2021/2022 - WIP		(2 404 240)
Prior year completed projects - Storm Water - now being capitalised in 2021/2022 - accumulated Depreciation 2021		(37 180)
Prior year completed projects - Storm Water - now being capitalised in 2021/2022 - accumulated Depreciation Prior 2021		(6 783)
Prior year completed projects - Electrical -now being capitalised in 2021/2022 - Cost		7 118 723
Prior year completed projects - Electrical -now being capitalised in 2021/2022 - WIP		(7 118 723)
Prior year completed projects - Electrical -now being capitalised in 2021/2022 - Accumulated Depreciation 2021		(138 612)
Prior year completed projects - Furniture & Fittings - now being capitalised in 2021/2022 - Cost		42 582
Prior year completed projects - Furniture & Fittings - now being capitalised in 2021/2022 - WIP		(42 582)
Prior year completed projects - Furniture & Fittings - now being capitalised in 2021/2022 - Accumulated Depreciation 2021		(6 693)
De-recognition of Land prior 2019/2020		(24 550 000)
Restated balance as at 30 June 2021		**2 247 411 395**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
41 PRIOR PERIOD ERRORS *...continued*		
41.4 UNSPENT CONDITIONAL GRANTS, RECEIPTS AND PUBLIC CONTRIBUTIONS (NOTE 17)		
Unspent conditional grants, receipts and Public contributions as previosuly reported		**42 853 042**
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Opening Balance		52 676 287
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Receipts		53 675 622
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Interest and bank charges		1 461 216
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021 Exepnditure		(60 705 591)
Restated balance as at 30 June 2021		**89 960 576**
Reconciliation of Adjusted 2020/2021 Surplus:		
Surplus for the year as previously stated		243 060 830
Property rates		
Adjustments to Rates Revenue 2020/2021 in respect of S78 & other related adjustments		(20 719)
General Expenses		
Adjustment to General expenses - return of various sundry items to stores		1 967
Reallocation of 2021 expenses in relation to refuse services from General expenses to contracted services		(10 728 457)
Reallocation of 2021 expenses in relation to Grass Cutting services from General expenses to contracted services		(15 148 638)
Depreciation		
Adjustment to depreciation 2020/2021 in respect of prior year completed projects now being capitalised		(606 547)
Other Income		
Reallocation of decrease in inventory to NRV from other income to impairment loss		777 873
Impairment Loss		
Reallocation of decrease in inventory to NRV from other income to impairment loss		(777 873)
Contracted Services		
Reallocation of 2021 expenses in relation to refuse services from General expenses to contracted services		10 728 457
Reallocation of 2021 expenses in relation to Grass Cutting services from General expenses to contracted services		15 148 638
Housing development construction contract revenue		
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021		60 705 591
Housing development construction contract expenditure		
Reclassification of Housing Agency Creditor to Housing Grant (DOHS) in terms of GRAP 11 Construction Contracts - 2020/2021		(60 705 591)
Restated Surplus as at 30 June 2021		**242 435 530**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
42 CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Surplus before working capital		
Total Surplus for the year	156 505 942	**242 435 530**
Adjustment for:		
Depreciation of Property, Plant and Equipment	85 651 654	77 112 115
Donations of assets	(3 070 683)	(25 972 693)
Gains on disposal of assets	(165 489)	
Loss on Disposal	6 031 215	4 684 595
Impairment loss	8 902 124	24 770 712
Amortisation of intangible assets	531 807	627 777
Contribution to provision	445 209	776 357
Retirement obligation	11 023 000	16 877 000
Long service award	2 490 000	1 456 000
Investment Properties - Fair Value	(21 045 000)	(1 525 000)
Allowance for impairment	6 745 764	7 936 828
Bad debts written off	6 030 876	4 180 294
	260 076 421	**353 359 515**
Cash Generated by Operations		
Operating Surplus before working capital	**260 076 421**	**353 359 515**
Movement in current assets and liabilities		
(Increase)/decrease in inventory	(1 856 163)	(5 882 625)
Increase/(decrease) in conditional grants and receipts	(24 463 280)	480 423
(Increase)/decrease in trade and other receivables	(44 763 891)	5 177 794
Increase/(decrease) in Trade and Other Payables	28 311 475	(37 477 337)
Increase/decrease in VAT	(5 145 139)	2 627 845
Net cash flows from operating activities	**212 159 423**	**318 285 615**
Interest earned on Investments	(32 050 374)	(29 453 425)
Finance expense	18 936 993	20 023 659
43 FINES		
Total revenue from Fines Income	**10 082 528**	**4 048 596**
Fines are issued in terms of S341 & S56 of the Criminal Procedures Act 51 of 1977		
44 CONTRACTED SERVICES		
Refuse removal	65 075 256	46 062 494
Grass cutting	36 972 162	32 292 227
Specialist financial and GRAP related services	493 741	1 247 891
Storm water	5 469 640	3 402 552
Pothole repairs	5 742 427	3 919 302
Other Contracted Services	10 622 471	12 972 849
Dump charges	12 781 957	17 374 697
Security Services	34 910 118	29 393 479
Shark Control Expenditure	4 490 385	4 355 369
Valuation and Valuation Rolls	1 004 900	2 901 071
Professional Fees	4 950 058	4 951 331
Commission on Electricity vending	6 905 286	6 391 187
Maintenance of building facilities and equipment	32 553 113	16 388 819
Electrical Mains Repairs	16 475 803	12 828 116
	238 447 316	**194 481 383**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS ...continued

FOR THE YEAR ENDED 30 JUNE 2022

45 FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities.

The municipality's Corporate Treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the municipality. These risks include market risk (including, fair value and interest rate risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the municipality's policies approved by the Council, which provide written principles on interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The municipality does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

45,1 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 adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's 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 undiscounted cash flows.

	1 YEAR OR LESS	GREATER THAN 1 YEAR	TOTAL
	R	R	R
2022			
Gross finance lease obligations	52 985	-	52 985
Long Term Borrowings	12 593 362	176 095 771	188 689 134
Trade and other payables	310 255 758	-	310 255 758
Consumer deposits	39 877 832	-	39 877 832
Foreign Currency	-	-	-
Government Grants	65 497 296	-	65 497 296
	428 277 234	**176 095 771**	**604 373 005**

	1 YEAR OR LESS	GREATER THAN 1 YEAR	TOTAL
	R	R	R
2021			
Gross finance lease obligations	870 986	53 776	924 762
Long Term Borrowings	11 637 428	188 689 134	200 326 562
Trade and other payables	281 944 283	-	281 944 283
Consumer deposits	36 991 209	-	36 991 209
Foreign Currency	-	-	-
Government Grants	89 960 576	-	89 960 576
	421 404 481	**188 742 910**	**610 147 391**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

45 FINANCIAL RISK MANAGEMENT *...continued*

45,2 MAXIMUM CREDIT RISK EXPOSURE

Credit rate risk consist mainly of cash deposits, cash equivalents and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party

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 risk without taking account of the value of any collateral obtained:

The maximum credit exposure in respect of the relevant financial instruments is as follows (domestic exposure only)

	2022	2021 - RESTATED
	R	R
Short term Investments	78 426 597	**150 572 381**
Cash and Cash Equivalents	872 437 220	**835 239 337**
Interest rate swaps	-	**-**
Financial guarantees	-	**-**
Trade and other receivables	244 563 912	**212 576 661**
45,3 MARKET RISK:		
Interest rate risk		
As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in the market interest rates.		
At year end, financial instruments exposed to interest rate risk were as follows:		
Bank balances and cash	872 437 220	**835 239 337**
Short term Investments	78 426 597	**150 572 381**
Maximum Interest exposure	**950 863 818**	**985 811 718**
Price risk		
The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
46 EVENTS AFTER THE REPORTING DATE		
NERSA has approved an 8.61% increase in Eskom bulk purchase tariffs for 2022/2023. Apart from the above effect, due to the variable nature of the Eskom expenditure, the municipality is unable to determine any further financial impact.		
47 UNAUTHORISED EXPENDITURE		
Impairment of assets - (Non-Cash)	-	6 589 537
Provision for bad debts - (Non-Cash)	66 312	299 194
Bulk Purchases - (Cash)	6 163 454	5 509 371
Disposal of Fixed and Intangible Assets - (Non-Cash)	-	4 684 595
	6 229 766	**17 082 697**
Unauthorised budgeted overspending - Municipal vote		
Finance Business Unit (Non Cash)	**4 019 903**	
Analysed as follows:		
Provision for bad debts - Non Cash	4 086 215	
Less: Provision for bad debts Non cash recognised under item analysis	-66 312	
Total authorised expenditure for the year	**10 249 668**	
Reconciliation of Unauthorised expenditure written off		
Opening Balance	17 082 697	22 092 288
Incurred for the year	10 249 668	17 082 697
Written off by council	(318 250)	(22 092 288)
Remaining to be considered	**27 014 115**	**17 082 697**
The closing balance is inclusive of matters which have been considered by the Council's investigating committee, but awaiting submission to Council for consideration. It further includes matters that are yet to submitted and or resubmitted to Council's investigating committee for consideration.		
48 FRUITLESS AND WASTEFUL EXPENDITURE		
Fruitless and wasteful expenditure	**-**	**-**
Reconciliation of Fruitless and Wasteful expenditure written-off by Council		
Opening Balance	4 238 558	4 238 558
Incurred for the year	-	-
Written Off by Council	(4 238 558)	-
Remaining to be considered	**-**	**4 238 558**

	2022	2021 - RESTATED
	R	R
49 IRREGULAR EXPENDITURE:		
Other goods and/or services not procured through competitive bidding processes.	3 828 643	3 891 303
Irregular expenditure pertaining to grass cutting contracts.	3 619 979	15 339 942
Section 36 approvals subsequently reclassified as irregular expenditure.	3 462 237	5 260 066
Irregular expenditure pertaining to the procurement of refuse removal services.	-	22 331 788
Irregular expenditure pertaining to the procurement of security services.	37 723 743	31 919 677
	48 634 602	**78 742 776**
Reconciliation of Irregular Expenditure Written-off by Council		
Opening Balance	255 410 438	319 526 892
Incurred for the year	48 634 602	78 742 776
Written-off by Council	(205 757 894)	(142 859 230)
Remaining to be considered	**98 287 146**	**255 410 438**
The closing balance is inclusive of matters which have been considered by the Council's investigating committee, but awaiting submission to Council for consideration. It further includes matters that are yet to submitted and or resubmitted to Council's investigating committee for consideration.		
50 DEVIATION FROM SUPPLY CHAIN MANAGEMENT REGULATIONS		
Emergency	60 000	16 602 259
Sole Provider	85 911	-
Any other exceptional case which it is impractical to follow the official procurement process	35 945 495	32 147 214
Section 36 deviation transferred to irregular expenditure	(35 813 895)	(32 330 211)
Total Section 36 deviations for the financial year	**277 511**	**16 419 262**
51 REPAIRS AND MAINTENANCE		
Buildings	4 556 327	2 294 217
Electrical	28 474 111	28 111 870
Furniture and fittings	3 072 927	2 850 826
Refuse	-	24 000
Roads	16 411 448	5 649 966
Storm water	5 469 640	3 402 552
Vehicles	10 006 663	8 383 769
	67 991 116	**50 717 200**
The above note is provided for disclosure purposes only. The underlying accounts aggregated to the above is reflected under the categories of the nature of the expense they relate to on the Statement of Financial Performance , i.e.. Contracted Services and General Expenses.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
52 MATERIAL LOSSES INCURRED		
Electricity distribution losses	237 728 877	181 211 586
Bad debts written off	6 694 545	4 228 332
Electricity energy losses of 171 753 233 kWh as at June 2022 (June 2021: 153 728 734 kWh) occurred during the year which resulted in revenue loss amounting to R237 728 877 (June 2021: R 181 211 586). The National norm for electricity losses ranges from 6% to 12%. The energy loss incurred by the municipality as at June 2022 is 24.83% (June 2021: 22.82%) and is mainly due to transmission/distribution losses and illegal connections.		
53 COUNCILLOR'S ARREAR CONSUMER ACCOUNTS AS AT 30 JUNE 2022		
In terms of Section 124 (1) (b) the following particulars are disclosed in respect of any arrears owed by individual councillors during the financial year: The following councillor had debt in excess of 90 days for the months stipulated below:		
Councillor: V Govender		
July 2021		507 672
August 2021		513 152
September 2021		518 912
October 2021		524 928
November 2021		530 850
December 2021		537 496
January 2022		543 118
February 2022		550 057
March 2022		556 439
April 2022		561 562
May 2022		568 107
June 2022		573 977
In terms of S124 (1) (b) the above are disclosed is respect of any arrears owed by individual Councillors during the financial year. In terms of clause 30.2 of KwaDukuza Municipality Credit Control & Debt Collection Policy, this matter has been consistently reported to the Office of the Speaker. The Councillor had debt in excess of 90 days for the months as stipulated. The above account is under dispute and is currently being reviewed and dealt with by the Office of the Speaker, Electricity Business Unit and the Municipal Legal Department.		
Due to the above uncertainties this debt has been fully impaired.		
54 CONTRIBUTIONS TO ORGANISED LOCAL GOVERNMENT		
Amount paid current year	5 168 616	4 975 893
Audit Fees		
Amount paid - current year	4 811 829	3 778 471

