



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

ANNUAL REPORT 2024-2025

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General Information

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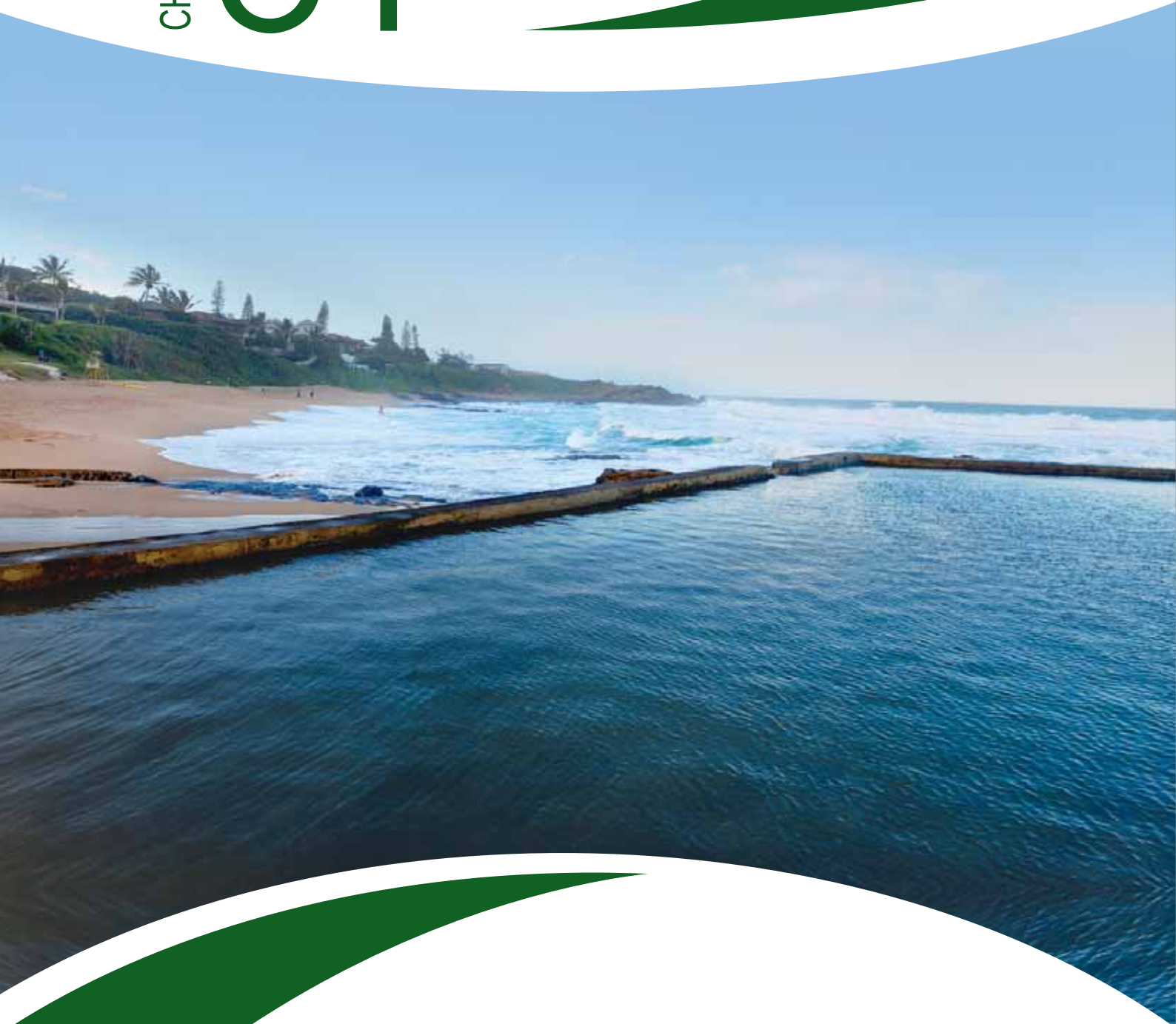


Abbreviations

AFS	Annual Financial Statements
AGSA	Auditor General South Africa
AMR	Automatic Meter Reader
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
DMAF	Municipal Disaster Management Advisory Forum
DM	District Municipality
DGDP	District Growth Development Plan
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
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
ISU	Integrated Settlement Unit
IGR	Intergovernmental Relations
IT	Information Technology
KZN	KwaZulu Natal

KPA	Key Performance Area
KPI	Key Performance Indicator
KDM	KwaDukuza Municipality
LED	Local Economic Development
LPU	Large power user
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
MTREF	Medium Term Revenue & Expenditure Framework
NDP	National Development Plan
NGP	New Growth Path
NYDA	National Youth Development Agency
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
SDG	Sustainable Development Goals
SMME'S	Small Medium Micro Enterprises
SPLUMA	Spatial Land Use Management Act
TRU's	Temporary Residential Units
WSP	Workplace Skills Plan
WULA	Water Use License Application
YES	Youth Employment Services

CHAPTER 01



1.1 MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR'S FOREWORD

Mayor of KwaDukuza Municipality

Cllr. M E Ngidi



The financial year under review has been marked by significant milestones and challenges at a time where we cast out sight in navigating complex global and local dynamics.

As we celebrate 29 years of local government and 31 years of South Africa's democratic journey, we reflect upon our achievements with gratitude and confront our challenges with determination.

The impacts of climate change continue to test our resilience, with unpredictable weather patterns affecting our infrastructure and communities. This is coupled with severe economic pressures, including rising costs of living, underscoring the urgency of delivering equitable and sustainable services, particularly the most vulnerable but who chose to be more resilient.

Despite these setbacks, KwaDukuza Municipality continues to solidify its reputation as a prime investment destination, and this is evidenced by the significant economic growth along the coastline.

We welcomed transformative projects, including the expansion of the Club Med Coastal Resort and new commercial developments that have beef-up our local economy. These initiatives are creating jobs and

are re-igniting investor confidence which positions KwaDukuza as a hub for tourism and economic investments. Our infrastructure investments, such as the ongoing upgrades to the Dukuza Substation and enhancements to public transport facilities, truly reflect our ambitions of building a resilient and economically friendly municipality.

Our financial stewardship has remained a cornerstone of our success. In the year under review, we were recognized at the 2025 Municipal Excellence Awards for outstanding financial management. Accordingly, such accolades affirm our dedication to fiscal discipline, transparency, and operational excellence.

As we look to the future, our vision is to transform KwaDukuza into a world-class destination that balances economic prosperity with social equity. Together, we will continue to build a KwaDukuza that inspires pride and opportunity for all.

A handwritten signature in black ink, appearing to read 'M E Ngidi', written over a horizontal line.

M E Ngidi
Mayor of KwaDukuza Municipality

EXECUTIVE SUMMARY

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 six provincial priorities that address several 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 indicated in the table below:

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;
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.

Table 1: PGDS Strategies

KwaDukuza Municipality IDP serves as a strategic guide during the term of office of the current councillors. It is based on the issues articulated by the stakeholders and is aligned with the national and provincial development imperatives such as the National Development Plan (NDP) and the Provincial Growth the Development Strategy (PGDS). Its objectives are as follows:

- To guide decision making in respect of service delivery and public sector investment.
- To inform budgets and service delivery programs of various government departments and service agencies.
- To co-ordinate the activities of various service delivery agencies within KwaDukuza Municipality area of jurisdiction.
- To engage communities and other key interested and affected parties in municipal affairs, particularly continuous integrated development process.
- To position the municipality to make a meaningful contribution towards meeting the district and provincial development targets and priorities.

KwaDukuza Municipality strategic focus is influenced by the Sustainable Development Goals (SDG), NDP, PGDS, District Growth Development Plan (DGDP), KwaDukuza Municipal Development Goals and municipal vision which is aimed at optimum utilisation of available resources and potentials to create an enabling environment and sustainable development which promote quality of life for all while capitalizing on our competitive advantages. The following table shows the KZN PGDS Strategic Framework.

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 4 th Industrial Revolution and the integrated E-government services.		2, 3, 4	5, 7	4

Table 2: KZN PGDS Strategic Framework

PARTICIPATION IN THE IDP PROCESS

(i) 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.

(ii) 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. In this financial year, The IDP Steering Committee (which takes form also in Good Governance Committee was held on September 2024 and in February 2025 as well.

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

In this financial year, **The IDP Representative Forum (IDPRF) Meeting** was held on the 9th of May 2024, 27th of November 2024 and 04th of April 2025.

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.
- Engaging the Traditional Authorities on a local developmental plan.

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 in pertaining to the IDP implementation.

Advertising Platform used in Publishing IDP/ PMS/Budget/Activities

Local newspapers (i.e., North Coast Courier, Stanger Weekly, Xpress Times, Dolphin Coast Mail) were used interchangeably to publish and/or inform the local community of the progress on the IDP, PMS and Budget Processes. The table below represents the print media/ newspapers, activities and dates published:

HEADING	DATE	ADVERTISING PLATFORM
Adoption of the final 2024/25 Integrated Development Plan	May-24	Municipal website, social media platforms and local newspaper
KwaDukuza Draft IDP, PMS and Budget Process Plan 2025/26	July-24	Municipal website, social media platforms and local newspaper
Final IDP, PMS & Budget Process Plan 2025/26	August-24	Municipal website, social media platforms and local newspaper
Adoption of the Draft 2025/26 Integrated Development Plan and comments	March-25	Municipal website, social media platforms and local newspaper
Mayoral Izimbizo/Roadshow for the presentation of the Draft Budget and IDP for the 2025/26 Financial Year.	Apri-25	Municipal website, social media platforms and local newspaper
Adoption of the finale 2025/26 Integrated Development Plan	May 25	Municipal website, social media platforms and local newspaper

Table 3: IDP/BUDGET/PMS advertising platform

MUNICIPAL CHALLENGES AND PROPOSED IDP INTERVENTIONS ON BASIC SERVICE DELIVERY (BSD)

Challenges and Interventions on Basic Service Delivery linked to Key Performance Areas

NO.	CHALLENGES/COMMUNITY NEEDS IDENTIFIED	IDP INTERVENTIONS
KPA -1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT		
1	Lack of skills required by the municipality and local economy.	• Expedite efficient operational and relevant courses as offered by Chief Albert Luthuli Skills Centre and Umfolozi FET college; • Emphasis on scarce skills development utilizing both KDM's External and Internal Bursaries programs; • Co-ordinate and facilitate the placements of learners who are partaking in learnerships with various host employers; • Implement KDM's Internship programme by ensuring that each business unit essentially hosts a minimum of five (5) graduates per annum; • Facilitate and co-manage various government skills development initiatives such as tourism safety monitor etc.; and • See to the implementation of Council retention programme.
2	Low figures of women appointed into managerial positions and noncompliance with equity targets.	• Adhere to the implementation of gazette Employment Equity Plan; • Embark on target recruitment so as to accomplish equity targets for less represented groups within Council including those from the coloured and white communities; • Provide a dedicated programme to develop and benefit women talent.
3	An abundance of overtime worked unproductivity and unsupervised municipal staff.	• Introduce and implement shift systems with a view to curb overtime and enhance productivity; • Fast-track the filling of vacant, new and/or attrition posts. • Ensure compliance with the overtime management plan per BU as well as adherence to the Basic Conditions of Employment Act (BCEA); and • Cascade performance management to lower positions of Council.
4	Poor ICT network, support and continuous use of manual systems to process certain applications by BU.	• Invest in the ICT network and off-site disaster recovery facility; • Strengthen the capacity of the ICT Unit by ensuring that critical posts are filled as well as improve general governance issues; • Ensure full implementation of EDP EDRMS and Planning Tracking System; • Support the introduction of electricity application system and SCADA System, • Establish panels to ensure that ICT equipment's and software are provided.
KPA-2: FINANCIAL VIABILITY AND MANAGEMENT		
1	Limited revenue sources and poor collection of debts, which in turn leads to budgetary constraints that adversely impact the financing of various interventions.	• Fast-track and ensure tight implementation of Council credit policy; • Concentrate on revenue enhancement projects led by various BU; • Curb Electrical/Energy Loss through implementing disconnections and continuous meter audits; • Embark on accounts data cleansing project; • Implement approved KwaDukuza Revenue Policy, • Ensure that the Debt and Revenue Enhancement Committee functions to its maximum; and • Implement Debt Incentive Scheme.
2	Failure to deal with irregular expenditure and abuse of section 36 of the MFMA.	• Fast-track the completion of award of section 78 (PPP) project for waste-collection; • Implement and enforce compliance with applicable legislation to avert irregular expenditure; • Reduce section 36 appointments through the establishment of a panel of service providers to attend to emergencies; and • Ensure that there is implementation of consequential management for non-compliance with Council policies and legislation.

MUNICIPAL CHALLENGES AND PROPOSED IDP INTERVENTIONS ON BASIC SERVICE DELIVERY (BSD) ...continued

Challenges and Interventions on Basic Service Delivery linked to Key Performance Areas ...continued

NO.	CHALLENGES/COMMUNITY NEEDS IDENTIFIED	IDP INTERVENTIONS
KPA-3: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT		
1	Poor public street lighting.	• Roll-out maintenance of streetlights using the panel of service providers and internal staff; • Roll-out retrofitting of existing streetlights 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 • Utilization 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 mobilize 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.	• Finalize and implement the recommendations of section 78 study (PPP); • Provide additional skips; • Promote community waste management initiatives using utilizing programs 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.
KPA-4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION		
1	Dysfunctional Ward Committees and lack of public meetings.	• Provide on-going support to Ward Committees to improve their performance through training and ward committee meetings, • Ensure that all Ward Councillors conduct their quarterly meetings with the members of the public; • Ensure that stakeholder forums i.e. (IDP Rep Forum, LED Forum, OSS/ War Rooms, Youth Forums, Gender and Disability, HIV-Aids Local Council etc.) are functioning properly and report to Council on quarterly basis; and • Strengthen the use of communication platforms (e.g. websites, social media and municipal publications) to communicate and receiving of feedback from the community.
2	Deal with the perception of corruption and stagnant audit outcomes.	• Build capacity of Internal Audit to provide on-going assurance services to Council; • Ensure that Anti-fraud hotline is working and known by the public; • Conduct ongoing staff and community awareness on fraud and corruption policies of Council; • Implement consequential management against those who breach Council policies and laws of the Republic of South Africa; and • Encourage the public to attend Council meetings and participate in Annual Oversight report processes.

MUNICIPAL CHALLENGES AND PROPOSED IDP INTERVENTIONS ON BASIC SERVICE DELIVERY (BSD) ...continued

Challenges and Interventions on Basic Service Delivery linked to Key Performance Areas ...continued

NO.	CHALLENGES/COMMUNITY NEEDS IDENTIFIED	IDP INTERVENTIONS
KPA-5: LOCAL ECONOMIC DEVELOPMENT		
1	High unemployment rates amongst youth and women in KwaDukuza. Propensity of Local businesses to employ people from outside KwaDukuza.	• Expedite the establishment of NYDA District Office; • Expedite the establishment of YES Office within KwaDukuza; • Expedite and enter into social compact agreements with Investors/Developers to prioritise appointment of KwaDukuza residents when there are job opportunities; and • Ensure that all projects adhere to EPWP principles and the implementation thereof.
2	Untransformed economy and few business opportunities made available to local emerging businesses. This challenge has led to the formation of business forums which violently demand work opportunities.	• Focus on the promotion of direct investment through minimizing development approval red-tape and provision of incentive (rates rebate); • Provide start-up support to SMMES/Cooperatives involved in the manufacturing sector; • Implement Nokukhanya Luthuli tourism prescript business plan; • Implement emerging contractor's development programme; • Promote and support SMMES that are involved in the innovation and technology business; • Promote green economy; • Implement Target Procurement and enforce meaningful sub-contracting in all municipal contracts exceeding R4 million in value; and • Review and adopt KwaDukuza LED Plan.
3	Increased crime which threatens community safety and investment to the area.	• Partner with private sector and community based organizations for the installation of vehicle identification cameras; • Partner with private security companies and SAPS to fight crime by undertaking joint enforcement blitz and sharing crime intelligence; • Develop and adopt KwaDukuza Crime Strategy; KDM FINAL IDP 2022/23 • Strengthen the functioning of Community Policing Forums; • Focus on targeting school crime awareness programs; • Ensure the implementation of Council by-laws; and • Improvement on the functioning of Council CCTV camera's project.
KPA-6: CROSS CUTTING INTERVENTIONS		
1	Delay in approving building plans and town planning applications.	• Finalize the implementation of Development and Building Plans application reforms with assistance of World Bank/Vuthela LED Programme; • Enter into SLA with all BUs ED who have a responsibility to comment on applications; • Ensure proper functioning of the Development Assessment Committee; • Attend to all public complaints regarding delays within 7 days of receiving such complaints. • Hasten the implementation of all EDRMS Modules and the introduction of Plan Tracking System; and • Continue to have sessions with professionals /agents on a quarterly basis to deal with issues of common interest.
2	Poor enforcement of environmental laws and inadequate knowledge on climate change effects to our communities.	• Increase staff members who are trained and designated as Environmental Management Inspectors by the MEC; • Provide on-going community awareness programmes on climate change and environmental management; • Implement approved KwaDukuza Green buildings guidelines and KwaDukuza Low Carbon Emission Strategy; and • Identify and implement community resilience projects; • Partner with Green Scorpions/ Department of Minerals Resources to enforce against illegal sand miners along Umvoti River; • Encourage mainstreaming of green/climate proof projects by all municipal business units; and • Provide support and guidance to internal departments to comply with applicable legislation when implementing their projects.

Table 4: Challenges and Interventions on Basic Service Delivery



Municipal Manager's Foreword

Municipal Manager:
Mr. NJ Mdakane

I am honoured to present a high-level summary into the 2024-2025 Annual Report which mirrors our commitments to good governance and highlights the administrations achievements and operational successes.

Over the past year, our administration has demonstrated resilience and excellence in executing its vision of becoming a thriving city. A key highlight is our audit outcome for the 2024-2025 financial year, where we obtained an unqualified audit opinion with no material findings from the Auditor-General of South Africa. This outcome highlights our rigorous financial controls, accurate reporting, which positions us among the top-performing municipalities in the country. Our sustained approach on compliance and accountability has also earned us recognition which re-affirms the strength of our administration.

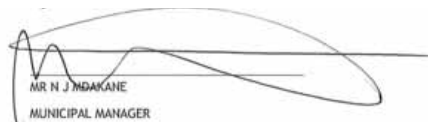
The implementation of the Supervisory Control and Data Acquisition (SCADA) system is enhancing our electricity network's efficiency, and significantly reducing energy losses compared to the previous year. The administration is forging ahead with the Dukuza Substation Project in order to deal with energy losses. Additionally, our infrastructure team completed upgrades to the KwaDukuza Taxi Rank, with R17.7 million, and allocated R6.5 million to enhance the Ballito Taxi Rank.

Our waste management initiatives have been a standout success, with the Best Waste Management

Outreach Programme award recognizing our innovative community engagement strategies. These efforts led to a 15% increase in recycling rates across our rural areas. We also improved revenue collection by 10% through streamlined billing processes and targeted debt reduction strategies, enabling us to fund critical infrastructure projects without increasing municipal debt.

As we move forward, we remain committed to enhancing administrative efficiency, leveraging technology, and collaborating with stakeholders to deliver sustainable services.

Looking ahead, we remain steadfast towards progress to deliver citizen focused services. I extend my gratitude to our councillors, staff, and stakeholders for their tireless efforts.



MR N J MDAKANE
MUNICIPAL MANAGER

Mr. NJ Mdakane
Municipal Manager

EXECUTIVE SUMMARY

a) Previous Financial Years Auditor General South Africa's Audit Opinion

KwaDukuza Municipality received its 19th unqualified audit report for the 2023/24 financial year with emphasis on the following matters:

- **Material impairments – receivables from exchange and non- exchange transactions**

As disclosed in note 9 to the financial statements, the municipality recognised provision for impairment of R78.90 million (2022-23: R73.49 million) as the recoverability of these amount was doubtful.

As disclosed in note 10 to the financial statements, the municipality recognised provision for impairment of R239.41 million (2022- 23: R229.52 million) as the recoverability of these amount was doubtful.

- **Material losses- electricity**

As disclosed in note 52 to the financial statements, material electricity losses of 181 278 588 kwh (2022-23: 172 096 301 kwh) amount to R321.19 million (2023-24: R262.54 million) were incurred, which represents 25.67% (2022-23: 25.39%) 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.

b) 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 2024/2025 to 2026/2027 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 unaudited current ratio for the 2024/2025 financial year is 1.92:1. One of the main reasons for a low current ratio, is the significant amount of unspent conditional Municipal disaster grants. This liability reduces the ratio. The unspent conditional grants are fully cash backed in various bank accounts in cash and cash equivalents. Hence the municipality is in good financial health and can pay off short-term debt.

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.

c) Revenue trend by source including borrowings

Long term loans bear interest at 9.73% to 10.42%. The costs of borrowings have a definite impact on the budget. It is expected that regular marginal increases in rates can be expected throughout 2024/2025 to 2025/2026 MTREF. Of the approved adjusted capital budget for 2024/2025 of R616.4m, no cost of borrowings has been provided for in the municipal budget in the Medium-Term Revenue and Expenditure Framework.

Kwa-Dukuza Municipality did not take up any new loans in the 2024/2025 financial year, however the municipality must honour all its loan obligations timeously. Failure to effect prompt payment will adversely affect the raising of future loans at favourable 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.

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

d) Assessment By The Accounting Officer On Arrears

Description	Total Debt R'	Provision for Impairment R'	Net debt R'
Long term receivables	2 473 591	(2 032 261)	441 330
Current portion of long-term receivables	93 663	-	93 663
Receivables from Exchange Transactions	413 662 577	(77 890 888)	335 771 688
Receivables from Non- Exchange Transaction	454 303 550	(246 434 832)	207 868 718
TOTAL	870 533 381	(326 357 981)	544 175 399

Table 5: Total debtors as of 30 June 2025

Total net debtors' amount to R544 175 399 as at 30 June 2025 (R502 523 291 for 2024). This represents a year-on-year increase of 8%.

A significant number of accounts in arrears do not have conventional or prepaid meters, as they are either bulk-metered or supplied directly by Eskom. This limits the Municipality's ability to disconnect services, leaving no effective leverage to encourage settlement or payment arrangements. Many accounts already handed over for legal recovery remain unresolved, as the process is lengthy and is reliant on the Legal system to conclude proceedings.

Trusts and unreported deceased estates continue to pose challenges, particularly in tracing and holding liable parties accountable for payment as the law requires that service of summons may only be on Trustees/Executors of Estates. Businesses and households are still recovering from the impact of the poor economic conditions and natural disasters that affected businesses and households in KwaZulu-Natal. As a result, there has been an increase in businesses going under liquidation and closure of businesses due financial strain in the country.

Rising interest rates and escalating costs of basic services have further reduced household disposable income, placing additional pressure on debtors to maintain regular payments. Council remains committed to strengthening debt collection and credit control systems to decisively reduce outstanding debt. This function has become increasingly vital in light of the difficult economic conditions currently affecting households, businesses, and municipalities alike.

e) Sharing of functions with Sector Departments Project: List for 2024/2025

Province of KwaZulu Natal – Department of Education					
PROJECT NAME	IMPLEMENTING AGENT	TOTAL PROJECT COST	2024/2025	2025/2026	2026/2027
ALDINVILLE SENIOR PRIMARY SCHOOL	IDT	R5,200,000	R -	R -	200,000
ASHVILLE PRIMARY SCHOOL	KZND OE	R8,000,000	R -	R160,295	236,800
BANGUNI SECONDARY SCHOOL	PUBLIC WORKS	R3,898,000	R -	R1,776,744	712,978
BANGUNI SECONDARY SCHOOL	PUBLIC WORKS	R1,150,000	R134,000	R -	0
DARNALL PRIMARY SCHOOL	PUBLIC WORKS	R 3,906,000	R -	R 1,685,920	670,578
DARNALL SECONDARY SCHOOL	PUBLIC WORKS	R 13,222,676	R -	R 2,475,225	1,141,989
DR B W VILAKAZI PRIMARY SCHOOL (GROUTVILLE)	PUBLIC WORKS	R 6,784,388	R -	R 1,284,388	500,000
ETETE PRIMARY SCHOOL	COEGA	R 6,500,000	R -	R 442,767	1,875,084
GLEDHOW PRIMARY SCHOOL	PUBLIC WORKS	R 3,928,000	R -	R 1,726,555	697,887
HARRY BODASING PRIMARY SCHOOL	IDT	R 5,186,000	R -	R 55,549	782,278
HULSUG PRIMARY SCHOOL	DBSA	R 1,600,000	R -	R 401,062	468,508
IMBUYISELO SECONDARY SCHOOL	PUBLIC WORKS	R 3,940,000	R 2,844,502	R 1,684,537	670,178
IMFUNDUYETHU CRECHE	IDT	R 400,000	R -	R 300,000	300,000
INKOSI ALBERT LUTHULI SECONDARY SCHOOL	PUBLIC WORKS	R 2,400,000	R -	R 246,274	212,124
IZIPHOTHETHU PRIMARY SCHOOL	PUBLIC WORKS	R 2,900,000	R -	R 1,602,477	595,578
KHUTHALANI INTERMEDIATE SCHOOL (STANGER)	PUBLIC WORKS	R 3,948,000	R 1,883,613	R 1,731,947	717,978
KWADUKUZA PRIMARY SCHOOL (GRAMMAR ST)	PUBLIC WORKS	R 3,950,000	R -	R1,717,977	700,578
LEE PRIMARY SCHOOL	IDT	R4,000,000	R 750,000	R 94,994	663,678
LETHITHEMBA SECONDARY SCHOOL	PUBLIC WORKS	R 5,014,124	R 129,000	R -	0
LLOYD PRIMARY SCHOOL (PHASE ONE)	IDT	R 62,457,478	R 216,886	R -	0
LLOYD PRIMARY SCHOOL :PHASE TWO	IDT	R 78,650,000	R 3,208,214	R 2,822,326	2,595,336
LUBISANA PRIMARY SCHOOL	DBSA	R 4,250,000	R -	R 628,569	748,178
LUBISANA PRIMARY SCHOOL	DBSA	R 4,932,371	R 101,000	R -	0
M L SULTAN STANGER SECONDARY SCHOOL	PUBLIC WORKS	R 4,046,000	R -	R 1,738,987	682,507
MAGUYANA PRIMARY SCHOOL	PUBLIC WORKS	R 3,970,000	R -	R 1,731,177	712,578
MBEKAMUSI COMBINED SCHOOL	PUBLIC WORKS	R 3,982,000	R -	R 625,568	713,578
MGIGIMBE PRIMARY SCHOOL	IDT	R 4,111,857	R 1,472,115	R -	0
MGIGIMBE PRIMARY SCHOOL	PUBLIC WORKS	R 4,372,608	R -	R 437,261	0
MGQWABAGQWABA PRIMARY SCHOOL	PUBLIC WORKS	R 3,988,000	R 580,000	R 629,751	721,978
MGQWABAGQWABA PRIMARY SCHOOL	PUBLIC WORKS	R 5,851,412	R 102,000	R -	0
NEW GUELDERLAND INTERMEDIATE SCHOOL	PUBLIC WORKS	R 3,996,000	R 1,999,091	R 597,960	713,448
NYAKANA INTERMEDIATE SCHOOL	IDT	R 4,012,000	R -	R 100,745	661,103
OSIZWENI PRIMARY SCHOOL	PUBLIC WORKS	R 4,016,000	R -	R 670,079	724,778
OSIZWENI PRIMARY SCHOOL	PUBLIC WORKS	R 1,900,000	R -	R 275,689	144,373
PROSPECT FARM PRIMARY SCHOOL	DBSA	R 4,020,000	R -	R 3,424,822	595,178
PROSPECT FARM PRIMARY SCHOOL	PUBLIC WORKS	R 6,164,241	R -	R 485,142	679,099

e) Sharing of functions with Sector Departments Project: List for 2024/2025 *...continued*

Province of KwaZulu Natal – Department of Education					
PROJECT NAME	IMPLEMENTING AGENT	TOTAL PROJECT COST	2024/2025	2025/2026	2026/2027
QOQULWAZI SECONDARY SCHOOL	PUBLIC WORKS	R 4,022,000	R -	R 630,813	717,578
RADHA ROOPSINGH PRIMARY SCHOOL	PUBLIC WORKS	R 4,026,000	R 1,402,600	R 885,177	717,978
RAMLAKAN PRIMARY SCHOOL	PUBLIC WORKS	R 4,028,000	R -	R 893,521	719,953
RICARDO MTHEMBU SECONDARY SCHOOL	KZND OE	R 15,415,000	R -	R -	1,291,500
SHAKASKRAAL PRIMARY SCHOOL	PUBLIC WORKS	R 4,032,000	R -	R 630,708	718,578
SHAKASKRAAL PRIMARY SCHOOL	IDT	R 76,700,000	R -	R 221,569	2,955,514
SIBANISETHU PRIMARY SCHOOL	PUBLIC WORKS	R 37,143,375	R -	R 122,478	46,067
SIBANISETHU PRIMARY SCHOOL	PUBLIC WORKS	R 4,948,591	R 107,000	R -	0
SIFUNULWAZI CRECHE	IDT	R 9,440,000	R -	R 260,000	1,853,584
SINENHLANHLA SECONDARY SCHOOL	PUBLIC WORKS	R 4,144,000	R -	R 456,503	414,400
SIZANI INTERMEDIATE SCHOOL	IDT	R 4,038,000	R -	R 103,256	667,478
STANGER HIGH SCHOOL	PUBLIC WORKS	R 4,044,000	R 1,266,516	R 892,907	727,578
STANGER MANOR SECONDARY SCHOOL	COEGA	R 58,242,636	R -	R 351,280	1,963,582
STANGER SECONDARY SCHOOL	PUBLIC WORKS	R 59,088,075	R -	R 1,155,218	6,086,448
STANGER SOUTH SECONDARY SCHOOL	PUBLIC WORKS	R 2,000,000	R 852,394	R 741,753	523,178
STANGER TRAINING CENTRE	COEGA	R 88,637,410	R -	R 822,326	3,318,759
TINLEY MANOR PRIMARY SCHOOL (PHASE 2)	IDT	R 63,720,000	R 769,000	R 1,822,326	2,256,040
TSHELABANTU COMBINED PRIMARY SCHOOL	PUBLIC WORKS	R 5,033,514	R 107,000	R -	0
TSHELENKOSI SECONDARY SCHOOL	IDT	R 2,900,000	R -	R 778,147	553,678
UMHLALI PREPARATORY SCHOOL	PUBLIC WORKS	R 4,064,000	R -	R 643,170	729,578
ZILUNGISELE INTERMEDIATE SCHOOL	PUBLIC WORKS	R 4,072,000	R -	R 911,565	653,695

Table 6: Sharing of functions with Sector Departments Project: List for 2024/2025

DEPARTMENT OF TRANSPORT					
Local Municipality	IDMS Project Status	Project End Date	MTEF Year 1 2024/25	MTEF Year 2 2025/26	MTEF Year 3 2026/27
KwaDukuza Local Municipality	Stage 5 works 0 to 25%	10/25/2026	R 20,000,000.00	R 44,692,148.00	R 1,000,000.00
	Stage 1 Project Initiation	1/17/2029	R 400,000.00	R 100,000.00	R 6,728,412.00
	Stage 1 Project Initiation	8/2/2028	R 200,000.00	R 5,300,000.00	R 13,100,000.00
	Stage 5 works 0 to 25%	10/25/2026	R 6,054,977.00	R 16,069,898.88	R 1,250,000.00
	Total		R26 294 977	R66062046.90	R22 078 412

Table 7: DOT List

ESKOM ILEMBE DM INFRASTRUCTURE PLAN	
Project Name	Schedule Completion Date
Sundumbili NB50 VR Installation (electrification)	2026
Sundumbili NB 32 VR Installation (electrification)	2026
Mangethe Additional Recloser	2025
Driefontein - Dukuza SS	2026
Driefontein 33/11 5MVA to 10MVA upgrade	2027
Madungela SS new Switchroom	2027
Madungela 11/22kV Transformer Upgrade	2028

Table 8: ESKOM List

f) Municipal Overview

1.3.1 VISION

"By 2030, KwaDukuza shall be a vibrant city completing 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.

NO.	Legislation	Mandate
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
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.

Table 9: Legislative Mandates

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 and ECONOMIC PROFILE

ECONOMIC

The economy of KwaDukuza Local Municipality is diverse, with sectors such as agriculture, tourism, manufacturing, and services playing significant roles. The main economic drivers include;

- **Agriculture:** The region's economy is significantly bolstered by agriculture, with sugar cane plantations being the predominant land use. The fertile lands support extensive sugar production, contributing notably to both local and national markets.
- **Manufacturing:** KwaDukuza hosts various industrial activities, particularly in the manufacturing sector. Key industries include sugar processing and paper milling, which are vital to the municipality's economic landscape.
- **Tourism:** The municipality's picturesque coastline, known as the Dolphin Coast, is a major attraction. Coastal towns such as Ballito, Salt Rock, and Zinkwazi Beach draw tourists with their pristine beaches and recreational facilities, making tourism a pivotal economic contributor. Tourism Highlights of the local municipality include;
- **Historical Significance:** KwaDukuza is rich in history, being the site of King Shaka's royal settlement, Dukuza. The area offers cultural and historical sites that provide insight into the Zulu heritage.
- **Natural Attractions:** The region boasts several nature reserves, including the Harold Johnson Nature Reserve, offering opportunities for wildlife viewing, hiking, and experiencing the area's biodiversity.
- **Recreational Activities:** The Dolphin Coast is renowned for its excellent fishing spots, surfing conditions, and annual events like the Ballito Pro surfing competition, attracting both locals and international visitors.

DEMOGRAPHIC

2011, 2016 and 2022 Census data.

	2022	2016	2011
Population	324 912	276 719	231 125
Age structure - Population under 15	24.7%	27.7%	29.0%
- Population 15 to 64	68.9%	67.4%	66.7%
- Population over 65	6.4%	4.9%	4.3%
Dependency Ratio Per 100 (15-64)	45.2	48.4	50.0
Sex Ratio Males per 100 females	93.1	97.5	97.5
Population Growth Per annum	3.31%	4.09%	n/a

Table 10: Demographic Profile

CHAPTER 02



**Political, Administrative
Governance and
Basic Service Delivery**

2.1 COMPONENT A: Political and Administrative Governance

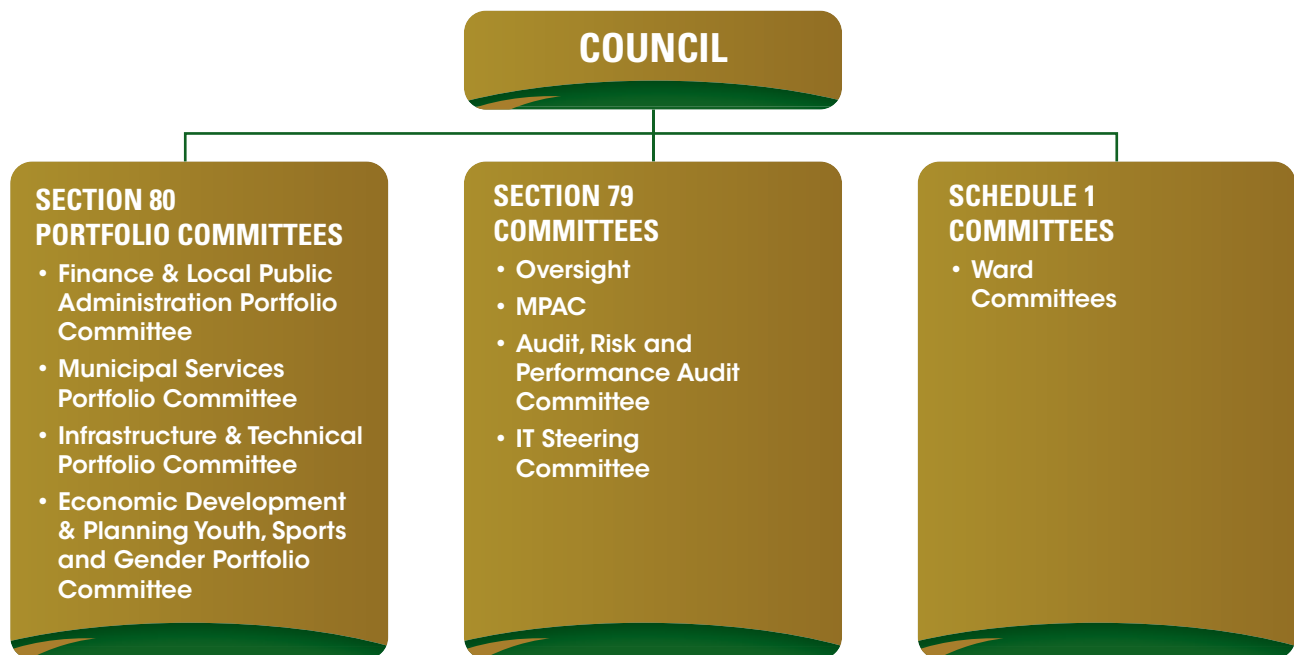
2.1.1 Political Governance Structure

After the 2021 Local Government Elections, KwaDukuza Municipality's wards were increased from 29 to 30 wards while councilors increased from 57 seven to 59. KwaDukuza full Council meets monthly 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. Those committees research issues and find all the necessary facts before these issues are submitted for discussion in full council meetings. The portfolio committees deliberate on issues and then make recommendations to EXCO and the full Council, for the latter to take decisions. The four portfolio committees, as gazetted, are as follows:

- Finance & Local Public Administration Portfolio Committee.
- Economic Development, Planning, Special Programs and Youth Affairs.
- Municipal Services Portfolio Committee.
- Infrastructure and Technical Portfolio Committee

KDM GOVERNANCE FRAMEWORK DEPICTED AS FOLLOWS:



THE POLITICAL STRUCTURE

Council Sitzings

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

1. 28 African National Congress Councilors.
2. 4 Inkatha Freedom Party Councilors.

3. 9 Democratic Alliance Councilors.
4. 4 Economic Freedom Fighter Councilors.
5. 5 Independent Party Councilors.
6. 5 Actionsa Councilors
7. 1 ACDP Councilor
8. 1 AIC Councilor
9. 1 ATM Councilor
10. 1 MKP

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 optimize 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 unauthorized, 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 Councilors in the decision-making processes of the Council and its Committees, all Councilors 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 Councilors. 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 & Local Public Administration 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 committees 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



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.



Councillor ME Ngidi was appointed as the Mayor on the 5/11/2024 replacing Cllr OL Nhaca.

The mayor is elected by Council to co-ordinate the work of Council.

He is the Political Head of Council. The mayor performs functions and duties as set out in the legal framework for Municipalities. He also performs duties as delegated to her by Council. The deputy Mayor assumes the delegated duties of the mayor in his 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.

EXECUTIVE COMMITTEE MEMBERS



Cllr. ME Ngidi
Mayor



Cllr N Cele
Deputy Mayor



Cllr OL Nhaca



Cllr C Mdletshe



Cllr MM Mthiyane



Cllr P. Makhan



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.	1. To invest in skills development 2. To enhance organisational performance
Good Governance and Public Participation	Governance and Policy	An efficient, effective and development oriented public service. Deepen democracy through a refined 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.	1. To ensure co-ordination and alignment of developmental programmes of the municipality with other spheres of government 2. To involve local communities in matters of local government 3. To ensure effective and efficient integrated legal and advisory Legal Services for Council 4. To provide effective and efficient Internal Audit services for Council 5. To ensure compliance with the laws and regulations 6. To enhance organisational performance 7. To identify, assess and manage key risks of which organisation is exposed to 8. To perform follow-ups on implementation of action plans 9. To address oversight requirements of risk management and institution's performance with regards to risk management 10. To ensure co-ordinated effort for the implementation of positive impact towards behaviour change. 11. To streamline empowerment and development of vulnerable groups (11)

KEY PERFORMANCE AREA	KZN PGDS	OUTCOME 9	KDM GOALS	STRATEGIC OBJECTIVE of the IDP
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	1. To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed 2. To develop a prosperous, inclusive, transformative and diverse local economy (2)
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	1. To involve local communities in matters of local government 2. To facilitate provision of formal housing through construction of high-quality houses. 3. To ensure fair, transparent and compliant housing beneficiary management system. 4. To restore human dignity through asset ownership 5. To ensure that all citizens have an electricity service connection 6. To ensure that energy losses are reduced within legislated guidelines 7. To maintain and upgrade existing municipal infrastructure 8. To ensure that all households have access to roads 9. To ensure safety to road users 10. To ensure that the community has access to functional public amenities 11. To provide access to basic municipal services to all citizens 12. To provide access to basic solid waste services to all citizens 13. To ensure that the community has access to licensed burial facilities (13)

KEY PERFORMANCE AREA	KZN PGDS	OUTCOME 9	KDM GOALS	STRATEGIC OBJECTIVE of the IDP
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.	1. To contribute to a safe and secure environment 2. To ensure municipal budget complies with MFMA and Treasury regulations 3. To improve expenditure on Municipal Infrastructure Grant (MIG) allocation 4. To improve expenditure on Capital Budget. 5. To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes 6. To ensure that the revenue of the municipality is collected and accounted for. 7. To ensure proper Asset Management in line with prevailing accounting standards. 8. To ensure that at least of 45% of procurement is awarded to designated sectors i.e., Youth, Women and disabled. 9. To ensure financial viability of the municipality. (9)
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	1. To contribute to a safe and secure environment. 2. To prevent and reduce the impact of disasters within KDM jurisdiction 2. Developing and sustaining the spatial, natural and built environment. 3. Promote and support Low Carbon Development Path 4. To promote economic growth by creating an enabling environment for SMME 5. To provide educational guidance to local citizen's development. 6. To involve local communities in matters of local government (repeat) (6)
KPA'S 6	6	11	10	41

Table 11: High Level Goals for KDM Per Key Performance Area

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 & Human Settlements, Community Services and Public Amenities, Community Safety, Civil Engineering and finally Electrical Engineering Services.



Mr. N. J Mdakane
Municipal Manager

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. A.M Manzini
Chief Operations Officer

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.

2.1.2 Administrative Governance Structure *...continued*



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 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.



Mr. S.V Hlongwane – Executive
Director : Economic Development
and Planning & Human Settlements

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).
- Delivering of sustainable and integrated Human Settlements
- Youth Development.
- Youth career and entrepreneurship advisory services.
- Sports Development.
- Mass Sports Participation.
- Creative Industry /Arts and Culture Development.



Mr TT Nxumalo-Executive
Director: Civil Engineering

The position of Executive Director: Civil Engineering was appointed on the 2 May 2024

Mr TT Nxumalo 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.
- Expanded Public Works Programme (EPWP).

2.1.2 Administrative Governance Structure *...continued*



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.



Ms P Mntaka - Executive
Director: Corporate Services

The position of Executive Director: Corporate Services was filled on 9 June 2023

Ms Mntaka 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.
- The provision of secretariat services for all Committees of KDM as well as for Council meetings.

2.2 COMPONENT B: Intergovernmental Relations (IGR)

The Role of KDM IGR

The KwaDukuza Municipality's (KDM) Inter-Governmental Relations (IGR) unit is crucial for planning and evaluating initiatives aimed at improving the relationships between government spheres. The IGR unit monitors procedures to ensure efficiency and promotes the sharing of good practices between municipalities. By considering both short- and long-term objectives, KDM aligns its IGR efforts with its Integrated Development Plan (IDP) and service delivery strategies. These strategies form the core of the municipality's approach to creating sustainable inter-governmental partnerships.

The unit's work is focused on evaluating the appropriateness of inter-governmental programs, ensuring they align with the municipality's broader goals. In addition, the KDM IGR provides guidance to internal departments, ensuring that policies and procedures that regulate these relationships are properly aligned. This holistic approach ensures that integration is supported through defined roles and a clear understanding of contributions needed to foster successful relationships across government levels.

IGR Systems and Service Delivery

The IGR system is designed to enhance service delivery, development, and governance across the **three spheres of government**—local, provincial, and national. The coordination of meetings between KDM and relevant stakeholders has been a part of this system. However, the declaration of a **National Disaster** temporarily suspended meetings, halting the progress of these engagements.

Since then, there has been a gradual improvement in how other business units understand the role of IGR, especially regarding service delivery. Nevertheless, more effort is needed to build stronger relationships with external stakeholders. To address this, it is proposed that workshops be held to help external stakeholders understand the importance of the IGR unit in fast-tracking service delivery. These workshops will align with the **Constitution of the Republic**, which requires the creation and maintenance of such relationships.

Challenges Facing KDM IGR

Despite the progress, several challenges hinder the full realization of IGR's potential:

1. **Poor Alignment of the IDP:** The IDP's development cycle is not aligned effectively, causing delays in the identification and resolution of issues.
2. **Lack of Early Warning Systems:** The absence of early warning systems within municipalities means problems are only identified when they have already escalated.
3. **Limited Inter-Sphere Support:** A lack of streamlining between the different government spheres makes it difficult to resolve issues in a timely manner.
4. **Reduced Communication:** There are gaps in communication and information sharing between stakeholders, which complicates the problem-solving process.
5. **Budget Constraints:** Due to financial limitations and cost containment measures within the municipality, the IGR unit struggles to plan and implement programs effectively. Such programs, if executed, could elevate the municipality's profile and attract foreign investment.

Proposed Solutions to Overcome Challenges

To tackle the challenges mentioned, KDM IGR proposes organizing workshops and meetings with external stakeholders. These gatherings will provide clarity on the vital role of the IGR unit and its efforts in enhancing service delivery. This approach would build stronger inter-governmental relationships, helping to fast-track services.

Additionally, efforts must be focused on enhancing communication between stakeholders, implementing early warning systems to prevent delayed responses, and addressing budget limitations through more efficient resource allocation.

The Impact of IGR Efforts

Despite these challenges, the IGR structures at KDM have functioned effectively, particularly in resolving disputes before they escalate to legal matters. At the district level, municipalities submit challenges to the IGR unit, where solutions are discussed and monitored. This process has led to successful resolutions without the need for court interventions, a clear indicator of IGR's effectiveness.

This summary reflects the role of IGR in improving governance and service delivery, highlighting both challenges and proposed solutions. Shall we dive deeper into specific solutions or focus on stakeholder engagement strategies.

DATE	VENUE	NATURE OF EVENT	EVENT/PROGRAM NAME
24 August 2024	Stanger High school	Women's Month commemoration	Women's 10 km race, 5 km fun walk and picnic.
24 September 2024	Stanger High School	Heritage day celebration	Council supports the uMkhosi Welembe, this commemoration takes annually and is hosted in KwaDukuza.
05 December 2024	Stanger high School	Launch of the festive season operational plane.	Handover of Trucks and Festive Season Operation Plan. This programme included SAPS, EMS, KDM (traffic, crime prevention, marine safety and fire and emergency services), private security service providers and private ambulance services.
12 December 2024	Mayor's office	Meeting with Izinduna from the Dube Traditional Council.	To discuss issues of land and land invasion.
06 January 2025	KwaDukuza Council Chambers	Meeting with the Ballito business community representatives.	This meeting was to discuss issues surrounding the issue of power outages that affected the Ballito area during the festive season.
29 January 2025	Sappi visit	Oversight visit to Sappi fine paper	This visit was part of a programme to visit industries in KwaDukuza Municipality.
24 February 2025	Ward 08 and 11	Meeting with the department of education.	This follows protest that took place in the two wards, the aim of this meeting was to resolve the issues that were raised.
28 February 2025	Ward 20	Inspection in LOCO	The Mayor and the EIAT portfolio committee conducted an inspection in loco in ward 20 wherein, the implementing agent conducted a detailed layout of the housing project in the Sheffield area.
13 March 2025	Shayamoya (ward 23)	Mass memorial service.	This memorial service was conducted by the Department of Transport, this follows a tragic accident that took place on the N2 in the vicinity of Mandeni. 09 people from ward 08 perished in this accident.
14 March 2025	Ward 15	Houses handover	This handover was held in ward 15, 07 beneficiaries received ownership on their houses.
08 April 2025	Ballito	Ballito Taxi rank handover.	This launch to officially open the Ballito taxi rank.
11 April 2025	Mandeni Municipality	Passover weekend road safety launch.	This programme was launched by the MEC for Transport and Human settlements. The launch was officiated by the MEC in partnership with the Mayors from Ilembe District, Mandeni Municipality and KwaDukuza Municipality.
17 April 2025	Fort Peason and Mvoti toll gate.	Multi-disciplinary roadblock on the eve of the easter weekend.	This was a Multi-disciplinary roadblock that was initiated by KwaDukuza Municipality in partnership with the iLembe District municipality, Mandeni local municipality, SAPS and RTI to raise awareness on road safety and to check for compliance on vehicles.
27 April 2025	Ethembeni (ward 12)	Freedom day commemoration.	This commemoration was deemed as a Provincial event by the Premier and it was attended by all members of the KZN Cabinet.

DATE	VENUE	NATURE OF EVENT	EVENT/PROGRAM NAME
19 May 2025	Mathonsi Traditional Council.	Handover of title deeds to the Mathonsi Traditional Council.	This was a handover of land by the Department of Land reform and Rural Development to the Mathonsi Traditional Council.
21 May 2025	KwaDukuza CBD	Meeting with the KwaDukuza CBD Business community.	This meeting was coupled with a walkabout in the cbd in order to identify areas that need service delivery interventions.
06 June 2025	Chris Hani sports field.	Opening of the Ilembe Local House	This programme was to officially open the Ilembe Local House. The MEC for Transport and human settlements as well as the MEC for COGTA were in attendance.
26 June 2025	Nsiken area (ward 27)	Visit to the Nodunga traditional Council	This visit was aimed at strengthening relations with the KwaDukuza Municipality and traditional councils that are located in its jurisdiction.

Table 12: IGR Interventions & Programmes

IGR STRUCTURES

Social Cluster	KDM Representative	Economic Cluster	KDM Representative
Community services Special programs/OSS Cemeteries Human Settlements Environmental Health	Ms. P. Mkhwanazi Ms. S. Ngiba Mr. S. Xaba Mr. I.M. Zuma Mr. S. Cele	LED IDP & Planning Technical Infrastructure (grants, EPWP, O&M, & PMU)	Cllr. O.L. Nhaca Mr. M. Nene Mr. S.V. Hlongwane Mr. M.P. Zulu
Governance Cluster	KDM Representative	Communications & Public Participation Cluster	KDM Representative
CFO Disaster management Corporate Services/HR PMS Enterprise Risk	Mr. S. Rajcoomar Mr. M.I. Zuma Ms. P. Mntaka Ms. J. Sewdular Ms. S. Ngiba	Communications Office of the Mayor IDP	Mr. S. Zulu Mr. S. Ngobese Ms. Z. Ngubane Mr. M. Zulu
Security cluster	KDM Representative	Technical Hub	Political Hub
Crime prevention/traffic Disaster management Public participation/MRRT Special programs	Mr. C. Viramuthu Mr. M. Faya Mr. M. Prinsloo Mr. M.I. Zuma Mr. M. Zondi Mr. S. Xaba	Mr. N.J. Mdakane Mr. M.A. Manzini Mr. S.V. Hlongwane Mr. T.T. Nxumalo Ms. P. Mntaka Mr. S. Khanyile Mr. C. Viramuthu Mr. S. Jali Mr. S. Rajcoomar Mr. J.S. Phahla	Mr. N.J. Mdakane Mr. M.A. Manzini Mr. S.V. Hlongwane Mr. T.T. Nxumalo Ms. P. Mntaka Mr. S. Khanyile Mr. C. Viramuthu Mr. S. Jali Mr. S. Rajcoomar Mr. J.S. Phahla

Table 13: IGR Structures

2.3 COMPONENT C: Public Accountability and Participation

2.3.1 PUBLIC MEETINGS FOR THE 2024/2025 IDP - IDP ROADSHOWS/IZIMBIZO

NO	CLUSTER	VENUE	DATE	TIME
1.	CLUSTER E2 (W11,12)	THANDANANI C HALL	SAT 16/11/2024	09H00
2.	CLUSTER E3 (W9,10,29)	DUBE VILLAGE HALL	SAT 16/11/2024	09:00
3.	CLUSTER G2 (W1,25)	VULINQONDO C HALL	SUN 17/11/2024	09H00
4.	CLUSTER B (W14,15,24,26)	LLOYD C HALL	SUN 17/11/2024	09H00
5.	CLUSTER G3 (W2,3)	NYATHIKAZI C HALL	TUE 19/11/2024	09H00
6.	CLUSTER D (W16,17,19) AND RATEPAYERS' ASSOCIATIONS OF THE NORTH	KWADUKUZA TOWN HALL	TUE 19/11/2024	18H00
7.	W13 AND PART OF W26 (D-SECTION)	GLENHILLS MULTI-PURPOSE CENTRE	WEDNESDAY 20/11/2024	18H00
8.	CLUSTER F (W6,22,30) AND RATEPAYERS' ASSOCIATIONS OF THE SOUTH	PROPOSED VENUE: UMHLALI PREP SCHOOL	THURS 21/11/2024	18H00
9.	CLUSTER C (W4, 21)	SHAKASHEAD C HALL	SUN 24/11/2024	09H00
10.	CLUSTER A (W23,28,8,7,20)	SNYMAN HALL	SUN 24/11/2024	09H00
11.	CLUSTER G1(W27)	DENDETHU AREA	SUN 24/11/2024	14H00
12.	CLUSTER D1 (W5,18)	SHAKAVILLE C HALL	SUN 24/11/2024	14H00
13.	AMAKHOSI ASENDLUNKULU	SUPPER ROOM	TUE 26/11/2024	10H00
14.	ILEMBE CHAMBER	ILEMBE CHAMBER	TUE 26/11/2024	15H00
15.	WARD COMMITTEES/IDPRF	KWADUKUZA TOWN HALL	WED 27/11/2024	09H00

Table 14: Izimbizo's

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 of July 2022 for all ward committee members who 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 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 2024/25 FINANCIAL YEAR:

SCHEDULED MONTHS	IDP	PMS	BUDGET
JULY 2023	- Adoption of the Draft IDP Process Plan at the end of July 2023 - Ensuring alignment of the Section 57 Managers individual Scorecards with the IDP strategies Input into targets and deadlines on the SDBIP.	- Performance Agreements submitted to Council for noting Section 53 (3)(b). - Q4 Strategy Implementation Performance Progress Report submitted to Audit. - Performance Agreements submitted to MEC (COGTA) Section 53 (3)(b).	- IDP and Finance to discuss the 2024/25 Budget planning issues - Prepare budget process plan and timetable for the 2024/25. - Compile Section 71 Reports and present to the Mayor, Submit to National Treasury and Provincial Treasury. Submit to the communications office for publication on the municipal website within 10 working days after the month end
AUGUST 2023	- By 1st of August 2024 Draft 2024/25 IDP Process Plan to be Advertised for public comments. - Lodge advert to register on IDP Forum Database. - Adoption of 2024/25 Final Process Plan by the 30th of August 2023 - Receive MEC comments on previous year's IDP as well as the submitted DRAFT PROCESS PLAN to COGTA. - Submission of the final adopted IDP, PMS and Budget Process Plan to COGTA.	- Start the process of the Drafting Annual Report 2022/23 - PAC to consider Internal Audit Report with the Q4 PMS report. - Submit APR to Auditor General.	- Obtain Council's approval for 2024/25 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, Submit to National Treasury and Provincial Treasury. Submit to the communications office for publication on the municipal website within 10 working days after the month end

ALIGNMENT OF IDP, BUDGET AND MUNICIPAL PERFORMANCE MANAGEMENT PROCESSES & DATES FOR THE 2024/25 FINANCIAL YEAR: ...continued

SCHEDULED MONTHS	IDP	PMS	BUDGET
SEPTEMBER 2023	- Formalise Council's Vision, Mission, Objectives and Strategies based on the Lekgotla resolutions. - Consultation with and alignment with Sector Departments. - Create template in relation to the scorecard (*Situational Analysis*) - Feedback to Steering Committee regarding MEC's assessment - Finalization of the Ward Councillors needs to be submitted as part of Budget consideration in terms of the adopted Ward Based Plans. - Revise prioritization in terms of performance. - IDP Representative Forum by end of September 2023. - Workshop of Ward Committees on the Ward Based Plans.	Draft 2022/23 Annual Report Compiled for GG	- Assess Council's 2022/23 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, Submit to National Treasury and Provincial Treasury. Submit to the communications office for publication on the municipal website within 10 working days after the month end
OCTOBER 2023	- Integration of information from adopted Sector Plans into the IDP Review. - Feedback from Senior Managers on Priorities - Projects - as well as Budget inclusions - Regional alignment (District Municipality) - Finalisation of Mayoral Izimbizo schedule dates.	- Draft Annual Report submitted to Auditor General - Q1 2023/2024 Strategy Implementation Performance Progress Report submitted to Audit.	- 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, Submit to National Treasury and Provincial Treasury. Submit to the communications office for publication on the municipal website within 10 working days after the month end.
NOVEMBER 2023	- November 2023- IDP Steering Committee - Reviewing of strategies - November 2023- Sector Alignment Workshop - COGTA - Finalise IDP and Budget first round of Roadshows report and dates - Consultation and alignment with Sector Departments/ Service Providers and local municipalities - IDP Steering Committee - Reviewing of strategies	- PAC to consider Internal Audit Report with the Q1 PMS report. - Prepare Final Draft of Annual Report 2022/23	Compile Section 71 Reports and present to the Mayor, Submit to National Treasury and Provincial Treasury. Submit to the communications office for publication on the municipal website within 10 working days after the month end

ALIGNMENT OF IDP, BUDGET AND MUNICIPAL PERFORMANCE MANAGEMENT PROCESSES & DATES FOR THE 2024/25 FINANCIAL YEAR: ...continued

SCHEDULED MONTHS	IDP	PMS	BUDGET
DECEMBER 2023	- IDP Best Practise Conference with COGTA. - Ilembe District Municipality Planner's Forum- first Thursday of December 2023. - Alignment of Capital estimates to the IDP. - Finalization of the Roadshows report and minutes and amendment of WBP.	- Printers Proof of Annual Report for AG - Annual Performance assessments for 2022/23	Compile Section 71 Reports and present to Mayor.
JANUARY 2024	- Steering Committee in the month of January 2024 - Send reminders 23-27 January 2024 requesting projects (with proposed budgets) - IDP Review integration phase - Projects template request to be sent to all Business units by the end of January 2024.	- Mayor tables annual report MFMA 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/Q2 Report to Council by the 25th of January. - Q2 2022/2023 Strategy Implementation Performance Progress Report submitted to Audit.	- Submit the mid-year budget and performance assessment report to Council. Submit to National Treasury and Provincial Treasury electronically the mid-year budget and performance assessment (Section 35). - Compile Section 71 Reports and present to Mayor. - Commence consultation on the Adjustment Budget.
FEBRUARY 2024	- Consolidation of information and finalization of MEC Assessment issues for the DRAFT IDP. - 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.	14 - day public viewing of annual report - Oversight process for the annual report and public participation. - Submit annual report to AG, Provincial & DTLGA (MFMA Sect 127). - Midyear Review of Section 56 and 57 employees. - PAC to consider Internal Audit Report with the Q2 PMS report. - Sect 56/57 Managers' quarterly assessments (for second quarter) - Annual Performance assessments for bonus - 2022/23.	- 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.
MARCH 2024	- IDP Representative Forum on/ by the 15th of March 2024 22-26 March 2024 Adoption of Draft IDP 2024/25 financial year. - Submit 2024/25 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 with the annual report [Due by 31 March 2023 MFMA Sec 129 (1)] - Set draft performance objectives for revenue for each budget vote (MFMA Sect 17) - Submit 2024/25 Draft Organisational scorecard as an attachment to the Draft Budget. - Adjustment of the Organizational Scorecard targets tabled to Council after Adjustment budget.	- Submit 2024/25 Draft Multi-year budget and IDP submitted to BSC and Council for consideration. - Submit 2023/24 Draft Multi-year budget electronically 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.

ALIGNMENT OF IDP, BUDGET AND MUNICIPAL PERFORMANCE MANAGEMENT PROCESSES & DATES FOR THE 2024/25 FINANCIAL YEAR: ...continued

SCHEDULED MONTHS	IDP	PMS	BUDGET
APRIL 2024	• 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	• Publicise Oversight Report [within 7 days of Council approval MFMA Sec 129 (3)] • Submit Annual Report to Provincial Legislature/MEC Local Government (Within 7 days of council approval. MFMA Sec 132 (2)) • Q3 2024/2025 Strategy Implementation Performance Progress Report submitted to Audit. • Drafting of coming year organisational and departmental scorecards.	• 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. • Complete Third Quarter Section 52 Financial Performance Evaluation Report.
MAY 2024	• Adjustment and finalization of the Draft IDP from the 1st – 15th May 2024 • Adoption of the FINAL 2024/25 IDP by Council on/by the 31st of May 2024.	• Review annual organizational performance targets (MPPR Reg) • Drafting of coming year organisational and departmental scorecards.	• 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 2024	• Submit the 2024/25 IDP to MEC on or before 10 days after adoption. • Prepare Draft IDP Process Plan for the 25/26 Financial Year. • Publish Council's adopted FINAL IDP 2024/25 on the Municipal website and local Newspapers.	• Submission of draft SDBIP to the mayor within 14 days of approval of the budget • Submit draft performance agreements of Section 56/57 employees to Mayor within 14 of the approval of the budget. • Approval of the Final Top Layer of the SDBIP within 28 days after approval of the budget • Make public the performance agreements of the Section 56/57 Employees 14 days after the approval of the Top Layer of the SDBIP. • Make public the Top layer of the SDBIP within 10 working days after being approved by Council. • The Top layer of the Service Delivery and budget implementation plan to be forwarded to national Treasury within 10 working days after being approved by Council.	• Compile Section 71 Reports and present to Mayor. • Approved 2024/25 multi-year budget electronically 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.

Table 15: Dates showing IDP, Budget & PMS Processes

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 2 staff members and 4 interns Risk Management Committee and Audit Committee.

In accordance with the requirements of the MFMA, the annual risk assessment was conducted during the months of March - May 2025 through risk assessment workshops. The annual risk assessment covered strategic, operational and ICT risks of the Municipality, fraud and corruption risks were also identified.

A detailed risk register was developed comprised of both strategic, operational and ICT 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, strategic , operational, ICT and Fraud 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 16: Risk Values to Risk Exposure

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
1.	SR01	Inadequate maintenance of civil infrastructure and public amenities	Critical	Eviction of unlawful tenants - Ensure that all the unlawful tenants are evicted in the public amenities - Community safety provides support when requested	Director Enforcement & Director Public Safety and Director Property Management	Finalised
				Entering into new agreements Municipality renew lease agreements with occupants and maintain a lease agreement register	Director Property Management	Finalised
				Managing of rental properties Develop a register of all Municipal rental properties (leased land and buildings)	Director Property Management	Finalised
				Finalize the transfer process of all municipal properties in line with the implementation plan submitted to MANCO and approved 2024/25 budget Q1 – Q4 Complete as per implementation plan	Director Property Management	Finalised
2.	SR02	Failure to grow, protect and sustain municipal finances	Critical	Implement energy losses strategy Implementation plan with actionable tasks and timeframes Q1 – Q4 As per energy loss strategy	ED electrical engineering services	Finalised
				Review of current tariffs Review of current tariffs and ensure that they are cost reflective	CFO, ED Community services, Electrical engineering services	Finalised
				Revenue Protection Unit to undertake Data Cleansing project of customer data to improve the reliability of revenue data and management Appointment of a service Provider to undertake data cleansing of revenue management data TSC approval: 24 April 2023 Advertisement: 25 April 2023 Tender closing: 09 June 2023 TEC: 10 October 2023 TAC: November 2023 Appeals committee: 21 December 2023 and 25 April 2024 Appointment: TBD	Director Special Projects	Finalised
3.	SR03	Inability to align and implement the budget in line with the integrated development plan	Critical	Development of an IDP and Budget Process plan - Development and approval of the IDP and Budget process plan to integrate the IDP, risk management and budget process Q2 - Develop process plan - Submit the plan to Council for adoption - Submit the plan to COGTA	Directors: IDP and Risk & Compliance	Finalised
4.	SR04	Inability to attract and retain critical/ scarce/ technical and suitable skills to the municipality to fulfil the mandate	Critical	Implementation of work skills plan	Director: HR	Finalised
				Finalize the cascading of the Performance Management System process for level (19-12) and provide training to all officials	Director: HR	Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
5.	REL04	High energy losses incurred by the municipality	Critical	To conduct ongoing meter audit • Meter Audit Report on 300 meters audited (Quarterly)	Director Operations	Finalised
				Investigation on the implementation of Meter management system • Tracking of meters from stores to its final destination	Director Operations	Finalised
				Appoint service Provider for electronic job card system • Tender specification - 2024 • Tender Evaluation - 31/07/2024 • Tender adjudication / Appointment - 30/09/2024	ED Electrical Engineering services	Finalised
				Implementation of Electronic Job card system • For tracing of jobs conducted and time management	Director Operations	Finalised
				Appoint a consultant to implement a community engagement strategy • Community Awareness on Energy loss related activities by the community (Meter By passing, Faulty Meters, Meter Tempering, Theft & vandalism of meters and illegal connections)	Director Operations	Finalised
				Quarterly monitoring of Service Provider Performance • Implementation of GCC Contract Guidelines • Consultant instructed to write a letter to underperforming contractor • If unresolved, ED Informs Contracts Manager • Contract Manager writes a formal letter of poor performance to the contract (Submission of Service Provider Performance Report to IAT, Quarterly)	Director Planning	Finalised
6.	RCS01	Inadequate storing and safekeeping of municipal records.	Critical	Develop SOP for records management policy.	Director: Admin & Property Management	Finalised
7.	RCS02	Insufficient buildings to accommodate of staff.	Critical	Detailed Organizational Office Space analysis and Needs Report.	Director: Admin & Property	N/A Maintenance moved to Civil Engineering
8.	RFIN01	Inadequate contract management.	Critical	Implementation of contractor's management framework and policy.	Manager: Contract Manager	Finalised
				Implementation plan of the contract management framework and policy	Manager: Contract Manager	Not Finalised
				Quarterly report to Finance and Legal Public Administrative Human Resources Portfolio committee • Submit progress report on contract management to FLPA	Manager: Contract Manager	Finalised
				Contract management module on Munsoft • Activating a contract management module on Munsoft	Manager: Contract Manager	Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
9.	ROMM05	Lack of business continuity management.	Critical	Appoint Service provider for the development of Business Continuity Plans.	Project Executive Risk & Compliance	N/A Action deferred to 2025/26 as per the risk assessment workshop
10.	FR01-EL	Electricity theft.	Critical	Ongoing public awareness on illegal connections. - Ongoing awareness on illegal connection to the public. (Izimbizo, IDP Roadshows, Community meetings, Newsletters and radio slots) - Issue a statement on illegal connections	Director Operations (Electrical)	Finalised
				Development of SOP - Develop SOP to deal with meter replacements and new installations. - Include reconciliations	Director: Operations	Finalised
				Energy loss strategy implementation. Implementation of energy loss strategy. Q1 – Q4 As per energy loss strategy	ED: Electrical Engineering	Finalised
				Revise service application form. Review service application form for consolidation of all services.	Director Operations (Electrical)	Finalised
				Review of tariff charges. - Review of tariff of charges (fines, sanctions, connection fees and penalties) - Issue a statement on illegal connection	ED Electrical Engineering Services	Finalised
				Bilateral meetings with Finance. Hold Bilateral meetings between finance and Electrical Business Unit to discuss matters of common interest.	Finance & EBU	Finalised
				Conduct Meter Audit Conduct Meter Audit And report quarterly to IAT and ELTT	Director Operations	Finalised
				Appoint Service provider for an electronic job card system Appoint Service provider for an electronic job card system to track incomplete issued job card.	Director Operations	Finalised
				Implement Electronic job card system Implement Electronic job card system with clear actionable task & time frames Establish turnaround response for customers	ED Electrical Engineering Services	Finalised

Table 17: Details of Top 10 Risks

Implementation Status	Action Plans 2024/25	Percentage (%)	Action Plans 2023/24	Percentage (%)
Finalised	22	63%	10	42%
Not Finalised	01	3%	14	58%
Actions Not Finalised however deferred to 2025/26 financial year	12	34%	-	-
Totals	35	100%	24	100%

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
1.	SR01	Inadequate maintenance of civil infrastructure and public amenities	Critical	Eviction of unlawful tenants • Ensure that all the unlawful tenants are evicted in the public amenities Community safety provides support when requested	Director Enforcement & Director Public Safety and Director Property Management	Finalised
				Entering into new agreements • Municipality renew lease agreements with occupants and maintain a lease agreement register	Director Property Management	Finalised
				Managing of rental properties • Develop a register of all Municipal rental properties (leased land and buildings)	Director Property Management	Finalised
				Finalize the transfer process of all municipal properties in line with the implementation plan submitted to MANCO and approved 2024/25 budget Q1 - Complete as per implementation plan Q2 - Complete as per implementation plan Q3 - Complete as per implementation plan Q4 - Complete as per implementation plan	Director Property Management	Finalised
2.	SR02	Failure to grow, protect and sustain municipal finances	Critical	Implement energy losses strategy • Implementation plan with actionable tasks and timeframes Q1 – Q4 As per energy loss strategy	ED electrical engineering services	Finalised
				Review of current tariffs • Review of current tariffs and ensure that they are cost reflective	CFO, ED Community services, Electrical engineering services	Finalised
				Revenue Protection Unit to undertake Data Cleansing project of customer data to improve the reliability of revenue data and management Appointment of a service Provider to undertake data cleansing of revenue management data	Director Special Projects	Finalised
3.	SR03	Inability to align and implement the budget in line with the integrated development plan	Critical	Development of an IDP and Budget Process plan • Development and approval of the IDP and Budget process plan to integrate the IDP, risk management and budget process	Directors: IDP and Risk & Compliance	Finalised
4.	SR04	Inability to attract and retain critical/ scarce/ technical and suitable skills to the municipality to fulfil the mandate	Critical	Implementation of work skills plan	Director: HR	Finalised
				Finalize the cascading of the Performance Management System process for level (19-12) and provide training to all officials	Director: HR	Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
5.	SR05	Non-compliance with laws, regulations, acts, rules and municipal policies	Major	Review the municipal comprehensive compliance checklist/Register • Review and approval of the Comprehensive register/checklist	Director: Risk and Compliance	Finalised
				Monitor implementation of municipal comprehensive compliance checklist • Submit quarterly reports to MANCO, RMC, AUDCOM & EXCO	Director: Risk and Compliance	Finalised
6.	SR06	Inadequate Information Technology governance processes	Major	To appoint Audit Committee Member with ICT Expertise • To appoint an Audit Committee member with ICT expertise and also act as the ICT Steering Committee Chair	Head Internal Audit	Finalised
				Review ICT organogram for the Municipality and include critical IT positions	Director: ICT	Finalised
7.	SR07	Failure to achieve clean audit, good governance and administration	Major	Finalize the cascading of the Performance Management System process for level (19-12) and provide training to all officials	Director: HR	Finalised
				Appointment of a Disciplinary Board • Approval of the Disciplinary Board Members by Council	Head Internal Audit	Finalised
				Enforce implementation of Auditor-General South Africa action plans	Director: Internal Audit and Director Risk and Compliance	Finalised
8.	SR08	Vulnerability to Fraud and Corruption	Major	Continuous Anti-Fraud and Corruption awareness	Director: Risk and Compliance	Finalised
				Appointment of Ethics Officer	Director: Risk and Compliance	Finalised
				Develop Anti-Fraud and Corruption Implementation Plan	Director: Risk and Compliance	Not Finalised
				Appointment of a Disciplinary Board Appointment of a Disciplinary Board by Council	Director: Risk and Compliance	Finalised
9.	SR09	Inability to respond effectively and efficiently in an event of a disaster	Moderate	Benchmark Disaster Management Centre	Director: Disaster Management	N/A Action deferred to 2025/26 as per the risk assessment workshop

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
10.	SR10	Inadequate implementation of infrastructure service delivery programs as per infrastructure sector plans	Major	Low voltage upgrade on public lighting Upgrading of low voltage public lighting	Director: Operations	Finalised
				Development and upgrading of sub-stations Monitoring of implementation plan on monthly basis KwaDukuza - Palm lakes - SAPPI - Imbonini	Director: Electrical	Finalised
				Medium voltage upgrade project implementation of the Medium Voltage upgrade project	Director: Operations	Finalised
				Implementation of human settlement as per the approved project plan Implementation of human settlement as per the approved project plan	ED: EDP	Finalised
				Construction of retaining walls for Human Settlement projects Monitor the implementation plan on monthly basis	ED EDP	Finalised

Table 18: Top 10 Strategic Risks

Implementation Status	Action Plans	%	Action Plans 2023/2024	Percentage (%)
Finalised	21	46%	22	49%
Not Finalised	04	8%	23	51%
Actions Not Finalised however deferred to 2025/26 financial year	21	46%	-	-
Totals	46	100%	45	100%

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:
 - a. Improving the application of systems, policies, procedures, rules, and regulations within the Municipality.
 - b. Improving accountability, efficiency, and effective administration within the

- c. Municipality, including decision-making and management conduct, which promotes
- d. 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. KDM continues to acknowledge that whilst it is most likely not possible nor economical to eliminate all fraud risks it will take a proactive and constructive step to reduce exposure.

The proactive steps in the 2024/25 financial year included the combination of the following: **fraud risk governance, a fraud risk assessment, and fraud prevention, fraud detection measures, along with coordinated and timely investigations and corrective actions.** The end year results indicate the following progress in the implementation of these proposed mitigation strategies:

MITIGATION STRATEGY	PROGRESS DURING THE 2024/25 FY
Fraud Governance (A pillar that sends a message that Fraud is not tolerated)	1. The Ethics and Fraud Risk Management Committee Chaired by the Independent Chairperson is in place successfully convened all scheduled meetings. 2. Appointment of the Ethics Champion. 3. The Ethics management implementation plan was successfully actioned during the period under review.
Fraud Risk Assessment & Risk Treatment actions. (A process to identify and address vulnerabilities internal and external fraud)	1. The 2025/26 Fraud Risk Assessment was Successfully undertaken. 2. The Fraud Risk Register was developed and approved by Council in. 3. 63% risk treatment actions were implemented during the 2024/25 financial year with the balance deferred to the 2025/26 financial year either due to staff capacity or budgetary constraints and.
Fraud prevention measures (implementation of processes, procedures, & activities to address identified fraud risks)	1. There were Fraud Awareness Programs that were successfully implemented for both the community and staff during the 2024/25 financial year. 2. Improvement in the management of the Declaration of Conflict of interests at an organizational level. 3. Ongoing implementation of controls designed to detect fraudulent activities. 4. The Fraud Hotline as the mechanism to report fraud was operational for the year under review
Fraud detection measures implementation of processes, procedures, & activities to address identified fraud risks	1. The Fraud Hotline was operational and all suspected reported cases by the Community from the Fraud Hotline were recorded and submitted to the respective units for investigation.
Coordinated & Timely Investigations (a thorough approach to manage allegations and investigations)	1. All suspected identified and reported case were investigated in line with existing frameworks as approved by Council.
Corrective Actions (a thorough approach to manage allegations and investigations)	1. All Corrective actions on the identified reported cases were investigated in line with existing frameworks as approved by Council.