	2022	2021 - RESTATED
	R	R
55 VAT		
VAT received for the year	43 550 819	29 164 741
VAT paid for year	1 911 615	1 487 924
VAT input receivables and VAT output payables are shown in Note 11.		
All VAT returns have been submitted by the due date throughout the year.		
56 PAYE AND UIF		
Current year payroll deductions	79 826 344	71 521 899
57 PENSION AND MEDICAL AID DEDUCTIONS		
Current year payroll deductions and council contributions	114 699 232	110 095 579
58 BUDGET VERSES ACTUAL VARIANCES		
Below is a reconcilaition between the Annual Financial Statements and the Budget Statement. All restatements are as a result of the AFS being based on the nature of the transactions.		
Service Charges		
As per Budget Statement	1 089 618 767	
Reconciling items:		
Service Charges: Sundry Revenue	(47 376)	
As per Statement of Financial Performance	1 089 571 392	
Other Income		
As per Budget Statement	38 839 858	
Reconciling items:		
Operational Revenue: Collection Charges	(6 398 211)	
Operational Revenue: Suspense	16 485	
Operational Revenue: Sundries	(225 451)	
Rendering of Service: Developers Charges	19 972 232	
Sale of goods: Revenue Stamps	166 726	
Service Charges: Sundry Revenue	47 376	
Fines; Penalties and Forfeits	523 382	
Property Rates: Special Rating Areas	11 892 770	
Exepnditure:Contracted Services: Revenue Protection	53 622	
As per Statement of Financial Performance	64 888 790	
Property rates		
As per Budget Statement	554 757 058	
Reconciling items:		
Property Rates: Special Rating Areas	(11 892 770)	
Fines Revenue Illegal Dumping Site	2 213 956	
As per Statement of Financial Performance	545 078 244	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
58 BUDGET VERSES ACTUAL VARIANCES *...continued*		
Property rates		
As per Budget Statement	554 757 058	
Reconciling items:		
Property Rates: Special Rating Areas	(11 892 770)	
Fines Revenue Illegal Dumping Site	2 213 956	
As per Statement of Financial Performance	545 078 244	
Property Rates: Penalties Imposed		
As per Budget Statement	-	
Reconciling items:		
Operational Revenue: Collection Charges	6 398 211	
Fines; Penalties and Forfeits	7 072 419	
As per Statement of Financial Performance	13 470 630	
Public contributions and donations		
As per Budget Statement	2 573 136	
Reconciling items:		
Capital Donations	497 548	
As per Statement of Financial Performance	3 070 683	
Fines Revenue		
As per Budget Statement	19 892 286	
Reconciling items:		
Fines Revenue related to Property Rates / Illegal Connections and Traffic	(9 809 758)	
As per Statement of Financial Performance	10 082 528	
Employee Related Costs		
As per Budget Statement	460 814 045	
Reconciling items:		
Leave Provision	1 390 561	
As per Statement of Financial Performance	462 204 606	
Debt Impairment & Write Off		
As per Budget Statement	12 725 829	
Reconciling items:		
Operational Revenue Incidental Cash Revenue	(225 451)	
Operational Cost Indigent Relief	663 669	
Contribution to Provisions Decommissioning Rest.	276 263	
As per Statement of Financial Performance	13 440 310	
Bulk purchases		
As per Budget Statement	943 701 712	
Reconciling items:		
Eskom Utility Payment	(101 530)	
As per Statement of Financial Performance	943 600 182	

	2022	2021 - RESTATED
	R	R
58 BUDGET VERSES ACTUAL VARIANCES *...continued*		
Contracted Services		
As per Budget Statement	245 515 838	
Reconciling items:		
Inventory Consumed: Materials & Supplies	700 286	
Commission on Collection	6 905 286	
Indigent Support	2 545 368	
Business and Advisory	(2 546 083)	
Legal Cost	(5 674 518)	
Contractors Electrical	(2 336 650)	
Ballito Pro Expenditure	(3 857 157)	
Contractors Maintenance	(1 124 570)	
Admin Support	(266 675)	
Animal Care	(63 606)	
Refuse Bag Contract	(1 403 826)	
Exepnditure: Contracted Services: Revenue Protection	53 622	
As per Statement of Financial Performance	238 447 316	
Other Expenditure		
As per Budget Statement	114 840 603	
Reconciling items:		
Eskom Utility Payment	101 530	
Business and Advisory	2 546 083	
Legal Cost	5 674 518	
Contractors Electrical	2 336 650	
Ballito Pro Expenditure	3 857 157	
Contractors Maintenance	1 124 570	
Admin Support	266 675	
Animal Care	63 606	
Refuse Bag Contract	1 403 826	
Transfer & Subsidies	6 657 601	
Operational Revenue	183 212	
Inventory Consumed: Materials & Supplies	(700 286)	
Commission on Collection	(6 905 286)	
Indigent Support	(3 209 037)	
Contribution to Provisions Decommissioning Rest.	(276 263)	
Employee long service benefits	13 513 000	
Leave Provision	(1 390 561)	
As per Statement of Financial Performance	140 087 597	
Losses		
As per Budget Statement	19 544 215	
Reconciling items:		
Transfers & Subsidies per category	13 513 000	
As per Statement of Financial Performance	6 031 215	
Transfers and subsidies		
As per Budget Statement	6 657 601	
Reconciling items:		
Transfers & Subsidies per category	(6 657 601)	
As per Statement of Financial Performance	-	
All transfer and subsidies accounted for under General Expenditure		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
58 BUDGET VERSES ACTUAL VARIANCES *...continued*		
Contributions Recognised Capital		
As per Budget Statement	20 779 540	
Reconciling items:		
Developers contribution	(19 972 232)	
Capital Donations	(497 548)	
As per Statement of Financial Performance	309 760	
Developers Contribution and Capital Donations is accounted for under Other Income and operational public contributions respectively.		

A high level overview of significant Operating Variances between the budget as at 30 June 2022 and Actual amounts are summarised below:

Significant for the purposes of this note is defined as greater than 15% and R 1 000 000.

Revenue:

58.1 RENTAL OF FACILITIES & EQUIPMENT

The Municipality has received R2,051m of the total revenue budget of R2, 826m. The budget was decreased by R600k during the Adjustment Budget process as a result of lockdown restrictions being placed on celebratory functions and sporting events. With the lifting of COVID restrictions, rental revenue from the hiring of halls and sporting facilities should increase in the new financial year.

58.2 INTEREST EARNED OUTSTANDING DEBTORS

The variance is due to the roll out and implementation of the COVID 19 debt relief scheme.

58.3 OTHER INCOME

Major variances are due to additional revenue from advertising, sale of redundent stock and building plan fees. Unallocated deposits of R6m that is older than 3 years has been transferred to sundry income.

58.4 INTEREST RECEIVED - INVESTMENTS

Increase in interest rates by the SARB has led to the municipality receiving more interest income than anticipated.

58.5 PROPERTY RATES - PENALTIES IMPOSED

The budget for property rates penalties imposed is included with property rates.The net variance between these categories is 6% and therefore below the threshold.

58.6 LICENCES & PERMITS (INCLUDING AGENCY FEES)

Vehicle licensing fees and testing fees are budgeted for under Other Income.

58.7 PUBLIC CONTRIBUTIONS AND DONATIONS

Donations are unforeseen and unplanned and therefore have not been budgeted for.

58.8 FINES

A prudent budgeting approach in respect of this revenue on traffic fines was undertaken as a result of the uncertainty in collecting traffic fines revenue during this pandemic hence the budget being adjusted by R3.9m downwards. In addition to this, the outcomes of the IGRAP1 calculation has had an effect on the final revenue recognition.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R
58 BUDGET VERSES ACTUAL VARIANCES *...continued*		
Expenditure:		
58.9 DEBT IMPAIRMENT AND WRITE OFFS		
The impact of COVID-19 and forseen reduced collection rates was considered when budgeting. However, collections were on target with the vigorous debt collection processes such as handing over accounts, calling of Customers, the COVID -19 debt relief scheme and disconnections that commenced in around July 2020		
58.10 CONTRACTED SERVICES		
Due to allocation differences between contracted services and general expenses, the net variance between these categories is 6% and therefore below the threshold.		
58.11 OTHER EXPENSES		
Due to allocation differences between contracted services and other general expenses, the net variance between these categories is 6% and therefore below the threshold.		
58.12 LOSSES		
Due to the decommissioning of existing layers on roads to be rehabilitated and land disposal.		
58.13 TRANSFERS AND SUBSIDIES		
The municipality provided very minimal transfers and subsidies to any external organisations.		
58.14 TRANSFERS RECOGNISED - CAPITAL		
Delays in construction work due to lockdown, the impact of the April 2022 Flood Disaster as well as the constitutional court judgement on the legality of the PPP Regulations are the primary reasons for the underspending on internally funded capital expenditure.		
58.15 CONTRIBUTIONS RECOGNISED - CAPITAL		
Certain projects funded by public contributions have been delayed as per the above reasons.		
58.16 CAPITAL BUDGET		
Delays in construction work due to lockdown, the impact of the April 2022 Flood Disaster as well as the constitutional court judgement on the legality of the PPP Regulations are the primary reasons for the underspending on internally funded capital expenditure.		
58.17 GAINS ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT		
The auction yielded a lower gains than anticipated.		

NOTES TO THE ANNUAL FINANCIAL STATEMENTS *...continued*

FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021 - RESTATED
	R	R

59 ACCOUNTING BY PRINCIPALS AND AGENTS

Motor Vehicle Registrations

The municipality is a party to a principal-agent arrangement in terms of motor vehicle registrations and licensing. The municipality is considered to be an agent in accordance with GRAP 109, with the Provincial Department of Transport being the principal in this arrangement.

Details of the arrangement

The purpose of the principal-agent relationship is to provide a service to the community and to enhance the municipality's revenue.

Significant terms and conditions of the arrangement are as follows:
The Provincial Department shall issue the motor vehicle license renewal form to the respective owners of the motor vehicles, indicating the amount due for the year.

The municipality provide facilities for owners of motor vehicles to pay their licenses. The Provincial Department provides the municipality with access to its IT systems to enable capturing of the amounts received and issuing of the motor vehicle licenses on their behalf. The system automatically generates the motor vehicle license upon capturing the payment of the fees due.

The municipality collects the fees due from motor vehicle owners and simultaneously issues the new licenses on behalf of the Department.

The municipality is required to pay over any revenue (cash) collected to the Department in respect of motor vehicle licenses. The municipality is entitled to payment by the Department of 8.55% of the cash collected for undertaking this activity on behalf of the Department.

Significant risks have been identified as follows:

The significant risks relates to the possible loss of any monies during transit and potential theft by employees.

Mitigation strategies and benefits associated with the relationship are as follows:
Monies collected are banked daily.
Security – Segregation of duties, each operator has their own username and password for banking details.

Resources held on behalf of the principal, but recognised in the entity's own financial statements

	2022 R	2021 - RESTATED R
Total collections for the year	77 772 562	73 516 287
Amount recognised as revenue	6 136 172	6 288 045
Total Collected on behalf of DOT	71 636 390	67 228 242
Debtor as at year end	365 416	524 005
Creditor at year end	68 532	68 532

	2022	2021 - RESTATED
	R	R
59 ACCOUNTING BY PRINCIPALS AND AGENTS *...continued*		
Liabilities and corresponding rights of reimbursement recognized as assets		
No liabilities were incurred on behalf of the principal during the financial year, and hence no outstanding payments were recorded at year end.		
No corresponding rights of reimbursement that have been recognized at year end.		
Resources (including assets and liabilities) of the entity under the custodianship of the agent		
No resources have been recognized by the agent in its financial statements. The equipment supplied by the department must be returned to DOT when the agreement is terminated.		
60 HOUSING DEVELOPMENT CONSTRUCTION CONTRACT REVENUE AND EXPENDITURE		
Housing Grant (DOHS)		
Opening balance	47 107 534	52 676 287
Current year receipts	59 695 556	53 675 622
Interest and bank charges	1 501 524	1 461 216
Housing development construction contract expenditure	(63 738 044)	(60 705 591)
Conditions still to be met - remain liabilities (see note 17)	**44 566 570**	**47 107 534**
The Housing Development Construction contracts relate to the agreements entered into between the Municipality and the KwaZulu Natal Department of Housing in respect of housing projects where the municipality is the developer in this arrangement.		
This arrangement is accounted for in line with the policy for National Housing Programmes.		
The Housing Development Construction contract expenses consists mainly of contracted services wherein the municipality procures the services of building contractors and other consultants in the construction of houses on its behalf.		
The Housing Development Construction contract revenue is recognised when costs are incurred.		
The amounts received in advance from Department of Human Settlements for work done is recognised as an unspent grant liability and disclosed on Note 17.		

UNAUDITED APPENDIX A: SCHEDULE OF EXTERNAL LOANS

FOR THE YEAR ENDED 30 JUNE 2022

DESCRIPTION	LOAN NUMBER	INTEREST RATE	DATE REPAYABLE	BALANCE AT 30/06/2021	RECEIVED DURING THE YEAR	REDEEMED DURING THE YEAR	BALANCE AT 30/06/2022
		%		R	R	R	R
Loans							
DBSA R43M LOAN	101267/1	8,05%	31/03/2026	10 415 226,39	-	2 083 045	8 332 181
DBSA R28.9M (ELECT)	61006918/19	9,73%	30/09/2030	120 720 382,59	-	6 073 406	114 646 976
DBSA: R5.888 LOAN	61006918/19	9,73%	31/12/2032	69 190 952,53	-	3 480 976	65 709 976
TOTAL EXTERNAL LOANS				**200 326 562**	**-**	**11 637 428**	**188 689 134**

UNAUDITED APPENDIX B:
GRANTS AND SUBSIDIES RECEIVED - 2021/2022

NAME OF GRANTS	NAME OF ORGAN OF STATE OR MUNICIPAL ENTITY	UNSPENT PORTION 2020/2021 FINANCIAL STATEMENTS	RETURNED TO NATIONAL TREASURY	QUARTERLY RECEIPTS				TOTAL RECEIPTS	QUARTERLY EXPENDITURE				TOTAL EXPENDITURE	UNSPENT PORTION 2021/2022 FINANCIAL STATEMENTS	GRANTS AND SUBSIDIES DELAYED / WITHHELD	REASON FOR DELAY WITHHOLDING OF FUNDS	DID YOUR MUNICIPALITY COMPLY WITH THE GRANT CONDITIONS IN TERMS OF GRANT FRAMEWORK IN THE LATEST DIVISION OF REVENUE ACT	REASON FOR NON-COMPLIANCE
				JULY TO SEPT 1	OCT TO DEC 2	JAN TO MAR 3	APRIL TO JUNE 4		JULY TO SEPT 1	OCT TO DEC 2	JAN TO MAR 3	APRIL TO JUNE 4						
Equitable Share	National Treasury	-	-	82 558 000	66 046 243	49 534 000	-	198 138 243	82 558 000	66 046 243	49 534 000	-	198 138 243	-	NO	N/A	YES	N/A
Municipal Infrastructure Grant (MIG)	COGTA	4 940 243	-4 940 243	40 000 000	8 000 000	6 549 000	7 000 000	61 549 000	15 238 737	18 702 357	7 162 484	20 445 422	61 549 000	-	NO	N/A	YES	N/A
INEP Grant	Integrated National Electrification Grant	-	-	-	1 080 000		2 000 000	3 080 000	-	3 080 000	-	-	3 080 000	-	NO	N/A	YES	N/A
Finance Management Grant	National Treasury	-	-	1 750 000	-	-	-	1 750 000	373 049	177 086	271 406	928 460	1 750 000	-	NO	N/A	YES	N/A
EPWP	National Treasury	-	-	433 000	779 000	520 000	-	1 732 000	743 512	633 486	354 997	-	1 732 000	-	NO	N/A	YES	N/A
Museum	Office Of the Premier	6 419 725	-	-	2 000 000	225 000	-	2 225 000	2 593 901	5 246 220	804 604	-	8 644 725	-	NO	N/A	YES	N/A
New Library	Department of Arts & Culture	16 678	-	-	726 000	-	-	726 000	239 205	254 582	232 420	16 471	742 678	-	NO	N/A	YES	N/A
Housing Accreditation	Department Of Human Settlements	10 161 421	-	-	193 354	321 947	1 515 996	2 031 297	849 546,75	1 382 778	1 303 952	2 106 088	5 642 364	6 550 353	NO		YES	N/A
Library Subsidy	Department of Arts & Culture	-	-	-	5 610 000	-	-	5 610 000	133 688	3 424 729	2 051 583	-	5 610 000	-	NO	N/A	YES	N/A

UNAUDITED APPENDIX B: GRANTS AND SUBSIDIES RECEIVED - 2021/2022 *...continued*

NAME OF GRANTS	NAME OF ORGAN OF STATE OR MUNICIPAL ENTITY	UNSPENT PORTION 2020/2021 FINANCIAL STATEMENTS	RETURNED TO NATIONAL TREASURY	QUARTERLY RECEIPTS JULY TO SEPT 1	QUARTERLY RECEIPTS OCT TO DEC 2	QUARTERLY RECEIPTS JAN TO MAR 3	QUARTERLY RECEIPTS APRIL TO JUNE 4	TOTAL RECEIPTS	QUARTERLY EXPENDITURE JULY TO SEPT 1	QUARTERLY EXPENDITURE OCT TO DEC 2	QUARTERLY EXPENDITURE JAN TO MAR 3	QUARTERLY EXPENDITURE APRIL TO JUNE 4	TOTAL EXPENDITURE	UNSPENT PORTION 2021/2022 FINANCIAL STATEMENTS	GRANTS AND SUBSIDIES DELAYED / WITHHELD	REASON FOR DELAY WITHHOLDING OF FUNDS	DID YOUR MUNICIPALITY COMPLY WITH THE GRANT CONDITIONS IN TERMS OF GRANT FRAMEWORK IN THE LATEST DIVISION OF REVENUE ACT	REASON FOR NON-COMPLIANCE
Neighbourhood Development Partnership Grant- (NDPG)- EASE OF BUSINESS	National Treasury	3 567 500	-3 567 500	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
Neighbourhood Development Partnership Grant (NDPG)- SCADA	National Treasury	4 724 568	-4 724 568	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
Title Deeds Restoration Grant	Department Of Human Settlements	2 721 000	-	-	-	-	-	-	32 775,00	-	-	-	32 775	2 688 225	NO	N/A	YES	N/A
								-										
EDTEA	Dept Of Enviromental Affairs	-	-	-	-	-	1 700 000	1 700 000	-	-	-	-	-	1 700 000	NO	N/A	YES	N/A
EEDMS	EEDMS	-		1 000 000	1 000 000	2 000 000		4 000 000	3 088 794,33	903 434	7 770	-	4 000 000	-	NO	N/A	YES	N/A
Dept: Trade & Industry (DTI)	Department of Transport	-	-	-	-	6 986 917	-	6 986 917	-	-	6 986 917	-	6 986 917	-	NO	N/A	YES	N/A
		32 551 134	(13 232 311)	125 741 000	85 434 596	66 136 863	12 215 996	289 528 456	105 851 208	99 850 915	68 710 133	23 496 441	297 908 702	10 938 578				

MANAGEMENT RESPONSE AND ACTION PLAN TO PREVIOUS FINDINGS

Type of Opinion Previous Year 2019/2020:	UNQUALIFIED
Type of Opinion:	UNQUALIFIED
Year:	2021/2022

NATURE OF QUERY	AUDIT QUERY	MANAGEMENT COMMITMENTS	RESPONSIBLE OFFICIAL	TIME LINE	BUSINESS UNIT
AUDIT OF THE ANNUAL FINANCIAL STATEMENTS					
EMPHASIS OF MATTER PARAGRAPHS					
Restatement of corresponding figures	As disclosed in note 41 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2022.	Errors of this nature will be avoided in future so as to avoid such an audit query going forward.	Mr. S. Rajcoomar Chief Financial Officer	With immediate effect.	Finance
Material impairments — receivables from exchange transactions	As disclosed in note 9 to the financial statements, the municipality recognised a provision for impairment of R65,91 million (2020-2021: R69,67 million) as the recoverability of these amounts was doubtful.	Impairments are unavoidable and is a fact of life. Credit control will be reinforced to keep impairments at a minimum.	Mr. S. Rajcoomar Chief Financial Officer	With immediate effect.	Finance
Material impairments — receivables from non-exchange transactions	As disclosed in note 10 to the financial statements, the municipality recognised a provision for impairment of R223,42 million (2020-2021: R212,56 million) as the recoverability of these amounts was doubtful.	Impairments are unavoidable and is a fact of life. Credit control will be reinforced to keep impairments at a minimum.	Mr. S. Rajcoomar Chief Financial Officer	With immediate effect.	Finance
Contingent liability	As disclosed in note 38 to the financial statements, the municipality entered into service level agreements with property developers to reimburse them for the cost of bulk electricity supplies. The reimbursements are dependent on the developers meeting future targets as set out in the service level agreements. The timing and outcome of the reimbursement cannot currently be determined and no provision for any liability that may result has been made in the financial statements.	The potential future liabilities in these instances will be offset by an increase in revenue resulting from increased consumption of electricity by these developments, hence there are no reimbursement provisions made.	Mr. S. Rajcoomar Chief Financial Officer Mr S. Jali ED: Electrical	Reimbursement of developers contributions are no longer allowed in terms of the revised policy	Finance Electrical

MANAGEMENT RESPONSE AND ACTION PLAN TO PREVIOUS FINDINGS *...continued*

NATURE OF QUERY	AUDIT QUERY	MANAGEMENT COMMITMENTS	RESPONSIBLE OFFICIAL	TIME LINE	BUSINESS UNIT
EMPHASIS OF MATTER PARAGRAPHS					
Material losses - electricity	As disclosed in note 52 to the financial statements, material electricity losses of 171 753 233 kwh (2020-21: 153 728 734 kWh) amounting to R237,73 million (2020-21: R181 million) were incurred, which represents 24,83% (2020-21: 22,82%) of total electricity purchased against a national norm of between 6% to 12%. The losses were due to transmission or distribution losses and illegal connections.	Commitment from Chief Financial Officer- 1. Submit a listing of zero/low electrical consumption for active accounts on a monthly basis to the EBU for further investigation and rectification. 2. Submit a listing of faulty meters on a monthly basis to the EBU for further action. Commitment from ED Electrical - Install check meters at all intake sub-stations and increase policing and inspections of areas where there are electricity losses resulting from theft.	Mr. S. Rajcoomar Chief Financial Officer Mr S. Jali ED: Electrical	ON- Going	Finance Electrical
COMPLIANCE WITH LEGISLATION					
Expenditure management	28. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)e of the MFMA	Capacitate the Expenditure section in Finance by immediately filling vacant positions and institute fines/penalties against document submission defaulters	Mr. S. Rajcoomar Chief Financial Officer	With immediate effect	Finance
Expenditure management	28. Reasonable steps were not taken to prevent irregular expenditure amounting to R48,63 million as disclosed in note 49 to the annual financial statements, as required by section 62(1) (d) of the MFMA. The majority of the irregular expenditure related to expired security contracts.	The largest contributor which is the expired security tender will be resolved by 31st March 2023 and no further irregular expenditure will be tolerated from any directorate going forward with immediate effect	All ED's	End of March 2023	All ED's
Consequence Management	Irregular and Fruitless and Wasteful Expenditure incurred by the Municipality was not investigated to determine if any person is liable for the expenditure as required by section 32(2) (b) of the MFMA	All outstanding reports from directorates will be submitted to MPAC for investigation by 31 March 2023 and the resultant and recommended consequences will be imposed on defaulters.	Municipal Manager	End of March 2024	Municipal Manager