Table 19: Mitigation Strategies

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
1.	FR01-EL	Electricity theft	Critical	Ongoing public awareness on illegal connections. Ongoing awareness on illegal connection to the public. (Izimbizo, IDP Roadshows, Community meetings, Newsletters and radio slots) • Issue a statement on illegal connections	Director Operations (Electrical)	Finalised
				Development of SOP Develop SOP to deal with meter replacements and new installations. • Include reconciliations	Director: Operations	Finalised
				Energy loss strategy implementation. • Implementation of energy loss strategy. Q1 - As per energy loss strategy Q2 - As per energy loss strategy Q3 - As per energy loss strategy Q4 - As per energy loss strategy	ED: Electrical Engineering	Finalised
				Revise service application form. • Review service application form for consolidation of all services.	Director Operations (Electrical)	Finalised
				Review of tariff charges. Review of tariff of charges (fines, sanctions, connection fees and penalties) • Issue a statement on illegal connection	ED Electrical Engineering Services	Finalised
				Bilateral meetings with Finance. • Hold Bilateral meetings between finance and Electrical Business Unit to discuss matters of common interest.	Finance & EBU	Finalised
				Conduct Meter Audit • Conduct Meter Audit And report quarterly to IAT and ELTT	Director Operations	Finalised
				Appoint Service provider for an Electronic job card system Appoint Service provider for an Electronic job card system to track incomplete issued job card.	Director Operations	Finalised
				Implement Electronic job card system Implement Electronic job card system with clear actionable task & time frames • Establish turnaround response for customers	ED Electrical Engineering Services	Finalised
2.	FR02-EL	Misuse and abuse of municipal fleet vehicles by municipal officials for personal use/ gain	Major	Fleet management policy awareness Ongoing awareness of fleet management policies in consultation with HR • To educate employees (old and new) on respective roles in adherence to fleet management policy	Manager Fleet	Finalised
				Report on C-Track deviation • Report on C-Track deviation to MANCO and Supervisors – Monthly • To report to Risk Section quarterly.	Manager Fleet	Not Finalised
				C-Track reconciliations. • Monthly reconciliation of activity books and C-Track reports.	All BUs	Not Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
3.	FR03-OR	Abuse of leave by employees (Non-application of leave) and non-timeous approval of leave by supervisors on the ESS system.	Major	Leave Exception reports • Extract leave exception reports for leave approved after leave taken, submit to FLPA	Director HR	Finalised
				Reconciliation of leave report and attendance register • Conduct a quarterly reconciliation (Timesheet) of leave report and attendance register Human Resources: • Conduct a quarterly reconciliation (Timesheet) of leave report and attendance register Q3 - Investigate possibilities of integrating payroll, ESS and Biometrics	Director HR	Finalised
				Reconciliation of leave report and attendance register • Conduct a quarterly reconciliation (Timesheet) of leave report and attendance register Other BUs: • Conduct a quarterly reconciliation (Timesheet) of leave report and attendance register	All ED's	Not Finalised
				Commissioning of biometric system • Implementation of biometric system in line with the project implementation plan and report progress to FLPA/MANCO Q1 – Q4 Report progress	Director HR/ Manager HR	Finalised
4.	FR04-HR	Appointment of unqualified municipal officials.	Critical	Recruitment Compliance checklist • Development of a Recruitment checklist to accompany every post being filled	Director HR	Finalised
5.	FR05-OR	Abuse of overtime by claiming overtime that has not been worked or inflating overtime worked.	Critical	Commissioning of biometric system - Implementation of biometric system in line with the project implementation plan and report progress to FLPA/MANCO Q1 – Q4 Report progress	Director HR/ Manager HR	Finalised
				Implementation of overtime threshold in line with overtime policy Human Resources: Q1 - Facilitate the review of list of employees working above overtime threshold Q2 - Submit overtime threshold consultation report to MANCO Q4 - Submit the threshold consultation report to LLF 2025/26 Q1 - Make application to Bargaining Council of employees eligible to overtime 2025/26 Q1 - Submit to Finance the application outcome Q1 of 2025/26 - Implementation of overtime threshold for employees earning above the threshold in line with the overtime policy	Director HR	Finalised
				Implementation of overtime threshold in line with overtime policy Other BUs: Q1 – Q4 Report on the monitoring of overtime	All EDs / Director Expenditure	Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
6.	FR07-FIN	Abuse or theft of printers, phone, laptops, parks equipment, stores items, fuel etc... For personal gain, resulting in financial loss to the Municipality	Major	Monitoring of Access control • Implementation of access control procedures (Ongoing) report submitted at Municipal Services PC	Director: Community Safety	Finalised
				Implementation plan for Installation of CCTV Cameras prioritizing potential theft hotspots • Installation of CCTV Camera's in municipal buildings and sites that are potential theft hotspots such as Cashier Offices, stores, workshop to be secured with CCTV Cameras in attempt deter theft of municipal assets.	ED Community Safety	Finalised
				Enforcement of asset transfer form • Enforce the use of asset transfer form whenever there is a movement of asset.	Director Budget & Compliance	Finalised
				Awareness on anti-fraud and corruption • Ongoing education of staff on issues of fraud & corruption during inductions for new employees and ongoing for existing employees.	Project Executive Risk & Compliance	Finalised
7.	FR16-FIN	Possible manipulation of financial information.	Critical	Review of audit trail monthly	Director Revenue	Finalised
				Develop SOP for financial system approval levels	Director Revenue	Finalised
				To implement whistle blower policy. • To encourage employees to report any suspicious or unethical activities through an anonymous whistle-blower facility (Awareness, Email signature, District-wide annual awareness)	Project Executive Risk & Compliance	Finalised
				Awareness on anti-fraud and corruption • Ongoing education of staff on issues of fraud & corruption during inductions for new employees and ongoing for existing employees.	Project Executive Risk & Compliance	Finalised
8.	FR17-FIN	Unauthorised changes/ amendments (such as bank account detail) to the supplier's master file by municipal officials in order to divert payments for personal gain	Critical	Review of the SOP to include Change Authorization process. Q1 - Review SOP Q2 - Submit the SOP to CFO for approval	Director Expenditure	Finalised
				Awareness on anti-fraud and corruption (Staff, customers & Public) • To conduct anti-fraud and corruption awareness to employees, customers and the public	Project Executive Risk & Compliance	Finalised
				Review of access, amendment and authorization rights on the creditors master file • Review of access, amendment and authorization rights on the creditors system to ensure correct authorization process to effect any changes (Request ICT to give access to review)	Director Expenditure	Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
9.	FR25-ICT	Leaking of confidential information to external parties for financial gain.	Critical	Implementation of electronic document management system	Director ICT	Not Finalised
				Awareness on code of conduct • Ongoing awareness on staff, councillors code of conduct and anti-fraud and corruption policy	Project Executive Risk & Compliance	Finalised
10.	FR26-COMM	Theft of Corporate identity	Critical	Workshop staff of corporate documents • Workshop on the adopted corporate documents with staff	Director Communications	Finalised
				Ongoing Awareness on corporate documents • Conduct awareness on corporate documents to staff (Inductions, and ongoing for old staff)	Director Communications	Not Finalised
				Cyber security awareness programs • Ongoing cyber security awareness programs	Director ICT	Not Finalised
				Procurement of cyber security software • Procurement of cyber security software	Director ICT	Not Finalised

Table 20: Details of Fraud Risks

Implementation Status	Action Plans 2024/25	Percentage (%)	Action Plans 2023/24	Percentage (%)
Finalised	52	63%	66	80%
Not Finalised	12	14%	16	20%
<i>Actions Not Finalised however deferred to 2025/26 financial year</i>	19	23%	-	-
Totals	83	100%	82	100%

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
1.	ICT01	Inadequate Information Technology governance processes	Major	To appoint Audit Committee Member with ICT Expertise • To appoint an Audit Committee member with ICT expertise and also act as the ICT steering Committee Chair	Director ICT	Finalised
				ICT organogram • To review an Information and Communications Technology organogram for the Municipal and include critical IT position	Director ICT	Finalised
				To conduct training of ICT to all staff • To conduct quarterly awareness on Information and Communications Technology Governance Framework to internal officials	Director ICT	Not Finalised
2.	ICT02	Limited capacity and resources to exploit digital transformation/ technology	Moderate	Monitor progress on ICT Strategic Implementation Plan • Quarterly reporting on the progress of Information and Communication Technology Strategy implementation plan	Director ICT	Finalised
				Commissioning the Automation of the Municipal Business process • Roll out the automation of municipal business processes in line with the project plan time frames	Director ICT	Not Finalised
3.	ICT03	Maintenance, disposal or donation of Information Technology assets which contain critical and confidential data.	Moderate	Information Technology Asset Management Policy	Director ICT	Not Finalised
				Information Technology Asset Register • Regularly updating the Information Technology Asset Register	Director ICT	Finalised
				Implementation Microsoft Intune Asset Management Tool • To implement Microsoft Intune Asset Management Tool that will assist manages user access to organisational resources	Director ICT	Not Finalised
4.	ICT04	Poor capacity planning in terms of Information Technology systems growth.	Minor	Infrastructure and system capacity and availability • To submit monthly report on infrastructure and system capacity and availability	Director ICT	Finalised
5.	ICT05	Carrying out of intentional changes (authorised) on the Information Technology systems in an ineffective and inefficient manner	Major	Change Management sign off reports to Information and Communications Technology Steering Committee	Director ICT	Finalised
				Change Management Policy	Director ICT	Finalised
				Approval of system changes by information and communications Technology management • To ensure all the system changes are approved by Information and Communications Technology management	Director ICT	Finalised

No.	Ref.	Risk Description	Residual risk Rating	Action Plan	Action Owner	Status
6.	ICT06	Exposure of critical data and Information Technology Assets to damage or loss.	Major	Implement server room environmental management and monitoring tool • Implementation of server room environmental management and monitoring tool	Director ICT	Finalised
				Monitor server room environmental controls	Director ICT	Finalised
7.	ICT07	Exposure of critical data and systems to acts of irregularity	Major	Cyber security awareness programs • Ongoing cyber security awareness programs	Director ICT	Not Finalised
				Anti-virus firewall report • To generate report of Anti-virus and firewall and present to Information and Communications Technology Steering Committee	Director ICT	Finalised
8.	ICT08	Failure to recover data and systems efficiently and effectively in the event of disruptions.	Major	Disaster recovery testing • To conduct the disaster recovery testing on critical systems	Director ICT	Finalised
				To monitor and review daily back-ups and pull-out reports • Continuous monitoring and reviewing daily back-up and pull-out reports	Director ICT	Finalised
				Offsite data replication services • To monitor offsite data replication services	Director ICT	Finalised
9.	ICT09	Unauthorized access to systems and circumvention of logical access rights.	Major	Monitor and review user access rights on a quarterly basis Q1 - Q4 Monitor and review of User access rights to ensure that terminated users are removed from the system on time	Director ICT	Finalised
				A list of suspended/ terminated Users from Human Resource Department • To request a list of suspended/ terminated Users from Human Resource Department	Director ICT	Finalised
10.	ICT10	Non-deliverance of services by the service providers in line with expectations and requirements of the Municipality	Major	Circulated performance report of Information Technology Services providers to information and communication Technology Steering Committee • Quarterly -Submit consolidated report on the performance of Information Technology Service providers to Information and Communications Technology Steering Committee	Director ICT	Finalised
				Performance scoring for Information Technology service provider • To conduct monthly performance scoring for Information Technology service provider	Director ICT	Finalised

Table 21: Details of ICT Risks

Implementation Status	Action Plans	%	Action Plans 2023/2024	Percentage (%)
Finalised	13	62%	14	78%
Not Finalised	06	29%	04	22%
<i>Actions Not Finalised however deferred to 2025/26 financial year</i>	02	9%	-	-
Totals	21	100%	18	100%

2.4.2.1 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 Of 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; and
 - 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.

Investigations:

3 investigations currently underway by Cogta, SIU and Nersa.

The Investigations are still underway and had not been concluded.

2.4.3 Supply Chain Management

2.4.3.1 Supply Chain Management (SCM) Committees

The SCM Regulations and KwaDukuza Municipality SCM Policy requires that there be adequate representation of expertise within committees and further indicates that the Tender Adjudication Committee be constituted of senior managers and that there must be a SCM Practitioner amongst them. All bid committee memberships are in line with the legislative requirements. Both tender evaluation committees are made up of cross functional members and its membership includes 1 SCM Practitioner. The Regulations and the KwaDukuza Municipality SCMP further recommends that the Tender Adjudication be chaired by the CFO or a senior manager in the finance section and as such the Tender Adjudication committee is chaired by the CFO and if the CFO is not available, the CFO has 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 following SCM Committee members were appointed for the 2024/2025 financial year:

TENDER SPECIFICATION COMMITTEE - TECHNICAL (ELECT & CIVIL)	
MR TT NXUMALO, ED: CIVIL	CHAIRPERSON
MR D MHAULE, DIR: ELECTRICAL	ALTERNATE CHAIRPERSON
MR F MHLONGO, DIR: CIVIL	MEMBER
MR. S MTHIYANE, MANAGER: ELECTRICAL	MEMBER
MR. ST MSWELI	SCM
MS. L MWANDLA	SECRETARIAT
TENDER SPECIFICATION COMMITTEE - NON-TECHNICAL	
MR SM KHANYILE, ED: COM SERVE & PA	CHAIRPERSON
MR M MBILI, DIR: IT	ALTERNATE CHAIRPERSON
MR A NUNKUMAR, DIR: BUDGET	MEMBER
ADV TM YENGWA, SNR MAN: OPERATIONS	MEMBER
MR D SRERAMULU	SCM
MS N BIYELA	SECRETARIAT
TENDER EVALUATION COMMITTEE TEC TECHNICAL (ELECT & CIVIL)	
MR D MHAULE, DIR: ELECT	CHAIRPERSON
MR TT NXUMALO, ED: CIVIL	ALTERNATE CHAIRPERSON
MR MT NTANTA, DIR: DEV PLANNING	MEMBER
MR S BUTHELEZI, DIR: PMU	MEMBER
MR L TSHONAPHI	SCM
MS. L MWANDLA	SECRETARIAT
TENDER EVALUATION COMMITTEE TEC TECHNICAL – NON-TECHNICAL	
MRS P MNTAKA, ED: CS	CHAIRPERSON
MR SM KHANYILE, ED: COM SERVE & PA	ALTERNATE CHAIRPERSON
MR F NAIDOO, DIR: ENFORCEMENT	MEMBER
MR M FAYA: DIR: COM SAFETY	MEMBER
MS N NXUMALO	SCM
MS N BIYELA	SECRETARIAT
TENDER ADJUDICATION COMMITTEE	
CHIEF FINANCIAL OFFICER	CHAIRPERSON
MR C VIRAMUTHU, ED: COM SAFETY	ALTERNATE CHAIRPERSON
MR L MOOTHUSAMY, HEAD: SCM	MEMBER
MR SM JALI, ED: ELECTRICAL	MEMBER
MRS B NXUMALO	SECRETARIAT
TENDER APPEALS COMMITTEE	
MR SV HLONGWANE, ED: EDP	CHAIRPERSON
MR N NGWANE, DIR: COM SERVICES	ALTERNATE CHAIRPERSON
MS MN NGUBANE, DIR: PM & ADMIN	MEMBER
MS P MKWANAZI, SNR MAN: PA	MEMBER
MS T DLUDLA	SECRETARIAT

The SCM Policy and the SCM Regulations requires that the Municipal Manager must for the purposes of Regulation 50, appoint a person independent of the procurement process to investigate any matter that may be brought against the municipality be it a complaint, objection or query with regards to the procurement process of council. In light of this, the below appointments were made to the Tender Appeals Committee.

a) Training

Majority of the members of the bid committees, senior management and SCM Officials have already been trained on the SCM Module in the MFMP Training. All current Supply Chain Officials have all been trained.

There has been no formal training conducted specifically for SCM by the SCM Unit. The Skills Development and Facilitation Unit has organized formal training for the SCM Admin Officers. This training was conducted via their Unit. The SCM Admin Officers have been trained on Microsoft Word and Minute Taking.

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 Tender Appeals Received for the 2024/2025 financial year

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
JULY					
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	FMA ENGINEERING (PTY) LTD	UPHELD	16/07/2024	The Appeal is Upheld
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	LEKO ENGINEERING CONSULTANTS	UPHELD	16/07/2024	The Appeal is Upheld
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	ABAZINGELI CIVILS	DISMISSED	16/07/2024	The Appeal is dismissed
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	MAP AFRICA CONSULTING ENGINEERS	UPHELD	16/07/2024	The Appeal is Upheld

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year ...continued

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
JULY ...continued					
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	CIRRUS (PTY) LTD	UPHELD	16/07/2024	The Appeal is Upheld
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	BJL DIRECT PROJECTS	Appeal withdrawn.	16/07/2024	The Appeal is dismissed
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	TLS ENGINEERS & PROJECTS MANAGERS	UPHELD	16/07/2024	The Appeal is Upheld
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	LIBEKO (PTY) LTD	DISMISSED	16/07/2024	The Appeal is dismissed
16/07/2024	TENDER NO. MN 256/2023 – PANEL OF ELECTRICAL CONTRACTORS FOR THE SUPPLY, INSTALLATION AND REFURBISHMENT OF PUBLIC LIGHTING FOR A PERIOD OF THREE (3) YEARS.	ALEXADRAH THIRD 3330i Trading CC	DEFERRED	16/07/2024	The appeal was deferred back to the Head of SCM to clarify and address queries raised by Appeal Committee.
16/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	SMA CONSULTANTS	DEFERRED	16/07/2024	The appeal was deferred back to the Head of SCM to clarify and address queries raised by Appeal Committee.
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	NIPHILE CONSULTING ENGINEERS	UPHELD	23/07/2024	The Appeal is Upheld
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	HAMSA	UPHELD	23/07/2024	The Appeal is Upheld

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year *...continued*

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
JULY <i>...continued</i>					
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	MVUBU CONSULTING & PROJECTS MANAGERS	UPHELD	23/07/2024	The Appeal is Upheld
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	RUPEE CONSULTING CC	DISMISSED	23/07/2024	The Appeal is dismissed
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	SINGH GOVENDER AND ASSOCIATES CC	DISMISSED	23/07/2024	The Appeal is dismissed
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	SPK ENGINEERS (PTY) LTD	UPHELD	23/07/2024	The Appeal is Upheld
23/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	TEKOA CONSULTING ENGINEERS	UPHELD	23/07/2024	The Appeal is Upheld
30/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	REFLECTIVE THINKING TRADING (PTY) LTD	UPHELD	23/07/2024	The Appeal is Upheld
30/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	SAMANI CONSULTING (PTY) LTD	UPHELD	23/07/2024	The Appeal is Upheld
30/07/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	BVI CONSULTING ENGINEERS KZN (PTY) LTD	UPHELD	23/07/2024	The Appeal is Upheld
30/07/2024	TENDER NO.: MN 158/2023 ROAD & STORMWATER UPGRADE OF BUTCHER ROAD, NONHLEVU ROAD, SIBIYA ROAD, SONDWENI ROAD, CEBISA ROAD AND HOUSE 2149 IN WARD 29.	GOSHEN ENTREPRISE HUB (PTY) LTD	DEFERRED	23/07/2024	The appeal was deferred back to the Head of SCM to clarify and address queries raised by Appeal Committee.

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year ...continued

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
AUGUST					
06/08/2024	TENDER NO. MN 22/2022 ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED.	SMA CONSULTANTS	DISMISSED	06/08/2024	The Appeal is dismissed
06/08/2024	TENDER NO. MN 331/2023 – PLANNING AND REFURBISHMENT OF OK MALL PARKING.	FLAXEN LAKE TRADING CC	DEFERRED	06/08/2024	The appeal was deferred back to the Business Unit to clarify and address queries raised by Appeal Committee.
06/08/2024	TENDER NO. MN 331/2023 – PLANNING AND REFURBISHMENT OF OK MALL PARKING.	SHAKTI PLANT & CIVILS	DISMISSED	06/08/2024	The Appeal is dismissed
06/08/2024	TENDER NO. MN 256/2023 – PANEL OF ELECTRICAL CONTRACTORS FOR THE SUPPLY, INSTALLATION AND REFURBISHMENT OF PUBLIC LIGHTING FOR A PERIOD OF THREE (3) YEARS.	ALEXADRAH THIRD 3330i TRADING CC	DEFERRED	06/08/2024	The appeal was deferred back to the Business Unit to clarify and address queries raised by Appeal Committee.
13/08/2024	TENDER NO. MN 158/2023 – ROADS AND STORMWATER UPGRADE OF BUTCHER ROAD, NONHLEVU ROAD, SIBIYA ROAD, CEBISA ROAD AND HOUSE 219 IN WARD 29.	GOSHEN ENTERPRISE HUB (PTY) LTD	DEFERRED	06/08/2024	PENDING RECOMMENDATIONS
13/08/2024	TENDER NO. MN 256/2023 – PANEL OF ELECTRICAL CONTRACTORS FOR THE SUPPLY, INSTALLATION AND REFURBISHMENT OF PUBLIC LIGHTING FOR A PERIOD OF THREE (3) YEARS.	ALEXADRAH THIRD 3330i TRADING CC	DEFERRED	06/08/2024	The appeal was deferred back to the Business Unit to clarify and address queries raised by Appeal Committee.
13/08/2024	TENDER NO. MN 331/2023 – PLANNING AND REFURBISHMENT OF OK MALL PARKING.	FLAXEN LAKE TRADING CC	UPHELD	13/08/2024	Appeal is upheld.
27/08/2024	TENDER NO. MN 256/2023 – PANEL OF ELECTRICAL CONTRACTORS FOR THE SUPPLY, INSTALLATION AND REFURBISHMENT OF PUBLIC LIGHTING FOR A PERIOD OF THREE (3) YEARS.	ALEXADRAH THIRD 3330i Trading CC	DEFERRED	13/08/2024	The appeal was deferred back to the Business Unit to clarify and address queries raised by Appeal Committee.
27/08/2024	TENDER NO. MN 158/2023 – ROADS AND STORMWATER UPGRADE OF BUTCHER ROAD, NONHLEVU ROAD, SIBIYA ROAD, CEBISA ROAD AND HOUSE 219 IN WARD 29.	GOSHEN ENTERPRISE HUB (PTY) LTD	DEFERRED	13/08/2024	PENDING RECOMMENDATIONS
27/08/2024	TENDER NO. MN: 21/2024 IMBONINI SUBSTATION 33KV UPGRADE.	YEBO YS PROJECTS	DEFERRED	13/08/2024	The appeal was deferred back to the Business Unit to clarify and address queries raised by Appeal Committee.

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year ...continued

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
SEPTEMBER					
11/09/2024	TENDER NO. MN 256/2023 – PANEL OF ELECTRICAL CONTRACTORS FOR THE SUPPLY, INSTALLATION AND REFURBISHMENT OF PUBLIC LIGHTING FOR A PERIOD OF THREE (3) YEARS.	ALEXADRAH THIRD 3330i TRADING CC	UPHELD	11/09/2024	Appeal not yet resolved
11/09/2024	TENDER NO. MN 158/2023 – ROADS AND STORMWATER UPGRADE OF BUTCHER ROAD, NONHLEVU ROAD, SIBIYA ROAD, CEBISA ROAD AND HOUSE 219 IN WARD 29.	GOSHEN ENTERPRISE HUB (PTY) LTD	UPHELD	11/09/2024	Appeal not yet resolved
11/09/2024	TENDER NO. MN: 21/2024 IMBONINI SUBSTATION 33KV UPGRADE.	YEBO YS PROJECTS	DEFERRED	17/09/2024	The appeal was deferred back to the Business Unit to clarify and address queries raised by Appeal Committee.
17/09/2024	TENDER NO. MN: 21/2024 IMBONINI SUBSTATION 33KV UPGRADE.	YEBO YS PROJECTS	DISMISSED	17/09/2024	The Appeal is dismissed
OCTOBER					
01/10/2024	TENDER NO. MN 35/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF 60 MONTHS (1 JANUARY 2025-31 DECEMBER 2029)	THE STANDARD BANK OF SOUTH AFRICA LTD	UPHELD	01/10/2024	Appeal is upheld.
08/10/2024	TENDER MN 76/2024 THE MANUFACTURING, SUPPLY AND DELIVERY OF REFUSE BIN BAGS FOR KWADUKUZA MUNICIPALITY FOR A THREE (3) YEAR PERIOD.	KFC ENGINEERS AND INDUSTRIAL SUPPLIES	DISMISSED	08/10/2024	The Appeal is dismissed
08/10/2024	TENDER NO. MN 35/2024: PROVISION OF BANKING SERVICES FOR A PERIOD OF 60 MONTHS (1 JANUARY 2025-31 DECEMBER 2029).	ABSA BANK LIMITED		08/10/2024	Appeal not yet resolved
15/10/2024			UPHELD	15/10/2024	Appeal is upheld.
15/10/2024	TENDER NO. MN 63/2024: REFURBISHMENT OF CHANGEROOM IN VLAKSPRUIT CEMETERY	SEKESIME (PTY) LTD		15/10/2024	Appeal withdrawn by Appellant.
15/10/2024	TENDER NO. MN 331/2023 – PLANNING AND REFURBISHMENT OF OK MALL PARKING.	FLAXEN LAKE TARDING CC	DISMISSED	15/10/2024	The Appeal is dismissed
22/10/2024	TENDER NO. MN 252/2024: SUPPLY, DELIVERY AND OFFLOADING OF 315 KVA & 500 KVA (11 kV/420 V) MINIATURE-SUBSTATIONS, POLE MOUNTED TRANSFORMERS AND LOW VOLTAGE DISTRIBUTION PILLAR BOXES / KIOSKS & MV EQUIPMENT FOR A PERIOD OF THREE (3) YEARS.	BEST THOUGHTS TRADING & PROJECTS	DISMISSED	22/10/2024	The Appeal is dismissed

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year ...continued

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
NOVEMBER					
19/11/2024	TENDER NUMBER MN 47/2024 – PANEL OF CONTRACTORS FOR THE REPAIRS, MAINTENANCE AND REFURBISHMENT OF KWADUKUZA MUNICIPALITY ELECTRICAL MV UNDERGROUND CABLES INFRASTRUCTURE DURING AND AFTER NORMAL WORKING HOURS FOR A PERIOD OF THREE (3) YEARS	ATAM ELECTRICAL CC	MEETING POSTPONED DUE TO QUORUM	13/00/2024	Appeal not yet resolved
19/11/2024		ONGI GENERAL TRADING		13/00/2024	Appeal not yet resolved
22/11/2024		KUHLEMCEBO ENGINEERS (PTY) LTD		20/11/2024	Appeal not yet resolved
22/11/2024		MZOZU TRADING ENTERPRISE CC		13/00/2024	Appeal not yet resolved
22/11/2024		ZAMAVENYANE GROUP		13/00/2024	Appeal not yet resolved
DECEMBER					
2024/12/13	TENDER NO MN 64-2024 REHABILITATION OF PARKING AREA IN VLAKSPRIUT CEMETRY	FLAXEN LAKE	MEETING POSTPONED DUE TO QUORUM	13/12/2024	Appeal not yet resolved
2024/12/20		CHUMANE CIVILS SA	MEETING POSTPONED DUE TO QUORUM	13/12/2024	Appeal not yet resolved
2024/12/18	TENDER NO. MN99/2024-ROAD UPGRADE: GROUTVILLE SURFACE ROADS AND STORMWATER (EMATENDENI) IN WARD 12	SHAKTI PLANT & CIVILS	MEETING POSTPONED DUE TO QUORUM	13/12/2024	Appeal not yet resolved
2024/12/23	TENDER NO. MN55	SHAKTI PLANT & CIVILS	MEETING POSTPONED DUE TO QUORUM	20/12/2024	Appeal not yet resolved
2024/12/20	TENDER NO: MN124/2024 - UPGRADE OF THE ABLUTION FACILITY AND CONSTRUCTION OF A GUARD HOUSE AT THE KWADUKUZA PEOPLES PARK IN WARD 19.	THE CURVE BEHIND APPEAL LETTER RCD	MEETING POSTPONED DUE TO QUORUM	20/12/2024	Appeal not yet resolved
2024/12/30	TENDER NO: MN77/2024 -	FLAXEN LAKE	MEETING POSTPONED DUE TO QUORUM	20/12/2024	Appeal not yet resolved
FEBRUARY					
05/02/2025	TENDER NO. MN 47/2024 – PANEL OF CONTRACTORS FOR THE REPAIRS, MAINTENANCE AND REFURBISHMENT OF KWADUKUZA MUNICIPALITY ELECTRICAL MV UNDERGROUND CABLES INFRASTRUCTURE DURING AND AFTER NORMAL WORKING HOURS FOR A PERIOD OF THREE (3) YEARS.	ATAM ELECTRICAL CC	DISMISSED	05/02/2025	The Appeal is dismissed
05/02/2025		KUHLEMCEBO ENGINEERS PTY LTD	UPHELD	05/02/2025	
05/02/2025		ONGI GENERAL TRADING	DISMISSED	05/02/2025	The Appeal is dismissed
05/02/2025		ZAMAVEYANE GROUP	UPHELD	05/02/2025	
05/02/2025		MZOZU TRADING ENTERPRISES CC	The appellant was not available.		Appeal noy yet resolved

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year ...continued

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
FEBRUARY ...continued					
05/02/2025	TENDER NO.: MN 77/2024 THE UPGRADE OF DARNALL SPORTFIELD IN WARD 2	FLAXEN LAKE TRADING CC	DISMISSED	05/02/2025	The Appeal is dismissed
05/02/2025	TENDER NO. MN 64/2024 REHABILITATION OF PARKING AREA IN VLAKSPRUIT CEMETERY	FLAXEN LAKE TRADING CC	DISMISSED	05/02/2025	The Appeal is dismissed
05/02/2025	TENDER NO.: MN 55/2024 REHABILITATION OF KENNY KHANYAYO STREET, PIGOGO STREET, IMFEZI STREET, KLEBE STREET AND UKHOZI STREET IN SHAYAMOYA WARD 23	SHAKTI PLANT & CIVILS	DISMISSED	12/02/2025	The Appeal is dismissed
05/02/2025	TENDER NO. MN99/2024-ROAD UPGRADE: GROUTVILLE SURFACE ROADS AND STORMWATER (EMATENDENI) IN WARD 12	SHAKTI PLANT & CIVILS	DISMISSED	12/02/2025	The Appeal is dismissed
12/02/2025	TENDER NO. MN 47/2024 - PANEL OF CONTRACTORS FOR THE REPAIRS, MAINTENANCE AND REFURBISHMENT OF KWADUKUZA MUNICIPALITY ELECTRICAL MV UNDERGROUND CABLES INFRASTRUCTURE DURING AND AFTER NORMAL WORKING HOURS FOR A PERIOD OF THREE (3) YEARS.	MZOZU TRADING ENTERPRISES CC	UPHELD	12/02/2025	The Appeal is dismissed
26/02/2025	TENDER NO. MN 47/2024 - PANEL OF CONTRACTORS FOR THE REPAIRS, MAINTENANCE AND REFURBISHMENT OF KWADUKUZA MUNICIPALITY ELECTRICAL MV UNDERGROUND CABLES INFRASTRUCTURE DURING AND AFTER NORMAL WORKING HOURS FOR A PERIOD OF THREE (3) YEARS.	ALEXADRAH THIRD 3330I TRADING	UPHELD	26/02/2025	The Appeal is dismissed
MARCH					
	THERE WERE NO APPEALS DURING THIS PERIOD				
APRIL					
09/04/2025	TENDER NO. MN 57/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 4 (WARD 5)	FLAXEN LAKE	Committee decision reserved.	23/04/2025	Appeal not yet resolved
		AFRICAN SPEAR TRADING 218 CC	DISMISSED	09/04/2025	Appeal not yet resolved
		UBUHLE BAMANGUNI PROJECTS	Deferred	23/04/2025	Appeal not yet resolved
09/04/2025	TENDER NO. MN 58/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 8 (WARD 12)	FLAXEN LAKE TRADING CC	Committee decision reserved for the business unit to provide the requested information.	23/04/2025	Appeal not yet resolved

2.4.3.2 Tender Appeals Received for the 2024/2025 financial year ...continued

DATE	TENDER DESCRIPTION	NAME OF THE APPELLANT	FINAL OUTCOME	DATE RESOLVED	COMMENTS
APRIL ...continued					
09/04/2025	TENDER NO. MN 61/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 4.1 (WARD 5)	FLAXEN LAKE TRADING CC	Committee decision reserved for the business unit to provide the requested information.	23/04/2025	Appeal not yet resolved
09/04/2025	TENDER NO. MN 62/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 12.1 (WARD 16)	FLAXEN LAKE	Committee decision reserved for the business unit to provide the requested information.	23/04/2025	Appeal not yet resolved
		AFRICAN SPEAR TRADING 218 CC	SCM to address the appeal	23/04/2025	Appeal not yet resolved
23/04/2025	TENDER NO. MN 57/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 4 (WARD 5)	FLAXEN LAKE	DISMISSED	23/04/2025	Appeal is dismissed
		UBUHLE BAMANGUNI PROJECTS	DISMISSED	23/04/2025	Appeal is dismissed
23/04/2025	TENDER NO. MN 58/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 8 (WARD 12)	FLAXEN LAKE TRADING CC	DISMISSED	23/04/2025	Appeal is dismissed
	TENDER NO. MN 61/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 4.1 (WARD 5)	FLAXEN LAKE TRADING CC	DISMISSED	23 April 2025	Appeal is dismissed
23/04/2025	TENDER NO. MN 62/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 12.1 (WARD 16)	FLAXEN LAKE	DISMISSED	23/04/2025	Appeal is dismissed
		AFRICAN SPEAR TRADING 218 CC	DISMISSED	23/04/2025	Appeal is dismissed
MAY					
14-May-25	TENDER NO.MN 35/2024-PROVISION OF BANKING SERVICES FOR A PERIOD OF 60 MONTHS (1 JANUARY 2025-31 DECEMBER 2029	STANDARD BANK	DISMISSED	14/05/2025	Appeal is dismissed
28-May-25	TENDER NO. MN 57/2024: THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY FOR A PERIOD OF THREE YEARS: ZONE 4 (WARD 5)	BALLONDE CONSTRUCTION	DISMISSED	25/05/2025	Appeal is dismissed
JUNE					
	NO MEETINGS TOOK PLACE DURING THIS PERIOD				

Table 22: Tender Appeals

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:

1	Advertising	as published on 19 September 2000
2	Animals and Birds	as published on 19 September 2000
3	Boating and other craft in tidal lagoons, rivers, and watercourses	as published on 19 September 2000
4	Caravan Parks	as published on 19 September 2000
5	Cemetery and Crematorium	as published on 19 September 2000
6	Child Minder Service	as published on 19 September 2000
7	Credit control and debt collection	as published on 19 September 2000
8	Dairies, Cowsheds, Milk Shops, Milk Dealers and Purveyors	as published on 19 September 2000
9	Dogs	as published on 19 September 2000
10	Electricity Supply	as published on 19 September 2000
11	Financial Bylaw	as published on 19 September 2000
12	Fire Safety	as published on 19 September 2000
13	Fireworks and Explosives	as published on 19 September 2000
14	Halls, Rooms and Sportsfield	as published on 19 September 2000
15	Industrial Effluent	as published on 19 September 2000
16	Libraries	as published on 19 September 2000
17	Markets	as published on 19 September 2000
18	Museums	as published on 19 September 2000
19	Manufacture, storage, and sale of foodstuffs	as published on 19 September 2000
20	Nature Reserve	as published on 19 September 2000
21	Noise Control	as published on 19 September 2000
22	Nuisance	as published on 19 September 2000
23	Parking	as published on 19 September 2000
24	Parking of Heavy Vehicles and Caravans	as published on 19 September 2000
25	Public Amenities	as published on 19 September 2000
26	Removal of Refuse	as published on 19 September 2000
27	Slaughtering of Animals	as published on 19 September 2000
28	Street Trading	as published on 19 September 2000
29	Taxis and bus ranks	as published on 19 September 2000
30	- Unsightly and Neglected Buildings and Premises	as published on 19 September 2000
31	Electricity By laws	as published on 28 January 2016
32	KDM Outdoor Advertising Bylaw	as published on 01 July 2018
33	Kwa Dukuza Municipal Special Planning and Land Use Management Bylaws No. 2002	as published on 27 September 2018
34	Kwa Dukuza Municipality Problem Building Bylaw	as published on 01 June 2019
35	Standing Rules and Orders for the meeting of Council and Committees	as published on 19 May 2022
36	Waste Management Removal Bylaw	As published on 23 August 2023
37	Credit Control and Debt Collection Bylaws	as published on 28 August 2025
38	Rates Bylaws	as published on 28 August 2025

Table 23: Municipal Bylaws

KwaDukuza Municipality has the following Policies in place:

NO.	BUSINESS UNIT	NAME OF POLICY/Framework	DATE /RESOLUTION
1 .	Corporate Service	ITC Policy	14/10/22
2.	Corporate Services	IT Asset Management Policy	26/01/23 – C1814/23
3.	Corporate Services	KDM Individual Performance Management & Development Policy	31/03/23-C1999
4.	Corporate Services	KDM Staff Employment Equity Policy	31/03/2023-C2000/23
5.	Corporate Services	Staff Bursary Policy	31/03/2023-C2001/23
6.	Corporate Services	Review of KDM Staff Recruitment And Selection Policy	26/4/23-C2207/23
7.	Corporate Services	KDM Staff Succession Plan	26/04/2023-C2208/23
8.	Corporate Services	IT Security Policy	28/06/2023- C2490
9.	Corporate Services	Approval of KDM councillor tool of trade policy	02/10/2024-C65/2024-2025
10.	EDP	Draft KDM informal business policy	28/6/23 – C2505/23
11.	EDP	Draft KDM Informal Business Bylaw	28/6/23- C 2506
12.	EDP	Draft KDM Business Licensing Policy	31/03/23-C2003
13.	EDP	Draft KDM Business License Bylaw	31/03/23-C2002
14.	EDP	Draft KDM Building Control Bylaw	Approved in June 2023
15	EDP	Adoption of KwaDukuza Municipality informal business licensing policy and informal business by law	25/07/2024-C21/2024-2025
16.	OMM	KwaDukuza Municipality Public Participation Policy	27/10/22-C4108/22
17.	OMM	Policy regarding Out-Of-Pocket Expenses for Ward Committee Members	31/03/23-C2005/23
18.	OMM	Risk management policies 2023/24 financial year • Enterprise -Wide Risk Management Policy • Enterprise -wide Risk Management Strategy • Enterprise -wide Risk Management Framework • Anti-Fraud and Corruption Policy • Whistle-blowing Policy Anti-fraud and Corruption Strategy	28/6/23 – C2515/23
19	OMM	Performance Management System Framework	22/05/2024-C1483
20	OMM	Protection of personal information policy (Act 4 of 2023)	27/06/2024-C1635/2024
21.	Electrical Engineering	KwaDukuza Draft Energy Policy	26/4/23-C2210/23
22.	Finance/Civil, Engineering And Human Settlement	Policy on infrastructure, investments and capital projects	30/5/23 – C2341/23
23.	Community Services & Public Amenities	KDM Waste Management Removal &KDM Admission of Guilt	28/06/2023- C 2495
24.	Finance	Preferential Procurement Policy of KwaDukuza Municipality	16/01/2023-C1804/23
25.	Finance	Contract management policy - 2023/2024	26/03/2024-C1291/2024
26.	Finance	Supply Chain Management Policy for the year 2022/2023	22/05/2024-C1480/2024
27.	Finance	Policy & Procedure -Unauthorized Irregular, Fruitless and Wasteful Expenditure	22/05/2024-C1480/2024
28.	Finance	SCM Procurement Policy for the year 2023/2024	22/05/2024-C1480/2024
29.	Finance	Rates policy	22/05/2024-C1480/2024
30.	Finance	Credit control and debt collection policy	22/05/2024-C1480/2024
31.	Finance	Indigent policy	22/05/2024-C1480/2024
32	Finance	Tariff policy	22/05/2024-C1480/2024
33.	Finance	Cash management and investment policy	22/05/2024-C1480/2024
34.	Finance	Borrowing policy	22/05/2024-C1480/2024
35.	Finance	Virement policy	22/05/2024-C1480/2024

NO.	BUSINESS UNIT	NAME OF POLICY/Framework	DATE /RESOLUTION
36.	Finance	Budget policy	22/05/2024-C1480/2024
37.	Finance	Funding and reserve policy	22/05/2024-C1480/2024
38.	Finance	Asset Management Policy	22/05/2024-C1480/2024
39.	Finance	Long term financial planning policy	22/05/2024-C1480/2024
40.	Finance	SCM policy for infrastructure procurement and delivery management	22/05/2024-C1480/2024
41.	Finance	Credit control and debt collection by-law	22/05/2024-C1481/2024
42.	FINANCE	Rates policy	29/05/2025-C249/2024-2025
43.	FINANCE	Credit Control & Debt Collection	29/05/2025-C249/2024-2025
44.	FINANCE	Indigent Policy	29/05/2025-C249/2024-2025
45.	FINANCE	Traffic Policy	29/05/2025-C249/2024-2025
46.	FINANCE	Cash management & investment Policy	29/05/2025-C249/2024-2025
47.	FINANCE	Borrowing Policy	29/05/2025-C249/2024-2025
48.	FINANCE	Virement Policy	29/05/2025-C249/2024-2025
49.	FINANCE	Budget Policy	29/05/2025-C249/2024-2025
50.	FINANCE	Funding & Reserves Policy	29/05/2025-C249/2024-2025
51.	FINANCE	Assets Management Policy	29/05/2025-C249/2024-2025
52.	FINANCE	Long Term Financial planning Policy	29/05/2025-C249/2024-2025
53.	FINANCE	Policy on infrastructure, investment &Capital projects	29/05/2025-C249/2024-2025
54.	FINANCE	Supply Chain Management Policy for infrastructure	29/05/2025-C249/2024-2025
55.	FINANCE	Supply chain Management Policy	29/05/2025-C249/2024-2025
56.	FINANCE	Contracts Management Policy	29/05/2025-C249/2024-2025
57.	FINANCE	Unallocated Deposits Policy	29/05/2025-C249/2024-2025

Table 24: 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 was not undertaken during the 2024/2025 financial year.

2.4.7 Municipal Oversight Committees

- 2.4.7.1**
- 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.



Cllr TT Mkhize
(Chairperson)

MEMBERS

1. Cllr TT Mkhize
2. Cllr CP Dumakude
3. Cllr N Qwabe
4. Cllr JF Magwaza
5. Cllr SC Mwandla
6. Cllr K Naidoo
7. Cllr DN Ngema
8. Cllr NJ Mpanza
9. Cllr AM Baardman
10. 1 x Vacant

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; and
- Effective governance.



Ms. N Mchunu
(Chairperson)

MEMBERS

- Mr. C Meyiwa
- Ms. S Mthembu
- Ms. W Oelofse
- Mr. K Kooverjee
- Mr. M Mthethwa

c) Performance Audit Committee (PAC)



Mr C Meyiwa
(Chairperson)

MEMBERS

Ms. N Mchunu
Ms. S Mthembu
Ms. W Oelofse
Mr. K Kooverjee
Mr. M Mthethwa

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

- (i) A performance audit committee must meet at least twice during the financial year: of the municipality concerned.
- (ii) A special meeting of the performance audit committee may be called by any member of the committee.
- (iii) 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.
- (iv) A performance audit committee must –
 - review the quarterly reports submitted to it by Internal Audit;
 - review the municipality's performance management system and make recommendations in this regard to the council of KwaDukuza Municipality; and
 - at least twice during a financial year submit an audit report to the KwaDukuza municipal council.
- (v) 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.
- (vi) A performance audit committee may –
 - communicate directly with the council, municipal manager or the internal and external auditors of the municipality concerned;

- access any municipal records containing information that is needed to perform its duties or exercise its powers;
- request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

d) The Ethics, Fraud and Risk Management Committee (RMC)



Mrs. CN Khanyile
(Chairperson of Risk Management Committee)

The Ethics, Fraud, Risk Management Committee is responsible for assisting the Council and the Accounting Officer in addressing the oversight requirements of Risk Management and evaluating and monitoring the municipality's performance with regards to Risk Management. The oversight responsibility focuses on providing guidance on residually moderate, major and critical as well as the isolated risks while the rest are managed and reported at a business unit level.

The Ethics, Fraud and Risk Management Committee comprises both Executive Directors and an independent external member who is appointed as a Chairperson to assist Council and the Municipal Manager to discharge their responsibilities for Risk Management. The responsibilities of the committee are formally defined and documented in the terms of reference as approved by Council.

The Ethics, Fraud and Risk Management Committee meetings are held on a quarterly basis or as and when required in support of its role to formulate, promote and review the municipality's Risk Management objectives, strategy, and policy; monitor the process at strategic management and operational levels and provide necessary guidance and advice. The Risk Management Unit is independent of the Internal Audit Function and administratively reports to the Chief Operations Officer.

2.5 COMPONENT E: BASIC MUNICIPAL SERVICES BY DEPARTMENT

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.

The Electrical Engineering Services business unit provides services through an organizational structure that was approved by Council in November 2022. The business unit consists of :-

- a) Two departments – Operations and Planning; and
- b) Four sections –
 - 1) Distribution and Reticulation
 - 2) Network Control and Support
 - 3) Projects and Assets, and
 - 4) Planning and Fleet.

The Business Unit's Top Management Team is made up of the Executive Director Electrical; Director Planning & Fleet and Director Operations.

2.5.1.1 Operations department

This section delivers and execute the Asset Management Plan through the teams of network operations, customer services, procurement, and works delivery who are responsible for the efficient operation and maintenance of electrical network as well as the delivery of following works program:

- Repairs and maintenance
- Infrastructure refurbishment
- Revenue management

- Network monitoring and control
- Power Outage management
- Health, safety and environment program

2.5.1.2 Planning and Fleet Management Department

This section is responsible for electrical network planning, engineering design, project engineering, asset information, and asset lifecycle including fleet management.

The teams within department execute electrical network system planning and load forecasting, electrical network assets renewal and replacements strategies, and ensure accurate and up to date asset information and that the following capital programs outputs, outcomes and impact are achieved for service delivery by municipality:

- Public lighting
- Low Voltage network upgrades
- Medium Voltage network upgrades
- Electrification, extensions and infills projects
- Substations upgrades and bulk supplies
- Service connections
- Asset management systems program.

A) HIGHLIGHTS

- **Safety and energy savings:** 22 new high masts public lighting installed and energised utilizing panel of contractors; 2260 streetlights refurbished utilising panel of contractors
- **Universal access to electricity:** 177 new service connections energised through electrification, extensions and infills projects, utilizing panel of contractors
- **Increase network reliability, capacity and safety:** 4 substations upgraded through MV network projects utilising panel of contractors; 3 KDM building electrical services upgraded and UPSs installed
- **Revenue protection:** 314 out of 493 maximum demand meters put on automatic meter read (AMR). 708 faulty meters repaired and replaced. 23777 premises visited for meter audits.
- **Resources:** 5 artisans' electricians; 15 general assistants, , 2 control room attendants , 9 trainees were recruited and 1 technician.

B) CHALLENGES

#	Challenge	IDP intervention
1	Energy losses	1. Perform energy audits and raids 2. Smart metering implementation
2	Poor public street lighting.	1. Roll-out maintenance of streetlights using the panel of service providers and internal staff; 2. Roll-out retrofitting of existing streetlights with energy efficient streetlights; 3. Installation of new energy efficient streetlights within the boundaries of the municipality; and; 4. Implement ongoing Installation of high mast lights (Apollo lights).
3	Poor capital expenditure and negative impact on communities.	1. Establish and use a panel of contractors to implement capital expenditure; and 2. Increase capacity to monitor performance of contractors. 3. Curb red tape and delays on SCM processes through forward planning.
4	Limited electricity capacity	1. Building new Eskom intake substation 2. Controlling of small-scale embedded generation
5	Vandalism and theft of infrastructure	1. 24/7 manned security at critical areas 2. Installation and maintenance of electronic security systems
6	Frequent power outages	1. Establishment of SCADA and Network Control Centre 2. Implement substations, MV and LV networks upgrades and refurbishment projects 3. Adding more resources (external, internal and tools)

Table 25: Challenges and Interventions at Electrical Business Unit

C) ELECTRICITY APPLICATIONS

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

Applications Processed	2020/21	2021/22	2022/23	2023/24	2024/25
New supply connections	616	388	420	342	268
Relaxation	284	139	107	134	159
Subdivision	35	17	24	18	28
Special concern	85	15	45	23	46
B3 and Occupational certificate	46	32	91	77	64
Encroachment	23	19	16	46	13
Building plans	58	31	72	85	101
SDP	23	20	32	34	36
Wayleave	32	85	34	50	47
Consolidation	21	9	7	4	8
Relocation	150	0	4	18	4
Rezoning	32	14	32	18	42
Billboards	16	16	16	8	6

Table 26: Number of electrical applications

Electricity Infrastructure

The table below has a list of electricity capacity demand for the northern and southern regions of the municipality from the period of 2017-2025:

AREA	2018 (MVA)	2019 (MVA)	2020 (MVA)	2021 (MVA)	2022 (MVA)	2023 (MVA)	2024 (MVA)	2025 (MVA)
Northern Network	61	62	63	64	64,4	63	70	68
Southern Network	69	69	71	63	68,7	83	75	77
Total	130	131	134	128	133,1	146	145	145

Table 27: List of Electricity Capacity Demand

D) ELECTRICAL PROJECTS IMPLEMENTED AS PRIORITIES DURING 2024/2025 FINANCIAL YEAR

On the table below is a list of projects for the electricity department for the 2024/25 financial year. The table provides the budgeted figures, expenditure, and status of each project.

WARDS	PROJECT DESCRIPTION	FUNDING	BUDGET (R)	Expenditure (R)	Status
All	Municipal Fleet	Transfer from operational to capital revenue	2 000 000	1 998 693	Completed
All	Furniture and Office Equipment: Furniture & Equipment	Transfer from operational to capital revenue	9 000	8 360	Completed
All	Machinery and Equipment: Tools & Equipment	Transfer from operational to capital revenue	200 000	-	Unspent
All	Licences and Rights: Computer Software and Applications: Network Master Planning (Reticulation)	Transfer from operational to capital revenue	2 000 000	-	Unspent
All	Furniture and Office Equipment: Furniture & Equipment	Transfer from operational to capital revenue	300 000	43 939	completed
All	Capital: Non-infrastructure: New: Machinery and Equipment: Safety Equip Fas Ppe Portable	Transfer from operational to capital revenue	260 000	-	completed
All	New: Machinery and Equipment: Tools & Equipment	Transfer from operational to capital revenue	520 000	238 595	completed
All	Computer Software and Applications: Implementation of KDM Scada System	Transfer from operational to capital revenue	8 000 000	7 744 486	In Progress
30	Electrical Infrastructure: HV Substations: New Dukuza 132/33/11Kv 80Mva Bulk (Ward 28)	Transfer from operational to capital revenue	5 000 000	2 114 578	In Progress
5, 11, 15, 16 & 29,	LV Networks: Housing Electrification Projects	Transfer from operational to capital revenue	1 500 000	1 498 068	completed
5, 11, 15, 16 & 29,	LV Networks: Housing Electrification Projects INEP	National Government: Integrated National Electrification Programme Grant	14 799 929	14 799 929	completed
all	LV Networks: Metering Kiosk - Vuthela Project	Fund: Capital: Transfers and Subsidies: Monetary Allocations: Provincial Government: KwaZulu-Natal: Infrastructure: EDTEA	3 155 000	506 681	In Progress
All	LV Networks: Public building services electrical infrastructure refurbishment	Transfer from operational to capital revenue	3 000 000	2 999 724	completed
22	MV Substations: Simbiti Infrastructure Refurbishment	Transfer from operational to capital revenue	4 000 000	3 998 764	completed
30	MV Substations: Zimbali Infrastructure Refurbishment	Transfer from operational to capital revenue	4 000 000	4 000 000	completed
1, 2, 3 & 25	Road Furniture: Streetlights (Cluster A) 100S/L (Ward 1 2 3 25)	Transfer from operational to capital revenue	500 000	500 000	completed
13, 19 & 27	Road Furniture: Streetlights (Cluster B) 37S/L (Ward 13 19 27)	Transfer from operational to capital revenue	750 000	750 000	completed
14, 15, 24 & 26	Road Furniture: Streetlights (Cluster C) 100S/L (Ward 14 15 24 26)	Transfer from operational to capital revenue	1 000 000	1 000 000	completed
9, 10, 11 & 12	Streetlights (Cluster D) 100S/L (Ward 9 10 11 12)	Transfer from operational to capital revenue	1 250 000	1 250 000	completed
7, 8, 20 & 23	Streetlights (Cluster E) 100S/L (Ward 7 8 20 23)	Transfer from operational to capital revenue	1 000 000	1 000 000	completed

D) ELECTRICAL PROJECTS IMPLEMENTED AS PRIORITIES DURING 2024/2025 FINANCIAL YEAR ...continued

WARDS	PROJECT DESCRIPTION	FUNDING	BUDGET (R)	Expenditure (R)	Status
4, 6, 21 & 22	Streetlights (Cluster F)50 S/L (Ward 4 6 21 22)	Transfer from operational to capital revenue	250 000	250 000	completed
5, 16, 17 & 8	Streetlights (Cluster G)50 S/L (Ward 5 16 17 8)	Transfer from operational to capital revenue	1 250 000	1 250 000	completed
1, 2, 3 & 25	NV Street Lights Refurbishment Cluster A	Transfer from operational to capital revenue	1 000 000	1 000 000	completed
13,19 & 27	NV Street Lights Refurbishment Cluster B	Transfer from operational to capital revenue	1 000 000	1 000 000	completed
14,15, 24 & 26	NV Street Lights Refurbishment Cluster C	Transfer from operational to capital revenue	1 600 000	1 600 000	completed
9, 10, 11 & 12	NV Street Lights Refurbishment Cluster D	Transfer from operational to capital revenue	1 600 000	1 600 000	completed
7, 8, 20 & 23	NV Street Lights Refurbishment Cluster E	Transfer from operational to capital revenue	1 600 000	1 600 000	completed
4, 6, 21 & 22	NV Street Lights Refurbishment Cluster F	Transfer from operational to capital revenue	1 600 000	1 600 000	completed
5, 16, 17 & 8	Streetlights Refurbishment Cluster G	Transfer from operational to capital revenue	1 600 000	1 600 000	completed
1, 2, 3 & 25	LV Network Upgrades Cluster A	Transfer from operational to capital revenue	1 100 000	1 100 000	completed
13,19 & 27	LV Network Upgrades Cluster B	Transfer from operational to capital revenue	1 300 000	1 300 000	completed
14,15, 24 & 26	LV Network Upgrades Cluster C	Transfer from operational to capital revenue	550 000	550 000	completed
9, 10, 11 & 12	LV Network Upgrades Cluster D	Transfer from operational to capital revenue	750 000	749 999	completed
7, 8, 20 & 23	LV Network Upgrades Cluster E	Transfer from operational to capital revenue	750 000	750 000	completed
4, 6, 21 & 22	LV Network Upgrades Cluster F	Transfer from operational to capital revenue	750 000	750 000	completed
5, 16, 17 & 8	Capital LV Network Upgrades Cluster G	Transfer from operational to capital revenue	750 000	711 124	completed
1, 2, 3 & 25	MV Network Upgrades Cluster A	Transfer from operational to capital revenue	750 000	750 000	completed
13,19 & 27	MV Network Upgrades Cluster B	Transfer from operational to capital revenue	2 500 000	2 500 000	completed
14,15, 24 & 26	MV Network Upgrades Cluster C	Transfer from operational to capital revenue	750 000	750 000	completed
9, 10, 11 & 12	MV Network Upgrades Cluster D	Transfer from operational to capital revenue	2 000 000	2 000 000	completed
7, 8, 20 & 23	MV Network Upgrades Cluster E	Transfer from operational to capital revenue	3 700 000	3 700 000	completed
4, 6, 21 & 22	MV Network Upgrades Cluster F	Transfer from operational to capital revenue	3 950 000	3 950 000	completed
5, 16, 17 & 8	MV Network Upgrades Cluster G	Transfer from operational to capital revenue	3 500 000	3 500 000	completed
15	MV Substations Upgrades and Refurbishment: Stanger Substations	Transfer from operational to capital revenue	4 500 000	4 500 000	completed
19	MV Substations: Lavoupiere Substations	National Government: Integrated National Electrification Programme Grant	1 307 029	1 307 029	In Progress
13	MV Substations Upgrades and Refurbishment: Glenhills Substations	Transfer from operational to capital revenue	2 000 000	2 000 000	completed
15	MV Substations Rebuild: SAPPI Substations - KDM	Transfer from operational to capital revenue	24 000 000	10 198 265	In Progress

D) ELECTRICAL PROJECTS IMPLEMENTED AS PRIORITIES DURING 2024/2025 FINANCIAL YEAR ...continued

WARDS	PROJECT DESCRIPTION	FUNDING	BUDGET (R)	Expenditure (R)	Status
22	MV Substations Upgrades and Refurbishment: Shakasrock Substations	Transfer from operational to capital revenue	3 000 000	3 000 000	completed
30	MV Substations Upgrades and Refurbishment: Business Park Substations	Transfer from operational to capital revenue	2 000 000	2 000 000	completed
30	MV Substations Upgrades and Refurbishment: Ballito Substations	Transfer from operational to capital revenue	3 000 000	3 000 000	completed
20	MV Substations Upgrades and Refurbishment: Shakaskraal Substations	Transfer from operational to capital revenue	4 000 000	4 000 000	completed
20	MV Substations Upgrades and Refurbishment: Sheffield Substations	Transfer from operational to capital revenue	1 000 000	1 000 000	completed
19	Buildings refurbishment - Mechanical workshop	Transfer from operational to capital revenue	260 000	241 098	completed
19	Buildings refurbishment - Electrical workshop Lavoipierre	Transfer from operational to capital revenue	260 000	171 740	completed
all	Electrical Infrastructure Network: Repl & Grad Prot Relays 11K P3	Transfer from operational to capital revenue	2 000 000	1 994 878	completed

Table 28: List of Electrical Projects

E) FLEET SERVICES

Below is a list vehicles that have been bought during the 2024/2025 financial year.

NO	Car type	Status
1	Flat Bed Tow Truck	Delivered
2	Toyota Hilux	Delivered
3	Toyota Hilux	Delivered
4	Toyota Hilux	Delivered
5	Toyota Hilux	Delivered
6	Toyota Hilux	Delivered
7	Toyota Hilux	Delivered
8	Toyota Hilux	Delivered
9	Toyota Hilux	Delivered
10	Toyota Hilux	Delivered
11	Toyota Hilux	Delivered
12	Toyota Hilux	Delivered
13	Toyota Hilux	Delivered
14	Toyota corolla cross	Delivered
15	Toyota corolla cross	Delivered
16	Toyota corolla cross	Delivered
17	Toyota corolla cross	Delivered
18	Toyota corolla cross	Delivered
19	Toyota Starlet	Delivered

Table 29: List of municipal vehicles

F) ENERGY LOSSES

Kwadukuza municipality purchases bulk electricity from Eskom through three point of supplies which are Driefontein, Shakaskraal and Stanger. Each point of supply has two meters.

Average energy purchases, sales and difference							
Year	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/25
Purchases (kWh)	676 903 132	655 647 276	661 912 957	691 794 001	677 874 560	700 780 738	718 401 519
Sales (kWh)	554 753 165	518 350 108	519 967 035	520 040 768	505 778 259	524 952 785	526 381 640
Difference (kWh)	122 149 967	137 297 168	141 945 922	171 753 233	172 096 301	175 827 953	192 019 879
% losses	18%	21%	21%	25%	25%	25%	26.7

Table 30: Average Energy Purchases, Sales & Difference

Strategies to reduce energy losses

Kwadukuza municipality appointed a service provider through Vuthela Program to do root cause analysis and develop strategies to reduce the energy losses to below 12%. The strategies were developed to be implemented over a period of 5 years.

#	Strategy developed	Description	Status
1	T1 – Eskom point of supply metering assurance	This addresses inadequate control over bulk purchases, by installing and monitoring Eskom check meters	4 check meters installed and monitored on PNPSCADA system (AMR). 2 are outstanding in Stanger point of supply due to that major infrastructure equipment is being installed (CTs and VTs)
2	T2 – Ensure all large power users (LPU) are on automatic meter read (AMR)	Municipality has 493 LPUs and all their meters must be monitored and read remotely	314 LPUs metering systems have audited and uploaded on PNPSCADA system. Outstanding one are waiting for major infrastructure (CTs and VTs units)
3	T3 – Technical and non-technical losses separation	This involve simulating losses in order to know areas in the network with most technical losses	Procurement of software is in progress – appeals stage. The tender is going to be readvertised in 2025/26
4	T4 – Implementation of SCADA	Implementation of SCADA system to monitor flow of power from Eskom down to all consumers	The configuration of statistical meters for each transformer and feeder in each substation is 50% complete
5	T5 – Electrification and pre-paid metering of informal settlements	Addresses illegal connections in the informal settlements. Data concentrators relaying data from meters to back-end system will be installed	250 households of Murugan road and 219 in Nyoniyananzi have been electrified.
6	F1 – LPU customer audits and consumption verification	This involve remote meter reading and analysis and affect back billing where required	314 LPUs metering systems have audited and uploaded on PNPSCADA system
7	F2 – Bulk metering of stands with multiple prepaids	Reduce number of prepaid meters	Not started. This will be investigated once the new vending system procured through RT 29 is fully functional
8	F3 – Small power users metering/ vending assurance	This involve auditing of both conventional and prepaid metered customers	The customer network link (CNL) information is currently being collected. 38 100 premises have been visited, 13 200 denied access and 5 900 is outstanding.
9	F4 – Review credit control process and activities	Ensure credit management is controlled	Completed
10	I1 – Intra and interdepartmental standard operating procedures enhancement.	Review and development of process flow type SOPs for each work process and incorporate KPIs and SLAs	Individual SOPs have been reviewed
11	I2 – Tariff study and review	Review all tariffs and develop new ones for small, embedded generation. Do cost of supply studies	Existing tariffs reviewed , cost of supply done and approved by NERSA. New tariffs and cost of supply have been submitted to NERSA for approval (2025/26 implementation).
12	I3 – Implementation of KDM CRM system	Establish centralised customer care centre (call centre)	Not achieved
13	I4 – Implementation of single platform for iLembe indigent	Develop a single IT platform for indigent registers	Registers updated
14	S1 – Community engagement	Develop and implement awareness campaigns and communication platforms for energy losses	Implemented through the secured SECO R9m grant for 2024/25. Work is in progress on electricity resellers including BnBs and cottages: Meter audits and replacements are being done Electricity supply contracts to be developed and to be issued and signed Tariffs are reviewed and are to be implemented Communication platforms (website, Facebook, WhatsApp) to be made live

Table 31: Strategies to reduce energy losses

G) PUBLIC LIGHTING

Ward	Street Name	No. of lights
Ward 03	Main Road (15); Suncity (11); Sizabantu (10); Road 1 (9)	66
Ward 04	Shakashead (Community Hall) (24); Shakashead (Main Road) (27)	51
Ward 6	Ashley Road (21); Compensation Beach Road (41); Simbithi Drive (9)	71
Ward 8	Nkobongo	9
Ward 10	Nokukhanya Street	42
Ward 11	Tarpon Crescent (11); Bonito Road (7); Porpoise Road (7); Garrick (8); Dolphin Crescent	60
Ward 12	Seaview short right Lagoon Drive; Beach Road and parking's; Short street; Sea view Road; Ocean View	66
Ward 13	Asante Drive	13
Ward 13	North Street	31
Ward 13	No Name Street 1 (S29.325754 E31.291486)	11
Ward 13	Tasneem Road	17
Ward 13	Larkson Crescent	21
Ward 13	Uranus Drive	8
Ward 13	Venus Drive	20
Ward 13	Jupiter	27
Ward 13	Glenhills Drive	15
Ward 13	Radiyat Road	15
Ward 16	Flamboyant Drive	23
Ward 16	The Unissen Road	29
Ward 16	Russel Road	28
Ward 16	Yellowood Drive	31
Ward 16	Waterbroom	10
Ward 16	Temple Groove	19
Ward 16	Bertwell Drive	20
Ward 16	Ridge Road	33
Ward 16	Goolsan Street	6
Ward 16	Clover Road	18
Ward 16	Everest Road	24
Ward 16	School Road	13
Ward 16	Greyridge Drive	29
Ward 16	Colenbrander	16
Ward 17	Bilkis Street	10
Ward 17	Beatrice Street	6
Ward 17	Manor Drive	22
Ward 17	Geranium Street	17
Ward 19	Second Street	26
Ward 19	Fifth Street	11
Ward 19	Fourth Street	16
Ward 19	First Avenue	3
Ward 19	Townview Road	44
Ward 28	R102 Shakaskraal	32
Ward 28	Millview Way	14
Ward 28	Protea Road	14
Ward 28	Rosehill	18
Ward 28	Paterson Street	15
Ward 28	Jasmine	27
Ward 28	Cemetery Road	31
Ward 28	Roslyn Cres	3

Table 32: Refurbishment of Streetlights

G) PUBLIC LIGHTING

Ward	Project	Comments	Ward	Project	Comments
4	Shakashead	Complete	16	Nyoniyamanzi	Complete
5	Lindelani	Complete	17	Stanger manor grounds	Complete
7	Etete Velani	Complete	17	Stanger manor grounds	Complete
8	Nkobongo	Complete	19	Rocky Park	Complete
9	Malende	Complete	20	Etete Synman	Complete
10	Grouteville Mission	Complete	23	Shayamoya	Complete
11	Thembeni Primary school	Complete	24	Melville	Complete
12	Thembeni	Complete	26	Ntshawini	Complete
13	Glenhills	Complete	27	Madundube	Complete
14	Melville Lloyd	Complete	28	Nkobongo C1	Complete
15	Nkukhwini	Complete	29	Dube Village	Complete

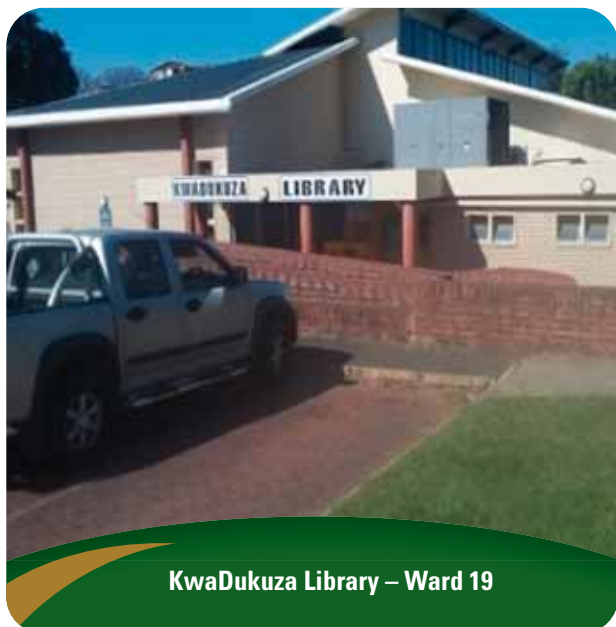
Table 33: New High Mast Lighting

2.5.2 COMMUNITY SERVICES AND PUBLIC AMENITIES

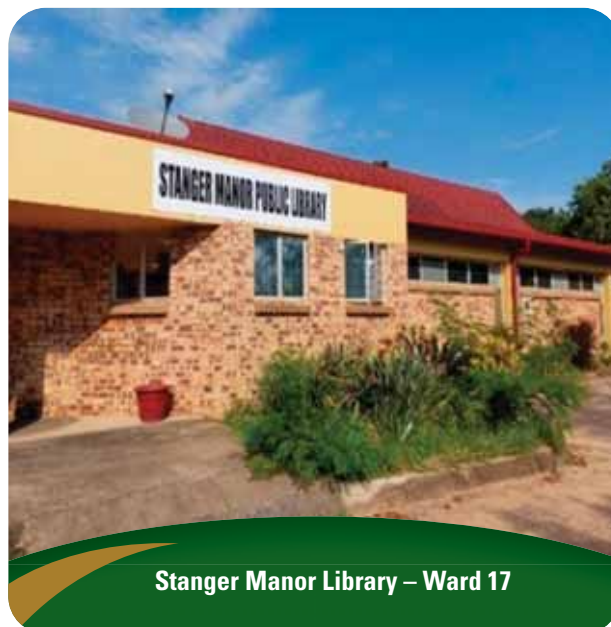
A) LIBRARIES

The primary purpose of public libraries is to provide resources and services in various media to meet the needs of individuals and groups for education, information, and personal development, including recreation and leisure. They play an important role in the development and upkeep of a democratic society by granting individuals access to a broad and diverse range of knowledge, ideas, and opinions.

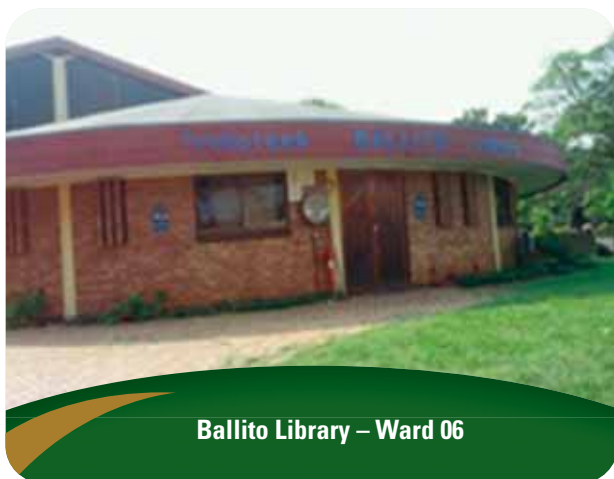
The KwaDukuza Municipality has six libraries as follows:



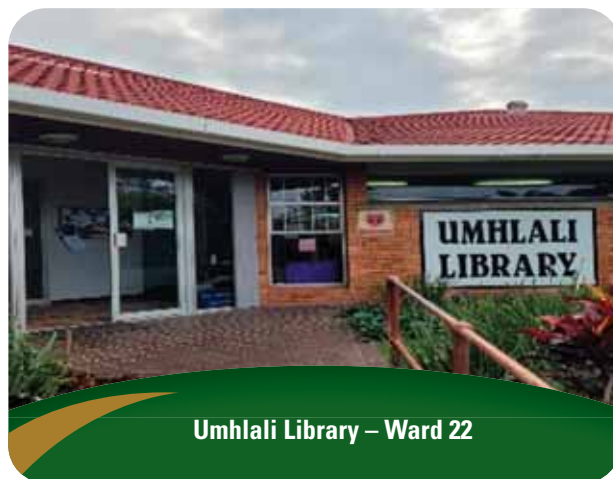
KwaDukuza Library – Ward 19



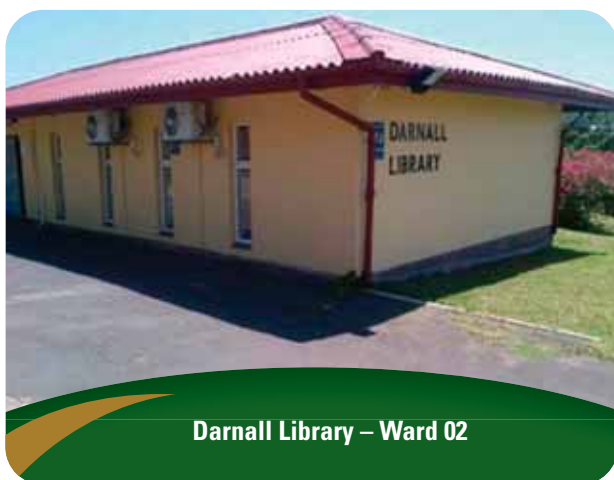
Stanger Manor Library – Ward 17



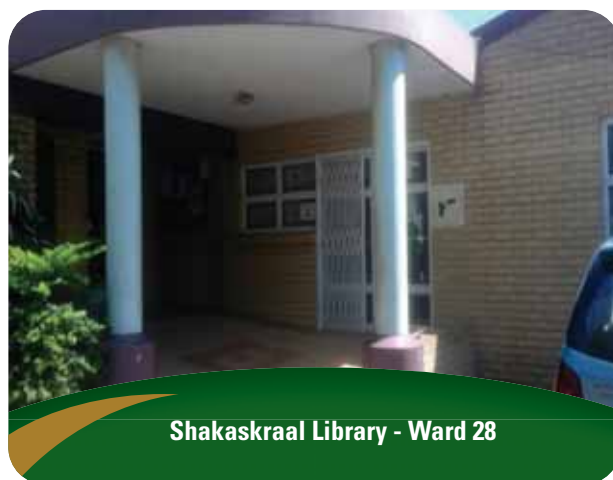
Ballito Library – Ward 06



Umhlali Library – Ward 22



Darnall Library – Ward 02



Shakaskraal Library - Ward 28

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	Yes	No	Yes	No	Yes	Yes
Shakaskraal Library	Yes	Yes	Yes	Yes	No	No	No	Yes	No
Umhlali Library	Yes	Yes	Yes	No	No	No	No	Yes	Yes
Darnall Library	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No

Table 34: Services offered by the KwaDukuza Libraries

Cyber Café

A Cyber Café funded by Provincial Library Services can be found at the KwaDukuza, Stanger Manor, Ballito, Shakaskraal, and Darnall Libraries. The purpose of Cyber Cadet is to ensure the smooth operation of these Cyber Cafés.

The Cyber Cadets also provide free basic computer training to interested library users, and certificates of attendance are issued to attendees upon completing the training. KZN Provincial Library Services has supplied all six libraries with public access computers and free internet, while KwaDukuza Municipality is responsible for providing IT support in all libraries.

Outreach Programmes

The KwaDukuza libraries participated in many outreach programmes. The aim of these programmes is to promote the services offered by the libraries and encourage people to enrol, with the goal of educating the entire community about library services. Additionally, library practitioners help set up school libraries so that children who cannot visit the public libraries can still use school libraries to borrow books and complete their assignments.

On Thursday 7 November 2024, 36 children from Sugar Babes Pre-school visited the library. It was a busy morning learning about libraries. Each child was given a library bag to take home, filled with treats and library promotional material.

Library Week 2025

The 2025 South African Library Week was celebrated from 17 – 23 March 2025. There were a lot of activities that took place at different libraries to commemorate the library week.

Umdlali library staff visited Sizani Primary School to promote reading and the use of libraries.



Reading Competition Finalist

The finals of the reading competition were held on 19 March 2025 at Ulundi, and the winners were announced on 20 March 2025 during the South African Library Week celebration, attended by the MEC of the Department of Sport, Arts and Culture KZN. Trey Johnathan Sindicich from Shakaskraal Primary School represented Ilembe District in the English category, and Samkelo Zondo from Iziphozethu Primary School represented Ilembe District in the IsiZulu category. Although they did not finish in the top three, it was a great experience for them to have participated at the Provincial Level.



Interest Group Meeting

The Ilembe District Interest Group meetings are held quarterly and rotate among the affiliated libraries within Ilembe District. These meetings serve as a platform for librarians to discuss training, guidance, customer care, and the general operations of the libraries. Librarians from various municipalities share their experiences, challenges, and solutions, which help improve the efficient running of the libraries. Additionally, new policies and procedures implemented by the KZNPLIS are discussed at this platform.

Mini Library for the Blind

KZN Provincial Library Services launched the Mini library for the blind at KwaDukuza Library. The Library has received all the necessary equipment, which includes: a desktop computer installed with the Jaws programme, a document reader, a Daisy machine, a table, two chairs, a filing cabinet, a banner, and two posters for promotion. The library collaborates with the community and social workers to promote the Mini Library for the Blind services at KwaDukuza library. Additionally, banners and posters informing the community about this service are displayed at KwaDukuza library.

E-Books services

All KwaDukuza libraries offer e-book services, enabling members to access books on tablets, smartphones, and Chromebooks. It is reported that Ballito Library currently has the highest number of registered e-book members. The e-book service is available 24/7 and is user-friendly; browse, checkout, download, with automatic returns and no late fees. Visit your library for a step-by-step guide on how to access e-books.

B) BEACH AMENITIES

KwaDukuza is a coastal municipality that features approximately 50 km of coastline along its eastern boundary, stretching from the Tongaat River in the south to just beyond the Zinkwazi River in the north. Its pristine beaches are a major attraction for both local and international visitors. Currently, there are 10 beach nodes: Salmon Bay, Willard Beach, Thompson's Bay, Shakas Rock, Salt Rock, Sheffield, Tinley Manor, Blythedale Beach, Nonoti Beach, and Zinkwazi Beach.

Beach amenities oversee the daily management and maintenance of public facilities and the coastline area between Tongaat river mouth and Zinkwazi river mouth. All maintenance work and operations are conducted in accordance with the Blue Flag requirements as specified by WESSA guidelines and regulations. The Blue Flag, an international annual award, emphasises the environmental management of our coastline and coastal waters to promote tourism growth and development. The program brings many benefits: better tourism facilities, improved management of coastal ecosystems, greater awareness of the coast, and capacity building for coastal municipalities.

The five main components of a blue flag beach are as follows:

- **Clean water** - Water quality must meet the acceptable standard, and this requires that water be tested regularly to analyze water for any possible contamination.
- **Clean coasts** - the beach and surroundings must be always kept clean.
- **Safety** - the beach must have safety measures in place to ensure the safety of beach users.
- **Access for all** - beach must be accessible by everyone including people who are living with disabilities, of which to this end the municipality has provided special beach wheelchairs and beach mats for people living with disabilities who may want also to enjoy using the beach.
- **Education** - the site must have relevant educational information displayed and conduct educational activities.

The blue flag status is awarded to beaches that meet the above criteria; however, should the beach fail to maintain or improve its facility the beach may lose its status. It is therefore important to ensure the standards are maintained to the satisfaction of the programme (WESSA) so that the municipality does not lose its status. The blue flag awards are held yearly at different locations where all compliant beaches are awarded.

BLUE FLAG STATUS

Full Status Blue Flag beaches

Blythedale Beach
Thompsons Bay Beach

Pilot Status Blue Flag

Willard Beach
Salt Rock Beach
Tinley Manor Beach
Zinkwazi Main Beach

For 2025/2026 New applications were submitted for full status Blue Flag for the following beaches:

Blythedale Beach
Thompsons Bay Beach
Salt Rock Beach
Willard 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 pre-approval 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

- Appointment of 1 x Beach Amenities - Supervisor.
- Maintenance upgrades to Willard Beach ablution facility.
- Re-instatement of public beach access steps in Willard Beach.
- Refurbishment and upgrades to various sections of the beach promenade.
- Maintenance upgrades of Zinkwazi Main Beach Lifeguard Tower, pump and sewer tank system.
- Fencing of the staff container change room - Zinkwazi Black Rock.
- Refurbishment of Salt Rock wooden bridge.
- Re instatement of the public tidal pool access steps at Thompson Bay Beach.
- Re placement of rusted and faded signboards on various beaches (Thompson Bay Beach, Tinley Manor Beach, Blythedale Beach and Zinkwazi Black Rock).
- Repainting of access roads and parking in various beaches (Zinkwazi Main Beach, Blythedale Beach, Tinley Manor Beach and Clarke Bay).

BLUE FLAG BEACH AWARDS



WILLARD BEACH - MAINTENANCE UPGRADES



RE PAINTING OF ROAD AND PARKING MARKINGS - BLYTHEDALE BEACH



RE PLACEMENT OF RUSTED AND FADED SIGN BOARDS - THOMPSONS BAY BEACH



SALT ROCK PEDESTRIAN BRIDGE REFURBISHMENT



Challenges

Delayed response times from support departments in addressing repairs and maintenance related work. Lack of adequate budget for maintenance of the beach infrastructure. Regular storm and weather-related damage to beach and coastal infrastructure.

C) COMMUNITY HALLS & MPCC

List of Community Halls within KwaDukuza Municipality

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

Table 35: List of halls

Halls major renovations for 2024/2025

Hall Name	Ward No.	Nature of Renovation	Financial Implications	Supplier
Sokesimbone hall	1	Complete tiling and painting	R180 000.00	Siyavusana Bashin
Nyathikazi hall	3	Install burglar guards	R35 000	Demolish Group
Shakashead hall	4	Remove existing fence and install Clearview fence and repair gate	R410 687.44	Ukhozi Distributors
		Install burglar guards	R95 000.00	Future Valdo
Velani hall	7	Complete renovation	R89 500	Siyavusana Bashin
		Repair damaged concrete palisade fence	R117 945.89	Ukhozi Distributors
Nkobongo hall	8	Repairs and renovations	R139 000.00	Ndodenye Projects
Mgigimbe hall	9	Full renovation	R210 398.00	Banokwanda Trading
Groutville hall	10	Install burglar guards	R72 100.00	Major League
		Replace damaged fence	R86 184.00	Ukhozi Distributors
Chris Hani hall	15	Replace wire fence with clearview fence (Half of fencing due to insufficient budget)	R161 036.82	Ukhozi Distributors
Tete hall (Khalafukwe)	20	Full renovations	R181 920.00	AK General Sales and Suppliers
Ntshawini hall	26	Repair clearview fence	R109 036.58	Mvelarse Trading
Glenhills MPCC	26	Install Jojo tank and pump	R62 700.00 including Manor library	DPTL Trading
Malende Hangus Ntshawini Lloyd	9 26 14	Repairs and renovations	R244 500.00	Siyavusana Bashin

Table 36: Halls Renovations

CARETAKERS HOUSE

The KwaDukuza Municipality constructed the caretaker's house in ward 26 and 4. The caretakers permanently employed by the KwaDukuza Municipality occupy these houses. The vandalism of ward 26 and 4 community halls has dropped ever since the caretakers' houses were occupied.



**SHAKASHEAD CARETAKER'S
HOUSE WARD 4**

MULTI-PURPOSE COMMUNITY CENTRE (MPCC)

The Glenhills MPCC became fully operational in 2011. Its activities commenced after a review of the country's first-generation MPCC by the GCIS and the Office of the Presidency. This led to the adoption of the branding name MPCC for the Thusong Community Centre. The Glenhills MPCC/Thusong Centre is considered a unique case due to its location and proximity to existing community service centers (Government Offices in the CBD). The operation of the MPCC is guided by the objectives of the strategic second generation, which are:

- To bring government information and service providers closer to the people to promote opportunities as a basis for improved livelihoods.
- To promote cost-effective, integrated, efficient, and

sustainable service delivery to better meet the needs of citizens.

- To foster sustainable partnerships with government, business, and civil society.
- To establish a platform for enhanced dialogue between citizens and the government.

Therefore, the Glenhills MPCC aims to fulfil its mandate considering its location and proximity to various government services within KwaDukuza CBD. The Centre has been operating in line with its original goals and the Thusong Service Centre Operating Guidelines/Business Plan. Over the years, the Centre has convinced various government agencies to take permanent residence there, but all in vain. The main reason why government agencies and departments do not occupy the Centre permanently is its proximity to KwaDukuza CBD, where most of them have their permanent offices.

The MPCC hosts some government agencies but not permanently; it has formed various partnerships with community-based organisations and service providers offering different services to the Ward 26 and 13 communities. The municipality allocated an office within the center to the Ward 13 Councillor to serve his constituency. The presence of the Councillor at the center benefits its operations and brings the government closer to the community.

KwaDukuza Municipality participates in the provincial MPCC Centre Manager's Forum and submits a bi-monthly MPCC operations report. Consequently, the Centre's operations are also monitored by COGTA. The MPCC Supervisor of Kwadukuza municipality received letters and verbal commendations from COGTA for having one of the best performing Centers despite its site location.

The report below outlines daily and weekly activities occurring at the Centre, contributed by the private sector, civil society, and government departments.

ACTIVITY	DAYS	COMMENTS	RENTAL
Karate	Mondays or Wednesday's depending on the booking and payment. 16h30 – 18h30	They utilise the hall on specified Mondays and Wednesdays of the month.	R 84.00 per usage
Church Services	Sundays	Church utilises the hall every Sundays. Block booking policy is applied.	Hall Tariffs (R 523.00 per service and R148.00 for an hour or less)
ABET	Monday's-Thursday's. 18h00 – 20h00	ABET exempted from charges	Exempted
Alcoholics Anonymous Meetings	Friday's 19h00-22h00	AA meetings exempted from charges.	Exempted
CNCD Site	Monday-Friday	The Department of Social Development has established a CNCD site at the centre whereby meals are prepared and served for beneficiaries	R 500.00 Monthly
Department of Health	Every Fridays	The Department of health has requested the premises for the Glenhills Clinic outreach team and community health workers to use the hall for their weekly meetings	Exempted
Dance Lessons	Every Thursdays 18h00	They utilize the hall every Thursday of the month.	R 84.00 per usage

Table 37: Daily and weekly activities occurring at the Centre

D) 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 the responsibilities of cleansing and solid waste removal and disposal to the Municipality. KwaDukuza Municipality has established a Solid Waste Management division whose mandate is to provide solid waste removal, transportation, disposal, and maintain the general cleanliness of the streets and public areas.

KwaDukuza Municipality faces a significant problem with illegal dumping and litter in most wards, especially in peri-urban areas along the R102 corridor. These areas include Darnall/Zamani township, Gledhow, Ntshawini, Groutville, Charlottedale, Ethembeni, Etete, Shakaskraal, and Shakashead. This issue is directly linked to the rapid growth of KwaDukuza as an economic center within the iLembe municipality group. Illegal dumping causes environmental pollution, exposes communities to unhealthy conditions, unpleasant odours, and often results in decomposed waste and toxic substances being washed into water streams during heavy rains, contaminating rivers and streams.

The waste management section during the 2024/2025 financial year has continued to improve its operations through the development and adoption of a multi-faceted strategy called "Program for Change". The "Program for Change" strategy is supported by five key focus areas that will enhance waste management services.

The five key focus areas entail 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.
- 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 (Community Safety).
- Establishment of 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 emphasized that KwaDukuza Solid Waste Management Services recognizes that the significant challenges we face regarding illegal dumping and the culture of littering cannot be solved with the same mindset that created the problem. Change and a new level of thinking are essential to address waste

management issues in KwaDukuza. Each problem stems from violations that people regard as insignificant. Littering is one such behaviour perceived as minor by the citizens of KwaDukuza, without them recognizing the long-term negative effects. Littering leads to illegal dumping; it is often initiated by one irresponsible resident or individual, and eventually the entire neighbourhood might dispose of waste in street corners. For this reason, management has continuously improved the division's systems, processes, procedures, and resources to deliver optimal service. This includes integrating innovative, purpose-built approaches into all division operations and maintaining a strong control environment with practical, routinely exercised internal controls aimed at enhancing performance.

HIGHLIGHTS:

In response to illegal dumping, KDM Solid Waste Management Section initiated and conducted quarterly ward-based clean-up campaigns in collaboration with other social partners, focusing on problematic areas. The Section has established strong and progressive partnerships with Economic Development, Tourism and Environmental Affairs (EDTEA), and the Department of Forestry, Fisheries & Environmental Affairs (DFFE), regarding the utilisation of EPWP Beneficiaries for cleaning efforts and illegal dumping clearance in wards and around the CBD.

The KDM Solid Waste Management Division has an Education and Awareness Officer who runs ongoing programmes to inform and raise awareness among various stakeholders, such as KDM EDP, KDM Civil Engineering, businesses like AQuelle, informal traders, schools, taxi associations, waste recyclers, and communities. This aims to change public perceptions towards better waste management practices. Additionally, the Business Unit plans to expand its education and awareness initiatives.

Alongside waste minimisation initiatives, KDM Solid Waste Management Division has established a recycling and waste buy-back center in Ward 26, Ntshawini. The management and operation of the waste buy-back center will be delegated to a private recycler, a process anticipated to be finalised in the 2025/2026 financial year.

The Municipality received the EDTEA grant funding, also known as the EDTEA prize money, during the 2022/2023 financial year. The Business Plan has been disbursing money in terms of the business plan during 2024/2025 financial year. The primary objective of the project, as per the business plan is to eradicate illegal dumping hotspots through the implementation of clean-up campaigns and educational and awareness initiatives across various wards. Additionally, the project aims to transform selected hotspots into mini parks and informal trading areas/stalls.



BEFORE



AFTER



Rehabilitation of illegal dumping areas into informal trading areas



BEFORE



BEFORE



AFTER

Clearing of illegal dumping in different wards, placing of 'no dumping signage' in illegal dumping hotspots



Towards waste minimisation initiatives: ongoing workshop for waste recyclers



Ongoing Education and Awareness during ward public meetings and schools

CHALLENGES	POSSIBLE SOLUTIONS
Refuse trucks breakdowns & poor turnaround time on repairs.	Improvement of workmanship at the workshop and increase workshop staff complement. Continuous engagement with the Workshop Management to try and come up with the lasting solution
Untidiness of CBD streets	One-on-one engagement with business owners underway 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.
By-laws enforcement	Ongoing issuing of fines to people found dumping.
Enforcement of waste management bylaws	The community to assist with taking pictures of people found dumping, more especially vehicle registration numbers.

Table 38: Solid Waste Challenges and Possible Solutions

E) PARKS AND GARDENS

This section is responsible for the maintenance of municipal verges, parks, open spaces, gardens, public ablutions, sports facilities and other recreational areas. We strive to create enjoyable, accessible, safe, and green parks, verges and sports facility systems that promotes a strong sense of community through shared spaces and experiences and is treasured by the people it serves.

Maintenance of these areas takes the form of:

- Grass cutting
- Tree maintenance
- Landscaping and landscape maintenance
- Parks development and parks maintenance
- Sports field maintenance
- Litter picking/emptying of municipal refuse bins/ street sweeping
- Maintenance of public ablution facilities
- Herbicide/pesticide control
- Alien vegetation control
- Garden refuse removal
- Clearing of privately own properties which are in contravention of the bylaws.

We aim to:

- Provide a comprehensive range of sports and recreational facilities that are well maintained and accessible to all.

- Keep equipment and facilities maintained to a 'fit for purpose' standard. Shape healthy, safe, green communities.
- Collaborate with partners to provide sustainable, accessible, and diverse leisure opportunities.
- Engage a diverse community and proactively respond to changing demographics, needs, and trends.
- Acquire, maintain, and manage the parks and recreation-built environment throughout the year
- Be courteous, helpful, and accessible to each other and the public we serve.

Highlights and challenges

Highlights

- Upgrade to the ablution to the ablution facility and construction of a guardhouse at the KwaDukuza Peoples Park.
- Extension of the existing building to create a storage area for the park machinery and cleaning materials.
- Extension of the existing building to create a staff changing room with ablution facilities.
- Upgrading to the existing public ablution facilities.
- Building of a new bin area and guard house.
- Upgrading of the storm water infrastructure.

BEFORE PICTURES



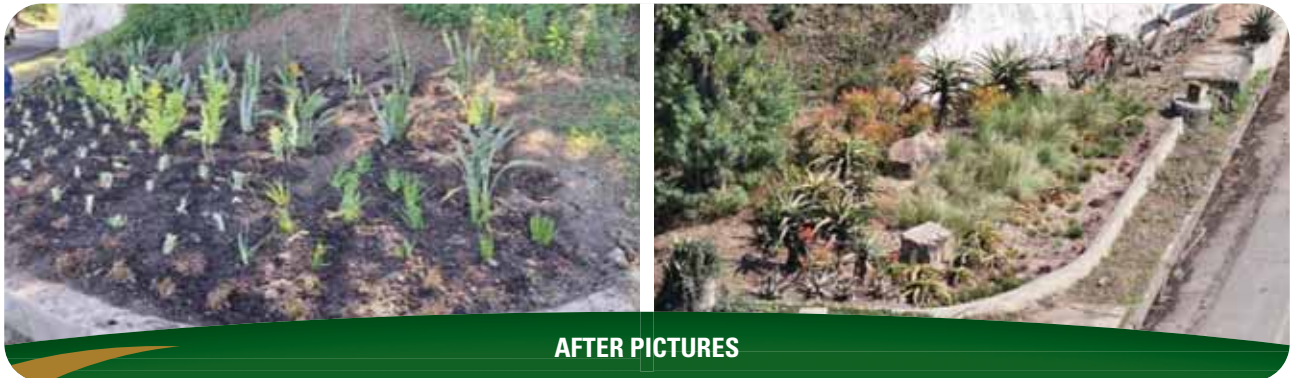
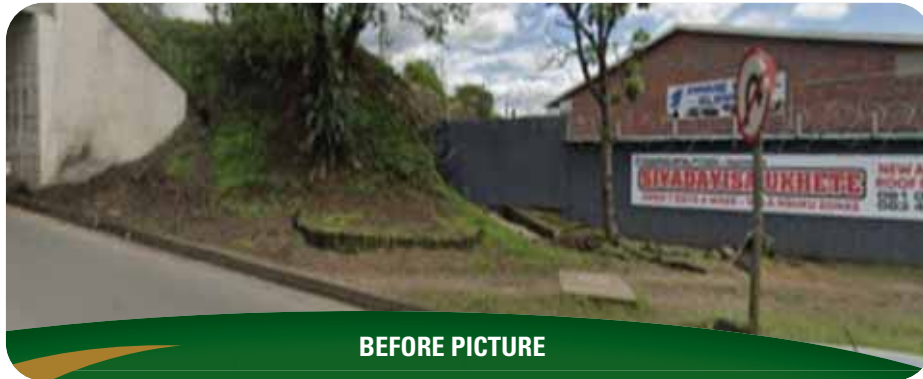
AFTER PICTURES



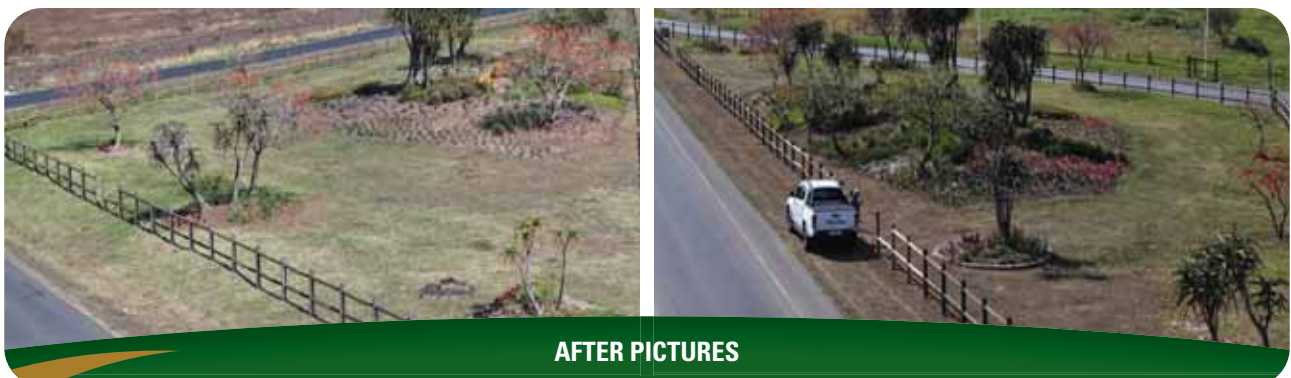
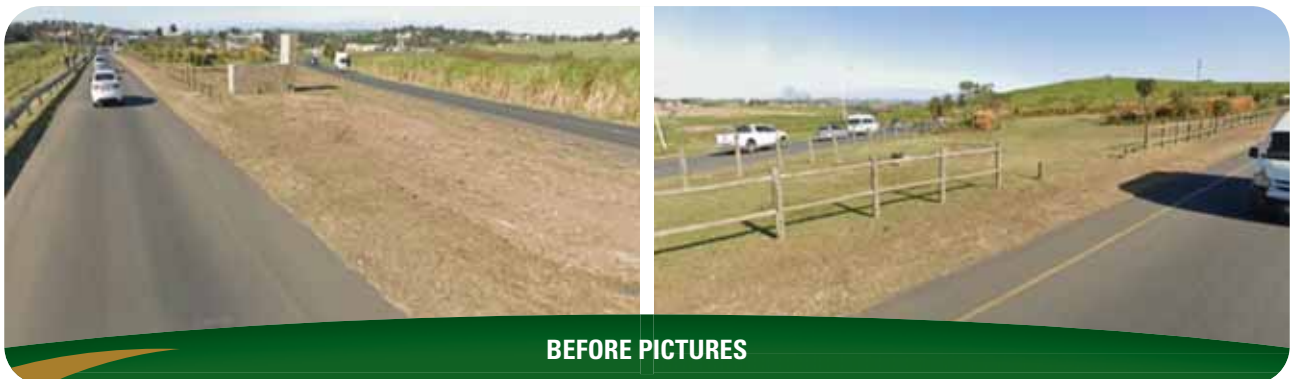
Completion of the renewal of the Glenhills sportsfield.



Upgrading the entrance gardens to town of KwaDukuza at the R102/R74 intersection.



Completion of the gardens on the R102 entering the town of KwaDukuza from Groutville, next to the police station.



Relandscaping of the gardens at the intersection of Mahatma Gandhi road and King Shaka Street intersection. This area was previously utilized by streetside mechanics to do repair to vehicles.



BEFORE PICTURES



AFTER PICTURES

Relandscaping of the gardens at the intersection of Mahatma Gandhi road and King Shaka Street intersection. This area was previously utilized by streetside mechanics to do repair to vehicles.

We undertook a tree planting project where we planted 500 fruit trees and 500 indigenous shade trees in the low-income homes built in ward 11.



CHALLENGES

Aged fleet – due to aged fleet there are numerous breakdowns. Spares are hard to find due to the age of the vehicles. Approximate turnaround time for COF repair is 3 months. This means that a particular vehicle will be off the road for 3 months at a time. The section sometimes has more than one vehicle which will go in for repair sometime which then ends up crippling operations.

Unskilled staff and weak supervisors - duties are not performed to their specifications. Supervisors are overruled by staff. This leads to reduced work activities performed

Illegal dumping – the municipality has a policy dealing with the collection of green waste. Some residents however do not comply with this policy and take out copious amounts of green waste. This is seen as illegal dumping, however not much can be done at this stage as culprits must be caught red-handed. The municipality ends up collecting this green waste and it affects the collection program as the truck is unable to complete its route.

F) UPGRADE OF PUBLIC TRANSPORT FACILITIES

Public transport is the heartbeat of any thriving community - connecting people to opportunities, businesses to customers, and communities to each other. In municipalities like KwaDukuza, where mobility is a daily necessity for thousands, investment in public transport infrastructure is not only a matter of service delivery but also a key driver of socio-economic development.

KwaDukuza Municipality has demonstrated its commitment to improving the daily lives of its residents by refurbishing two critical public transport nodes - the KwaDukuza Taxi Rank and the Ballito Taxi Rank. These upgrades are more than just cosmetic improvements; they represent a deliberate effort to elevate the standard of public amenities, enhance the commuter experience, and support the local economy.

The recent refurbishments included the construction of modern ablution facilities, ensuring that commuters, taxi operators, and vendors have access to clean and dignified sanitation. The Municipality also erected a robust canopy structure, offering much-needed protection from the harsh elements - whether it's the blazing sun or unexpected downpours.

Additionally, the upgrade included the construction of formal stalls for informal traders, an important step towards recognising and supporting the informal economy. These stalls provide traders with secure, dedicated spaces to operate their businesses in a clean, organised, and weather-protected environment.

This creates a more vibrant and functional transport hub that benefits both the traders and the commuting public.

The informal trading sector plays a vital role in the local economy - creating jobs, supporting livelihoods, and enabling economic participation, especially for women, youth, and low-income households. By integrating informal trader infrastructure into public transport facilities, KwaDukuza Municipality is not only promoting inclusive development but also formalising and dignifying the informal economy.

Reliable and accessible public transport is central to enabling economic participation. By investing in the infrastructure that supports this system, KwaDukuza Municipality is actively empowering its residents - making it easier for workers to reach jobs, for entrepreneurs to move goods and services, and for learners to access education. KwaDukuza's investment in public transport infrastructure is aligned with broader developmental goals, including urban renewal, inclusive growth, and sustainable mobility. As cities and towns across South Africa work to modernise public spaces and promote equitable access to services, KwaDukuza stands as an example of proactive governance and people-centered planning.

Through the refurbishment of the KwaDukuza and Ballito Taxi Ranks - including ablution facilities, weather shelters, and trader stalls - the Municipality is investing not just in infrastructure, but in the people who rely on it daily: the commuters, the traders, and the wider community.

HIGHLIGHTS FOR THE REFURBISHMENT OF KWADUKUZA TAXI RANK

The Refurbishment of the Taxi Rank will benefit the residents of KwaDukuza Municipal jurisdiction by providing:

- Safe commuting environment for the users in all weather conditions.
- Safe operation of the minibus taxis by introduction of one-directional manoeuvre system with arrows and raised islands which minimise the conflict between the vehicle and pedestrian traffic.
- Safety of the commuters by providing sustainable and effective lighting system within the loading shelter.
- Minimise stormwater problems by collecting roof water and direct connection from gutters to the existing stormwater infrastructure.
- Ensuring the long-term efficiency of the existing stormwater line by jetting and clearing.
- Providing sustainable, safe and healthy informal vending infrastructure which adheres to public health standards.
- Providing a decent and dignified ablution facility that solely rely on solar powered energy to reduce the intake from the Municipal energy grid.

REFURBISHMENT OF KWADUKUZA TAXI RANK BEFORE INTERVENTIONS

POOR SURFACE CONDITIONS



Container used as ablution facility



Loading shelter lost its structural integrity



Lack of vending infrastructure



Stormwater management malfunctions



No loading shelter on the long-distance taxi tank



REFURBISHMENT OF KWADUKUZA TAXI RANK AFTER INTERVENTIONS

LAYERWORKS, ASPHALT SURFACE WITH ROAD MARKINGS



Permanent ablution facility with showers



Structural integrity of the loading shelter restored



REFURBISHMENT OF KWADUKUZA TAXI RANK AFTER INTERVENTIONS



UPGRADE OF BALLITO TAXI RANK PICTURES BEFORE CONSTRUCTION



PICTURES DURING CONSTRUCTION



PICTURES DURING CONSTRUCTION



G) CEMETERIES AND CREMATORIUM

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 adequate burial space (cemeteries) for the community and that the crematorium is always operational by maintaining its compliance in terms of Environmental regulations as prescribed in the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).

The Cemeteries and Crematorium section is responsible for providing burial and cremation services to the community of KwaDukuza. Currently, KwaDukuza Municipality only has one operational / opened cemetery; and that is Vlakspuit 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 reached 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 is noted that if a grave is less than 10 years old, no permission is granted for reburial. The permission for reburials excludes Ethembeni/Groutville Cemetery has been closed for both burials and reburials; however, erection of tombstones are permitted.

The crematorium is operational, and it is compliant in terms of 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

Burial Services Offered

In-ground burial services

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

- Citizens who wish to bury their loved ones in the municipal cemeteries are required to make a booking for a burial, at the municipal offices located at 104 Mahatma Gandhi Street, General Gizenga Mpanza Building.
- The bereaved family paperwork is required to produce the following paperwork when making a booking for burial at KwaDukuza Municipality:
 - Medical Certificate B1663
 - ID document of the deceased
 - Death Certificate
 - Address of the deceased

There is a service charge payable at the municipal cashiers' offices located in the same building and therefore providing a centralized and seamless service to the community. 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. 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.

Pauper burials services

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

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 administration cemetery office. KDM also does Hospital/ SAPS paupers, and these are paid for by the hospital. Wednesdays are dedicated to the burial of paupers either Hospital or KDM paupers.

Indigent Burials

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. 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.

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. The office of the mayor in terms of the policy must give concurrent support and approval of the motivation submitted by a ward councilor. 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

KwaDukuza Crematorium is situated at erf 301 Lindelani Cemetery along provincial road, KwaDukuza offers cremation services to facilitate dignified disposal of human remains.

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

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

The KwaDukuza Crematorium operates two cremators that are Liquid Petroleum Gas powered and designed to take one corpse at time; the cremated remains are extracted separately to ensure that the bereaved receives ashes that are unique to the deceased.

The crematorium facility has an Environmental Authorization and an Air Emissions License which is valid until 13 August 2027 and therefore crematorium facility is fully compliant and licensed.

Highlights

The relocation of the cemeteries booking service to the finance building (General Gizenga Mpanza Building) which enables the community to book, pay and confirm the burial in one building.

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.

Refurbishment /Rehabilitation of the cemeteries infrastructure that was damaged during the April 2022 floods:

- Refurbishment of the change rooms in Vlakspruit cemetery
- Rehabilitation of the access road to Vlakspruit cemetery.
- Fencing of Shakaskraal Cemetery, KwaDukuza Crematorium, KwaDukuza Cemetery extension, Groutville cemetery and KwaDukuza Cemetery – Shakaville.

Challenges

- Unavailability of burial space in the Northern area of KwaDukuza.
- Vandalism in cemeteries i.e., stealing of palisade fence panels and destroying facilities in old cemeteries.

CEMETERIES AND CREMATORIUM PROJECTS UNDERTAKEN

Refurbishment of change rooms in Vlakspruit cemetery



Refurbishment of change rooms in Vlakspruit cemetery – before refurbishment



Refurbishment of change rooms in Vlakspruit cemetery – after refurbishment

Rehabilitation of access road to Vlakspruit cemetery



**Vlakspruit cemetery Access road:
before rehabilitation**



**Vlakspruit cemetery Access road:
after rehabilitation**

Fencing of Shakaskraal cemetery



**Shakaskraal cemetery:
before fencing**



**Shakaskraal cemetery:
after fencing**

Fencing of KwaDukuza Crematorium



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 – Vacant

Manager: Crime Prevention – Vacant

Manager: Traffic Services– Mr. M.J. Ntshangase

Manager: Motor Licensing & Testing Operations – Vacant

Manager: Marine Safety – Vacant

Manager: Disaster Management - Vacant

The Business Unit's successes and challenges for the 2024/2025 financial year are as follows:

A) TRAFFIC

Month	2023/2024				2024/2025			
	Warrants Executed	Drunken Driving	Section 56 Notices	Section 341 Notices	Warrants Executed	Drunken Driving	Section 56 Notices	Section 341 Notices
July	341	3	968	41	315	13	1 380	44
August	379	36	1 073	50	316	28	1 328	71
September	149	27	815	58	178	15	1 261	107
October	95	25	759	58	193	11	1 455	46
November	212	24	862	51	0	16	580	41
December	64	14	1 052	42	78	35	1 346	35
January	0	0	726	47	55	7	1 047	80
February	0	2	921	43	0	00	1 060	28
March	0	2	1 338	34	64	1	1 292	44
April	391	2	1 146	41	638	2	742	37
May	0	1	1 008	23	0	0	654	22
June	0	0	1 208	65	119	2	1 138	26
TOTAL	6 131	136	11 876	553	1956	130	13 283	581

Table 39: Statistics On Road Traffic Offences

Highlights:

- Income received through traffic offences – **R3 763 030.00**
- Income received from all traffic licences issued – **R6 410 399.50**
- Income received from all motor vehicle licenses issued – **R9 877 180.80**
- Number of outreach programmes:
17 Road Safety Community Outreach programmes conducted
23 Wards visited for Social Crime Prevention programmes
- **9** new patrol vehicles procured.
- Voluntary services received from strategic partners i.e. security, medical and air support.

Challenges:

- High vacancy at management and supervisory level.
- Ongoing land invasion on municipal and private properties, and shortage of resource to address the problem.
- High drug use and dealing of prohibited substances – the problem is growing rampantly.
- Poor planning of road infrastructure demands constant deployment of Traffic Officers to perform point duty.
- Constant faulty traffic signals require deployment of Traffic Officers to perform point duty.
- Parking management in the CBD and coastal parking.

Services provided at Special Operations:

- Ballito Pro 2024 and 2025
- Winter Fair 2024 and 2025
- Heritage Day 2024
- Diwali Celebrations 2024
- Ballito Matric Rage 2024
- Ballito Big Week
- Blythedale Beach Festival 2024
- New Year's Day beach patrols
- Easter weekend coastal operations
- Freedom Day functions
- Open Street Day
- Bi elections in Ward 28
- Blitz Operations
- Shakaville Sports Day
- Mayoral Imbizos
- G20 Summit

B) TECHNICAL SERVICES (Road marking, painting and traffic signage)

Highlights:

- Erecting traffic signage and replacing of damaged traffic signage.
Painting of various roads in different wards in KwaDukuza
- Inspection of road traffic signs and road markings to ensure a safer traffic environment for our daily road users and thus reducing our high accident rates.

Challenges:

- Provision of additional vehicles and modern road marking machinery and equipment.







C) SPECIAL OPERATIONS UNIT

ARREST STATISTICS

Arrest Details	2023/2024	2024/2025
Hijacking	2	2
Unlicensed firearms	3	3
Murder	1	0
Armed robbery	5	2
Theft of motor vehicles	10	8
Drunken driving	136	130
Possession of Dagga	2	2
Section 36 – Property suspected to be stolen	1	0
Rape	1	0
Possession of Dangerous Weapons	2	2
Reckless & Negligent Driving	2	1
Housebreaking (armed)	3	0
Possession of stolen property	5	0
Theft	7	2
Execute warrant of arrest	9	8
Possession of dependant producing drugs (Whoonga)	6	0
Possession of dependant producing drugs (heroin)	25	20
Possession of dependant producing crack cocaine	2	7
Dealing in Drugs: Rock, Cocaine, Mandrax tablets	2	4
Illegal trading	1	0
Illegal immigrant	9	7
Car jacking	0	0
Poaching	2	0
Assault GBH	2	3
Driving and launching on beach (Environment Protection Act)	0	0
Driving without a driver's license	1	0
Dealing with liquor without a license	2	16
Not complying with liquor rules	2	16
Public violence and damaging of property	2	0
TOTAL	245	233

Table 40: Statistics On Arrests

RECOVERIES STATISTICS

Recoveries Details	2023/2024	2024/2025
Stolen Motor Vehicles	22	19
Firearms	4	2
Magazine (Firearm)	1	5
Dagga	24	1
Loose dagga	3	1
Loose Dagga Valued at	1	6
Cellular phones	3	327
Recovery of alcohol valued at	12	210
Recovery (Rock Cocaine, Mandrax, Heroin, etc.)	157	1
Whoonga straws / capsule	24	29
Shoes & Clothing	0	385
Cash	0	63
Firearm ammunition	27	563
Tablet / dependent producing drugs	463	0
Flat screen Television	1	2
Beer cases	1	0
Dependent producing drug heroin pieces	312	0
Copper Cables	2	0
Dangerous Weapon	1	1
Diesel	75litres	1
Drug KAT	15	1
Fake firearm -black metal toy firearm	1	2
Scissors	1	19
Gold and silver jewellery	1	2
Ausus laptop	1	5
Hair straightener	1	1
SAPS exhibit bag containing fake facial gold cream	1	1
SAPS exhibit bag containing fake facial perfect white cream	2	6
SAPS exhibit bag containing fake facial cargo light cream	1	327
SAPS exhibit bag containing fake facial white gold cream	1	210

Table 41: Statistics On Recoveries

D) MOTOR LICENSING & TESTING OPERATIONS

KWADUKUZA TESTING STATION

STATISTICS DRIVERS

	2023/2024	2024/2025
TRANSACTIONS	40 244	40 361
AMOUNT	R6 550 130.00	R6 410 399.50

BALLITO MOTOR LICENSING

	2023/2024	2024/2025
TRANSACTIONS	31 319	29 795
AMOUNT	R1 190 430.39	R1 126 967.91

KWADUKUZA MOTOR LICENSING

	2023/2024	2024/2025
TRANSACTIONS	146 800	195 675
AMOUNT	R6 578 448.50	R8 750 212.89

STATISTICS – MOTOR LICENSING NORTH AND SOUTH

	2023/2024	2024/2025
TRANSACTIONS	178 119	225 470
AMOUNT	R7 768 878.89	R9 877 180.80

TESTING OPERATIONS

	2023/2024	2024/2025
Examining of eyes & fingerprints	26 458	25 991
Examining of public professional driving permits clearances	3 294	3 694
Examining of learner license	7 308	7 632
Examining of driver's licenses	(536 + 88) = 624 #	557 +62 = 619
Examining of vehicles	(122 + 27) = 149#	10 +18 = 28
Examining of instructors permits	NIL #	NIL
Issuing of traffic fines / suspension notice	453	397

- DENOTES COMPETENCY TESTS - 62 DRIVER TESTS & 18 VEHICLES TESTED.

Highlights:

- Clearview fencing installed.
- The buildings painted and roof leaks repaired.
- Three (3) new staff appointed as Administrator of Vehicles.
- A new Traffic vehicle was allocated to the Testing Operations.
- Discussions are in progress of building a new A Grade Driver License Testing Centre, this centre will enable all codes of driver tests to be carried out which will enhance the number of applicants using the facility. Consultant appointed to design the proposed new infrastructure.

Challenges:

- Due to testing of drivers being seasonal only a limited number of applicants use our facility as only light motor vehicle licenses are carried out.
- The testing of vehicles is limited due to age of equipment and location of the Vehicle Testing Centre.
- We provide an inefficient service to the community as frequent breakdowns plague the service, our equipment are over 50 years old and is of the analogue type. The entire equipment must be upgraded.
- There are discussions regarding building a new A Grade test station hopefully it can incorporate the Vehicle Testing Centre.

- The roads leading to the Motor Licensing and Vehicle Testing Centre is in urgent need of upgrading.

E) FIRE AND EMERGENCY SERVICES

Fire and 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 2024/2025

Details	2021/2022	2022/2023	2023/2024	2024/2025
Fires:				
Fires involving structures	120	147	130	152
Fires involving vehicles	44	31	45	49
Fires involving bushes and other types of fires (e.g. trees, tyres, sugarcane, electricity poles, etc.)	182	248	263	347
Rescue/Emergency Medical Assistance:				
Medical assistance	2	5	5	3
Hazardous Materials Incidents	4	9	7	14
Other (special services, hoax calls, false alarms, no service rendered)	56	61	52	72
Motor Vehicle accidents	122	131	126	151

Table 42: 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.

195 Building Plans were processed by the Fire Prevention team with **35** premises being inspected for compliance with the National Building Regulations and Building Standards Act and relevant National Standards.

FIRE SAFETY PROGRAM:

- 18 Wards visited for Fire Safety Awareness Talks (school visits and special programs).

Highlights:

- The Fire and Emergency Services unit took delivery of two (2) new Scania Fire Engines, two (2) Toyota Hilux Single Cabs, one (1) Toyota Hilux Double Cab and two (2) sets of battery-operated Rescue Tools.
- Completion of the Fire and Emergency Services boardroom and gymnasium.
- Upgrade of the Emergency Call Centre in the Ballito Fire Station.

Challenges:

- Delays in filling of vacant funded posts.
- Downtime on the repairs of specialized fire vehicles due to unskilled personnel within Fleet Management services.
- Lack of training and staff development by Skills Development Unit.
- No ongoing provision for trauma counselling and support to emergency staff.
- Due to the lack of emergency services within iLembe District, KwaDukuza Fire and Emergency Services Department is required to provide assistance to other municipalities.
- Fire and Emergency Services Department is requested to provide water to various wards during periods of water shortages.

SERVICES PROVIDED AT SPECIAL OPERATIONS:

- Ballito Pro 2024 and 2025
- Winter Fair 2024
- Youth games - Ward 25
- Taquilla Event 2024
- ZA Fest event 2024
- Chief Albert Luthuli Walk and Fun Run
- Indigenous Games
- Indigenous Games training session
- Virgin Active Warrior Race
- Women's Race and Fun Walk - Ward 19
- Umkhosi Welembe 2024
- 2024 Inter-ward games and selection
- Inter Municipality games training phase
- District Inter Municipality games
- KwaDukuza Local Big Walk
- Christmas Fair Event
- Matric Rage 2024

- Blythedale Beach Festival
- Ricardo Mthembu Annual Festival
- Festive Season beach patrols
- iLembe Music Festival
- Ballito Big Week
- Multi-disciplinary Wards Sports event
- G-20 Summit 2025
- Easter Weekend operations
- Easter Roadshow Inter-faith prayer
- Freedom Day Function
- Youth Prayer
- Youth Day Celebration
- Public Viewing Area - Orlando Pirates vs Kaizer Chiefs
- Ministerial Handover of Title Deeds to Amathonsi Trust
- Ukuvulwa Kwendlu Yamakhosi
- KwaDukuza Talent and Homebrew Festival
- Annual Mlungisi Skhakhane Soccer Tournament

Below are some of the incidents which the Fire-fighting team responded to:

Special services – Guzana Primary School, Shayamoya



- A six (6) year old child fell into a septic tank while playing at the school grounds.
- The tank had to be drained out to retrieve the patient.
- The incident resulted in one (1) Blue Code patient.
- Relevant agencies such as KwaDukuza Fire brigade, Umhlali SAPS and SAPS Search and Rescue were summoned on scene.

Structural fire – Moola Industrial Crescent, KwaDukuza



- A textile factory was completely gutted by flames and was extinguished by KwaDukuza Fire and Emergency Services.
- The cause of the 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 neighboring houses.
- No casualties were registered.

MVA – N2 Southbound, Mandeni



- It is alleged that a bus, carrying church goers, lost control and landed on its side.
- The incident resulted in multiple injuries and casualties being registered.
- Relevant agencies such as KwaDukuza and Mandeni Fire brigade, Newark SAPS and Medical services were summoned on scene.

Structural fire - Sappi Fine Paper and Gledhow Sugar Mill, KwaDukuza



- A part of both factories was completely gutted by flames and was extinguished by KwaDukuza Fire and Emergency Services.
- The cause of the fire is yet to be established because no comprehensive investigation has been carried out.
- No casualties were registered.

MVA – N2 Northbound, Umhlali



- It is alleged that a minibus vehicle collided with two (2) light duty motor vehicles.
- The incident resulted in twelve (12) casualties.
- Relevant agencies such as KwaDukuza Fire brigade and medical services were summoned on scene to stabilize the patients.

MVA – R102, Shakashead



- It is alleged that a heavy-duty motor vehicle collided with a light duty motor vehicle.
- The incident resulted in two (2) Green Code patients.
- Relevant agencies such as KwaDukuza Fire brigade and medical services were summoned on scene to stabilize the patients.

Structural fire – Simbithi Eco Estate



- A formal house was completely gutted by flames and was extinguished by KwaDukuza Fire and Emergency Services.
- The cause of the 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 neighboring houses.
- No casualties were registered.

MVA – R102, Shakashead



- It is alleged that a light motor vehicle lost control and landed on the railway track.
- The incident resulted in one (1) Blue Code and two (2) Red Code Patients.
- Relevant agencies such as KwaDukuza Fire brigade, Umhlali SAPS and mmedical services were summoned on scene.

MVA – N2 Northbound, Shakashead



- It is alleged that a minibus vehicle collided with one (1) light duty motor vehicle.
- The incident resulted in six (6) Blue Codes and multiple Green Codes.
- Relevant agencies such as KwaDukuza Fire brigade and medical services were summoned on scene to stabilize the patients.

F) DISASTER MANAGEMENT

The purpose of this report is to highlight the achievements and shortcomings experienced within the KwaDukuza Disaster Management Unit during the period 01 July 2024– 30 June 2025 in compliance with the provisions of the Disaster Management Act 57 of 2002.

The KwaDukuza 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 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 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 Disaster Management Unit Annual report reflects on the significant milestones achieved in line with the Disaster Management Act.

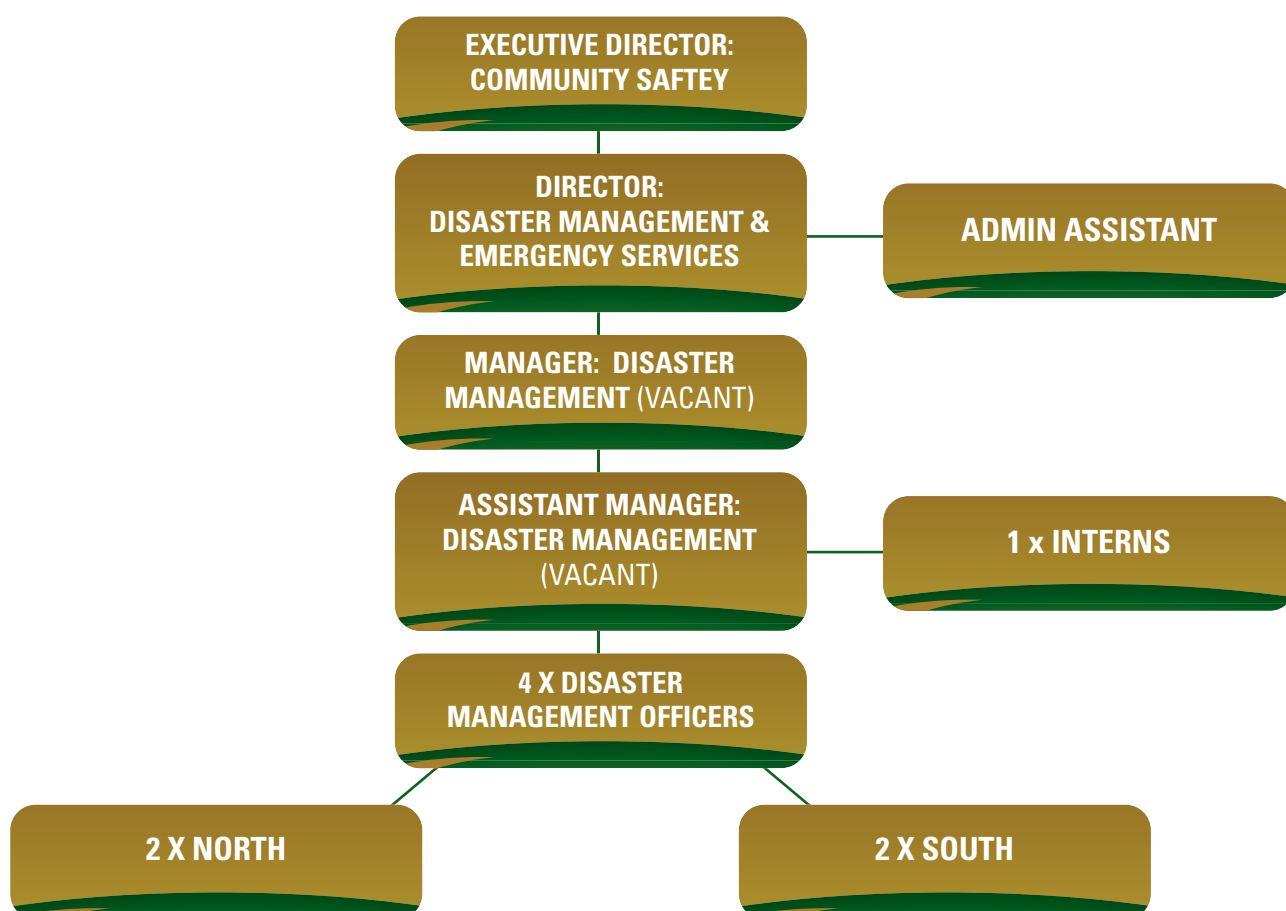
KEY PERFORMANCE AREA 1: INTEGRATED INSTITUTIONAL CAPACITY FOR DISASTER RISK MANAGEMENT

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 facilitating co-operation and co-ordination among existing structures, organizations and institutions wherever possible and on harnessing existing skills and expertise, this involves all stakeholder and councillors in strengthening the capacity of the Municipality.

STATUS OF DISASTER MANAGEMENT UNIT

The KwaDukuza Disaster Management Unit was established in December 2012. Although the municipality does not have an independent disaster management centre, the current disaster management office that is used for disaster management activities is located at the KwaDukuza Municipality offices and is furnished with the required resources. The Unit consists of the Director, four disaster management officers and one administrative assistant and one intern. There are currently two vehicles used to respond to disaster incidents and three storage containers that store immediate relief (food parcels, blankets, sponges, cosmetic packs and gel stoves). The Unit falls within the Community Safety Business Unit and reports to the Municipal Services Portfolio Committee.





KwaDukuza Disaster Management Unit Organogram

DISASTER RISK MANAGEMENT PLAN

Section 53 of the Disaster Management Act (Act No. 57 of 2002) states that each municipality must prepare a disaster risk management plan for its area according to the circumstances prevailing in the area. The KwaDukuza Disaster Management Plan was developed and adopted by the Council in May 2016. After re-advertisement SCM could not find a favourable number of bidders as a result consideration for re-advertisement has been done and consultation is on the way awards re-advertisement.

DISASTER RISK MANAGEMENT POLICY FRAMEWORK

In the 2024-2025 Financial year, The KwaDukuza Disaster Management team developed a disaster risk management policy framework for KwaDukuza Municipality and initiated the policy-making process.

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. On an ongoing basis, the Disaster Management Practitioners has 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. The early warning system from SAWS (South African Weather Service) were crucial and helpful since the municipality managed to disseminate the warnings/alerts to the local stakeholders.

STATUS OF INTER-GOVERNMENTAL RELATIONS (IGR) STRUCTURES

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, Management Committee and Disaster Management Ward-Based Consultative Forum. In the 2024-2025 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 meet when it is necessary.

- **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 2024-2025 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.

Municipal Disaster Management Advisory Forum (DMAF)

The primary purpose of the Disaster Management Advisory Forum is to provide a mechanism for relevant stakeholders and councillors to consult one another and to co-ordinate their activities with regards to disaster risk management issues. The KwaDukuza Local Municipality established a Disaster Management Advisory Forum in accordance with Section 51 of the Disaster Management Act. KwaDukuza 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.

Quarter	Date of Meeting	Status
1st Quarter	20 August 2024	Quorum was not met; meeting did not sit.
2nd Quarter	14 November 2024	Full Attendance.
3rd Quarter	25 March 2025	Quorum was not met; meeting did not sit.
4th Quarter	05 June 2025	Quorum was not met; meeting did not sit.

Table 43: Schedule of Advisory Forum Meetings for the 2024-2025 Financial Year:

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 and 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.

STATUS AND RESULTS OF DISASTER RISK ASSESSMENTS UNDERTAKEN

List of Priority Risks (Hazards)

The Municipality is prone to several 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 imperative to conduct a Risk Analysis, which will identify and prioritize potential hazards and threats that are likely to occur within the KwaDukuza Local Municipality.

Hazard	Hazards Indices	Vulnerability Indices	Manageability/Capacity	Relative Risk Rating	Relative Risk Priority
	Hazard Rating	Vulnerability Rating	Manageability Rating		
Heavy Rainfall	9	9	6	10	Extreme
Flooding	8	9	5	9	High
Structural Fires	9	8	7	9	High
Strong Winds	7	5	5	6	Medium
Lightning	6	6	7	5	Medium
Structural Collapse	5	7	5	5	Moderate
Veld Fires	4	4	6	3	Low

Table 44: List of Hazards

KEY PERFORMANCE AREA 3: DISASTER RISK REDUCTION

The KwaDukuza Disaster Management Unit must develop, implement and maintain Disaster Risk Reduction measures for the Municipality after consultation with the Disaster Management Act. The KwaDukuza Disaster Management Unit must also do Risk Reduction Plans to provide ways to prevent and mitigate strategies that have been compiled through a participative process and have not been vetted or submitted to feasibility studies.

QUARTER 2024-2025	DATE	WARD/AREA	DISASTER RISK REDUCTION PROGRAMME	TARGET AUDIENCE	THEME
First Quarter	14/09/2024	Ward 14 (Lloyd Hall)	KwaDukuza Youth Outreach Programme	General Public	Improve Disaster Prevention and Preparedness in communities.
	30/08/2024	Ward 12 Thembeni Hall	KwaDukuza Youth Integrated Outreach Programme	General Public	Improve Disaster Prevention and Preparedness in communities
Second Quarter	01/11/2024	Ward 09 Malende Hall	KwaDukuza Youth Outreach Programme	General Public	Improve Disaster Prevention and Preparedness in communities
	15/11/2024	Ward 08 eNkobongo Hall	KwaDukuza Youth Integrated Outreach Programme.	General Public	Improve Disaster Prevention and Preparedness in communities
Third Quarter	13/02/2025	Melville Primary School.	Safety at Schools Awareness Campaign	Learners	In collaboration with KDM Social Crime and KwaDukuza SAPS to reduce incidents of violence, substance abuse and bullying taking place in KwaDukuza Schools
	27/03/2025	Ward 16 (Stanger Manor School).	Safety at Schools Awareness Campaign	Learners	In collaboration with KDM Social Crime and KwaDukuza SAPS to reduce incidents of violence, substance abuse and bullying taking place in KwaDukuza Schools
Fourth Quarter	23/05/2025	Ward 27 Nsiken area	KwaDukuza Youth Integrated Outreach Programme.	General Public	Improve Disaster Prevention and Preparedness in communities.
	22/06/2025	Ward 29	Awareness Campaign	General Public	Improve Disaster Prevention and Preparedness in communities.
	10/06/2025	Ward 29	War Room	General Public	Improve Disaster Prevention and Preparedness in communities.

Table 45: Disaster Risk Reduction Programmes undertaken by the KwaDukuza Disaster Management Unit in the 2024-2025 financial year:

Awareness campaign photos



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 Disaster Management Centre and other relevant stakeholders in order to provide coherent, transparent and inclusive disaster risk reduction strategy for the KwaDukuza Local Municipality. On an on-going basis, the KwaDukuza Disaster Management Unit:

1. Conducts hazard-specific awareness and disaster reduction programmes in vulnerable wards to ensure mitigation and prevention.
2. Provides building material to partially and totally destroyed homes to reduce disaster risk.
3. Monitors the ward based consultative forum that assist in ensuring in ensuring community involvement in disaster risk reduction initiatives.



KEY PERFORMANCE AREA 3: DISASTER RISK REDUCTION

DISASTER MANAGEMENT CENTRE BENCHMARKING EXERCISE

The KwaDukuza Disaster Management Unit initiated a benchmarking exercise to develop a functional Disaster Management Centre for KwaDukuza Municipality. Part of the exercise included conducting a site visit on the 31st of January 2025 at the NDZ Disaster Management Centre so that a physical assessment of the Centre could be conducted, and research can commence. This will go a long way in ensuring that KwaDukuza Municipality develops a fully functional Disaster Management Centre to address the disaster risk management needs of the Municipality.



2024-2025 DISASTER RISK REDUCTION PHOTOS

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 Disaster Management Unit has an obligation to respond, assess and capture disaster incidents as they occur as per 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 disasters challenges.

QUARTER	Heavy Rainfall	Structural Fire	Strong Wind	Other	Total
FIRST QUARTER	0	8	1	0	9
SECOND QUARTER	4	3	0	0	7
THIRD QUARTER	5	7	1	0	13
FOURTH QUARTER	3	9	0	0	3
Total	12	27	02	0	32

Table 46: INCIDENT STATISTICS

The Table above illustrates the number of incidents that were experienced at the Municipality from 01 July 2024– 30 June 2025 period. A total number of Forty-one (41) incidents were reported. The KwaDukuza Disaster Management Unit noted that heavy rainfall incidents were dominant in the period under review as illustrated in table 4 above.

DISTRIBUTION OF RELIEF IN KWADUKUZA



KDM Distribution of Relief during 01st of July 2024– 30th of June 2025

QUARTER	NUMBER OF INCIDENTS	HOUSEHOLDS AFFECTED	HOUSES PARTIALLY DESTROYED	HOUSES TOTALLY DESTROYED	HOMELESS	PEOPLE AFFECTED	FATALITIES	INJURIES
1 ST QUARTER	9	38	24	14	16	183	0	0
2 ND QUARTER	8	14	6	5	3	43	0	2
3 RD QUARTER	18	54	36	17	08	260	0	2
4 TH QUARTER	12	22	15	10	34	89	0	0
TOTAL	47	128	81	46	61	575	0	4

Table 47: IMPACT OF INCIDENTS

The table above illustrates the impact of the incidents during the 2024/2025 financial year. KwaDukuza Local Municipality accounted for a total number of **One hundred and twenty-eight (128)** Households affected, **Eighty-One (81)** Houses Partially Destroyed, Four hundred and forty-six (46) Houses Totally destroyed, Sixty-one (61) families left homeless, and **Five Hundred and seventy-five (575)** people affected, Unfortunately during the course of these incidents, there were Four (4) injuries and no Fatalities.

DISASTER INCIDENT PICTURES

Pictures representing disaster incidents that occurred during the period of 01 July 2024 to 30 June 2025.

FIRST QUARTER



Conveys the aftermath following Structure Fire incident in ward 16 (Nyonyiyanzi)



Conveys the aftermath following a heavy rainfall incident in Ward 1

SECOND QUARTER



Conveys the aftermath following heavy rain fall incident in Doringkop Esadlokwe area.



Conveys the aftermath following a heavy rainfall incident in Ward 29

THIRD QUARTER



Conveys the aftermath following a structural fire incident in Ward 18 (Mbozamo)



Conveys the aftermath following a Heavy Rainfall incident in Ward 07 (KwaMbonambi)

FOURTH QUARTER



Conveys the aftermath following a structural fire incident in Ward 26 (eZihlabathini)



Conveys the aftermath following a structural fire incident in Ward 03 (Nyathikazi)

IMMEDIATE RESPONSE

A thorough assessment was conducted to get the magnitude of the damage caused by the incidents. During the 2024-2025 Financial year, KwaDukuza Disaster Management Unit offered immediate assistance to the affected families in the following form of:

AID DISTRIBUTED	TOTAL NO. OF AID DISTRIBUTED
1. Blankets	80
2. Plastic Sheeting	10
3. Food Parcels	31
4. Sponges	61
5. Box B	18
TOTAL	200

Table 48: Assistance offered for disasters

ENABLER 1: INFORMATION MANAGEMENT AND COMMUNICATION

The KwaDukuza Disaster Management Unit must develop and implement an effective information management and communication system to enable the receipt, storage, dissemination and exchange of information between the Unit and all relevant stakeholders. The system must fulfil the requirements stipulated in the National Policy Framework.

Early Warning System

The KwaDukuza 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.

Information Management System

The KwaDukuza 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.

ENABLER 2: EDUCATION, TRAINING, PUBLIC AWARENESS AND RESEARCH

It is the responsibility of the KwaDukuza 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.

Community Awareness Campaigns

The KwaDukuza Disaster Management Unit conducted 7 Awareness Campaigns during the period under review in collaboration with the KwaDukuza Fire & Emergency Services, KDM Social Crime Prevention, KwaDukuza SAPS, Department of Social Development, Department of Education and Economic Development focusing on:

- Households and Veld Fires,
- Climate Change,
- Illegal Substance abuse,
- Child Protection.

Education and Training

The KwaDukuza Disaster Management Unit promotes capacity building, training and education. During the 2024-2025 financial year, the Unit took two students from the Institutions of Higher Learning (Durban University of Technology and eThekweni City College) to provide them with the adequate training required to complete their Work Integrated Learning.

ENABLER 3: FUNDING ARRANGEMENTS FOR DISASTER RISK MANAGEMENT

FINANCIAL CAPABILITIES

During the 2024/2025 financial year, The Unit 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 Disaster Management Unit has prepared and completed a Sector Plan designed to establish the framework for implementation of the provisions of the Disaster Management Act and Disaster Risk Management Policy Framework. The Sector Plan

with the projects budgeted for is fundamentally, the identified disaster risk reduction activities which will be integrated and aligned with the main activities contained in the municipal IDP.

EVENT SUPPORT AND COMPLAINE:

- Brutal Fruit Spritzer Saturday
- Tequila and Mexican food Festival Heritage Day
- Ballito Big Week
- Rage Festival
- Blythedale Beach Festival
- Zinkwazi Beach Festival
- iLembe Cultural Music Festival
- Freedom Day Celebration
- Ward 15 Sports Day
- KwaDukuza Open Street Event
- Winter Fair

CHALLENGES AND RECOMMENDATIONS

CHALLENGES	PROPOSED RECOMMENDATION
• Backlog of building material since the service provider's contract ended on the 30th of September 2024.	• SCM processes must be fast-tracked so that a new service provider can be appointed timeously.

CONCLUSION

The KwaDukuza Disaster Management Unit has implemented a very strict proper coordination and integration of disaster related matters 2024/2025, 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 Disaster Management Unit must make a provision for resources to be allocated for immediate relief aid such as blankets, food parcels and sponges to the affected families.

G) MARINE SAFETY AND LAUNCH SITE MANAGEMENT

Highlights:

- Zero drownings on the main bathing beaches.
- 2 drownings on unprotected beaches, 2 body recoveries from river and dam.
- Zero marine animal strandings.
- Daily safety and beach information on local radio station Life & Style 88.0 FM - Monday to Saturday performed by the Beach Manager.
- Conducted 8 Education and Safety workshops for the community.
- No schools visited for Water Safety Campaigns.
- Acquired 2 new Toyota Hilux 4X4 bakkies.
- Successful Ballito Pro 2025 – Zero incidents

Challenges:

- Staffing: No new appointments, no alternate appointments for ageing staff, no opportunity for advancement for any staff member.
- Vacancies at management and supervisory level.
- Additional Lifeguards of new swimming beaches.
- Additional jet ski and quad bikes for effective patrols and rescues.

G) MARINE SAFETY AND LAUNCH SITE MANAGEMENT ...continued



KwaDukuza management and senior lifeguards wearing their new uniform



The influx of beachgoers at Thompsons Bay in December 2024



The launch of Ballito Pro 2025



Marine Safety lifeguards providing water safety for Ballito Pro 2025



International Surfing Judge Bongani Xulu who is also KwaDukuza Lifeguard Superintendent being interviewed at the Ballito Pro 2025



The Ubuntu Learn to Swim team competing at the Midmar Mile 2025

2.5.4 CIVIL ENGINEERING AND PROJECT MANAGEMENT UNIT

The Civil Engineering & Project Management Unit 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 & 153 of the Constitution for the planning and implementation in these performance areas:

- 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 Project Management Unit Business unit have a total staff complement of 130 employees. (124 in the Civil Engineering section, and 6 staff in the Project management unit). The goals and objectives of the Civil Engineering & Project

Management Unit Business Unit is mandated from Integrated Development aligned to KZNPGDS and National Development Plan.

Civil Engineering and Project Management Unit Highlights

The Business Unit has managed to achieve the following:

The Civil Engineering and Project Management Unit initial Capital Budget for the 2024/2025 financial was R 93 918 737 (excl. vat). The KwaDukuza municipality received the approval on the rollover application to the value of R 311 622 527 (excl. vat). The rollover application was for unspent response, and reconstruction and rehabilitation disaster grant. Adjustment budget was done to accommodate disaster response grant and reprioritization of MIG. The total budget after first budget adjustment for Civil Engineering and Project Management Unit was R 381 404 093. Excl. Vat. The total capital for 2024/2025 after second budget adjustment was R 373 644 093 excl. vat to accommodate the reduction in the MIG allocation.

Funding	Unspent 2023/2024 roll over	2024/2025 Allocation	2024/2025 spent	2024/2025 Unspent	Percentage spent
Council Funding	-	25,519,758	13,706,875	11,812,883	54%
Municipal Disaster Response Grant - R 109m	10,409,501	-	7,427,486	2,982,015	71%
Municipal Infrastructure Grant	-	51,625,000	39,337,865	12,287,114	76%
Reconstruction & Rehabilitation Grant - R22m	9,908,233	-	6,628,698	3,279,535	67%
Reconstruction & Rehabilitation Grant - R1.2b	338,048,171	-	280,102,082	57,946,089	83%

Table 49: Expenditure on capital budget

MUNICIPAL INFRASTRUCTURE GRANT R 60 549 000

KwaDukuza Municipality received a MIG allocation of R 60 549 000 in 2024/2025 Financial Year. National Treasury on the 14 February 2025 informed us an amount of R8 924 000.00 of the KwaDukuza Municipality 2024/25 MIG allocation of R 60 549 000,00 in terms of section 18 of the 2024 DORA will be stopped. Based on the above our revised allocation for the financial 2024/2025 financial year was R 51 625 000,00. The Municipality only spent R 39 337 865,28 of the Municipal Infrastructure Grant Funding which amounts to 76.2 % of the revised MIG allocation and 65 % of the original allocation. The unspent portion of the grant is R12 287 136,97 as of 30 June 2025.

DISASTER RECONSTRUCTION AND REHABILITATION GRANT R 1 271 098 000

The 2024/25 approved budget appropriated R 338 048 171 (VAT INCL.) which was a balance in the previous financial year. The year-to-date expenditure as of 30 June 2025 amounts to R284 997 063.27 (VAT INCL.) The overall grant expenditure as of R1 218 046 875.37 (96.53%) as of 30 June 2025, the overall grant balance is R 53 051 107,73 (VAT INCL.)

DISASTER RESPONSE GRANT R 109 043 000

The 2024/25 approved budget appropriated R 10 409 502 (VAT INCL.) which was a balance in the previous financial year. The year-to-date expenditure as of 30 June 2025 amounts to R4 819 901 (VAT INCL.) The overall grant expenditure as of R103 453 399.00(94.87%) as of 30 June 2025, the overall grant balance is R 5 589 601 (VAT INCL.)

DISASTER RECONSTRUCTION AND REHABILITATION GRANT R 22 026 997

The 2024/25 approved budget appropriated R 9 908 233 (VAT INCL.) which was a balance in the previous financial year. The year-to-date expenditure as of 30 June 2025 amounts to R9 236 285.30 (VAT INCL.) The overall grant expenditure as of R21 355 049.30 (96.69%) as of 30 June 2025, the overall grant balance is R 671 947,70 (VAT INCL.)

The business unit has found a balance in terms of creating new infrastructure such as 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
- Stormwater Management Plan- currently under review and should be complete by December 2025.

STORM WATER DRAINAGE

The municipality through various funding sources implemented stormwater maintenance and upgrade projects. Most of these were in response to disaster that occurred in April 2022. Most of these interventions were done using disaster grant funding.

RE-GRAVEL ROADS (OPERATION BUDGET)

The municipality as part routine maintenance and response disaster that occurred in April 2022, implemented re-gravelling projects under MN89/2021 of contractors for Betterment and Re-gravelling.

BRIDGE REPAIRS AND CONSTRUCTION

The KwaDukuza Municipality implemented projects which included repairs to flood damaged bridges and reconstruction of flood damaged bridges. The municipality implemented projects of various nature through civil engineering and project management business unit. Projects implemented were funded by either, Municipal Infrastructure Grant, Disaster Response Grant, Disaster reconstruction and rehabilitation grant and own council revenue.

PROGRESS ON THE IMPLEMENTATION OF DISASTER GRANT

KwaDukuza Municipality received three grants in response to disaster that occurred in July 2019 and April 2022. KwaDukuza Municipality was first allocated R109

043 000 as response to April 2022. The R109 043 000 allocation was received in July 2022. The second grant to the value R 1 271 098 000 was received in March 2023 which is reconstruction and rehabilitation grant in response to April 2022 disaster. The third grant to the value of R 22 026 997 was received in two tranches, first tranche of R 6 000 000 transferred in September 2023 and second tranche of R 16 026 997 in transferred in February 2024.

DISASTER RESPONSE GRANT R 109 043 000

The 2024/25 approved budget appropriated R 10 409 502 (VAT INCL.) which was a balance in the previous financial year. The year-to-date expenditure as of 30 June 2025 amounts to R4 819 901 (VAT INCL.) The overall grant expenditure as of R103 453 399.00(94.87%) as of 30 June 2025, the overall grant balance is R 5 589 601 (VAT INCL.) The balance for this grant is for the completion of construction of Hulett Bridge in Ward 2.

PROJECTS STATUS

This allocation was for 30 projects which included roads, stormwater and bridges. From the 30 projects that were approved under this grant, 29 have completed and only one is still under construction i.e. Construction of Hulett Bridge in Ward 2.

DISASTER RECONSTRUCTION AND REHABILITATION GRANT R 1 271 098 000

The 2024/25 approved budget appropriated R 338 048 171 (VAT INCL.) during budget adjustment which was a balance in the previous financial year which was approved as rollover. The year-to-date expenditure as of 30 June 2025 amounts to R284 997 063.27 (VAT INCL.) The overall grant expenditure as of R1 218 046 875.37 (96.53%) as of 30 June 2025, the overall grant balance is R 53 051 107,73 (VAT INCL.)

PROJECTS STATUS

KwaDukuza Municipality has managed to conclude the appointment of 399 projects of the 400 projects approved this grant. From 399 projects that have appointed, 380 have been completed and 20 projects are under construction, with 9 projects at practical completion.

DISASTER RECONSTRUCTION AND REHABILITATION GRANT R 22 026 997

The 2024/25 approved budget appropriated R 9 908 233 (VAT INCL.) which was a balance in the previous financial year. The year-to-date expenditure as of 30 June 2025 amounts to R9 236 285.30 (VAT INCL.) The overall grant expenditure as of R21 355 049.30 (96.69%) as of 30 June 2025, the overall grant balance is R 671 947,70 (VAT INCL.). The remaining balance on this grant is for payment of professional fees.

PROJECTS STATUS

This allocation was for 5 projects which included roads, stormwater and retaining walls. From the 5 projects that were approved under this grant, all projects have completed.

CHALLENGES

Civil Engineering and Project Management Business Unit experience numerous challenges during the implementation of both capital and operational projects.

Challenges experienced included the following:

- The process of appointing contractors taking much longer than reflected in the implementation Plan and the bottle neck is at Evaluation and Adjudication committee.
- Project Stoppages due the so-called business forums.
- Delays due to inclement weather.
- KwaDukuza and surroundings experience on floods in December 2023 and January 2024 which caused further damages and damaged some the works that were under construction. The damages resulted to budget shortfalls for some projects.
- Poor performance from contracted service providers i.e. Consultants and Contractors.
- Cashflow challenges for contractors.

REHAB OF KENNY KHANYAYO, PIGOGO, UKHOZI AND KLEBE STREET IN WARD 23



Before Construction



After Construction

REHAB OF JONES, HOWE, AND GIZZENGA STREET IN WARD 19



Before Construction



After Construction

CONSTRUCTION OF SOKESIMBONE ACCESS ROAD AND STORMWATER IN WARD 1



Before Construction



After Construction

CONSTRUCTION OF CHARLOTEALLE COMMUNITY HALL IN WARD10



CONSTRUCTION OF NYONGO ROAD IN WARD 27



CONSTRUCTION OF MNYUNDWINI BRIDGE



Before Construction



After Construction

CONSTRUCTION OF 700-SEATER HALL IN MELLVILLE WARD 24



Before Construction



After Construction

2.5.5 ECONOMIC DEVELOPMENT AND PLANNING

The Economic Development and Planning Business Unit is at 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;
- Local Economic Development;
- Human Settlements and;
- Youth and Sports Development

2.5.5.1 DEVELOPMENT PLANNING UNIT

- A. Proposed And Existing Planning Policy Review
- B. Spatial Planning: SPLUMA Implementation.
- C. Municipal Planning Tribunal Activities
- D. Land Use Management (Town Planning) Activities
- E. Building Control Activities
- F. Outdoor Advertising Activities
- G. Environmental Management and Climate Change Activities

A. PROPOSED AND EXISTING PLANNING POLICY REVIEW

i) SPLUMA BYLAWS:

The first Spatial Planning and Land Use Management (SPLUM) By-law was gazetted in September 2018 (By-law No. 2002). These bylaws have since been reviewed as part of the Ease of Doing Business Project (i.e. "Senzalula Project") with Council adopting the same in a meeting held on 26 June 2025. The implementation of the reviewed Bylaw was delayed and will only come into effect from 01 August 2025.

ii) LAND USE MANAGEMENT SYSTEM (LUMS)

Section 25 (1) of the SPLUMA (Act 16 of 2013) stipulates that:

"A land use scheme must give effect to and be consistent with the municipal spatial development framework and determine the use and development of land within the municipal area to which it relates in order to promote:

- *Economic growth;*
- *Social inclusion;*
- *Efficient land development; and*
- *Minimal impact on public health, the environment and natural resources."*

Following the adoption of KwaDukuza Municipality's first Land Use Scheme in 2016, which covered all the land parcels within the municipal jurisdiction as required

by legislation, there have been two reviews, which were undertaken in 2018 and 2021, respectively. The current review of the land use scheme included the amendment of the land use scheme document and the zoning map. The current review of the Land Use Scheme involved, amongst others, the inclusion of new zones and definitions, capturing approved scheme amendments, corrections of errors and ambiguity, creation of new hatching in the mapping, and aligning the mapping with the scheme document. During the same process of reviewing the scheme, there was a lot of interest, albeit after the fact, on Short-term Rentals elements of the scheme. Due to importance of the element, it is discussed in detail below.

Self-Catering Accommodation (Short Term Rentals):

When the Land Use Scheme review was made available for public comment on 04 April 2025, one of the proposals included the introduction of a new land use category referred to as "Self-Catering", aimed at regulating self-catering accommodation. This form of short-term accommodation does not fall within the traditional definitions of Bed and Breakfast or Guesthouse establishments.

Self-catering accommodation has gained prominence through online booking platforms such as Airbnb and Booking.com. A key distinguishing characteristic of this type of accommodation, compared to traditional short-term accommodation like Bed and Breakfasts, is that the owner or caretaker does not reside on the property. Additionally, a self-check-in process for guests is generally managed through the online platforms mentioned above. This is just one of several unique characteristics of self-catering (short-term rental) accommodation, with other nuances that were not fully considered during the drafting process.

After the closure of the public participation period, there were numerous enquiries/submissions relating to proposals that were included in the LUMS review this topic. Most of these queries were out of time and were never raised in our public meetings. Most people reacted after an enforcement was done on one of the establishments after the municipality received public complaints. This put the matter in the public domain, creating a perception that the public participation process was not properly followed. Despite these proposals being out of time with misinformation about the municipality's process, the administration decided to consider various submissions submitted by various industry players involved in short-term accommodation. It must be noted that the flood of queries emanated from one of the community members who is operating a short-term rental establishment using Airbnb as a vehicle. The establishment was a subject of a complaint relating to noise, disturbance, etc from neighbouring properties and the municipality undertook enforcement action as there was no authorisation granted for the establishment to operate. Then the owner of the establishment took to social media to alert other establishments to galvanise 'support' using the LUMS process as a tool.

Given this context and the importance of the tourism industry in the municipality, the EDP Business Unit resolved not to proceed with the proposed amendments relating to Self-Catering Accommodation (Short-Term Rentals). The rationale for this approach is to allow the municipality to address the matter through a dedicated policy formulation process, which is already underway. Once finalized, this policy will inform future amendments to the Land Use Scheme. The proposed policy will follow the legislative process, including consultation with all relevant stakeholders to obtain input and comments before Council adoption. This process will commence in the 2025/26 financial year and inform future LUMS review once complete.

B. SPATIAL PLANNING: SPLUMA IMPLEMENTATION

SPLUMA APPROVAL STRUCTURES:

All the decision-making authorities are established and in operation and the current five (5) year term of office for the Municipal Planning Tribunal (MPT) and Municipal Planning Appeals Authority (MPAA) expires in October 2025. The process of appointing new structures is already initialized with a report serving before Council on 26 June 2025. Nominations for both structures will be advertised in relevant media and the municipal website, with evaluation of all submissions undertaken and a report submitted to Council for consideration and approval before the end of the current term of office.

SPLUMA APPLICATIONS PROCESSED DURING 2024/25

Table 50: The following is a summary of Applications processed during the financial year.

APPLICATION PROGRESS	NUMBER OF APPLICATIONS	
	2023/2024	2024/2025
Number of applications approved	36	51
Number of applications disapproved	1	1
Number of pending applications	55	60
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 (2025/2026)		
TOTAL	92	112

Based on the above statistics, there has been an increase in the overall number of applications that have been processed in comparison to the previous financial year, these include applications submitted in 2023/2024 financial year. The increase in the number of applications approved can be directly attributed to the following:

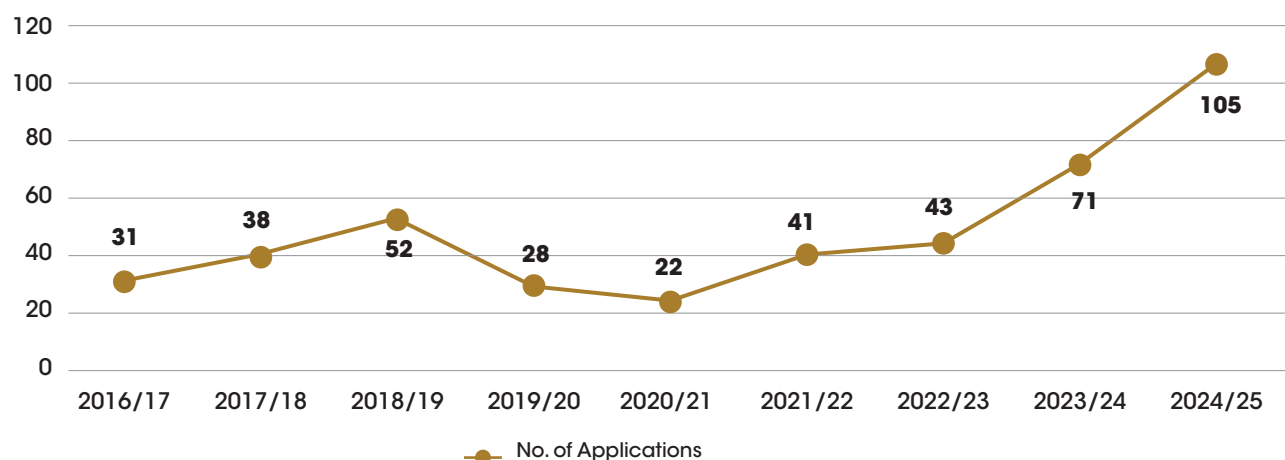
- The addition of a new Senior Town Planning Technician since 1 July 2024 to the team has had a significant positive impact on operational efficiency. This appointment has enabled the department to address and substantially reduce historical backlogs, while simultaneously improving the turnaround time for new submissions. As a result, applications are largely being assessed, concluded, and decided upon within the legislated timeframes,

thereby enhancing service delivery and compliance with statutory obligations.

- The graduate interns have now undergone comprehensive on-the-job training and mentorship. This has equipped them with the necessary technical skills, procedural knowledge, and confidence to manage applications from start to finish. They are now able to prepare and process submissions to the required professional standard and competently present these to the relevant decision-making authorities with limited intervention from the supervisors, thereby contributing meaningfully to the overall workflow and decision-making process.

The graph below reflects the number of new unique applications received for each of the financial years, which include pre-submission and formal submissions:

No. of Applications per Financial Year



From the above, it can be deduced that the overall number of applications received has increased by 34, which translates to a percentage increase of 47.89% compared to the previous year.

C. MUNICIPAL PLANNING TRIBUNAL ACTIVITIES

Table 51: The following table reflects the summarized comparison of MPT sittings for each quarter of the financial year 2024/25

QUARTERLY STATS	Q1	Q2	Q3	Q4	TOTAL
1. Sittings	2	3	3	2	10
2. Development Applications considered (incl. deferred items)	8	14	13	8	43
3. Approvals	6	11	8	6	31
4. Disapprovals	-	1	-	-	1
5. Deferrals	2	2	5	2	11
6. Refer to Technical Advisor	-	-	-	-	-

In comparison to the previous financial year, there has been an increase in applications that were considered by the MPT. The full picture of the annual statistics compared to previous financial years (2022/23, 2023/24 and 2024/2025) is depicted below:

ITEM	2022/23	2023/24	2024/25
1. Sittings	13	12	10
2. Development Applications considered	52	37	43
3. Approvals	32	28	31
4. Disapprovals	5	1	1
5. Deferrals	14	8	11
6. Refer to Technical Advisor	1	-	-

Table 52: Summarised Comparison of MPT Sittings for 22/23 - 24/25

The summary and analysis of the annual statistics indicate that:

- The number of applications considered increased in comparison to the previous financial year.

- There has also been a notable decrease in the number of refusals made by the MPT. This was due to guidance provided by the relevant officials to clients and in turn, sound applications being brought forward by the Municipal Planning Registrar.
- There has also been a slight increase in deferrals due to applicants providing inadequate information for the MPT to take informed decisions.

Based on the above remuneration rate, approximately R316 000.00 has gone towards the functioning of the MPT. This shows a slight decrease in expenditure of approximately R38 000.00 in comparison to the previous financial year. The decrease in expenditure may be attributed to the following:

- Increase in the number of applications considered per sitting with an average of 4.3 in comparison to 3 items per sitting last financial year.
- The use of internal members as far as possible in order to reduce operational costs.

REVENUE GENERATED

With regards to revenue generated from submissions made in terms of SPLUMA (i.e. Category 1 Applications), There is an increase in the revenue generated for the past financial year, which is approximately R551 645 more compared to the 2023/2024 financial year. This indicates that a higher number of formal applications were received, which attribute the bulk of the revenue.

NUMBER OF APPLICATIONS		REVENUE GENERATED		TOTAL
Pre-Submissions	Formal Applications	Formal	Pre-Submission	
77	38	R1,247,105	R106,770	R1,331,208.00

D. LAND USE MANAGEMENT (TOWN PLANNING) ACTIVITIES

Below is a summary of Land Use management activities relating to Category 2 applications, namely consent (i.e., relaxations, Special consent, encroachments, etc.). Some of the activities discussed include applications processed by the land use management unit and revenue generated during the reporting year:

NATURE OF APPLICATION	TOTAL
Building Plans Assessment	625
Business License Applications	405
Zoning Certificates	70
Town Planning Contravention Notices Issued	20
Town Planning Prohibition Notices Issued	8
Town Planning Notices handed over to Enforcement	3

Table 53: No. of Applications Processed (Approved)

TYPE OF APPLICATION	NO. OF APPLICATIONS	REVENUE RECEIVED
Special Consent	6	R 38 448.00
Relaxation	99	R 233 343.00
Zoning Certificates	66	R 23 958.00
Encroachments	19	R 42 282.00
Pre-Submissions	18	R 27 450.00
Site Development Plans	24	R 60 277.00
TOTAL	232	R 425.758.00

Table 54: No of Applications received including revenue Generated

E. BUILDING CONTROL ACTIVITIES

In terms of the National Building Regulations and Standards Act, 1977 (Act No. 103 of 1977), the Building Control Section is responsible for, amongst other things, the circulation and approval of building plans, for any building works to be executed on site, the erection of boundary walls and advertising signs, and the construction of swimming pools. The section is also responsible for the issuance of completion certificates for all buildings that are constructed and comply with the relevant legislation. The section is also tasked with ensuring uniformity with regard to the submission, consideration, and approval of the building plans within the KwaDukuza area of jurisdiction, in line with the provisions of the Building Regulations. A national perspective, as outlined in Statistics South Africa's Building Activities report for the past year (2024) and thereafter, the report focuses on KwaDukuza Building Activities.

STATS SA REPORTING

SELECTED BUILDING STATISTICS OF THE PRIVATE SECTOR AS REPORTED BY LOCAL GOVERNMENT INSTITUTIONS, 2024

Statistics South Africa (Stats SA) released an annual report for selected building statistics of the private sector as reported by Local Government Institutions for 2024. It shall be noted that this annual report is published 6 months later, and the report captures activities for the calendar year. The report mainly covers building activities relating to, amongst others:

- Number of building plans approved;
- Value of building plans approved;
- The value of building plans completed i.e., Certificate of Occupation issued.

The report covers the whole of South Africa (i.e., selected areas/ municipalities) and provides a comparative analysis with previous calendar years. It also reflects on the key findings relating to building activities for the year. The analysis further teases out the performance of larger municipalities (metros) in comparison with secondary cities such as KwaDukuza and proceeds to compare aggregated statistics at a provincial level. The main areas that have been measured within KwaDukuza are Ballito (includes Salt Rock, Sheffield, Zimbali), Blythedale Beach, Shakaskraal, KwaDukuza, Tinley Manor Beach, Zinkwazi Beach.

Building Plans Passed:

The report outlines that "the value of building plans passed by larger municipalities (at current prices) decreased by 0,3% (-R327,6 million) in 2024 compared with 2023. Decreases were reported for residential buildings (-4,0% or -R2 037,1 million) and additions and alterations (-3,8% or -R1 134,3 million).

An increase was reported for non-residential buildings (13,1% or R2 843,9 million)."

Building Plans Completed:

In relation to Building Completions, "the value of buildings reported as completed (at current prices) decreased by 10,4% (-R6 067,5 million) in 2024 compared with 2023. Decreases were reported for residential buildings (-17,0% or -R6 008,9 million) and non-residential buildings (-7,0% or -R941,9 million). Additions and alterations increased by 9,2% (R883.3 million)."

PROVINCIAL & MUNICIPAL PERSPECTIVE

Value of recorded building plans passed by larger municipalities for 2020 by province:

The highest metropolitan municipality contribution to the total value of building plans passed for 2024 was reported by City of Cape Town (19.1% or R19 362.5 million), followed by City of Tshwane (15,7% or R15 893,9 million), Ekurhuleni (9,9% or R10 045.8 million), and eThekweni (8.1% or R8 191.7 million).

In relation to KwaZulu-Natal perspective, the highest municipality contribution to the total value of building plans passed for 2024 was reported by:

- a. eThekweni (55.7% or R8 191.7 million);
- b. KwaDukuza (23.6% or R3 473.1 million);**
- c. Umgeni (6.4% or R941.2 million);
- d. Newcastle (4.7% or R697.1 million);
- e. Msunduzi (3.3% or R487.7 million).

Value of buildings reported as completed to larger municipalities for 2024 by province:

The largest provincial contributor to the total value of buildings reported as completed during 2024 was Gauteng (contributing 39.8% or R20 835.2 million to the total of R52 334.4 million for South Africa, followed by Western Cape (29.4% or R15 404.1 million) and KwaZulu-Natal (15.0% or R7 863.2 million). The highest metropolitan contribution to the total value of buildings reported as completed during 2024 was City of Tshwane, Ekurhuleni (13.1% or R6 878.3 million), eThekweni (9.3% or R4 883.9 million), and City of Johannesburg (6.2% or R3 260.4 million).

In relation to the KwaZulu-Natal Perspective, the highest municipality contribution to the total value of buildings completed for 2024 was reported by:

- a. eThekweni (62.1% or R4 883.9 million);
- b. KwaDukuza (26.1% or R2 054.4 million);**
- c. uMgeni (3.5% or R272.7 million);
- d. Newcastle (2.7% or R210.1 million);
- e. City of Umhlathuze (1.7% or R135.3 million).

KWADUKUZA MUNICIPALITY PERSPECTIVE:*Table 55: The table below shows building plans passed/approved since 2010.*

YEAR	NUMBER	TOTAL AREA (M2)	TOTAL VALUE (R'000)
2010	947	211 619	1 543 468
2011	963	207 515	1 583 826
2012	824	197 425	1 539 821
2013	632	179 964	1 546 465
2014	848	207 183	1 933 587
2015	873	254 336	2 547 763
2016	596	328 272	2 799 433
2017	757	209 226	2 128 479
2018	707	215 585	2 296 893
2019	1 204	214 029	2 373 760
2020	783	168 268	1 908 535
2021	1 618	307 605	3 422 931
2022	1 292	265 984	3 148 562
2023	866	212 267	2 552 315
2024	1 292	265 109	3 473 094
TOTAL	14 202	3 444 387	34 798 932

Table 56: The table below shows buildings completed since 2010.

YEAR	NUMBER	TOTAL AREA (M2)	TOTAL VALUE (R'000)
2010	479	147 894	912 191
2011	536	157 475	1 076 179
2012	506	144 683	1 089 367
2013	549	122 318	940 894
2014	449	123 845	1 010 283
2015	319	84 071	710 098
2016	356	132 501	1 236 138
2017	305	284 205	2 353 399
2018	337	92 474	1 067 014
2019	780	171 082	2 059 539
2020	793	117 285	1 368 363
2021	459	95 724	1 110 338
2022	739	135 211	1 655 180
2023	705	132 881	1 739 627
2024	939	156 687	2 054 379
TOTAL	8251	2 098 336	20 382 989

SUMMARY OF KEY FINDINGS IN RELATION TO KWADUKUZA

- a) Total No of Building Plans Passed vs Buildings Completed since 2010: The total number of building plans passed since 2010 is 14,202 with a value of R34.8 billion, and the buildings completed over the same period are 8251 with a value of R20.4 billion.
- b) Number of plans passed: the municipality increased the number of plans approved for 2024 to 1,292 as compared to 2023 (866). This is a remarkable improvement that can be ascribed to the reform programme that is being implemented over time since 2016, with the support of Vuthela Programme and the World Bank.
- c) Value of recorded building plans passed (2024): The municipality's contribution is (23.6% or R3 473.1 million), second behind eThekweni Metro, which contributed approximately (55.7% or R8 191.7 million). This trend has been the case over the years in KwaZulu-Natal.

- d) Value of building plans completed (2024): In relation to building plans completed for the year, the Municipality contributed (26.1% or R2 054.4 million) – this represented an increase from the previous year 2023 (R1.7 billion). Again, the municipality was ranked second behind eThekweni Metro, which contributed eThekweni (62.1% or R4 883.9 million);

Building Activities For Kwadukuza

Submissions:

A total of 983 building plans were submitted during the 2024/2025 financial year, representing a decrease of 48 plans compared to the 1,031 submissions recorded in the 2023/2024 financial year. The total revenue generated from these submissions amounted to R12,225,212.77, which reflects a decline of R233,826.55 from the previous year's income of R12,459,039.32.

	2023-2024 Financial Year (R)	2024-2025 Financial Year (R)	Variance (R)
No. of Plans Submitted	1031	983	-48
Plan Fees	12 266 168	11 574 529	-691 639

Table 57: Plans Submission Comparison Table

Beyond the fees collected for the submission and assessment of building plans, the Building Control Section also generates revenue from various supplementary applications. These include permits for demolitions, early commencement, pre-submission consultations, temporary occupancy, extensions of validity for both temporary occupancy certificates and approved building plans, re-inspection fees, and the reproduction of building plans for clients.

Below is a breakdown of income received from both building plan fees and these additional applications, alongside the total actual revenue recorded under the Building Control income vote. A comparison between the previous and current financial years reveals a notable decline in overall revenue.

	2023/24	2024/25	Difference
Building Plan Fees	12 459 039.32	12 225 212.77	-233 826.55
Other Revenue	2 107 053.38	1 096 660.15	-1 010 393.23
Total	14 566 092.70	13 321 872.92	-1 244 219.78

Table 58: Total Income Derived From Building Activities

APPROVALS:

In the 2024/2025 financial year, a total of 942 building plans were approved. This represents an increase of 174 approvals compared to the 2023/2024 financial year, which had 768 approved building plans. The incline of 174 building plan approvals from the previous year is noteworthy. The total value of the properties of the approved building plans for the 2024/2025 financial year is approximately R 3.7 billion. This marks an increase of approximately R 196 743 962 from the 2023/2024 financial year, which stood at R 3.5 billion. For precise figures, refer to Figure 5 below.