MANAGEMENT RESPONSE AND ACTION PLAN TO PREVIOUS FINDINGS *...continued*

NATURE OF QUERY	AUDIT QUERY	MANAGEMENT COMMITMENTS	RESPONSIBLE OFFICIAL	TIME LINE	BUSINESS UNIT
INTERNAL CONTROL DEFICIENCIES					
Internal Control	Oversight and monitoring of compliance with laws and regulations were not diligent enough. Policies and procedures relating to consequence and expenditure management were not implemented effectively by assigned officials.	The Policies and procedures relating to consequence management will be given priority with immediate effect by Internal Audit and the Compliance section in the Municipal Manager's office together with the necessary sanctions for non compliance.	Head: Internal Audit	With immediate effect	Municipal Manager
MATERIAL IRREGULARITY					
Impairment of costs incurred on Woodmead Transport Node project	39. The municipality failed to comply with section 63(1)(a) of the MFMA as assets were not appropriately maintained and safeguarded. The municipality awarded a contract to a supplier to the value of R44 924 642.42 for phase two of the construction of the public transport facility for Woodmead Commercial & Industrial Node which commenced in 2014 and was planned for completion in April 2015. Due to the poor performance of the above service provider, there were delays with the completion. In June 2015, with the project still not completed, the municipality terminated the contract with the service provider. A new service provider was appointed on 24 December 2015 to complete the project and their contract expired in 2017, however, the project was still not completed at that time.	The Auditor General made a determination that it was satisfied with the substantiating explanation provided by management in response to MI notification no. 1 of 2020-21 delivered on 1 March 2022 and formal correspondence was received in this regard. The management committed to take necessary steps and action to secure the asset thereby (i) deploying more security personnel, (ii) installation of public lighting & (iii) installation of CCTV cameras. Civil Engineering Services by way of Council resolution has been mandate to reactivate the project and bring it to successful completion.	Mr. S. Khanyile ED: Community Services	On-going	Community Services

APPENDIX A: COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

PURPOSE OF THE COUNCIL COMMITTEE

Established in terms of Municipal Structures Act, section 80. Portfolio Committees meet on monthly basis to discuss service delivery issues and ways to improve service delivery where needed. The Council continues with its role as a strong and effective advocate, lobbying on behalf of our community for action on important local issues and continues to receive grants from other spheres of government and external bodies.

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr OL Nhaca	ANC	MAYOR	12	9
Cllr TV Ntuli	ANC	Deputy Mayor	12	8
Cllr G. Govender	ANC	Speaker Ward Cllr 19	12	
Cllr H Mbatha	ANC	Chief Whip Ward 12	12	9
Cllr SK Shandu	ANC	1	12	9
Cllr DN Ngema	ANC	2	12	9
Cllr SO Nxele	ANC	3	12	9
Cllr JM Banda	ANC	4	12	9
Cllr AM Baardman	ANC	5	12	9
Cllr T Colley	DA	6	12	9
Cllr BC Fakazi	ANC	7	12	9
Cllr ME Ngidi	ANC	8	12	9
Cllr NJ Mpanza	ANC	9	12	9
Cllr TT Dube	ANC	10	12	9
Cllr S Sithole	ANC	11	12	9
Cllr N Qwabe	ANC	13	12	9
Cllr WN Mntambo	ANC	14	12	9
Cllr BP Ndlovu	ANC	15	12	9
Cllr SS Mthiyane	ANC	16	12	7
Cllr CM Naicker	ANC	17	12	9
Cllr SB Ntuli	ANC	18	12	9
Cllr NS Bhengu	ANC	20	12	9
Cllr NH Sithole	ANC	21	12	8
Cllr P Naidoo	DA	22	12	9
Cllr NC Mdletshe	ANC	23	12	8
Cllr V Mwandla	ANC	24	12	9
Cllr SP Khuzwayo	ANC	25	12	9
Cllr TC Nxele	ANC	26	12	8
Cllr SG Mcineka	ANC	27	12	8
Cllr V Govender	ANC	28	12	6
Cllr SL Cele	ANC	29	12	9
Cllr F Abrahams	DA	30	12	9
Cllr K Naidoo	DA	PR	12	7
Cllr B Mvulana	DA	PR	12	8
Cllr NA Singh	DA	PR	12	8
Cllr M Vembali	DA	PR	12	8
Cllr R Pooran	DA	PR	12	9
Cllr TN Mthethwa	DA	PR	12	9

APPENDIX A: COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE *...continued*

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr N Sewraj	ACTIONSA	PR	12	8
Cllr S Zungu	ACTIONSA	PR	12	9
Cllr SC Mwandla	ACTIONSA	PR	12	9
Cllr SP Ashworth	ACTIONSA	PR	12	2
Cllr AA Singh	ACTIONSA	PR	12	9
Cllr CM Ntleko	INDEPENDENT ALLIANCE	PR	12	7
Cllr MM Madlala	INDEPENDENT ALLIANCE	PR	12	9
Cllr PS Shezi	INDEPENDENT ALLIANCE	PR	12	8
Cllr PL Zungu	INDEPENDENT ALLIANCE	PR	12	5
Cllr EM Kollia	INDEPENDENT ALLIANCE	PR	12	9
Cllr MM Sibisi	IFP	PR	12	5
Cllr SC Pandaram	IFP	PR	12	4
Cllr JF Magwaza	IFP	PR	12	9
Cllr PF Masuku	IFP	PR	12	8
Cllr T Nkosi	EFF	PR	12	7
Cllr AS Mhlongo	EFF	PR	12	8
Cllr NJ Mbonambi	EFF	PR	12	8
Cllr CP Dumakude	EFF	PR	12	1
Cllr TT Mkhize	ATM	PR	12	8
Cllr S Dladla	ACDP	PR	12	8
Cllr DH Mthembu	AIC	PR	12	9

APPENDIX B:
EXECUTIVE COMMITTEE AND COMMITTEE PURPOSE

PURPOSE OF THE EXECUTIVE COMMITTEE

Members of the Executive Committee are appointed by the Mayor from among Councillors. The duties of the Executive Committee are to assist the Mayor in the execution of his/her duties. The Mayor may delegate specific responsibilities to each member of the Executive Committee. The following Councillors are the members of the Executive Committee of KwaDukuza Municipality.

COMMITTEES OF COUNCIL	NAMES OF COUNCILLORS	PLANNED EXCO MEETINGS	EXCO MEETINGS ATTENDED
Executive Committee	Cllr OL Nhaca Cllr TV Ntuli Cllr SL Cele Cllr NC Mdletshe Cllr DH Mthembu Cllr MM Sibisi Cllr T Colley Cllr T Nkosi Cllr CM Ntleko Cllr N Sewraj	12 12 12 12 12 12 12 12 12 12 12	9 9 9 8 8 7 9 8 9 9

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE

APPENDIX D: FUNCTIONS OF A MUNICIPALITY

KwaDukuza Municipality is one of the Local Municipalities within the family of Ilembe District Municipality. As a Local Authority, KwaDukuza is responsible for the delivery of the following Schedule 4 Part B functions : -Air and Noise Pollution

> Building, Trading Regulations,
> Fire Fighting Services
> Child Care Facilities
> Local Tourism
> Pontoons, Ferries, Jetties, Piers and Harbours
> Municipal Planning
> Municipal Public Transport
> Municipal Public Works
> Municipal Health Services
> Municipal Airports
> Storm Water Management
> Municipal Buildings and assets

The Municipality is also responsible for the following Schedule 5 Part B functions,

> Beaches and Amusement Facilities
> Billboards and Display of Advertisements in Public Places
> Cemeteries, Funeral Parlours and Crematoria
> Cleansing and Trade Areas
> Public, Nuisance Control Fire Fighting Services
> Liquor and Public, Nuisance Control
> Facilities for Accommodation, Care and Burial of Animals
> Fencing and Fences
> Licensing of dogs.
> Municipal Roads
> Local Amenities
> Licensing and control of undertakings that sell food to the public
> Local Sport Facilities
> Markets Stalls/Trade Areas
> Municipal Parks and Recreation
> Municipal Abattoirs

KwaDukuza Municipality is not responsible for the provision of water and sanitation as it is the competency of iLembe District Municipality.

APPENDIX E:
WARD REPORTING

WARD COMMITTEE FUNCTIONALITY INDICATORS

INDICATOR	MINIMUM REQUIREMENT	EVIDENCE REQUIRED
Number of ward committee meetings held	One meeting per month	Minutes and attendance register
Number of ward committee meetings chaired by Ward Councillor i.t.o. Sec 73 of the Municipal Structures Act;	One meeting per month	Minutes and attendance Register
Percentage attendance by ward committee members	50% + 1	Attendance register
Number of community feedback meetings held	One per quarter	Minutes / Report and attendance register
Percentage of reports submitted by ward committee members	100% submission of reports per month	Ward committee members' reports
Submission of ward reports on planned activities	One report per quarter	Ward report by ward councillor

APPENDIX F: WARD INFORMATION

Progress on functionality of ward committees as at end of 2021/22 financial year:

FIRST QUARTER FUNCTIONALITY RESULTS OF 2021/22 FINANCIAL YEAR (JULY – SEPTEMBER 2021)

No assessments or results available since the ward committees were dissolved together with Council at the beginning of August 2021. In preparation for the new Councils term of office.

SECOND QUARTER FUNCTIONALITY RESULTS OF 2021/22 FINANCIAL YEAR (OCTOBER – DECEMBER 2021)

No assessments or results available since the ward committees were dissolved together with Council at the beginning of August 2021. In preparation for the new Councils term of office which started in November 2021.

THIRD QUARTER FUNCTIONALITY RESULTS OF 2021/22 FINANCIAL YEAR (JANUARY – MARCH 2022)

No assessments for results available since the ward committees were dissolved together with Council at the beginning of August 2021. The new Councils term of office came about in November 2021. During this quarter ward committee election procedures began as from February to March 2022.

FOURTH QUARTER FUNCTIONALITY RESULTS OF 2021/22 FINANCIAL YEAR (APRIL – JUNE 2022)

The newly elected ward committee's first functionality assessment and verification process was only conducted of the 28th of July 2022 and the public participation office currently awaits for the results from the Province.

APPENDIX G:
RECOMMENDATIONS OF MUNICIPAL AUDIT COMMITTEE

- **Consequence Management –** The Audit Committee has expressed concerns over instances where there were repeat audit findings, non- submission of information and audit evidence especially in relation to performance management. The municipality has developed a policy for consequence management, and as such must use this policy to enforce a culture of accountability in the municipality. (Refer to Chapter 4 of the Annual Report)

- **Compliance –** Audit Committee recommends that compliance is a standing item for MANCO and Portfolio Committee meetings and that a senior manager be made responsible for compliance across the municipality.

- **UIFW Expenditure –** Council is urged to take action in addressing the incurrence of irregular expenditure and implement consequence management, where necessary. UIFW expenditure must be investigated properly, recommendations must be implemented, and action is to be taken against those found to be responsible (including recovery where possible).

- **Vacancies –** Council must fast track the filling of vacancies especially for key positions including, Internal auditors. Executive Director: Corporate Services and other critical positions.

- **Risk Management** – Council and management to continue to monitor implementation of risk action plans.

- **Audit Findings –** Council and management to prioritise the implementation of audit recommendations by IA and the AG, to improve systems and promote a clean administration.

- **Electricity losses** – Council and management to urgently intensify strategies to curb electricity losses. There must be ongoing monitoring and evaluation of strategies implemented to ensure effectiveness.

- **Internal Audit Department –** The Internal Audit Department has been strained in terms of resources, which has impacted the completion of the approved annual audit plan. Audit Committee recommends that management prioritises the filling of vacancies within the IA unit, and that the Accounting Officer strengthens measures to address delays in the submission of evidence and management responses.