	2023/2024 FY	2024/2025 FY	Variance
No. of Plans Approved	768	942	+174
Estimated Property Value	3 536 039 250	3 732 783 212	+196 743 962

Table 59: Comparison Table.

COMPLETIONS

During the 2024/2025 financial year, a total of 1,110 Occupancy Certificates were issued, which is an increase of 245 compared to the 865 certificates issued in the 2023/2024 financial year. This upward trend indicates a rise in completed developments transitioning to rateable properties and subsequent significant revenue generation for the municipality.

	2023/2024 FY	2024/2025 FY	Variance
No. of Buildings Completed	865	1 110	+245
Estimated Values (R)	1 649 185 500	2 380 059 500	+730 874 000

Table 60: Comparison Table

SENZALULA “EASE OF DOING BUSINESS” ONLINE APPLICATION SYSTEM

During the 2021/2022 financial year, the KwaDukuza Municipality embarked on the development and implementation of the AFLA system through the Ease of Doing Business/Senzalula project. The project's primary objective was to create an online E-application system designed for various types of permits, including building plan applications, outdoor advertising applications, and town planning applications. This system aims to optimise existing processes by integrating advanced technologies and systematic approaches. Furthermore, the project included various streams, such as the review of the by-laws and policies to support these advancements.

Significant progress was achieved during the 2024/2025 fiscal year in the development and deployment of the Senzalula System. Key accomplishments include the completion of comprehensive reviews of relevant policies, by-laws, and standard operating procedures (SOPs), all supported by public participation initiatives and capacity-building activities such as training sessions for officials involved in the application process. Furthermore, change management sessions were conducted to facilitate the transition. The system advanced through several critical stages, including system demonstration, User Acceptance Testing (UAT), deployment, training sessions, debugging, and a soft launch. The soft launch occurred in December 2024, during which a select group of applicants submitted live applications. These applications were successfully processed and, in some instances, approved—representing a major milestone in the system's rollout.

Extensive mock sessions were conducted to evaluate system functionality and to ensure that officials were sufficiently prepared. These simulations facilitated the identification and resolution of various challenges, which were subsequently communicated to the service provider and addressed. Notable issues encompassed network-related disruptions, which were managed internally. To enhance system readiness, several preparatory activities were undertaken, including:

1. Deployment of a temporary Senzalula System Administrator.
2. Procurement of larger screens, high-spec computers, and tablets.
3. Upgrading of network infrastructure.
4. Establishment, revision, and promulgation of SOPs, policies, and by-laws, scheduled for implementation on 01 August 2025;
5. Ongoing public engagement efforts to introduce the system to stakeholders.

Effective from 01 August 2025, the Municipality will exclusively accept online applications through the Senzalula System for all relevant modules. To maximise awareness and stakeholder preparation, several engagement activities have been arranged. These include direct communication with the municipal database, sharing the system portal link, and issuing public notices via the municipal website, social media, local newspapers, community boards, and through activation and awareness campaigns. These initiatives aim to inform the KwaDukuza community and showcase the Municipality's readiness for the full launch and use of the system.

BUILDING PLAN APPLICATION REFERRAL RATE

The referral rate averaged 83.97% during the 2024/2025 financial year. This represents a progression from the 2023/2024 financial year, which had an average referral rate of 84%. A decrease of approximately 0.03% in the referral rate was observed during the financial year under review, signalling some improvement. As a corrective measure, the Building Control Section has revised and strengthened its pre-scrutiny checklists to improve the quality of submitted applications. Additionally, a series of consultative sessions were held with Applicants who demonstrated a high rate of plan referrals. These sessions aimed to identify common errors and to collaboratively determine solutions for improving submission standards and reducing rework. Table below presents the referral statistics for both regions.

	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	AVERAGE
REFERRAL RATE 2023/2024 FY	86.75%	78.86%	81.29%	88.97%	83.97%
REFERRAL RATE 2024/2025 FY	72.11%	81%	87%	82.67%	84%

Table 61: Rate of Referrals

F. OUTDOOR ADVERTISING ACTIVITIES

The Outdoor Advertising Unit falls under the Building Control Section and regulates advertising within the area of jurisdiction of the Municipality. The advertising referred to herein is all advertising structures in all forms (i.e., permanent, temporary) that are visible to the public, which could be on Council property and private property. All outdoor adverts are regulated by the Outdoor Advertising By-Laws as well as the Outdoor Advertising Policy as adopted by Council.

APPLICATION TYPE	FINANCIAL YEAR	
	2023/24	2024/25
PERMANENT APPLICATIONS	16	12
TEMPORARY APPLICATIONS	103	99

Table 62: Comparative Stats on Applications received between 2023/2024 FY & 2024/2025 FY

The observation is that both permanent and temporary applications received are decreasing compared to the 2023/2024 FY. In relation to permanent applications, the market may be saturating, hence the number is decreasing.

	PERMANENT ADVERTISING	TEMPORARY ADVERTISING
No. of Applications received	12	99
No. of Approved Applications	12	99
No. of Disapproved/ Referred Applications	0	0
No. of Applications Pending	0	0
TOTAL	12	99

Table 63: Total Applications Received for the 2024/2025 FY

DESCRIPTION	2023/2024	2024/2025
Application Fees for permanent applications and concessionaries.	R4 134 878.50	R4 053 332,33
Annual Display Fees, temporary application fees and charges	R 1 243 347.50	R1 581 434,77
TOTAL	R 5 378 226.00	R 5 634 767.1
VALUE DIFFERENCE BETWEEN FINANCIAL YEARS		R 256 541,1

Table 64: Financial comparison between 2023/24 & 2024/25 FY (VAT excl.)

The values stipulated above are extracted from the relevant votes. The revenue received for the 2024/2025 financial year has increased by R256,541.10, despite a decline in application submissions. The revenue received is from application fees, monthly/ annual display fees and concessionaries.

Status Quo Concessionaries

As part of managing the Outdoor Advertising function, the municipality has appointed several service providers to support its revenue enhancement activities relating to the function. This includes advertising on municipal property/ infrastructure using the following types of advertising: Street Name Signs, Street Pole Signs, Litter Bins and Billboards. Most of the contracts have expired or are about to expire early 2025/26 FY, with new tender processes initiated in the current financial year. The new service providers will be confirmed in the next financial year and reported accordingly in the next report.

G. ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE ACTIVITIES

Community And Schools 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 several 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.

KwaDukuza Municipality has also 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.

Table 65: The education and awareness programmes, educational tours, educational talks, competitions and excursions are conducted with schools and the KwaDukuza community as highlighted in the table below:

Programmes/ Activity	Details
Quarter 1 & 2	
Low Emission Development Target Validation Workshop	Through the deep dive technical support offered to KwaDukuza Local Municipality by the Covenant of Mayors in Sub-Saharan Africa (CoM SSA), the CoM SSA team reviewed the 3rd Greenhouse Gas Inventory and the low emission development strategic framework and action plan (LEDSFAP). As part of this review process, the CoM SSA team in collaboration with KDM Environmental Management team convened a working session workshop on the 29 July 2024, to validate the indicators & targets that were previously set in the LEDSFAP and simultaneously, align these targets with the national targets. The workshop encompassed officials from KDM internal departments as well as relevant officials from the ILembe District, Provincial Department of Economic Development Tourism & Environmental Affairs (EDTEA), and the Department of Forestry, Fisheries & the Environment (DFFE).
Green School Initiative at Hulsug Primary School	On the 17 September 2024, KwaDukuza Municipality Environmental Management unit and Parks & Garden unit collaboratively conducted an awareness talk and donated 5 indigenous trees as part of the Green School Initiative at Hulsug Primary School.
Environmental Impact Assessment and Environmental Compliance workshop	On the 25 September 2024, the Environmental Management unit coordinated the hosting of the EIA and environmental compliance workshop which was targeting the Development Assessment Committee (DAC) members. Presentation were facilitated by colleagues from the Department of Economic Development, Tourism & Environmental Affairs (EDTEA) who are responsible for the EIA and Environmental Compliance sections, where the following topics were covered: • Environmental Impact Assessment: Definition of EIA, Purpose of the EIA What is an Environmental Authorisation, When are amendments required Part 1 and Part 2 (deviation from the holder, project description, layout) • SPLUMA before EA and of authorised developments i.e. rezoning, subdivisions, consolidation etc.) • Section 30 and 30A • Environmental Compliance: What is environmental compliance, clash of site conditions approved by KDM VS EA.
Advancing Climate Action Locally Awareness Poster	On the 27 September 2025, an awareness poster illustrating how the municipality has advanced its efforts towards implementing climate actions locally was circulated via the IT Helpdesk to all KDM Staff and Councillors. Some of these climate's actions highlighted in the awareness poster included the installation of Solar PV system at the KwaDukuza Library which was the phase 3 of the Greening KwaDukuza Library Project.

Table 65: The education and awareness programmes, educational tours, educational talks, competitions and excursions are conducted with schools and the KwaDukuza community as highlighted in the table below: ...continued

Programmes/ Activity	Details
Quarter 3 & 4	
Water Monitoring	On the 15 November 2024, KwaDukuza Municipality in partnership with Siza Water iLembe conducted an educational tour for the Environmental Ward Committee at Siza Water wastewater facility. The purpose of the programme was aimed at bringing awareness on the operations of Siza Water and understanding their function in providing an essential service such as water and sewer management to the KDM community. The programme also aimed at raising awareness on the role the community of KDM needs play in protecting these services provided.
World Environmental Education Day	On the 21 February, in commemoration of the World Environment Day KwaDukuza Municipality Environmental will in partner with Dolphin Coast Landfill Management in hosting an educational trip for KDM school to educate and raise awareness about waste issues and promote sustainable practices. The programme consisted of a total of 26 Learners and a total of 5 Educators. The following schools where invited: Melville Primary School, Dr BW Vilakazi secondary school, Enkukwini Primary school
Solar Awareness Programme	On the 07 March 2025, in commemoration of solar appreciation day, KwaDukuza Municipality Environmental Management Unit in partnership with KwaDukuza Municipality Electricity unit hosted an educational awareness tour of the recently installed solar panels at KwaDukuza Library. The programme consisted of a total of 31 Learners and a total of 6 Educators. The following schools where invited: • Mbekamuzi Secondary School • ML Sultan Secondary School • Tshelenkosi Secondary School
Earth Day	On the 09 May 2025, in celebration of Earth Day KwaDukuza Municipality Environmental Management Unit in partnership with Department of Agriculture & Rural Development and KDM Parks and Garden Unit embarked on a food gardening project at Othandweni Orphanage. The program was aimed at inspiring young learners to appreciate nature through planting and gardening activities. The following vegetables and gardening resources were provided to the orphanage Vegetables: • Spinach Seedling x200 • Beetroot Seedlings x50 • Carrot Seedlings x 50 Gardening resources: • Graden Compost x 2bags • Shade netting • Wheelbarrow • Steel Rake • Garden Fork • Steel shaft garden spade • Garden hand fork blade • Garden hand trowels • Garden hoes • Watering Can
Biodiversity Day	On the 22 May 2025, KwaDukuza Environmental Management Unit in partnership with Monkey land KZN conducted an educational for primary schools learns within KwaDukuza Municipality, in order to raise awareness of the importance of preserving biodiversity. The programme consisted of a total of 32 Learners and a total of 8 Educators. The following schools where invited: • Dawnview Primary School • KwaDukuza Primary School • Mavivane Primary School • Mbozamo Primary School • Stanger Heights Primary School
Open Street Event	On the 19 June 2025, KwaDukuza commemorates World Environment Day through hosting an Open Street event to experiment again with the paradigm of urban mobility within our town by carrying out campaigns, temporary interventions, dialogues and walks that raise citizen awareness, spark public debate, and behavioural change. The event was done with the aim of addressing environmental issues like illegal dumping, deforestation, climate change, water pollution etc.

Covenant of Mayors in Sub-Saharan Africa (CoM SSA) Compliance Badges.

In the past years, as part of Global Covenant of Mayors for Climate & Energy compliance (GCoM compliance), cities including KwaDukuza Municipality have been obligated to report their climate commitments, actions and inventories on reporting platforms. From 2019, local and regional governments for the first time have started reporting climate action data through one unified reporting system. CDP-ICLEI unified reporting provides for data-driven decision-making. Furthermore, understanding what sectors of our cities are generating GHG emissions allows us to set informed emissions reduction targets and meet the requirements of the Paris Agreement and leveraging data for making climate-smart decisions now is crucial for city governments to enhance resilience and reduce emissions over the coming decades.

In relation to the background, CDP works with cities to motivate them to disclose their impacts on the environment and take action to reduce negative impacts. Hence, KwaDukuza Municipality has been reporting its climate actions via the unified reporting system for GCoM compliance purposes annually and received the latest feedback from Covenant of Mayors in Sub-Saharan Africa (CoM SSA) mid-August 2025.

Table 66: The reporting feedback from CoM SSA confirmed that the municipality has maintained its compliance badges by reporting climate action data to the CDP-ICLEI track in 2024 as highlighted in the table below:

Mitigation

KwaDukuza Local Municipality is recognized for its action on climate mitigation!

The Global Covenant of Mayors for Climate & Energy - the largest global alliance for city climate leadership - awards badges for our action on:

Inventory

GHG baseline emissions inventory submitted and validated (including all mandatory criteria)

Target

GHG emissions reduction/low emissions development target set and validated

Plan

Separate or integrated climate action plan for climate change mitigation submitted and validated

Adaptation

KwaDukuza Local Municipality is recognized for its action on climate adaptation!

The Global Covenant of Mayors for Climate & Energy - the largest global alliance for city climate leadership - awards badges for our action on:

Assessment

Climate risk & vulnerability assessment (RVA) submitted and validated

Goal

Goal(s) for climate change adaptation goal(s) submitted and validated

Plan

Separate or integrated climate action plan for climate change adaptation submitted and validated

Energy Access & Poverty

KwaDukuza Local Municipality is recognized for its action on energy access and poverty!

The Global Covenant of Mayors for Climate & Energy - the largest global alliance for city climate leadership - awards badges for our action on:

Assessment

Climate risk & vulnerability assessment (RVA) submitted and validated

Compliance

The 'Compliance' badge is awarded to cities that have accomplished all steps under all three pillars: mitigation, adaptation, and access to energy. They will keep the badge as long as they keep submitting progress monitoring reports within the required timeframe, validated for meeting GCoM requirements. *Please note: GCoM has not yet formalized the energy access pillar. Until its requirements have been adopted, full badge compliance is already achieved once all requirements under the mitigation and the adaptation pillars have been fulfilled.*

The Municipality's dedication to consistent reporting and proactive approach in integrating climate data into local governance has once again re-affirmed commitment to transparency and sustainability in urban development

Natural Resource Management: Mavivane Transformative Riverine Management Programme (TRMP): Waste Boom Pilot Project

KwaDukuza Municipality successfully completed Mavivane Transformative Riverine Management Programme Phase 1 and Phase 2 (Mavivane TRMP). Therefore, in order to ensure that the benefits which were reaped from the Mavivane TRMP programme are maintained KDM saw an opportunity to try and invest in the installation of a waste boom. The waste boom was installed on one of the identified areas of the Mavivane River to trap waste floating in the river system with the intention to minimize waste induced flooding during flood event. The initiate of the waste boom pilot project is a starting point for focusing the municipalities efforts on river interception systems

Project implementation: The Municipality appointed Sabeliwe Environmental Services to provide dedicated Project Management services form February 2025 to April 2025 (3 months duration). The service provider was tasked with overseeing the operational rollout of the waste boom installation, this included the procurement of the boom, site supervision, and monitoring. As part of the project implementation phase, two project participants were appointed through the Expanded Public Works Programme (EPWP), to support the daily

operational tasks associated with the waste boom installation and maintenance. The project team was tasked with performing the following activities:

- Routine monitoring and maintenance of the waste boom structure
- Clearing of all waste trapped in the river within the waste boom area
- Sorting, weighing and removal of waste
- Clearing of waste dumps along the riverine
- Clearing of Invasive Alien Plants (IAPs) along the riverine of the project area
- Identifying and reporting on damaged stormwater and sewer infrastructure

The data captured focuses on the work that was undertaken within the 3 months appointment of Sabeliwe Environmental Service; however ongoing monitoring is still facilitated on site and will be captured in future reporting's. The consolidated data as shown in Table below is from February to April 2025, where a cumulative total of approximately **418 kg** of solid waste was capture and removed from the waste boom. This affirms the critical role of the Mavivane River waste boom project in intercepting significant volumes of river borne litter, predominantly driven by single-use packaging and illegal dumping.

Month	Total Waste Collected (kg)	Key Collection Dates and Peak Volumes
February	159.3	Peak capture on 6 March (32.6 kg), average daily 20.76 kg
March	103.8	Peak on 6 March (32.6 kg), lowest on 31 March (2.7 kg)
April	154.98	Peak on 11 April (78.00 kg), lowest on 15 April (1.08 kg)

Sustainability of the project: The Mavivane River Waste Boom project successfully achieved its core objectives: installing a functioning boom, building capacity among local environmental stewards, and collecting critical waste data. In order to further reap the benefits of the project, the Municipality enabled the continuity of the project for a period of 12 months. This has been facilitated with the assistance of the two EPWP workers who formed part of the project team, to ensure continuous monitoring, maintenance, and waste data collection associated with the boom.

The Project provided a foundation for a scalable, community-embedded river restoration model. The project successfully met its core deliverables; this includes the installation and maintenance of one waste boom, the identification of additional boom locations, and the provision of targeted training for municipal officials and project participants. With continued support, the waste boom project initiative can evolve into a cornerstone of KwaDukuza's green infrastructure strategy, offering opportunities for education, employment, and environmental resilience.

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 (SEMA's). 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 (SEMA's) 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 following four compliance promotion and monitoring inspections were conducted at the following sites mentioned below and these inspections were conducted in collaboration with the Department of Economic Development, Tourism and Environmental Affairs (DEDTEA); ILembe District; and the Department of Water & Sanitation (DWS):

- (i) Sewer contamination in Mavivane river KwaDukuza CBD
- (ii) Illegal dumping on PTN 20 OF 16728 Farms Lower Oaklands, Shakaskraal
- (iii) Spillage from Dolphin Coast Landfill Management (Pty) Ltd (DCLM) site
- (iv) Overflow of man-made dam causing water damage to the neighbouring property, on Farm Lot no.14753 Highridge, KwaDukuza
- (v) Environmental Authorisation Compliance Inspection Idladla Estate
- (vi) Commencement of listed activities under NEMA EIA regulation without and Environmental Authorisation, on Lot 145 Shakaskraal
- (vii) Failure of stormwater infrastructure at Coral Cove Estate, resulting in damage to the Elaleni Coastal Forest

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.

2.5.5.2 DEVELOPMENT ENFORCEMENT

The Development Enforcement Directorate achieved positive results during the 2024/2025 financial year. It is important to highlight that this section's success depends on the cooperation and support of other vital sections within the EDP business unit, especially Development Planning. Additionally, this section requires ongoing support from Community Safety and other internal and external departments to operate effectively.

High Court Matters

The Municipality is empowered by the constitution and laws of the country to enforce the rules. Legislation requires the municipality to act against illegal developments and violations of the bylaws. The municipality will only succeed in its duty if it acts appropriately to restore order within its area of jurisdiction, which is in the best interest of its community.

The Development Enforcement section escalates cases to court only as a last resort, targeting declared repeat offenders and individuals who disregard community safety. No new cases were brought to court during the 2024/25 financial year.

Integrated Blitz Enforcement Operations

In enforcing the bylaws, an integrated approach is used where all departments collaborate to maintain order within the KwaDukuza area. The EDP Enforcement Directorate coordinates the blitz operation, and all other internal sections are involved, such as Community Safety, Civil Department, Electrical Department, Fire Department, Building Control, Town Planning, Environmental Unit, including SAPS, ILembe Health, and KZN Liquor.

During the 2024/25 financial year, the department conducted twenty-six (26) Enforcement operations. These were reported to the Council through the ESY Portfolio Committee meeting during the year.

QUARTER 1 1. 16th August 2024 – Integrated Joint Operation Blitz (Ballito) 2. 22nd August 2024 – Integrated Joint Operation Blitz (KwaDukuza) 3. 23rd August 2024 – Accommodation Establishment (KwaDukuza) 4. 29th August 2024 – Enforcement Operation with SAPS (KwaDukuza) 5. 06th September 2024 – Accommodation Establishment (Ballito) 6. 25th September 2024 – Special Enforcement Blitz Operation (KwaDukuza)	QUARTER 2 1. 23rd October 2024 – SAPS Blitz Operation with KDM (KwaDukuza) 2. 25th October 2024 – Special Blitz Enforcement Operation (KwaDukuza) 3. 29th October 2024 – Umvoti Tall Illegal sand mining blitz operation 4. 30th October 2024 – Mini Blitz Operation Glenhills Top Shop 5. 25th November 2024 – Special Blitz Operation with illicit goods, Spaza shop & Businesses (KwaDukuza) 6. 26th November 2024- Special Blitz Operation with illicit goods, Spaza shop & Businesses (Glenhills) 7. 27th November 2024 - Special Blitz Operation with illicit goods, Spaza shop & Businesses (Lindelani/ Shakaville) 8. 28th November 2024 - Special Blitz Operation with illicit goods, Spaza shop & Businesses (Shakashead) 9. 29th November 2024 - Special Blitz Operation with illicit goods, Spaza shop & Businesses (Darnal & Zinkwazi)
QUARTER 3 16. 13th February 2025 – Enforcement Operation for Gated Estates (Ballito) 17. 14th February 2025 – Enforcement Operation dealing with accommodation (Ballito) 18. 20th February 2025 – Integrated Joint Operation Blitz (Ballito) 19. 21st February 2025 – Integrated Joint Operation Blitz (KwaDukuza) 20. 13th March 2025 – Special Enforcement Operation with SAPS (KwaDukuza)	QUARTER 4 21. 17th April 2025 – Operation dealing with illegal use of council property (KwaDukuza) 22. 08th May 2025 – Enforcement Operation for Gated Estates (Ballito) 23. 15th May 2025 – Integrated Joint Operation Blitz (KwaDukuza) 24. 16th May 2025 – Second hand goods operation dealing with scrapyards (KwaDukuza) 25. 12th June 2025 – Integrated Joint Operation Blitz (Shakashead) 26. 20th June 2025 – Enforcement Operation dealing with the Hospitality sector

Table 67: Dates and focus areas wherein these operations took place

Enforcement In Gated Estates

In addition to regular Blitz Enforcement operations, the Enforcement Department coordinates enforcement operations on at least three Gated Estates each quarter. Our goal is to ensure compliance with legislation and regulations within these Estates. Since starting these operations, we have observed a decrease in illegal development within gated estates.

During the 2024/2025 financial year, nine (9) Gated Estates were targeted as part of the Blitz Enforcement Operation:

QUARTER 1 1. Seaward Estate 2. Zululami Estate 3. Seaton Estate	QUARTER 2 1. North Point Estate 2. Ildadla Estate
QUARTER 3 1. Royal Palm Estate 2. Woodlands Estate	QUARTER 4 1. Springvale Estate 2. Lalela Estate

Table 68: Blitz Enforcement Operations

Targeted Enforcement Operations - Scrap Yard and Scrap Metal Dealers

Scrapyards and scrap metal dealers are regulated by the Second-Hand Goods Act, 2009 (Act No 6 of 2009), with the South African Police Service (SAPS) as the responsible authority. Any individual, business, or organization dealing in second-hand goods must register with SAPS. This requirement applies to auctioneers, general dealers, jewelers, motor vehicle dealers, and scrap metal dealers or recyclers.

The theft of copper cables and other metals from public infrastructure has disrupted power supplies in many municipalities, prevented trains from operating, and damaged public facilities across South Africa. At a local level, KwaDukuza municipality is frequently targeted by theft and vandalism of public infrastructure, fuelling this multi-billion-rand industry.

This is one of the factors contributing to the high energy losses experienced by KwaDukuza Municipality, prompting us to focus on these establishments to ensure compliance.

Within the KwaDukuza area, we are aware of approximately ten established scrapyards. Most of these scrapyards are licensed by the SAPS, and the transgressions relate mainly to contravention of the Planning and Building regulations.

Fortunately, because of the Council's efforts in holding the Kwadukuza SAPS accountable, KDM is now consulted in the application and approval process. As a result, there is some oversight of this industry to ensure compliance. The enforcement of scrap metal dealers is part of our ongoing enforcement programme with the Kwadukuza SAPS.

Total Number of Blitz Enforcement Operations:	Total Number of Notices Issued (Contravention notices; Sect. 341 notice; Fines)
Gated Estates: 9	Gated Estates 31
Integrated CBD/ Residential: 26	Integrated CBD/ Residential 42

Table 69: Blitz Enforcement Statistics

Implementation of the Illegal Rate Category

One of the objectives of the EDP Enforcement Strategy was to introduce 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 under the Council's Rate Policy, six (6) times the standard rates for the first twelve months. After this period, it increases to ten (10) times if there is no compliance. The implementation is intended to deter illegal activities and should not be construed or interpreted as a fine.

Over the years, the council has lost significant revenue due to illegal developments and incurred high costs from litigation. When individuals build or utilize property against the scheme's regulations, the Council loses income from various sources such as plan fees, developers' contributions, verge deposits, planning application fees, basis service charges, incorrectly levied rates, encroachment fees, and others.

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 practical tools to address noncompliance with Bylaws and has significantly reduced legal issues and related costs.

We implemented the "illegal rate coding" during the 2024/2025 financial year on twenty-nine properties (29) that were grossly noncompliant with the applicable legislation.

During the 2024/2025 financial year, the municipality has generated R 10,769,915.99 of the R 21,609,662.40 billed as additional revenue, paid as a punitive fee for non-compliance with the municipal Bylaws.

Total billed for the
2024/25 financial year : **R 21 609 662,40**

Total payment for the
2022/23 financial year : **R 10 769 915,99**

The amounts above show a 49.8 percent collection rate. Working closely with the Finance BU, we are now taking strong action against the nonpayers.

The illegal rate coding will only be removed once the regulations are met. Regarding the above, it should be noted that only ten (10) properties have complied with the regulations by correcting non-compliance with the Town planning and National building regulations.

Problem Buildings for the 2024/20245 Financial Year

Problem Buildings are defined as structures that appear derelict, overcrowded, or exhibit signs of becoming unhealthy, unsanitary, unsightly, objectionable, and offensive, thereby negatively impacting the value of surrounding properties.

The process of designating a building as a "Problem Building" involves identifying the building and notifying the owner in writing to address the issues. If there is no positive response, the building can be officially classified as a Problem Building. Once classified, the municipality has the following options:

- (a) Obtain a court order to compel the owner to fix or demolish the building. If the owner fails to comply, the municipality may also demolish it at the owner's expense.**
- (b) To classify this building as "Illegal" according to the Council Rates Policy.**

During the 2024/25 financial year, the department identified nine (9) buildings causing issues within the CBD and surrounding areas. These buildings are being addressed under the Problem Building Bylaws at various stages.

PROBLEM BUILDINGS	NUMBERS
Commercial Properties	2
Residential Properties	7
TOTAL	9

Table 70: Problem buildings identified

Buildings Declared A "Problem Building"

Of the nine (9) buildings identified, one (1) was demolished, five (5) has made progress in rectifying the buildings. The other three (3) buildings have not made any progress and were declared as "Problem Building" in terms of the Problem Building Bylaws.

Establishment Of A Municipal Court

One of the main priorities for Local Government is to strive for an acceptable quality of life for the residents and visitors within its area of jurisdiction. Pursuing this primary goal is a constitutional mandate of local government to ensure the safety and well-being of its residents.

By so doing, a climate for sustainable development and prosperity is achieved at the same time.

One of the major challenges confronting local government is the effective enforcement and application of municipal bylaws.

The key to protecting and promoting a safe and healthy environment for the community is arguably applying and enforcing relevant municipal by-laws. Many municipal by-laws regulate activities related to working and residing in a risk-free environment. Therefore, municipalities could fulfill their constitutional mandate by establishing a visible judicial institution, such as a municipal court, dedicated to handling and prosecuting non-compliance with relevant by-laws.

Process to be followed

To proceed with the process, the following actions are necessary:

- Initiating resolution of the Council for the establishment of a Municipal court.
- Meeting with the Senior Public Prosecutor of the KwaDukuza magistrate's court.
- Develop a comprehensive business plan and implementation plan.
- Approval of the Business Plan by Council.
- Submission of application to the Department of Justice.
- Provision to be made in the IDP and budget for implementation.

The Council has approved the creation of the municipal court. We are currently working on a detailed business plan to assess the feasibility of this institution.

Current Challenges Faced by the Department

- Lack of awareness of Bylaws by the public.
- Delaying tactics by habitual or repeat offenders in complying force the municipality to seek relief through the courts.
- Legislated fines are too low and outdated. Various pieces of legislation provide fines and penalties. These fines and penalties are extremely low and obsolete, and do not effectively deter illegal activities and uses.
- The magistrate's courts lack the expertise and capacity to enforce Bylaws, prompting municipalities to seek relief from the high court, which is costly.

2.5.5.3 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. In the year 2024/2025, the municipality continued to facilitate and co-ordinate various economic development projects and programmes that aimed at growing and sustaining the local economy.

Below is the report of highlighting activities for the 2024/25 period as follows:

(i) BUSINESS LICENSING

The Business Licensing was the function identified as one of the pillars of post Covid economic recovery of the hospitality and tourism sector. On the 16th of July 2021, 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:

The published gazettes ceased on the 31st of December 2022, which meant that all businesses that were supposed to operate with a business license, should renew or apply for new from the 1st of January 2023 and pay various tariff charges.

This Business License function is responsible for facilitating services, to registered businesses amongst others:

- Sale or supply of meals or perishable foodstuff as per terms of Item 1 of schedule 1 of Act 71 of 1991

- Provision of health facility or entertainment as per Item 2 of Schedule 1 of Act 71.
- Sale or supply of meals or perishable foodstuff as per terms of Item 3 of schedule 1 of Act 71 of 1991 (Food vending or Hawking Facilities)
- Sale or supply of meals or perishable foodstuff and liquor consumption on/off premises as per the Liquor Act 6 of 2010
- Business Licensing Applications – For only KDM Old Buildings
- Business Licensing Applications – Pre-scheme Rural Areas
- Business licenses for accommodation establishments
- Transfer of Business License or business ownership.
- Amendment of Business Licenses
- Issuing of duplicate Business Licenses
- Issuing of special or seasonal events permits
- Issuing of Business License
- Business Licensing Inspections

During the 2024/2025 financial year, a total number of five hundred and twenty-one (521) business licenses were issued. This figure also includes a total number of twenty-two (22) spaza shops business licenses issued, as part of the spaza shop registration programme as announced by the State President Ramaphosa to mitigate the food borne cases around the country.

During the 2024/2025 financial year, KwaDukuza Municipality Business Licensing bylaw and KwaDukuza Municipality Business Licensing Policy were amongst the gazette documents and Various stakeholders have been engaged with the regards to the migration of a manual to an on-Line application system to be implemented fully in the 2025/2026 financial year.

(ii) INFORMAL TRADING

Informal trading is one of the constitutional function of local government. The municipality as per this function is a regulator, developer and investor. 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.

During the period of 2024/2025 financial year, the Municipality facilitated the public participation process, as part of the developing its informal economy by law and the informal economy policy which were both and approved by Council, in line with the Ease of Doing Business (Senzalula) online system and have since been gazetted as well in the during this financial year.

Key Initiatives implemented in 2024/25

Due to the delays in the full launch of the Ease of Doing Business (Senzalula) project, the Municipality continued to issue manual seasonal permits to the total of 18. On the other hand, as part of ensuring its support the Municipality partnered with the KZN Department of Economic Development, Tourism & Environmental Affairs (KZN EDTEA), to roll out a 2-day hygiene and food safety training, attended by informal traders operating in both KwaDukuza CBD and Ballito trading areas.

During this financial year, also the EDP Business Unit partnered with the Community Services and Public Amenities Business Unit to construct a total number of 08 informal trading stalls, as part of the KwaDukuza Taxi Rank refurbishment project. This is the phase 1 project and in 2025/2026 financial year, the EDP office also plans to replicate phase 2 project at Ballito Taxi

Rank. More focus will for the new financial year, will also include the upgrading of several informal traders' infrastructure within and beyond the CBD vicinities.

(iii) OPENING OF NEW KWADUKUZA MUSEUM

Since the opening of its doors during the 2024/2025 financial year the Museum staff have started to welcome visitors from all walks of life, far and local who have been impressed by the newly renovated facility and the temporal exhibition. The Museum services have also been integrated with community outreach campaigns conducted by the museum staff, to local schools and community events with an aim of promoting the museum services. The pictures below highlights some of the outreach activities undertaken inside and outside the Museum, as part of promoting its services to the members of the public.



(iv) TOURISM MARKETING

KwaDukuza Municipality adopted the use of events as a springboard for destination marketing tool targeting both domestic and foreign tourists. During the 2024/2025 the KwaDukuza Municipality Council approved several events hosted during the course of this financial year. Most of the events were organised as part of offerings to the travellers and potential tourists.

During this financial year, the municipality hosted biggest events which include *2024/2025 Ballito Pro International Surfing Event, Ballito Rage, Umkhosi WeLembe, Blythedale Beach Festival, Ballito Summer Festival and Big Ballito Week*. These events have contributed to marketing our destination through various media platforms, which include streamline channels, DSTV, radio, social media, and use of influencers. According to the two Ilembe Business Confidence Surveys conducted jointly by the District Economic Development Agency (Enterprise Ilembe) and Ilembe Chamber of Business, Industry and Tourism, has indicated the significant recovery of the tourism sector, and attributed this to various events.

The year 2024/25 saw an extension of municipal tourism services to the newly opened KwaDukuza Museum. This move was so significant and strategic, in a sense that KwaDukuza has a rich cultural and heritage, that needs

to be constantly preserved and promoted for future generations. During the 2025/2026 financial year, the Municipality will be developing its new brochure for distribution to various platforms, such as tourism shows, outreach campaigns and to the walk -ins.

(v) REVIEW OF LOCAL ECONOMIC DEVELOPMENT (LED) STRATEGY

Local Economic Development strategy is one of the blueprint which guides the municipalities, to implement and measure successes of various LED initiatives. In its efforts to foster working relationships with various stakeholders, the LED unit in the previous financial year continued to be engaged with the national COGTA which resulted in KwaDukuza Municipality to be selected in support by the department to various municipalities in the country. The Municipality has been identified to benefit from the support by the department to review its LED strategy. In the year 2024/2025, as part of the process KwaDukuza Municipality participated in the LED maturity assessment process, which led to the compilation of the economic profile. It is envisaged that the process will be concluded in the current financial year, whereby NDCOG will be appointing the service provider to work with the municipality in facilitating all relevant steps, as expected in order to produce the credible LED strategy.

(vi) LAUNCH OF KWADUKUZA POP-UP MARKET



The KwaDukuza Pop-Up Market was successfully launched during the 2024/2025 financial year. The two-day event was held on the 2nd and 3rd October 2024 at KwaDukuza Mall, as part of assisting local entrepreneurs with access to market opportunities. The event was hosted in partnership with the KwaDukuza Mall, as the host venue and Small Enterprise Development Agency (SEDA), a national Department of Small Business Development agency which provided training and guidance to entrepreneurship participated during the pop-up market. The Municipality will be hosting the similar event on annual basis going forward.

(vii) IMPLEMENTATION OF COMMUNITY AGRICULTURE DEVELOPMENT PROGRAMME

In ensuring that food security needs are met by all, the KwaDukuza Municipality continued to implement the community agriculture development programme during the 2024/2025 financial year. The programme focussed on the supply and delivery of seeds and agriculture inputs, distributed to subsistence farmers from different wards within the municipal boundaries. The programme have proven to have an impact and provided livelihoods to the majority of unemployed community members. KwaDukuza LED unit have started to assist some of the beneficiaries of the programme to be formally register their businesses, in order to stand a chance of obtaining additional support from the relevant stakeholders. The pictures below indicate the type of seeds and agriculture inputs distributed per ward, which farmers from wards: 01, 02, 09, 10, 15 and 27 were also referred to participate in the agroecology training programme, implemented by one of the local business incubator.



Date	Time	Activity	Venue	Target Participants
13 November 2024	09:00 - 12:00	Basic Business Management (Lecture on Demokrasia project)	NQW Library	Informal Traders
14 November 2024	09:00 - 12:00	Basic Business Management (Lecture on Demokrasia project)	Ratho Library	Informal Traders
15 - 19 November 2024	12:00 - 01:00	KwaDukuza Farmers' Market	KwaDukuza Town Hall	SMEs (Clothing & Textile sector), Local Farmers (Vegetables and general goods)
20, 21 & 27 November 2024	09:00 - 14:00	Basic Business Management (Empowerment Workshop)	Venue to be confirmed (planned venue: 15 and 27)	Informal, Entrepreneurship and existing business & general public
21 November 2024	09:00 - 12:00	Multi-Business Workshop	KwaDukuza Town Hall	Informal, SMEs and Cooperatives
28 - 29 November 2024	09:00 - 14:00	Basic Business Skills Training (Clothing & Textile sector) (Masterclass)	KwaDukuza Library	SMEs in Clothing & Textile sector (Local Farmers - Vegetables)

Enquiries and bookings for events must be submitted to the following email addresses: Mr. Ndlovu, Manager, LED & Tourism, ndlovu@kwaadukuza.gov.za or ndlovu@kwaadukuza.gov.za

Issued by the Municipal Manager, Mr. A. Mkhomo - KwaDukuza Municipality | 1st Chief Albert Luthe Street, KwaDukuza 4401 | Tel: 033 457 9400

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(viii) FACILITATION OF KWADUKUZA ENTREPRENEURSHIP MONTH PROGRAMME

During the 2024/2025 financial year, the Municipality continued to implement its annual entrepreneurship programme. The programme is commemorated with the Global Entrepreneurship Week. The event was hosted for over a period of three weeks, which included various activities such as ward-based empowerment sessions, masterclasses and the inauguration of KwaDukuza Fashion Week. The various activities of the programme attracted more than 1000 SMMEs and members of the general community. The programme continued to partner with the other strategic stakeholders, such as Umngeni-Uthukela Water, which identified a cohort of 30 SMMEs, to participate in its Enterprise Supplier Development (ESD) programme.

2.5.5.4 HUMAN SETTLEMENTS

1. Legislative Mandate

Constitution of the Republic of South Africa, 1996 (Act no. 108 of 1996) Section 26: Everyone has the right to have access to adequate housing. The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of this right.

2. Housing Act, 1997 (Act no. 107 of 1997)

The national, provincial, and local spheres of government must give priority to the needs of the poor in respect to housing development and consult meaningfully with individuals and communities affected by housing development. Ensure that housing development provides a wide choice of housing and tenure options as is reasonably possible which is economically, fiscally, socially, and financially affordable and sustainable, is based on integrated development planning, and is administered in a transparent, accountable, and equitable manner, and upholds the practice of good governance.

3. KDM Human Settlements Key Functions

- Initiation of developments
- Planning and design of developments
- Package Applications for Human Settlements Projects
- Preparation of Project Development Applications and submission to relevant Authorities
- Implementation of Human Settlements Projects in accordance with agreements entered into with KZNDHOS.
- Coordination of Bulk Infrastructure
- Provide Basic Municipal Engineering services.
- Transfer of Properties to successful owners
- Conduct Human Settlements Consumer Education
- Clearance of slums in Human Settlements developments
- Social Facilitation and Signing of Beneficiaries for Human Settlements Developments

4. Human Settlements Highlights

The Municipality assessed and categorised the Sinqobile Area in ward 21 as part National Upgrading Support Programme (NUSP) that was initiated by the National Department of Human Settlements, supported by the province in the 2022/23 financial year. The Sinqobile has become the 17th project joining the 16 Projects that were categorized in the 2022/23 financial year. Sinqobile was categorized B1 & C, which means that B1- The area requires Interim services, where it is viable and will lead to the formalization of the Informal settlements, and C- some part of the area requires relocation due to safety risks, especially in instances of heavy rainfalls or flooding. therefore, the appropriate action is to provide interim basic services where it is viable and eventually formalize the settlement. The technical assessment of the informal settlement reveals that despite the presence of a stream bounding the lower northeast of the site and servitudes registered against the property, there is sufficient developable land with the capacity to yield enough number of erven

Areas that were assessed and categorized as part of the National Upgrading Support Programme (NUSP)

INFORMAL				IN SITU														SDA'S									
#	INFORMAL SETTLEMENT NAME	NUMBER UNITS 2020	NUSP CATEGORY	SAN SOUCI	OHLANGE	NTWASHINI	LINDELANI EXTENSION	SHAKA SPRINGS	DUMP SITE	HILLVIEW	NYONI YA MANZI	MURUGANS AREA, WARD 19	MPONGO	SHAYAMOYA	MAWOWANE	EMADANISHINI	HANGOES	UMGABABA	SHEFFIELD	SUBTOTAL IN SITU	SDA: PTN 3 LOT 11 OF FARM 1676 FU	SDA 2: STANGER	SDA 3: HANGOES	SUBTOTAL RELOCATION	SUBTOTAL (INSITU +RELOCATION)	DEFICIT	
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	150	-	
4.2	Emadanishini	123	B1													123				123				0	123	-	
4.3	Hangoes	228	B1/B2														171			171				57	228	-	
4.4	Umgababa	384	B1/B2																260	260				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	0	1 538	0

The area above falls within the individual wards with projects at different stages (Land identification for future projects, pre-planning, planning, and implementing stage) and land identified for future projects. Municipality is installing interim services for the Sheffield informal settlements, which is in line with the above categorization A/B1 as per the table above. It should be noted that approval to install the interim services was granted, implementation started in the 2022/23 financial year and is expected to end in the 2025/26 financial year.

5. Level 2 Accreditation

KwaDukuza Municipality signed a 3-year Level 2 Accreditation with the KZN Department of Human Settlements on May 11, 2023, which will be valid until March 2026. The municipality has been accredited under Section 10 of the Housing Act to manage all the National Human Settlements programs on its behalf, subject to conditions specified in the signed Implementation Protocol. It also supports the municipality's capacity to carry out its executive functions related to managing the National Housing Program and clarifies the roles and responsibilities of the National Human Settlements, Provincial Human Settlements, and the municipality.

6. Housing Sector Plan

The Housing Sector Plan is a five-year strategic plan designed to guide a municipality in delivering housing in a planned and coordinated manner. This plan reinforces the strategic objectives of sustainable human settlements. KwaDukuza Municipality allocated funding in the 2022/23 and 2023/24 financial years to review the entire Housing Sector Plan. The review process included all seven phases, and all phases were achieved.

The Human Settlements plan was approved by the Council on 26 March 2024. It should be noted that the Housing Sector Plan is updated annually, considering information received from the yearly IDP roadshows and the provincial annual business plan.

7. Housing Needs Register

The Provincial Department-appointed service provider is undertaking to create a needs register for the KwaDukuza Local Municipality in June 2022. The National Housing Needs Register (NHNR) will be the tool to be utilized at a provincial and municipal level to enable households to register the need for adequate shelter, as it is a web-based application that contains records related to the needs of households for adequate shelter based on captured housing needs questionnaires. As of the financial year ending in 2024/25, 46 242 questionnaires were captured, and the data collection is still in progress within KwaDukuza. On the national housing need register website, there are 46242 applications captured.

8. Priority Human Settlements and Housing Development Areas

The declaration of the Priority Human Settlements and Housing Development Areas (PHSHDAS) by the previous Minister I, LN Sisulu, Minister of Human Settlements, Water and Sanitation, was realized on 15 May 2020 as per Gazette Notice No 43316 No 56. The declaration took cognizance of Section 3 of the Housing Act (No. 107 of 1997) read in conjunction with Section 7 (3) of the Housing Development Agency Act, 2008 (No. 23 of 2008), the Spatial Planning and Land Use Management Act (SPLUMA) (No. 16 of 2013), and the Infrastructure Development Act (No. 23 of 2014), hence the declaration of the 136 Priority Human Settlements and Housing Development Areas (PHSHDAs) in South Africa that include the two KwaDukuza areas as follows:

Development Area	Areas	Wards
Ballito/Shakaskraal	(Ballitoville, Charlotte Dale, Etete, Groutville, Nkobongo, Royal Palm Estates, Shakas Head, Shakas Rock, Shakaskraal, Shakaville, Sheffield Beach, Sheffield Manor, Simbithi, Tinley Beach, Tinley Manor Beach)	4, 7, 8, 12, 20, 21, 22, 23, 28,
KwaDukuza Town/Hyde Park-Nonoti Area	KwaDukuza (Charlotte Dale, Groutville, Highridge, New Guelderland, Prince's Grant, Stanger, Townview, Warrenton)	3, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 24, 26, 29

8.1 PHSHDAS In KwaDukuza

The South African Local Government Association (SALGA) appointed a service provider to assist with the development of a guideline for the PHSHDAs as well as the preparation of Development Plans for the KwaDukuza municipality for the two PHSHDA areas, namely KwaDukuza Ballito/ Shakaskraal Development Area and KwaDukuza Town/ Hyde Park – Nonoti Area. Further to this, the KwaZulu-Natal Department of Human Settlements appointed a service provider to conduct the development plan focusing on the KwaDukuza Town/Hyde Park/Nonoti Priority Human Settlement and Housing Development Area (PHSHDA).

8.2 The Development Plan Purpose and Objectives

The development plan, together with other existing plans and/or frameworks, is aimed at providing a concise overview of the development opportunities from a human settlements perspective that includes infrastructure, social development, economic development, and ecological considerations in and around the PSHSD.

The high-level outcome of the development plan is to ensure human settlements' spatial transformation and consolidation. This requires that the implementation plan identify specific interventions that contribute to the transformation of the area, which should include human settlement projects and budgets, infrastructure programs and budgets, social infrastructure and budgets, economic development projects and budgets, spatial alignment schedule linking to other spatial plans etc as well as the institutional arrangements to coordinate developments in the PSHSDA.

- Create opportunities for liveable, inclusive, and resilient towns and cities.
- Reverse the unjust and dysfunctional spatial legacy of apartheid.
- Improve participation of the disadvantaged in the residential property market; and
- Increase the asset creation potential of the state's investments in human settlements

It should be noted that the deliverables of Ballito/ Shakaskraal (Ballitoville, Charlotte Dale, Etete, Groutville, Nkobongo, Royal Palm Estates, Shakas Head, Shakas Rock, Shakaskraal, Shakaville, Sheffield Beach, Sheffield Manor, Simbithi, Tinley Beach, Tinley Manor Beach) Development Plan were adopted by Council on 30 November 2023, and the deliverables of KwaDukuza Town/Hyde Park-Nonoti development Area were adopted by Council on 25 July 2024.

9. Restructuring Zones and 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 Social Housing,
- Designated by the Minister in the Gazette for an approved project.

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

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

RESTRUCTURING ZONE	AREAS	
ZONE 1 Approved	KwaDukuza CBD, Rocky Park, Stanger Heights, Doctorskop, Blythedale Beach, and Hyde Park	
ZONE 2 Approved and gazetted on 24 September 2024	Area	Description
	Shakaskraal	Nkobongo, Shayamoya, Woodmead, Lower Oaklands, Shakaskraal
	Greater Driefontein	Driefontein, Doornkloof, Avro, Hemsel Isinembe Area, Manor Estate, Inglemere Estate, Collisheen, Compensation
	Ballitoville	Shaka's Rock, Elephant Rock, Black Rock Seaward Estate, Beverly Hills, Simbithi Eco Estate, Fox Hill, Dunkirk Estate, Brettenwood, Wakenshaw Estate Avonda, Sheffield Beach Estate, Salt Rock Townsend Park

10. Housing Performance statistics for 3 years

KPI	2022/23	2023/24	2024/25
New Houses Constructed	87	81	78
Houses Handed Over	87	81	78
Sites serviced	1132	1347	84
Transfers EEDBS		20	17

Table 71: Constructed, handed over, and site serviced.

The Municipality made available funding for the retaining walls under Municipal capital budgets for Lloyds Housing Projects amounting to R 5 400 000 and Steve Bike Housing Projects amounting to R 2 000 000

PICTURES OF HUMAN SETTLEMENTS PROGRAMME

Sihle Phakathi Housing Project (Ward 24)



LOYDS HOUSING PROJECT (WARD 14) – RETAINING WALLS



Project Number	Project Name	Ward	2020/21 Budget	2021/22 Budget	2022/23	2023/24	2024/25
K15100002	Charlottedale	10/29	R1 000 000	R 1 000 000	R 500 000	R 200 000	R 0
K07080006	Groutville Priority 1 Ph 2 Lloyds	14	R18 292 934	R7 446 362.10	R 6 000 000	R 1 591 057.80	R 1 301 984.88
K07080004	Groutville Ntshawini Priority 1 Ph 2	26	R18 292 934	R7 446 362.10	R 8 332 800	R0	R0
K04010006 K20020027	Ethafeni (Transfers)	12	R0	R300 000	R367 900	R300 000	R 300 000
K04090001	Etete Phase 4	7/20	R18 362 501	R13 140 369.00	R29 590 640	R12 287 890.80	R499 544,82
K07080005	Groutville Priority 1 Ph 2 Chris Hani	15	R18 292 934	R10 512 511.20	R4 000 000	R0	R0
K06020002	Sakhamkhanya Phase 2 Housing Project (Replanning)	1	R18 827 934	R7 669 020.00	R3 250 000	R 6 425 953	R 5 199 130
K11080002	Sokesombone	25	R25 507 045	R0	R0	R0	R 0
K03090001	Steve Biko Ph 2	13/16/ 26	R27 357 546	R13 637 700.00	R7 272 574	R 9 140 791	R 18 172 752.05
K10110002	Rocky Park	18	R0	R19 000 000	R5 808 135.62	R0	R0
K11110008	Nonoti Mouth	3	R0	R2 475 994.00	R 372 256,58	R2 475 994	R0
K08120001	Madundube	27	R0	R0	R7 983 816,00	R 17 272 980	R 2 516 757.88
K1930002	Mgigimbe	9	R 2 000 000	R 8 803 400.00	R 8 332 800	R 4 493 167.54	R0
K1510005	Sihle Phakathi	24	R19 992 934	R 0	R3 900 000	R31 438 155	R 20 665 391.58
K10110001	Nyathikazi	3	R0	R0	R4 641 652.25	R 14 803 243	R 7 465 481.31
K03090004	Driefontein Replanning	21	R1 500 000	R 400 000	R0	R0	R0
K13090006	Hyde Park	10	R0	R0	R0	R0	R0
K21030004	Shakasprings	17	R 350 000	R 350 000	R0	R 1000 000	R0
	Shakashead replanning	4	R0	R0	R 200 000	R 500 000	R 400 000,00
K03100012	Groutville P5 implementation and replanning	9	R0	R200 000	R367 900	R321 000	R0
	Chief Albert Luthuli (Engineering ASSESSMENTS)	9/ 10/ 11/ 12 /14 / 15 & 26	R0	R0	R680 000	R500 000	R500 000
K03100011	Groutville P2 Implementation and Replanning	11	R0	R 300 000	R 376 985	R0	R0
K22030006	Shakaville Integrated	18	R0	R0	R1 600 000	R1 200 00	R 1000 000
K22050005	Sheffield (Planning and Bulks)	20	R0	R0	R1 200 000	R 3 200 000	R 7 042 910.32
K22030007	Rocky Ridge (Planning)	8/ 23	R0	R0	R 1 200 000	R0	R0
K23100002	Sinqobile Upgrading Plan	21	N/A	N/A	N/A	R 1 944 780.00	R 0
	Mbozamo Assessment	18	N/A	N/A	N/A	R 294 100	R0
	Lindelani Transfers	5	N/A	N/A	N/A	R 26 000	R 30 000
	Ethafeni assessment	12	N/A	N/A	N/A	N/A	R 282 200

Table 72: FINANCIAL PROJECTIONS AS PER NATIONAL AND PROVINCIAL BUSINESS PLAN

12. CLOSEOUT 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, namely Lindelani Phase 2, Ext 46, Lindelani Phase 1, Mbozamo Phase 1, Stanger Extension 46: Senzangakhona, Steve Biko Phase 1, Nkobongo Phase 1 & Phase 2, Shakashead Phase 1 and 2, Dube Village Sokesimbone and Aldenville

13. TITLE DEEDS RESTORATION PROGRAM

Table 73: KwaDukuza Municipality has the following projects under the title deeds restoration program funded by the Department of Human Settlements

Sites	PROJECT NAME	Ward
2224	Sakhamkhanya	1
766	Shakashead Phase 2	4
895	Groutville P5 (Mnyundwini)	9
1510	Groutville P2 (Etsheni Njekane)	11
463	Ethafeni (Transfers)	12
624	Nkwazi Siyembezi	2
1100	Driefontein (replanning)	21
45	Groutville P1	24/14
176	Shayamoya Phase 2	23
13	Lindelani Phase 2	5
18	Senzangakhona	18

14. HOUSING RECTIFICATION

The Rectification Programme aims to assist projects that were implemented between 1996 -2002. These are projects that were implemented when the subsidy was too minimal, and the product resulted in being small with poor workmanship.

Projects that were submitted by KwaDukuza Municipality under the rectification Programme		
(494 & 1009) Stanger Ext 46 (284) Umdlebeni (936) Shayamoya	The Projects were assessed by NHBRC	The Municipality received a correspondence that the rectification programme was discontinued
Shakashead Phase 1(382) Lindelani (272) Steve Biko Phase 1 (198)	The projects were not approved for assessment	The Municipality received correspondence that the rectification program was discontinued
Mbozamo (550)	The Project was assessed by NHBRC	255 houses were demolished, and new ones constructed, and 122 Houses were extended by the Owners and do not qualify. 173 Houses were Not Assessed by NHBRC.

Table 74: PROJECTS UNDER RECTIFICATION AND WITH CHALLENGES

PROJECT NAME	REASON / CHALLENGE(S)	WAY FORWARD
Mbozamo Rectification ward 18	The KZNDOH appointed the Engineer to carry out a Technical Assessment of the 173 houses. The assessment was concluded in the 2024/25 financial year. The budget to construct houses will be allocated in phases on the availability of budget	
Ethafeni Housing Project Ward 12	Yield:842 The IA of the project was terminated in 2010. 663 houses were completed and handed over, and 166 were at a different level of construction.	The KZNDOH appointed the Engineer to carry out a Technical Assessment of the houses. The assessment was concluded in the 2024/25 financial year. The budget to construct houses will be allocated in phases on the availability of budget
Chief Albert Luthuli Rural Housing Project 9/10/11/12/14/15/26	Yield:1000. 590 were left at different stages of construction. The whole project was recommended for rectification by KZNHS.	The KZNDOH appointed the Engineer to carry out a Technical Assessment of the houses. The assessment was concluded in the 2024/25 financial year. The budget to construct houses will be allocated in phases on the availability of budget

Table 75: Projects that have been included under the rectification programme

15. 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, selling of sites etc.

Table 76: 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	n/a	Blocked
2.	11	Hyde Park Country Estate	Vumesa (PTY) LTD	Planning Stage
3.	7/8/20/23/28	Vlakspruit Farm	BVI	Pre-Planning Stage
4.	18	Shakaville Extension	SMA Consultants	Planning Stage
5	4	Shakashead development	SCM Process	SCM Process
6	20	Sheffield	Asande Projects	Planning and Interim Services Installation
7	18	Gaza Strip	Municipality	Services installed
8	23,21,	Rocky Ridge	Etilweni	Planning

16. HUMAN SETTLEMENT DEVELOPMENT CHALLENGES

- The scarcity of land for human settlement development.
- In cases where land is available, the landowners are asking for extremely high compensation.
- Urban poor living in very squalid or difficult conditions. This then necessitates KwaDukuza Municipality to be proactive in providing decent living conditions for these people, e.g., Shakasprings.
- Unavailability of Funds for Land Acquisition.
- The lack of Council-owned land for human settlement in Ballito makes it impossible for the Council to ensure the integration of communities.
- Insufficient Funds for Bulk Infrastructure, e.g., bulk electricity, roads, sewerage, and water.
- Land Invasion; Selling of Council Land.
- The rapid increase in population adds to the housing backlog,
- unavailability of accommodation.
- The influx of people coming to KwaDukuza to seek job opportunities.
- Budget -Cut/Constraints.
- Limited Budget allocated to the Rectification Programme.
- Non-Prioritisation of Rural Development.

programmes that will be used to address challenges faced by KwaDukuza youth. Youth are considered to be the future of this country. However, many are Alienated, feel hopeless and resort to social ills. It is then the responsibility of the Municipality to provide its young people with opportunities for obtaining education, for acquiring skills, and for participating fully in all aspects of society

FOCUS AREA 1

- **Youth Development**
 - Mainstreaming of youth development
 - Youth economic participation
 - Skills development
 - Education and career guidance
 - ICT and advisory services
 - Creative arts

FOCUS AREA 2

- **Sports Development**
 - Mass sports and recreation participation
 - Enhancing sports coordination
 - Talent identification and development
 - Federation development and support
 - Social cohesion and development
 - Promoting a healthy lifestyle

2.5.5.5 YOUTH AND SPORTS DEVELOPMENT UNIT

In April 2017 Council approved the establishment of a Youth Business Unit. The establishment of the Youth directorate/Business Unit seek to outline strategies and

Two-third 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

PROGRAMME/PROJECTS NAME	BRIEF DISCRIPTION	IMPLEMENTATION DATE
SPORTS DEVELOPMENT		
Rowing Development	National indoor rowing championships	28-29 July 2024
KwaDukuza Senior Citizens programme	- Clubs' capacity building trainings - Local Selections - District selections and championships	05 July 2024 26 July 2024 07 August 2024
Support towards Shaotan Karate Federation	KwaDukuza Semi contact karate club qualified to partake in the National Semi Contact championships	31 August 2024
KwaDukuza Boxing Championships	KwaDukuza Local boxing championship	24 August 2024
Indigenous games Development programme	- Local selections - Local training camps - District selections - District training camps - Provincial Games	21 July 2024 09-18 August 2024 25 August 2024 22 September 2024 27-29 September 2024
Introduction of E-Sport in KwaDukuza	KwaDukuza Municipality launching and Rolling out E-Sport for KwaDukuza youth	05 October 2024
Disability Games programme	- Local selections - Local training camp - District selection games - Provincial Disability games	26 September 2024 11 October 2024 18 October 2024 08-10 November 2024
Tap Tap Makhathini boxing championship	KwaDukuza partners with Tap Tap Makhathini foundation to host an annual BOXING CHAMPIOSHIP	20 December 2024
Annual SALGA GAMES Programme 2024	- Ward based selections - Team KDM Final selections - Team KDM training sessions - Official Team KDM Colours unveiling - District Inter Municipality games - SALGA Games launch and Draw - SALGA Games opening ceremony - SALGA official Games	24-29 September 2024 06 October 2024 12-26 October 2024 26 October 2024 27 October 2024 22 November 2024 05 December 2024 05-08 December 2024
Annual Blythedale beach and water safety campaign	Sports activities Water safety campaigns Entertainment Health awareness campaign Miss and Mr KwaDukuza Pageant finals Informal trading Municipal services	27 December 2027
Annual Chief Albert Luthuli tournament	Football , netball and Basketball competition in commemoration of Inkosi Chief Albert Luthuli through sports and recreation activities	22-23 February 2025
KwaDukuza participation in the SALGA Tech games	Local selections and Provincial Mini Hackathon competition	28-30 March 2025
Full contact Karate support programme	Support towards KwaDukuza athlete(Mr Lungelo Khaba) qualified and selected to compete in the World Full Contact Karate tournament to be held in Japan.	30-01 June 2025

PROGRAMME/PROJECTS NAME	BRIEF DISCRPTION	IMPLEMENTATION DATE
YOUTH DEVELOPMENT		
integrated youth outreach programme	Taking government youth services to young people in wards • Ward 21 – Driefontein hall • Ward 11&12 – Thembeni Hall • Ward 13 – Shayamoya Hall • Ward 14&24 – Lloyd hall • Ward 15&26 – Nevas Hall • Ward 25 – Vulinqondo Hall • Ward 09 – Malende Hall • Ward 08&23 – Nkobongo Hall	16 August 2024 30 August 2024 13 September 2024 27 September 2024 04 October 2024 18 October 2024 01 November 2024 15 November 2024
NYDA – Generate your business idea training	Aspiring youth in business	02-04 October 2024
Miss and Mr KwaDukuza pageant programme	• Ward based auditions • Blitz activations • Photo shoot • Modelling training workshop • MAIN Crowning event	20 Nov – 08 December 2024 14-16 December 2024 20 December 2024 16 December 2024 27 December 2024
Youth Driver's license phase two(2)	Youth Progressing from learners to Driver's license	June – December 2024
Annual youth in business information sharing session	Empower aspiring and operating youth in business opportunities and funding models	22 November 2024
Class of 2024 Matric excellence awards	Rewarding and excellence and recognising best performed learners' educators and KwaDukuza schools	07 February 2025
KwaDukuza Financial assistance programme	Registration Financial aid towards deserving KwaDukuza youth intending to enrol at institution of higher Learning	07 February 2025
Back to school programme	Dress a child campaign – full uniform support towards needy learners from 520 indigent homes	Feb- March 2025
Career guidance programme	KwaDukuza Secondary schools career guidance programme - 22/04/2025 Lethithemba Secondary - 23/04/2025 Qoqulwazi Secondary - 24/04/2025 Mbekamuzi Combined - 25/04/2025 Guzana Secondary - 05/05/2025 Stanger High - 06/05/2025 Stanger Secondary - 07/05/2025 Ashville Primary/ Secondary - 22/04/2025 Stanger South Secondary - 08/05/2025 Glenhills Secondary - 24/04/2025 Stanger Manor Secondary 10/05/2025 Darnall Secondary - 05/05/2025 Imbuyiselo Secondary - 09/05/2025 North Coast Agricultural College - 7/05/2025 Tshelenkosi Secondary - 22/04/2025 Shekembula Secondary - 23/04/2025 Banguni Secondary - 24/04/2025 Nonhlevu Secondary - 25/04/2025 Inkosi Albert Luthuli Secondary - 05/05/2025 Groutville High - 06/05/2025	April – May 2025
Miss National SA pageant finals	Support towards Miss National South Africa pageant Finals. Ward 04 young person selected as a finalist	28 June 2025
Grade 12 Career expo	Institutions of higher learning empowering Matric leaners with tertiary related requirement information towards enrolling and qualifying to be accepted at various institutions within the republic	23 April 2025
Annual Indie Short Film festival	• Official programme launch • Day 2 training workshop • Day 3 training workshop	29 May 2025 30 May 2025 31 May 2025

Table 77: 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.

SPORTS CLUBS SUPPORTED THROUGH GOODS AND SERVICES		
QUARTER	NO. OF CLUBS	WARDS NO.
Quarter 1 – July, August & September 2024	09 Clubs supported	29, 15, 01, 09, 11, 10, 05
Quarter 2 – October, November & December 2024	16 Clubs	18, 13, 27, 25, 07, 16, 04, 12, 17, 26
Quarter 3 – January, February & March 2024	11 Clubs	16, 10, 22, 25, 11, 09, 14, 07, 19, 15, 27
SPONSORSHIP PROCEDURE – ATHLETES AND CLUBS SUPPORTED		
FEDERATIONS	ATHLETES / CLUBS ACTIVITY	WARDS NO.
Dance federation	Transport to attend King Cetshwayo Championships	10 & 11
Karate federation	Support towards Mr Lungelo Kaba travelling expenses to Tokyo to attend the World Full Contact Karate Tournament	23
Volleyball federation	Support towards Ms Prabashnee Naidoo expenses associated with the travelling to Taiwan to attend the World Masters Volleyball games.	02
Aerobics federation	Transport to attend the district active Thursday event in Mandeni	13, 29, 26 & 12
Cricket federation	To support the Cricket regional team, attend the Premier league games	15, 16 & 17
Netball federation	Transport to Senior Netball Nationals Championships in Johannesburg	05, 09, 08, 04, 29, 16, 14
Tennis federation	Support towards Zibuyile Ntuli towards attending the Tennis Super 8 event in Bloemfontein	12
Beauty pageant contestant	Support towards Ms Kayleigh Reddy to participate the South Africa miss teen universe in Colombia	13
Beauty pageant contestant	Support towards Ms Ayanda Cele to participate in the Miss National South Africa beauty pageant	04
Arts development	Support towards Lethu Nkwanyana who hosted a poetry performance programme aimed at developing arts	18

DATES	PROGRAMME	DESCRIPTION	STATUS
16 June 2025	Support towards Ward based youth day celebration games	Kwadukuza municipality providing support to all wards in staging youth day celebration games- all wards	Completed
28 June 2025	Annual Mlungisi Skhakhane sports Development tournament	Premier talent identification project aimed at providing a platform for aspiring professional footballers to be scouted and channelled to professional DSTV Disksi &Premiership teams for nurturing.	Completed
29 June 2025	KwaDukuza E-Sport activation launch	KwaDukuza Municipality partnership with E-Sport Sport federation in launching and expanding E-Sport games in KwaDukuza	Completed
16 June 2025	Ward based youth day celebration events	All KwaDukuza wards – Youth Forums coordinated events	Completed
16 June 2025	100% Homebrew Musical Festival	A set platform for KwaDukuza youth in creative art space(music) to showcase their talents. The programme will consist of various popular genres within the performing art space but not limited to Music genres, comedy, poet and drama	Completed
06 June 2025 13 June 2025 20 June 2025 27 June 2025 (All Fridays)	Kwadukuza outreach programme (Taking youth services to the wards)	Kwadukuza Youth office partnership with sector stakeholders in providing consolidated services from entities charged with youth development mandate) i.e. NYDA, DOH, DSD, DOT, DSAC, COGTA, Enterprise Ilembe & Office of the Premier.	Ward 07 Ward 10 Ward 18 Ward 24
26-28 June 2025	Support towards Miss SA National Finalist	support towards KwaDukuza contestant for Miss National South Africa pageant competition that is scheduled to take place from the 26th to the 28th of June 2025 at Blue water hotel in Durban.	Completed
27 June 2025	Battle of the DJs programme – build up activity for Ballito Pro Music concert	Targeting KwaDukuza upcoming DJs in various genres. Winners afforded space to perform live at the main Ballito Pro concert as one of the headliners	Completed

Table 78: 2025 YOUTH MONTH PROGRAMMES IMPLEMENTED

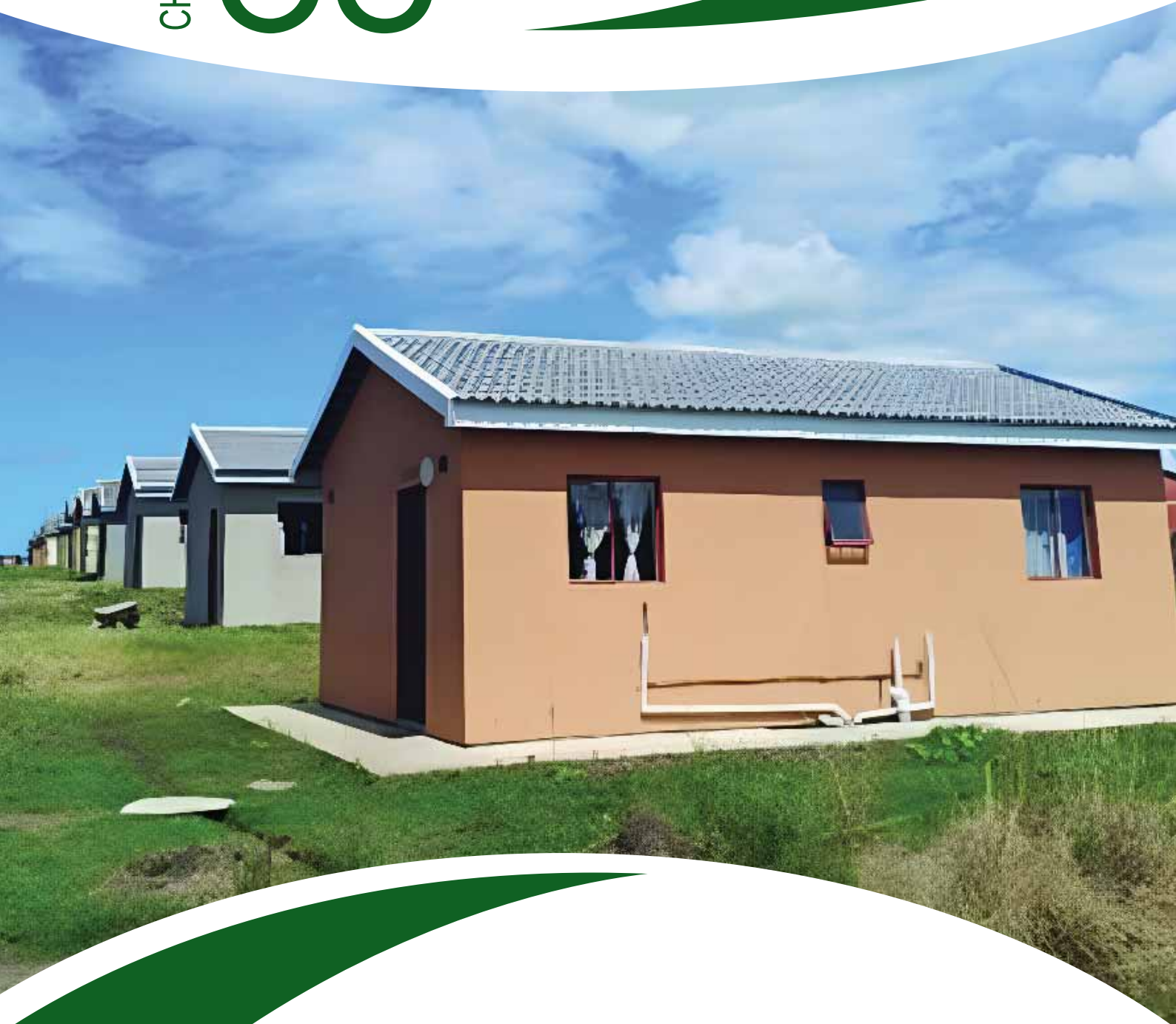
EVENT IMAGES :

DATE	EVENT NAME	VENUE	STATUS
15-16 June 2025	KWADUKUZA YOUTH MONTH PROGRAMME	Shakashead Sports Ground	Completed
17-18 June 2025	KWADUKUZA TALENT HOMEBREW FESTIVAL	Shakashead Sports Ground	Completed
19-20 June 2025	2nd ILEMBE SHORTS INDIE FILM FESTIVAL	Ilembé District Kwa-Zulu Natal	Completed
21-22 June 2025	MAYORAL AWARDS CEREMONY	Siva Sungum Hall	Completed



2024/25 OUTREACH SESSIONS

CHAPTER 03



ANNUAL PERFORMANCE REPORT FOR 2024/2025



ANNUAL PERFORMANCE REPORT

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 166 to 204 and therefore reflects the performance of the municipality for the financial year 2024/2025, comparisons to performance of the previous financial year and measures to improve performance.

A handwritten signature in black ink, appearing to read 'N.J. MDAKANE', is positioned above the printed name.

NJ. MDAKANE (MUNICIPAL MANAGER)
DATE : 31 AUGUST 2025

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Abbreviations

1. AFS	Annual Financial Statements
2. AMR	Automated Meter Reader
3. APR	Annual Performance Report
4. AR	Annual Report
5. AGSA	Auditor-General South Africa
6. AUDCOM	Audit Committee
7. BU	Business Unit
8. BAC	Bid Adjudication Committee
9. BEC	Bid Evaluation Committee
10. BSC	Bid Specification Committee
11. CAPEX	Capital Budget Expenditure
12. CLO	Community Liason Officer
13. COGTA	Cooperative Governance and Traditional Affairs
14. COMM SERV	Community Services Business Unit
15. CPO	Close Protection Officer
16. DOHS	Departmental of Human Settlement
17. IGR	Intergovernmental Relations
18. ELTT	Energy Loss Task Team
19. EPWP	Extended Public Works Programme
20. EEDBS	Enhanced Extended Discount Benefit Scheme
21. EXCO	Executive Committee
22. EBU	Electrical Services Business Unit
23. FY	Financial Year
24. FBU	Finance Business Unit
25. FLPA	Finance and Local Public Administration
26. GVR	General Valuation Role
27. ICT	Information and Communication Technology
28. IDP	Intergrated Development Plan
29. IA	Implementing Agent (housing) or Internal Audit
30. KDM	KwaDukuza Municipality
31. KPA	Key Performance Area
32. KPI	Key Performance Indicator
33. KZNDHS	KwaZulu Natal Departmental of Human Settlement

34. LED	Local Economic Development
35. LPA	Local Public Administration
36. LR	Labour Relations
37. MANCO	Management Committee
38. MFMA	Municipal Finance Management Act
39. MIG	Municipal Infrastructure Grant
40. MSA	Municipal Systems Act
41. mSCOA	Municipal Standard Chart of Accounts
42. NDMC	National Disaster Management Centre
43. OHS	Occupational Health & safety
44. OPEX	Operating Budget Expenditure
45. ORG	Organisational
46. OSS	Operation Sukuma Sakhe
47. PAC	Performance Audit Committee
48. PPPF	Preferential Procurement Policy Framework
49. PMS	Performance Management System
50. PME	Performance Monitoring and Evaluation
51. POPI ACT	Protection of Personal Information Act
52. POE	Portfolio of evidence
53. Q	Quarter
54. RMC	Risk Management Committee
55. SECO	Swiss State Secretariat for Economic Affairs
56. SCM	Supply Chain Management
57. SCADA	Supervisory control and data acquisition
58. SDBIP	Service Delivery and Budget Implementation Plan
59. SETA	Sector Education and Training Authority
60. SMME's	Small Medium Micro Enterprises
61. SPLUMA	Spatial Land Use Management Act
62. WSP	Workplace Skills Plan
63. WULA	Water Use License Application

1. INTRODUCTION

This section indicates, in more detail, the performance of the municipality for the financial year and refers to the supporting documentation, including the Organisational Service Delivery and Budget Implementation Plan (SDBIP). The report has been compiled taking cognisance of the relevant legislation 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*
- *Local Government: Municipal Planning And Performance Management Regulations, 2001*
- *Local Government: Municipal Performance Regulations For Municipal Managers And Managers Directly Accountable To Municipal Managers, 2006*

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 to improve performance. The 9 National KPIs listed below can be found within the Annual Performance Report across different Key Performance Areas (KPA's) they are:

National KPI's as per – Local Government: Municipal Planning and Performance Management Regulations, 2001.	Adjustments (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 :
a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;	1. <i>The number of households with access to basic level of electricity.</i> 2. <i>The percentage of households with access to basic level of solid waste removal.</i>
b) The percentage of households earning less than R1100 per month with access to free basic services;	3. <i>The percentage of indigent households earning less than R5000 per month with access to Free Basic Electricity.</i> 4. <i>The percentage of indigent households earning less than R5000 per month with access to Free Basic Solid Waste.</i>
c) 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
d) The number of jobs created through municipality's local, economic development initiatives including capital projects.	6. <i>The number of jobs created through municipality's local economic development initiatives.</i> 7. <i>Number of jobs created through municipality's Capital Projects in the IDP</i>
e) 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. <i>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</i> <i>(Highest Three levels :-</i> 1) <i>Top Management MM, ED, and Directors (Task Grade 19 -26)</i> 2) <i>Senior Management (Task Grade 16 - 18)</i> 3) <i>Professionals (Task Grade 14 -15)</i>
f) 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
g) Financial viability as expressed by the following ratios: Debt coverage, cost coverage & outstanding service debtors to revenue	<i>Financial Management and viability expressed in the ff ratios:</i> 10. <i>Debt coverage ratio. Total operating revenue received - operating grants/ debt service payments</i> 11. <i>Unencumbered cash coverage Ratio (1month)</i> 12. <i>Ratio of Outstanding service debtors to annual revenue actually received for services (i.e., electricity and refuse)</i>

Table 1 – APR - National Key Performance Indicators

The different KPAs which form the 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)*
- *Municipal Financial Viability and Management (MFV& M)*
- *Basic Service Delivery and Infrastructure Development (BSD)*
- *Spatial Planning & Environmental Management (SP& E)*

KwaDukuza Municipality's Annual Performance Report has therefore complied with all the relevant legislation in terms of the setting of performance indicators and targets, alignment to the IDP and the Performance Agreements of the Section 56/57 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 provider performing a core function 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."

KPA ALIGNMENT TO THE IDP OBJECTIVES

KEY PERFORMANCE AREA	KDM GOALS FROM THE IDP	STRATEGIC OBJECTIVE OF THE KDM IDP
Municipal Transformation and Institutional Development	1. Build the capacity and systems for the 4th Industrial Revolution and the integrated e-government services, 2. Create and promote a culture of enhanced service delivery, innovation and excellence through capable cadres of local government	1. To invest in skills development 2. To enhance organisational performance (2)
Good Governance and Public Participation	3. Improve good governance, audit outcomes and consequence management, 4. Strengthen public participation, complaints management system and accountability 5. Ensure mainstreaming and meaningful participation of vulnerable groups (i.e., Youth, women, disabled people) in all developmental programmes 6. Create a safer and crime free municipal area through community- public-private partnerships.	1. To ensure co-ordination and alignment of developmental programmes of the municipality with other spheres of government 2. To involve local communities in matters of local government 3. To ensure effective and efficient integrated legal and advisory Legal Services for Council 4. To provide effective and efficient Internal Audit services for Council 5. To ensure compliance with the laws and regulations To enhance organisational performance (repeat) 6. To identify, assess and manage key risks of which organisation is exposed to 7. To perform follow-ups on implementation of action plans 8. To address oversight requirements of risk management and institution's performance with regards to risk management 9. To ensure co-ordinated effort for the implementation of positive impact towards behaviour change. 10. To streamline empowerment and development of vulnerable groups (10)
Local Economic Development	7. Promote radical socio-economic transformation agenda to address inequality, unemployment and poverty	1. To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed 2. To develop a prosperous, inclusive, transformative and diverse local economy (2)

KPA ALIGNMENT TO THE IDP OBJECTIVES *...continued*

KEY PERFORMANCE AREA	KDM GOALS FROM THE IDP	STRATEGIC OBJECTIVE OF THE KDM IDP
Basic Service Delivery & Infrastructure Development	8. Expand and maintain the provision of quality basic services and the integrated human settlements	1. To involve local communities in matters of local government 2. To facilitate provision of formal housing through construction of high-quality houses. 3. To ensure fair, transparent and compliant housing beneficiary management system. 4. To restore human dignity through asset ownership 5. To ensure that all citizens have an electricity service connection 6. To ensure that energy losses are reduced within legislated guidelines 7. To maintain and upgrade existing municipal infrastructure 8. To ensure that all households have access to roads 9. To ensure safety to road users 10. To ensure that the community has access to functional public amenities 11. To provide access to basic municipal services to all citizens 12. To provide access to basic solid waste services to all citizens 13. To ensure that the community has access to licenced burial facilities (13)
Financial Management and Viability	9. Enhance municipal financial sustainability.	1. To contribute to a safe and secure environment 2. To ensure municipal budget complies with MFMA and Treasury regulations 3. To improve expenditure on Municipal Infrastructure Grant (MIG) allocation 4. To improve expenditure on Capital Budget. 5. To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes 6. To ensure that the revenue of the municipality is collected and accounted for. 7. To ensure proper Asset Management in line with prevailing accounting standards. 8. To ensure that at least of 45% of procurement is awarded to designated sectors i.e., Youth, Women and disabled. 9. To ensure financial viability of the municipality (9)
Spatial Planning and Environmental Management (cross cutting Interventions)	10. Develop comprehensive response to rapid urbanisation, low carbon development and environment sustainability.	To contribute to a safe and secure environment (Repeat). 1. To prevent and reduce the impact of disasters within KDM jurisdiction 2. Developing and sustaining the spatial, natural and built environment. 3. Promote and support Low Carbon Development Path 4. To promote economic growth by creating an enabling environment for SMME 5. To provide educational guidance to local citizen's development. To involve local communities in matters of local government (repeat) (5)
KPA'S : 6	10	41

BACKGROUND TO THE ORGANISATIONAL SDBIP

SUMMARY OF PAST PERFORMANCE - 2023/2024 Auditor General South Africa (AGSA) REPORT ON PERFORMANCE INFORMATION.

Extract below: -

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected the key performance areas that measure the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key Performance Area	Page numbers	Purpose
KPA 6- Basic service and Infrastructure development	201 to 209	Expand and maintain the provision of quality basic services and the integrated human settlements
KPA 3- Financial management and viability	192 to 197	To ensure municipal budget complies with MFMA and Treasury regulations

18. I evaluated the reported performance information for the selected key performance areas against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets/ measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected key performance areas.