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

TENDER NO.	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN RANDS	REASON FOR AWARD	DEPARTMENT
MN 135/2020	KDM MV cable network upgrade	03/04/2021	23/07/2021	WORTH KINGS TRADING CC	100	13 321 902,45	They have scored the highest number of evaluation points	Electrical engineering services
MN 82/2021	Appointment of contractor for the supply, install and commission of service connections infrastructure for a period of twelve months	13/08/2021	10/09/2021	IJUBANE INVESTMENTS (PTY) LTD	100	716 228,05	They have scored the highest number of evaluation points	Electrical engineering services
MN 69/2021	The manufacture, supply and delivery of refuse bin bags for KwaDukuza Municipality for a period of three (3) years	06/082021	15/10/2021	SNOBHO (PTY) LTD	100	Rates based tender	They have scored the highest number of evaluation points	Community services
MN 127/2020	Provision of outdoor advertising freestanding billboards to be placed on council property within the boundaries of KwaDukuza for commercial advertising for a period of 3 years	22/12/2020	05/11/2021	PRIMEDIA OUTDOOR (PTY) LTD	100	Rates based tender	They have scored the highest number of evaluation points	Economic development services
MN 19/2021	Appointment of a multi disciplinary team/ consortium to implement the KwaDukuza municipality ease of doing business - tools & systems project (turkey)	14/05/2021	05/11/2021	IYER CONSORTIUM	100	15 246 712,65	They have scored the highest number of evaluation points	Economic development services

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP *...continued*

TENDER NO.	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN RANDS	REASON FOR AWARD	DEPARTMENT
MN 111/2021	Appointment of contractor for the supply, install & commission of the lv network upgrade projects	11/10/2021	12/11/2021	IJUBANE INVESTMENTS (PTY) LTD	100	2 305 083,00	They have scored the highest number of evaluation points	Electrical engineering services
MN 158/2020	Supply and delivery of protective clothing for a period of 3 years	25/03/2021	12/11/2021	KAYOSI TRADING CC	100	Rates based tender	They have scored the highest number of evaluation points	Financial services
MN 123/ 2020	The cutting of grass and litter picking within the road reserves for a period of thirty-six months: zone 2 (ward 2)	25/02/2021	03/12/2021	BONGS GARDEN SERVICES	80	Rates based tender	They have scored the highest number of evaluation points	Community services
MN 159/ 2020	The cutting of grass and litter picking within the road reserves for a period of thirty-six months: zone 4.1 (ward 5)	25/02/2021	03/12/2021	NANG-U-MZAMO RETAILERS	100	Rates based tender	They have scored the highest number of evaluation points	Community services
MN 120/ 2020	The cutting of grass and litter picking within the road reserves for a period of thirty-six months: zone 8 (ward 12)	25/02/2021	03/12/2021	HAND ON HAND TRADING & PROJECTS CC	80	Rates based tender	They have scored the highest number of evaluation points	Community services
MN 101/2021	Construction of Hangoose kick about in ward 9	14/10/2021	03/12/2021	SAKHONA VILAKAZI CONSTRUCTION (PTY) LTD	100	362 648,00	They have scored the highest number of evaluation points	Community services
MN 23/2020	Social housing renovation to compounds (ward15)	29/09/2021	03/12/2021	SITHEMBAKOGAWOZI TRADING ENTERPRISE	100	1 297 232,20	They have scored the highest number of evaluation points	Human settlements services

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP *...continued*

TENDER NO.	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN RANDS	REASON FOR AWARD	DEPARTMENT
MN 115/2021	The refurbishment of Nkobongo community hall	29/12/2021	03/12/2021	SAKHONA VILAKAZI CONSTRUCTION (PTY) LTD	100	782 114,10	They have scored the highest number of evaluation points	Community services
MN 25/2021	Groutville surface roads and stormwater	09/06/2021	03/12/2021	NAP HOLDINGS PTY LTD	100	7 612 538,51	They have scored the highest number of evaluation points	Civil engineering services
MN 119/ 2020	The cutting of grass and litter picking within the road reserves for a period of thirty-six months: zone 4 (ward 5)	25/02/2021	14/12/2021	NHLANGOTHI CONSTRUCTION	80	Rates based tender	They have scored the highest number of evaluation points	Community services
MN 121/ 2020	The cutting of grass and litter picking within the road reserves for a period of thirty-six months: zone 9 (wards 13 & 26)	08/09/2021	14/12/2021	SKADIE TRADING PTY LTD	100	Rates based tender	They have scored the highest number of evaluation points	Community services
MN 124/ 2020	The cutting of grass and litter picking within the road reserves for a period of thirty-six months: zone 12.1 (ward 16)	12/11/2021	17/12/2021	TJDK TRADING	100	Rates based tender	They have scored the highest number of evaluation points	Community services
MN12/2021	Supply and delivery of electrical arc flash and flame-retardant protective clothing for a period of three (3) years	23/09/2021	17/12/2021	KWADUKUZA TRT PROTECTION,	100	Rates based tender	They have scored the highest number of evaluation points	Electrical engineering services

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP ...continued

TENDER NO.	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN RANDS	REASON FOR AWARD	DEPARTMENT
MN 150/2021	Panel of contractors for the supply and fitment of batteries and tyres for a period of three (3) years	23/11/2021	21/12/2021	POWER TRANS SALES AND SERVICE	100	Rates based tender rates	They have scored the highest number of evaluation points	Electrical engineering services
MN 83/2020	Construction of Dukuza 132kv switching substation and 132/33 kv substation	23/10/2021	21/12/2021	VERITAS ENGINEERING & PROJECT MANAGEMENT (PTY) LTD	100	139 596 710,70	They have scored the highest number of evaluation points	Electrical engineering services
MN 12/2021	Supply and delivery of electrical arc flash and flame-retardant protective clothing for a period of three (3) year	23/09/2021	18/02/2022	KWADUKUZA TRT PROTECTION	100	Rates based tender	They have scored the highest number of evaluation points	Electrical engineering services
MN 97/2021	Panel of contractors for fencing installation for KwaDukuza municipality for a period of three years	02/11/2021	25/03/2022	UKHOZI DISTRIBUTORS, ONUMBUTHU (PTY) LTD MVELARSE TRADING (PTY) LTD	100	Rates based tender	They have scored the highest number of evaluation points	Civil engineering services
MN 99/2020	Panel of contractors for hiring of plant for three (3) years	23/03/2021	08/04/2022	TIAWEST BM PROJECTS NANGUMZAMO RETAILERS ZONKE IZIKHATHI AMAGAMBUSHE CONSTRUCTION OREES SAND AND PLANT HIRE ROADLOGIC CIVILS AQUA TRANSPORT BASADI BA AZANIA FLAXENLAKE TRADING	100	Rates based tender	They have scored the highest number of evaluation points	Civil engineering services
MN 132/2021	SD WAN services for a period of 36 months	08/12/2021	06/05/2022	EOH MTHOMBO (PTY) LTD	100	4 979 840,40	They have scored the highest number of evaluation points	Corporate services

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP ...continued

TENDER NO.	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN RANDS	REASON FOR AWARD	DEPARTMENT
MN 187/2022	Tender for supply, installation and management of an indigent software system and the audit of the indigent data base on an adhoc basis for a period of three years	25/03/2022	06/05/2022	REVENUE AND UTILITY MANAGEMENT SOLUTIONS (PTY) LTD	98	772 206,33	They have scored the highest number of evaluation points	Financial services
MN 186/2021	Tender for bulk printing and mailing of monthly statements and ad hoc notices for a period of three years	25/03/2022	20/05/2022	INSIDEDATA NORTH (PTY) LTD	100	1 149 126,00	They have scored the highest number of evaluation points	Financial services
MN 89/2021	Panel of contractors for betterment and Regravelling of roads 3-year contract	15/09/2021	10/06/2022	PANEL ONZWAKELE OWETHU LOMSEBENZI BOBUSA PRIMARY CO-OPERATIVES ROADLOGIC CIVILS NTANDOYAKHE PROJECTS MAHHUSHU CONSRUCTION BANDEZI DEVELOPMENT KHULEKWAYO GROUP BLUE EYES PROTECTION SERVICES ZAMA ZAMA ENGINEERING AMAGAMBUSHE CONSTRUCTION KB LEVEL CONSTRUCTION GABHISE ENTREPRISE AFRI SUCCESS SAKHONA VILAKAZI NANGU ANELE	100	Rates based tender	They have scored the highest number of evaluation points	Civil engineering services
	Total					R 188 142 342,39		

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE

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. The end user department is providing monthly reports to the Portfolio Committee. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order. The following are the service providers engaged in each business unit during the 2021/2022 financial year.

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

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
MN239/2019	Induna logistics	18/09/2020	Mdlebeni access road	R9 158 023.16	N/A	N/A	Completion of Upgrade of Gravel Road to Blacktop	Completion of Upgrade of Gravel Road to Blacktop			X
Section 36	UMzulu Trading	13/08/2021	Nkobongo taxi facility	R4 446 291	N/A	N/A	Completion of Commuter Shelter	Practical Completion		X	
MN243/2019	Khulekwayo Group	21/10/2020	Construction of Gledhow south link road	R1 927 945.80	N/A	N/A	Completion of Upgrade of Gravel Road to Blacktop	Practical Completion			X
MN26/2021	Nang-U-Mzamo Retailers	04/10/2021	Chris Hani Sport Field	R4 384 581.08	N/A	N/A	Completion of construction of sportsfield	Completion of construction of sportsfield		X	
MN52/2021	Sithembakogawoza Trading Enterprise	28/09/2021	Mellow Wood Community Hall	R1 400 000,00	N/A	N/A	Completion of construction parking and access to hall	Completion of construction parking and access to hall	X		
MN46/2021	Flaxen Lake Trading Cc	06/10/2021	Ward 27 Dendethu Access Road	R2 763 310,28	N/A	N/A	Completion of construction of gravel access road	70% completion if construction of gravel access road		X	
MN27/2021	Ukhozi Distributors Cc	28/09/2021	Waterworks upgrade to blacktop-phase 2	R5 096 711.56	N/A	N/A	Completion of Upgrade of Gravel Road to Blacktop	Completion of Upgrade of Gravel Road to Blacktop	X		
MN47/2021	Zondivila Trading	13/09/2021	Retaining of Wall Road Access and Storm Water in Ward 18	R4 500 000,00	N/A	N/A	Completion of construction of Retaining of Wall Road Access and Storm Water in Ward 18	80 % completion of construction of Retaining of Wall Road Access and Storm Water in Ward 18		X	

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE *...continued*

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
MN25/2021	Nap Holdings	25/01/2022	Groutville Surface Roads & Stormwater	R7 619 598.70	N/A	N/A	Completion of Construction Groutville surface road and stormwater.	75 % completion of Construction Groutville surface road and stormwater.	X		
MN132/2018	Benjivert	27/09/2021	Rehab of Blythedale Beach Road (Mvoti Drive Tarpon Crescent)	R3 000 000	N/A	N/A	Completion of rehabilitation of Mvoti Drive (Blythedale)	Completion of rehabilitation of Mvoti Drive (Blythedale)	X		
MN132/2018	Edge to Edge	27/09/2021	Rehab of Nkwazi drive	R1 000 000	N/A	N/A	Completion of rehabilitation of Nkwazi Drive	Completion of rehabilitation of Nkwazi Drive	X		
MN132/2018	Edge to Edge	27/09/2021	Rehab of Panorama drive in Ward 3- WIP	R2 299 983	N/A	N/A	Completion of rehabilitation of Panorama Drive	Completion of rehabilitation of Panorama Drive	X		
MN132/2018	Benjivert	27/09/2021	Ward12 Rehab Tinley Manor Rd.(Lagoon Dr. Ocean View Seaview) WIP	R3 000 000	N/A	N/A	Completion of Ward12 Rehab Tinley Manor (Lagoon Drive)	Completion of Ward12 Rehab Tinley Manor (Lagoon Drive)	X		
MN132/2018	JCR Transport	N/A	Rehabilitation of Lloyd Road in Ward 14- WIP	R2 110 117	N/A	N/A	Completion of Rehabilitation of Lloyd Road	Completion of Rehabilitation of Lloyd Road	X		
MN132/2018	JCR Transport	N/A	NV Roads Stormwater Rehab of Roads 170461529: Cluster D	R1 205 515,40	N/A	N/A	NV Roads Stormwater Rehab of Roads 170461529: Cluster D	NV Roads Stormwater Rehab of Roads 170461529: Cluster D	X		
MN132/2018	Benjivert	N/A	Rehab of Shela Road	R2 000 000	N/A	N/A	Completion of Rehab of Shela Road	Completion of Rehab of Shela Road	X		
MN132/2018	Benjivert	N/A	Rehab of Palm Land Road	R2 000 000	N/A	N/A	Completion of Rehab of Palm Land Road	Completion of Rehab of Palm Land Road	X		
MN132/2018	Edge to Edge	N/A	Rehab Of Tasneem And Dhalia Road	R2 000 000	N/A	N/A	Completion of Rehab Of Tasneem And Dhalia Road	Completion of Rehab Of Tasneem And Dhalia Road	X		