2. 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 Performance Monitoring and Evaluation (PME) Section 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 Service Delivery and Budget Implementation Plans (SDBIP);
- 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 organisational performance reports are submitted to relevant stakeholders timeously, for example, quarterly, mid-term and annual performance reports to EXCO, Council, the Auditor-General South Africa, 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).

3. EXECUTIVE SUMMARY OF PERFORMANCE

Below is a summary of the performance results of all performance targets included in the Organisational Service Delivery and Budget Implementation Plan (SDBIP) for the 2024/2025 Financial Year. The Organisational SDBIP can be found below, in Section 5 of the Annual Performance Report: -

The traffic light system that is used to report performance throughout the year is as follows on the SDBIP, with 2 additional colours representing targets well met and targets extremely well met :

- **Blue** – Performance targets extremely well met
- **Dark Green** – Performance target well met
- **Light Green** – Performance target met
- **Orange** – Performance targets partially met
- **Red** – Performance target not met (needs urgent intervention)

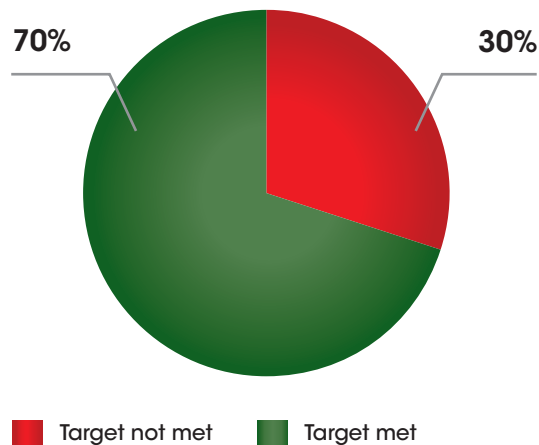
For the purposes of the Annual Performance Report, targets are either reflected as Target met/ exceeded (**Green**) or Targets that are not met (**Red**).

There was a total of seventy (70) performance targets for the 2024/2025 financial year.

- 49 Performance targets were met (70%)
- 21 Performance targets were not met (30%)

A matter of concern is that the number of targets that were not met is above 5%. The overall achievement for the 2024/2025 financial year was **70%** as graphically illustrated below:

2024/2025 overview of targets met and not met



Graph 1: APR Performance 2024/2025: Targets Met/ Exceeded and Targets Not Met

3 Year annual overall performance on the achievement of targets

YEAR	2022/2023	2023/2024	2024/2025
PERCENTAGE	77%	77%	70%

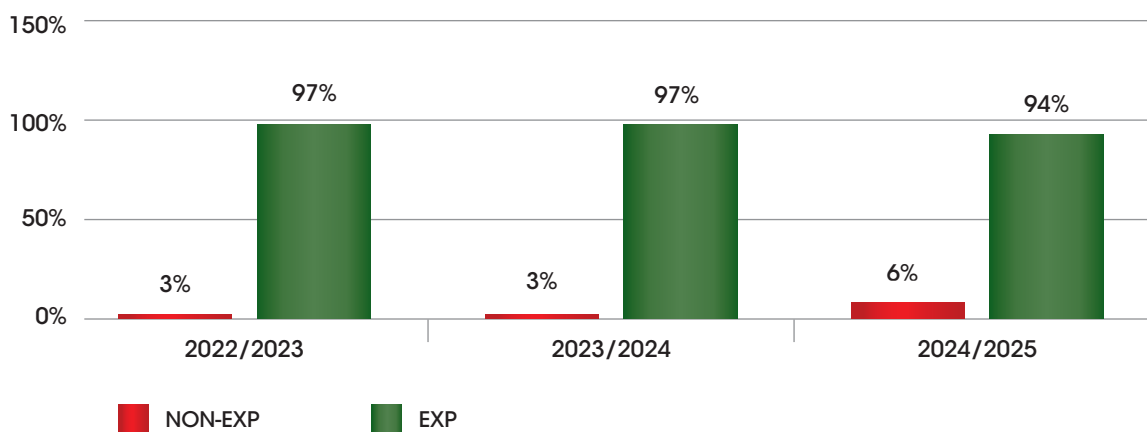
BUDGET SPENDING: 3 Year Operating Budget Expenditure (OPEX) and Capital Budget Expenditure (CAPEX)

OPERATIONAL EXPENDITURE (OPEX) BUDGET

BUDGET EXPENDITURE	2022/2023	2023/2024	2024/2025
Expenditure	97%	97%	94%
Non-Expenditure	3%	3%	6%
TOTAL	100%	100%	100%

Table 2-APR : 3 Year Opex Comparison

OPEX BUDGET OVER 3 YEARS



Graph 2: APR 3 Year Opex Comparison

Summary of OPEX Budget : -

The overall operating budget expenditure for the 2024/2025 financial year was 94% in comparison to 2023/2024 which was recorded at 97%.

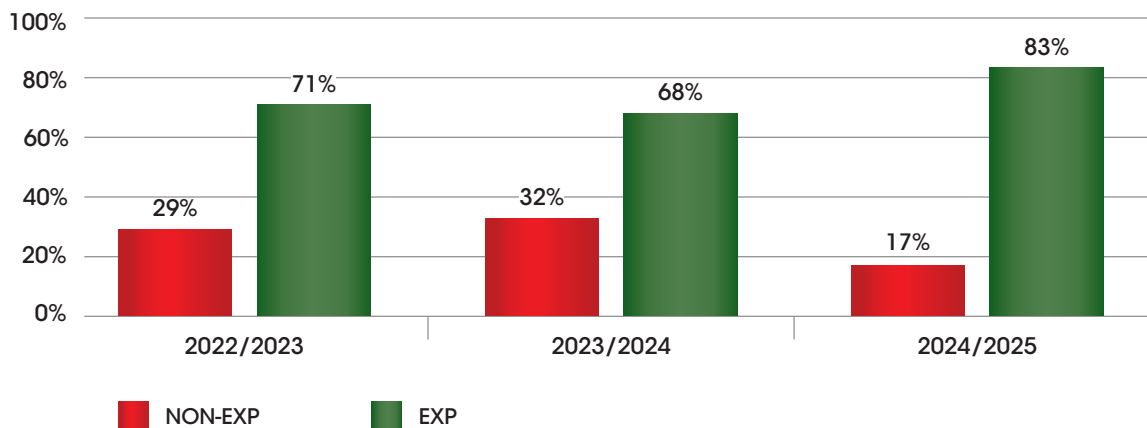
There has been a decrease of 3% from the previous financial year.

The reasons for the operating expenditure not reaching a 100% are attributed to savings being realised on the Operating budget for example through vacancies, resignations, employees not attending training/courses physically but opting for virtual ones and fewer employees attending conferences.

CAPITAL EXPENDITURE (CAPEX) BUDGET

BUDGET EXPENDITURE	2022/2023	2023/2024	2024/2025
Expenditure	71%	68%	83%
Non-Expenditure	29%	32%	17%
TOTAL	100%	100%	100%

Table 3-APR : 3 Year Capex Comparison

CAPEX BUDGET OVER 3 YEARS

Graph 3: APR 3 Year Capex Comparison

Summary of CAPEX Budget

The overall capital budget expenditure for the 2024/2025 financial year was 83% in comparison to 2023/2024 which was recorded at 68%.

There has been an increase of 15% from the previous financial year.

The targeted spend on the Capital budget was 90% for the 2024/2025 financial year, the reasons for lower capital spend may be attributed to:

- The disaster grant and the subsequent increase in the capital budget amount.
- Roll-over applications that are awaiting an outcome from Treasury.
- There was a large number of tenders that were taking longer to process, with the existing number of staff.
- There were instances of under-quoting by service providers, resulting in cash flow challenges which led to delays on completion of projects.
- There were instances of business forums disrupting processes and refusing to follow correct sub-contracting processes stipulated on the municipal supply chain management policy.
- Sites being abandoned by Service Providers due to poor cash flow resulting in numerous delays.

Summary of 2024/2025 Performance of National KPAs:

KPA	TOTAL NO. OF TARGETS ON THE SDBIP	Targets Met/ Exceeded	Targets Not Met	% achieved per KPA
Municipal Transformation & Institutional Development	13	11	2	85%
Good Governance & Public Participation	6	4	2	67%
Municipal Financial Viability & Management	18	15	3	83%
Spatial Planning, Environmental Management & Social Services (Cross Cutting)	7	7	0	100%
Local Economic Development	5	4	1	80%
Basic Service Delivery	21	8	13	38%
TOTAL	70	49	21	70%

Table 4 : APR - KPA Overview 2024/2025

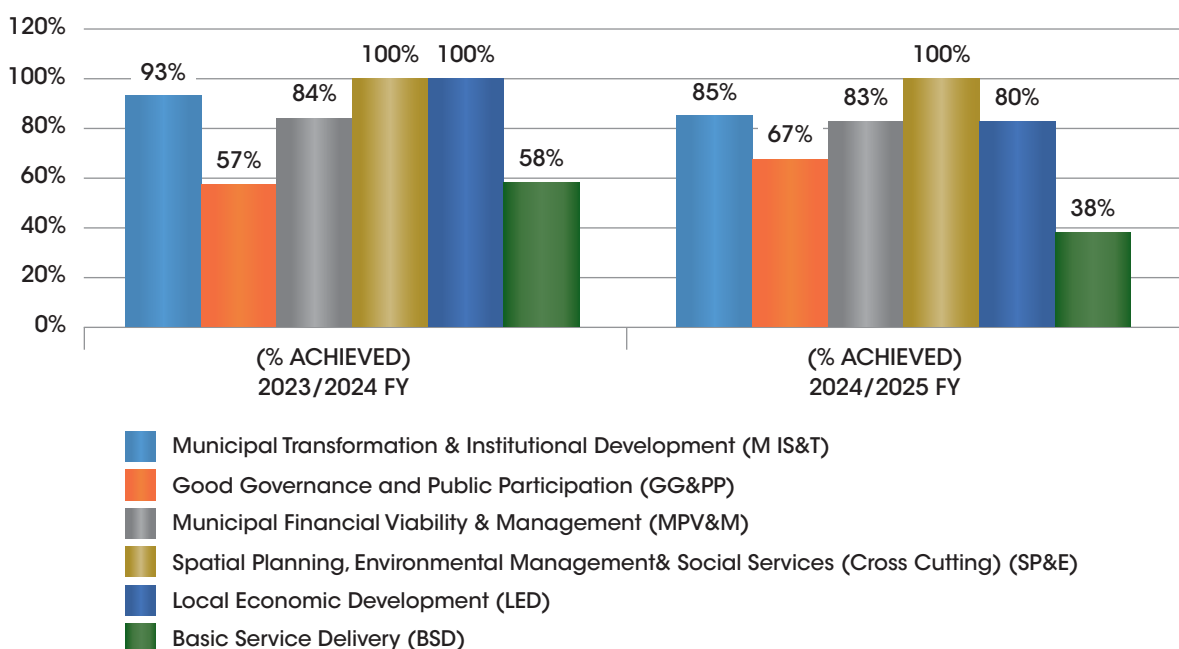
Table of comparison of KPA's over the 2023/2024 and 2024/2025 Financial Year

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)
Municipal Transformation & Institutional Development (MID&T)	93%	85%
Good Governance and Public Participation (GG&PP)	57%	67%
Municipal Financial Viability & Management (MFV&M)	84%	83%
Spatial Planning, Environmental Management & Social Services (Cross Cutting) (SP&E)	100%	100%
Local Economic Development (LED)	100%	80%
Basic Service Delivery (BSD)	58%	38%

Table 5 APR : KPA's performance over the past 2 years

Graphical representation of performance : comparison of KPAs from 2023/2024 to 2024/2025 Financial year

KPA Performance over the past two years



Graph 4 -APR : KPA's performance over the past 2 years

Overall Achievement of targets over the past 2 years

2023/2024	77%
2024/2025	70%

The overall performance for the 2024/2025 financial year was 70% in comparison to 2023/2024 which was recorded at 77%.

Summary:

- Municipal Transformation & Institutional Development has decreased from 93% to 85%.
- Municipal Financial Viability & Management slight decrease of 1% from 84% to 83%.
- Good Governance and Public Participation has increased from 57% to 67%.
- Spatial Planning, Environmental Management & Social Services (Cross Cutting) remained at a high of 100%.
- Local Economic Development has decreased from 100% to 80%.
- Basic Service Delivery has decreased from 58% to 38%.

4. PERFORMANCE AND SUPPORTING INFORMATION

This section indicates, in more detail, the performance of the municipality for the financial year and refers to the supporting documentation, including the Municipal SDBIP. A comparative summary of each KPA is provided over 2023/2024 and 2024/2025 financial years.

4.1 Municipal Institutional Development and Transformation

The overall performance of this Key Performance Area for the 2024/2025 financial year was 85% in comparison to 2023/2024 which was recorded at 93%.

There has been a decrease of 8% from the previous financial year.

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)	% increase (+) decrease (-) from 23/24
Municipal Institutional Development and Transformation	93%	85%	-8%

The performance highlights for 2024/2025

☑The Employment Equity Plan is being implemented successfully where 7 Successful candidates were employed in the Top management, Senior Management and Professionals category against a target of 4.

☑Very good progress has been made on training, the target was set at achieving 90% spend on training and equipping municipal employees with the necessary skills, the target was exceeded at 99%.

Challenges and Measures to improve performance.

Challenges	Measures to improve performance
OPMS 02: The target to ensure 50% employment of women candidates from all levels was not met. The actual was recorded at 41%. The challenge is that experience required favoured internal employees who are males as they have been in the system for a while in the technical fields. Also, the issue of Close Protection Officers (CPO), where Councillors only prefer males as bodyguards which is contributing to the imbalances	The Employment Equity Plan be reviewed to deal with the issue of internal promotions. A reviewed Employment Equity Plan will be submitted to the Management Committee and the Local Labour Forum, by 30 November 2025.
OPMS 03: The target to ensure 50% employment of youth candidates from all levels was not met. Youth Employment was recorded at 37,75%. Due to most appointments being internal promotions of experienced employees. The younger employees still lack the required experience and not making the shortlist for promotional post. There is no legislation giving authority to give preference to youth over an adult person unless it is linked to operational requirements.	An investigation will be done during the 2025/2026 financial year on how to restructure and improve on youth employment. The Municipality will advertise Internship Programmes with age restriction of 35. Most of the current Internship contracts expire in 2025, whereafter new intake can then commence. The target for 25/26 to be reduced to 30% to be more realistic in terms of the present situation and in the absence of guiding legislation.

4.2 Good Governance And Public Participation

The overall performance of this Key Performance Area for the 2024/2025 financial year was 67% in comparison to 2023/2024 which was recorded at 57%.

There has been an increase of 10% from the previous financial year.

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)	% increase (+) decrease (-) from 23/24
Good Governance and Public Participation	57%	67%	+10%

The performance highlights for 2024/2025

- The strategic compliance matter such as the approval of the Integrated Development Plan, was done timeously with Council approval.
- Municipal Risk and reporting which is a fairly new function within the municipality has ensured 100% submissions to the municipal council ensuring oversight at the highest level.
- There has been an overall positive move upwards in this KPA from 57% to 67%.

Challenges and Measures to improve performance

Challenges	Measures to improve performance
OPMS 17: Out of the 4 Audit & Performance Audit Committee reports required to be submitted by the Audit Committees, 3 were submitted to Council and not within the required timeframes. Reason being the Audit Committee members were busy engaging each other on a draft report and only once these engagements are concluded then the report will be ready for submission to Council.	Audit Committees report will be submitted to Council in the next meeting of Council scheduled in the first quarter of the new financial year.
OPMS 18: The planned target of 4 progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to EXCO/Council was not met. Q4 of 22/23 was submitted to Council. Q1 becomes N/A as the audit report for the next financial year 23/24 is generated by November of 2024. Submission of AG Action Plan for Q2 & Q3 to Exco/Council had not been met. AG Action Plan information for quarter 2 & 3 had not been received by Internal Audit from the Office of Risk Management. There were delays due to the capacity constraints experienced within the Office of Risk Management.	Quarter 2 & 3 AG Action Plan will be submitted to Exco/ Council meeting scheduled to take place in the first quarter of new financial year.

4.3 Municipal Financial Management and Viability

The overall performance of this Key Performance Area for the 2024/2025 financial year was 83% in comparison to 2023/2024 which was recorded at 84%.

There has been a decrease of 1% from the previous financial year.

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)	% increase (+) decrease (-) from 23/24
Municipal Financial Management and Viability	84%	83%	-1%

The performance highlights for 2024/2025

- Irregular expenditure has significantly reduced. The target was exceeded due to a significant decrease on irregular expenditure for 2024/25 against prior year expenditure. This highlights good progress being made towards clean administration.
- The Municipal Budget was adopted by Council within the legislated timeframe.
- The targets relating to ratios on Debt Coverage, Unencumbered Cash Coverage and Outstanding Service Debtors to Annual Revenue Actually Received, were all exceeded. On the debt Coverage ratio, the municipality did not take out any additional loans resulting in a more favorable ratio.
- 100% of indigent households, as per Council's Indigent Register, were given access to Free Basic Electricity and Free Solid Waste Removal. This was a total of 6197 households.

Challenges and Measures to improve performance

Challenges	Measures to improve performance
OPMS 21: 100% of the Municipal Infrastructure Grant was not spent as required. 71,24% was spent. The poor expenditure was a result of poor performance of contractors especially for Nonoti Beach access road and Melville Hall.	The MIG balance will be rolled over to next financial year. Rollover will be submitted within 60 days after end of financial year. Weekly meetings with contractors are held with to monitor progress.
OPMS 22: The target of 90% spend on the Municipal Capital Budget was not met. 83% was spent. This was due to delays in SCM processes and project implementation by contractors, the various business units anticipated low spending, thus catering for roll over projects into the 2025/26 financial year.	Catered for in roll-over budget allocations for project implementation in 2025/26 financial year
OPMS 24: Debt was not reduced. The target of 2% reduction was not met. Due to the following reasons: 1. Slow turnaround times in deeds updates. 2. Difficulty with handed over properties. Delays with Court proceedings/Debtors untraceable/Estates not reported. 3. Back billing of Rates/Electricity and Refuse 4. Customers ability to pay. 5. Lack of Customer information due to historical records being incomplete. 6. Historical debt may be irrecoverable and continues to incur interest and estimated billings 7. Government departments have not been paying their accounts due to funding.	1. Rates department to improve turnaround times on deeds updating. The Manager Revenue will be performing monthly GVR reconciliations commencing in August 2025. The Rates office will prioritise updating the deeds returns on a monthly basis commencing July 2025. 2. Delays with legal recoveries is a national issue and unavoidable. Manager Income will be conducting quarterly meetings with all attorneys dealing with debt collection commencing in September 2025. In addition, a debt collection module on the Munsoft Financial management system will be procured and commissioned by 31 December 2025 in order to automate and streamline debt collection procedures and processes 3. Customers often dispute back-billings and stagger payments. Manager Income to ensure that recovery to proceed if no dispute/queries pending. In addition, Manager Income will establish a dispute resolution committee in order to fast track the clearing of any disputes raised which will then allow credit control action. 4. Normal Recovery processes apply, and indigent benefits and payment arrangements will be recommended by the Manager Income in line with Council approved Credit Control Policy 5. All reasonable efforts are made to recover where possible. Revenue Management will update customer data immediately upon receipt from the Revenue Protection Unit via the Data Cleansing Project. In addition, Revenue officials will ensure that, in every contact with customers, the customers information is updated. 6. There are instances where debt will be irrecoverable. These are recommended for write-off. The Manager Income will analyse the debtor's book on a quarterly basis and compile reports to the FLPA for recommendation to write off debt that is irrecoverable. The first report will be submitted in October 2025. 7. Credit Control is constantly engaging the departments for payments. The Manager Income will ensure that, with effect from July 2025, government debt is consolidated, and the appropriate credit control action initiated, commencing with the service of notices of intention to disconnect electricity supply.

4.4 Spatial Planning & Environmental Management & Social Services (Cross Cutting Issues)

The overall performance of this Key Performance Area for the 2024/2025 financial year was 100% in comparison to 2023/2024 which was recorded at 100%. The performance has remained the same in both years.

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)	% increase (+) decrease (-) from 23/24
Spatial Planning & Environmental Management	100%	100%	N/A

The performance highlights for 2024/2025

- The achievement of 100% of the targets in both financial years of 23/24 and 24/25 on this KPA is excellent from the contributing departments within the municipality.
- Law enforcement is in place within the municipal jurisdiction with 135 multi-disciplinary law enforcement operations being done out of a targeted 125, ensuring road safety within the 30 wards. These Multi-disciplinary operations involve many role-players, such as the South African Police Services, KwaDukuza Municipality Crime Prevention Unit, Representatives from the Mayor's Office, KwaDukuza Municipality Traffic Unit, Private Security Companies and the South African Police Services Public Order Unit.
- Outreach programmes reach our vulnerable groups in society, with the target being exceeded by 45, more vulnerable groups were assisted with and taught about fire safety, social crime prevention and road safety.
- The need for Environmental Awareness is great throughout the world due to Global warming. The Economic Development and Planning Business Unit are ensuring that Environmental Management Community awareness Programmes are conducted. They have done 10 for this financial year. The programmes included, but not limited to, The Green School Initiative, Environmental Compliance Matters in various wards, Tree Planting Program at schools, Solar Awareness Programmes for communities and KwaDukuza Environment Day Open Street Event for the KwaDukuza Community.
- The urgent need for reliable Fire Trucks in putting out fires throughout the KwaDukuza and Ilembe Regions have been met. 2 Fire Trucks were procured by KwaDukuza Municipality. These fire trucks service the greater Ilembe District Municipality Region which in-cooperates the following neighbouring municipalities, Ndwedwe; Maphumulo and Mandeni.

4.5 Local Economic Development

The overall performance of this Key Performance Area for the 2024/2025 financial year was 80% in comparison to 2023/2024 which was recorded at 100%.

There has been a decrease of 20% from the previous financial year.

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)	% increase (+) decrease (-) from 23/24
Local Economic Development	100%	80%	-20%

The performance highlights for 2024/2025

- The total number of jobs created through capital projects were 361 against a target of 230 as there were projects on the ground with more labour-intensive methods being applied. This contribution is most valuable to reducing the unemployment rate which is a national crisis.
- Businesses were supported throughout the KwaDukuza Municipal jurisdiction. There were 38 business sessions held against a targeted 20. This was possible by including various local economic development stakeholders within the community and forging effective partnerships with them.
- There were 527 jobs created through LED initiatives against a target of 120, this is a huge contribution to bringing down the unemployment rate. Jobs were created in the following the following : Mavivane Project; Zimbali Lakes and Tourism Monitors at Zinkwazi.

Challenges and Measures to improve performance

Challenges	Measures to improve performance
OPMS 48: The target of submitting the Close out Report brought down the percentage performance of this target from 100% to 80%, however the matters that affected this performance were due to students request to withdraw from the municipality funding because they were offered a scholarship. This had an impact on reporting on the number of students. Funds are yet to be returned to the municipality.	A close out report will be submitted to the EDP portfolio committee in quarter 1 of 2025/2026, with a consolidated number of beneficiaries once the Finance Section confirms the receipt of funds from the institutions.

4.6 Basic Service Delivery

The overall performance of this Key Performance Area for the 2024/2025 financial year was 38% in comparison to 2023/2024 which was recorded at 58%.

There has been a decrease of 20% from the previous financial year.

KPA	2023/2024 FY (% ACHIEVED)	2024/2025 FY (% ACHIEVED)	% increase (+) decrease (-) from 23/24
Basic Service Delivery	58%	38%	-20%

The performance highlights for 2024/2025

- The transfer of Enhanced Extended Discount Benefit Scheme (EEDBS) units to beneficiaries within the local community assisting with backlog eradication and restoring human dignity related to housing This financial year 17 were transferred against a target of 5.
- A place for community gathering and decent public amenities was provided for at Charlottdale where a community hall was built for the locals and before the deadline as well.
- The Sokesimbone Access Road of 0,859km was constructed which allows local communities greater access to decent roads.
- One Taxi Rank at Ballito has been completed and handed over to the community. This facility now provides decent shelter and an organised space for taxis and commuters.

Challenges and Measures to improve performance

Challenges	Measures to improve performance
OPMS 51: The target of 90 houses was not met. 78 houses have been constructed. The KZN Department of Human Settlements (KZNHS) had major budget cuts by the National Department of Human Settlements this financial year, hence they engaged the KZN Implementing Agents (IA's) to slow down on production until some funding can be approved by the National Treasury.	The Municipality is in continuous engagements with KZNHS on the budget cuts and slow payments of the IAs. The municipality has also been engaging with the KZN Department of Human Settlements on their new financial year budgets with an aim to opening up funding for the housing projects within the KwaDukuza Municipality jurisdiction.
OPMS 52: The target of 90 houses handed over to beneficiaries has not been met. 78 were handed over. The KZN Department of Human Settlements (KZNHS) has major budget cuts by the National Department of Human Settlements this financial year, hence they engaged the KZN Implementing Agents (IA's) to slow down on production until some funding can be approved by the National Treasury.	The Municipality is in continuous engagements with KZNHS on the budget cuts and slow payments of the IAs. The municipality has also been engaging with the KZN Department of Human Settlements on their new financial year budgets with an aim to opening up funding for the housing projects within the KwaDukuza Municipality jurisdiction.
OPMS 53: The target on Sites Serviced has not been met. 125 have been done against a target of 175. The development of sites has been delayed due to budget constraints which impacted negatively of cashflows of implementing agents. All sites are temporarily closed.	The KZN Department of Human Settlements is being engaged in order to ensure that they are able to pay implementing agents on time. All claims were processed and paid by the KZNHS. There are sites that will re-open in the 2025/6 financial year and budget will be allocated as per the KZNHS budget.

Challenges and Measures to improve performance ...continued

Challenges	Measures to improve performance
OPMS 61: The target of 20 000m ² of road upgraded was not met. 16827,82m ² was done. Jones and Fifth Street: Some of the of funds were used to appoint a consultant to do a detailed assessment including Geotech and survey to register the project with MIG. The remaining funds was then used for rehabilitation hence the lesser m ² . A decision was also taken to widen the island because the lanes were to wide thus also reducing the output. There was also an added stormwater line which was initially not in the scope.	KDM has secured more funding from MIG for the remaining part of these projects which will be done during 2025/2026 financial year.
OPMS 55(a): The Supply Chain Management Processes for the Ohlange Hall have not been completed. 40% completed. TSC and advertisement were done. TEC and TAC have not been completed thus there is no appointment of a contractor, due to delays in the SCM processes. The item was submitted to TEC in May 2025 with no resolution being obtained by 30 June 2025.	The project has been rolled over to the 2025/2026 financial.
OPMS 56: The surfacing of the Woodmead Taxi Rank was completed by 30 June 2025 instead of 31 March 2025 as per set target, thus this target was not met by the due date. Delays were experienced due to budget constraints.	N/A – surface has been completed via Completion certificate dated, 30/06/2025.
OPMS 59: 40% progress on the completion of the Lindelani Creche was not met, 20% progress was recorded as at 30 June 2025. The contractor experienced delays due to illegal occupation of the site which delayed site establishment.	The Municipality has assisted in resolving the situation via discussions with the local ward councillor to have an illegal business removed. The project will continue into 2025/2026 financial year.
OPMS 60: The target to design to Salt Rock Bridge was not completed. 50% was completed on the detailed design. Delays experienced as Engineers engaged and met with the surveyor on site and are currently awaiting the survey data to proceed with full bridge design.	Engaging with environmental affairs regarding the process to apply for environmental authorization. Project has been rolled to next financial year (2025/2026 financial year)
OPMS 61: The target of 20 000m ² of road upgraded was not met. 16827,82m ² was done. Jones and Fifth Street: Some of the of funds were used to appoint a consultant to do a detailed assessment including Geotech and survey to register the project with MIG. The remaining funds was then used for rehabilitation hence the lesser m ² . A decision was also taken to widen the island because the lanes were to wide thus also reducing the output. There was also an added stormwater line which was initially not in the scope.	KDM has secured more funding from MIG for the remaining part of these projects which will be done during 2025/2026 financial year.
OPMS 62: The Ward 3 Nonoti Beach Road Access upgrade of 1,8km was not completed. The construction progress is at 55%. Delays were due to poor performance of the contractor, stoppages due to business forums, and inclement weather.	Project has been rolled over to 2025/2026 financial year. Contractor has been put on terms for poor performance. Weekly meetings are held with the contractor/relevant stakeholders.
OPMS 67: The SCM processes of TEC and TAC for the Sewer Upgrade at Zinkwazi Beach Project was not done. Procurement process was not finalized due to the high number of Tender Documents received when the tender closed.	The targets of TEC and TAC approval is planned for completion in Q2 of the 2025/2026 financial year.
OPMS 68: All(100%) the milestones set for the Upgrade to the Darnall Sportsfield have not been met. 66% was done. There were delays in the appointment of the service provider, which had to go back to TAC. This delayed all other processes on the project. The remaining percentage is made up of the following:- - Construct Ablution block up to roof level(7%) - Construct grounds keepers' quarters up to roof level(7%) - Trench and lay stormwater pipes(7%) - Trench for cables for mast lights (7%) - Construct foundations for mast lights (6%)	The remaining milestones are planned for Q1 of the 2025/2026 financial year with a plan to also complete the project in its entirety during the 25/26 financial year.
OPMS 69: The 8 milestones set for the Rehabilitation of the Parking Area in Vlakspuit Cemetery Project were not met. 7 out of the 8 were done. Storm-water Drainage not yet completed. A delay in the SCM processes delayed the achievement of milestones.	Stormwater drainage to be completed in Q1 of 2025/2026.
OPMS 70: 1 out of the 2 Taxi Ranks was completed by 30 June 2025. Ballito Taxi Rank completed. KwaDukuza Taxi Rank not fully completed. Project could not be completed due to additional works such as refurbishment of the existing office; construction of additional bases and columns for the existing structure; connection of powerline to the newly identified minisub station. Furthermore, a request for a variation order to include the vending stalls	Refurbishment of KwaDukuza Taxi Rank will be completed in Q1 of the 2025/2026 financial year

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT									
OPMS 01	To enhance organisation performance	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)	4 people employed from employment equity target groups in the three highest levels of management by 30 June 2024	Target met. 5 people employed. 1. Manager Legal 2. Manager Electrical Reticulation 3. Senior Town Planner 4. Executive Director Civil Engineering Services. 5. Manager Traffic.	4 people employed from the employment equity target groups in the three highest levels of management by 30 June 2025.	Target exceeded. 7 by 30 June 2025.	N/A	N/A	
OPMS 02	To enhance organisation performance	The percentage of employment of women candidates from all levels.	Ensure 50% employment of women candidates from all levels by 30 June 2024	Target not met. 43%. (49/113)	Ensure 50% employment of women candidates from all levels by 30 June 2025	Target not met. 41% by 30 June 2025.	The challenge is that experience required favoured internal employees who are predominantly males as they have been on the system for a while in the technical fields. Also, the issue of CPOs where Councillors only prefer males as bodyguards which is contributing to the imbalances.	The Employment Equity Plan be reviewed to deal with the issue of internal promotions. A reviewed Employment Plan will be submitted to the Management Committee and the Local Labour Forum, by 30 November 2025.	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years *...continued*

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT <i>...continued</i>									
OPMS 03	To enhance organisation performance	The percentage employment of youth candidates from all levels.	Ensure 50% employment of youth candidates from all levels by 30 June 2024	Target met: 57%. (64/113)	Ensure 50% employment of youth candidates from all levels by 30 June 2025	Target not met. 30,75% by 30 June 2025.	Most appointments were internal promotions of experienced employees. The younger employees still lack the required experience and not making the shortlist for promotional post. There is no legislation giving authority to give preference to youth over an adult person unless it is linked to operational requirements.	An investigation will be done during the 2025/2026 financial year on how to restructure and improve on youth employment. The target for 25/26 to be reduced to 30% to be more realistic in terms of the present situation and in the absence of guiding legislation.	
OPMS 04	To invest in skills development	The percentage of a municipality's budget spent on implementing its workplace skills plan.	90% of a municipality's training budget spent on implementation of WSP by 30 June 2024.	Target met: 94% (R2822785,77 / R3002420,00 x100 = 94%)	90% (R2 718 000) of a municipality's training budget spent on implementation of Workplace Skills Plan (WSP) by 30 June 2025	Target exceeded. 99% by 30 June 2025.	N/A	N/A	
OPMS 05	To enhance organisational performance	Turnaround time for the approval of the SDBIP by the Mayor after the approval of the Budget	2024/2025 Service Delivery and Budget Implementation Plan (SDBIP) approved by Mayor within 28 Days after the approval of the budget.	Target met. The budget was approved on the 22/05/2024. The 2024/2025 SDBIP was approved by Mayor on 12/06/2024 which was within 15 days from the approval of the budget.	2025/2026 Service Delivery and Budget Implementation Plan (SDBIP) approved by Mayor within 28 Days after the approval of the budget.	Target exceeded. 13 working days. Budget approved on 29/05/2025. SDBIP signed by Mayor on 17/06/2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT ...continued									
OPMS 06	To enhance organisational performance	Turnaround time for the submission of Performance Agreements to the MEC for Local Government	Submission of the Performance Agreements to the MEC for Local Government within 14 days after the Mayors approval of the SDBIP.	Target met. 9 Performance Agreements submitted to COGTA on 3 July 2023. Within 3 workdays after the approval by the Mayor. SDBIP adopted by Council on 28 June 2023-C2518/2023	Submission of the Performance Agreements to the MEC for Local Government within 14 days after the Mayors approval of the SDBIP.	Target exceeded. 5 working days. Mayor signed on 12/06/2024. Submission to COGTA on 19/06/2024.	N/A	N/A	
OPMS 07	To enhance organisational performance	The number of the Annual Performance Reports submitted to the Auditor General.	Submission of the 2022/2023 Annual Performance Report (APR) to the Auditor General (AG) by 31 August 2023	Target met. Submitted to AGSA on 31/08/2023.	1 Annual Performance Report (APR) for 2023/2024 submitted to the Auditor General (AG) by 31 August 2024	Target met. 1 by 30 August 2024.	N/A	N/A	
OPMS 08	To enhance organisational performance	The number of Annual Reports for 2023/24 tabled at Council.	KDM 2022/2023 Annual Report is tabled at Council by 31 January 2024.	Target met. Annual report 2022/2023 was submitted to Council on 25/01/2024 - C987/2024	1 Annual Report for 2023/2024 tabled at Council by 31 January 2025.	Target met. 1. Council Resolution C147 dated, 30/01/2025.	N/A	N/A	
OPMS 09	To enhance organisational performance	The number of MPAC Oversight reports on the Annual Report submitted to Council for adoption.	Submission of the 2022/2023 Oversight report to Council for adoption by 31 March 2024	Target met. Annual Report 2022/2023 and Oversight Report 2022/2023 was submitted to Council on 26 March 2024 - C1295/2024	1 MPAC Oversight report on the Annual Report submitted to Council for adoption by 31 March 2025	Target met. 1. Council Resolution C200 dated, 27/03/2025.	N/A	N/A	
OPMS 10	To enhance organisational performance	The number of quarterly performance reports submitted to the EXCO/ Council.	4 quarterly performance reports submitted to the EXCO/ Council by 30 June 2024.	Target met. 4 reports submitted. Q4 -28/09/2023- C509/2023 Q1 - 17/01/2024 - C986/2024 Q2 - 25/01/2024- C1000/2024 Q3 - 12/06/2024 C1597/2024	4 quarterly performance reports submitted to the EXCO/ Council by 30 June 2025.	Target met. 4 by 30 June 2025. Q4 29/08/2024 Q1 06/11/2024 Q2 30/01/2025 Q3 28/05/2025	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT ...continued									
OPMS 11	To enhance organisational performance	The number of Performance reviews and performance assessments for Section 56/57 Managers conducted.	i) 1 Formal Review for Mid-year 2023/2024 conducted by 31 March 2024. ii) 1 Annual Assessment for 2022/2023, by 30 June 2024.	Target met. Formal review held on 18&19/03/2024. 1 Annual Assessment was held on 6/7 February 2024.	i) 1 Formal Review for Mid-year 2024/2025 conducted by 31 March 2025. ii) 1 Formal Annual Assessment for 2023/2024, by 30 June 2025.	Target met. i) 1 Mid-Year review, for each Section 56/57 Manager, was conducted on 14 & 28/03/2025. ii) 1 Formal Assessment, for each Section 56/57 Manager, was conducted on 05/02/2025, 28/03/2025 & 25/04/2025.	N/A	N/A	
OPMS 12	To enhance organisational performance	The turnaround time for Performance Agreements to be placed on the municipal website.	Publication of the Performance Agreements on the municipal website 14 days after the approval of the SDBIP.	Target met. Performance Agreements publicised within 3 days on 03/07/2023 after SDBIP approval by Mayor on 28/06/2023-C2518/2023	Publication of the Performance Agreements on the municipal website 14 days after the approval of the SDBIP.	Target exceeded. 5 working days. SDBIP approved on 12/06/2024. Placed on the website on 19/06/2024.	N/A	N/A	
OPMS 13	To enhance organisational performance	The turnaround time for the Publication of the Oversight Report on the Annual Report.	Publication of the Oversight report on the municipal website within 7 days of Council adoption.	Target met. The oversight Report was adopted on 26/03/2024 and placed on the municipal website on 03/04/2024. Within 4 workdays of Councils adoption. Link: http://www.kwadukuza.gov.za/index.php/reports/ann-over-23	Publication of the Oversight report on the municipal website within 5 workdays of Council adoption.	Target exceeded. 3 working days. Oversight Reported adopted by Council on 27/03/2025. Placed on website 31/03/2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 2: GOOD GOVERNANCE & PUBLIC PARTICIPATION									
OPMS 14	To ensure co-ordination and alignment of developmental programmes of the municipality with other spheres of government	The percentage adoption of the 2025/2026 IDP in line with S129 MFMA & Chapters 5&6 MSA by Council.	100% Approval and adoption of the 2024/2025 IDP in line with S129 MFMA & Chapters 5&6 MSA by Council by 31 May 2024.	Target met. 2024/25 IDP was adopted by Council on the 22/05/24. C1478/2024.	100% Approval and adoption of the 2025/2026 IDP in line with S129 MFMA & Chapters 5&6 MSA by Council by 31 May 2025.	Target met. 100%. Council Resolution C 247 dated, 29/05/2025.	N/A	N/A	
OPMS 16	To provide effective and efficient Internal Audit services for Council	The number of quarterly reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to EXCO / Council.	4 Quarterly reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to EXCO / Council by 30 June 2024.	Target not met. 1 report submitted. Q4 - 28/06/2023 C2517/2023	4 Quarterly reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to EXCO / Council by 30 June 2025.	Target met. 4 by 30 June 2025. Q4 25/09/2024 Q1 23/04/2025 Q2 23/04/2025 Q3 11/06/2025	N/A	N/A	
OPMS 17	To ensure compliance with the laws and regulations	The number of Audit and Performance Audit Reports submitted to Council as required by MPPMR 14(4) (a) (iii).	4 Audit & Performance Audit reports submitted to Council by the Audit Committee by 30 June 2024	Target met. 4 reports submitted. Q4 - 28/06/2023. C2516/2023 Q1 - 25/01/2024 C998/2024 Q2 & Q3 - 27/06/2024. C1661/2024.	4 Audit & Performance Audit Committee reports submitted to Council by the Audit Committee by 30 June 2025	Target not met. 3 by 30 June 2025. Q4 25/09/2024 Q1 24/04/2025 Q2 24/04/2025 Q3 0	Audit and Performance Audit Committee members were busy on the draft report and once these engagements are concluded then the report will be ready for submission to Council.	Audit and Performance Audit Committee report will be submitted to Council in the next meeting of Council scheduled in the first quarter of the new financial year.	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 2: GOOD GOVERNANCE & PUBLIC PARTICIPATION ...continued									
OPMS 18	To ensure compliance with the laws and regulations	The number of progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to EXCO/ Council.	4 progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to EXCO/ Council by 30 June 2024	Target not met. Q1-10/04/2024 (C1394/2024)	4 progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to EXCO/ Council by 30 June 2025	Target not met. 1 by 30 June 2025. Q4 25/09/2024 Q1 N/A Q2 0 Q3 0	Q4 of 22/23 has been submitted to Council. Q1 becomes N/A as the audit report for the next financial year 23/24 is generated by November of 2024. Submission of AG Action Plan for Q2 & Q3 to Exco/ Council had not been met. AG Action Plan information for quarter 2 & 3 had not been received by Internal Audit from the Office of Risk Management.	Quarter 2 & 3 AG Action Plan will be submitted to Exco/ Council meeting scheduled to take place in the first quarter of new financial year.	
OPMS 19	To identify, assess and manage key risks of which organisation is exposed to.	The number of Risk Registers for 2025/2026 adopted by Council/Exco.	Adoption of 2024/2025 Risk Register by council by 30 June 2024	Target met. Risk Register adopted on 27/06/2024 (C1641/2024)	1 Risk Register for 2025/2026 adopted by Council/Exco by 30 June 2025.	Target met. 1. Council Resolution C294, dated 26/06/2025.	N/A	N/A	
OPMS 20	To address oversight requirements of risk management and institution's performance with regards to risk management	The number of reports on top 10 risk action plans submitted to EXCO/ Council.	4 reports on top 10 risk action plans submitted to Risk Management Committee and EXCO by 30 June 2024	Target met. Q4 - RMC 17/07/2023 EXCO 26/07/2023 Q1 & Q2 - RMC 24/11/2023 & 16/02/2024 EXCO 29/02/2024 Q3 - RMC 19/04/2024 EXCO - 08/05/2024	4 reports on top 10 risk action plans submitted to EXCO or Council by 30 June 2025.	Target met. 4 by 30 June 2025. Q4 25/09/2024 Q1 12/12/2025 Q2 26/02/2025 Q3 28/05/2025	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 3: FINANCIAL MANAGEMENT AND VIABILITY									
OPMS 21	To improve expenditure on Municipal Infrastructure Grant (MIG) allocation	The percentage of expenditure on the Municipal Infrastructure Grant (MIG) funding.	100% expenditure on implementation of MIG infrastructure projects by 30 June 2024	Target met: 100%, by 30/06/2024.	100% expenditure on the Municipal Infrastructure Grant (MIG) funding projects by 30 June 2025	Target not met. 71.24% by 30 June 2025.	The poor expenditure was a result of poor performance of contractors especially for Nonofu Beach access road and Melville Hall.	Remaining MIG balance will be rolled over to next financial year. Rollover will be submitted within 60 days after end of financial year. Weekly meetings with contractors are held with to monitor progress.	
OPMS 22	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.	90% of a municipality's capital budget actually spent on capital projects by 30 June 2024	Target not met. 68%, by 30/06/2024.	90% (R554 795 903) of a municipality's capital budget actually spent on capital projects by 30 June 2025	Target not met. 83% by 30 June 2025.	Due to delays in SCM processes and project implementation by contractors, the various business units anticipated low spending, thus catering for roll over projects into the 2025/26 financial year.	Catered for roll-over budget allocations for project implementation in 2025/26 financial year	
OPMS 23	To ensure that the revenue of the municipality is collected and accounted for	The percentage reduction of Irregular Expenditure in comparison to 2023/2024 Financial Year End Irregular Expenditure.	70% reduction of irregular expenditure in comparison to the 2002/2023 Financial Year End Irregular Expenditure.	Target met: 94% reduction, by 30 June 2024.	70% reduction of irregular expenditure in comparison to the 2023/2024 Financial Year End Irregular Expenditure by 30 June 2025.	Target exceeded. 90% reduction by 30 June 2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 3: FINANCIAL MANAGEMENT AND VIABILITY ...continued									
OPMS 24	To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes	The percentage reduction of debt in the greater than 60 days category when compared to debt as of 30 June 2024	2% reduction of debt in the greater than 60 days category when compared to debt as of 30 June 2023.	Target not met. Debt increased to 26.12%.	2% reduction of debt in the greater than 60 days category when compared to debt as of 30/06/2024 by 30 June 2025.	Target not met. 9.09% increase in debt by 30 June 2025.	1. Slow turnaround times in deeds updates. 2. Difficulty with handed over properties. Delays with Court proceedings/ Debtors untraceable/ Estates not reported etc. 3. Back billing of Rates/ Electricity and Refuse 4. Customers ability to pay 5. Lack of Customer information due to historical records being incomplete. 6. Historical debt may be irrecoverable and continues to incur interest and estimated billings 7. Government departments have not been paying their accounts due to funding.	1. Rates department to improve turnaround times on deeds updating. The Manager Revenue will be performing monthly GVR reconciliations commencing in August 2025. The Rates office will prioritise updating the deeds returns on a monthly basis commencing July 2025. 2. Delays with legal recoveries is a national issue and unavoidable. Manager Income will be conducting quarterly meetings with all attorneys dealing with debt collection commencing in September 2025. In addition, a debt collection module on the Munsoft Financial management system will be procured and commissioned by 31 December 2025 in order to automate and streamline debt collection procedures and processes 3. Customers often dispute back-billings and stagger payments. Manager Income to ensure that recovery to proceed if no dispute/queries pending. In addition, Manager Income will establish a dispute resolution committee in order to fast track the clearing of any disputes raised which will then allow credit control action. 4. Normal Recovery processes apply, and indigent benefits and payment arrangements will be recommended by the Manager Income in line with Council approved Credit Control Policy 5. All reasonable efforts are made to recover where possible. Revenue Management will update customer data immediately upon receipt from the Revenue Protection Unit via the Data Cleansing Project. In addition, Revenue officials will ensure that, in every contact with customers, the customers information is updated. 6. There are instances where debt will be irrecoverable. These are recommended for write-off. The Manager Income will analyse the debtor's book on a quarterly basis and compile reports to the FLPA for recommendation to write off debt that is irrecoverable. The first report will be submitted in October 2025. 7. Credit Control is constantly engaging the departments for payments. The Manager Income will ensure that, with effect from July 2025, government debt is consolidated, and the appropriate credit control action initiated, commencing with the service of notices of intention to disconnect electricity supply	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 3: FINANCIAL MANAGEMENT AND VIABILITY ...continued									
OPMS 25	To ensure municipal budget complies with MFMA and Treasury regulations	The number of milestones achieved towards the approval of the Annual Budget.	1-Table 24/25 draft budget to council on 31 March 2024.	Target met. 1-The draft budget was adopted by Council on 26 March 2024 through C1289/2024. 2-Final adopted by Council on the 22 May 2024 (C1479).	Submission of 1.Draft 2025/2026 budget to council by 31 March 2025. 2.Final 2025/2026 budget to council by 31 May 2025.	Target met. 2 by 31 May 2025. 1.Draft budget Council Resolution C 195:27/03/2025. 2.Final Budget Council Resolution C 248: 29/05/2025.	N/A	N/A	
OPMS 26	To ensure municipal budget complies with MFMA and Treasury regulations	The number of Budget implementation reports submitted to Council on budget spent	i) 3 Budget implementation Section 52(d) reports by 30 June 2024 ii) 1 MFMA S72 Report submitted to Council on budget spent, by 31 March 2024.	Target met. i) 1-27/07/2023 (C189/2023) 2-26/10/2023 (C645/2023) 3-23/04/2024 (C1400/2024) ii) 1-25/01/2024 (C988/2024)	i) 3 Budget implementation Section 52(d) reports by 30 June 2025 ii) 1 MFMA S72 Report submitted to Council on budget spent, by 31 March 2025.	Target met. i) 3 by 30 June 2025. C09 25/07/2024 C80 31/10/2024 C220 24/04/2025 ii) 1 by 31 March 2025 C151 30/01/2025	N/A	N/A	
OPMS 27	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 Finance & Local Public Administration (FLPA) on the percentage of awards made to designated sectors (i.e. Youth, Women and disabled, Military veterans)	4 progress reports submitted to Finance & Local Public Administration (FLPA) on 40 percentage of awards made to designated sectors (i.e. Youth, Women and disabled, Military Veterans) by 30 June 2024	Target met. Q4 -23/08/2023 (FLPA 224) Q1 -29/11/2023 (FLPA 322) Q2-17/04/2024 (FLPA 90) Q3-21/05/2024 (FLPA 157)	4 progress reports submitted to Finance & Local Public Administration (FLPA) on 40 percentage of awards made to designated sectors (i.e. Youth, Women and disabled, Military Veterans) by 30 June 2025	Target met. 4 by 30 June 2025. Q4-21/08/2024 FLPA 252 Q1-11/12/2024 FLPA 366 Q2-19/02/2025 FLPA 16 Q3-21/05/2025 FLPA 167/2025	N/A	N/A	
OPMS 28	To ensure financial viability of the municipality	Ratio of Outstanding service debtors to annual revenue actually received for services (i.e. electricity and refuse)	Outstanding service debtors to revenue not greater than 0.25:1	Target met. 0.12:1	Outstanding service debtors to revenue not greater than 0.25:1	Target exceeded. 0.11:1	N/A	N/A	
OPMS 29	To ensure financial viability of the municipality	Debt coverage ratio. Total operating revenue received - operating grants/ debt service payments	Not less than 15:01	Target met. 97.43:1	Not less than 15:01	Target exceeded. 77.60:1	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 3: FINANCIAL MANAGEMENT AND VIABILITY ...continued									
OPMS 30	To ensure financial viability of the municipality	Unencumbered cash coverage Ratio	Unencumbered cash coverage Ratio of 1 month.	Target met. 2.3:1	Unencumbered cash coverage Ratio of 1 month.	Target exceeded. 1,73:1	N/A	N/A	
OPMS 31	To ensure financial viability of the municipality	The number of Annual Financial Statements (AFS) to the Auditor General (AG).	Submission 1 Annual Financial Statements (AFS) to the Auditor General (AG) on 31 August 2023.	Target met. 1 AFS Submitted on 31/08/2023.	1 Annual Financial Statements (AFS) submitted to the Auditor General (AG) by 31 August 2024.	Target met. 1 by 31 August 2024.	N/A	N/A	
OPMS 32	To ensure that all citizens have an electricity service connection.	The percentage of indigent households earning less than R5000 per month with access to Free Basic Electricity.	100% of indigent households, as per Council's Indigent Register, earning less than R4 500 per month with access to Free Basic Electricity by 30 June 2024.	Target met. 100%. Number of indigent applications as at 30 June 2024 was 10 440.	100% of indigent households, as per Council's Indigent Register, earning less than R5000 per month with access to Free Basic Electricity by 30 June 2025.	Target met. 100% by 30 June 2025.	N/A	N/A	
OPMS 33	To provide access to basic solid waste services to all citizens	The percentage of indigent households earning less than R5000 per month with access to Free Basic Solid Waste.	100% of indigent households, as per council's indigent register, earning less than R4 500 per month with access to basic level of Free Solid Waste removal by 30 June 2024.	Target met. 100%. Number of indigent applications as at 30 June 2024 was 10 440.	100% of indigent households, as per council's indigent register, earning less than R5000 per month with access to basic level of Free Solid Waste removal by 30 June 2025.	Target met. 100% by 30 June 2025.	N/A	N/A	
OPMS 34	To maintain and upgrade existing municipal infrastructure	The percentage expenditure on MV Network upgrades in Cluster A to Cluster G; Zimbali & Simbithi	100% expenditure on MV Network upgrades in Cluster A to Cluster G completed by 31 March 2024.	Target met. Project was completed under budget. 98% Expenditure, by 31 March 2024. (R14 036 542 out of R14 352 839 Savings of R316 297 realised on projects).	90% (R22 635 000) expenditure on MV Network upgrades in Cluster A to Cluster G & Zimbali & Simbithi completed by 30 June 2025.	Target exceeded. 100% by 30 June 2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 3: FINANCIAL MANAGEMENT AND VIABILITY ...continued									
OPMS 35	To maintain and upgrade existing municipal infrastructure	The percentage expenditure on LV Network Upgrades in Cluster A to Cluster G.	100% expenditure on LV Network upgrades in Cluster A to Cluster G completed by 31 December 2023.	Target met. 100%, by 31 December 2023.	90% (R5 355 000) expenditure on LV Network upgrades in Cluster A to Cluster G completed by 31 March 2025.	Target exceeded. 99% by 31 December 2024.	N/A	N/A	
OPMS 36	To maintain and upgrade existing municipal infrastructure	The percentage expenditure on Street Lights Refurbishment in Cluster A to Cluster G.	100% expenditure on Street Lights Refurbishment in Cluster A to Cluster G by 31 December 2023.	Target met. 100%, by 31 December 2023.	100% (R10 000 000) expenditure on Street Lights Refurbishment in Cluster A to Cluster G by 31 March 2025.	Target exceeded. 100% by 31 December 2024.	N/A	N/A	
OPMS 37	To maintain and upgrade existing municipal infrastructure	The percentage expenditure on new streetlights in Cluster A to Cluster G.	100% expenditure on new streetlights in Cluster A to Cluster G by 30 June 2024.	Target met. 100%, by 30 June 2024.	90% (R5 400 000) expenditure on new streetlights in Cluster A to Cluster G by 31 March 2025.	Target exceeded. 100% by 31 December 2024.	N/A	N/A	
OPMS 38	To maintain and upgrade existing municipal infrastructure	The percentage expenditure on MV Substations Upgrades and Refurbishment.	100% expenditure for 10 MV Substations Upgrades and Refurbishment by 30 June 2024.	Target met. Project was completed under budget. 98% Expenditure, by 30 June 2024. (R24 768 977 out of R25 190 863. Savings of R421 886 realised on projects).	90% (R17 550 000) expenditure on MV Substations Upgrades and Refurbishment by 30 June 2025.	Target exceeded. 100% by 30 June 2025.	N/A	N/A	
KPA 4: SPATIAL PLANNING, ENVIRONMENTAL MANAGEMENT & SOCIAL SERVICES (CROSS CUTTING ISSUES)									
OPMS 39	To contribute to a safe and secure environment	The number of multi-disciplinary law enforcement operations conducted.	120 multi-disciplinary law enforcement operations conducted by 30 June 2024	Target met. 125 multi-disciplinary law enforcement operations conducted	135 multi-disciplinary law enforcement operations conducted by 30 June 2025	Target exceeded. 162 by 30 June 2025.	N/A	N/A	
OPMS 40	To prevent and reduce the impact of disasters within KDM jurisdiction	The number of outreach programmes conducted on fire safety, social crime and road safety campaigns.	30 outreach programmes conducted on fire safety, social crime prevention and road safety :- 10 Fire Outreach programmes. 10 Social Crime Prevention Outreach programmes. 10 Road Safety programmes.						

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 4: SPATIAL PLANNING, ENVIRONMENTAL MANAGEMENT & SOCIAL SERVICES (CROSS CUTTING ISSUES) ...continued									
OPMS 41	To prevent and reduce the impact of disasters within KDM jurisdiction	The number of Fire Trucks Delivered.	N/A	N/A	2 Fire Trucks delivered by 31 December 2024.	Target met. 2 by 31 December 2024.	N/A	N/A	
OPMS 42	Developing and sustaining the spatial, natural and built environment	The percentage of SPLUMA applications processed (Rezoning/ subdivision/ Scheme Amendments) processed within stipulated the time	90% of SPLUMA applications processed within 90 days from the closing date of advert by 30 June 2024	Target met. 100%.	90% of SPLUMA applications processed within 90 days from the closing date of advert.	Target exceeded. 100%.	N/A	N/A	
OPMS 43	Developing and sustaining the spatial, natural and built environment	The percentage of consent applications processed (i.e. relaxations) processed within 60 days from closing date of advert or date of submission	90% of consent applications processed within 60 days, from the closing date of advert or date of submission.	Target met. 100%.	90% of consent applications processed within 60 days, from the closing date of advert or date of submission.	Target exceeded. 100%.	N/A	N/A	
OPMS 44	Developing and sustaining the spatial, natural and built environment	The percentage of building plans more than 500m² approved within 60 days of submission	95% of building plans more than 500m² approved within 60 days of submission.	Target met. 96%	95% of building plans more than 500m² approved within 60 days of submission.	Target exceeded. 100%.	N/A	N/A	
OPMS 45	Developing and sustaining the spatial, natural and built environment	The number of Environmental Awareness Programmes conducted	10 x Environmental Management awareness Programmes conducted by 30 June 2024.	Target met. 12 Environmental Management awareness Programmes conducted.	10 Environmental Management Community awareness Programmes conducted by 30 June 2025.	Target met. 10 by 30 June 2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 5: LOCAL ECONOMIC DEVELOPMENT									
OPMS 46	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.	120 Jobs created through LED initiatives by 30 June 2024	Target met. 309 jobs.	120 Jobs created through LED initiatives by 30 June 2025	Target exceeded. 527 by 30 June 2025.	N/A	N/A	
OPMS 47	To develop a prosperous, inclusive, transformative and diverse local economy	The number of Business sessions conducted	20 business sessions conducted by 30 June 2024	Target met. 29 Business Sessions Conducted.	20 business sessions conducted by 30 June 2025	Target exceeded. 38 by 30 June 2025.	N/A	N/A	
OPMS 48	To develop a prosperous, inclusive, transformative and diverse local economy	The percentage implementation of the tertiary assistance programme.	N/A	N/A	100% implementation of the tertiary assistance programme by 30 June 2025.	Target not met. 80% by 30 June 2025.	20% of the implementation was for the close out report to the EDP Portfolio Committee. This was not submitted due to students request to withdraw from the municipality funding because they were offered a scholarship. This had an impact on reporting on the number of students. Funds are yet to be returned to the municipality.	A close out report will be submitted to the EDP portfolio committee in quarter 1 of 2025/2026, with a consolidated number of beneficiaries once the Finance Section confirms the receipt of the funds from the institutions.	
OPMS 49	To use capital infrastructure and social investment to provide poverty relief through temporary work for the unemployed	The number of jobs created through municipality's Capital Projects in the IDP	370 jobs created through municipality's Capital Projects in the IDP by 30 June 2024.	Target met. 501 Electrical BU - 51 Comm. Serv BU - 61 Civil BU - 389	230 jobs created through municipality's Capital Projects in the IDP by 30 June 2025. (Community Services : 50 Electrical Services: 60 Civil Services : 120)	Target exceeded. 366 by 30 June 2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 5: LOCAL ECONOMIC DEVELOPMENT ...continued									
OPMS 50	To use capital infrastructure and social investment to provide poverty relief through temporary work for the unemployed	The number of job opportunities created through implementation of Expanded Public Works Programme by 30 June 2024 (EPWP).	80 job opportunities created through implementation of Expanded Public Works Programme by 30 June 2024	Target met. 82 jobs created.	80 job opportunities created through implementation of Expanded Public Works Programme by 30 June 2025.	Target met. 80 by 30 June 2025.	N/A	N/A	
KPA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT									
OPMS 51	To facilitate provision of formal housing through construction of high-quality houses.	The number of new houses constructed.	58 new houses constructed by 30 June 2024	Target met. 73 houses constructed, by 30 June 2024.	90 new houses constructed by 30 June 2025.	Target not met. 78 by 30 June 2025.	The KZN Department of Human Settlements (KZNHS) had major budget cuts by the National Department of Human Settlements this financial year, hence they engaged the KZN Implementing Agents (IAs) to slow down on production until some funding can be approved by the National Treasury.	Municipality engaging the KZNHS on the new financial year's budget and the processing of claims as they are paid after 30 days after submission	
OPMS 52	To ensure fair, transparent and compliant housing beneficiary management system.	The number of houses handed over to beneficiaries.	57 houses handed over to beneficiaries by 30 June 2024	Target met. 72 houses handed over to beneficiaries, by 30 June 2024.	90 houses handed over to beneficiaries by 30 June 2025.	Target not met. 78 by 30 June 2025.			
OPMS 53	To provide access to basic municipal services to all citizens	The number of sites serviced.	696 sites serviced by 30 June 2024	Target not met. 595 sites serviced, by 30 June 2024.	175 sites serviced by 30 June 2025.	Target not met. 125 by 30 June 2025.	The development of sites has been delayed due to budget constraints which impacted negatively of cashflows of implementing agents. All sites are temporarily closed.	The Department of Human Settlements is being engaged in order to ensure that they are able to pay implementing agents on time. All claims were processed and paid by the KZNHS. There are sites that will re-open in the 2025/6 financial year and budget will be allocated as per the KZNHS budget.	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT ...continued									
OPMS 54	To restore human dignity through asset ownership	The number of Enhanced Extended Discount Benefit Scheme (EEDBS) units transferred as per the business plan with Dept of Human Settlements (DOHS).	15 EEDBS units transferred as per business plan with DOHS by 30 June 2024	Target not met. 8 EEDBS units transferred, by 30 June 2024.	5 EEDBS units transferred as per business plan with DOHS by 30 June 2025	Target exceeded. 17 by 30 June 2025.	N/A	N/A	
OPMS 55	To ensure that the community has access to functional public amenities	The number of Community Halls completed.	N/A	N/A	1 (Charlottesville) Community Hall completed by 30 June 2025.	Target exceeded. 1. Practical Completion certificate dated, 31/01/2025.	N/A	N/A	
OPMS 55(a)	To ensure that the community has access to functional public amenities	The percentage completion of the Supply Chain Management Processes for the Ohlange Hall.	N/A	N/A	100% completion of the Supply Chain Management Processes for the Ohlange Hall by 30 June 2025.	Target not met. 40% by 30 June 2025.	There has been a delay in TEC; TAC and appointing of a service provider. The item was submitted to TEC in May 2025 with no resolution obtained by 30 June 2025.	Project has been rolled over to the 2025/2026 financial.	
OPMS 55(b)	To ensure that the community has access to functional public amenities	The percentage progress on the completion of the Melville Hall.	N/A	N/A	50% progress on the completion of the Melville Hall by 30 June 2025.	Target exceeded. 61% by 30 June 2025.	N/A	N/A	
OPMS 56	To maintain and upgrade existing municipal infrastructure	The percentage completion of Woodmead Taxi Rank	N/A	N/A	100% completion of Woodmead Taxi Rank by 31 March 2025	Target not met. 0% by 31 March 2025.	Completion of 3390m ² surface of the Taxi Rank was completed on 30/06/2025. Completion was delayed due to budget constraints during the year.	N/A - Surface has been completed. Completion certificate dated, 30/06/2025.	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT ...continued									
OPMS 58	To maintain and upgrade existing municipal infrastructure	The number of km of Sokesimbone Access Road & Stormwater upgraded	N/A	N/A	0.8km of Sokesimbone Access Road & Stormwater upgraded by 30 June 2025. 40% progress on the completion of the Lindelani Creche by 30 June 2025.	Target met. 0.859km. Completion Certificate dated, 24/01/2025.	N/A	N/A	
OPMS 59	To ensure that the community has access to functional public amenities	The percentage progress on the completion of the Lindelani Creche.	N/A	N/A		Target not met. 20% by 30 June 2025.	The contractor experienced delays due to illegal occupation of the site which delayed site establishment.	The Municipality has assisted in resolving the situation via discussions with local ward councillor to have illegal business removed. Project will continue into 2025/2026 financial year.	
OPMS 60	To maintain and upgrade existing municipal infrastructure	The percentage design of the Salt Rock Bridge completed.	N/A	N/A	100% design of the Salt Rock Bridge completed by 30 June 2025.	Target not met. 50% by 30 June 2025.	50% completed on the detailed design. Delays experienced as Engineers engaged and met with the surveyor on site and are currently awaiting the survey data to proceed with full bridge design.	Engaging with environmental affairs regarding the process to apply for environmental authorization. Project has been rolled to next financial year (2025/2026 financial year)	
OPMS 61	To maintain and upgrade existing municipal infrastructure	The number of meters squared (m ²) of road upgraded.	1530m ² of roads upgraded by 31 March 2024	Target met. 3000m ² . Beatrice Street. Completion certificate dated 17/11/2023.	20000m² of roads upgraded by 30 June 2025.	Target not met. 16 827.82m ² by 30 June 2025. Refer to Note 8.1a.	Jones and Fifth Street: Some of the funds were used to appoint a consultant to do a detailed assessment including Geotech and survey to register the project with MIG. The remaining funds was then used for rehabilitation hence the lesser m2. A decision was also taken to widen the island because the lanes were to wide thus also reducing the output. There was also added stormwater line which was initially not in the scope.	KDM has secured more funding from MIG for the remaining part of these projects which will be done during 2025/2026 the financial year.	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT ...continued									
OPMS 62	To maintain and upgrade existing municipal infrastructure	The number of Kilometers of Ward 3 Nonoti Beach Road Access upgraded	N/A	N/A	1.8km of Ward 3 Nonoti Beach Road Access upgraded by 30 June 2025.	Target not met. 0km by 30 June 2025.	The construction progress is at 55%. Delays due poor performance of the contractor, stoppages due to business forums, and delays due to inclement weather.	Project has been rolled over to 2025/2026 financial year. Contractor has been put on terms for poor performance. Weekly meetings are held with the contractor/ relevant stakeholders.	
OPMS 63	To ensure that all citizens have an electricity service connection	The number of new households with access to basic level of electricity.	513 new households with access to basic level of electricity by 30 June 2024.	Target met. 895, by 30 June 2024.	524 new households with access to basic level of electricity by 30 June 2025.	Target exceeded. 1070 by 30 June 2025.	N/A	N/A	
OPMS 64	To ensure that all citizens have an electricity service connection	The number of households with access to basic level of electricity	62275 households with access to basic level of electricity by 30 June 2024.	Target met. 62657, by 30 June 2024.	62799 households with access to basic level of electricity by 30 June 2025.	Target exceeded. 63727 by 30 June 2025.	N/A	N/A	
OPMS 65	To ensure that energy losses are reduced within legislated guidelines	The percentage of Energy Kilowatts Loss reduced from the mid-year baseline of 28%.	Energy kilowatts loss reduced by 8% (from 26% to 18%) by 30 June 2024	Target not met. Energy losses recorded at 25.67% at the end of 30/06/2024. 0.05% reduction from 30/06/2023 to 30/06/2024.	1% Energy kilowatts loss, reduced from 28% to 27% by 30 June 2025.	Target met, 1% decrease by 30 June 2025. (energy losses recorded at (26.73%). however, the annual comparison between 30/06/2024 to 30/06/2025 shows a 1% increase in energy losses. Refer to Note 8.1b.	N/A	N/A	
OPMS 66	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)	100% households with access to basic level of solid waste removal by 30 June 2024.	Target met. 100% of estimated households with access to basic level of solid waste removal, by 30 June 2024.	100% of estimated households with access to basic level of solid waste removal by 30 June 2025.	Target met. 100% by 30 June 2025.	N/A	N/A	

5. ANNUAL PERFORMANCE REPORT: Comparison over 2 Financial Years ...continued

OPMS No.	Strategic Objective from the IDP	Key performance Indicator	2023/2024 Target & Description	2023/2024 Actual	2024/2025 Target & Description	2024/2025 Actual	Reason for Non-achievement	Measures to Improve	Status
KPA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT ...continued									
OPMS 67	To ensure that the community has access to functional public amenities	The number of milestones achieved for the Sewer Upgrade at Zinkwazi Beach Project.	8 Beach Facilities upgraded by 30 March 2024.	Target met. 8 Beach Facilities Upgraded by 30/06/2024.	2 (TEC approval and TAC approval) completed by 30 June 2025.	Target not met. 0 by 30 June 2025.	Procurement process has not been finalized due to the high number of Tender Documents received when the tender closed.	The targets of TEC and TAC approval is planned for completion in Q2 of the 2025/2026 financial year.	
OPMS 68	To ensure that the community has access to functional public amenities	The percentage of milestones achieved for the Upgrade to the Darnall Sportsfield.	N/A	N/A	100% of milestones achieved for the Upgrade to the Darnall Sportsfield by 30 June 2025.	Target not met. 66% by 30 June 2025.	There were delays in the appointment of the service provider, which had to go back to TAC. This delayed all other processes on the project. The remaining % which is made up of Construct Ablution block up to roof level(7%) 3. Construct grounds keepers' quarters up to roof level(7%) 4. Trench and lay stormwater pipes(7%) 5. Trench for cables for mast lights (7%) 6. Construct foundations for mast lights (6%) carried over to Q1 of 25/26.	The remaining milestones are planned for Q1 of the 2025/2026 financial year with a plan to also complete the project in its entirety.	
OPMS 69	To ensure that the community has access to functional public amenities	The number of milestones achieved on the Rehabilitation of the Parking Area in Vlakspuit Cemetery Project.	N/A	N/A	8 Milestones achieved on the Rehabilitation of the Parking Area in Vlakspuit Cemetery Project by 30 June 2025.	Target not met. 7 by 30 June 2025.	Storm-water Drainage not yet completed. A delay in the SCM processes delayed the achievement of milestones.	Stormwater drainage to be completed in Q1 of 2025/2026.	
OPMS 70	To maintain and upgrade existing municipal infrastructure	The number of Taxi Ranks upgraded.	100% Upgrade to the Ballito Taxi Rank completed by 30 June 2024.	Target not met. 0% completion by 30/06/2024.	2 Taxi Ranks upgraded by 30 June 2025.	Target not met. 1. Ballito Taxi Rank completion certificate dated. 27 March 2025.	KwaDukuza Taxi Rank not fully completed. 84% progress on the project. Project could not be completed due to additional works such as refurbishment of the existing office; construction of additional bases and columns for the existing structure; connection of powerline to the newly identified minibus station. Furthermore, a request for a variation order to include the vending stalls	Refurbishment of KwaDukuza Taxi Rank will be completed in Q1 of 2025/2026 financial year	

6. KEY AREAS TO NOTE

Improving Performance

- There has been an increase in performance on Good Governance and Public Participation from 57% to 67%.
- Spatial Planning, Environmental Management & Social Services (Cross Cutting) remained at a high of 100% from the previous year.

Reporting on Performance is done on a quarterly basis, Section 56/57 Managers were required to respond to Internal Audit Queries on the Performance findings of the respective departments to ensure that audited reports were submitted to the Performance Audit Committee and Executive Committee or Council. The effective implementation of the performance management framework as adopted by Council, and the different roles and responsibilities that were played by different stakeholders served 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 has been a 20% decrease in Basic Service Delivery performance from 58% to 38%.
- There was a decrease in Municipal Transformation & Institutional Development from 93% to 85%.
- There was a slight decrease in Municipal Financial Viability & Management of 1% from 84% to 83%.
- Local Economic Development has decreased from 100% to 80%.

There has been a decrease in Basic Service Delivery due to the large number of projects and budget allocations.

KwaDukuza Municipality received the Municipal Disaster Rehabilitation and Reconstruction Grant (MDRG) of R1 271 098.00 inclusive of VAT on the 17th of March 2023 for approximately 400 Roads and Stormwater projects. KwaDukuza Municipality upon receiving this grant, had to do the budget adjustment in line with the grant received. Budget adjustment was done and approved by council on the 14th of April 2024, apportioning this into two financial years i.e. 2022/2023 and 2023/2024 as the municipality was already approaching the end of the financial year. During the adjustment budget R577 292 million was allocated under 2022/2023 and R693 806 under 2023/2024.

Based on the above, R371 378 307 was spent on the R 577 292 that was allocated for 2022/2023 financial year. R205 913 693 had to be rolled over to the new financial year thus increasing the budget for 2023/2024 financial year. Rolled over application was approved and the adjustment was done in November 2023 to cater for unspent grant under response and R and R grant.

The expenditure, when looking at the percentage decreased but when looking at the value it is actually more than previous financial years. Civil Engineering and PMU Business Unit after April 2023 budget adjustment had total budget of R704 641 710 and R515 156 736 was spent. Under 2023/2024 financial year, Civil Engineering and PMU BU taking into consideration the budget adjustment in November 2023, had total budget allocation of R 876 572 209 and R 564 468 284,32 was spent. Comparing the two financial year when it comes to amount spent it can be noted that under 2023/2024, more was spent meaning that more service delivery was done compared to the previous financial year. There was more budget allocation compared to other years thus the percentage is lower.

During 2024/2025 financial year KwaDukuza Municipality has applied for a rollover of funds. While awaiting the rollover which will be confirmed by the end of August 2025, an item was taken to council requesting approval for processing payments.

Poor performance of service providers i.e. both consultants and contractors, was the primary reason for failing to spend 100% on grant expenditure. Most of the work has already been awarded. Service providers i.e. Consultants and Contractors were put on terms for poor performance which might lead to termination.

Projects that are on the ground are also struggling to be completed due to failing contractors. Remedying a failing contractor is also a timeous process and by the time the legalities are finalised months go past with little or no work being done on the ground. The other contributing factor is the Supply Chain Management Processes, these processes are time consuming and when tenders have appeals, this also delays the appointment of service providers.

Lessons Learnt / Way Forward

- Better planning must start from the onset of compiling the Integrated Development Plan.
- Business units to work in-consultation with each other to ensure municipal targets are achieved.
- Capacity should be improved/increased should additional funds become available for more projects.

7. PERFORMANCE OF SERVICE PROVIDERS: Municipal Systems Act, Section 76

All service providers performance are monitored and reviewed through our Supply Chain Management Unit and reported on annually in the form of a Service Provider Assessment, this assessment is found on Appendix I of the Annual Report, however as defined in the Systems Act Section 76 the service provider performing the functions of the Municipality is 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 Municipality has in terms of Section 78 of the Municipal Systems Act, 32 of 2000, decided on a mechanism to provide a municipal service, which is Refuse Collection, through an External Service Provider. The performance ratings of this service provider performing the municipal service on behalf of the municipality (Municipal Systems Act; Section 76) is as follows:

SERVICE PROVIDER PERFORMANCE REPORT										
2023/2024 ANNUAL PERFORMANCE RATINGS						2024/2025 ANNUAL PERFORMANCE RATINGS				
COMPANY NAME	EXCELLENT (5)	VERY GOOD (4)	GOOD (3)	SATISFACTORY (2)	POOR (1)	EXCELLENT (5)	VERY GOOD (4)	GOOD (3)	SATISFACTORY (2)	POOR (1)
Community Services and Public Amenities										
DOLPHIN COAST WASTE MANAGEMENT	✓					✓				

8. ADDITIONAL INFORMATION TO THE ANNUAL PERFORMANCE REPORT

Note

8.1 Listing

a) OPMS 61

Jones Street:3818,62m² - Practical Completion Certificate dated 30/06/2025.

Fifth Street:2427,39m² - Practical Completion dated 30/06/2025.

Kenny Khanyayo, Imfezi, Impela Klebe & Ukhozi: 10581,81m² -Practical Completion dated 30/06/2025.

b) OPMS 65

The target for energy losses was initially set unrealistically in terms of the trend over the past few years. Energy losses over the past few financial years were recorded as follows : 21/22(24,83%); 22/23(25,72%); 23/24(25,67%), noting a 0,5% decrease from the previous year but the target set for that year, remained unmet due to setting an impossible target of an 8% decrease to be realised. In the 2024/2025 financial year, energy losses stood at 28% at mid-year. With the expectation of higher percentages by year-end.

During the mid-year review of organisational targets and during the adjustment process, the target for energy losses was thus revised, to set a target that was more realistic to achieve by the end of June 2025 with the existing resources, that was to reduce by 1% by 30 June 2025. Although the mid-year baseline was used in this circumstance it will be only for 2024/2025 as a target adjustment was done for the first time on this indicator. It be further noted that energy losses for 2024/2025(26,73%) when compared to 2023/2024(25,67%) has increased by 1%. The actual as at 30 June 2025 is not relative to what is happening in terms of electricity pricing and other matters as there are high and low seasons which will be taken into account going forward.

The actual of 25,67%(2024) in comparison to 26,73%(2025) recorded, purchase; sales and percentage as follows:

	2024	Mid-Year	2025
Purchase(KWH)	700 780 738	361 783 726	718 401 519
Sales(KWH)	524 952 785	258 927 614	526 381 640
% Losses	25,09%	28,43%	26,73%

During the 24/25 financial year, the implementation of action items under strategies developed has not been 100% fully implemented due to: budget availability, delays in amnesty program implementation, affecting of back-billing in large power users (MD metered consumers).The actions to reduce energy losses are:1.Make provision for a budget of approximately R15m to deal with the amnesty program, in Q2 of 25/26 financial year. 2.Appoint service provider to do back-billing activities including legal matters. 3.Full utilization of smart metering RT29 transversal contract, in Q2 of 25/26 Financial year. 4.Resourcing of the Revenue Protection Unit to be able to do raids, this is ongoing into the 25/26 Financial year. Thus, during the 2025/2026 financial year and outer years, percentage decreases are to be targeted to be lower than 8%, with a comparison of year on year, also to be included in the calculations will be the measurement of energy losses at various levels to cater for a closer analysis when setting this target.

CHAPTER

04



ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

PERFORMANCE MANAGEMENT SYSTEM

Organisational Performance Management Systems (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

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.

Table 79: In order to fulfil the objective of ensuring accountability, reviews are conducted according to certain lines of accountability:

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:

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

In 2018, KwaDukuza Municipality, following consultation with Organised Labour, approved the Performance Management System (PMS) Policy aimed at planning, monitoring, and evaluating the performance of employees below Section 56 Managers. The policy was initially implemented at Director and Manager levels. However, its rollout encountered challenges due to the absence of dedicated personnel within the section to support implementation. As a result, the policy's execution stalled in most Business Units.

In 2021, the Minister responsible for Cooperative Governance and Traditional Affairs (COGTA) issued the Local Government: Municipal Staff Regulations, which came into effect on 1 July 2022. These regulations mandated that all municipal employees must participate in a performance management system. As a result, KwaDukuza Municipality's existing Performance Management Policy had to be reviewed and revised, in consultation with organised labour, to ensure alignment with the provisions of the new COGTA Municipal Staff Regulations.

Following extensive deliberations on the proposed amendments, the revised *Individual Performance Management and Development Policy* was approved by Council in April 2023. Recognizing the practical challenges of implementing a formal Individual performance management system across the entire workforce simultaneously, it was agreed that a phased approach would be adopted.

Accordingly, to support the phased implementation of the policy, KwaDukuza Municipality developed and conducted Individual Performance Management and Development System (IPMDS) workshops. The rollout began with employees on Task Grades 19 to 14 during the 2022/23 and 2023/24 financial years. In the 2024/25 financial year, the implementation was extended to include employees on Task Grades 12 and 13, who have now been incorporated into the IPMDS.

BUSINESS UNIT	NUMBER OF EMPLOYEES FROM T12 T19	NUMBER OF EMPLOYEES FROM T12 T19 THAT ARE ELIGIBLE TO SIGN IPP's	EMPLOYEES WITH SIGNED PERFORMANCE CONTRACTS	EMPLOYEES WHO DO NOT HAVE SIGNED PERFORMANCE CONTRACTS
Office of the MM	22	22	19	3
Finance	24	22	22	0
Corporate Services	9	9	9	0
Economic Development Planning & Human Settlements	32	31	31	0
Civil Engineering	5	5	4	1
Community Services & Public Amenities	11	11	11	0
Community Safety	16	16	16	0
Electrical Engineering Services	17	16	13	3
Total	136	132	125	7

Table 80: Staff Members from T12 to T19 - Signed Individual Performance Plans

The seven employees who did not sign IPPs for the 2024/25 financial year were unable to do so due to reasons such as suspensions, extended sick leave, or being employed on a contract basis.

In April 2022, the Municipality resolved to approve the creation of four posts for Organizational Development (OD) and Individual Performance Management System (IPMS) Officers to support the coordination and implementation of the IPMS. These Officers were to be clustered strategically to provide support across eight Business Units. Additionally, Council approved the establishment of a Manager: Organizational Development and IPMS position to lead and oversee these functions.

Two IPMS Officers were appointed in December 2023 and began their duties, focusing on organizing and driving the full implementation of the IPMS for employees within Task Grades 12 to 19.

It is important to note that, due to financial constraints within the Municipality, the IPMS Officers are required to assume dual responsibilities. In addition to implementing the IPMS, they are also tasked with OD-related functions such as job evaluation processes and the review and maintenance of the Organizational Structure.