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE *...continued*

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
MN132/2018	Edge to Edge	N/A	Rehabilitation Of Ward 10	R3 000 000,00	N/A	N/A	Completion of Rehabilitation Of Ward 10	Completion of Rehabilitation Of Ward 10	X		
MN132/2018	Benjivert	N/A	Rehabilitation Of Ward 11	R3 000 000,00	N/A	N/A	Completion of Rehabilitation Of Ward 11	Completion of Rehabilitation Of Ward 11	X		
MN132/2018	Benjivert	N/A	Rehabilitation Of Ward 12	R3 000 000,00	N/A	N/A	Completion of Rehabilitation Of Ward 12	Completion of Rehabilitation Of Ward 12	X		
MN132/2018	Jamjo	27/09/2021	Rehabilitation Of Ward 25	R2 813 826,00	N/A	N/A	Completion of Rehab of Palm Land Road	Completion of Rehab of Palm Land Road	X		
MN 19/2017	ProSecure (pty) ltd	N/A	Provision of security service	N/A	R5 802 544.00 (Electrical) R23 841 359.00 (Community Safety)	R5 751 336.90 (Electrical) R20 659 707.90 (Community Safety)	R10 802 544.00 (Electrical) R23 197 456.00 (Community Safety)	R10 760 531.90 (Electrical) R23 100 421.14 (Community Safety)	X		
MN 125/2019	Fidelity cash solutions (pty) ltd	2020/07/01	Provision of cash-in- transit services	N/A	N/A	R274 568.00	N/A	R431 464.00	X		
MN 207/2019	Fig uniforms cc	20/07/2020	Supply and delivery of fire and emergency services uniforms for three years	N/A	N/A	R768 939.44	N/A	R18 428.75	X		
MN 207/2019	3d Sensation trading (pty) ltd	21/07/2020	Supply and delivery of fire and emergency services uniforms for three years	N/A	N/A	R1 096 526.81	N/A	R1 118 272.10	X		
MN 262/2019	Sundari Investments CC	25/06/2021	Supply and delivery of goods for disaster management unit for a period of 3 years	N/A	N/A	N/A	N/A	R2 190 936.92	X		

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE ...continued

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES											
MN 148/2019	ZamaZama Konke trading	21/09/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 2 529 242.91	R 2 529 242.91	X		
MN 123/2020	Bongs garden services	13/12/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 331 127.37	R 1 331 127.37	X		
140/2018	Njanduzwe trading	26/12/ 2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 932 203.68	R 932 203.68	X		
MN 119/2020	Nhlongoti	15/12/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	N/A	N/A	X		
MN180/2019	Bigmow garden services	14/12/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 2 465 768.52	R 2 465 768.52	X		
MN 181/2019	Mbuyazi partners	19/12/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 881 500.77	R 1 881 500.77	X		
MN 182/2019	BNE general trading	17/05/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	N/A	N/A	X		

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE *...continued*

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES											
MN 150/2018	Ingudle construction & main.	26/11/ 2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 824 761.75	R 824 761.75	X		
MN 183/2019	Atreb trading	4 /05/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 390 148.95	R 1 390 148.95	X		
MN 145/2018	Roadlogic civils	19/05/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 641 414.97	R 1 641 414.97	X		
MN 185/2019	Ukuza kwendoda constr.	19/05/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 655 889.58	R 1 655 889.58	X		
MN 124/ 2020	TJDK Trading	20/12/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 356 592.72	R 1 356 592.72	X		
MN 187/2019	Dukuza tree felling & gen.	26/11/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 615 666.80	R 615 666.80	X		
MN 190/2019	Plants unlimited	26/11/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 888 545.41	R 1 888 545.41	X		

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE *...continued*

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES											
MN 144/2018	Usiko Holding	19/05/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 024 284.62	R 1 024 284.62	X		
MN 147/2018	Njomco foods	12/11/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 7 66 806.84	R 7 66 806.84	X		
MN 148/2018	Mavali makhuzeni	19/05/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 914 976.00	R 914 976.00	X		
MN 149/2018	Sinethemba	25/08/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 001 907.51	R 1 001 907.51	X		
MN 147/2020	SOMADI TRADING		Construction of Kick about in ward 29	R391 870.00	R391 870.00	R391 870.00	Completion certificate	Completion certificate	X		
MN 16/2021	Rekabal (Pty) Ltd	19/01/2022	Refurbishment of Combo Court in Ward 1	R 904,667.50	R 904,667.50	R 904,667.50	Completion certificate	Completion certificate		X	
MN 223/2019	Flaxen Lake Trading (Pty) Ltd	29/10/2021	Construction of Combo Court in Ward 26	R725,993.30	R725,993.30	R725,993.30	Completion certificate	Completion certificate	X		
MN 31/2021	Craft Artistry (Pty) Ltd	25/10/2021	Construction of Combo Court in Ward 9	R2,403,397.50	R2,403,397.50	R2,403,397.50	Completion certificate	Practical Completion certificate		X	
MN 78/2021	Rekebal (Pty) Ltd	23/03/2022	Refurbishment of Blythedale Beach Life Savers Tower	R 622 900.30	R 622 900.30	622 900.30	Completion Certificate	Completion Certificate	X		
MN 88/2021	Sithembakogawozi Trading Enterprise	25/01/2021	Supply and delivery of Beach Access Mats for Wheelchairs	R 740 000.00	R740 000.00	R740 000.00	Supply and Delivery of Goods	Supply and Delivery of Goods	X		
CQ 3127/09	Selwels Sports CC	15/02/2022		Supply and delivery 1 x Floating Wheelchair	R 89 700.00	R 89 700.00	R 89 700.00	Supply and Delivery of Goods		X	

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE *...continued*

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES											
CQ 3127/09	Selwels Sports CC	15/02/2022	Supply and delivery	1 x Floating Wheelchair	R 89 700.00	R 89 700.00	R 89 700.00	Supply and Delivery of Goods		X	
MN116/2021	Masina Engineering PTY LTD	31/01/2022	Supply, Install, Commission and Maintain air conditioners at KwaDukuza Town Hall	R591 027.00	R591 027.00	R591 027.00	Completion certificate	Completion certificate	X		
MN115/2021	SakhonaVilakazi Construction (PTY) LTD	24/01/2022	Refurbishment of Nkobongo Community Hall	R782 114.10	R782 114.10	R782 114.10	Completion certificate	Completion certificate	X		
MN 148/2019	ZamaZama Konke trading	21/09/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 2 529 242.91	R 2 529 242.91	X		
MN 123/2020	Bongs garden services	13/12/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 331 127.37	R 1 331 127.37	X		
140/2018	Njanduzwe trading	26/12/ 2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 932 203.68	R 932 203.68	X		
MN 119/2020	Nhlongoti	15/12/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts			X		
MN180/2019	Bigmow garden services	14/12/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 2 465 768.52	R 2 465 768.52	X		

APPENDIX I:
SERVICE PROVIDER PERFORMANCE SCHEDULE ...continued

BID NUMBER	NAME OF EXTERNAL SERVICE PROVIDER	DATE CONTRACT AWARDED	SERVICE PROVIDED IN TERMS OF THE SLA	VALUE OF PROJECT	COMPARISON WITH PREVIOUS YEAR 2020/2021		CURRENT FINANCIAL YEAR 2021/2022		ASSESSMENT OF SERVICE PROVIDERS PERFORMANCE (PLEASE MARK WITH AN X)		
					TARGET	ACTUAL	TARGET	ACTUAL	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES											
MN 181/2019	Mbuyazi partners	19/12/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts	R 1 881 500.77	R 1 881 500.77	X		
MN 182/2019	BNE general trading	17/05/2021	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	New Contracts	New Contracts			X		
MN 266/2019	Isizwe Electrical	7.12.2020	High Mast Lighting and streetlights in all wards	R2,217,510.55	R2,217,510.55	R2,217,510.55	Completion Certificate	Completion Certificate	X		
MN 266/2019	Yebo Yes Electrical	7.12.2020	High Mast Lighting and streetlights in all wards	R3,126,902.54	R3,126,902.54	R3,126,902.54	Completion Certificate	Completion Certificate	X		
MN 266/2019	NMR Electrical	15.04.2021	High Mast Lighting and streetlights in all wards	R1,896,205.47	R1,896,205.47	R1,896,205.47	Completion Certificate	Completion Certificate	X		
MN 266/2019	XXX Electrical	7.12.2020	High Mast Lighting and streetlights in all wards	R3,350,951.80	R3,350,951.80	R3,350,951.80	Completion Certificate	Completion Certificate	X		
MN 158/2019	Veritas Engineering	29.07.2020	33/11 KV intake substation between Shakaskraal & point of supply substations	R 42 495 295.68	R 21 000 000.00	R 8 692 514.00	Construction of the substation	Construction of the substation	X		
MN82/2021	Ijubane Investments	15.10.2021	Service Connection	R 5 060 5724.45	R 5 060 5724.45	R 5 060 5724.45	Completion Certificate	Completion Certificate	X		
MN 208/2015	Marsh PTY LTD	01 October 2016 to 30 September 2019 with various extensions in terms of Section 116 (3) of the MFMA due to bidders being Nonresponsive.	Short term Insurance	R5 986 413.43	All claims received from the Business Units to be submitted to Insurers for assessment	All claims received from the Business Units were submitted to Insurers for assessment	All claims received from the Business Units to be submitted to Insurers for assessment	All claims received from the Business Units were submitted to Insurers for assessment	X		

APPENDIX J:
DISCLOSURE OF FINANCIAL INTEREST

KwaDukuza Municipality (KDM) Municipal Manager and Executive Directors (Section 56 & 57 Managers)

INITIALS AND SURNAME	POSITION WITHIN KDM	SHARES & OTHER FINANCIAL INTERESTS (NOT BANK ACCOUNTS WITH FINANCIAL INSTITUTIONS)	DIRECTORSHIPS & PARTNERSHIPS	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (AS SANCTIONED BY COUNCIL)	CONSULTANCIES AND RETAINERSHIPS	SPONSORSHIPS	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER	LAND AND PROPERTY
Mr. Mdakane NJ	Municipal Manager	NONE	Mdukwase Family Trust	NONE	NONE	NONE	NONE	Flat Pretoria (R550 000) House Ladysmith (R600 000) House Ladysmith (R900 000)
Mr. Hlongwane SV	ED: Economic Development & Planning	Sasol Inzalo 100 shares (R4000) MTN Zakhelel Futhi 150 (R7840)	NONE	NONE	NONE	NONE	NONE	House Fernwood Estate Shelly Beach (R2 100 000) Flat Sheffield Gardens (R850 000)
Mr. Jali SM	ED: Electrical Engineering Services	NONE	NONE	NONE	NONE	NONE	NONE	House at Salt Rock R2 400 000.00
Mr. Khanyile SM	ED: Community Services and Public Amenities	NONE	NONE	NONE	NONE	NONE	NONE	House Witpeer Avenue (R2 500 000) House Gierington Way (R900 000) House BenyKramer (R650 000)
Mr. Manzini AM	Chief Operations Officer	NONE	Manzini Drayage & Trucking Pty Ltd. Manzini Tyres & Wheels Manzini Properties.	Manzini Drayage & Trucking Pty Ltd. Manzini Tyres & Wheels. Manzini Properties.	NONE	NONE	NONE	House La Lucia (R2 000 000)

APPENDIX J:
DISCLOSURE OF FINANCIAL INTEREST *...continued*

KwaDukuza Municipality (KDM) Municipal Manager and Executive Directors (Section 56 & 57 Managers) *...continued*

INITIALS AND SURNAME	POSITION WITHIN KDM	SHARES & OTHER FINANCIAL INTERESTS (NOT BANK ACCOUNTS WITH FINANCIAL INSTITUTIONS)	DIRECTORSHIPS & PARTNERSHIPS	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (AS SANCTIONED BY COUNCIL)	CONSULTANCIES AND RETAINERSHIPS	SPONSORSHIPS	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER	LAND AND PROPERTY
Mr. Rajcoomar SM	Chief Financial Officer	**Alert Steel Holdings -** 710 shares (unlisted). **RBA Holdings Ltd -** 386 shares (unlisted). **Nutritional Holdings Ltd -** 60 309 shares (R603). **Balwin Property REIT -** 6100 shares (R25 864). **Chrometco Resources -** 10000 shares (R1 200) **Steinhoff Retail -** 7000 shares (R13 860). **Wearne Mining -** 600 shares (R18). **Zaptronix Ltd electronics -** 20000 shares (unlisted).						
Mr. Sithole EM	ED: Civil Engineering and Human Settlement	NONE	Ivume Tent & Equipment Hire (R18 280.00). Maphitha Transport & Hire (R74 480.00). Siyaphambili Stokvel (R3 200.00).	Ivume Tent & Equipment Hire (R18 280.00). Maphitha Transport & Hire (R74 480.00). Siyaphambili Stokvel (R3 200.00). JSE (R14 130.00). Livestock farming (Maphitha Brothers) (R21 230.00).	NONE	Christ Embassy (R7 500.00 p.m)	NONE	NONE
Mr. Viramuthu SC	ED: Community Safety	**Richemont opt -** 1000 shares (R0.50). **Sasol -** 129 shares (R142). **PhutumaNathi -** 100 shares (R134). **Old Mutual -** 150 shares (R11.63). **First Rand -** 50 shares (R43.20).	NONE	NONE	NONE	NONE	NONE	House Rocky Park (R900 000). House Tinley Manor (R875 000). Flat Palm Lakes (R780 000).

APPENDIX K: REVENUE COLLECTION PERFORMANCE

Appendix K(1): Revenue Collection by Vote
Refer to statement of Financial Performance in Chapter 5 Component A.

Appendix K(2): Revenue Collection by Source
Refer to statement of Financial Performance in Chapter 5 Component A.

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

This is contained as Appendix A to the AFS.

APPENDIX M: CAPITAL EXPENDITURE – NEW AND UPGRADE/ RENEWAL PROGRAMMES: INCLUDING MIG

Appendix M (i): Capital Expenditure: New Assets Programme

EXPENDITURE - NEW PROJECTS	TOTAL BUDGET	TOTAL ACTUALS
Assets Under Construction	138 195 400	114 636 569
Intangible Assets	21 986 744	-
Community Assets	1 935 715	690 527
Computer Equipment	6 047 197	2 418 159
Furniture and Office Equipment	2 354 825	3 557 271
Machinery and Equipment	8 635 651	4 961 301
Other Assets	15 401 500	104 493
Transport Assets	16 269 630	10 910 022
TOTALS	**210 826 662**	**137 278 342**

APPENDIX M(II): CAPITAL EXPENDITURE- UPGRADE/ RENEWAL PROGRAMME

PROJECTS IMPLEMENTATION PLAN (IDP): HUMAN SETTLEMENTS							
PROJECTS ID	PROJECT NAME	WARD	ESTIMATED COST 3 YEARS	2019/20 BUDGET	2020/21 BUDGET	2021/2022 BUDGET	STATUS
HS/0 01	Aldinville	10	R2 900 000	R2 900 000	R0	0	Only 34 houses are remaining to be built
HS/0 02	Charlottdale	10/11	R2 200 000	R1000 000	R0	R1 200 000	Project at Planning Stage
HS/0 03	Chris Hani	15	R28 573 711	R11 005 200	R7 056 000	R10 512 511	Project at Construction Stage. Construction of Internal Services has started.
HS/0 04	Chief Albert Luthuli	9/11/12/ 14&26	R7 700 000	R7 700 000	R0	R0	Project awaiting Budget Approval Engineer to assess houses at different stags of construction & budget approval for the remaining Houses.
HS/0 05	Driefontein Phase 1	21	R 2 017 935	R 2 017 935	R0	R 0	Project at Planning SPLUMA approval obtained, waiting for iLembe to construct WWT
HS/0 06	Greater Driefontein Phase 2	21	R0	R0	R0	R0	Project at initial Stage. Land Availability Agreement process underway
HS/0 07	Dube Village	10/12	R0	R0	R0	R0	Only few Sub- Divisions to be affected and transfers through Transfer Restoration Programme.
HS/0 08	Dube Village Extension Lot 173	10/12	R0	R0	R0	-	This project is no longer there as this property has been incorporated under Charlottdale Housing Project.
HS/0 09	Ethafeni	12	R300 000	R100 000	R200 000	R0	ZN DOHS has approved the budget for Transfers of properties through the TRU Programme. Application submitted for the appointment of the engineer to assess the houses left at different stages of construction.
HS/0 10	GP2 Etsheni/ Njek ane	11	R1 09 131.50	R300 000	R200 000	R509 131.50	This development was blocked due to the budget constraints. Application submitted for the project funding alignment
HS/0 11	Etete Phase 4	7/20	R34 972 864	R 141 000	R20 633 300	R 14 198 564	The project is at site servicing and construction of houses stage, 113 houses completed.
HS/0 12	Gaza Strip	5	R0	R0	R0	R0	The sites were transferred to Property Management department.

APPENDIX M(II): CAPITAL EXPENDITURE- UPGRADE/ RENEWAL PROGRAMME *...continued*

PROJECTS IMPLEMENTATION PLAN (IDP): HUMAN SETTLEMENTS							
PROJECTS ID	PROJECT NAME	WARD	ESTIMATED COST 3 YEARS	2019/20 BUDGET	2020/21 BUDGET	2021/2022 BUDGET	STATUS
HS/0 13	Gledhow Compound	15	R0	R0	R0	R0	This project is still at planning stage. It has encountered delays in dealing with the liquidators before a decision to expropriate taken.
HS/0 14	Hangoes	9	R0	R0	R0	R0	Landowners of the Properties that were initially identified for the proposed development are not willing to release their land for the development.
HS/0 15	Hyde Park Country Estate	11	R0	R0	R0	R0	The new IA has finalized the review of work done by the previous IA and found that all studies done
HS/0 16	Kwatwele	3	R0	R0	R	R0	This project is still at the initial stage of planning. Applied for land acquisition funding from KZN DOHS and Housing Development Agent.
HS/0 17	Lindelani 303 Sites	5	R32 037.56	R0	R0	R 32 037.56	Only a few transfers are waiting to be done before closing out process can begin.
HS/0 18	Lindelani 272 Sites	5	R0	R0	R0	R0	The rectification Programme has been phased out by KZN DOHS.
HS/0 19	Extension 36	5	R0	R0	R0	R0	Project is at transfer's stage. This will be followed by Close-Out process.
HS/0 20	Extension 46	5	R0	R0	R0	R0	Rectification Programme has been phased out by KZNDOHS
HS/0 21	Lloyds	14	R25 507 562	R11 005 200	R7 056 000	R 7 446 362	Project at construction stage. Budget for internal services have been approved.
HS/0 22	Madundube	27	R1 500 000	R0	R1 500 000	R 0	Project at stage 1 close out, Project approved for stage 2 installation of services.
HS/0 23	Mellowood Park	22	R0	R0	R0	R0	Stage 1 application evaluation completed by KZNDOHS; more information is requested on the application pack. IA withdrew form the project. The project has been transferred to KZNHS

APPENDIX M(II): CAPITAL EXPENDITURE- UPGRADE/ RENEWAL PROGRAMME *...continued*

PROJECTS IMPLEMENTATION PLAN (IDP): HUMAN SETTLEMENTS							
PROJECTS ID	PROJECT NAME	WARD	ESTIMATED COST 3 YEARS	2019/20 BUDGET	2020/21 BUDGET	2021/2022 BUDGET	STATUS
HS/0 24	Mbozamo	18	R0	R0	R0	R0	Project rectification was approved for only 255 houses, the houses were in 2017/2018 financial year
HS/0 25	Mgigimbe	9	R2 298 253	R0	R0	R2 298 253	Project at stage 1 close out, KZNDOHS approved stage 2 installation of services construction underway
HS/0 26	Mnyundwini P5	9	R496 928.90	R 400 000	R0	R96 928.90	The project is blocked due to budget constraints. Application for funding alignment submitted
HS/0 27	Monkey Town	17/18	R1 588 322	R0	R 1588 322	R0	Stage 1 application approved by KZNHS project at detailed planning stage
HS/0 28	Nkobongo P1	8	R0	R0	R0	R0	Rectification Programme has been phased out by KZ
HS/0 29	Nkobongo P2	8/22	R0	R0	R0	R0	Rectification Programme has been phased out by KZ
HS/0 30	Nonoti Mouth	3	R1 513 939	R0	R1 000 000	R513 939	The funding from the Inqaba Trust has been approved the Environmentalist will be preparing the documents required for the EIA application. THE project has received the environmental authorization
HS/0 31	Nyathikazi	3	R2 279 900	R0	R2 279 900	R0	KZNDOHS approved stage 1 closeout , and Approved stage 2 application installation of services. Construction underway
HS/0 32	Ntshaweni	26	R20 723 008	R11 005 200	R7 056 000	R2 661 808	Project is at site servicing and construction of houses stage. 10 units on wall plates level.
HS/0 33	Ohlange San Souci	25	R0	R0	R0	R0	This project is still at the initial stage of planning. Application for land acquisition funding was submitted to KZN DOHS and Housing Development Agent.

APPENDIX M(II): CAPITAL EXPENDITURE- UPGRADE/ RENEWAL PROGRAMME *...continued*

PROJECTS IMPLEMENTATION PLAN (IDP): HUMAN SETTLEMENTS							
PROJECTS ID	PROJECT NAME	WARD	ESTIMATED COST 3 YEARS	2019/20 BUDGET	2020/21 BUDGET	2021/2022 BUDGET	STATUS
HS/0 34	Rocky Park	19	R25 559 691	R1 500 000	R11 000 000	R13 059 961	The project was blocked on 2018/19 financial year, the stakeholders have worked very hard to unblock this financial year 19/20 the project has been unblocked and the construction started for the emergency work in 2019/20, funding was approved for construction in 2020/21
HS/0 35	Sakhamkhanya Phase 1	1	R24 329 777	R 10 723 400	R12 142 615	R1463 762	The project is at construction stage 380 units have been completed
HS/0 36	Senzangakho na	18	R0	R0	R0	R0	The project constructed 46 units out of 62, 16 houses remaining the challenge on this project is subsidy administration and there is no space to build new houses
HS/0 37	Shakes head Phase 1	4	R0	R0	R0	R0	The rectification Programme has been phased out by KZ
HS/0 38	Shakes head Phase 2	4	R0	R0	R0	R0	The project doesn't have any more sites to develop 691 houses
HS/0 39	Shakaville Ext	18	R0	R0	R0	R0	The stage 1 The application was approved by KZNHS, and the contract concluded in May 2022 for detailed Planning
HS/0 40	Shayamoya	23	R516 000	R516 000	R0	R0	The project has 200 transfers remaining, funding is in place for the transfer of the remaining properties.
HS/0 41	Sihle Phakathi	24	R6 406 700	R6 406 700	R0	R 0	The project is at the implementation stage (Installation of services)
HS/0 42	Sokesimbone	1,25	R11 838 700	R11 838 700	R0	R0	The project is at close out stage all houses were constructed.
HS/0 43	Steve Biko P1	13,26	R0	R0	R0	R0	The rectification Programme has been phased out by KZ
HS/0 44	Steve Biko P2	13,16,26	R20 120 200	R11 005 200	R0	R9 150 000	The project is at site servicing and Construction of houses

APPENDIX M(II): CAPITAL EXPENDITURE- UPGRADE/ RENEWAL PROGRAMME *...continued*

PROJECTS IMPLEMENTATION PLAN (IDP): HUMAN SETTLEMENTS							
PROJECTS ID	PROJECT NAME	WARD	ESTIMATED COST 3 YEARS	2019/20 BUDGET	2020/21 BUDGET	2021/2022 BUDGET	STATUS
HS/0 45	Vlakspruit	7,21,23,28	R0	R0	R0	R0	Project at Pre- feasibility stage, the project routes (Road) cross over private land the negotiations are ongoing with the landowners and response on availability of Bulks revealed that Bulks will be in 2028
HS/0 46	Blythedale Hills Coastal Resort	3	R0	R0	R0	R0	The project is owned by the private developer
HS/0 47	Rocky Ridge	23	R0	R0	R0	R0	The project has graduated to stage 1 planning approved in May 2022
HS/0 48	Sheffield	22	R0	R0	R0	R0	The project has graduated to stage 1 planning in May 2022
HS/049	Shakashead Gab Housing	04	R0	R0	R0	R0	The project has been advertised for the Property Developer
HS/0 50	Renovations to Compounds	R4500 000	R5 500 000	R 2 000 000	R2000 000	R1 500 000	The project is for the removal of 27 roofs in the Gledhow Compound

APPENDIX N :
CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

SUMMARY CAPITAL EXPENDITURE 2021/22								
BUSINESS UNIT	APPROVED BUDGET	ADJUSTMENTS	ADJUSTED BUDGET	2ND ADJUSTMENT BUDGET	3RD ADJUSTMENT BUDGET	YTD EXP.	YTD %	AVAILABLE BALANCE
OFFICE OF THE MUNICIPAL MANAGER	906 500	800 000	1 706 500	1 706 500	1 706 500	431 121	25,3%	1 275 379
CORPORATE SERVICES	6 086 999	19 056 531	25 143 530	25 143 530	25 143 530	6 396 705	25,4%	18 746 825
FINANCE	150 000	138 484	288 484	288 484	288 484	228 556	79,2%	59 928
EDP	21 989 996	571 764	22 561 760	22 561 760	22 561 760	14 568 902	64,6%	7 992 858
COMMUNITY SERVICES & PUBLIC AMENITIES	50 152 388	(20 671 383)	29 481 005	29 481 005	29 481 005	20 887 093	70,8%	8 593 912
COMMUNITY SAFETY	25 325 000	(15 640 389)	9 611	9 684 611	9 684 611	4 420 565	45,6%	5 264 046
CIVIL ENGINEERING & HUMAN SETTLEMENTS	90 428 422	4 294 053	94 722 474	100 809 429	100 809 429	97 596 684	96,8%	3 212 745
ELECTRICAL ENGINEERING	126 111 748	62 475	126 174 223	126 174 223	126 223	94 654 934	75,0%	31 519 289
YOUTH DEVELOPMENT	250 000	-	250 000	250 000	250 000	155 267	62,1%	94 733
TOTAL	**321 401 053**	**(11 388 466)**	**310 012 587**	**316 099 542**	**316 099 542**	**239 339 827**	**75,7%**	**76 759 715 (24,3%)**

The third adjustment does not show any capital adjustments as there were only operating budget adjustments.