IPMS PROCESS PLAN ON CASCADING OF PERFORMANCE MANAGEMENT FOR KDM EMPLOYEES				
No.	Action	Target Date	Responsibility	Status
1.	Meeting with PME Department and OD & Performance Section relating to the inclusion of the IPMS Indicator on all ED's Scorecards	27-31 May 2024	Director: HR	Concluded
2.	Virtual Session on the Status Quo for officials on T19-T14 on the submission of 2023/24 Individual Performance Plans	29 May 2024	Director: HR	Concluded
3.	Commencement of submission of draft 2024/25 Performance Agreement and IPP for officials on T19-T14 for your subordinates to OD & PMS office	01-15 June 2024	ED's, Directors, Managers	Concluded
4.	Conducting workshops for officials on Task grade 12 and 13	13 June 2024	Director: HR	Concluded
5.	Crafting session of 2024/25 IPP and Performance Agreements for officials on T12 and T13 (Consultation)	June-July 2024	Director: HR	Concluded

IPMS PROCESS PLAN ON CASCADING OF PERFORMANCE MANAGEMENT FOR KDM EMPLOYEES				
No.	Action	Target Date	Responsibility	Status
6.	Submission of approved and signed Performance Agreement and IPP for officials on T19-T12 for your subordinates to OD & PMS office	31 July 2024	ED's, Directors, Managers	Concluded
7.	Virtual session with Management on Status QUO of 2023/24 & 2024/25 FY IPP Submission and Moderation Committee responsibilities	6 September 2024	Director: HR	Concluded
8.	Review of the Appointment of Moderation Committee	13 September 2024	Director: HR	Concluded
9.	Appointment of Service Provider for the Training of Moderation Committee	30 September 2024	Director: HR	COGTA conducted an awareness session/training for all ED's, Directors & Senior Managers on their role as an Individual Performance Moderation Committee Members on the 11th of November 2024
10.	Q1 informal reviews for T19-T12 by supervisor	October-November 2024	ED, Directors, Managers	Concluded
11.	Submission of Status Quo Report to Moderation Committee for Consideration	27 December 2024	Director; HR	The report will be submitted to the Committee in August 2025 in line with the policy
12.	Conducting individual performance mid-year reviews for your subordinates	January/February 2025	ED's, Directors, Managers	Concluded
13.	Submission of the Mid-Term Reviews Report to Moderation Committee	28 February 2024	Director: HR	Report will be submitted to MANCO in Q3
14.	Adjusted IPP approved & submitted for your subordinates to OD & PMS office (T19-T12)	31 March 2025	ED's, Directors, Managers	OD & IPMS officers met with staff members who recognized changes needed to be made to their IPP's during the Mid-Year Individual Performance Reviews. Adjusted IPP's were submitted by the 31st of March 2025.
15.	Submission of Status Quo Report to Moderation Committee for Consideration	June 2025	Director; HR	The report will be submitted to the Committee in August in line with the policy
16.	Conducting workshops for officials on Task grade 10 and 11	June 2025	Director: HR	Concluded
17.	Submission of draft 2025/26 Performance Agreement and IPP for officials on T19-T12 for your subordinates to OD & PMS office	June 2025	Director: HR	Pending: The MM has issued a memorandum setting a deadline of 31 July 2025 in line with the policy

Table 81: The following Process Plan were approved for 2024/25 Financial Year

As of the end of the 2024/25 Financial Year all Task Grade 19 to 12 employees have Individual Performance Plans in place and are in readiness of going through the Annual Performance Review process with their supervisors, except for the 7 shown in the above table. Hence, IPMDS will be cascaded to the next Task Grades for the 2025/26 FY.

During Quarter 4 of the 2024/25 financial year, the OD and Performance Section conducted compulsory workshops for all employees on Task Grades 10 and 11 to raise awareness on the Individual Performance Management and Development System (IPMDS).

Business Unit	Date	Time	Venue	Task Grades
Community Services	27th May 2025	10 AM	Community Services Boardroom	10 & 11
Community Services	23rd June 2025	Group A- 11:30 AM	Supper Room	10 & 11
	25th June 2025	Group B- 9 AM	Stanger Town Hall	10 & 11
Civil Engineering	28th May 2025	10 AM	PMU Boardroom	10 & 11
Electrical Engineering	5th June 2025	10 AM	Technical Boardroom	10 & 11
Finance	30th May 2025	10 AM	Finance Boardroom	10 & 11
EDP	29th May 2025	10 AM	Ballito Boardroom	10 & 11
Corporate Service	23rd June 2025	10 AM	Virtual- MS Teams	10 & 11
OMM	3rd June 2025	Group A- 10 AM	OK Mall Boardroom	10 & 11
	17th June 2025	Group B- 10 AM	Virtual- MS Teams	10 & 11

Table 82: Given the large number of employees in these grades, the sessions were conducted per Business Unit to ensure effective engagement and coverage as illustrated in the table above.

A total of 295 employees falls within Task Grades 10 and 11 across all Business Units — 248 on Task Grade 10 and 47 on Task Grade 11. Due to capacity constraints within the OD & IPMS office, including a vacant post and responsibilities related to finalising Job Descriptions for the Job Evaluation Unit, only Task Grade 11 employees were targeted to have signed Individual Performance Plans (IPPs) in place for the 2025/26 financial year.

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 eight (8) Business Units created by the Municipality with a total staff complement of **1 489** permanent posts.

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.

No.	BUSINESS UNIT	MASTER STAFF COMPLEMENT	BUDGETED IN 2024/25	ACTUAL	VACANT	VACANCY RATE
1	Office Of the Municipal Manager	89	58	54	4	6,8%
2	Corporate services	69	65	62	3	4,6%
3	Finance	138	118	111	9	7,6%
4	Economic Development and Planning	155	99	92	7	7%
5	Community services and Public Amenities	324	313	297	16	5,%
6	Community Safety	403	259	238	21	8,%
7	Civil Engineering and Human Settlement	120	112	103	9	8,%
8	Electrical Engineering	191	129	126	3	2%
	Total	1 489	1 153	1083	72	6,%

Table 83: Number of Employees Per Business Unit and Vacancy Rate

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.

	Male				Female				Foreign Nationals		
Occupational Level	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	TOTAL
Top Management	20	0	6	0	4	0	2	0	0	0	32
Senior Management	4	0	2	0	4	0	1	0	0	0	11
Professionally Qualified and Experienced Specialists and Mid-Management	19	1	5	2	10	0	2	0	0	0	39
Skilled Technical and Academically Qualified Workers, Junior Management, Supervisors, Foremen and Superintendents	166	2	43	1	94	1	31	2	0	0	340
Semi-skilled and Discretionary Decision Making	154	0	29	0	103	1	24	1	0	0	340
Unskilled and Defined Decision Making	172	0	7	0	148	0	1	0	0	0	328
Total Permanent	535	3	92	3	363	2	61	3	0	0	1062
Temporary Employees	99	0	4	1	54	0	4	0	0	0	162
Grand Total	634	3	96	4	417	2	65	3	0	0	1224

Table 84: Employment Equity (Temporal, excluding Cllrs and Casual Employees)

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 exit 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.

EXIT CATEGORY	NUMBER OF STAFF
Death	7
Early Retirement	5
Retirement	4
Resignation	12
Dismissal	2
Boarded	1
Total	31

Table 85: Employee Exits

Talent Acquisition/Recruitment

In ensuring that the municipality can 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 151 appointments (inclusive of temporal employees) and internal promotions were made to fill vacancies.

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management T19 Up	1	0	0	0	0	0	0	0	1
Senior management T16 - 18	2	0	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management T14 - 15	1	0	0	0	4	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents T9 - 13	8	0	3	0	9	0	1	0	21
Semi-skilled and discretionary decision making T4 - 8	6	0	0	0	6	0	0	0	12
Unskilled and defined decision making T1 - 3	14	0	0	0	4	0	0	0	18
TOTAL PERMANENT	0	0	0	0	0	0	0	0	0
Temporary employees	1	0	0	0	3	0	0	0	4
GRAND TOTAL	33	0	3	0	26	0	1	0	63

Table 86: Total Number of Appointments Made as well as Categories

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 reduce 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.

INITIATIVE	MALES	FEMALES	TOTAL
Permanent Employment	41	27	68
Temporal Employment	82	51	133

Table 87: Youth Employment Initiatives Implemented

CHALLENGES	MITIGATIONS
Women appointed in 2024/2025	KDM has improved during the 2024/25 in the appointment of women. This is reflected in the annual targets, however there is still a huge challenge in achieving equity in areas such as Marine Safety, Close Protection Unit and Electrical Services. The Municipality is currently reviewing its employment equity policy to improve the number of women appointed.
Appointment of disabled persons in line with approved employment equity plan	HR Unit together with Municipal Business Units in the first Quarter of 2024/2025 FY will conduct identify posts that will be prioritized for disabled people. There was a delay in this process due to pending review of the staff structure.
Delays in filling vacancies	Setting aside funding for critical vacancies. Council reviewed the Recruitment and Selection Policy to required posts to be filled within 90 days or be abolished.
Overtime	In October 2022 Council reviewed the staff structure for the Electrical Business Unit and created positions at supervisory level to ensure that overtime is reduced by monitoring daily work schedules. Shifts system will be implemented once the majority of posts have been filled. Overtime Management Policy needs to be reviewed during the 2025/26 financial year.

Table 88: Challenges In Human Resource Development

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE LEVELS ON REPORTING

Refer to Appendix C

Human Resources Policies and Plans

NAME OF POLICIES
Unpaid Sabbatical leave policy
Close Protection Policy
Councillor Capacity Building Policy
Councillor Tool of Trade Policy

Table 89: Corporate Service's main functions is the development and review of Human Resource related policies.

The KDM Policy and Procedure manual is due for review, however the review had to await the finalisation of Divisional Collective Agreement KZN to cater for the alignment. The Collective Agreement was signed by parties in May 2024 and the process of reviewing the KDM policy and procedure manual has commenced.

Employee Assistance Programme (EAP)

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 2024/2025 financial year conducted the following programmes under EAP office.

- Alcohol & Drugs Awareness Session
- Breast cancer Awareness session
- Health screening, Health Education session
- Financial Awareness Session for KDM employees.
- Trauma Counselling for the Law Enforcement Officers

- Women's Day Celebration
- Men's Master class
- Memorial Services
- Annual Prayer

The municipality has through an open tender system appointed a panel of service providers to assist with counselling and rehabilitation of employees for a period of three years. This will assist in ensuring that employees receive immediate psychological assistance after being involved in traumatic situations such as road accidents and others.

1	Pre-employment medical assessment per employee and report/ to pension fund (Health Screening)
2	Health Assessment for Pension per employee (Health Screening)
3	Ongoing General Health Screening
4	Immunisation Hepatitis A
5	Immunisation Hepatitis B
6	Injury on Duty (IOD) treatment
7	Provision of workplace stress and post trauma Management Programmes
8	Provision of Economic/Financial Stress Management Programmes
9	Provision of workplace Alcohol and Drug abuse Programmes
10	Provision of Counselling services affected employees
11	Conduct audit/assessment for psychosocial factors (Stress, Economic Stress, Alcohol and Drugs)

Occupational Health and Safety

The Health and Safety office is responsible for ensuring that internal Business Units and appointed contractors comply with the provisions of Occupational Health and Safety Act. The office performs this function through conducting inspections and issue compliance notices and reports. The following were the areas of performance during the 2024/25 financial year: -

- Conducted inspections and submitted 3 quarterly reports
- Conducted 4 OHS trainings for Environment department and First Aiders
- Deviations identified by Department of Employment and Labour have been met to 80% most of the remaining deviations require capital budget.

Injuries On Duty 2024/2025

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 2024/2025, there were injuries on duty that were reported to the compensation commissioner.

It can be noted that some of the injuries were serious in nature and led to death on duty in the year under review had decreased when compared to the previous year's 77 injuries.

NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF THE ACCIDENT	SHORT DESCRIPTION	DATE OF SUBMISSION TO W.C. A
1	04/07/2025	Electrical Engineering Services	Injury to the back of the head and fracture on leg	Zamani	Whilst climbing pole on transformer, he tried to hold onto Pole and mistakenly held onto a loose BIL and fell back on his head	12/07/2024
2	06/07/2024	Fire & Emergency	Injury to the neck	Thembeni, KwaDukuza	Whilst putting out fire, a brick fell on the back of his neck	
3	09/07/2024	Electrical Engineering Services	Deep cut to the right-hand index finger	Mechanical Workshop	Whilst assembling the brake, the brake lining fell on his right-hand pointing finger	12/07/2024
4	11/07/2025	Mechanical Workshop	Injury to right ankle and knee	Workshop	Whilst cleaning he slipped and twisted his ankle and knocked the knee on the floor	12/07/2024
5	18/07/2025	Parks & Gardens	A dog bite to the left thigh	Salt Rock	Whilst sweeping the dog attacked him and bit him on left thigh	12/07/2024
6	18/07/2024	Parks & Gardens	Chest pains	Skate Park, Ocean Drive, Ballito	Whilst sweeping ablutions, employee inhaled faecal dust	25/07/2024
7	31/07/2024	Parks & Gardens	Inhaled dust	Ballito Rd, Taxi Rank	She inhaled dust due to construction and wind whilst performing waste management duties	06/08/2024
8	04/08/2024	Traffic	Bruising to the left knee	R102 Umhlali SAPS	She sustained a knee injury whilst forcing a suspect who had attempted to flee into the van for detention	25/08/2024
9	07/08/2024	Electrical Engineering Services	Injury to the leg	Gledhow, 17 School Lane	He fell whilst being chased by a dog while on call out to attend a faulty meter	13/08/2024
10	03/09/2024	PMS	Injury to right leg and foot	Municipal Offices	She tripped by missing one step and fell whilst trying to hold the rail	04/10/2024
11	24/09/2024	Traffic	Injury to the ribs	Theunissen Rd, KwaDukuza	He fell whilst trying to take cover from a violent mob who was throwing stones to the police vehicle	02/10/2024
12	30/09/2024	Waste Management	Injury to left leg and right arm	KwaDukuza Mal	Whilst collecting waste, he slipped into an open water drain and injured his left leg and right arm	04/10/2024
13	31/10/2024	Waste Management	Injury to left foot	Cato Street, KwaDukuza	Pierced by a sharp object that came out of the bin bag	08/11/2024
14	16/08/2024	Traffic	Injury to right shoulder	N2 North bound, Mvoti River	Sustained an injury to the right shoulder whilst arresting a suspect	18/10/2024

Injuries On Duty 2024/2025 ...continued

NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF THE ACCIDENT	SHORT DESCRIPTION	DATE OF SUBMISSION TO W.C. A
15	05/10/2024	Traffic	Injury to left foot, knee and left finger	CBD	Sustained an injury whilst trying to arrest a suspect resisting arrest	
16	04/11/2024	Crime Prevention	Fatally shot	Grout Ville, KwaDukuza	Fatally shot by suspect in the vehicle that was suspiciously parked	04/11/2024
17	07/11/2024	Public Amenities	Injury to left hand	Club Road, Salt Rock	Employee slipped onto rocky surface whilst loading dirt into the truck	04/04/2025
18	16/11/2024	Marine Safety	Injury to left foot	Clark Bay tidal pool	Whilst he was performing a rescue at tidal pool, he slipped on hard rock	20/11/2024
19	18/11/2024	Mechanical Workshop	Deep cut between the left thumb and wrist	Mechanical Workshop	Whilst pushing down the container with his left hand trying to open a lid with a screwdriver, he injured his left thumb	22/11/2024
20	14/11/2024	Parks & Gardens	Injury to left leg	Stanger Manor	Whilst removing garden refuse, he hit his left leg with a K-knife	20/11/2024
21	26/11/2024	Waste Management	Injury to face	Melville	Whilst operating a P.T.O., the other worker threw a bin bag, and it went straight to his face and hit him	28/11/2024
22	13/12/2024	Waste Management	Injury to both eyes and neck	Doring Kop	Whilst compacting the truck, something exploded to his eyes and neck	17/12/2024
23	23/12/2024	Waste Management	Injury to her right thumb	King Shaka Street, KwaDukuza	Whilst picking litter, a needle pricked her right thumb	
24	01/01/2025	Marine Safety	Cuts on the chest	Clark Bay	Whilst he was attempting to save a drowning swimmer, he dived on to the rocks and injured his chest and chin	
25	07/01/2025	Workshop	Injury to forehead	Workshop	Whilst operating crane on truck, crane accidentally knocked his forehead	04/04/2025
26	13/01/2025	Municipal Manager	Minor headache	R74, KwaDukuza	Whilst driving the principal from Stanger to Durban he hit the car Infront of him from behind	
27	21/01/2025	Marine Safety	Injuries to left and right knee	Willard Beach, Ballito	Whilst sliding down the lifeguard pole at the towers to rescue a drowning person, he landed badly on his left and right foot	28/01/2025
28	17/02/2025	Waste Management	Injury to right arm	Glen hills	He was pierced by an object whilst collecting waste	18/02/2025
29	19/02/2025	Traffic	Injury to right knee	R102 Harry Bodasing Primary	Whilst doing points person 'duties, she was attacked by a thug and while trying to she fell	
30	19/02/2025	Building Control	Injury to left hand, arm, elbow and knee	Stanger Municipal Offices	Whilst on her way to the car after the IMATU meeting her shoe was trapped into the damaged pavement	
31	12/02/2025	Traffic	Fractured foot	Ballito	Whilst on her way out of the office, she missed a step and fell	
32	23/02/2025	Civil Engineering Services	Open wound on the head	Nkobongo C2	Whilst dismantling steps, crowbar accidentally fell on the head	

Injuries On Duty 2024/2025 ...continued

NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF THE ACCIDENT	SHORT DESCRIPTION	DATE OF SUBMISSION TO W.C. A
33	26/02/2025	Parks & Gardens	LHS Torso	Ballito (Skate Park)	Employee slipped and fell on LHS on concrete	04/04/2025
34	07/03/2025	Town Planning	Crushed and cut right thumb	10 Leonora Drive, Ballito	Injured whilst attending the fan ventilation	04/04/2025
35	13/03/2025	EDP	Injury to right knee	Office-OK Mall	Whilst busy retrieving files from the steel cabinet, cabinet toppled over her right knee	
36	09/03/2025	Parks	Injury to right ankle	Kudu Rd, Ballito	Whilst being transported to site, chain broke and caused the bench to fall and hurt the employee	
37	20/03/2025	Civil Engineering	Red eyes with skin radiation	Shell garage near police station	Whilst spraying chemical, it went in her eye	24/03/2025
38	20/03/2025	Civil Engineering	Injury to forehead	Chief Albert Luthuli Street, KwaDukuza	Whilst travelling to site, the truck stopped, and the participant hit the cage	
39	16/04/2025	Civil Engineering	Multiple injuries	Super Spar Parking Lot KwaDukuza	He stepped on soft ground after it had been washed away underground and the ground collapsed under his weight and the leg went into the hole	
40	04/04/2025	Civil Engineering	Injury to the eye	Shakaville D Section, KwaDukuza	A piece of wood entered his right eye whilst loading garden refuse into the truck	15/04/2025
41	03/04/2025	Workshop	Injury to the right knee	Gizenga Mpanza Building, Finance	She stumbled on a mat and fell whilst delivering paperwork for payment	15/04/2025
42	22/04/2025	Marine Safety	Dog bite on the left thigh	Willard Beach	Whilst coming from the lifeguard tower he was attacked by a dog and bite him on his left thigh	24/04/2025
43	13/05/2025	Parks & Gardens	Swollen face	Umhhlali Cemetery	Employee got stung by bees whilst attending to a fallen tree obstructing graveyard access	20/05/2025
44	13/05/2025	Parks & Gardens	Swollen face	Umhhlali Cemetery	Employee got stung by bees whilst attending to a fallen tree obstructing graveyard access	20/05/2025
45	28/05/2025	Civil Engineering	Injury to the left index finger	Stanger CBD	Whilst collecting refuse, a sharp object prickled his left finger	30/05/2025
46	12/05/2025	Civil Engineering	Injury to the left foot	Shayamoya	Whilst taking out tools out of the truck, he slipped on uneven ground and his foot went inside a hole	
47	23/05/2025	Waste Management	Sprain on the left-hand wrist	Doringkop	Whilst climbing the compactor truck stair he fell and sprain the left-hand wrist	
48	13/05/2025	Parks & Gardens	Swollen face Parks	Umhhlali	Employee got stung by bees while attending to a fallen tree obstructing graveyard access	20/05/2025
49	13/05/2025	Parks & Gardens	Swollen face Parks	Umhhlali	Employee got stung by bees while attending to a fallen tree obstructing graveyard access	20/05/2025

Injuries On Duty 2024/2025 ...continued

NO.	DATE OF ACCIDENT	NAME OF DEPARTMENT	NATURE OF THE ACCIDENT	PLACE OF THE ACCIDENT	SHORT DESCRIPTION	DATE OF SUBMISSION TO W.C. A
50	13/05/2025	Parks & Gardens	Swollen face Parks	Umhlali	Employee got stung by bees while attending to a fallen tree obstructing graveyard access	20/05/2025
51	09/05/2025	Waste Management	Injury to the right foot	Ace Street, CBD KwaDukuza	Whilst he was collecting the waste to the truck the truck tire ran over his right foot	13/05/2025
52	05/06/2025	Traffic	Injury to the forehead	1/7 Industrial crescent	Whilst he was changing and repairing the stop sign the metal piece fell injuring his right forehead	09/06/2025
53	13/06/2025	Parks & Gardens	Left leg limping	Ntshawini river	Whilst removing invasive plants using looper tools the employee slipped and fell onto the stump of the tree with thorns	17/06/2025
54	14/06/2025	Parks & Gardens	Multiple injuries	R102, near Jacksons (KwaDukuza)	Whilst the employee was travelling back from Darnall at a work event, a car hit them from behind on the road	20/06/2025
55	14/06/2025	Parks & Gardens	Multiple injuries	R102, near Jacksons (KwaDukuza)	Whilst the employee was travelling back from Darnall at a work event, a car hit them from behind on the road	20/06/2025
56	14/06/2025	Parks & Gardens	Multiple injuries	R102, near Jacksons (KwaDukuza)	Whilst the employee was travelling back from Darnall at a work event, a car hit them from behind on the road	20/06/2025
57	14/06/2025	Electrical Engineering Services	Shoulder pain	Dawn side, R102, KwaDukuza	Whilst driving through a green robot, another vehicle which did not stop at the robot collided into an employee's vehicle	10/07/2025
58	14/06/2025	Electrical Engineering Services	Injury to left shoulder and left knee	Dawn side, R102, KwaDukuza	Whilst in which he was a passenger driving through a green robot, another vehicle which did not stop at the robot collided into an employee's vehicle	07/07/2025
59	17/06/2025	Parks & Gardens	Injury to the right finger	Ntshawini river (KwaDukuza)	Whilst cutting a tree with a scissor and the thorn from the tree poked her right finger	20/06/2025
60	18/06/2025	Parks & Gardens	Injury to the left elbow	Traffic robot near Shaka mall	Whilst employee was yielding a traffic stop waiting for the robot to turn green and pass, the robot turned green for him to pass, and a car hit the car he was travelling in on the driver's side	23/06/2025
61	19/06/2025	Parks & Gardens	Strain on lower back	Ntshawini river	Whilst she was cutting a tree with corn knife, she strained her lower back	25/06/2025
62	26/06/2025	Parks & Gardens	Injury to the right hand (swollen)	Ntshawini river	Whilst she was cutting a tree branch with a corn knife, she fell on her right hand	01/07/2025
63	26/06/2025	Parks & Gardens	Injury to the right hand	Ntshawini river	Whilst he was cutting a tree with corn knife, the thorn from that tree poked his right hand	26/06/2025

Table 90: Injuries on duty

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.

NO.	BUSINESS UNIT	TYPE OF MISCONDUCT	MANAGEMENT LEVEL	OTHER EMPLOYEES	OUTCOME
1	Community Safety and Public Amenities	Absent Without Leave	0	1	Finalised: Written Warning
2	Finance Business Unit	Fraud and Negligence	0	1	Finalised: Employee resigned.
3	Finance Business Unit	Fraud and Negligence	0	1	Finalised: Found Not Guilty
4	Finance Business Unit	Dishonesty	0	1	Finalised : Employee resigned.
5	Finance Business Unit	Non-compliance with legislation	1	0	Finalised: Suspension was uplifted
6	Community Safety; Law Enforcement	Absent Without Leave	0	1	Finalised: Final Written Warning
7	Community Safety: Marine	Abscondment/ Excessive Absenteeism	0	1	Finalised: Final Written Warning
8	Community Safety: Marine	Absent Without Leave	0	1	Finalised : Suspension Without Pay For 5 Days.
9	Civil Engineering Services and Human Settlements	Abscondment	0	1	Finalised : Dismissed
10	Mechanical and Electrical Engineering	Fraud, Insubordination and Negligence	1	0	Case Pending
11	Electrical Engineering	Fraud and Dishonesty	1	0	Case Pending
12	Electrical Engineering	Fraud and Dishonesty	0	1	Case Pending
TOTAL				12	

Table 91: Consequence Management

SUMMARY OF DISCIPLINARY CASES (01 JULY 2024 –30 JUNE 2025)

Number of Disciplinary cases = 12

Number of Dismissed employees = 01

Number of withdrawn Disciplinary cases/suspension uplifted = 01

Number of Disciplinary cases which had an outcome of not guilty, thus suspension uplifted = 01

Number of employees who resigned pending a Disciplinary case = 02

Number of Disciplinary cases which had an outcome of a Final Written Warning = 02

Number of Disciplinary cases which had an outcome of a Written Warning = 01

Number of Disciplinary cases which had an outcome of a suspension without pay = 01

Number of Disciplinary cases which were closed resulting from an employee passing on = 0

Number of Disciplinary cases which are currently not yet finalised = 03

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 R3 002 420.00, 94 % was spent.

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.

Occupational Category	Males	Females	Total
Legislators	0	0	0
Directors and Corporate Managers	1	0	1
Professionals	0	0	0
Technicians and Trade Workers	15	3	18
Community and Personal Service Workers	102	38	140
Clerical and Administrative Workers	5	6	8
Machine Operators and Drivers	2	0	2
Labourers	40	16	56

Table 92: This section highlights the efforts of the Municipality with regards to skills development. Capacitating Municipal Workforce-Occupational Levels.

Bursaries Awarded to Internal Staff

The aim of the KDM Staff Bursary Policy is to assist staff members to obtain academic qualifications that are relevant to the objectives of the municipality to improve their level of contribution towards service delivery.

Total number of bursaries awarded	79
Number of females	37
Number of males	42
Total budget	R 979,897.83

1	ADV.DIPL.IN ACC.	21	N4 CIVIL ENGINEERING
2	ADV.DIPL.IN PUB.MGM	22	N4 ELECTRICAL
3	B ACC.SCIENCES	23	N5 PUBLIC MNGMNT
4	BA DEV.STUDIES	24	N5 PUBLIC MNGMNT
5	BA GOVT ADM.& DEV.	25	N5 PUBLIC MNGMNT
6	BA GOVT ADM.& DEV.	26	N5 PUBLIC MNGMNT
7	BA HON.IN GENDER STUDY	27	N5-N6 PUBLIC MANAGEMENT
8	BA HON.PUBLIC MNGMNT	28	N6 ELECTRICAL ENGINEERING
9	BA IN GOVT ADMIN.& DEV.	29	N6 PUBLIC MANAGEMENT
10	BCOM FINANCIAL MGMNT	30	N6 PUBLIC MANAGEMENT
11	DIPL.IN FIRE TECHNOLOGY	31	N6 PUBLIC MANAGEMENT
12	ELECTR.TRADE TEST	32	POST GRAD DIPL IN DISASTER
13	ENTERP.RISK MGMNT	33	POST GRAD DIPL IN PUBL.LAW
14	HON.DEVELOPMENT STUDIES	34	POST GRAD IN COMMUNICATI
15	HON.IN ARCHITECTURE	35	POST GRAD.DIPL.IN ACCOUNT
16	LLB	36	POST GRAD.DIPL.IN COMM.DEV
17	MA IN TOWN & REG.PLANNING	37	POST GRAD.DIPL.IN INFO.TECH.
18	N2 ELECTRICAL	38	POST GRAD.RISK MGMNT
19	N3-N5 ELECTRICAL	39	POST GRAD.SPORTS SCIENCES
20	N3-N5 ELECTRICAL	40	TRADE TEST

Table 93: Bursaries Awarded

The Municipality reviewed its Staff Bursary Policy to include a clause that a staff member will enrol for post graduate course must have achieved target specified in their performance plans and also to contribute to 30% of the total amount to be paid to the education institution.

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	8	0	8	8	8	8
Directors	24	0	24	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	14	0	14	10	14	10
TOTAL	50	0	48	41	23	39

Work Integrated Learning / Inservice Training / Internships

During the 2024/2025 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 table below:

BUSINESS UNITS	AREA OF FOCUS /SECTION	NO OF INTERNS
Community safety Business Unit	Intern -Disaster Management	0
Community safety Business Unit	Intern -Traffic & Crime	0
Community Safety Business Unit	Intern-Marine Safety	0
Community Safety Business Unit	Intern-Fire & Emergency	0
Community safety Business Unit	Intern -Testing & Motor Licensing	01
Finance Business Unit	Intern -Finance	0
Economic Development & Planning	Interns - LED	01
Economic Development & Planning	Intern - Town Planning	01
Economic Development & Planning	Intern -Admin	02
Economic Development & Planning	Intern -Sport	0
Economic Development & Planning	Intern- Environmental	01
Office of the Municipal Manger's Business Unit	Intern -Internal Audit	0
Office of the Municipal Manager's Business Unit	Intern-Compliance & Risk Ethics	0
Office of the Municipal Manager's Business Unit	Intern-Communications	0
Corporate Services	Intern - IT	0
Corporate Services	Intern - Admin	0
Corporate Services	Intern - HR	0
Electrical Engineering	Apprenticeship	02
Electrical Engineering	Internship	01
Youth Development	Youth and Sports	0
Civil Engineering	Roads and Stormwater	01
Community Services and Public Amenities	Admin	0
Community Services and Public Amenities	Parks and Gardens	0
Community Services and Public Amenities	Waste Management	0
Community Services and Public Amenities	Beach Amenities	0
Community Services and Public Amenities	Library and Information	0
TOTAL		10

Table 94: Work integrated learning and internship programmes

BUSINESS UNITS	AREA OF FOCUS /SECTION	NO OF IN-SERVICE TRAINEES
Community safety Business Unit	Inservice Trainee -Disaster Management	0
Community safety Business Unit	Inservice Trainee -Traffic & Crime	01
Community safety Business Unit	Inservice Trainee -Testing & Motor Licensing	0
Finance Business Unit	Inservice Trainee -Stores	01
Economic Development & Planning	Inservice Trainee - Admin	02
Office of the Municipal Manger's Business Unit	Inservice Trainee -IDP	0
Office of the Municipal Manager's Business Unit	Inservice Trainee-Communications	0
Corporate Services	Inservice Trainee - IT	0
Corporate Services	Inservice Trainee - Admin	02
Corporate Services	Inservice Trainee - HR	04
Electrical Engineering Services	Inservice Trainee-Electrical Operations	04
Electrical Engineering Services	Inservice Trainee-Admin	02
Electrical Engineering Services	Inservice Trainee – Workshop Admin	01
Civil Engineering	Inservice Trainee-Building	01
Civil Engineering	Inservice Trainee – Roads and Stormwater	01
Community Services	Inservice Trainee – Parks and Gardens	01
Community Services	Inservice Trainee – Cemeteries	01
TOTAL		23

Table 95: IN-SERVICE TRAINEES

BUSINESS UNITS	AREA OF FOCUS /SECTION	NO OF EXTERNAL APPOINTED INTERNS
Corporate Services	Intern - IT (MICTSETA)	0
Corporate Services	Intern-HR(COGTA)	0
Economic Development & Planning	Intern-EDP (MISA)	02
Electrical Engineering	Apprenticeship (UMFOLOZI TVET)	02
Civil Engineering	Roads and Stormwater (MISA)	02
TOTAL	06	

Table 96: EXTERNAL APPOINTED INTERNS

BUSINESS UNITS	AREA OF FOCUS /SECTION	NO OF EXTERNAL APPOINTED INSERVICE TRAINEES
Electrical Engineering	Apprenticeship (MUT & MISP)	0

Table 97: EXTERNAL APPOINTED INSERVICE TRAINEES

COMPONENT D

Employee And Councillor - Remuneration	2025 R	2024 - Restated R
Employee related costs		
Basic	335 927 373	310 112 953
Bonus	26 189 245	23 969 392
Medical aid - company contributions	32 827 843	30 240 183
UIF	2 388 681	2 303 219
Industrial council levies	158 876	149 875
Leave pay provision charge	9 464 805	9 318 370
Leave & bonus provision expense	4 305 028	1 302 029
Travelling allowances	19 123 836	18 228 052
Overtime payments	80 496 003	76 484 959
Housing benefits and allowances	1 267 808	1 207 652
Group Life Assurance	3 566 249	3 184 122
Pension Contributions	58 601 621	55 003 653
Standby, Uniform, Telephone and Tool allowances	18 924 435	19 320 572
	593 241 805	550 825 031
REMUNERATION OF COUNCILLORS		
Mayor	1 070 786	1 092 451
Deputy Mayor	608 156	-
Speaker	899 577	883 049
Executive Committee (EXCO)	6 627 156	7 811 950
Sec 79 MPAC Chairperson	563 352	550 921
Councillors	18 431 082	17 668 678
Councillors' pension contribution	2 691 125	2 639 572
Traditional leaders	37 600	20 800
	30 928 834	30 667 421

Table 98: Employee And Councillor – Remuneration

COMPONENT E

INFORMATION COMMUNICATION TECHNOLOGY (ICT)

INTRODUCTION

In the modern business world IT has become a strategic imperative without which organisations cannot survive. Due to this and other factors, IT strategic planning has become critical for every organisation. KwaDukuza Municipality (KDM) has recognised this fact and embarked on a project to develop an IT Strategy to support its vision and strategic objectives.

IT STRATEGY

The KDM IT Strategy Plan 2022-26 was developed in line with the Municipal Corporate Governance of ICT Policy Framework and approved by Council on the 26th of November 2023.

This plan is derived from the IDP, Council Lekgotla resolutions, Legislation, stakeholder engagements, IT risk and audit assessments. The aim is to transform to a digital environment whilst building capacity in IT security and governance.

There are 6 broad initiatives in the plan to be implemented in the next 5-years from 2022 to 2026.

- Automation of Business Processes
- Improvement to Existing Systems
- Network Connectivity & Wi-Fi Access
- IT Structure and IT Training
- IT Governance and IT Security
- Customer Care Centre

Program	Scope	Status/Target
Automation of Business Processes		
	Performance Management	Completed
	Records and Documents Management	2024/25 FY Q4
	Contract Management	2024/25 FY Q4
	Audit, Compliance and Risk Management	2025/26 FY Q2
	Leave Management/HR	Completed
	Supply Chain Management	2025/26 FY Q4
	Customer Care Management	2025/26 FY Q4
Improvement to Existing Systems		
	Integration of finance management systems	Completed
	Upgrade of Payroll	2025/26 FY Q4
	Integration of the time and attendance system to the payroll system	2025/26 FY Q4
Network Connectivity & Wi-Fi Access		
	Upgrade of KDM Office wide area network	Completed
	Implementation of a Corporate Wi-Fi solution	2024/25 FY Q4
	Establishment of Public Wi-Fi hotspots.	2024/25 FY Q4
	Improvement of mobile network connectivity in the municipality	2025/26 FY Q4
	Undersea Internet connectivity landing base feasibility	2025/26 FY Q4
IT Structure and IT Training		
	IT training plan to develop IT specialist skill	Completed
	IT HR structure reorganisation and capacitation	2024/25 FY Q4
IT Governance and IT Security		
	Build IT capacity in IT security, risk, and governance.	2025/26 FY Q4
	Build IT audit capacity	2024/25 FY Q4
	Rollout cybersecurity awareness and training in the municipality.	2024/25 FY Q4
	Conduct cybersecurity vulnerability assessment and penetration tests.	Completed/ Ongoing

Table 99: The table above gives a high-level summary on the implementation this strategic plan

IT GOVERNANCE

The Auditor General of South Africa (AGSA) commenced its annual audit of the KwaDukuza Municipality's information systems on the 15th of November 2023.

The audit started with an assessment of the level of IT sophistication survey. This was followed-up by an audit of the IT areas below:

- A. Follow-up on previous findings
- B. IT Organisation Structure
- C. IT Infrastructure Environment
- D. Network Infrastructure
- E. Database Management
- F. IT Expenditure

At the conclusion of the audit, the Auditor General made the following opinion:

"Our audit included an assessment of the effectiveness of information technology (IT) security controls that should prevent unauthorised access to key information systems and safeguard the municipality against business interruptions.

We did not identify significant deficiencies in the IT security controls."

IT RISK AND SECURITY

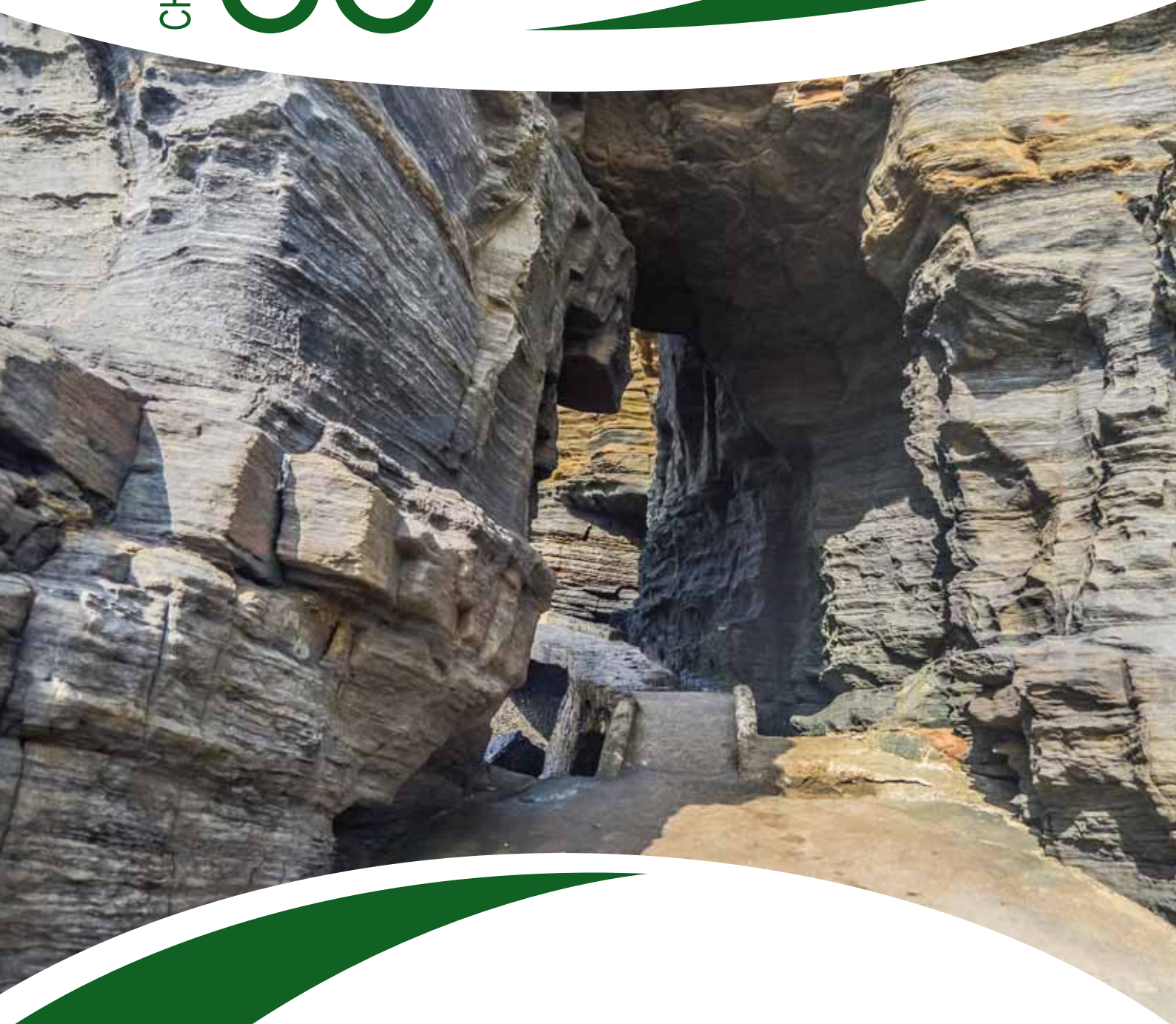
The existing IT Security Policy was reviewed, revised, workshopped and adopted by Council in October 2023. The implementation of the provisions of this policy is ongoing.

An IT risk assessment exercise was conducted in conjunction with the KwaZulu-Natal Provincial Treasury. A total of eight operational risks and three strategic risks were identified. Mitigation measures have been put in place and are being tested continuously.

IT OPERATIONS

The municipality has recently upgraded its server and network infrastructure. This is to ensure constant availability of its critical IT systems. The municipality has also invested on backup power generators to counter the impact of power outages. The municipality has also established a cloud platform to use for disaster recovery purposes.

CHAPTER 05



FINANCIAL PERFORMANCE

Component A: Statement of Financial Performance

Revenue

The Annual Financial Statements reflect the continued progress being made by the Municipality to ensure a financially viable institution, which can withstand a certain degree of financial volatility and continue to operate for the benefit of its inhabitants. Revenue year-on-year continued to show improvement, KwaDukuza Municipality's (KDM) own revenues (excluding government grants and subsidies) grew by 4% from R2 388 792 264 (restated) in 2024 to R2 488 978 212 in 2025. Decrease in Interest income of 34%; Service Charges (11%); Agency Fees (11%); Operational revenue – Other income (18%); Licenses & Permits (24%) The increase in revenue is attributable to electricity and refuse charges through tariff increases and new consumers connecting to the network. Valuation adjustments and an increase in new registrations during the year further contributed to an increase in revenue for the year. Additional interest earned on investment was due to the underspending on the disaster grants.

Own revenue is 79% 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 9% (2024: 12% restated), refuse income increased by 12% (2024: 7%) and electricity revenue increased by 10%. The increase in the percentage year-on-year electricity and refuse 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 2024/2025 was 12,72%.

Expenditure

An overall increase of 12% was recognized compared to prior financial year. The following key categories contributed to the increase:

- Bulk Purchase - an increase in expenditure by 15%.
- Contracted Services - an increase of 13% mainly attributable to an increase in repairs and maintenance.
- Inventory consumed - an increase in expenditure by 21%
- General expenditure - an increase of 12% - main contributors being electricity vending commission, insurance costs, advertising costs, printing and stationery costs, water and sanitation and various other miscellaneous expenditure items.

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 adjusted Capital Budget of R616 439 895. The total spending for the year amounted to R 512 005 950 which represents 83% 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 2025 amounts to R1 041 241 815 (2024 - R1 436 091 140). This represents a decrease of 28% as compared to the previous financial year. The decrease is largely due to the spending of disaster grants of R1.2b and R109m. This however excludes the short-term deposits. The interest earned on investments in the 2024/2025 financial year amounted to R93 721 426 - (2023/2024 - R142 346 192) which represents an 34% decrease from 2023/2024. The decrease is due to spending on the disaster grant.

Finance costs have decreased by 7% in the 2024/2025 financial year. No additional loans were taken up during 2024/2025. The purchase of PPE resulted in an outflow of R512 005 950 in 2024/2025 amounting to an 83% capital spend. The following ratios confirm the liquidity of our municipality:

- Current ratio is at 1.92:1 as compared to the previous year of 1.77:1
- The acid test ratio is at 1.90:1 as compared to the previous year 1.80:1

The effect of unspent grant liabilities is skewing the current and acid test ratio's when compared to the previous financial years, however the ratio has increased from the previous year. It must be noted that a substantial component of the cash reserves is ring fenced for statutory or constructive obligations. Further the 2025/2026 capital budget relies heavily on cash reserves which will reduce our cash holdings as the 2025/2026 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 monthly. 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 2025/2026 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 to ensure that we achieve our goal of obtaining a clean audit opinion.

D.1 Indigent support

In terms of Section 74 of the Local Government Municipal Systems Act no. 32 of 2000, a Municipal Council must adopt and implement a Tariff Policy. In terms of section 74(i) of the Act in adopting a Tariff Policy, the Council should at least take into consideration the extent of subsidization of tariffs for poor households. Arising from the above, Council needs to improve an Indigent Support Policy. This policy must provide procedures and guidelines for the subsidization of basic service and tariff charges to its indigent households.

Indigent households are households that are registered with the municipality as such and meet the criteria of the indigent policy and occupying/ owning a property within the jurisdiction of the municipality.

The income threshold approved by Council for the 2024/2025 year was the greater of: R5000 or the sum of two social old age pensions as prescribed by the National Department of Social Development.

For a household to qualify for subsidies or rebates on the major service charges, the following will apply:

- (a) The indigent must be a registered residential consumer of services rendered by council.

- (b) Household/ occupants/ residents/ dependents who do not own more than one property.
- (c) May be equipped with a pre-paid meter, the conversion shall be done free of charge or alternatively council shall adopt a special tariff for conventional meters.
- (d) Only property owners who live in the premises shall qualify for subsidies and/ or rebates.

Approved indigent applicants qualify for the indigent support benefits:

- Electricity – they qualify for 100kWh of free basic electricity. Child headed Households qualify for 250 kwh of free basic electricity (100kwh plus extra 150kwh).
- Refuse – They qualify for a 100% refuse rebate per month. The tariff applicable will be the tariff for indigent customers as per the tariff of charges as approved by Council annually.
- Burials and cremations: The tariff applicable will be the tariff for indigent customers as per the tariff of charges as approved by Council annually. Customers who do not appear on the approved annual indigent register will pay the normal applicable burial and cremation tariff unless otherwise authorized by the Municipal Manager in writing.

Current indigent beneficiaries do not need to re-apply for indigent support for the new financial year. These households indigent status shall be further verified during June of each year and benefits will be automatically activated on 01 July should the household be verified as indigent.

Ad hoc applications will be accepted from households that are not on the current indigent register. These households may formally apply for indigent support on the prescribed form if they satisfy the qualifying criteria/ principles determined by the Council.

Indigent support granted as of 30 June 2025:

- There were approximately 6197 indigent households receiving the electricity benefit and the approximate monthly value of the indigent support provided was R1 280 052.32
- There were approximately 12 853 indigent households receiving the refuse benefit and the approximate monthly value of the indigent support provided was R2 236 422.00

Component E: Report of the Audit Risk & Performance Audit Committee

Honourable Speaker
KwaDukuza Municipality
14 Chief Albert Luthuli Street
Stanger Central
445

REPORT OF THE AUDIT, RISK AND PERFORMANCE AUDIT COMMITTEE TO THE COUNCIL OF KWADUKUZA MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2025

The Audit, Risk and Performance Audit Committee ("Audit Committee") hereby submits the 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 period from 1 July 2024 to 30 June 2025.

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 is comprised of six independent, external members. The contracts for the current audit committee will expire on 31 December 2025.

The Committee is required to meet at least four 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
Mrs W Oelofse	9	7
Ms S Mthembu	9	9
Mr K Kooverjee	9	8
Mr M Mthethwa	9	9

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	
Head of Internal Audit	
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 risk-based internal audit plan for the financial year ending 30 June 2025 was approved by the audit committee in June 2024. At each meeting, the Audit Committee assesses

performance against the plan and assesses whether critical risks relating to the administration and operations of KwaDukuza Municipality are identified and addressed.

There was a concern regarding the adequacy of resources to execute the plan to completion due to capacity constraints. Management indicated that the organogram was in the process of being reviewed by Council for approval. This impacted the completion of the Annual Audit Plan, consequently quarter four audits were completed after 30 June 2025. These reports were presented after year end.

Matters that were still to be addressed by Council and Management:

- Capacity constraints delayed the completion of the Annual Audit Plan such that quarter four audits were finalised post-year end.
- Critical high-risk areas included compliance, ICT, project management, and disaster grant-funded projects, fleet management, and risk-based audits.
- Key deficiencies: UIFW expenditure, delayed AG Action Plan implementation, and weak compliance evidence.

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 administrative 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 functions 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 conducted by management and the Risk Committee and relevant personnel at the municipality. The 2023/24 risk registers were finalised during the first quarter of 2023/24.

The Risk Management Reports were presented to the audit committee, and the key risk matters were as follows:

- KwaDukuza achieved a risk maturity level of 3.8 ('controlled but not fully embedded').
- Sixty-two percent (62%) of risk action plans were achieved over the last 3 years.
- The Business Continuity Plan (BCP) remains outstanding and must be prioritized in 2025/26.
- Persistent risks include electricity losses, IT security, and vacancies affecting operational capacity.

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 reviewed to review the financial statements in meetings held on 23rd and 26th August 2025 and following are brought to the Council's attention.

- Conditional grants totaling R146 million were fully cash-backed.
- The current ratio improved to 1.9:1 (2024: 1.7:1), indicating marginal improvement but still below the norm of 2:1.
- Electricity losses increased to 26.73% (2024: 25.67%), posing material financial risk.
- Bulk service costs increased by 15%, which put pressure on the operating budget.
- UIFW expenditure persists and requires enforcement of consequence management and measures to prevent incurrence thereof.

Management is encouraged to continue to monitor the financial position, performance and cashflow position in the municipality.

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 are tabled to the Audit Committee at each meeting. Further to that the committee also considered reports presented by management. Reports presented by Internal Audit indicated that while the control environment exists, improvements are needed in areas where weaknesses have been identified.

The AG completed the annual audit in November 2024. However, as at 30 June 2025, there were several Audit findings that had not been adequately resolved.

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.

A review of the previous Audit Committee reports and engagements with management and an internal audit revealed that there were challenges in three critical areas where management performance has been below par namely; underspending of the capital budget, material energy losses, and low achievement on service delivery. The disturbing pattern is the recurrence of these challenges over the past 3 years.

The committee sat to review the Municipal Performance for quarter 2024/25 and the following was established from the review of both reports:

- Of the 70 performance targets, **70% were achieved** (2024: 77%).
- **Capital expenditure utilisation** improved from 68% to **83%**.
- Recurring issues include procurement delays, staff shortages, underperforming contractors, and poor debt collection rates.
- Reasons for non-achievement were predominantly related to:
 - Delays in the finalisation tender processes, poor performance by service providers, cost escalations and disruptions in processes due to engagements with business forums.
 - Staff shortages

- Slow implementation of AG action Plans and delays in submission of reports
- Lower than targeted debtors' collections.
- Increasing energy losses.

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 and accountability the Mayor, Deputy Mayor and MPAC chairperson are standing invitees in the Audit and Performance Audit Committee meetings. Special meetings were held with the MM and separately with management to discuss the investigations (including the recent Cyber-attack) and the electricity outages and losses, respectively. Follow up meetings have not been held to discuss the progress on these matters, and this will be followed up with the MM's office.

The Committee trusts that these engagements will strengthen governance and oversight by the Audit Committee and will result in the identification and treatment of risks and the improvement of systems in KwaDukuza.

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 the attention of management via the review of Internal Audit reports and engagements with management. Matters requiring attention are listed below:

- Investigation of UIFW and implementation of recommendations.
- Addressing weaknesses and findings raised by IA from the review of SCM documents relating to Disaster Management Grants.
- Management to implement and respond to the resolutions raised by the AUDCOM.
- Delays in finalisation of compliance reports due to non-timeous submission of information.

8. Recommendations

The Committee recommends that Council prioritise the following:

1. **Implement Consequence Management** to address UIFW and enforce accountability.
2. **Strengthen Risk and Compliance Functions** through timely action plan implementation and submission of supporting documentation.
3. **Fast-track the Filling of Critical Vacancies**, especially in Internal Audit and ICT units.
4. **Intensify Measures to Reduce Electricity Losses** and improve revenue protection.
5. **Implement Audit Findings** from both Internal Audit and the Auditor-General.
6. **Finalise the Business Continuity Plan** to safeguard critical municipal operations.
7. **Improve Oversight of Disaster Management Grants** and report progress to MANCO and EXCO.
8. **Enhance ICT Security and Governance** to mitigate cyber risks.
9. **Ensure Transparency and Reporting** on all ongoing investigations.

9. Conclusion

The Audit Committee reaffirms its commitment to assisting Council in achieving sound governance, financial sustainability, and improved performance outcomes.

The Committee congratulates the Municipality on achieving an unqualified audit opinion from the Auditor-General for the year ended 30 June 2025. While this outcome is commendable, the Committee emphasises the importance of the timely implementation of action plans to address the Auditor-General's findings and the underlying control weaknesses, in order to sustain and further strengthen a clean administration.

The Committee expresses appreciation to the **Council, Municipal Manager, management, Internal Audit**, and the **Auditor-General** for their cooperation and support throughout the year.



Ms N Mchunu

On behalf of the **Audit, Risk and Performance Audit Committee**

Date: 18 January 2026

CHAPTER 06



Annual Financial Statements

REPORT OF THE AUDITOR-GENERAL

KwaDukuza Local Municipality

For the year ended 30 June 2025

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on the KwaDukuza Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of KwaDukuza Local Municipality set out on pages 252 to 347, which comprise the statement of financial position as at 30 June 2025, 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 Local Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practices (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.
7. As disclosed in note 9 to the financial statements, the municipality recognised an allowance for impairment of R77,89 million (2023-24: R78,90 million) as the recoverability of these amounts was doubtful.
8. As disclosed in note 10 to the financial statements, the municipality recognised an impairment of R246,43 million (2023-24: R239,41 million) as the recoverability of these amounts was doubtful.

9. As disclosed in note 52 to the financial statements, material electricity losses of R386,93 million (2023-24: R321,19 million) was incurred, which represents 26,73% (2023-24: 25,67%) of total electricity purchased.
10. As disclosed in note 41 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors and reclassifications in the financial statements of the municipality at, and for the year ended, 30 June 2025.
11. As disclosed in note 49 to the financial statements, irregular expenditure of R106, million was incurred, as a proper tender process was not followed.

Other matters

12. I draw attention to the matters below. My opinion is not modified in respect of these matters.
13. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.
14. The supplementary information set out on pages 348 to 349 does 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 the 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.

Responsibilities of the auditor-general 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. This description, which is located at page 242, forms part of my auditor's report.

Report on the audit of the annual performance report

19. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance areas presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
20. I selected the following key performance areas presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected key performance areas that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key performance area	Page numbers	Purpose
KPA 6- Basic service delivery and Infrastructure development	197 to 201	Expand and maintain the provision of quality basic services and the integrated human settlements
KPA 3- Financial management and viability	190 to 194	To ensure municipal budget complies with MFMA and Treasury regulations

21. I evaluated the reported performance information for the selected key performance areas against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
22. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported measures taken to improve performance.

23. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

24. I did not identify any material findings on the reported performance information for the selected key performance areas KPA 3 and KPA 6.

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

26. The annual performance report includes information on reported achievements against planned targets and provides and measures taken to improve performance.

27. The tables that follow provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 184 to 201.

Basic service delivery and infrastructure development

Targets achieved: 38.10% Budget spent: 82.86%		
Key service delivery indicators not achieved	Planned target	Reported achievement
The number of new houses constructed	90 new houses constructed by 30 June 2025	Target not met. 78 by 30 June 2025
The number of houses handed over to beneficiaries	90 houses handed over to beneficiaries by 30 June 2025	Target not met. 78 by 30 June 2025
The number of sites serviced	175 sites serviced by 30 June 2025	Target not met. 125 by 30 June 2025
The number of meters squared of road upgraded	20 000 m2 of roads upgraded by 30 June 2025	Target not met. 16 827,82m ² by 30 June 2025. Refer to note 8.1a.
The number of kilometres of ward 3 Nonoti Beach Road Access upgraded	1.8km of ward 3 Nonoti Beach road access upgraded by 30 June 2025	Target not met. 0km by 30 June 2025.

Targets achieved: 38.10% Budget spent: 82.86%		
The percentage completion of the supply chain management processes for the Ohlange Hall	100% completion of the supply chain management processes for the Ohlange hall by 30 June 2025	Target not met. 40% by 30 June 2025.
The percentage completion of Woodmead Taxi Rank	100% completion of Woodmead taxi rank by 31 March 2025	Target not met. 0% by 31 March 2025.
The percentage progress on the completion of the Lindelani Creche	40% progress on the completion of the Lindelani creche by 30 June 2025	Target not met. 20% by 30 June 2025.
The percentage design of the Salt Rock Bridge completed	100% design of the Salt Rock bridge completed by 30 June 2025	Target not met. 50% by 30 June 2025.
The number of milestones achieved for the sewer upgrade at Zinkwazi Beach project	2 (TEC approval and TAC approval) completed by 30 June 2025	Target not met. 0 by 30 June 2025.
The percentage of milestones achieved for the upgrade to the Darnall Sportsfield	100% of milestones achieved for the upgrade to the Darnall sportsfield by 30 June 2025	Target not met. 66% by 30 June 2025.
The number of milestones achieved on the rehabilitation of the parking area in Vlakspruit Cemetery project	8 milestones achieved on the rehabilitation of the parking area in Vlakspruit cemetery project by 30 June 2025	Target not met. 7 by 30 June 2025.
The number of Taxi ranks upgraded	2 Taxi ranks upgraded by 30 June 2025	Target not met. 1. Ballito Taxi Rank completion certificate dated 27 March 2025.

Financial management and viability

Targets achieved: 83.33% Budget spent: 83.72%		
Key service delivery indicators not achieved	Planned target	Reported achievement
OPMS 21 - The percentage of expenditure on the municipal infrastructure grant (MIG) funding	100% expenditure on the municipal infrastructure grant (MIG) funding projects by 30 June 2025	Target not met. 71,24% by 30 June 2025.
OPMS 22 -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)	90% (R554 795 903) of a municipality's capital budget actually spent on capital projects by 30 June 2025	Target not met. 83% by 30 June 2025.

Targets achieved: 83.33% Budget spent: 83.72%		
Key service delivery indicators not achieved	Planned target	Reported achievement
OPMS 24 - The percentage reduction of debt in the greater than 60 days category when compared to debt as at 30 June 2024	2% reduction of debt in the greater than 60 days category when compared to debt as at 30/06/2024 by 30 June 2025	Target not met. 9,09% increase in debt by 30 June 2025.

Material misstatements

28. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure development. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

29. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation
30. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
31. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
32. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

33. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R8,81 million, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.

Consequence management

35. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
36. 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.
37. Some of the unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
38. Losses resulting from irregular expenditure were certified by council as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure, in contravention of section 32(2)(b) of the MFMA.

Procurement and contract management

39. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA.
40. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA.

Utilisation of conditional grants

41. Performance in respect of programmes funded by the Municipal Disaster Recovery Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 24 of 2024).

Other information in the annual report

42. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected key performance areas presented in the annual performance report that have been specifically reported on in this auditor's report.
43. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
44. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance areas presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

45. The other information I obtained prior to the date of this auditor's report is the audit committee report and mayors foreword, and the full annual report is expected to be made available to us after 12 December 2025. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Internal control deficiencies

46. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
47. The matters reported below are limited to the significant internal control deficiencies that resulted material findings on compliance with legislation included in this report.
48. Management did not implement adequate internal controls to ensure compliance with laws and regulations as material non-compliance relating to consequence, expenditure and contract management was identified.

Other reports

49. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported, performance information or compliance with legislation.
50. The special investigation unit was investigating irregular, unauthorised, fruitless and wasteful expenditure in the awarding and execution of tenders of the municipality in terms of Presidential Proclamation No.240 of 2025 as published in Gazette No.51948 dated 24 January 2025, covering the period 1 July 2018 or prior to date after 24 January 2025.
51. The KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs has initiated an investigation into the municipality under section 106 of the Municipal Systems Act 32 of 2000.

AUDITOR - GENERAL

Pietermaritzburg

12 December 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the 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.

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure Section 1 - Definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), Sections 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), 62(1)(f)(ii), Sections 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), Sections 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), Sections 87(5)(b), 87(5)(d), 87(5)(d)(i), 87(5)(d)(iii), 87(6)(c), 87(8), 88(1)(a), 90(1), 90(2)(a), Sections: 90(2)(b), 95(d), 96(2)(a), 96(2)(b), 97(e), 97(f), 97(h), 97(i), 99(2)(a), 99(2)(b), 99(2)(c), 99(2)(g), 102(1), 102(2)(a), Sections: 112(1)(j), 116(2)(b), 116(2)(c)(ii), 122(1), 126(2)(b), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 172(3)(a), 172(3)(b) Sections 117, 122(2), 126(1)(a), 126(1)(b), Sections 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), Sections 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72 Regulations 73(1)(a), 73(1)(b), 73(2)(b), 73(2)(d), 75(1), 75(2)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3) Regulations: 3(2), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), 17(1)(b), Regulations 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a) and (b), 29(5)(a)(ii), 29(5)(b)(ii),

Legislation	Sections or regulations
	Regulations 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i). Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Sections 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Municipal Systems Act 32 of 2000	Sections 93B(a), 93C(a)(iv), 93J(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1). Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 27(1), 29(1)(b)(ii), 29(2)(a), Sections 29(2)(c), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, Sections 43(2), 56(a), 57(2)(a), 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), Sections 67(1)(d), 74(1), 93J(1), 96(b) Parent municipality with ME: Sections 93B(a), 93B(b) Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(5)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)

Legislation	Sections or regulations
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)



AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

I am responsible for the preparation of these Annual Financial Statements, which are set out on pages 247 to 347, 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 Cooperative Governance and Traditional Affairs in accordance with the relevant regulations

N J MDAKANE
MUNICIPAL MANAGER

31 AUGUST 2025

Date

Annual Financial Statements

for

KWADUKUZA LOCAL MUNICIPALITY

for the year ended

30 June 2025

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
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	The Auditor-General
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	Ms Una Rautenbach
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KWADUKUZA LOCAL MUNICIPALITY
AUDITED FINANCIAL STATEMENTS
for the period ended 30 June 2025

General information

Members of the Council

O L Nhaca	Mayor (July 2024 - October 2024)
M E Ngidi	Mayor (November 2024 - June 2025)
S L Cele	Deputy Mayor (November 2024 - June 2025)
G Govender	Speaker
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
M Mthiyane	Member of the Executive Committee
P Makhan	Member of the Executive Committee
H Mbatha	Chief Whip
T Mkhize	MPAC Chairperson
S K Shandu	Councillor
D N Ngema	Councillor
S O Nxele	Councillor
J M Banda	Councillor
A M Baardman	Councillor
B C Fakazi	Councillor
N J Mpanza	Councillor
T T Dube	Councillor
S Sithole	Councillor
N Qwabe	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 (July 2024 to Jan 2025) - (April 2025 to June 2025)	Councillor
K Naidoo	Councillor
B Mvulana	Councillor
M Vembali	Councillor
N A Singh	Councillor
R Pooran	Councillor
T N Mthethwa	Councillor
F Abrahams	Councillor
N J Mbonambi	Councillor
M M Madlala (July 2024 to Sept 2024)	Councillor
S.F Phungula	Councillor
E M Kolia (July 2024 to April 2025)	Councillor
J F Magwaza	Councillor
P F Masuku (July 2024 to Sept 2024)	Councillor
S Zungu	Councillor
S C Mwandla	Councillor
A A Singh	Councillor
S C Pandaram (July 2024 to October 2024)	Councillor
C P Dumakude	Councillor
T Sithole	Councillor
S Kheswa	Councillor
N Dube	Councillor
S Khuzwayo	Councillor
W Mntambo	Councillor
H Ndlovu (August 2024 - June 2025)	Councillor
A Zwane (September 2024 - June 2025)	Councillor
N Ntuli (September 2024 - June 2025)	Councillor
I Mdletshe (October 2024 - June 2025)	Councillor
P Sibiya (November 2024 - May 2025)	Councillor
T Mgoyi (May 2025 - June 2025)	Councillor
V Mathonsi	Traditional Leader
V Mthembu	Traditional Leader

**KWADUKUZA LOCAL MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

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KWADUKUZA LOCAL MUNICIPALITY
AUDITED ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2025

General information (continued)

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
AUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2025 R	Restated - 2024 R
ASSETS			
Current assets		1 602 813 119	1 956 339 198
Inventories	8	17 837 235	18 163 638
Receivables from exchange transactions	9	335 771 688	334 562 005
Receivables from non-exchange transactions	10	207 868 718	167 447 241
Current portion of long-term receivables	7	93 663	75 174
Short term investments	12	70 374 769	80 374 769
Cash and cash equivalents	13	970 867 046	1 355 716 370
Non-current assets		4 265 754 640	3 889 410 619
Investment properties	2	183 505 000	180 940 000
Property, plant and equipment	3	4 080 930 793	3 707 078 303
Intangible assets	4	772 130	848 059
Heritage Assets	5	105 386	105 386
Long-term receivables	7	441 331	438 871
Total Assets		5 868 567 759	5 845 749 816
LIABILITIES			
Current liabilities		833 265 088	1 107 053 770
Leases	16	1 177 433	1 021 753
Employee benefit obligations	6	5 180 000	4 762 000
Trade and other payables	20	610 260 653	602 072 224
Unspent conditional grants, receipts and Public contributions	17	146 817 766	435 266 587
Current provisions	18	2 685 978	3 001 573
Consumer Deposits	21	46 820 354	43 888 198
Long service awards	6	4 271 000	2 336 000
Current portion of long term liabilities	19	16 051 904	14 705 436
Non-current liabilities		315 427 570	318 597 134
Leases	16	569 827	1 647 203
Employee benefit obligations	6	133 372 000	118 285 000
Non-current provisions	18	21 044 677	20 370 961
Long service awards	6	28 791 000	30 592 000
Long-term liabilities	19	131 650 066	147 701 970
Total Liabilities		1 148 692 658	1 425 650 904
Net Assets		4 719 875 101	4 420 098 913
NET ASSETS			
Reserves			
Revaluation reserve	14	18 313 137	18 313 137
Housing Operating Account	15	8 728 156	8 728 156
Accumulated surplus		4 692 833 805	4 393 057 607
Total Net Assets		4 719 875 101	4 420 098 913

KWADUKUZA LOCAL MUNICIPALITY
AUDITED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 R	Restated - 2024 R
REVENUE			
Revenue from exchange transactions			
Service charges	22	1 474 347 084	1 334 172 560
Rental of facilities and equipment		2 640 342	2 341 824
Interest earned - outstanding debtors		10 880 708	9 573 627
Operational Revenue (Other Income)	23	69 766 215	59 006 497
Gain / recognition of property, plant and equipment	3	138 208	1 730 000
Interest earned	24	93 721 426	142 346 192
Housing development construction contract revenue	60	3 591 881	4 929 822
Agency Services	63	13 931 151	12 504 712
Total revenue from exchange transactions		1 669 017 016	1 566 605 233
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	25	765 941 835	703 402 702
Licences and permits (Non-exchange)		1 097 224	886 301
Transfer and other revenue			
Government grants, subsidies & Public Contributions - Operational allocation	26 & 27	300 100 818	291 473 357
Transfers & subsidies - Capital Allocation	26 & 27	350 673 464	662 162 749
Transfers & subsidies - Capital (In - Kind)	3	239 786	75 468 485
Fines, Penalties and Forfeits	43	35 937 351	38 135 544
Total revenue from non-exchange transactions		1 453 990 479	1 771 529 137
Total Revenue		3 123 007 495	3 338 134 370
EXPENDITURE			
Employee related costs	28	593 241 805	550 825 030
Remuneration of councillors	29	30 928 833	30 667 421
Adjustments to Provisions	18	358 121	650 345
Depreciation and amortisation	30	133 870 253	120 393 211
Impairment loss	31	1 093 186	1 379 142
Finance costs	32	15 595 865	16 842 555
Debt Impairment and write offs	33	11 679 195	20 111 483
Bulk purchases	34	1 424 946 362	1 240 642 730
Contracted services	44	410 133 770	364 469 632
General Expenses	35	144 354 371	129 203 128
Employee and Long Services Benefits	6 & 11	15 639 000	20 496 000
Housing development construction contract expenditure	60	3 591 881	4 929 822
Transfers & subsidies	61	12 747 059	14 186 360
Inventory consumed	62	20 597 536	17 029 638
Operating Leases	64	4 136 237	5 015 200
Total Expenditure		2 822 913 473	2 536 841 698
Operating Surplus		300 094 022	801 292 673
Loss on disposal /Derecognition of assets	3 & 8	(17 062 824)	(9 313 412)
Fair value adjustments	36	16 745 000	4 294 000
SURPLUS FOR THE YEAR		299 776 199	796 273 260

KWADUKUZA LOCAL MUNICIPALITY
AUDITED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30 JUNE 2025

	<u>Revaluation Reserve</u> R	<u>Housing Operating Account</u>	<u>Total Reserves</u>	<u>Accumulated Surplus</u> R	<u>Total Net Assets</u> R
Balance at 30 June 2022 as restated	18 313 137	8 728 156	27 041 293	3 006 715 236	3 033 756 526
Surplus for the year 2022/2023	-	-	-	590 069 110	590 069 110
As previously reported				586 722 621	586 722 621
Reallocation of VAT portion in regards to increases in consumer debt provisions				3 346 489	3 346 489
Balance at 30 June 2023	18 313 137	8 728 156	27 041 293	3 596 784 346	3 623 825 636
Surplus for the year 2023/2024	-	-	-	796 273 260	796 273 260
As previously reported				801 399 337	801 399 337
Restatement of comparatives (Note 41)				(5 126 076)	(5 126 076)
Balance at 30 June 2024	18 313 137	8 728 156	27 041 293	4 393 057 607	4 420 098 913
Surplus for the year 2024/2025	-	-	-	299 776 199	299 776 199
Balance at 30 June 2025	18 313 137	8 728 156	27 041 293	4 692 833 805	4 719 875 101
Note(s)	14	15			
Note 41 provides further details of adjustments pertaining to the 2022/2023 and 2023/2024 financials years.					

KWADUKUZA LOCAL MUNICIPALITY
AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 R	Restated - 2024 R
Cash flows from operating activities			
Receipts			
Sale of goods and services		1 545 328 997	1 359 117 216
Taxation		731 936 941	685 140 969
Grants		362 325 462	394 139 859
Interest Income		95 737 903	144 633 568
Fines, Interest & Penalties		45 343 456	43 540 185
Consumer deposits		2 932 159	-
Principle Agent revenue collected		89 945 238	83 024 464
		2 873 550 156	2 709 596 261
Payments			
Payments to suppliers		(1995 256 702)	(1735 086 445)
Employee costs & councillors remunerations		(619 865 611)	(580 190 422)
Finance costs		(15 595 865)	(16 842 555)
Consumer deposits		-	(3 530)
Transfers and subsidies paid		(12 747 059)	(14 186 360)
Principle Agent - Cash paid		(89 945 238)	(83 024 464)
Taxation - SARS		(2 758 780)	-
		(2736 169 255)	(2429 333 777)
Net cash flows from operating activities	42	137 380 901	280 262 484
Cash flows from investing activities			
Purchase of Property, Plant & Equipment	3	(517 034 123)	(719 377 301)
Proceeds from sale of property, plant and equipment	3	551 299	-
Purchase of other intangible assets	4	-	(75 300)
Net cash flows from investing activities		(516 482 824)	(719 452 601)
Cash flows from financing activities			
Movement in long term liabilities		(14 705 436)	(13 688 366)
Finance lease payments		(1 041 956)	(551 458)
Net cash flows from financing activities		(15 747 392)	(14 239 824)
Net increase/(decrease) in cash and cash equivalents		(394 849 315)	(453 429 941)
Cash and cash equivalents at the beginning of the year		1 436 091 140	1 889 521 067
Cash and cash equivalents at the end of the year	12/13	1 041 241 815	1 436 091 140

	Approved Budget	Adjustments	Final Budget	30 June 2025 Final Budget	Actual amounts as per restated Budget	Actual Outcomes	Reconciliation explained in Note 58	Variance	Percentage Variance	Note Reference
Statement of Financial Performance										
Revenue										
Revenue from Exchange Transactions:										
Service Charges - Electricity	1 398 776 342	(13 140 000)	1 385 636 342	1 385 636 342	1 364 984 517	1 364 984 517	-	(20 651 825)	-1%	
Service Charges - Refuse	103 073 780	-	103 073 780	103 073 780	109 362 567	109 362 567	-	6 288 787	6%	
Rental of facilities & Equipment	3 027 707	392 000	3 419 707	3 419 707	2 640 342	2 640 342	-	(779 365)	-23%	
Interest earned outstanding debtors	11 000 000	6 191 182	17 191 182	17 191 182	17 817 250	10 880 708	(6 936 542)	(6 310 474)	-37%	58.1
Operational Revenue (Other Income & Sale of goods & rendering of services)	59 465 959	13 073 639	72 539 598	72 539 598	80 517 838	69 766 215	(10 751 623)	(2 773 383)	-4%	
Agency services	14 688 960	-1 400 000	13 288 960	13 288 960	13 931 151	13 931 151	-	642 191	5%	
Interest received - Investments	54 422 996	28 037 742	82 460 738	82 460 738	93 721 426	93 721 426	-	11 260 688	14%	
Housing development construction contract revenue	-	-	-	-	-	3 591 881	3 591 881	3 591 881	100%	58.2
TOTAL REVENUE FROM EXCHANGE TRANSACTIONS	1 644 455 744	33 154 563	1 677 610 307	1 677 610 307	1 682 975 091	1 668 878 807	(14 096 284)	(8 731 500)		
Revenue from Non-Exchange Transactions:										
Taxation Revenue										
Property rates	731 911 715	14 885 870	746 797 585	746 797 585	744 332 173	765 941 835	21 609 662	19 144 250	3%	
Licences & permits	976 440	525 000	1 501 440	1 501 440	1 097 224	1 097 224	-	(404 216)	-27%	
Transfer and Other Revenue										
Transfers & subsidies - Operational	300 342 750	3 539 835	303 882 585	303 882 585	300 100 818	300 100 818	-	(3 781 767)	-1%	
Fines, penalties & forfeits	33 514 844	7 435 000	40 949 844	40 949 844	43 450 217	35 937 351	(7 512 866)	(5 012 493)	-12%	
Gains on disposal of assets	-	-	-	-	138 208	138 208	-	138 208	100%	
Other gains	5 000 000	-	5 000 000	5 000 000	11 752 197	16 745 000	4 992 803	11 745 000	235%	58.3
TOTAL REVENUE FROM NON-EXCHANGE TRANSACTIONS:	1 071 745 749	26 385 705	1 098 131 454	1 098 131 454	1 100 870 838	1 119 960 437	19 089 599	21 828 983		
Total Revenue	2 716 201 493	59 540 268	2 775 741 761	2 775 741 761	2 783 845 929	2 788 839 244	4 993 315	13 097 483		

Capital Expenditure and Fund Source									
Transfers recognised - capital	69 380 698	304 263 395	373 644 093	373 644 093	309 623 775	309 623 775	309 623 775	(64 020 318)	-17%
Internally generated funds	259 191 942	(16 396 140)	242 795 802	242 795 802	202 502 435	202 502 435	202 382 176	(40 413 626)	-17%
Public Contributions and Donations	-	-	-	-	-	-	239 786	239 786	0%
Borrowings	-	-	-	-	-	-	-	-	0%
Financial Position									
Total current assets	1 985 282 710	76 825 118	2 062 107 828	2 062 107 828	1 650 711 026	1 650 711 026	1 602 813 119	459 294 710	22%
Total non-current assets	4 106 122 040	224 257 383	4 330 379 423	4 330 379 423	4 265 313 309	4 265 313 309	4 265 754 640	64 624 783	1%
Total current liabilities	1 115 933 045	381 928 587	1 497 861 632	1 497 861 632	906 468 089	906 468 089	833 265 088	664 596 544	44%
Total non-current liabilities	257 132 412	(1 772 286)	255 360 124	255 360 124	289 681 147	289 681 147	315 427 570	(60 067 446)	-24%
Community wealth/equity	4 718 339 293	(79 073 802)	4 639 265 491	4 639 265 491	4 719 875 100	4 719 875 100	4 719 875 101	(80 609 610)	-2%
Cash Flow									
Net cash from / (used) - Operating activities	(11 870 000)	(344 016 000)	(355 886 000)	(355 886 000)	1 303 173 000	1 303 173 000	132 352 728	488 238 728	
Net cash from / (used) - Investing activities	(328 572 640)	(259 723 360)	(588 296 000)	(588 296 000)	(475 907 000)	(475 907 000)	(511 454 651)	76 841 349	
Net cash from / (used) - Financing activities	(12 497 741)	25 660 741	13 163 000	13 163 000	(15 061 000)	(15 061 000)	(15 747 392)	(28 910 392)	
Net increase / decrease in cash held	(352 940 381)	(578 078 619)	(931 019 000)	(931 019 000)	812 205 000	812 205 000	(394 849 315)	536 169 685	

**KWADUKUZA LOCAL MUNICIPALITY
AUDITED REPORTABLE SEGMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

For management purposes, the municipality is organised and operates in eight 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.

REPORTABLE SEGMENTS - 30 JUNE 2025

	Corporate Services R	Chief Operations Officer R	Community Services & Public amenities R	Community Safety R	Finance R	Economic Development & Planning R	Civil Engineering R	Electrical Engineering Services R	Total R
Segment Revenue									
External revenue from non- exchange transactions	84 513 396	13 094 236	111 455 047	20 270 109	769 550 897	62 091 412	348 788 135	53 950 714	1 463 713 946
External revenue from exchange transactions	12 689 403	-	111 265 771	14 449 345	12 112 679	24 459 679	26 434	1 396 433 104	1 571 436 415
Revenue from transactions with other segments	-	-	-	-	101 222 617	903	3 378 614	-	104 602 134
Interest revenue	-	-	-	-	-	-	-	-	-
Loss on disposal / recognition of assets and liabilities	-	-	-	-	-	-	-	-	-
Segment Expenses									
Total segment expenses	(148 754 985)	(83 029 322)	(304 383 214)	(234 966 038)	(81 787 095)	(102 411 205)	(77 622 839)	(1 617 216 929)	(2 650 171 628)
Depreciation and amortisation	(3 431 686)	(199 503)	(24 580 055)	(3 025 470)	(635 811)	(1 712 006)	(60 393 692)	(39 892 030)	(133 870 253)
Interest expense	-	-	-	-	-	-	(5 533 806)	(10 062 058)	(15 595 865)
Internal charges	4 554 604	4 515	26 739	526 346	799 204	979 745	8 886	(6 900 038)	-
Gain on disposal / recognition of assets and liabilities	(7 855 086)	-	(165 274)	-	(18 460 868)	(5 806)	(4 875 048)	(8 976 468)	(40 338 551)
Surplus / deficit for the year	(58 284 355)	(70 130 075)	(106 380 987)	(202 745 708)	782 801 623	(16 597 278)	203 776 684	(232 663 705)	299 776 198
Other Information									
Segment assets	483 619 723	(62 933 474)	109 542 230	(13 955 087)	1 225 308 775	300 488 916	2 169 951 885	1 656 544 791	5 868 567 759
Segment liabilities	(288 939 949)	(66 492 429)	(148 129 386)	(249 319 755)	439 225 723	(151 371 104)	(327 304 725)	(356 361 033)	(1148 692 657)
Additions to non-current assets	4 193 530	21 481 123	12 822 319	12 504 726	1 168 319	14 194 083	314 578 874	136 721 152	517 664 126
Non-cash revenue (included above)	6 661 968	-	240 640	-	10 105 000	-	-	115 387	17 122 994
Non-cash expense (included above)	(11 286 772)	(199 503)	(25 103 451)	(3 025 470)	(23 992 609)	(1 957 535)	(65 268 740)	(48 868 498)	(179 702 579)
Cash flows from operating activities	(64 426 582)	(67 826 000)	(74 172 229)	(206 503 754)	697 525 513	(24 267 760)	3 273 441	(131 249 902)	132 352 728
Cash flows for investing activities	(4 193 530)	(21 481 123)	(12 822 319)	(12 504 726)	(496 760)	(14 194 083)	(314 578 874)	(131 183 236)	(511 454 651)
Cash flows from financing activities	(120 260)	-	-	-	(16 106 924)	-	467 527	12 265	(15 747 392)

REPORTABLE SEGMENTS - 30 JUNE 2024 -
RESTATED

	Corporate Services R	Chief Operations Officer R	Community Services & Public amenities R	Community Safety R	Finance R	Economic Development & Planning R	Civil Engineering R	Electrical Engineering Services R	Total R
Segment Revenue									
External revenue from non- exchange transactions	151 121 579	12 731 976	95 744 163	19 175 963	565 449 914	66 812 786	652 268 732	66 053 377	1 629 358 489
External revenue from exchange transactions	8 749 243	-	99 596 471	12 834 330	161 599 366	24 150 075	1 231 059	1 262 074 037	1 570 234 581
Revenue from transactions with other segments	-	-	-	-	-	-	-	-	-
Interest revenue	-	-	-	-	140 521 767	1 493	582 040	-	141 105 301
Loss on disposal / recognition of assets and liabilities	1 730 000	-	-	-	-	-	-	-	1 730 000
Segment Expenses									
Total segment expenses	(132 866 908)	(71 700 705)	(308 773 538)	(186 418 337)	(79 940 378)	(101 673 670)	(74 222 343)	(1 411 616 259)	(2 367 212 137)
Depreciation and amortisation	(3 020 102)	(185 844)	(21 639 448)	(2 629 466)	(656 262)	(2 029 623)	(54 678 605)	(35 066 356)	(119 905 706)
Interest expense	-	-	-	-	-	-	(5 904 359)	(10 938 196)	(16 842 555)
Internal charges	(3 788 261)	(4 300)	46 389	(619 551)	(649 858)	(599 863)	(108 816)	5 724 259	-
Gain on disposal / recognition of assets and liabilities	(10 293 868)	-	(642 188)	(6 363 396)	(3 250 368)	(50 017)	(4 593 427)	(17 001 447)	(42 194 711)
Surplus / deficit for the year	11 631 683	(59 158 873)	(135 668 150)	(164 020 457)	783 074 181	(13 388 820)	514 574 282	(140 770 584)	796 273 260
	Corporate Services	Chief Operations Officer	Community Services & Public amenities	Community Safety	Finance	Economic Development & Planning	Civil Engineering	Electrical Engineering Services	Total
Other Information									
Segment assets	459 998 540	(45 614 712)	105 810 868	44 765 541	1 270 974 509	230 337 991	2 141 627 167	1 637 849 912	5 845 749 816
Segment liabilities	(104 087 698)	(24 563 919)	(78 819 280)	(98 176 519)	(399 860 485)	(98 790 423)	(501 436 240)	(119 916 340)	(1425 650 904)
Additions to non-current assets	7 849 506	5 651 355	10 651 966	32 322 144	193 896	643 567	566 585 831	145 625 256	769 523 521
Non-cash revenue (included above)	-	76 730 000	468 485	-	4 294 000	-	-	-	81 492 485
Non-cash expense (included above)	(13 313 969)	(185 844)	(22 321 092)	(9 610 167)	(13 225 477)	(2 004 837)	(59 827 925)	(51 854 283)	(172 343 594)
Cash flows from operating activities	238 667	(31 533 323)	(49 445 445)	(55 147 284)	421 175 218	8 882 970	8 882 970	(38 392 481)	325 444 080
Cash flows for investing activities	-	(75 300)	-	-	3 865 093	-	(761 954 915)	(6 469 075)	(764 634 197)
Cash flows from financing activities	-	(3 159 324)	-	-	34 008 691	-	(25 517 122)	(19 572 069)	(14 239 824)

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

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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.
- c) Standards of GRAP that have been issued but are not yet effective have been disclosed under the relevant section below.

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.

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 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.

1.9 Construction Contracts

The Municipality has a level two accreditation in terms of its participation on the National Housing Programme. It is a project developer in terms of the arrangement to construct and transfer houses to the beneficiaries of the Programme.

These are treated in accordance with GRAP 11, Construction contracts.

Grants received to implement the National Housing Programme are recognised as contract revenue.

Contract revenue comprises:

- (a) the initial amount of revenue agreed in the contract; and
- (b) variations in contract work, claims and incentive payments to the extent that:
 - (i) it is probable that they will result in revenue; and
 - (ii) they are capable of being reliably measured.

Contract revenue is measured at the fair value of the consideration received or receivable.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognised as revenue by reference to the stage of completion of the contract activity at the reporting date. The outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- (a) total contract revenue, if any, can be measured reliably;
- (b) it is probable that the economic benefits or service potential associated with the contract will flow to the entity;

(c) both the contract costs to complete the contract and the stage of contract completion at the reporting date can be measured reliably; and

(d) the contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

Costs incurred to implement the National Housing Programme are expensed as contract costs.

Contract costs comprise:

(a) costs that relate directly to the specific contract;

(b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and

(c) such other costs as are specifically chargeable to the customer under the terms of the contract.

Contract costs include the costs attributable to a contract for the period from the date of securing the contract to the final completion of the contract. Costs that cannot be attributed to contract activity or cannot be allocated to a contract are excluded from the costs of a construction contract. Such costs include:

(a) general administration costs for which reimbursement is not specified in the contract;

(b) selling costs;

(c) research and development costs for which reimbursement is not specified in the contract; and

(d) depreciation of idle plant and equipment that is not used on a particular contract.

As with contract revenue, contract costs are recognised as expenses when the outcome of a construction contract can be estimated reliably, by reference to the stage of completion of the contract activity at the reporting date.

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 valuers 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.

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

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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.

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, its 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.

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.

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

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- 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.

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.

GRAP 104 – Financial Instruments (Amended): Updates to Standard Issued but Not Yet Effective

The Accounting Standards Board issued the amended GRAP 104 – Financial Instruments, which is effective for financial periods beginning on or after 1 April 2025. The municipality has not early adopted the amended Standard.

Nature of the impending change

The amended GRAP 104 introduces revised principles relating to:

- Classification of financial assets and liabilities based on business model and contractual cash flows;
- Measurement at amortised cost or fair value;
- Updated impairment requirements incorporating expected credit losses;
- Enhanced qualitative and quantitative risk disclosures;

The municipality will apply the amended GRAP 104 for the financial year beginning **1 July 2025**, as required.

The revised Standard is expected to affect the major classes of financial instruments. The impairment model under the amended GRAP 104 will require forward-looking credit loss estimates, resulting in increased disclosure and revised calculation methodologies.

At present, the municipality is in the process of modelling expected credit losses and assessing reclassification impacts.

Preliminary indicators are that there will be minimal quantitative change in the receivables provision from the current methodology. However, this will be assessed during the 2025/2026 financial year.

The municipality will finalise a comprehensive quantitative assessment before the 2025/2026 financial year-end.

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.

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.

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 contracts 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.

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.

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).

1.34 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.

1.35 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 and Human Settlements
- Civil Engineering
- 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 not necessary and 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.

1.36 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.

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2 Investment Properties

	2025		2024	
	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE	ACCUMULATED AMORTISATION AND IMPAIRMENT
INVESTMENT PROPERTY	183 505 000	-	183 505 000	-
	183 505 000	-	183 505 000	-

RECONCILIATION OF INVESTMENT PROPERTY- 2025

	OPENING BALANCE	ADDITIONS	FAIR VALUE ADJUSTMENTS	TRANSFERS/DISPOSALS	CLOSING BALANCE
INVESTMENT PROPERTY	180 940 000	1 120 000	10 145 000	(8 700 000)	183 505 000
	180 940 000	1 120 000	10 145 000	(8 700 000)	183 505 000

The last effective date of the fair value adjustment was June 2025. The valuations were performed by a Professional Valuer. The valuation was based on the estimated amount for which an asset should exchange on the date of evaluation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion (comparable sales approach). Where the comparable sales approach could not be used, the municipality applied the Income & Depreciated Replacement Cost method. The fair value is supported by market evidence and comparable data. The income method was also applied where appropriate and backed up using the Depreciated Replacement Cost method. The municipal valuer has extensive experience in the location and category of investment property valued with the necessary qualifications.

Rent income received on the above investment properties during 2024/2025 financial year is R1 081 994.29

There is no expenditure relating to repairs and maintenance in the investment properties.

RECONCILIATION OF INVESTMENT PROPERTY- 2024

	OPENING BALANCE	FAIR VALUE ADJUSTMENTS	TRANSFERS/DISPOSALS	CLOSING BALANCE
INVESTMENT PROPERTY	187 816 000	4 294 000	(11 170 000)	180 940 000
	187 816 000	4 294 000	(11 170 000)	180 940 000

The last effective date of the fair value adjustment was June 2024. The valuations were performed by a Professional Valuer. The valuation was based on the estimated amount for which an asset should exchange on the date of evaluation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The municipal valuer has extensive experience in the location and category of investment property valued with the necessary qualifications.

Rent income received on the above investment properties during 2023/2024 financial year is R898 919.57

There is no expenditure relating to repairs and maintenance in the investment properties.

3 Property, Plant and equipment

	2025		2024- restated	
	COST	ACCUMULATED DEPRECIATION AND IMPAIRMENT	CARRYING VALUE	ACCUMULATED DEPRECIATION AND IMPAIRMENT
COMMUNITY ASSETS	518 606 737	(199 141 864)	319 464 873	480 187 965
SOLID WASTE	6 811 295	(2 547 890)	4 263 405	6 566 879
VEHICLES	151 077 640	(77 788 170)	73 289 470	138 049 454
INFRASTRUCTURE ROADS AND				
STORMWATER	2 828 854 580	(562 978 649)	2 265 875 931	2 529 269 841
INFRASTRUCTURE ELECTRICAL	1 327 853 189	(394 297 995)	933 555 194	1 199 672 198
FURNITURE & FITTINGS	107 215 076	(78 360 021)	28 855 056	100 363 735
LAND	453 342 118	-	453 342 118	440 310 618
LEASED ASSETS	3 347 056	(1 062 482)	2 284 575	3 226 796
				(394 671)
				2 832 125
	5 397 107 691	(1 316 177 071)	4 080 930 793	4 897 647 486
				(1 190 569 269)
				3 707 078 303

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT-2025

	OPENING BALANCE	ADDITIONS	RECLASSIFICATION OF CAPITALISED AUC	RECLASSIFICATION OF ASSETS	DONATIONS	RECOGNITION OF EXPENSED ITEMS	DERECOGNITION OF ASSETS	ASSETS WRITTEN OFF	DEPRECIATION	IMPAIRMENT LOSS	IMPAIRMENT REVERSAL	CLOSING BALANCE
Community Assets	301 128 832	50 055 566	(10 005 372)				(1 066 128)		(20 418 543)	(229 483)		319 464 872
Solid Waste	4 345 372	244 416							(326 384)			4 263 405
Vehicles	70 772 819	15 668 568					(485 440)		(12 494 743)			73 289 470
Infrastructure Roads & Stormwater	2 024 609 106	328 329 360	(15 332 211)						(59 471 174)	(137 193)		2 265 875 929
Infrastructure Electrical	832 928 432	99 769 656	23 910 900				(1 282 687)		(32 248 970)	(1 062 441)		933 555 194
Furniture & Fittings	30 150 909	5 285 144	1 426 683				(79)		(28 533)	(52 065)		28 555 056
Land	440 310 618	5 480 000		8 700 000	239 786							453 342 118
Leased Assets	2 832 125	120 260							(667 810)			2 284 575
	3 707 078 303	504 952 970	-	8 700 000	239 786	12 711 156	(2 834 334)	(14 641 580)	(133 794 324)	(1 481 182)	-	4 080 930 793

Classification of Assets Under Construction 2024/2025:

CLASS	OPENING BALANCE	ACCUMULATED IMPAIRMENT	ADDITIONS	TRANSFERRED OUT OF AUC	WRITE OFF	CLOSING BALANCE
Community Assets	34 128 763		49 740 335	(23 375 567)		60 493 531
Infrastructure Electrical	67 012 130		96 098 080	(85 381 235)		77 728 974
Furniture & Fittings	1 644 487		-	-		1 644 487
Solid Waste	-		244 416	-		244 416
Roads & Stormwater	486 899 677		328 329 360	(489 872 396)		325 356 641
	589 685 057	-	474 412 191	(598 629 199)	-	465 468 049

Disclosure of Slow Moving Assets under Construction

Project	Value	Reason for Delay
Chief Albert Luthuli Sports Complex	4 567 220	Awaiting environmental and other authorisation
G46247 Bridge - replacement Hullele Bridge	22 155 177	Work destruction due to business forum; inclement weather and poor performance of the contractor.
G46247 Upgrade the Mnyundwini Culvert Bridge	19 561 243	Work destruction due to business forum; inclement weather and poor performance of the contractor.
G46247 Road & Stormwater Upgrade in Ten Acre Road in Ward 29 (WIP)	17 997 894	Poor performance of the contractor.
Roads Access Construction Woodmead	15 709 172	Due to budget constrains this project is being implemented in stages.
New Dukuzu 132/33/11Kv 80Mva Bulk (Ward 28)	10 303 418	Various environmental processes are currently underway.
Grouville Market Sports field	8 474 792	They were outstanding construction issues that were raised by DSAC that has been addressed. Project to be released in 2026 financial year.
Consultant	4 730 912	Projects awaiting environmental authorisation and sourcing of funding. Only professional fees were incurred.
Funding	17 030 570	Disaster projects awaiting funding.
Minor	2 786 381	Various minor projects still in progress.
Multi Year - Electrical	13 461 645	Various multi year Electrical projects.

Loss on disposal as reflected on the Statement of Financial Performance consists of :

2024/2025	
Assets Written Off	(14 641 580)
Auction Assets	(2 421 243)
	(17 062 823)

Gain on recognition of assets as reflected on the Statement of Financial Performance consists of :

2024/2025	
Recognition of Land	138 208
Assets Written Off	-
Auction Assets	138 208

For details regarding Repairs and Maintenance, refer to Note 51.

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT-2024

	OPENING BALANCE	ADDITIONS	RECLASSIFICATION OF CAPITALISED AUC	RECLASSIFICATION OF ASSETS	DONATIONS	RECOGNITION OF EXPENSED ITEMS	DERECOGNITION OF ASSETS	ASSETS WRITTEN OFF	DEPRECIATION	IMPAIRMENT LOSS	IMPAIRMENT REVERSAL	CLOSING BALANCE
Community Assets	302 264 770	35 983 529	(14 217 295)		468 485		-	(3 437 967)	(19 194 184)	(738 506)		301 128 832
Solid Waste	4 555 788	129 744 00							(340 160)			4 345 372
Vehicles	56 809 766	23 368 766							(9 405 713)			70 772 819
Infrastructure Roads & Stormwater	1 494 814 354	584 885 065	1 893 435					(1 673 331)	(54 659 851)	(650 566)		2 024 609 106
Infrastructure Electrical	744 340 461	102 083 822	9 506 688			10 030 021	-	(3 889 996)	(28 390 029)	(752 534)		832 928 432
Furniture & Fittings	27 084 146	8 077 949	2 817 172					(37 526)	(7 837 118)	(108 963)		30 150 909
Land	352 410 618	1 730 000		155 248								440 310 618
Leased Assets	549 509	3 159 324		(155 248)	75 000 000			(262 771)	(459 688)			2 832 125
	2 982 829 412	759 418 199	-	11 170 000	75 468 485	10 030 021	-	(9 301 591)	(120 285 743)	(2 250 569)	-	3 707 078 303

Classification of Assets Under Construction 2023/2024:

CLASS	OPENING BALANCE	ACCUMULATED IMPAIRMENT	ADDITIONS	TRANSFERRED OUT OF AUC	WRITE OFF	CLOSING BALANCE
Community Assets	85 139 709		35 447 129	(83 105 828)	(3 352 247)	34 128 763
Infrastructure Electrical	57 404 173		95 519 374	(82 021 421)	(3 889 996)	67 012 130
Furniture & Fittings	1 644 487		-	-	-	1 644 487
Solid Waste	1 295 797		-	(1 295 797)	-	-
Roads & Stormwater	156 874 831		583 341 345	(251 643 167)	(1 673 331)	486 899 677
	302 358 997	-	714 307 848	(418 066 213)	(8 915 574)	589 685 057

Disclosure of Slow Moving Assets under Construction

Project	Value	Reason for Delay
Motor Licencing & testing centre	974 517	Finalisation of land acquisition processes
Chief Albert Luthuli Sports Complex	4 567 220	Awaiting environmental authorisation

Loss on disposal as reflected on the Statement of Financial Performance consists of :

2023/2024	
Derecognition of Assets	-
Assets Written Off	(9 301 591)
Auction Assets	-
	(9 301 591)

Gain on recognition of assets as reflected on the Statement of Financial Performance consists of :

2023/2024	
Recognition of Land	1 730 000
Assets Written Off	-
Auction Assets	-
	1 730 000

4 Intangible Assets

	2025			2024		
	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE
Intangible Assets	21 084 260	(20 884 249)	200 011	21 084 260	(20 808 320)	275 940
Intangible Assets - Under Development	926 937	(354 818)	572 119	926 937	(354 818)	572 119
	22 011 197	(21 239 067)	772 130	22 011 197	(21 163 138)	848 059

Reconciliation of Intangible Assets - 2025

	OPENING BALANCE	ADDITIONS	ASSET UNDER CONSTRUCTION BROUGHT INTO USE	WIP RECLASSIFICATION TO PPE	AMORTISATION	IMPAIRMENT LOSS	CLOSING BALANCE
Intangible Assets	275 940	-			(75 929)	-	200 011
Intangible Assets - Under Development	572 119						572 119
	848 059	-	-	-	(75 929)	-	772 130

Reconciliation of Intangible Assets - 2024

	OPENING BALANCE	ADDITIONS	ASSET UNDER CONSTRUCTION BROUGHT INTO USE	WIP RECLASSIFICATION TO PPE	AMORTISATION	IMPAIRMENT LOSS	CLOSING BALANCE
Intangible Assets	308 105	75 300			(107 465)	-	275 940
Intangible Assets - Under Development	572 119						572 119
	880 224	75 300	-	-	(107 465)	-	848 059

5 Heritage Assets

	2025			2024		
	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED AMORTISATION AND IMPAIRMENT	CARRYING VALUE
	105 386	-	105 386	105 386	-	105 386
Historical Monuments	105 386	-	105 386	105 386	-	105 386

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 2024 reflected:

- The valuation reveals that the fund is 108.9% funded on the "best estimate" Funding basis as at the valuation date, and is also fully funded on the alternative 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 2024 reflected:

- The Fund is financially sound at valuation date
- The valuation reveals that the Fund is 101.7% 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 2024 reflected:

The Fund is financially sound at valuation date
The fund is 106.4% 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

2025
R

2024 Restated
R

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, Arch Actuarial Consulting, carry out a statutory valuation on an annual basis as at 30 June 2025.

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.

Discount rate per annum	11.30%	13.70%
Health care cost inflation rate	7.00%	9.59%
Net effective discount rate	6.40%	3.75%
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) - 1 with a 1% mortality improvement p.a from 2010	PA (90)
CPI (Consumer Price Inflation) (No explicit assumption was made about additional mortality or health care costs due to AIDS).	5.20%	8.09%

Percentage of in-service members withdrawing before retirement:	Males	Females	Males	Females
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 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post employment defined benefit obligation. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of the benefit payments, current market rates of appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

Consequently, a discount rate of 11.3% per annum has been used. The corresponding index-linked yield at this term is 5.2%. These rates do not reflect any adjustment for taxation. These rates were deducted from the interest rate data obtained from the Johannesburg stock Exchange after the market close on 30 June 2025.

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2025
R

2024 Restated
R

Duration:

The implied duration of the liability for this valuation is 16.75 years. It is however important to note that this is solely for indicative purposes as we use the entire yield curve to obtain the financial variables.

Maturity Analysis

The following figure shows the Defined Benefit Obligation maturity analysis (undiscounted expected benefits vesting) for the next 30 years.

Liability Value:

Within one year from valuation date	5 471 000	4 762 000
Between 1 and 5 years from valuation date	29 800 000	15 978 000
Longer than 5 years from valuation date	103 281 000	102 307 000
Total	138 552 000	123 047 000

2024/25: Amount due within one year from valuation date represents a liability at nominal (undiscounted) value. For the discounted liability within one year from valuation date, refer below. Further details are included on the summary.

Current Portion	5 180 000	4 762 000
Non- Current Portion	133 372 000	118 285 000
	138 552 000	123 047 000

The amounts recognised in the Statement of Financial Position were determined as being the present value of the obligation:

138 552 000	123 047 000

Movement in the defined benefit obligation is as follows:

Balance at beginning of the year	123 047 000	107 926 000
Current service cost	4 006 000	3 724 000
Interest cost	16 813 000	13 254 000
Benefit payments	(4 762 000)	(4 082 000)
Actuarial (gains)/losses	(552 000)	2 225 000
Balance at end of year	138 552 000	123 047 000

The amounts recognised in the Statement of Financial Performance were as follows:

Current service cost	4 006 000	3 724 000
Interest cost	16 813 000	13 254 000
Benefit payments	(4 762 000)	(4 082 000)
Actuarial (gains)/losses	(552 000)	2 225 000
TOTAL	15 505 000	15 121 000

2025
R

2024 Restated
R

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 assumed medical aid contribution inflation rate.
- (2) A 1% increase / decrease in the discount rate.
- (3) A one year age increase and decrease in the assumed rates of post-employment mortality;
- (4) A one year decrease in the assumed average retirement age.
- (5) A decrease of 10% in the assumed proportion of in-service members that remain members of retirement.

Sensitivity analysis on the defined benefit obligation

The post-employment mortality adjustment “-1 yr”, for example, assumes that someone aged 70 will experience the mortality of someone aged 69. The DBO is expected to increase under this scenario because members are expected to live longer.

The table below indicates, for example, that if the medical inflation rate is one percentage point greater than the long-term assumption made, the DBO will be 7% higher than that shown.

Assumption	Change	Eligible Employees	Continuation Members	Total DBO	% Change
Central assumptions		84.844	53.708	138.552	
Medical aid contribution inflation rate	+1%	92.406	55.980	148.386	7%
	-1%	75.186	51.113	126.299	-9%
Discount rate	+1%	71.800	49.585	121.385	-12%
	-1%	101.360	58.515	159.875	15%
Post-employment mortality	+1 yr	83.103	52.258	135.361	-2%
	-1 yr	86.537	55.141	141.678	2%
Average retirement age	-1 yr	90.003	53.708	143.711	4%
Membership continuation	-10%	74.152	53.708	127.860	-8%

Sensitivity analysis on current service and interest costs for year ending 30/06/2025

The table below summarises the results of this analysis on the current service and interest costs for the year ending 30 June 2025. These figures were derived at the last valuation and were presented in that report.

Assumption	Change	Current Svc. Cost	Interest Cost	Total Cost	% Change
Central assumptions		4,006,000	16,813,000	20,819,000	
Medical aid contribution inflation rate	+1%	4,690,000	18,559,000	23,249,000	12%
	-1%	3,322,000	15,033,000	18,355,000	-12%
Discount rate	+1%	3,259,000	14,737,000	17,996,000	-14%
	-1%	4,972,000	19,372,000	24,344,000	17%
Mortality rates	x1.2	3,714,000	15,758,000	19,472,000	-6%
	x0.8	4,347,000	18,064,000	22,411,000	8%
Average retirement age	+1 yr	3,678,000	16,019,000	19,697,000	-5%
	-1 yr	4,322,000	17,577,000	21,899,000	5%

2025
R

2024 Restated
R

Sensitivity analysis on current service and interest costs for year ending 30/06/2026

The table below summarises the results of this analysis on the current service and interest costs for the year ending 30 June 2026.

Assumption	Change	Current Svc. Cost	Interest Cost	Total Cost	% Change
Central assumptions		4,684,000	15,356,000	20,040,000	
Medical aid contribution inflation rate	+1%	5,168,000	16,466,000	21,634,000	8%
	-1%	4,029,000	13,972,000	18,001,000	-10%
Discount rate	+1%	3,831,000	14,604,000	18,435,000	-8%
	-1%	5,788,000	16,192,000	21,980,000	10%
Post-employment mortality	+1 yr	4,592,000	14,995,000	19,587,000	-2%
	-1 yr	4,775,000	15,708,000	20,483,000	2%
Average retirement age	-1 yr	4,986,000	15,924,000	20,910,000	4%
Membership continuation	-10%	4,115,000	14,151,000	18,266,000	-9%

Maturity analysis for the next 80 years

The table below shows the maturity analysis for the next 80 years.

Future Year	Expected Benefit Payments	Future Year	Expected Benefit Payments	Future Year	Expected Benefit Payments
1	5.471	6 to 10	59.450	31 to 40	759.342
2	6.486	11 to 15	103.816	41 to 50	752.262
3	7.096	16 to 20	160.835	51 to 60	479.045
4	7.754	21 to 25	237.430	61 to 70	170.516
5	8.464	26 to 30	312.870	71 to 80	27.573

6.3 Long service awards and retirement gifts

The independent valuers, Arch Actuarial Consulting, carry out a statutory valuation on an annual basis as at 30 June 2025.

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.

Discount rate per annum	9.90%	10.35%
CPI (Consumer Price inflation)	3.90%	5.33%
General Salary Inflation (long term)	4.90%	6.33%
Net effective discount rate	4.80%	3.78%

Examples of mortality rates used were as follows:

Average retirement age		
Mortality during employment	62 years SA85-90	62 years SA85-90

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	2025		2024 Restated	
	R		R	
<i>Members withdrawn from service:</i>				
	Males	Females	Males	Females
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 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post employment defined benefit obligation. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of the benefit payments, current market rates of appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

Consequently, a discount rate of 9.9% per annum has been used. The corresponding index-linked yield at this term is 5.3%. These rates do not reflect any adjustment for taxation. These rates were deducted from the interest rate data obtained from the Johannesburg stock Exchange after the market close on 30 June 2025.

Duration:

The implied duration of the discounted benefit obligation was estimated at 8.5 years.

Maturity Analysis

The following figure shows the Defined Benefit Obligation maturity analysis (undiscounted expected benefits vesting) for the next 30 years.

Liability Value:

Within one year from valuation date (nominal vesting (non discounted))	4 578 000	2 336 000
Between 1 and 5 years from valuation date	19 405 000	12 636 000
Longer than 5 years from valuation date	9 079 000	17 956 000
Total	33 062 000	32 928 000

2024/25: Amount due within one year from valuation date represents a liability at nominal (undiscounted) value. For the discounted liability within one year from valuation date, as per the AFS, refer below. Further details are included on the summary.

Current Portion	4 271 000	2 336 000
Non- Current Portion	28 791 000	30 592 000
	33 062 000	32 928 000

The amounts recognised in the Statement of Financial Position were determined as follows:

Liability in the Statement of Financial Position	33 062 000	32 928 000

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	2025 R	2024 Restated R
Movement in the defined benefit obligation is as follows:		
Balance at beginning of the year	32 928 000	27 553 000
Current service cost	2 522 000	2 535 000
Interest cost	2 809 000	2 900 000
Actuarial (Gain)/losses	(2 861 000)	3 537 056
Benefit payments	(2 336 000)	(3 597 056)
Balance at end of year	33 062 000	32 928 000

The amounts recognised in the Statement of Financial Performance were as follows:

Current service cost	2 522 000	2 535 000
Interest cost	2 809 000	2 900 000
Actuarial (Gain)/losses	(2 861 000)	3 537 056
Benefit payments	(2 336 000)	(3 597 056)
TOTAL	134 000	5 375 000

Summary:

Statement of Financial Position obligation for:		
Post-employment medical benefits	138 552 000	123 047 000
Current Portion	5 180 000	4 762 000
Non- Current Portion	133 372 000	118 285 000
Long Service Award	33 062 000	32 928 000
Current Portion	4 271 000	2 336 000
Non- Current Portion	28 791 000	30 592 000
	171 614 000	155 975 000
Statement of Financial Performance obligation for:		
Post-employment medical benefits	15 505 000	15 121 000
Long Service Award loss	134 000	5 375 000
	15 639 000	20 496 000

SENSITIVITY ANALYSIS

In order to illustrate the sensitivity of our results to changes in certain key variables, the liabilities were recalculated using the following assumptions: -

- (1) A 1% increase / decrease in the assumed general earnings inflation rate.
- (2) A 1% increase / decrease in the assumed discount rate.
- (3) A one year age increase and decrease in the assumed rates of post-employment mortality;
- (4) A two year increase and decrease in the assumed average retirement age of eligible employees
- (5) A two-fold increase and a 50% decrease in the assumed rates of termination of service.

2025
R

2024 Restated
R

1. Sensitivity analysis on the Defined Benefit Obligation:

The table below summarises the results of the sensitivity analysis. It indicates, for example, that if the earnings inflation rate is one percentage point greater than the long-term assumption made, the DBO will be 6% higher than the results shown in Section 6

Assumption	Change	DBO	% Change
Central assumptions		33,062,000	
General earnings inflation rate	+1%	34,895,000	6%
	-1%	31,391,000	-5%
Discount rate	+1%	31,260,000	-5%
	-1%	35,071,000	6%
Average retirement age	+2 yrs	34,722,000	5%
	-2 yrs	31,281,000	-5%
Rates of termination of service	x2	27,573,000	-17%
	x0.5	36,658,000	11%

2. Sensitivity analysis on current service and interest costs for year ending 30/06/2025:

The table below summarises the results of this analysis on the current service and interest costs for the year ending 30 June 2025

Assumption	Change	Current Svc. Cost	Interest Cost	Total	% Change
Central assumptions		2,522,000	2,809,000	5,331,000	
General earnings inflation rate	+1%	2,708,000	2,999,000	5,707,000	7%
	-1%	2,354,000	2,635,000	4,989,000	-6%
Discount rate	+1%	2,898,000	2,362,000	5,260,000	-1%
	-1%	2,704,000	2,702,000	5,406,000	1%
Average retirement age	+1 yrs	2,950,000	2,610,000	5,560,000	4%
	-1 yrs	2,683,000	2,430,000	5,113,000	-4%
Rates of termination of service	x1.2	2,395,000	2,693,000	5,088,000	-5%
	x0.8	2,661,000	2,933,000	5,594,000	5%

2025
R

2024 Restated
R

Sensitivity analysis on current service and interest costs for year ending 30/06/2026

The table below summarises the results of this analysis on the current service and interest costs for the year ending 30 June 2026.

Assumption	Change	Current Svc. Cost	Interest Cost	Total	% Change
Central assumptions		2,820,000	3,052,000	5,872,000	
General earnings	+1%	3,019,000	3,233,000	6,252,000	6%
inflation rate	-1%	2,641,000	2,886,000	5,527,000	-6%
Discount rate	+1%	2,655,000	3,164,000	5,819,000	-1%
	-1%	3,006,000	2,922,000	5,928,000	1%
Average retirement age	+2 yrs	2,955,000	3,243,000	6,198,000	6%
	-2 yrs	2,668,000	2,847,000	5,515,000	-6%
Rates of termination of service	x2	2,179,000	2,511,000	4,690,000	-20%
	x0.5	3,264,000	3,407,000	6,671,000	14%

4. Maturity Analysis:

The table below shows the maturity analysis for the next 40 years.

Future Year	Expected Benefits Vesting	Future Year	Expected Benefits Vesting
1	4.578	6 to 10	31.228
2	3.836	11 to 15	31.728
3	6.216	16 to 20	28.468
4	5.610	21 to 30	30.000
5	3.743	31 to 40	2.776

7 LONG-TERM RECEIVABLES

Housing selling scheme loans	2 567 254	2 737 059
Less: Allowance for impairment and future housing discounts	(2 032 261)	(2 223 014)
Total	534 993	514 045
Transfer to Current Portion		
Less: Current portion transferred to current receivables	(93 663)	(75 174)
Total Receivables	441 331	438 871
Written - off during the year	239 724	-

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%

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	2025 R	2024 Restated R
8 INVENTORIES		
Housing Inventory	123 406	123 406
Consumable stores	2 494 682	1 551 277
Mechanical spares	3 099	21 689
Electrical maintenance spares	15 216 048	16 467 266
Fuel	-	-
Total Inventories	17 837 235	18 163 638
Loss on disposal as reflected on the Statement of Financial Performance consists of :		
Loss on Housing Inventory transfer	-	11 821
Periodically, physical stock counts are carried out.		
9. RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Electricity	203 798 374	219 078 917
Estate	107 223	103 145
Refuse	26 411 785	24 812 773
VAT on Consumer debtors	36 087 238	36 891 496
Legal Fees	5 907 675	7 655 994
Encroachment and plot clearing	468 364	475 354
Sundry Adjustments	843 627	154 029
Interest	21 689 398	17 049 796
Add back credits included above	751 657	616 410
Sundry Debtors	27 453 565	15 663 240
Input Vat Accrual	82 744 524	86 322 578
Vat Control (Receivable) due from SARS	7 399 147	4 640 367
Less: Allowance for debtors impairment	(77 890 888)	(78 902 092)
	335 771 688	334 562 005
Electricity		
Current (0 – 30 days)	152 491 164	154 275 748
31 - 60 Days	5 514 238	9 913 083
61 - 90 Days	1 817 532	3 980 112
91 - 120 Days	1 706 824	2 583 792
Greater than 120 days	42 268 616	48 326 181
Total	203 798 374	219 078 917
Estate		
Current (0 – 30 days)	3 687	2 123
31 - 60 Days	1 260	1 413
61 - 90 Days	1 086	1 413
91 - 120 Days	1 086	1 197
Greater than 120 days	100 104	97 000
Total	107 223	103 145
Refuse		
Current (0 – 30 days)	6 339 411	4 873 606
31 - 60 Days	1 016 528	1 233 109
61 - 90 Days	864 217	1 161 325
91 - 120 Days	799 923	979 438
Greater than 120 days	17 391 706	16 565 295
Total	26 411 785	24 812 773

	2025 R	2024 Restated R
9. RECEIVABLES FROM EXCHANGE TRANSACTIONS (Continued)		
VAT on Consumer Debtors		
Current (0 – 30 days)	23 600 184	23 535 976
31 - 60 Days	979 088	1 705 872
61 - 90 Days	423 889	810 888
91 - 120 Days	381 378	552 899
Greater than 120 days	10 702 698	10 285 861
Total	36 087 238	36 891 496
Legal Fees		
Current (0 – 30 days)	703 926	83 028
31 - 60 Days	-	230 682
61 - 90 Days	234 905	113 232
91 - 120 Days	111 848	22 663
Greater than 120 days	4 856 996	7 206 390
Total	5 907 675	7 655 994
Encroachment and plot clearing		
Current (0 – 30 days)	12 534	29 100
31 - 60 Days	-	-
61 - 90 Days	-	-
91 - 120 Days	1 283	-
Greater than 120 days	454 547	446 254
Total	468 364	475 354
Sundry Adjustments		
Current (0 – 30 days)	891 003	362 575
31 - 60 Days	58 439	(30 091)
61 - 90 Days	4 050	(5 021)
91 - 120 Days	843	(6 041)
Greater than 120 days	(110 710)	(167 393)
Total	843 627	154 029
Interest		
Current (0 – 30 days)	1 696 476	951 892
31 - 60 Days	697 886	718 864
61 - 90 Days	628 261	610 119
91 - 120 Days	606 318	567 882
Greater than 120 days	18 060 458	14 201 038
Total	21 689 398	17 049 796

	2025 R	2024 Restated R
Nett Credits included above		
Total	751 657	616 410
Sundry Debtors		
Current (0 – 30 days)	13 692 863	803 306
31 - 60 Days	111 657	215 590
61 - 90 Days	(106 195)	154 591
91 - 120 Days	31 093	132 955
Greater than 120 days	13 724 147	14 356 798
Total	27 453 565	15 663 240
Sundry Debtors per Function:		
Housing	10 922 333	7 732 334
Electricity	(2 129 704)	344 329
Rates and General	18 792 448	7 586 577
	27 585 076	15 663 240
VAT Receivable:		
Input Vat Accrual	82 744 524	86 322 578
Vat Control (Receivable) due from SARS	7 399 147	4 640 367

Statutory receivables included in receivables from exchange transactions are as follows, on a gross basis:

Vat Control (Receivable) due from SARS	7 399 147	4 640 367
The statutory receivable arises from legislation. No impairment is required at this stage.		

Consumer Debtors:

Provisions for impairment are determined based on the type and recoverability of Consumer Debtors. A 100% impairment is provided for registered indigent debtors, debtors under liquidation, and accounts unpaid for four months or longer, as these categories are considered a higher risk for recoverability due to financial constraints, insolvency, or prolonged non-payment. No impairment is provided for accounts owing within the last four levy periods, government accounts, or those accounts with credit balances, as these are deemed recoverable. Additionally, where payments are received after 30 June but before the August billing date, such receipts are treated as expected future cash inflows and therefore not impaired.

Sundry Debtors:

Provisions for impairment on sundry accounts are based on the age of the debt and payment history. A 100% impairment is provided for Sundry Debtor accounts where no payments have been received within 90 days and for all debit transactions raised more than 120 days prior, as these are considered a higher risk for recoverability. No impairment is made for accounts with debit transactions raised within the last 120 days, as they are deemed recoverable. Additionally, where payments are received after 30 June but before the August billing date, such receipts are treated as expected future cash inflows and therefore not impaired.

Future Housing Discounts:

Provisions for impairment on Future housing discounts are based on the provisions of the Enhanced Extended Discount Benefit Scheme where the purchase price of the housing units may qualify for a 100% write off at the time of transfer. Should the account holder not meet the requirements of the scheme, a portion of the amount may be recovered at the transfer stage. Due to uncertainty on whether or not account holders would meet the criteria, the full amount is impaired.

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	2025 R	2024 Restated R
Reconciliation of the Allowance for Impairment		
Balance at beginning of the year		
Receivables from exchange transactions	78 902 092	73 487 589
Long term receivables	2 223 014	2 215 105
Receivables from non-exchange transactions	239 411 349	229 521 783
Total balance at beginning of the year	320 536 455	305 224 478
(Release from) / Contribution to impairment		
Receivables from exchange transactions	(1 011 204)	5 414 503
Long term receivables	(190 753)	7 909
Receivables from non-exchange transactions	7 023 483	9 889 566
(Release from) / Contribution to accumulated impairment	5 821 525	15 311 978
Adjustment to Vat on trade receivables from exchange transactions	722 017	(213 520)
Impairment recognised in Statement of Financial Performance	33 6 543 542	15 098 458
Balance at end of year		
Receivables from exchange transactions	77 890 888	78 902 092
Long term receivables	2 032 261	2 223 014
Receivables from non-exchange transactions	246 434 832	239 411 349
Total Balance at end of year	326 357 981	320 536 455
Allowances for Impairment per category of Receivables:		
Sundry Debtors	26 313 794	21 304 626
Consumers	200 839 414	200 832 562
Future Housing Discounts	3 137 385	3 327 352
Traffic Fines	96 067 387	95 071 916
	326 357 981	320 536 455
Bad debts written off		
Bad debts written off - Exchange Transactions	1 347 615	1 485 151
Bad debts written off - Non - Exchange Transactions	3 548 314	3 527 875
Total Bad debts written off	4 895 930	5 013 025

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	2025 R	2024 Restated R
10. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Rates - Statutory Receivables	258 698 015	223 595 897
Other debtors	40 655 144	38 373 313
Department of Housing - RDP projects	251 934	251 934
Operating leases	383 789	724 354
Traffic Fines Debtor - Statutory Receivables	154 314 668	143 913 092
less: Allowance for impairment	(246 434 832)	(239 411 349)
	207 868 718	167 447 241
Rates		
Current (0 – 30 days)	49 036 053	33 436 940
31 - 60 Days	10 341 645	14 264 642
61 - 90 Days	8 814 387	11 845 746
91 - 120 Days	7 721 485	8 394 686
Greater than 120 days	182 784 445	155 653 884
Total	258 698 015	223 595 897
Sundry Debtors		
Current (0 – 30 days)	7 607	13 460
31 - 60 Days	1 195	869
61 - 90 Days	1 185	862
91 - 120 Days	4 928 919	855
Greater than 120 days	21 743 209	22 294 222
Total	26 682 116	22 310 268
Sundry Debtors consists of:		
Dept Of Human Settlement - Bridge financing	17 887 959	17 887 959
Fraudulent withdrawal from Municipal bank account	4 927 743	-
Other sundry debtors	3 866 414	4 422 309
	26 682 116	22 310 268
Included in Sundry debtors for 2024/2025 is an amount of R4 927 743.21 of funds not recovered to date as a result of the fraudulent withdrawal from the municipal primary bank account. This is currently in the process of recovery.		
Other Debtors:		
Included in Other Debtors are:		
Accrued Income	8 281 359	12 758 660
iLembe water deposits	56 491	56 491
Sundry Debtors	26 682 116	22 310 268
Prepaid expenditure	3 881 374	2 625 578
Housing bridge financing and medical aid	158 062	158 062
Over payment of contractors	-	-
Department of Transport (DOT) - Motor vehicle licensing commission	1 595 741	464 255
	40 655 144	38 373 313

KWADUKUZA LOCAL MUNICIPALITY
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2025
R

2024 Restated
R

Statutory receivables included in receivables from non-exchange transactions are as follows:

Gross Debtors:

Traffic Fines	154 314 668	143 913 092
Property Rates	258 698 015	223 595 897
	413 012 683	367 508 989

Impairment:

Traffic Fines impairment	(96 067 387)	(95 071 916)
Property Rates impairment	(142 484 831)	(136 463 664)
	(238 552 218)	(231 535 580)

Net Debtors:

Traffic Fines	58 247 281	48 841 176
Property Rates	116 213 184	87 132 233
	174 460 465	135 973 408

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 and/or surcharge against the valuation of the individual properties within the municipal jurisdiction. 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:

1. The estimate was determined in accordance with the Credit Control Policy of the municipality, and the impairment methodology.
2. 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.
3. 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%)

11 Employee and Long Services Benefits

Post-employment medical benefits	15 505 000	15 121 000
Long Service Award loss	134 000	5 375 000
	15 639 000	20 496 000

2025
R

2024 Restated
R

12 Short term investments

The municipality has the following short term investments

ABSA Bank Account - Stanger Branch Account Number 2079270909	32 512 741	32 512 741
Nedbank Bank Account - Treasury Branch Account Number 03/7881022337/175	10 862 027	10 862 027
Nedbank Bank Account - Treasury Branch Account Number 03/7881022337/176	27 000 000	27 000 000
ABSA Bank Account - Stanger Branch Account Number 2081342297	-	10 000 000
	70 374 769	80 374 769

13 Cash and cash equivalents

Cash and cash equivalents consist of:

	Bank statement balances		Cash book balances	
	2025	2024	2025	2024 Restated
Bank Balances and short term deposits	972 925 544	1 348 438 691	970 867 046	1 355 716 370

The municipality had the following Investment and Bank accounts

Account number / description	Bank statement balances		Cash book balances	
	2025	2024	2025	2024
First National Bank Account - Stanger Branch Account Number 62288308672	804 947	757 440	804 947	757 440
First National Bank Account - Stanger Branch Account Number 62288306147	399 738	376 653	399 738	376 653
ABSA Account - Durban Branch Account Number 93 1800 0892	1 333 567	1 240 328	1 333 567	1 240 328
ABSA Bank Account - Stanger Branch Account Number 9330098057	28 154 748	42 334 194	28 154 748	42 334 194
ABSA Bank Account - Stanger Branch Account Number 932 12992298	1 019 128	947 980	1 019 128	947 980
ABSA Bank Account - Stanger Branch Account Number 932 1890676	305 615	284 367	305 615	284 367
ABSA Bank Account - Stanger Branch Account Number 932 1890529	1 131 306	1 052 223	1 131 306	1 052 223
ABSA Bank Account - Stanger Branch Account Number 932 1063433	3 877 855	3 606 547	3 877 855	3 606 547
ABSA Bank Account - Stanger Branch Account Number 932 1889635	5 161 896	4 800 721	5 161 896	4 800 721
ABSA Bank Account - Stanger Branch Account Number 932 1890113	351 619	327 159	351 619	327 159
ABSA Bank Account - Stanger Branch Account 932 3556707	16 421 475	15 257 143	16 421 475	15 257 143
ABSA Bank Account - Stanger Branch Account Number 932 6885911	7 974 376	7 416 409	7 974 376	7 416 409

13 Cash and cash equivalents (Continued)

Account number / description	Bank statement balances		Cash book balances	
	2025	2024	2025	2024
Primary Bank Account ABSA Bank Stanger Branch Account Number 4087 627126	66 775 607	160 044 541	63 399 614	167 044 541
Grants Bank Account (2) ABSA- Stanger Branch Account Number 408 8893526: Cheque Account	27 249 720	70 372 484	27 249 720	70 372 484
ABSA Bank - Stanger Branch Account Number 408 8890536	5 896 004	5 581 749	5 896 004	5 581 749
ABSA Bank - Stanger Branch Account Number 408 8890196	1 472 857	1 919 727	1 472 857	1 919 727
ABSA Bank - Stanger Branch Account Number 408 889105	14 419 401	13 533 619	14 419 401	13 533 619
ABSA Bank - Stanger Branch Account Number 408 8891427	40 261.55	39 640	40 262	39 640
ABSA Bank - Stanger Branch Account Number 408 8892732	57 937	56 230	57 937	56 230
ABSA Bank - Stanger Branch Account Number 408 8893047	166 534	158 151	166 534	158 151
ABSA Bank - Stanger Branch Account Number 408 8893306	30 726	30 946	30 726	30 946
ABSA Bank - Stanger Branch Account Number 93 5527 2791	9 037 574	9 905 725	9 037 574	9 905 725
ABSA Bank - Stanger Branch Account Number 9357410284	16 311 822	17 242 244	16 311 822	17 242 244
ABSA Bank Account - Stanger Branch Account Number 93 3046 2759	3 267 326	3 038 795	3 267 326	3 038 795
ABSA Bank Account - Stanger Branch Account Number 93 3924 6273	17 887 327	16 619 097	17 887 327	16 619 097
ABSA Bank Account - Stanger Branch Account Number 40 9577 4472	231 664 200	222 007 694	231 664 200	222 007 694
Standard Bank Account - Durban Branch Account Number 058756442-092	55 059 060	50 498 077	55 059 060	50 498 077
Standard Bank Account - Durban Branch Account Number 058756442-094	64 552 146	59 204 775	64 552 146	59 204 775
Nedbank Account - Stanger Branch Account Number 03/7881022337/166	81 093 119	75 168 297	81 093 119	75 168 297
Investec Bank Account - Durban Branch Account Number 1100-482666-620	55 335 127	50 902 512	55 335 127	50 902 512
ABSA Bank Account - Stanger Branch Account Number 4100653842	2 625 435	3 220 351	2 625 435	3 220 351
Petty Cash & Cash on hand	-	-	1 317 495	277 680
ABSA Bank Account - Stanger Branch Account Number 93 7782 6059 (Disaster R&R Grant)	216 104 050	475 451 031	216 104 050	475 451 031
ABSA Bank Account - Stanger Branch Account Number 93 734 01425 (Disaster R Grant)	14 551 799	14 444 248	14 551 799	14 444 248
Investec Bank Account - Durban Branch Account Number 1100-482666-621	22 391 243	20 597 594	22 391 243	20 597 594
	972 925 544	1 348 438 691	970 867 046	1 355 716 370

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	2025 R	2024 Restated R
14 Revaluation reserve		
Opening balance	18 313 137	18 313 137
Movement for the year	-	-
Closing balance	<u>18 313 137</u>	<u>18 313 137</u>

15 HOUSING OPERATING ACCOUNT

The Housing Operating Account is represented by the following assets and liabilities:

Fixed Assets	2 333 383	2 656 820
Housing Inventory	123 406	123 406
Debtors	297 196	316 112
Debtors: Department of Human Settlements	251 934	251 934
Accumulations	5 909 248	5 512 911
Prepaid debtors	(187 011)	(133 028)
	<u>8 728 156</u>	<u>8 728 156</u>

16 LEASES

Minimum Finance lease payments due:

Within one year	1 320 319	1 281 491
Later than 1 year and no later than 5 years	590 450	1 795 349

	<u>1 910 769</u>	<u>3 076 840</u>
less: Future finance charges	(163 509)	(407 884)

Present value of minimum lease payments	<u>1 747 260</u>	<u>2 668 956</u>

Present value of minimum Finance lease payments due:

Within one year	1 177 433	1 021 753
Later than 1 year and no later than 5 years	569 827	1 647 203

	<u>1 747 260</u>	<u>2 668 956</u>

The municipality has entered into a lease agreement with Vodacom for the use of tablets effective March 2023. The lease runs for a period of 3 years.

The municipality had entered into lease agreement with Motswako Office Solutions for the use of photocopy machines, effective 01 December 2023. The lease runs for a period of 3 years.

The municipality has entered into a lease agreement with Vodacom for the use of laptops effective November 2024. The lease runs for a period of 3 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	907 698	864 475
Later than 1 year and no later than 5 years	-	907 698
Later than 5 years	-	-
	<u>907 698</u>	<u>1 772 173</u>

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. Rental income escalates at 5% per annum.

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	2025 R	2024 Restated R
17 Unspent conditional grants, receipts and Public contributions		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts:		
Energy Efficiency and Demand Side Management Grant	-	1 051
Municipal Infrastructure Grant	12 287 114	-
Department of Minerals and Energy DME (INEP)	-	485 348
Housing Accreditation	9 388	9 388
Ballito Junction Road	9 873 612	9 873 612
IFA Hulletts Sports Facility	97 810	97 810
IFA Hulletts Beach Node Development	20 725	20 725
KZN EDTEA - Prize Money cleanest town	463 420	477 223
Title Deeds Restoration Grant	2 688 225	2 688 225
Natural Resource Management Project Grant (EDTEA)	1 002 868	212 868
Municipal Disaster Response Grant	6 261 550	20 317 734
Municipal Disaster Recovery Grant (R&R)	57 946 089	338 048 171
Municipal Employment Initiative Grant	77 913	77 913
Energy Loss Project (EDTEA) Vuthela Project	4 575 484	9 420 300
General Budget Support - GBS Grant (Ease of Business)	1 454 997	1 847 836
Housing Grant (DOHS)	50 058 552	51 688 383
	146 817 766	435 266 587
Further details of amounts recognised in Revenue - refer to Note 26		
18 Provisions		
Reconciliation of Current provision		
<i>Reimbursement of Developers Contribution</i>		
Opening balance	-	-
Transfer to current provisions	-	-
Utilised during the year	-	-
Reversed during the year	-	-
Total	-	-
<i>Rehabilitation of Landfill Site</i>		
Opening balance	3 001 573	2 869 573
Additional provision raised	(315 595)	132 000
Total	2 685 978	3 001 573
Total Current Provision:	2 685 978	3 001 573

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 Restated R
Reconciliation of Non - Current provision		
1. Rehabilitation of Landfill Site		
Opening balance	11 786 706	11 268 362
Additions / (Decrease) to provisions	673 717	518 345
Total	12 460 423	11 786 706
2. Developers Contribution		
Opening balance	6 151 202	5 504 431
Additions / (Decrease) to provisions	847 462	646 771
Total	6 998 663	6 151 202
3. Deferred Interest		
Opening balance	2 433 052	3 079 823
Additions / (Decrease) to provisions	(847 462)	(646 771)
Total	1 585 591	2 433 052
Total Non - Current Provision:	21 044 677	20 370 961
Total Current Provision:	2 685 978	3 001 573
Total Non - Current Provision	21 044 677	20 370 961
Total Provisions:	23 730 655	23 372 534
Net adjustments to Provisions	358 121	650 345

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 R15 146 401 as the present value.

The provision created for the Developers Contribution is based on potential reimbursement of bulk infrastructure development undertaken by the respective developers. These are in terms of agreements signed between the municipality and the relevant developers and reimbursements will only occur when various conditions have been met.

19 Long term Liabilities

Loans - Bank Loans

Bear interest at 9.73% to 10.42% and is redeemed in bi-annual instalments, including interest, over varying periods until 2032.

Please refer to Appendix A for further details.

Loans	147 701 970	162 407 406
Current portion transferred to Current Liabilities	(16 051 904)	(14 705 436)
Total Long Term Liabilities	131 650 066	147 701 970

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 R	2024 Restated R
20 TRADE & OTHER PAYABLES		
Trade payables	354 219 736	360 807 933
Payments received in advance	44 202 722	37 248 806
Other creditors	34 604 588	32 736 213
Housing Agency Creditor - Department of Human Settlements	-	-
Expenditure captured on Cash Book but not released	-	11 067
Deposits - other	-	5 573 942
Staff leave	32 999 153	29 553 900
Staff bonus	13 585 596	12 725 822
Retentions	85 887 189	80 859 016
Output VAT accrual	50 336 085	48 851 957
VAT output accrual on doubtful debt impairment	(5 574 415)	(6 296 432)
	610 260 653	602 072 224
Payments in advance includes prepaid electricity accruals		
21 Consumer Deposits		
Consumer Deposits in respect of:		
Electricity	46 577 601	43 700 118
Other	242 753	188 079
	46 820 354	43 888 198
22 Service charges		
Sale of electricity	1 364 984 517	1 236 513 115
Refuse removal	109 362 567	97 659 446
	1 474 347 084	1 334 172 560
23 Operational Revenue (Other Income)		
Contributions demand based	29 023 437	23 430 315
Building plan fees	11 574 529	12 266 168
Sundries	15 733	469 408
Proceeds from Insurance	1 512 412	6 650 998
Admin charges	2 296 563	2 010 616
Miscellaneous income	8 990 282	5 507 498
Advertising	5 634 767	5 360 139
Road Master Plans	1 237 329	1 845 664
Burial Fees	778 649	863 292
Staff recoveries	-	602 400
Road Reinstatement - Ilembe District Municipality	8 702 515	-
	69 766 215	59 006 497
24 Interest Earned		
Interest revenue		
Interest Earned on Investments & Bank Accounts	93 721 426	142 346 192

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 Restated R
25 PROPERTY RATES		
Residential	400 919 806	368 557 156
Business and Commercial	161 377 715	150 054 185
Industrial	36 838 389	34 330 025
Mining	215 492	205 229
Education and State	12 329 888	12 059 843
Agriculture	3 782 457	3 455 392
Vacant	114 838 080	107 755 267
Public Service Infrastructure	18 448	18 801
Illegal Use/Unauthorised Use	21 609 662	13 168 110
Special rating areas	14 011 898	13 798 695
Total Actual Assessment Rates	765 941 835	703 402 702
Property Valuations		
Residential	65 989 813 586	63 574 170 586
Commercial	9 353 308 000	9 207 343 000
Education and State	558 569 000	564 179 000
Municipal	1 481 543 000	1 468 603 000
Agriculture	4 456 613 000	4 363 352 000
Vacant	5 361 308 785	5 406 465 000
Land reform	1 251 152 000	1 251 442 000
Monuments	2 620 000	2 620 000
Public Service Infrastructure	1 607 402 000	1 607 352 000
Worship / Public Benefit Organisations	261 870 000	262 840 000
Illegal Use/Unauthorised Use	337 246 000	262 076 000
Total Property Valuations	90 661 445 371	87 970 442 586

The last general valuation came into effect on 01 July 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.

Assessment rates: Cents in the rand on market valuation as follows:

Residential, informal settlements, land reform, monuments	0.968	0.921
Residential for commercial purposes	2.993	2.850
Agricultural	0.242	0.231
Industrial, business and commercial, vacant, public infrastructure, Municipal owned and worship	2.993	2.850
Properties used by an organ of state and used for public service purposes	2.993	2.850
Guest houses	2.993	2.850
Public service infrastructure	0.242	0.231
Illegal Use/Unauthorised Use	0.060	0.050

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.

**KWADUKUZA LOCAL MUNICIPALITY
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FOR THE YEAR ENDED 30 JUNE 2025**

	2025 R	2024 Restated R
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%
Bona fide Agricultural properties	50%	50%
Rates are levied as follows (in terms of S26 of the Municipal Property Rates Act):		
On an annual basis, by application, and the final date of payment being:	30 September 2024	30 September 2023
On a monthly basis, and the final dates of payment being the last working day of the month from August 2024 to June 2025.		
Interest is levied on outstanding rates per annum at :	10% per annum	10% per annum
Plus administration 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%
26 GOVERNMENT GRANTS AND SUBSIDIES		
Equitable Share	276 746 348	259 016 143
Municipal Infrastructure Grant	39 337 865	40 788 776
Financial Management Grant	1 800 000	1 750 000
Department of Minerals and Energy - INEP	18 523 000	11 460 484
Community Library Services Grant	1 834 000	1 270 000
Library Subsidy	6 149 000	5 890 000
Museum	260 000	249 000
Energy Efficiency & Demand Side Management Grant	1 051	6 998 949
Expanded Public Works Programme	1 589 000	1 624 000
Housing Accreditation	3 242 170	5 200 245
Natural Resource Management Project Grant (EDTEA)	410 000	1 479 568
Municipal Disaster Response Grant	14 056 184	28 532 355
Municipal Disaster Recovery Grant (R&R)	280 102 082	561 671 522
CETA Candidacy grants	1 472 125	-
General Budget Support - GBS Grant (SCADA)	-	15 630 264
General Budget Support - GBS Grant (Ease of Business)	392 839	10 629 935
Municipal Employment Initiative Grant	-	922 087
Energy Loss Project (EDTEA) Vuthela Project	4 844 816	-
KZN EDTEA - Cleanest town Prize money	13 803	522 777
	650 774 283	953 636 106

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 Restated R
Equitable Share		
Balance unspent at the beginning of year	-	-
Current year receipts	276 746 348	259 016 143
Conditions met – transferred to revenue	<u>(276 746 348)</u>	<u>(259 016 143)</u>
	<u>-</u>	<u>-</u>

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	(21)	148 755
Current year receipts	51 625 000	40 640 000
Conditions met - transferred to revenue	(39 337 865)	(40 788 776)
Paid back to the National Revenue Fund	-	-
Conditions still to be met - remain liabilities (see note 17)	<u>12 287 114</u>	<u>(21)</u>

This grant was used for municipal infrastructure.
The original allocation was reduced via the adjustments DORA Government Notice No. 4540

Financial Management Grant

Balance unspent at beginning of year	-	
Current year receipts	1 800 000	1 750 000
Conditions met - transferred to revenue	(1 800 000)	(1 750 000)
Conditions still to be met - remain liabilities (see note 17)	<u>-</u>	<u>-</u>

This grant is used to assist the municipality to implement financial reforms required by the MFMA.

Department of Minerals and Energy Grant - INEP

Balance unspent at beginning of year	485 348	1 145 832
Current year receipts	18 523 000	10 800 000
Conditions met - transferred to revenue	(18 523 000)	(11 460 484)
Paid back to the National Revenue Fund	(485 347)	
Conditions still to be met - remain liabilities (see note 17)	<u>-</u>	<u>485 348</u>

This grant is used for electrification projects as part of upgrading of informal settlement areas.

Community Library services grant

Balance unspent at beginning of year	-	508 000
Current year receipts	1 834 000	762 000
Conditions met - transferred to revenue	(1 834 000)	(1 270 000)
Conditions still to be met - remain liabilities (see note 17)	<u>-</u>	<u>-</u>

This Grant is used for the payment of the cyber cadets at the Shakaskraal, Stanger Manor and KwaDukuza libraries.

KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 Restated R
Museum		
Balance unspent at beginning of year	-	-
Current year receipts	260 000	249 000
Conditions met - transferred to revenue	(260 000)	(249 000)
Conditions still to be met - remain liabilities (see note 17)	-	-
This grant is for the Museum expenditure incurred.		
Energy Efficiency & Demand Side Management		
Balance unspent at beginning of year	1 051	-
Current year receipts	-	7 000 000
Conditions met - transferred to revenue	(1 051)	(6 998 949)
Paid back to the National Revenue Fund	-	-
Conditions still to be met - remain liabilities (see note 17)	-	1 051
This grant is for community upliftment		
Expanded Public Works Program		
Balance unspent at beginning of year	-	-
Current year receipts	1 589 000	1 624 000
Conditions met - transferred to revenue	(1 589 000)	(1 624 000)
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	6 149 000	5 890 000
Conditions met - transferred to revenue	(6 149 000)	(5 890 000)
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	9 388	3 294 909
Current year receipts / transfers in	3 242 170	1 914 724
Conditions met - transferred to revenue	(3 242 170)	(5 200 245)
Conditions still to be met - remain liabilities (see note 17)	9 388	9 388
This grant is for community upliftment		
General Budget Support - GBS Grant (SCADA)		
Balance unspent at beginning of year	-	-
Current year receipts	-	15 630 264
Conditions met - transferred to revenue	-	(15 630 264)
Paid back to the National Revenue Fund	-	-
Conditions still to be met - remain liabilities (see note 17)	-	-
This grant is for Electricity Network Management.		

KWADUKUZA LOCAL MUNICIPALITY
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	2025 R	2024 Restated R
General Budget Support - GBS Grant (Ease of Business)		
Balance unspent at beginning of year	1 847 836	-
Current year receipts	-	12 477 771
Conditions met - transferred to revenue	(392 839)	(10 629 935)
Paid back to the National Revenue Fund	-	-
Conditions still to be met - remain liabilities (see note 17)	<u>1 454 997</u>	<u>1 847 836</u>
This grant is for Economic Development and Planning.		
Title Deeds Restoration Grant		
Balance unspent at beginning of year	2 688 225	2 688 225
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - remain liabilities (see note 17)	<u>2 688 225</u>	<u>2 688 225</u>
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	212 868	192 437
Current year receipts	1 200 000	1 500 000
Conditions met - transferred to revenue	(410 000)	(1 479 568)
Conditions still to be met - remain liabilities (see note 17)	<u>1 002 868</u>	<u>212 868</u>
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.		
Municipal Disaster Response Grant		
Balance unspent at beginning of year	20 317 734	26 823 089
Current year receipts	-	22 027 000
Conditions met - transferred to revenue	(14 056 184)	(28 532 355)
Conditions still to be met - remain liabilities (see note 17)	<u>6 261 550</u>	<u>20 317 734</u>
Municipal Disaster Recovery Grant (R & R)		
Balance unspent at beginning of year	338 048 171	899 719 693
Current year receipts	-	-
Conditions met - transferred to revenue	(280 102 082)	(561 671 522)
Conditions still to be met - remain liabilities (see note 17)	<u>57 946 089</u>	<u>338 048 171</u>
CETA Candidacy Grant		
Balance unspent at beginning of year	-	-
Current year receipts	1 472 125	-
Conditions met - transferred to revenue	(1 472 125)	-
Conditions still to be met - remain liabilities (see note 17)	<u>-</u>	<u>-</u>
Municipal Employment Initiative Grant		
Balance unspent at beginning of year	77 913	1 000 000
Current year receipts	-	-
Conditions met - transferred to revenue	-	(922 087)
Conditions still to be met - remain liabilities (see note 17)	<u>77 913</u>	<u>77 913</u>

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 Restated R
Energy Loss Project (EDTEA) Vuthela Project		
Balance unspent at beginning of year	9 420 300	-
Current year receipts	-	9 420 300
Conditions met - transferred to revenue	(4 844 816)	-
Conditions still to be met - remain liabilities (see note 17)	<u>4 575 484</u>	<u>9 420 300</u>
27 Public Contributions		
IFA Huletts Sports Facility	-	-
Ballito Junction Road	-	-
IFA Huletts Beach Node Development	-	-
KwaDukuza Mall Development	-	-
KZN EDTEA - Cleanest town Prize money	26 (13 803)	(522 777)
	<u>(13 803)</u>	<u>(522 777)</u>
Balance unspent at beginning of year	10 469 370	10 992 147
Current-year receipts	-	-
Conditions met - transferred to revenue	(13 803)	(522 777)
Balance unspent at end of year (Note 16)	<u>10 455 567</u>	<u>10 469 370</u>
Conditions still to be met - remain liabilities (see note 17)		
28 Employee related costs		
Basic	335 927 373	310 112 953
Bonus	26 189 245	23 969 392
Medical aid - company contributions	32 827 843	30 240 183
UIF	2 388 681	2 303 219
Industrial council levies	158 876	149 875
Leave pay provision charge	9 464 805	9 318 370
Leave & bonus provision expense	4 305 028	1 302 029
Travelling allowances	19 123 836	18 228 052
Overtime payments	80 496 003	76 484 959
Housing benefits and allowances	1 267 808	1 207 652
Group Life Assurance	3 566 249	3 184 122
Pension Contributions	58 601 621	55 003 653
Standby, Uniform, Telephone and Tool allowances	18 924 435	19 320 572
	<u>593 241 805</u>	<u>550 825 030</u>
Remuneration of the Municipal Manager		
Salary and Allowances	1 866 213	1 955 496
Travel Allowance	96 000	96 000
Cell Allowance	17 160	17 160
Performance Bonus	64 389	145 441
Pension	188 047	180 459
Other contributions	2 125	2 125
	<u>2 233 934</u>	<u>2 396 681</u>
Remuneration of the Chief Financial Officer		
Salary and Allowances	1 076 143	1 105 804
Travel Allowance	552 434	612 558
Cell Allowance	14 520	14 520
Performance Bonus	177 159	-
Pension	248 600	237 758
Other contributions	2 125	2 125
	<u>2 070 982</u>	<u>1 972 765</u>

KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 Restated R
Executive Director: Economic Development & Planning		
Salary and Allowances	1 303 019	1 372 222
Travel Allowance	204 663	186 000
Cell Allowance	14 520	14 520
Performance Bonus	155 197	166 932
Pension	255 671	250 657
Other contributions	2 125	2 125
	1 935 195	1 992 456
Executive Director: Corporate Services		
Salary and Allowances	1 429 808	1 665 245
Travel Allowance	293 800	89 242
Cell Allowance	14 520	121 611
Performance Bonus	86 220	-
Pension	-	-
Other contributions	2 125	2 303
	1 826 473	1 878 401
Executive Director: Community Safety		
Salary and Allowances	1 562 281	1 686 427
Travel Allowance	160 000	120 000
Cell Allowance	14 520	14 520
Performance Bonus	155 197	133 546
Pension	-	-
Other contributions	2 125	2 125
	1 894 123	1 956 618
Executive Director: Community Services & Public Amenities		
Salary and Allowances	1 307 018	1 423 708
Travel Allowance	180 000	180 000
Cell Allowance	14 520	14 520
Performance Bonus	166 932	166 932
Pension	243 667	233 490
Other contributions	2 125	2 125
	1 914 262	2 020 776
Chief Operations Officer		
Salary and Allowances	1 373 060	1 450 142
Travel Allowance	161 890	135 000
Cell Allowance	14 520	14 520
Performance Bonus	137 953	133 546
Pension	231 613	230 784
Other contributions	2 125	2 125
	1 921 160	1 966 118
Executive Director: Civil Engineering		
Salary and Allowances	822 035	195 621
Travel Allowance	300 000	50 000
Cell Allowance	14 520	2 420
Performance Bonus	-	-
Pension	150 770	23 912
Other contributions	2 125	177
	1 289 450	272 130

The Executive Director: Civil Engineering was appointed on the 01 May 2024.

KWADUKUZA LOCAL MUNICIPALITY
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	2025 R	2024 Restated R
Executive Director: Electrical Engineering Services		
Salary and Allowances	1 307 018	1 384 534
Travel Allowance	180 000	180 000
Cell Allowance	14 520	14 520
Performance Bonus	86 220	116 852
Pension	243 667	233 490
Other contributions	2 125	2 125
	1 833 551	1 931 522
29 REMUNERATION OF COUNCILLORS		
Mayor	1 070 786	1 092 451
Deputy Mayor	608 156	-
Speaker	899 577	883 049
Executive Committee (EXCO)	6 627 156	7 811 950
Section 79 - MPAC Chair	563 352	550 921
Councillors	18 431 082	17 668 678
Councillors' pension contribution	2 691 125	2 639 572
Traditional leaders	37 600	20 800
	30 928 833	30 667 421
The post of the Deputy Mayor was vacant in 2023/2024 financial year and filled partly for the 2024/2025 financial year.		
30 Depreciation and amortisation		
Property, Plant & Equipment	133 794 324	120 285 743
Intangible assets	75 929	107 465
	133 870 253	120 393 211
31 Impairment Loss		
Impairments / (Impairment Reversals)		
Property, Plant & Equipment	1 481 182	2 250 569
Inventory	(387 997)	(871 427)
	1 093 186	1 379 142
32 Finance costs		
Finance costs on borrowings	15 595 865	16 842 555
33 Debt impairment and write offs		
Receivables from exchange transactions		
Debt impairment movement for the year	(289 188)	4 984 427
Bad debt written off	1 347 615	1 485 151
	1 058 428	6 469 578
Receivables from non-exchange transactions		
Debt impairment movement for the year	6 028 011	3 758 491
Bad debt written off	3 548 314	3 527 875
	9 576 326	7 286 366
Traffic fines & Long term debtors		
Debt impairment movement for the year	804 718	6 355 540
Bad debt written off	239 724	-
	1 044 442	6 355 540
Total for the year	11 679 195	20 111 483

**KWADUKUZA LOCAL MUNICIPALITY
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	2025 R	2024 Restated R
Summary:		
Contributions to debt impairment provision	6 543 542	15 098 458
Bad debts written off	5 135 653	5 013 025
	11 679 195	20 111 483
34 Bulk purchases		
Electricity	1 424 946 362	1 240 642 730
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 an 12,72% tariff hike in favour of Eskom for the 2024/2025 financial year.		
35 GENERAL EXPENSES		
Included in general expenses is the following: -		
Marketing and social responsibility	2 157 737	2 458 940
Audit fee - external audit	6 735 389	6 860 292
Bank charges	5 447 551	4 796 933
Insurance general	9 655 836	8 062 312
Ward Committee	5 005 518	4 960 500
Advertising	6 905 337	4 184 477
Printing, Stationery & postage	5 906 116	4 570 603
SALGA Subscriptions	7 568 061	6 465 949
Water & Sanitation	17 566 218	11 272 199
Sundry Oils & Fuels	15 948 640	15 977 821
Staff & councillor training costs and bursaries	5 870 233	4 900 262
Travelling & subsistence	4 159 897	2 056 804
Telephone calls / rentals	2 390 494	2 736 013
Software support & licences and agreements	13 636 434	13 591 514
Miscellaneous Expenses	3 287 840	3 214 336
Special Rating Area Expenditure	13 995 124	14 889 993
Public Affairs	1 899 473	2 065 457
Workman's Compensation	4 015 883	3 823 956
Skills Development Levy	5 479 841	4 521 671
Commission on Electricity vending	4 766 067	4 013 582
Indigent Disaster Support	1 956 680	3 779 515
TOTAL GENERAL EXPENSES	144 354 371	129 203 128
36 Fair value adjustment		
Investment property (Fair value model)	10 145 000	4 294 000
Initial recognition of Investment property	1 120 000	-
Initial recognition of Land - PPE	5 480 000	-
	16 745 000	4 294 000
37 Commitments		
Authorised capital expenditure		
Approved and Contracted for:		
Infrastructure	538 345 405	676 265 977
Community	8 567 742	29 748 866
	546 913 146	706 014 842
Total capital commitments		
Approved and Contracted for:	546 913 146	706 014 842
Capital Commitments are exclusive of VAT		

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2025 R	2024 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
SMADA Construction - municipality is being sued for contractual damages due to cancellation of contract.	18 857 585	18 841 161
B S P Pillay - the Plaintiff is suing a municipal employee in her personal capacity for the damages, who was acting under her scope of employment.	149 640	149 640
Rejoice T Ndlovu - claim against the municipality for damages suffered in the removal of a fence	300 000	300 000
Lorris L Sunker - claim against the municipality from damages to vehicle by pot holes	26 330	26 330
Wandile Nicolson Ndaba - claim against the municipality for breach of agreement - duplication of sale of property ERF 56 Shakaville.	50 000	50 000
Catide Investments (Pty) Ltd- claim against the municipality in respect of services rendered in the Sakhamkhaya Housing Project.	900 000	1 341 626
T P Ngcobo & Associates - this matter is linked to the Sakhamkhaya Housing project.	2 839 948	3 033 723
Keith A MacVicar - claim against the municipality - stormwater damage to the plaintiffs property	180 000	180 000
Edison Power (PTY) Ltd - this is a claim against the municipality in respect of a tender.	550 000	550 000
Dladla & others - claim against the municipality for overtime worked	457 472	457 472
MAS Corporation (Pty) Ltd - claim against the municipality in respect to non-payment of goods supplied.	20 000	-
Consolidated Aone - claim against the municipality in relation to amounts previously settled by the claimant	7 560 460	-
Performance bonuses for Section 57 managers The performance bonus provision relating to Section 57 managers reporting to the Municipal Manager and Municipal Manager is payable after the approval of annual performance assessment report for the period 2024/2025 financial year. The bonus is based on the assessment outcome.	1 147 901	772 287

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	2025 R	2024 Restated R
Salary increases for Section 57 managers	413 292	-
Contingent Liability for Salaries, Allowances and Benefits of Different Members of Municipal Councils		
Contingent liability payable to municipal councils upon publishing of Gazette by the Minister for Cooperative Governance and Traditional Affairs – determination of upper limits of the salaries, allowances and benefits of the different members of municipal councils on an annual basis.	917 908	1 606 807
	141 741 846	134 680 356
39 Related parties and close family members		
Related Parties		
Staff member: P Murugan		
General Expenses for the year:	74 950	167 416
Contract Value	74 950	167 416
Nature of Transaction: The brother of the employee provide pest control services to the municipality.		
Councillor: G Govender		
General Expenses for the year:	-	25 818
Contract Value	-	25 818
Nature of Transaction: The son of the Councillor owns a company that provides panel beating and spray painting services.		
Councillor: C M Naicker		
General Expenses for the year:	1 133 302	1 671 838
Contract Value	1 133 302	1 671 838
Nature of Transaction: The son of the Councillor provided uniform and protective clothing services to the municipality.		
Staff member: M Naidoo		
General Expenses for the year:	24 119	39 767
Contract Value	24 119	39 767
Nature of Transaction: The relative of the employee provides air-conditioning services to the municipality.		
Staff member: N Nxumalo		
General Expenses for the year:	581 634	1 984 096
Contract Value	581 634	1 984 096
Nature of Transaction: The partner of the employee provides fixtures and fittings to the municipality.		
Staff member: J Sewdular		
General Expenses for the year:	9 410 236	12 767 919
Contracted Value	9 410 236	12 767 919
Nature of Transaction: The spouse of the employee provides consultancy services in respect of various projects.		
Staff member: L Mwandla		
General Expenses for the year:	-	150 525
Contracted Value	-	150 525
Nature of Transaction: The partner of the employee provides construction services to the municipality.		

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	2025 R	2024 Restated R
Staff member: T Ntuli		
General Expenses for the year:	4 000	10 500
Contracted Value	4 000	10 500
Nature of Transaction: The spouse of the employee provides sound equipment hire services to the municipality.		
Staff member: B Mchune		
General Expenses for the year:	-	8 400
Contracted Value	-	8 400
Nature of Transaction: The spouse of the employee provides catering services to the municipality.		
Staff member: Mr Mkhize		
General Expenses for the year:	189 000	21 264
Contracted Value	189 000	21 264
Nature of Transaction: The spouse of the employee provides building maintenance services to the municipality.		
Councillor: S F Phungula		
General Expenses for the year:	189 000	-
Contract Value	189 000	-
Nature of Transaction: The relative of the Councillor provides civil works to the municipality.		
Councillor: S F Phungula		
General Expenses for the year:	238 577	-
Contract Value	238 577	-
Nature of Transaction: The relative of the Councillor provides general building works to the municipality.		