APPENDIX O: CAPITAL PROGRAMME BY PROJECT BY WARD FOR THE 2021/2022 FINANCIAL YEAR

PROJECTS FOR THE 2021/2022 FINANCIAL YEAR UNDER FIRE EMERGENCY				
PROJECT	WARD	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET
Fire Fleet	ALL	15 000 000	12 000 000	10 000 000
2 x 4X4 Single Cab bakkie	ALL	800 000	-	1 000 000
2 x Utility light duty van	ALL	500 000	-	500 000
Emergency Equipment	ALL	200 000	200 000	200 000
Standby Quarters	19	3 000 000	1 000 000	500 000
Emergency Equipment	ALL	200 000	500 000	500 000
Furniture		200 000	100 000	100 000
Fire Station Bay doors (North)	19	200 000	100 000	100 000
Security cameras	19 & 6	200 000	200 000	100 000
Backup Generator (North)	19	200 000	50 000	200 000
Upgrade Radio Network	ALL	200 000	100 000	100 000
Gym Equipment	19 & 6	200 000	200 000	200 000
Computers		70 000	100 000	100 000
Air-conditioning units	19 & 6	70 000	50 000	100 000
2 x 6 metre shipping containers	19 & 6	150 000	-	-

COMMUNITY SERVICES CAPITAL PROJECTS 2021/2022 FINANCIAL YEAR		
PROJECT NAME	WARD NUMBER	BUDGET
RECYCLING AND WASTE BUYBACK CENTRE	All Wards	R 1 000 000
DRY WASTE COMPOSTING STATION	All Wards	R 399 996
TLB BACKHOE	All Wards	R 1 500 000
TIPPER TRUCK	All Wards	R 1 700 000
SKIPS	All Wards	R 600 000
CONSTRUCTION OF CHIEF ALBERT LUTHULI SPORTS COMPLEX	12	R 500 004
CONSTRUCTION OF COMBO COURT	9	R 2 844 750
CHARLOTTEDALE KICK ABOUT	29	R 500 000 (multi-year)
KICK ABOUT	16	R 500 000 (multi-year)
CONSTRUCTION OF COMBO COURT KICK ABOUT	10	R 500 000 (multi-year)
UPGRADE TO BEACH FACILITIES	11, 22	R 2 499 996
UPGRADE TO TIDAL POOL AND SCEPTIC TANK AT TINLEY MANOR	12	R 250 000
NONOTI BEACH NODE DEVELOPMENT	3	R 5 000 004 (multi-year)
SHAKASHEAD SWIMMING POOL GUARDHOUSE	4	R 275 000
SHAYAMOYA SPORTSFIELD	23	R 1 800 000
BEACH ABLUTION WILLARD	6	R 110 000
UPGRADE TO BEACH ABLUTION ZINKWAZI	3	R 170 000
REFURBISHMENT OF COMBO COURT	1	R 1 100 000
BEACH ACCESS MATS FOR WHEELCHAIRS	11, 22	R 850 000
BEACH ACCESS WHEELCHAIRS	All Wards	R 150 000

APPENDIX O : CAPITAL PROGRAMME BY PROJECT BY WARD FOR THE 2021/2022 FINANCIAL YEAR ...continued

COMMUNITY SERVICES CAPITAL PROJECTS 2021/2022 FINANCIAL YEAR		
PROJECT NAME	WARD NUMBER	BUDGET
HALLS SECURITY GATES	2, 3, 4, 15, 20, 27	R 300 000
COMMUNITY HALLS FURNITURE	All Wards	R 200 004
AIRCON FOR HALLS	19	R 600 000
ABLUTION FACILITY AT MALENDA HALL	9	R 1 000 000
REFURBISHMENT OF NKOBONGO HALL	8	R 1 100 000
COMMUNITY HALLS FENCING	12, 9	R 300 000
CITY HALL DEVELOPMENT	19	R 1 500 000
REFURBISHMENT OF DARNALL LIBRARY	2	R 300 000
REFURBISHMENT OF SHAKASKRAAL LIBRARY	28	R 300 000
CEMETERY LAND ACQUISITION	All Wards	R 1 000 000
FENCING OF OLD KDM CEMETERY	12	R 1 000 000
CREMATOR FILTERATION SYSTEM	5	R 7 366 277

HOUSING SUBSIDY SYSTEM ALLOCATION FOR HUMAN SETTLEMENTS 2021/2022:			
NO	WARD	PROJECT NAME	BUDGET
1.	7 & 20	Etete Phase 4	R 13 140 639,00
2.	1	Sakhamkhanya	R 7 669 020,00
3.	15	Groutville0 P1 Chris Hani	R 10 512 511,20
4.	14	Groutville P1 Lloyds	R 7 446 362,10
5.	26	Groutville P1 Ntshaweni	R 7 446 362,10
6.	24	Sihle Phakathi	R 14 690 700,00
7.	9	Mgigimbe	R 8 803 400,00
8.	19	Rocky Park	R 13 173 485,24
9.	13,16,& 26	Steve Biko Phase 2	R 13 637 700,00
10.	3	Nyathikazi	R 7 773 300,00
11.	27	Madundube	R 11 441 116,00
TOTAL			**R 115 734 595,64**

PROJECT AMOUNT	PROJECT	WARD CURRENT YEAR
8 000 000	Sokesimbone Access Road & Stormwater	(Ward 1)
1 000 000,00	Upgrading of Road (Jomba & Zamani)	Ward 2
1 500 000,00	Ward 2 Bridge	Ward 2
2 000 000	Rehab of Panorama drive	Ward 3
3 000 000	Lindelani Main Road (taxi route)	Ward 5
1 000 000	Nkobongo Storm Water Improvement	Ward 7
3 000 000	Gravel Road Upgrade to Blacktop	Ward 8
2 000 000	Rehab of Blythedale Road (Mvoti Drive Tarpon Crescent)	Ward 11
7 398 420,00	Groutville Surface Roads & Stormwater MIG	ward 12
1 527 157,02	Thembeni Roads Upgrade in ward 12 (Rehab)	ward 12
1 000 000	Ward12 Rehab Tinley Manor Rd.(Lagoon Dr. Ocean View Seaview)	ward 12
1 500 000	Internal Roads	Ward 13

APPENDIX O : CAPITAL PROGRAMME BY PROJECT BY WARD FOR THE 2021/2022 FINANCIAL YEAR *...continued*

PROJECT AMOUNT	PROJECT	WARD CURRENT YEAR
6 747 826,09	Waterworks Road Upgrade to Blacktop	Ward 14
2 000 004	Ward 14 Retaining of Lloyds Housing Pr(Walls (Gabion Guard)	Ward 14
1 839 348,61	Rehabilitation of Lloyd Road in Ward 14	Ward 14
4 400 000	Chris Hani Sport field	Ward 15
3 000 000	Rehab. of Valley & Dwaya Drive	Ward 16
6 513 826,17	Dendethu Access Road	Ward 17
4 500 000	Retaining of Wall Road Access and Storm Water in Ward 18	Ward 18
3 000 000	Ward 18 pedestrian bridge linking Lindelani and Shakaville	Ward 18
500 000,00	R 102- Townview link road	Ward 19
500 000,00	Rocky Park link to Testing Station	Ward 19
1 000 000	Chief Albert Luthuli Road	Ward 19
2 000 004	Sheffield Beach Road in	Ward 22
3 000 000	Sheffield Lane Upgrade to Blacktop	Ward 22
1 500 000	Rehab of Hugh Dent Basil Hullet Club Road	Ward 22
500 000	Melville Hall	Ward 24
1 500 000	Melville Stormwater Improvement Gabion lining	Ward 24
2 135 639,51	Mdlebeni Access Roads and Stormwater	Ward 25
1 500 000	Stormwater Culvert	Ward 26
2 499 996	Ward 27 Nyongo Gibeons Rd.	Ward 27
1 400 000	Mellow Wood Hall	Ward 28
2 000 000	Ward 28: Rehabilitation Of Road	Ward 28
6 000 000	Acquisition of Land for new Testing Centre site	ALL
100 000	Motor Licensing/Testing Equipment	ALL
1 500 000	Upgrade of Salt Rock Building	22

CAPITAL PROJECTS BY WARD				
WARD	PROJECTS	FY 2021/22	FY 2022/23	FY 2023/24
	MV refurbishment	R 13 923 106,91	R 4 574 168,00	R 5 148 618,08
13	Lot 14 Switch room Replace 11kV Switchgear	R 3 800 000,00	R -	R -
1,2,3,35	MV Network Upgrades Cluster A	R -	R 358 056,00	R 379 539,36
3,19,27	MV Network Upgrades Cluster B	R 1 023 012,00	R 1 100 000,00	R 1 166 000,00
14,15,24,26	MV Network Upgrades Cluster C	R -	R 358 056,00	R 379 539,36
9,10,11,12,29	MV Network Upgrades Cluster D	R 1 435 512,00	R -	R 300 000,00
7,8,20,23	MV Network Upgrades Cluster E	R -	R 1 200 000,00	R 1 272 000,00
4,6,21,22	MV Network Upgrades Cluster F	R -	R 1 200 000,00	R 1 272 000,00
5,6,16,17,18	MV Network Upgrades Cluster G	R -	R 358 056,00	R 379 539,36
13,15,19	Replace 33kV Cable between Lavopiere and Glenhills and Stanger POS Sub	R 7 376 613,70	R -	R -
12	Tinley Manor 11kV OHL Phase 6	R 287 969,21	R -	R -
	Protection	R 2 000 000,00	R 1 000 000,00	R 1 000 000,00
4,13,15,16,19,21,22	NV Replace Grid Prot Relays 11K P3 430452146	R 2 000 000,00	R 1 000 000,00	R 1 000 000,00

APPENDIX P: SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

No backlogs at schools and clinics during this financial year

APPENDIX Q : SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

BACKLOGS ILEMBE WATER AND SANITATION											
LOCAL MUNICIPALITY	HOUSEHOLDS	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022
Water-Backlog Study Estimates											
KwaDukuza	70 284	6 875	6 613	6 253	6 253	9 119	9 119	9 119	9 119	9 119	9 119
Sanitation- Backlog Study Estimates											
KwaDukuza	70 284	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311

Source: iLembe Water Backlog Study 2007 & Stats SA Community Survey 2016

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

This is contained as Appendix B to the AFS.

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

All returns in terms of Section 71 of the MFMA were made within the stipulated timeframes.

APPENDIX T: NATIONAL AND PROVINCIAL OUTCOME FOR LOCAL GOVERNMENT

The powers and functions of the municipality have been detailed in the annual report under the Municipal Manager's Executive Summary Sections c) Sharing of Functions with Sector Departments and e) Municipal Overview, of the 2021/2022 Annual Report.

KWADUKUZA
MUNICIPALITY

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