Payments of remuneration to Senior Managers and Councillors - details of payments are set out in Notes 28 & 29

Awards to close family members of persons in the Service of the State:

2025

Particulars of Award	Conlog
Expenditure	R43 470
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	R550 731
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	R231 224
Individual's name / Service Provider	Mrs Divesh
Relation in Service of the State	Spouse
State Employer	Dept. Of Education

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	2025 R	2024 Restated R
Particulars of Award		Munsoft
Expenditure		R6 209 486
Individual's name / Service Provider		M Rerani
Relation in Service of the State		Daughter
State Employer		Office of Chief Justice
Awards to close family members of persons in the Service of the State: Cont.		2025
Particulars of Award		PSA Africa
Expenditure		R56 362
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		R236 329
Individual's name / Service Provider		Dr A Kazi
Relation in Service of the State		Son
State Employer		Intern Doctor - Stanger Hospital
Particulars of Award		Amanganga Power
Expenditure		NIL
Individual's name / Service Provider		N Dlamini
Relation in Service of the State		Mother
State Employer		Educator - Lee Primary

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 useful 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 R3 244 398 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:

	2025
Community Assets	(632 422)
Electricity Infrastructure	(155 658)
Roads and Storm water	(261 108)
Furniture and Fittings	(1 849 297)
Vehicles	(298 850)
Intangible Assets	(34 203)
Solid Waste	(12 860)
	(3 244 398)

41 Prior Period Errors & Reclassifications:

Prior Period Reclassifications:

The comparatives for 2023/2024 have been restated in respect of the following reallocations:

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	2025 R	2024 Restated R
41.1 Restatement of Trade & Other Payables (Note 20)		554 239 740
Reallocation of VAT receivables to Trade and Other Payables - Output VAT accrual. - Alignment of disclosure to ASB fact sheet 11.		48 851 957
Reallocation of VAT receivables to Trade and Other Payables - VAT output accrual on doubtful debt impairment		(6 296 432)
Restated balance as at 30 June 2024		596 795 266
41.2 Restatement of Receivables from exchange transactions (Note 9)		227 935 820
Reallocation of Input VAT to Receivables from Exchange Transactions - Input VAT Accrual - Alignment of disclosure to ASB fact sheet 11.		86 322 578
Reallocation of Input VAT to Receivables from Exchange Transactions - Vat Control (Receivable) due from SARS		4 640 367
Reallocation of Sundry Debtors between Receivables from Non-exchange transactions to Receivables from Exchange transactions		15 663 240
Restated balance as at 30 June 2024		334 562 005
41.3 Restatement of Receivables from Non-exchange transactions (Note 10)		183 334 533
Reallocation of Sundry Debtors between Receivables from Non-exchange transactions to Receivables from Exchange transactions		(15 663 240)
Restated balance as at 30 June 2024		167 671 293
<u>Prior Period Errors:</u>		
41.4 Restatement of Receivables from non-exchange transactions (Note 10)		167 671 293
Adjustment to Other debtors - Overpayment to contractors - 2023/2024 - Reallocation from retentions to debtors.		(224 052)
Restated balance as at 30 June 2024		167 447 241
41.5 Restatement of Unspent conditional grants, receipts and Public contributions (Note17)		433 424 830
Reversal of Grant revenue recognition on the Ease of Doing Business Grant.		1 847 836
Adjustment to Housing Agency account liabilities prior 2023/2024.		(6 079)
		435 266 587

KWADUKUZA LOCAL MUNICIPALITY
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	2025 R	2024 Restated R
41.6 Restatement of Trade & Other Payables (Note 20)		596 795 266
Adjustment to Property Plant & Equipment 2023/2024 - Furniture and Fittings - Credit Note		-60 000
Adjustment to Trade & Other payables (Deposits Other) - Electrical connection deposits now adjusted from Liabilities to Sundry debtors		435 527
Raising creditor accrual 2023/2024 in respect of:		
Adjustment to Trade & Other payables 2023/2024 - Acquisitions - MV Substations New Lavoupierre Substation - work in progress.		419 059
Street lights maintenance (Contracted Services)		1 676 080
VAT in respect of MV Substations New Lavoupierre substation & Street light maintenance		314 271
Adjustment to Trade & Other payables 2022/2023 - Acquisitions - Disaster projects - Jnl 61692		3 033 594
Adjustment to Trade & Other payables 2023/2024 - Acquisitions - Furniture & Equipment- Jnl 61692		2 000
Adjustment to Trade & Other payables 2023/2024 - Various Operational Expenditure - Jnl 61692		633 663
Adjustment to Trade & Other payables 2023/2024 - VAT relating to capital & operational expenditure - Jnl 61692		475 671
Adjustment to Housing Agency account liabilities prior 2023/2024		6 079
Adjustment to Retentions 2023/2024 - Overpayment to contractors - 2023/2024 - Reallocation from retentions to debtors.		(224 052)
Raising creditor accrual 2023/2024 in respect of contracted services related expenditure		14 601
Raising creditor accrual 2023/2024 in respect of General expenses related expenditure		66 720
Raising creditor accrual 2023/2024 in respect of transfers and subsidies related expenditure		22 167
Adjustment to Trade & Other payables 2023/2024 - Reversal of Creditor accrual Groutville Sports field, Nonoti Beach Node & Update of street Sheffield Beach - work in progress - Jnl 61763		(1 919 756)
Raising creditor accrual 2023/2024 in respect of contracted services related expenditure - licencing fees - S A Post office - Jnl 61767		141 203
Adjustment to Trade & Other Payables 2023/2024 - Raising creditor accrual 2023/2024 in respect of contracted services related expenditure, and Property Plant & Equipment (Waste Buyback Centre)- JNL 61765		178 767
Raising creditor accrual 2023/2024 - Jnl 61764		423 268
Adjustment to Trade & Other payables prior 2023/2024 - Reversal of Invoice 30 - Claim 3 - Velani Hall		(196 175)
Adjustment to Trade & Other payables prior 2023/2024 - Allocation of credit note 005 - Nyongo Road		(74 501)
Adjustment to Trade & Other payables prior 2023/2024 - Allocation of credit note - New Ridge Sugra & Mbozambo		(91 230)
		602 072 224

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	2025 R	2024 Restated R
41.7 Property, Plant & Equipment (Note 3)		3 705 825 341
Adjustment to Property Plant & Equipment 2023/2024 - Furniture and Fittings - Credit Note		(60 000)
Adjustment to Property Plant & Equipment 2023/2024 - Acquisitions - MV Substations New Lavouipierre Substation - work in progress.		419 059
Adjustment to Property Plant & Equipment 2022/2023- Acquisitions - Disaster projects - Jnl 61692		3 033 594
Adjustment to Property Plant & Equipment 2023/2024 - Acquisitions - Furniture & Equipment - Jnl 61692		2 000
Adjustment to Property Plant & Equipment 2023/2024 - Reversal of Furniture & Equipment - Jnl 61774		(2 000)
Adjustment to Property Plant & Equipment 2023/2024 - Reversal of Creditor accrual Groutville Sports field, Nonoti Beach Node & Update of street Sheffield Beach - work in progress - Jnl 61763.		(1 420 721)
Adjustment of Property Plant & Equipment 2023/2024 - Raising creditor accrual 2023/2024 in respect of Property Plant & Equipment (Waste Buyback Centre) - JNL 61765.		129 744
Adjustment of Property Plant & Equipment (Accumulated depreciation) 2023/2024 - (Waste Buyback Centre) - JNL 61765.		(5 186)
Prior year completed projects now being capitalised in 2023/2024 cost.- late submission of completion certificates of projects completed in 2023.2024.		42 253 187
Prior year completed projects now being capitalised in 2023/2024 WIP transferred. - late submission of completion certificates of projects completed in 2023.2024.		(42 253 187)
Adjustment to Property Plant & Equipment 2023/2024 - Adjustment to accumulated depreciation on completed projects for 2023/2024 .		(555 893)
Adjustment to Property Plant & Equipment prior 2023/2024 - Reversal of Invoice 30 - Claim 3 - Velani Hall.		(196 175)
Adjustment to Property Plant & Equipment prior 2023/2024 - Allocation of credit note 005 - Nyongo Road		(74 501)
Adjustment to Property Plant & Equipment prior 2023/2024 - Allocation of credit note - New Ridge Sugra & Mbozambo		(91 230)
Adjustment to Property Plant & Equipment 2023/2024 - Acquisitions - Furniture & Equipment - Jnl 61790		75 500
Adjustment to Property Plant & Equipment (Accumulated Depreciation) 2023/2024 - Acquisitions - Furniture & Equipment		(1 230)
		3 707 078 303
41.8 Restatement of VAT Receivable (Note 11)		44 097 192
Adjustment to Input VAT Accrual recognised 2023/2024 - Raising creditor accrual in respect of MV Substation New Lavouipierre Sub & Street light maintenance.		314 271
Adjustment to Input VAT Accrual recognised 2023/2024 - Raising creditor accrual in respect of various payments. - Jnl 61692		475 671
Adjustment to VAT receivable 2023/2024 - Reversal of Creditor accrual Groutville Sports field, Nonetti Beach Node & Update of street Sheffield Beach - work in progress - Jnl 61763		(117 304)
Adjustment to Input VAT Accrual recognised 2023/2024 - Raising creditor accrual in respect of Property Plant & Equipment (water buyback centre) and contracted services - Jnl 61765		23 327
Adjustment to Input VAT Accrual recognised 2023/2024 - Raising creditor accrual in respect of payments related to contracted services - Jnl 61764		54 253
Reallocation of VAT portion in regards to increases in consumer debt provisions - 2023 - Jnl 61783		3 346 489
Reallocation of VAT portion in regards to increases in consumer debt provisions - 2024 - Jnl 61784		213 520
Restated VAT Receivables as at 30 June 2024		48 407 419

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	2025 R	2024 Restated R
Reallocation of VAT Receivables		
Reallocation of Input VAT to Receivables from Exchange Transactions - Input VAT Accrual - Alignment of disclosure to ASB fact sheet 11.		(86 322 578)
Reallocation of Input VAT to Receivables from Exchange Transactions - Vat Control (Receivable) due from SARS		(4 640 367)
Reallocation of VAT receivables to Trade and Other Payables - Output VAT accrual - Alignment of disclosure to ASB fact sheet 11.		48 851 957
Reallocation of VAT receivables to Trade and Other Payables - VAT output accrual on doubtful debt impairment		(6 296 432)
		-
Reconciliation of Adjusted 2023/2024 Surplus:		
Surplus for the year as previously stated:		801 399 336
Government grants, subsidies & Public Contributions		
Reversal of Grant revenue recognition on the Ease of Doing Business Grant.		(1 847 836)
Service Charges		
Adjustment to service charges revenue 2023/2024 in respect of electrical connection deposits.		(435 527)
Contracted Services		
Raising contracted services expenses for 2023/2024 in respect of Street Lights Maintenance		(1 676 080)
Creditor accrual raised in respect of Replacement of Faulty meters		(2 300)
Creditor accrual raised in respect of Maintenance of building facilities & equipment		(44 908)
Creditor accrual raised in respect of Electrical mains repairs		(76 439)
Creditor accrual raised in respect of professional fees expenditure		(19 500)
Creditor accrual raised in respect of professional fees expenditure		(13 197)
Creditor accrual raised in respect of professional fees expenditure		(1 404)
Reversal of creditor accrual in respect of Electrical mains repairs - Jnl 61763		381 731
Creditor accrual raised in respect of Maintenance of Equipment (licencing fees) expenditure - Jnl 61767		(141 203)
Creditor accrual raised in respect of electrical mains expenditure - Waste Buyback Centre (Jnl 61765)		(25 706)
Creditor accrual raised in respect of maintenance of equipment - JNL 61764		(23 148)
Creditor accrual raised in respect of Electrical mains - JNL 61764		(345 868)
Adjustment to maintenance of equipment 2023/2024 - Reversal of Furniture & Equipment - Jnl 61774		(2 000)
Adjustment to Property Plant & Equipment 2023/2024 - Acquisitions - Furniture & Equipment - Jnl 61790		75 500
General Expenses		
Creditor accrual raised in respect of Advertising expenditure		(113 929)
Creditor accrual raised in respect of Printing and stationery expenditure		(1 900)
Creditor accrual raised in respect of travel & subsistence (standby meals) expenditure		(2 819)
Creditor accrual raised in respect of staff training expenditure		(63 901)
Inventory Consumed		
Creditor accrual raised in respect of Cleansing materials		(374 686)

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	2025 R	2024 Restated R
Transfers & Subsidies		
Creditor accrual raised in respect of Sukuma Sakhe expenditure		(22 167)
Depreciation		
Adjustment to depreciation 2023/2024 on completed projects.		(555 893)
Adjustment to depreciation 2023/2024 - (Waste Buyback Centre) - JNL 61765		(5 186)
Adjustment to Property Plant & Equipment (Accumulated Depreciation) 2023/2024 - Acquisitions - Furniture & Equipment		(1 230)
Debt Impairment and write offs		
Reallocation of VAT portion in regards to increases in consumer debt provisions- 2023 - Jnl 61783		213 520
Restated Surplus as at 30 June 2024		796 273 260
42 Cash flows from Operating Activities:		
Operating Surplus before working capital		
Total Surplus for the year	299 776 199	796 273 260
Adjustment for:		
Depreciation of Property, Plant and Equipment	133 794 366	120 285 743
Donations of assets	(239 786)	(75 468 485)
Gains on disposal of assets	(138 208)	(1 730 000)
Loss on disposal of assets	17 062 824	9 313 412
Staff and leave bonus	4 305 028	1 302 029
Take-on of insurance assets	(57 916)	-
Impairment loss	1 093 186	1 379 142
Amortisation of intangible assets	75 929	107 465
Contribution to provision	358 121	650 345
Retirement obligation	15 505 000	15 121 000
Long service award	134 000	5 375 000
Investment Properties - Fair Value	(11 265 000)	(4 294 000)
Land - Fair Value	(5 480 000)	-
Allowance for impairment	6 543 542	15 098 458
Bad debts written off	5 135 653	5 013 025
Donation expense		
	466 602 937	888 426 395
Cash Generated by Operations		
Operating Surplus before working capital	466 602 937	888 426 395
Movement in current assets and liabilities		
(Increase)/decrease in inventory	714 400	(6 139 237)
Increase/(decrease) in conditional grants and receipts	(288 448 821)	(559 496 247)
(Increase)/decrease in trade and other receivables	(53 331 304)	(63 798 783)
Increase/(decrease) in Trade and Other Payables	8 911 532	21 273 882
Increase/(decrease) in Consumer Deposits	2 932 156	(3 530)
Net cash flows from operating activities	137 380 901	280 262 484
Interest earned on Investments	(104 602 134)	(151 919 818)
Finance expense	15 595 865	16 842 555

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	2025 R	2024 Restated R
43 Fines, Penalties and Forfeits		
Traffic Fines	14 185 580	13 932 600
Property Rates Penalties & collection charges	20 815 142	21 945 814
Meter tampering Fees	316 436	2 249 532
Other Fines, penalties and forfeits	620 194	7 598
Total revenue from Fines Income	35 937 351	38 135 544
Fines are issued in terms of S341 & S56 of the Criminal Procedures Act 51 of 1977		
44 Contracted Services		
Refuse removal	127 362 392	112 302 984
Grass cutting	36 916 935	38 351 069
Specialist services	281 639	798 732
Storm water	7 828 209	9 705 843
Pothole repairs	12 867 080	7 484 500
Other Contracted Services	16 905 546	19 049 321
Dump charges	16 241 601	17 417 988
Security Services	57 801 569	44 326 415
Shark Control Expenditure	5 403 563	5 042 291
Valuation and Valuation Rolls	2 837 899	202 900
Professional Fees	12 865 150	2 724 119
Maintenance of building facilities and equipment	36 370 025	44 281 632
Electrical Mains Repairs	26 761 457	20 727 940
Replacement of faulty meters	3 734 429	3 307 082
Legal costs	10 832 357	9 316 470
Refuse bags contract	3 624 953	3 392 476
Ballito Pro Expenditure	11 841 402	11 390 179
Software support & licences and agreements	1 049 982	1 435 052
Salga games	2 792 027	2 030 535
Ease of Doing business expenditure	2 862 485	2 140 142
Revenue protection programme	7 956 784	9 041 961
Municipal data cleansing project	4 996 284	-
	410 133 770	364 469 632
45 Refer to Page 97		
NERSA has approved an 11.32% increase in Eskom bulk purchase tariffs for 2025/2026. Apart from the above effect, due to the variable nature of the		
46 Eskom expenditure, the municipality is unable to determine any further financial impact.		
47 Unauthorised expenditure		
Bad debts write off (Non cash)	-	2 173 017
Bulk Purchases - (Cash)	-	43 611 854
Actuarial and Other Non Cash Losses (Non Cash)	8 812 824	7 672 144
Capitalised Lease (Non Cash)	-	2 263 638
	8 812 824	55 720 653
Electrical Business Unit (Cash)	-	1 528 034
Analysed as follows:		
Total Unauthorised - (Cash)	-	30 902 542
Less: Bulk Purchases already recognised above	-	(29 374 508)
<i>The above unauthorised balance is attributable to expenditures which exceeded the vote</i>		

KWADUKUZA LOCAL MUNICIPALITY
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	2025 R	2024 Restated R
Total authorised expenditure for the year	8 812 824	57 248 687
Reconciliation of Unauthorised expenditure written off		
Opening Balance	116 440 300	59 207 458
Incurred for the year	8 812 824	57 248 687
Written off by council	(103 123 463)	(15 841 265)
Remaining to be considered	22 129 661	116 440 300
48 Fruitless and wasteful expenditure		
Fruitless and wasteful expenditure	-	-
Reconciliation of Fruitless and Wasteful expenditure written-off by Council		
Opening Balance	1 861 262	1 861 262
Incurred for the year	-	-
Written Off by Council	(1 789 653)	(1 789 653)
Remaining to be considered	71 609	1 861 262
Fruitless and Wasteful expenditure under Investigation:		
Alleged Fraudulent payment of ward committee stipends	-	602 400
Alleged Fraudulent payment of ward committee stipends recovered	-	(602 400)
Alleged Fraudulent payments of fictitious contractor invoices	785 436	785 436
	785 436	785 436
49 Irregular Expenditure:		
Section 36 approvals subsequently reclassified as irregular expenditure.	-	295 990
Irregular expenditure due to non-compliance with legislation	106 524 396	2 994 174
	106 524 396	3 290 174
Reconciliation of Irregular Expenditure Written-off by Council		
Opening Balance	3 290 174	65 466 990
Irregular expenditure incurred - Current Period	106 524 396	3 290 174
Written-off by Council	(2 877 021)	(65 466 990)
Current	(334 718)	(334 718)
Previous period	(2 542 303)	(65 466 990)
Remaining to be considered	106 937 549	3 290 174
50 Deviation from supply chain management regulations		
Emergency	-	295 000
Sole Provider	79 000	-
Any other exceptional case which it is impractical to follow the official procurement process	-	450 000
Section 36 deviation transferred to irregular expenditure	-	(295 990)
Total Section 36 deviations for the financial year	79 000	449 000
51 Repairs and Maintenance		
Buildings	9 230 329	7 312 780
Solid waste	72 154	81 940
Electrical	39 462 013	41 730 450
Furniture and fittings	2 785 380	3 084 110
Roads	20 951 174	15 553 880
Storm water	7 828 209	9 705 840
Vehicles	14 257 590	14 882 320
	94 586 848	92 351 350

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**2025
R** **2024 Restated
R**

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.

52 Material losses incurred

Electricity distribution losses	386 932 326	321 190 08
Bad debts written off	5 135 653	5 013 02

Electricity energy losses of 192 019 879 kWh as at June 2025 (June 2024: 181 278 588 kWh) occurred during the year which resulted in revenue loss amounting to R386 932 326 (June 2024: R 321 190 087). The National norm for electricity losses ranges from 6% to 12%. The energy loss incurred by the municipality as at June 2025 is 26.73% (June 2024: 25.67%) and is predominantly due to transmission/distribution losses and non-technical line losses.

53 Councillor's Arrear Accounts as at 30 June 2025

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: Ntleko C M - Account 7020368

June 2025	12 07
May 2025	11 39
April 2025	10 71
March 2025	10 04
February 2025	9 38
January 2025	8 72
December 2024	8 05
November 2024	7 43
October 2024	6 81
September 2024	6 20
August 2024	5 59
July 2024	4 99

In terms of S124 (1) (b) the above are disclosed in 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 reported to the Office of the Speaker. Payment arrangement concluded - July 2025

Councillor: Govender G - Account 7021700

June 2025	8 78
May 2025	8 24
April 2025	7 71
March 2025	7 18
February 2025	6 65
January 2025	6 12
December 2024	8 42
November 2024	6 45
October 2024	5 24
September 2024	3 16
August 2024	1 65
July 2024	1 29

KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2025
R

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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 reported to the Office of the Speaker.

Councillor: Dube T - Account 1188355

June 2025	2 01
May 2025	1 96
April 2025	1 90
March 2025	1 85
February 2025	1 79
January 2025	1 74
December 2024	1 69
November 2024	1 63
October 2024	1 58
September 2024	1 53
August 2024	1 48
July 2024	1 43

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 reported to the Office of the Speaker. Account settled in full-July 2025

Councillor: Sibisi M M - Account 7005498

June 2025	1 77
May 2025	1 66
April 2025	1 54
March 2025	1 43
February 2025	1 32
January 2025	1 21
December 2024	1 10
November 2024	99
October 2024	88
September 2024	80
August 2024	69
July 2024	59

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 reported to the Office of the Speaker.

	2025 R	2024 Restated R
54 Contributions to Organised Local Government		
Amount paid current year	6 582 943	6 116 01
Audit Fees		
Amount paid - current year	6 735 389	6 860 29
55 VAT		
VAT received for the year	113 156 344	168 002 34
VAT paid for year	-	-
VAT input receivables and VAT output payables are shown in Note 20 & Note 9		
All VAT returns have been submitted by the due date throughout the year.		
56 PAYE and UIF		
Current year payroll deductions	107 138 870	89 820 09
57 Pension and Medical Aid deductions		
Current year payroll deductions and Council contributions	139 379 331	125 945 82
58 Budget verses Actual variances		

Below is a reconciliation between the Annual Financial Statements and the Budget Statement. All restatements are as a result of the Annual Financial Statements being based on the nature of the transactions.

Interest earned outstanding debtors	
As per Budget Statement	17 817 187
Reconciling items:	
Property Rates	(6 936 542)
As per Statement of Financial Performance	10 880 645

Operational Revenue (Other Income & Sale of goods & rendering of services)	
As per Budget Statement	80 517 838
Reconciling items:	
Gains & Losses: Inventory: Increase to net-realisable Value	512
Housing development construction contract revenue	(3 591 881)
Operational Revenue: Collection Charges	14
Town Treasurer General Collection Charges 21500080	(7 160 268)
As per Statement of Financial Performance	69 766 215

Housing development construction contract revenue	
As per Budget Statement	-
Reconciling items:	
Housing development construction contract revenue	3 591 881
As per Statement of Financial Performance	3 591 881

**KWADUKUZA LOCAL MUNICIPALITY
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**2025
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Property rates	
As per Budget Statement	744 332 173
Reconciling items:	
Revenue Fines, Penalties & Forfeits - Illegal Unauthorised Use	21 609 662
As per Statement of Financial Performance	765 941 835
Transfers & subsidies - Operational	
As per Budget Statement	300 100 818
Reconciling items:	
Natural Resources Management Project	193 320
EDTEA Electrical	1 487 412
As per Statement of Financial Performance	301 781 550
Fines Revenue	
As per Budget Statement	43 450 217
Reconciling items:	
Revenue Fines, Penalties & Forfeits - Illegal Unauthorised Use	(21 609 662)
Operational Revenue: Collection Charges	(14)
General Collection Charges	7 160 268
Property Rates	6 936 542
As per Statement of Financial Performance	35 937 351
Other gains	
As per Budget Statement	11 752 197
Reconciling items:	
Inventory: Increase to net-realisable Value	(512)
Gains :Inventory Write Offs	(1 606 685)
Fair value adjustments	6 600 000
As per Statement of Financial Performance	16 745 000
Depreciation, amortisation and impairment / reversal of impairment	
As per Budget Statement	135 351 435
Reconciling items:	
Impairment Loss:Property; Plant and Equipment:Community Assets	(229 483)
Impairment Loss:Property; Plant and Equipment:Computer Equipment	(664)
Impairment Loss:Property; Plant and Equipment:Computer Equipment	(2 934)
Impairment Loss:Property; Plant and Equipment:Computer Equipment	(1 586)
Impairment Loss:Property; Plant and Equipment:Electrical Infrastructure	(1 062 441)
Impairment Loss:Property; Plant and Equipment:Furniture and Office Equipment	(470)
Impairment Loss:Property; Plant and Equipment:Furniture and Office Equipment	(3 936)
Impairment Loss:Property; Plant and Equipment:Machinery and Equipment	(3 739)
Impairment Loss:Property; Plant and Equipment:Machinery and Equipment	(16 752)
Impairment Loss:Property; Plant and Equipment:Machinery and Equipment	(21 985)
Impairment Loss:Property; Plant and Equipment:Roads Infrastructure	(137 193)
As per Statement of Financial Performance	133 870 253

**KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

**2025
R**

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R**

Debt Impairment and write offs	
As per Budget Statement	11 439 472
Reconciling items:	
Selling Schemes	239 724
As per Statement of Financial Performance	11 679 195

Other Expenditure (General Expenditure)	
As per Budget Statement	149 088 452
Reconciling items:	
Selling Schemes	(239 724)
Operational Cost: Contribution to Provisions: Decommissioning: Restoration and Similar Liabilities: Landfill Sites	(358 121)
Expenditure:Operating Leases:Community Assets	(1 026 568)
Expenditure:Operating Leases:Community Assets	(348 059)
Expenditure:Operating Leases:Furniture and Office Equipment	(1 708 082)
Expenditure:Operating Leases:Machinery and Equipment	(221 134)
Expenditure:Operating Leases:Machinery and Equipment	(51 490)
Expenditure:Operating Leases:Machinery and Equipment	(278 900)
Expenditure:Operating Leases:Machinery and Equipment	(229 543)
Expenditure:Operating Leases:Computer Equipment	(272 460)
As per Statement of Financial Performance	144 354 371

Losses on disposal of assets	
As per Budget Statement	17 062 824
Reconciling items:	
Gains and Losses:Inventory:Increase to net-realisable Value	(1 606 685)
Gains and Losses:Inventory:Decrease in net-realisable Value	1 218 688
Impairment Loss:Property; Plant and Equipment:Community Assets	229 483
Impairment Loss:Property; Plant and Equipment:Computer Equipment	664
Impairment Loss:Property; Plant and Equipment:Computer Equipment	2 934
Impairment Loss:Property; Plant and Equipment:Computer Equipment	1 586
Impairment Loss:Property; Plant and Equipment:Electrical Infrastructure	1 062 441
Impairment Loss:Property; Plant and Equipment:Furniture and Office Equipment	470
Impairment Loss:Property; Plant and Equipment:Furniture and Office Equipment	3 936
Impairment Loss:Property; Plant and Equipment:Machinery and Equipment	3 739
Impairment Loss:Property; Plant and Equipment:Machinery and Equipment	16 752
Impairment Loss:Property; Plant and Equipment:Machinery and Equipment	21 985
Impairment Loss:Property; Plant and Equipment:Roads Infrastructure	137 193
As per Statement of Financial Performance	18 156 009

KWADUKUZA LOCAL MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2025
R

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Transfers & subsidies	
As per Budget Statement	16 338 940
Reconciling items:	
Housing development construction contract expenditure	(3 591 881)
As per Statement of Financial Performance	12 747 059
Other losses	
As per Budget Statement	16 857 688
Reconciling items:	
Provision for Landfill Sites	358 121
Gains and Losses:Inventory:Decrease in net-realisable Value	(1 218 688)
As per Statement of Financial Performance	15 997 121
Operating leases	
As per Budget Statement	-
Reconciling items:	
Expenditure:Operating Leases:Community Assets	1 026 568
Expenditure:Operating Leases:Community Assets	348 059
Expenditure:Operating Leases:Furniture and Office Equipment	1 708 082
Expenditure:Operating Leases:Machinery and Equipment	221 134
Expenditure:Operating Leases:Machinery and Equipment	51 490
Expenditure:Operating Leases:Machinery and Equipment	278 900
Expenditure:Operating Leases:Machinery and Equipment	229 543
Expenditure:Operating Leases:Computer Equipment	272 460
As per Statement of Financial Performance	4 136 237
Housing development construction contract expenditure	
As per Budget Statement	-
Reconciling items:	
Housing development construction contract expenditure	3 591 881
As per Statement of Financial Performance	3 591 881
Contributions recognised - capital	
As per Budget Statement	350 673 464
Reconciling items:	
Natural Resources Management Project	(193 320)
EDTEA Electrical	(1 487 412)
As per Statement of Financial Performance	348 992 733
Transfers & subsidies - Capital (In - Kind)	
As per Budget Statement	6 839 786
Reconciling items:	
Fair value adjustments	(6 600 000)
As per Statement of Financial Performance	239 786

A high level overview of significant Operating Variances between the budget as at 30 June 2025 and Actual amounts are summarised below :

Significant for the purposes of this note is defined as greater than 15% and R1 000 000.

58.1 Interest on Outstanding Debtors

Explained as per the reconciliation above

58.2 Housing development construction contract revenue

Explained as per the reconciliation above

58.3 Other gains

Increase over budget analysed as per Note 36 above.

2025
R

2024 Restated
R

58.4 Depreciation, amortisation and impairment / reversal of impairment

Projects have not yet been capitalised resulting in lower depreciation charges in the current year.

58.5 Debt Impairment and write offs

Improved collection rates have resulted in lower debt impairment provisions.

58.6 Losses on disposal of assets

Increases in infrastructure projects have resulted in the previously underlying assets requiring disposal.

58.7 Transfers and subsidies

Explained as per the reconciliation above.

58.8 Inventory consumed

Operational efficiencies resulted in lower inventory consumed.

58.9 Other losses

Changes in market conditions resulted in lower expenditure.

58.10 Operating leases

Explained as per the reconciliation above.

58.11 Housing development construction contract expenditure

Explained as per the reconciliation above.

58.12 Transfers & subsidies - Capital (Monetary allocation)

The Disaster Recovery and Disaster Response grant were in progress at year end.

59 Accounting for 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 issues 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 10% of the cash collected for undertaking this activity on behalf of the Department.

2025
R

2024 Restated
R

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

	2025	2024
Total collections for the year	98 763 355	90 960 45
Amount recognised as revenue	8 818 117	7 935 98
Total Collected on behalf of DOT	89 945 238	83 024 46
Total paid to DOT	89 945 238	83 024 46
Debtor as at year end	1 595 741	511 22
Cash received	-	26 38

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 municipality 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)

Housing development construction contract revenue	3 591 881	4 929 82
Housing development construction contract expenditure	(3 591 881)	(4 929 82)
Conditions still to be met - remain liabilities (see note 17)	-	-

The Housing Development Construction contracts relate to agreements entered between the Municipality and the KwaZulu-Natal Department of Housing in respect of housing projects where the Municipality is a project developer in this arrangement. This arrangement is accounted for in line with the accounting policy for 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 the houses on its behalf.

	2025 R	2024 Restated R
The Housing Development Construction Contract Revenue is recognised on a stage of completion based on the costs incurred. There are no contracts accounted for as work in progress given that costs are expensed when incurred. The amounts received in advance for work to be done is recognised as a liability and disclosed on Note 17: Payables from exchange transactions.		
61 Transfers & Subsidies - Expenditure		
Operational		
Allocation in-kind	404 820	105 10
Monetary allocations	12 342 238	14 081 26
Total transfers and subsidies - Operational	12 747 059	14 186 36
31.1 Allocation in-kind - Operational		
Households	404 820	105 10
31.2 Monetary allocations - Operational		
Higher Educational Institutions	820 000	840 30
Households	11 223 435	10 717 98
Non-profit Institutions	77 792	154 76
Provincial Government	221 011	2 368 21
	12 342 238	14 081 26
62 Inventory Consumed		
Cleansing material	1 542 219	1 684 69
Mains repairs & maintenance	7 777 636	6 546 86
Street light maintenance	1 749 660	1 384 99
Protective clothing	6 804 641	4 755 30
Miscellaneous inventory items	2 723 379	2 657 79
	20 597 536	17 029 63
63 Agency Services		
District Municipality	-	-
National	-	-
Provincial	13 931 151	12 504 71
Total	13 931 151	12 504 71
64 Operating Leases		
Rent of Property / Offices / House - OK Mall	1 374 628	3 253 68
Lease office Machinery & Equipment	1 980 542	1 115 75
Miscellaneous operating lease expenditure	781 067	645 76
	4 136 237	5 015 20

2025
R

2024 Restated
R

65 Going Concern

Going Concern assessment

The current challenging economic conditions have led to an increase in consumer defaults on municipal accounts, primarily due to reduced disposable income, retrenchments, and unemployment. To mitigate this and enhance revenue recovery, the following interventions have been implemented, resulting in improved collection rates:

- Conduct telephonic or email follow-ups on outstanding debt. However, there is a need to establish a call centre or employ temporary staff to ensure consistent follow-ups for all arrear debtors recorded on the KDM financial system, thereby optimising revenue collection.
- Increase the use of SMS notifications to inform debtors about collection campaigns and disconnections/blocking. All customers with cellphone numbers on the billing system receive monthly SMS reminders of any outstanding amounts.
- Educate staff on the work streams they perform to ensure consistent application of processes.
- Perform ongoing data cleansing and meter audits to ensure accurate billing and eliminate debtor queries.
- Credit Control utilises the debtors ageing report that is extracted from Munsoft financial system to identify monthly defaulters for follow up. The list is scrutinized and submitted to staff for contacting debtors.
- Implement electricity disconnections for arrear accounts. Regular process reviews and internal workshops are conducted to improve efficiency, which has proven highly effective.
- Automatically flag accounts with linked prepaid meters that are overdue by more than 30 days and apply a 40% partial block on prepaid electricity purchases.
- Total block of prepaid electricity meters on arrears debtors. Similar to the conventional meters process, the consumer age analysis is scrutinized and accounts with prepaid meters are submitted to the service provider for full blocking.
- Encourage debtors to enrol on the ACB payment platform.
- Encourage debtors with email addresses to receive invoices electronically.
- Promote consumer registration on the e-Portal platform to view and download statements.

Amid the current economic conditions, the Municipality is still able to pay its creditors as and when payments are due and still maintains a healthy financial position.

Potential Negative Indicators

During the review of going concern certain negative indicators were identified.

Although there is no GRAP requirement to disclose all possible negative indicators, in the interest of transparency the following negative indicators have been disclosed.

The impact of these are not deemed as significant or material on the municipalities going concern ability.

Potential Negative Indicators :

- Creditors days exceed 30 days
- Repairs and maintenance expenditure level is less than 8%
- Distribution losses – Electricity losses exceeded 10%

Amid the current economic conditions, the Municipality is still able to pay its creditors, maintains a healthy financial position and has been consistently rated as one of the best performing municipalities in KwaZulu Natal.

Conclusion

Based on the above the KwaDukuza Municipality will continue operating in the foreseeable future, thus supporting the going concern basis of accounting.

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.

2025	1 Year or less	Greater than 1 year	Total
Gross finance lease obligations	1 177 433	569 827	1 747 260
Long Term Borrowings	16 051 904	131 650 066	147 701 970
Trade and other payables	610 260 653	-	610 260 653
Consumer deposits	46 820 354	-	46 820 354
Government Grants	146 817 766	-	146 817 766
	821 128 110	132 219 892	953 348 003
2024	1 Year or less	Greater than 1 year	Total
Gross finance lease obligations	1 021 753	1 647 203	2 668 956
Long Term Borrowings	14 705 436	147 701 970	162 407 406
Trade and other payables	602 072 224	-	602 072 224
Consumer deposits	43 888 198	-	43 888 198
Government Grants	435 266 587	-	435 266 587
	1 096 954 197	149 349 173	1 246 303 370

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)

	2025	2024
Short term Investments	70 374 769	80 374 769
Cash and Cash Equivalents	970 867 046	1 355 716 370
Trade and other receivables	544 175 400	502 523 291

Consumer Debtors to the value of R 68,205,614 which are neither past due or impaired are deemed as highly collectable. Should there be any change in the credit quality, this shall trigger a reassessment and subsequent impairment to the extent necessary.

R 4,870,259 relates to debtors which are past due but have extended credit terms. These are also deemed highly collectable and not impaired.

R160,536,565 relates to debt which is past due but however not impaired in accordance with the debt impairment methodology.

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:

	2025	2024
Bank balances and cash	970 867 046	1 355 716 370
Short term Investments	70 374 769	80 374 769
Maximum Interest exposure	1 041 241 815	1 436 091 139

Price risk

The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.

DESCRIPTION	Loan Number	Interest Rate	Date Repayable	Balance at 30/06/2024	Received during the year	Redeemed during the year	Balance at 30/06/2025
		%		R	R	R	R
Loans							
DBSA R43M LOAN	101267/1	10.42%	31/03/2026	4 166 091	-	2 083 045	2 083 045
DBSA R28.9M (ELECT)	61006918/19	9.73%	30/09/2030	100 588 794	-	8 023 638	92 565 156
DBSA: R5.888 LOAN	61006918/19	9.73%	31/12/2032	57 652 521	-	4 598 752	53 053 769
TOTAL EXTERNAL LOANS				162 407 406	-	14 705 436	147 701 970

Name of Grants	Name of organ of state or municipal entity	Unspent portion 2024/2025 financial statements	Returned to National Treasury	Quarterly Receipts					Quarterly Expenditure					Total Expenditure	Unspent portion 2024/2025 financial statements	Grants and Subsidies delivered / 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	Oct to Dec	Jan to Mar	April to June	Total Receipts	July to Sept	Oct to Dec	Jan to Mar	April to June	Total Expenditure						
Equitable Share	National Treasury	-	-	115 311 000	92 240 340	69 186 000	-	276 746 340	115 311 000	92 240 340	69 186 000	-	276 746 340	-	-	YES	N/A	YES	N/A
Municipal Infrastructure Grant (MIG)	COGTA	-	-	15 137 450	21 191 550	15 296 000	-	51 625 000	6 398 470	10 835 521	8 135 399	13 968 476	38 337 865	12 287 135	-	YES	Slow spending on projects	YES	N/A
INEP Grant	Integrated National Electrification Grant	485 348	485 348	5 300 000	4 300 000	8 923 000	-	18 523 002	6 653 935	5 023 953	-	6 845 094	18 523 002	-	-	NO	N/A	YES	N/A
Finance Management Grant	National Treasury	-	-	1 800 000	-	-	-	1 800 000	288 510	234 668	347 717	925 105	1 800 000	-	-	NO	N/A	YES	N/A
EPWP	National Treasury	-	-	398 000	715 000	478 000	-	1 590 000	834 058	754 942	-	-	1 590 000	-	-	NO	N/A	YES	N/A
Energy Loss Project (EDTEA) Vuthela Project	National Treasury	9 420 300	-	-	-	-	-	260 000	390 730	-	-	4 454 086	4 844 816	4 575 484	-	NO	N/A	YES	N/A
Museum	Office Of the Premier	-	-	-	-	260 000	-	260 000	147 745	112 255	-	-	260 000	-	-	NO	N/A	YES	N/A
New Library	Department of Arts & Culture	-	-	-	1 834 000	-	-	1 834 000	378 486	516 199	939 315	-	3 242 170	9 387	-	NO	N/A	YES	N/A
Housing Accreditation	Department Of Human Settlements	9 387	-	-	-	-	3 242 170	3 242 170	-	-	-	3 242 170	3 242 170	-	-	NO	N/A	YES	N/A
Library Subsidy	Department of Arts & Culture	-	-	-	6 149 000	-	-	6 149 000	189 769	328 356	4 053 622	1 577 253	6 149 000	-	-	NO	N/A	YES	N/A
Tide Dredge Restoration Grant	Department Of Human Settlements	2 088 225	-	-	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
Natural Resource Management Project Grant (EDTEA)	Dept Of Environmental Affairs	212 868	-	-	1 200 000	-	-	1 200 000	-	-	108 000	302 000	410 000	2 088 225	-	NO	N/A	YES	N/A
Municipal Employment Initiative	-	77 913	-	-	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
CETA Candidacy Grant	-	-	-	-	-	-	1 472 125	1 472 125	-	-	-	-	-	-	-	NO	N/A	YES	N/A
Disaster Recovery Grant	National Treasury - Disaster Management	20 317 734	-	-	-	-	-	-	2 211 631	8 175 731	1 982 868	1 685 953	14 095 184	6 261 550	-	NO	N/A	YES	N/A
Disaster Rehabilitation & Relief Grant	National Treasury - Disaster Management	338 048 171	-	-	-	-	-	-	71 050 166	94 709 231	19 083 449	95 278 235	280 102 082	57 944 089	-	NO	N/A	YES	N/A
Energy Efficiency and Demand Side Management Grant (EDSM)	National Treasury	1 051	-	-	-	-	-	-	-	-	-	1 051	1 051	-	-	NO	N/A	YES	N/A
General Budget Support - CBS Grant - Ease of Business	-	1 847 836	-	-	-	-	-	-	382 839	-	-	-	-	-	-	NO	N/A	YES	N/A
KZN EDTEA - Cheapest town Price Money	-	477 223	-	-	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
		372 586 056	485 348	137 846 450	127 638 890	94 141 000	4 714 295	565 765 056	203 856 699	213 338 566	103 816 370	129 770 347	650 772 283	87 244 285	-	-	-	YES	N/A

AUDITOR GENERAL ACTION PLAN 2024/2025 FINANCIAL YEAR

SECTION 1 AUDIT REPORT MATTERS																																				
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING				INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME																				
1	Pre- determined objectives	Reported achievements – Inaccuracies identified – KPA 6	The following discrepancies were noted during the audit of reported achievements in the APR against the supporting evidence submitted for audit: <table><tr><th>Indicator</th><th>Target and description</th><th>Reported achievement 2024/2025</th><th>Audited amount</th><th>Difference</th></tr><tr><td>OPMS 53 - The number of sites serviced</td><td>175 sites serviced by 30 June 2025</td><td>Target not met, 84 by 30 June 2025</td><td></td><td>10</td></tr><tr><td>OPMS 63 - The number of new households with access to basic level of electricity</td><td>524 new households with access to basic level of electricity by 30 June 2025</td><td>Target exceeded, 1079 by 30 June 2025.</td><td>1070</td><td>9</td></tr><tr><td>OPMS 64 - The number of households with access to basic level of electricity</td><td>62799 households with access to basic level of electricity by 30 June 2025</td><td>Target exceeded, 63726 by 30 June 2025.</td><td>63727</td><td>9</td></tr></table>				Indicator	Target and description	Reported achievement 2024/2025	Audited amount	Difference	OPMS 53 - The number of sites serviced	175 sites serviced by 30 June 2025	Target not met, 84 by 30 June 2025		10	OPMS 63 - The number of new households with access to basic level of electricity	524 new households with access to basic level of electricity by 30 June 2025	Target exceeded, 1079 by 30 June 2025.	1070	9	OPMS 64 - The number of households with access to basic level of electricity	62799 households with access to basic level of electricity by 30 June 2025	Target exceeded, 63726 by 30 June 2025.	63727	9	Management did not adequately review the underlying records and evidence to support calculations for reported achievements to ensure that the reported achievements are valid and accurate.	Management should perform adequate reviews of underlying records and evidence supporting calculations making up the reported achievements to ensure that the reported achievements are valid and accurate. Management should make the necessary corrections to the APR.	OPMS 53 Agreed. This was a typographical error, OPMS 53 was corrected by the PME Team before POE files were handed to AGSA, however it was after submission of the APR for audit. Correction is noted and will be done on the Final APR – update attached for ease of reference. OPMS 63 : Agreed. Error occurred when additional rows were counted. Correction is noted and will be done on the Final APR – update attached for ease of reference. OPMS 64: Agreed. If OPMS 63 is updated then OPMS 64 ties in with OPMS 63 and will be updated. Correction is noted and will be done on the Final APR – update attached for ease of reference.	Agreed	Agreed. Corrections made	Update on the APR to be done asap	APR	Director: PME	Corporate Governance	Immediate
							Indicator	Target and description	Reported achievement 2024/2025	Audited amount	Difference																									
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2		Inconsistency between planned and reported target and description – KPA 3	The following inconsistency was noted with the reported target and description in the APR against the target and description as per the final adjusted approved SDBIP 2024/2025 <table><tr><th>Indicator</th><th>Target and description as per Submitted APR</th><th>Target and description as per final adjusted approved SDBIP 2024/2025</th></tr><tr><td>OPMS 22 - 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)</td><td>90% (R554 795 903) of a municipality's capital budget actually spent on capital projects by 30 June 2025</td><td>90% (R561 858 021 90) of a municipality's capital budget actually spent on capital projects by 30 June 2025</td></tr></table>				Indicator	Target and description as per Submitted APR	Target and description as per final adjusted approved SDBIP 2024/2025	OPMS 22 - 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)	90% (R554 795 903) of a municipality's capital budget actually spent on capital projects by 30 June 2025	90% (R561 858 021 90) of a municipality's capital budget actually spent on capital projects by 30 June 2025	Management did not adequately review the reported targets in the APR submitted for audit to the target as per the final adjusted approved SDBIP to ensure that it is correctly reported.	"Management should ensure that they improve the review of the reported targets in the APR submitted for audit to the target as per the final adjusted approved SDBIP to ensure that it is correctly reported. Management should make the necessary corrections to the APR."	"Disagree. There was a late adjustment of the SDBIP after the mid-year adjustment. The correct figure is used on the APR. The resolution is attached as POE to show budget changes. Advert that was in the local newspaper attached as additional POE"	Disagree as above	No corrections required.	No action	APR	Director: PME	Corporate Governance	Immediate														
							Indicator	Target and description as per Submitted APR	Target and description as per final adjusted approved SDBIP 2024/2025																											
OPMS 22 - 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)	90% (R554 795 903) of a municipality's capital budget actually spent on capital projects by 30 June 2025	90% (R561 858 021 90) of a municipality's capital budget actually spent on capital projects by 30 June 2025																																		

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SECTION 1 AUDIT REPORT MATTERS																																				
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING			INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME																					
3	Pre-determined objectives	Reported achievements Incomplete – OPMS 53	The following payment certificates were omitted from the reported achievements for the year ended 30 June 2025.			Management did not adequately review the underlying records and evidence to support calculations for reported achievements to ensure that the reported achievements are valid and accurate and complete.	Management should perform adequate reviews of underlying records and evidence supporting calculations making up the reported achievements to ensure that the reported achievements are valid and accurate and complete. Management should make the necessary corrections to the APR.	Management agrees with this finding. The omission was a human error. The EDP Business Unit has indicated that they will ensure sequencing of numbers on claim certificates. The APR will be updated with the additional site numbers that have been completed.	Management agrees with this finding. In future the Human Settlements Section will keep a record of the claim numbers to ensure sequencing and that the no claims/sites are omitted.	Management agrees with the recommendation.	The necessary additions to OPMS 53 will be done on the APR.	APR	"Director: Human Settlements: Ensure Director: PME"	"EDP Corporate Governance"	Immediate																					
			<table><tr><th>Claim no.</th><th>Date</th><th>No. of sites serviced</th></tr><tr><td>25</td><td>11/07/2024</td><td>9</td></tr><tr><td>27</td><td>12/08/2024</td><td>26</td></tr><tr><td>31</td><td>07/10/2024</td><td>6</td></tr></table>	Claim no.	Date											No. of sites serviced	25	11/07/2024	9	27	12/08/2024	26	31	07/10/2024	6											
Claim no.	Date	No. of sites serviced																																		
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27	12/08/2024	26																																		
31	07/10/2024	6																																		
4		Reported achievements – Inaccuracies identified – OPMS 61	The following discrepancies were noted during the verifications of square meters for OPMS 61: <table><tr><th>Indicator</th><th>Target and description</th><th>Reported achievement 2024/2025</th></tr><tr><td>OPMS 61 - The number of meters squared of road upgraded</td><td>20 000 m² of roads upgraded by 30 June 2025 (refer to note 8.1a)</td><td>Target not met. 17 605.50m² by 30 June 2025. Refer to note 8.1a.</td></tr></table> The above indicator was made up of the below 3 completion certificates which were audited and the roads were physically verified and measured for square meters: <table><tr><th>Roads as per certificate</th><th>Completion date as per certificate</th><th>Square meters as per certificate</th><th>Verified square meters</th><th>Difference</th></tr><tr><td>Jones Street, Curtius Street and Blaine/ Jones - MN07/2022</td><td>30/06/2025</td><td>2 968</td><td>3 818.62</td><td>850.62</td></tr><tr><td>Rehabilitation of Newtown roads 5th Street - MN07/2022</td><td>30/06/2025</td><td>5 257.98</td><td>656.05</td><td>4 601.93</td></tr></table> Furthermore, the certificate for Jones Street, Curtius Street and Blaine/ Jones dated 30/06/2025 indicated that the project is completed. However, upon physical verification it was noted that Blaine Road was still under construction at the current date of verification and not complete.			Indicator	Target and description	Reported achievement 2024/2025	OPMS 61 - The number of meters squared of road upgraded	20 000 m ² of roads upgraded by 30 June 2025 (refer to note 8.1a)	Target not met. 17 605.50m ² by 30 June 2025. Refer to note 8.1a.	Roads as per certificate	Completion date as per certificate	Square meters as per certificate	Verified square meters	Difference	Jones Street, Curtius Street and Blaine/ Jones - MN07/2022	30/06/2025	2 968	3 818.62	850.62	Rehabilitation of Newtown roads 5th Street - MN07/2022	30/06/2025	5 257.98	656.05	4 601.93	Management did not adequately review the underlying records and evidence to support calculations for reported achievements to ensure that the reported achievements are valid and accurate.	"Management should perform adequate reviews of underlying records and evidence supporting calculations making up the reported achievements to ensure that the reported achievements are valid and accurate. Management should re-verify the measurements mentioned in completion certificates to ensure that they are accurate and complete. Management should make the necessary corrections to the APR."	"1. The management notes the finding and notes the discrepancy on the finding from the AG's side. The square meters that have been recorded under Jones are supposed to be under Fifth Street and vice versa. 2. The name of the project includes all the roads but the implementation is in Phases. Blain, and Gizaiga street are forming part of the measurements Phase2 of the project. The completion certificate covers Jones, Curtis and Blaine/ Jones link road. 3. On Fifth street, the management disagrees with the finding. We have done the measurement again and it is as per the measurement certificate below : 4. On Jones, the management accepts the finding. The management acknowledges that instead of putting the exact output, but the certificate captured the planned output as per the measurement before the project started."	"Jones Street: The management notes the oversight on the preparation of the completion certificate for Jones which overstated the square meters. Fifth street, the management has indicated above that the records are correct, showing that there are no internal deficiencies"	The management notes the recommendation. The management will reinforce existing review and quality assurance processes to ensure that such errors are avoided.	The certificate for Jones will be adjusted accordingly to capture the corrected output of 4207.50 m ² . The adjustment has no cost bearing as the cost is reflected above.	APR	Executive Director: Civil Engineering and PMU	Civil Engineering	Immediate
Indicator	Target and description	Reported achievement 2024/2025																																		
OPMS 61 - The number of meters squared of road upgraded	20 000 m ² of roads upgraded by 30 June 2025 (refer to note 8.1a)	Target not met. 17 605.50m ² by 30 June 2025. Refer to note 8.1a.																																		
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Rehabilitation of Newtown roads 5th Street - MN07/2022	30/06/2025	5 257.98	656.05	4 601.93																																
										Update the APR for Jones Street only to 4207.50m2	APR	Director: PME	Corporate Governance	Immediate																						

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

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5	Pre- determined objectives	Original KPIs not reported on – KPA 3 and KPA 6	"For the 2024/2025 APR submitted, it was noted that the municipality has reported achievements on the revised SDBP indicators and targets only. The municipality has not reported on the original indicators and targets for 2024/2025 as per circular 129. For the next cycle, the municipality is required to report on all original and revised indicators and targets and failure to do so will result in a material consistency finding."	Management did not report achievements on the original indicators and targets for 2024/2025 as per circular 129.	Management should go forward report on the original indicators and targets for all RPAs.	As a finding for 24/25 financial year, management will not be able to agree as this is compliance to be coming in during the 25/26 financial year, the risk is however, noted with appreciation and the municipality will endeavour to comply during the 25/26 financial year	Agree that for 24/25 financial year KDM did not show the adjustments but will ensure all adjustments going forward will be shown commencing 25/26. Sample of template on how KDM proposes to report is provided below for input/ comment by the AG	Agreed	To ensure initial and new target is shown on APR	APR	Director: PME	Corporate Governance	2025/2026 financial year																																																																																											
6	Consequence management	Prior year irregular expenditure not investigated	During the audit, it was noted that there was no evidence that the following items of prior year irregular expenditure were investigated. RF 66 which was requested on the 13/10/2025. The information provided for this RFI did not clearly include MPAC agendas or evidence in support of the below items: <table><tr><th>No.</th><th>Year Identified</th><th>Details</th><th>Payment date</th><th>Reference</th><th>Supplier</th><th>Amount R</th></tr><tr><td>1</td><td>2023/07</td><td>EXPIRED CONTRACTS</td><td>18/07/2023</td><td>EF029039-0002</td><td>GLOBAL TRAVEL</td><td></td></tr><tr><td>2</td><td>2023/08</td><td>EXPIRED CONTRACT</td><td>08/04/2023</td><td>EF029728-0001</td><td>GLOBAL TRAVEL</td><td>7</td></tr><tr><td>3</td><td>2023/10</td><td>EXPIRED CONTRACT</td><td>31/10/2023</td><td>EF029438-0003</td><td>CHEML D PROPERTIES</td><td></td></tr><tr><td>4</td><td>2023/11</td><td>EXPIRED CONTRACT</td><td>17/11/2023</td><td>EF029482-0018</td><td>FIDELITY CASH SOLUTIONS (PTY)</td><td></td></tr><tr><td>5</td><td>2023/12</td><td>EXPIRED CONTRACT</td><td>22/12/2023</td><td>EF029655-0004</td><td>TOTAL CLIENT SERVICES LIMITED</td><td>9</td></tr><tr><td>6</td><td>2023/12</td><td>Identified by AG- Schedule 21</td><td>14/07/2023</td><td>EF029031-0019</td><td>TOTAL CLIENT SERVICES LIMITED</td><td>155</td></tr><tr><td>7</td><td>2023/12</td><td>Identified by AG- Schedule 21</td><td>13/12/2023</td><td>EF029607-0006</td><td>CHEML D PROPERTIES</td><td>65</td></tr><tr><td>8</td><td>2024/05</td><td>EXPIRED CONTRACT</td><td>11/04/2024</td><td>EF030015-0006</td><td>EGEN ENGINEERING</td><td></td></tr><tr><td>9</td><td>2024/06</td><td>EXPIRED CONTRACT</td><td>31/05/2024</td><td>EF030192-0009</td><td>TOTAL CLIENT SERVICES LIMITED</td><td>9</td></tr><tr><td>10</td><td>2024/06</td><td>EXPIRED CONTRACT</td><td>28/06/2024</td><td>EF030302-0006</td><td>TOTAL CLIENT SERVICES LIMITED</td><td>9</td></tr><tr><td>11</td><td>2023/07</td><td>No details</td><td>07/12/2023</td><td>EF029033-0001</td><td>SITHEMBAHOGAMWOZI TRADING ENTE</td><td>4</td></tr><tr><td>12</td><td>2023/08</td><td>No details</td><td>08/08/2023</td><td>EF029764-0004</td><td>SITHEMBAHOGAMWOZI TRADING ENTE</td><td>4</td></tr></table>	No.	Year Identified	Details	Payment date	Reference	Supplier	Amount R	1	2023/07	EXPIRED CONTRACTS	18/07/2023	EF029039-0002	GLOBAL TRAVEL		2	2023/08	EXPIRED CONTRACT	08/04/2023	EF029728-0001	GLOBAL TRAVEL	7	3	2023/10	EXPIRED CONTRACT	31/10/2023	EF029438-0003	CHEML D PROPERTIES		4	2023/11	EXPIRED CONTRACT	17/11/2023	EF029482-0018	FIDELITY CASH SOLUTIONS (PTY)		5	2023/12	EXPIRED CONTRACT	22/12/2023	EF029655-0004	TOTAL CLIENT SERVICES LIMITED	9	6	2023/12	Identified by AG- Schedule 21	14/07/2023	EF029031-0019	TOTAL CLIENT SERVICES LIMITED	155	7	2023/12	Identified by AG- Schedule 21	13/12/2023	EF029607-0006	CHEML D PROPERTIES	65	8	2024/05	EXPIRED CONTRACT	11/04/2024	EF030015-0006	EGEN ENGINEERING		9	2024/06	EXPIRED CONTRACT	31/05/2024	EF030192-0009	TOTAL CLIENT SERVICES LIMITED	9	10	2024/06	EXPIRED CONTRACT	28/06/2024	EF030302-0006	TOTAL CLIENT SERVICES LIMITED	9	11	2023/07	No details	07/12/2023	EF029033-0001	SITHEMBAHOGAMWOZI TRADING ENTE	4	12	2023/08	No details	08/08/2023	EF029764-0004	SITHEMBAHOGAMWOZI TRADING ENTE	4	Lack of capacity within governance structures of the municipality to ensure that all prior year irregular expenditure is investigated to determine if any persons are liable for the irregular expenditure as required by the MFMA. Lack of documented policy and procedures to guide investigations process to ensure that all instances of irregular expenditure are properly investigated and followed up to determine if a person is liable for the irregular expenditure, as required by the MFMA	The accounting officer should create capacity within governance structures of the municipality to ensure that all prior year irregular expenditure is properly investigated to determine if any persons are liable for the irregular expenditure as required by the MFMA. This could include capacitating the internal audit function to include an investigations component as well as capacitating the Disciplinary Board so that it can facilitate these investigations to ensure that the results of investigations into irregular expenditure are sufficiently independent and credible. The accounting officer should develop and implement consequence management policy and procedures to guide the conduct of such investigations and follow up action to determine if a person is liable for the irregular expenditure, as required by the MFMA.	Management notes the finding, however, does not agree with some of the items provided on the table. Management agrees with the finding on some of the items and reasons have been provided as per below table. Where management agrees to the finding based on the responses, the UFW register will be corrected accordingly.	"Tender is currently at Appeals stage. Management notes the internal control deficiency, however there is a UFW policy in place, the deficiencies relates to the maintenance of the register and administration of information for investigation. Management commit to improving internal control on administration of old year irregular expenditure on the register and how the MPAC numbers is maintenance. In terms of total client services, the tender is currently at Appeals stage."	The BU agrees with the recommendation and will be implemented.	Capacitate the internal audit function to include an investigations component	"Training notice Training Attendance Register"	"COO Municipal Manager"	Corporate Governance	30/06/2026
No.	Year Identified	Details	Payment date	Reference	Supplier	Amount R																																																																																																		
1	2023/07	EXPIRED CONTRACTS	18/07/2023	EF029039-0002	GLOBAL TRAVEL																																																																																																			
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12	2023/08	No details	08/08/2023	EF029764-0004	SITHEMBAHOGAMWOZI TRADING ENTE	4																																																																																																		
									Capacitate the Disciplinary Board so that it can facilitate these investigations	"Training notice Training Attendance Register"	"COO Municipal Manager"	Corporate Governance	30/06/2026																																																																																											
									Approval of the Consequences Management policy by Council	Council resolution	"COO Municipal Manager"	Corporate Governance	30/06/2026																																																																																											

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																																
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7	Pre- determined objectives	Prior year fruitless and wasteful expenditure not investigated	During the audit, it was noted that the prior year fruitless and wasteful expenditure amounting to R71 609 was not investigated. <table><tr><th>No.</th><th>Details</th><th>Supplier</th><th>Payment date</th><th>Amount R</th></tr><tr><td>1</td><td>Bank charges</td><td>RNB</td><td>30/06/2022</td><td>64 890</td></tr><tr><td>2</td><td>Bank charges</td><td>RNB</td><td>30/06/2023</td><td>6 719</td></tr><tr><td colspan="4">Total</td><td>R71 609</td></tr></table>	No.	Details	Supplier	Payment date	Amount R	1	Bank charges	RNB	30/06/2022	64 890	2	Bank charges	RNB	30/06/2023	6 719	Total				R71 609	"Lack of capacity within governance structures of the municipality to ensure that all prior year fruitless and wasteful expenditure is investigated to determine if any persons are liable for the fruitless and wasteful expenditure as required by the MFMA. Lack of documented policy and procedures to guide investigations process to ensure that all instances of fruitless and wasteful expenditure are properly investigated and followed up to determine if a person is liable for the fruitless and wasteful expenditure, as required by the MFMA."	"The accounting officer should create capacity within governance structures of the municipality to ensure that all prior year fruitless and wasteful expenditure is properly investigated to determine if any persons are liable for the fruitless and wasteful expenditure as required by the MFMA. This could include capacitating the internal audit function to include an investigations component as well as capacitating the Disciplinary Board so that it can facilitate these investigations to ensure that the results of investigations into fruitless and wasteful expenditure are sufficiently independent and credible. The accounting officer should develop and implement consequence management policy and procedures to guide the conduct of such investigations and follow up action to determine if a person is liable for the fruitless and wasteful expenditure, as required by the MFMA."	The finding is noted and accepted. Management will have the Fruitless and Wasteful expenditure investigated in the 2025/26 Financial Year.	Management notes the finding, however the municipality has a UFW policy and Framework which provides procedures on investigation on appropriate level of UFW. The fruitless and wasteful expenditure remains on the balance of the UFW register and will be submitted in the 2025/26 financial year for investigation.	The UFW policy and UFW Framework is in place. The municipality is in the process of finalizing the consequence management policy which has been tabled at various Council structures including Council.	Investigation of fruitless and wasteful expenditure	Director: Expenditure	Finance	31/03/2026
No.	Details	Supplier	Payment date	Amount R																												
1	Bank charges	RNB	30/06/2022	64 890																												
2	Bank charges	RNB	30/06/2023	6 719																												
Total				R71 609																												
8	Prior year unauthorised expenditure not investigated	Prior year unauthorised expenditure amounting to R13 316 645 was not investigated.	During the audit, it was noted that the prior year unauthorised expenditure amounting to R13 316 645 was not investigated. <table><tr><th>No.</th><th>Details</th><th>Amount R</th></tr><tr><td>1</td><td>Expenses exceeding - Remuneration (various lines relating to basic, cell phone and travel)</td><td>4 116 467</td></tr><tr><td>2</td><td>Budget (Cash)</td><td>7 672 144</td></tr><tr><td>3</td><td>Contractors - Repairs and Maintenance</td><td>1 528 034</td></tr><tr><td colspan="2">Total</td><td>R13 316 645</td></tr></table>	No.	Details	Amount R	1	Expenses exceeding - Remuneration (various lines relating to basic, cell phone and travel)	4 116 467	2	Budget (Cash)	7 672 144	3	Contractors - Repairs and Maintenance	1 528 034	Total		R13 316 645	"Lack of capacity within governance structures of the municipality to ensure that all prior year unauthorised expenditure is investigated to determine if any persons are liable for the unauthorised expenditure as required by the MFMA. Lack of documented policy and procedures to guide investigations process to ensure that all instances of unauthorised expenditure are properly investigated and followed up to determine if a person is liable for the unauthorised expenditure, as required by the MFMA."	"The accounting officer should create capacity within governance structures of the municipality to ensure that all prior year unauthorised expenditure is properly investigated to determine if any persons are liable for the unauthorised expenditure as required by the MFMA. This could include capacitating the internal audit function to include an investigations component as well as capacitating the Disciplinary Board so that it can facilitate these investigations to ensure that the results of investigations into unauthorised expenditure are sufficiently independent and credible. The accounting officer should develop and implement consequence management policy and procedures to guide the conduct of such investigations and follow up action to determine if a person is liable for the unauthorised expenditure, as required by the MFMA."	The finding is noted and accepted, and the unauthorised expenditure will be investigated in the 2025/26 Financial Year. The amount was spent as a result of the government gazette on determination of upper limits for Councilors, which was for two previous financial years. The gazette further increases the municipal grading of the Kwabukwa, which necessitated further amount paid	The internal control deficiency is noted, however there is an SOP on investigation of UFW and an approved policy. Management will improve on the implementation of the these documents.	Management notes the recommendation and will implement it accordingly.	Investigation of the Unauthorised expenditure	"Investigation Report to MPAC resolution"	All Bus	All Bus	31/03/2026				
No.	Details	Amount R																														
1	Expenses exceeding - Remuneration (various lines relating to basic, cell phone and travel)	4 116 467																														
2	Budget (Cash)	7 672 144																														
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																																																																	
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME																																																				
9	Pre-determined objectives	Irregular expenditure written off as irrecoverable without being investigated	"During the audit, it was noted that there was no evidence provided in support of investigations being conducted and completed for all items making up the R2 877 021 that was written off by council as irrecoverable. Hence there was no evidence provided to support council's decision to certify irregular expenditure as irrecoverable based on the result of an investigation. The R2 877 021 is made up of R3 347 18 current year irregular expenditure and R2 542 303 prior year irregular expenditure"	Lack of capacity within governance structures of the municipality to ensure that all prior year irregular expenditure is properly investigated to determine if any persons are liable for the irregular expenditure as required by the MFMA. Lack of documented policy and procedures to guide investigations to ensure that all instances of irregular expenditure are properly investigated and followed up to determine if a person is liable for the irregular expenditure, as required by the MFMA.	The accounting officer should create capacity within governance structures of the municipality to ensure that all prior year irregular expenditure is properly investigated to determine if any persons are liable for the irregular expenditure as required by the MFMA. This could include capacitating the internal audit function to include an investigations component as well as capacitating the Disciplinary Board so that it can facilitate these investigations to ensure that the results of investigations into irregular expenditure are sufficiently independent and credible. The accounting officer should develop and implement consequence management policy and procedures to guide the conduct of such investigations and follow up action to determine if a person is liable for the irregular expenditure, as required by the MFMA.	Management does not agree with the finding. The items considered on this finding were investigated by the Municipal Public Accounts, and reports were submitted to MPAC as per the respective request for information. The process of investigation considers the critical areas in determining, occurrence, amount occurred, responsible person/ Business Unit, recoverability and prevention measures. The municipality has adopted UFW policy, and the participation of internal audit together with the municipal public account's role as per their terms of reference. The items on the write-off, based on the investigation, not fraud had been committed on the occurrence of the irregular expenditure, the occurrences was as a result of non-compliance with the standard operating procedures which does not justify fraud/ negligence. Furthermore, the reason would have included transaction on expired contracts. Management retains its process in ensuring the UFW expenditure was reported and investigated, and therefore does not agree to the finding.	The internal control deficiency is noted, however the investigation report covers the aspect of responsibility and accountability as per the determination of the investigating committee in line with their terms of reference and UFW guidelines and policy. Council has adopted policy and framework.	Management notes the recommendation. Internal Audit forms part of the investigating process. Furthermore there is an approved UFW policy and UFW frame has been drafted and comments were sought from COGTA, and other stakeholders. The consequence management policy has been developed and workshoped at Council and other governance structures.	Finalisation of the consequence management policy	Council resolution	"COO Municipal Manager"	Corporate Governance	30/06/2026																																																				
10	Prior year fruitless and wasteful expenditure not investigated by year end	During the audit, it was noted that the below items of the prior year fruitless and wasteful expenditure was not investigated by 30 June 2025. MPAC 36 dated 03/07/2025 was provided in which the investigation was done after year end.	<table><tr><th>No.</th><th>Date</th><th>Details</th><th>Amount</th></tr><tr><td>1</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>576 173,41</td></tr><tr><td>2</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>199 469,66</td></tr><tr><td>3</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>132 468,59</td></tr><tr><td>4</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>54 313,11</td></tr><tr><td>5</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>77 142,77</td></tr><tr><td>6</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>51 088,52</td></tr><tr><td>7</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>41 568,15</td></tr><tr><td>8</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>43 394,79</td></tr><tr><td>9</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>59 419,77</td></tr><tr><td>10</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>32 148,63</td></tr><tr><td>11</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>37 311,34</td></tr><tr><td>12</td><td>June 2023 and 2024</td><td>Water and sanitation</td><td>110 224,09</td></tr></table>	No.	Date	Details	Amount	1	June 2023 and 2024	Water and sanitation	576 173,41	2	June 2023 and 2024	Water and sanitation	199 469,66	3	June 2023 and 2024	Water and sanitation	132 468,59	4	June 2023 and 2024	Water and sanitation	54 313,11	5	June 2023 and 2024	Water and sanitation	77 142,77	6	June 2023 and 2024	Water and sanitation	51 088,52	7	June 2023 and 2024	Water and sanitation	41 568,15	8	June 2023 and 2024	Water and sanitation	43 394,79	9	June 2023 and 2024	Water and sanitation	59 419,77	10	June 2023 and 2024	Water and sanitation	32 148,63	11	June 2023 and 2024	Water and sanitation	37 311,34	12	June 2023 and 2024	Water and sanitation	110 224,09	Lack of capacity within governance structures of the municipality to ensure that all prior year fruitless and wasteful expenditure is investigated to determine if any persons are liable for the fruitless and wasteful expenditure as required by the MFMA. Lack of documented policy and procedures to guide investigations to ensure that all instances of fruitless and wasteful expenditure are properly investigated and followed up to determine if a person is liable for the fruitless and wasteful expenditure, as required by the MFMA.	The accounting officer should create capacity within governance structures of the municipality to ensure that all prior year fruitless and wasteful expenditure is properly investigated to determine if any persons are liable for the fruitless and wasteful expenditure as required by the MFMA. This could include capacitating the internal audit function to include an investigations component as well as capacitating the Disciplinary Board so that it can facilitate these investigations to ensure that the results of investigations into fruitless and wasteful expenditure are sufficiently independent and credible. The accounting officer should develop and implement consequence management policy and procedures to guide the conduct of such investigations and follow up action to determine if a person is liable for the fruitless and wasteful expenditure, as required by the MFMA.	The finding is noted, however management maintains a view that the fruitless and wasteful expenditure is reportedly written off in the 2024/25 Financial Year end, the amount was identified within the financial year (2022/23) and reported within the same financial period. The investigation for this item already reported being treated as "post year-end events" — but will be treated as non-adjusting events, this mainly affects the disclosure on the AFS.	The internal control deficiency is noted. Council has adopted UFW policy and a drafted framework. Management will improve on adequate implementation of the internal control mechanism.	Management notes the recommendation. Internal Audit forms part of the investigation process, through its participation on the MPAC meetings and provision of guidance to the investigating committee. Furthermore there is an approved UFW policy and a drafted UFW framework. The consequence management policy has been developed and workshoped at Council and other governance structures and awaiting Council Approval.	Finalisation of the consequence management policy	Council resolution	"COO Municipal Manager"	Corporate Governance	30/06/2026
No.	Date	Details	Amount																																																														
1	June 2023 and 2024	Water and sanitation	576 173,41																																																														
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																		
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING					INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME	
11	Pre-determined objectives	Prior year unauthorised expenditure not investigated by year end	During the audit, it was noted that the below items of the prior year unauthorised expenditure was not investigated by 30 June 2025. These were investigated after year end.					"Lack of capacity within governance structures of the municipality to ensure that all prior year unauthorised expenditure is investigated to determine if any persons are liable for the unauthorised expenditure as required by the MFMA. Lack of documented policy and procedures to guide investigations process to ensure that all instances of unauthorised expenditure are properly investigated and followed up to determine if a person is liable for the unauthorised expenditure, as required by the MFMA."	"The accounting officer should create capacity within governance structures of the municipality to ensure that all prior year unauthorised expenditure is properly investigated to determine if any persons are liable for the unauthorised expenditure as required by the MFMA. This could include capacitating the internal audit function to include an investigations component as well as capacitating the Disciplinary Board so that it can facilitate these investigations to ensure that the results of investigations into unauthorised expenditure are sufficiently independent and credible. The accounting officer should develop and implement consequence management policy and procedures to guide the conduct of such investigations and follow up action to determine if a person is liable for the unauthorised expenditure, as required by the MFMA."	"Management does not agree to the finding. The investigations were started on time (they appear on November 2024 agenda) and the process of investigation took a long time resulting in finalization of items by MPAC in July 2025. Management agree to the finding on the below: Bad debts write off (Non cash), the investigation was only carried out in July 2025 and will result in amendment to the UFW note disclosure in 2024/2025 financial year and subsequent disclosure in 2025/2026 financial year."	The internal control deficiency is noted, however the investigation report covers the aspect of responsibility and accountability as per the determination of the investigating committee in line with their terms of reference, UFW guidelines and policy. Council has an adopted policy and framework.	"Management notes the recommendation. There is an approved UFW policy and a drafted UFW framework. Internal Audit forms part of the investigation process, through its participation on the MPAC meetings and provision of guidance to the investigating committee, however the capactation of council structures and internal audit will improve the investigation process. The consequence management policy has been developed and workshopped at Council and other governance structures and awaiting approval."	Capacitate the internal audit function to include an investigations component Capacitate the Disciplinary Board so that it can facilitate these investigations Approval of the Consequences Management policy by Council	"Training notice Training Attendance Register" Council resolution	"COO Municipal Manager" "COO Municipal Manager"	Corporate Governance Corporate Governance	30/06/2026 30/06/2026	
			Business Unit Responsible	Description	Line Item	Amount	MPAC report number											MPAC report date
			Electricity Business Unit – ED Electrical	Bulk Purchases – (Cash)	400245001 Bulk Purchases Esom	6 163 454	MPAC 38											29/07/2025
			Electricity Business Unit – ED Electrical	Bulk Purchases – (Cash)	400245001 Bulk Purchases Esom	5 509 371	MPAC 38											29/07/2025
			Electricity Business Unit – ED Electrical	Disposal of Fixed and Intangible Assets - (Non-Cash)	Various	782 079	MPAC 45											15/08/2025
			Finance Business Unit – Director: Revenue	Provision for Bad Debts	Gains and Losses: Written Off - (Non-Cash)	3 189 239	MPAC 43											29/07/2025
					Impairment Loss: Other Receivables from Norexchange Revenue													
					Property Rates	35 075 477	MPAC 38											29/07/2025
			Electricity Business Unit – ED Electrical	Bulk Purchases – (Cash)	400245001 Bulk Purchases Esom	4 355 334	MPAC 46											15/08/2025
			Human Settlements – ED: Civil Engineering / ED/EP	Transfers and Subsidies - (Non-Cash)	DHHS Construction Expenditure	4 611 854	MPAC 38											29/07/2025
			Electricity Business Unit – ED Electrical	Bulk Purchases – (Cash)	400245001 Bulk Purchases Esom	2 173 017	MPAC 43											29/07/2025
Finance Business Unit – Director: Revenue	Bad debts write off (Non-cash)	See Schedule A																

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
12	Compliance	Unauthorised Expenditure: Expenditure incurred in excess of the approved budget	Unauthorised expenditure of R8 812 824 was incurred in the current year. This indicates that reasonable steps have not been taken by management to prevent the unauthorised expenditure as required by section 62(1)(d) of the MFMA. = The audit team notes that the municipality has incurred expenditure that was not part of the approved budget in terms of section 87 of the MFMA.	Management did not adequately budget for the needs of the municipality. This has led to expenditure being incurred in contravention of MFMA section 87(8).	Management needs to reconsider the methodology used to budget for losses on disposal of assets as there are indications that the current methodology is not working.	Management disagrees with the finding. The AG is referring to bulk purchases. This is not bulk purchases. This relates to projects that were damaged during the disaster and were required to be rehabilitated. The expenditure to which the AG refers to is non-cash expenditure and was required to be written off to derecognize the existing asset when the new asset was completed. Not accounting for this would have resulted in an audit query on the overstatement of asset values.i.e the municipality would have double counted both the old asset and new asset.	N/A	N/A	Comment required from the BU per AG conclusion				
						The impact of this write-off could not have been foreseen until the project had been completed. This is a year end entry and although the municipality budgeted for write-offs the value of this could only be determined after year end and hence exceeded the existing budget. There is no other cash or non-cash unauthorised expenditure incurred by the municipality indicating an improvement in processes. A single year end , non cash item cannot be considered as no reasonable steps have been taken.							

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																																									
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME																												
13	Compliance	Revenue management: inadequate implementation of measures designed to reduce electricity losses	Our review of financial statements for the financial years ended 30 June 2020 to 30 June 2025 revealed that KwaDukuzi Municipality incurred electricity energy losses of 192,019,879 kWh as at 30 June 2025 (June 2024: 181,278,588 kWh), resulting in a revenue loss of R386,932,326 (June 2024: R321,190,087). The municipality's energy loss percentage was 26.73% (June 2024: 25.67%), which is significantly above the national norm. Additionally, there is no measure or basis used to determine technical losses, making it difficult to identify and address the root causes of losses effectively. Kindly refer to the table below for details: <table><tr><th>Financial Period</th><th>2024/25</th><th>2023/24</th><th>2022/23</th><th>2021/22</th><th>2020/21</th><th>2019/20</th></tr><tr><td>Total energy (rounded off)</td><td>26.73</td><td>26.7%</td><td>26%</td><td>25%</td><td>23%</td><td>21%</td></tr><tr><td>Technical losses (estimated based on national norms)</td><td>10%</td><td>10%</td><td>10%</td><td>10%</td><td>10%</td><td>10%</td></tr><tr><td>Non-technical losses</td><td>16.73</td><td>16.6%</td><td>16%</td><td>15%</td><td>13%</td><td>11%</td></tr></table> Based on management's own estimates, technical losses, which are considered unavoidable in the short term, constitute 10% of the total percentage loss indicated above resulting in residual non-technical losses that show an upward trend in real terms over the period. These losses are unsustainable in the long term. Based on studies conducted, the above strategies are considered suitable for KwaDukuzi Municipality, which if implemented correctly will assist in reducing energy losses in the municipality. To assist in prioritizing the implementation of the various strategies due to limited resources, the strategy also ranked the various strategies in terms of impact on energy loss reduction. However, despite the strategies above in progress, there is little progress in implementation of the measures to reduce non-technical losses during the year under review. As a result, the electricity losses as at 30 June 2025 stand at 26.73% compared to 26% in the prior year showing no decrease.	Financial Period	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	Total energy (rounded off)	26.73	26.7%	26%	25%	23%	21%	Technical losses (estimated based on national norms)	10%	10%	10%	10%	10%	10%	Non-technical losses	16.73	16.6%	16%	15%	13%	11%	The slow response by the council to endorse and adopt the energy loss reduction strategies and prioritize implementation by allocating adequate funding to implement those strategies. For example, the revenue protection unit and energy loss task team among other initiatives were not fully functional during the year under review due to lack of funding, resulting in delays in conducting raids to identify illegal connections and or tempering of electricity meters that impact energy losses directly.	The council is requested to take ownership of the strategies and measures designed to reduce electricity losses and prioritise implementation by allocating required funding for the measures/initiatives to reduce electricity losses. The council must capacitate the revenue protection unit so that it can commence critical work of conducting raids in order to identify illegal connections, dysfunctional meters, and other issues that result in underbilling of electricity consumption. Implementing these quick-win strategies will also assist management in identifying where leakages lie in the electricity distribution network of the municipality. The council should lead from the front in engaging communities on the negative impact of illegal connections, and bypassing of meters on the resources of the municipality. This will assist in influencing residents to embrace the culture of paying for services used. Management should re-prioritize the resources available to implement the various energy loss reduction strategies recommended by the Vunehla Lembe LED Programme for the development of a non-revenue electricity management programme and strategy.	"Management acknowledges the audit finding regarding the continued high electricity losses of 26.73% for the year ended 30 June 2025. Management concurs that the losses remain significantly above the national benchmark and that the slow implementation of approved energy loss reduction strategies has contributed to the sustained upward trend in non-technical losses. Furthermore, management recognises the challenges identified, including insufficient funding, inadequate operational capacity in the Revenue Protection Unit, and delays in rolling out technology-based interventions such as AMR and metering upgrades. From analysis of slow progress the following has been identified: - Work was done but not institutionalised. - No permanent revenue protection capability - Incomplete metering upgrades - No enforcement or prosecution continuity - Weak data analytics, no balancing or dashboards - Fragmented responsible across departments The external factors that include affordability, high price of electricity, unemployment result in increase of culture of nonpayment of which the developed strategies cannot cope with these external factors"	Management agrees that gaps in internal control implementation contributed to the slow progress in reducing non-technical losses. Specifically: • Endorsement of strategies and organograms by Council affecting funding that limited the rollout of the Revenue Protection Unit and other initiatives. • Enforcement activities (illegal connection raids, meter audits, tamper investigations) were inconsistent due to inadequate staffing and operational tools. The internal control shortcomings are acknowledged and will be addressed through strengthened governance, re-prioritisation of resources, clearer accountability, and improved monitoring mechanisms."	Management supports and accepts the recommendations provided by the Auditor-General, which include: • Council adoption and active oversight of energy loss reduction strategies. • Prioritisation of strategies and funding to implement high-impact interventions. • Formal capacitation and resourcing of the Revenue Protection Unit. • Enhanced community awareness and stakeholder engagement to reduce illegal connections. Management will ensure that all these recommendations are operationalised through the Remedial Action Plan provided below."	Council Workshop on energy losses and get endorsement of strategies and organogram Large power user reconstruction program – appoint service provider and implement program Implementation of the developed energy losses reduction strategies	Workshop agenda Attendance register "Appointment letter Large power user program" Progress report on energy losses reduction strategies	ED Electrical	EBU	2025/26 Q3
Financial Period	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20																																			
Total energy (rounded off)	26.73	26.7%	26%	25%	23%	21%																																			
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											ED Electrical Finance Revenue Protection Unit	EBU	Ongoing																												

SECTION 1 AUDIT REPORT MATTERS																																																																																																														
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14	Compliance	Grant management: Grant not used for intended purpose	During the audit of KwaBukuza Municipality's 2024–2025 financial records, it was noted that a portion of MIG funds was used to pay employee salaries. These salaries were not included in the approved MIG implementation plan for 2024/25. The employees whose salaries were paid from MIG funds are already on the KwaBukuza Municipality staff establishments meaning their remuneration should have been funded from the municipality's operational budget, not the grant. It was noted that the total employee cost funded by MIG grants was R3 027 500	Non-adherence to the MIG framework conditions. Lack of internal controls and oversight to ensure compliance with grant spending requirements. Failure to align actual expenditure with the approved implementation plan.	KwaBukuza Municipality must cease using MIG funds for operational expenses immediately. Ensure that all MIG expenditure aligns strictly with the approved implementation plan. Implement stronger internal controls and grant compliance monitoring. Conduct a root cause analysis and submit a corrective action plan to the Provincial Treasury.	Management disagrees with the finding. DoRA and MIG framework allows for utilisation of MIG to pay salaries for the PMU staff and any operational expenses as long as it doesn't exceed 5% of the MIG allocation. If the municipality intends to use this allowable 5%, PMU business plan is submitted to COGTA for approval before implementing. In the case where the operational costs exceed the allowable 5%, council will fund the shortfall. Please refer to the attached DoRA, MIG framework. Approval letter for utilisation of 5% of MIG allocation to fund PMU operational cost and PMU business plan that was submitted for approval. It is also not true that salaries are not part of approved implementation plan. The first item on the implementation is PMU top-slice which is term used to refer to operational cost of PMU office including salaries.	There is no internal control deficiency as this is done in line with DoRA and Grant framework. The monthly expenditure on salaries is reported monthly to COGTA.	KwaBukuza will continue to use MIG to pay for operational costs for PMU, within the allowable 5% of its allocation.	No actions to be taken		All Bus	All Bus	Ongoing																																																																																																	
15	Suppliers not paid within 30 days		1. During the testing of trade creditors and accrual and expenditure, it was noted that payments listed below were not paid within 30 days of receipt of invoice. <table><tr><th>Supplier</th><th>Invoice no.</th><th>Date invoice was received by IDM</th><th>Payment received date</th><th>No. of days between invoice and payment</th></tr><tr><td>Drivers license card account</td><td>IM08708</td><td>2025/07/11</td><td>21-Aug-25</td><td>41,00</td></tr><tr><td>1 Stop electrical and lighting</td><td>INV22087</td><td>2025/05/06</td><td>11-Jul-25</td><td>66,00</td></tr><tr><td>CLAT engineering Pty Ltd</td><td>INV03416</td><td>2025/05/05</td><td>14-Jul-25</td><td>70,00</td></tr><tr><td>Asagip Elemental</td><td>MM008</td><td>2025/06/26</td><td>31-Jul-25</td><td>35,00</td></tr><tr><td>Wormdale</td><td>59</td><td>2025/06/20</td><td>04-Aug-25</td><td>45,00</td></tr><tr><td>ED Auto Centre</td><td>1195</td><td>2025/06/03</td><td>11-Jul-25</td><td>38,00</td></tr><tr><td>Wespan Electrical Services (Pty) Ltd</td><td>WES-290</td><td>2025/06/26</td><td>08-Aug-25</td><td>43,00</td></tr></table> 2. During the testing of expenditure, it was noted that the following payments were not made within 30 days of receipt of invoice: <table><tr><th>Supplier</th><th>Invoice no.</th><th>Date invoice was received by IDM</th><th>Payment received date</th><th>No. of days between invoice and payment</th><th>Amount</th></tr><tr><td>SALGA</td><td>18455</td><td>2024/04/01</td><td>2024/09/10</td><td>173</td><td>108,09</td></tr><tr><td>BPS Mass Appraisals</td><td>EF031341</td><td>04/07/2024</td><td>2024/08/03</td><td>31</td><td>108,09</td></tr><tr><td>30 Sensation trading (Pty) LTD</td><td>EF030735-0002</td><td>2024/10/24</td><td>2024/11/01</td><td>36</td><td>850,00</td></tr><tr><td>Webb YS</td><td>EF30923</td><td>2024/10/08</td><td>2025/06/30</td><td>265</td><td>383,14</td></tr><tr><td>Jidane</td><td>EF030942</td><td>2024/11/13</td><td>2025/01/17</td><td>65</td><td>442 072 443</td></tr></table> 3. Furthermore, during the testing of expenditure, it was noted that for the following there was no proof of payment provided hence it could not be determined if the invoice was paid within 30 days of receipt: <table><tr><th>Invoice Number</th><th>Invoice date received</th><th>Description</th><th>Amount (Ind VAT)</th></tr><tr><td>4322</td><td>2025/06/05</td><td>Maintenance and repairs of substation</td><td>369 370,48</td></tr><tr><td>Wec290</td><td>2025/06/25</td><td>Electrical supplies</td><td>241 294,73</td></tr><tr><td>9</td><td>2024/11/22</td><td>N-Hapsom Road</td><td>239 275,85</td></tr><tr><td>111834</td><td>2025/08/04</td><td>BE44</td><td>147 200,00</td></tr></table>	Supplier	Invoice no.	Date invoice was received by IDM	Payment received date	No. of days between invoice and payment	Drivers license card account	IM08708	2025/07/11	21-Aug-25	41,00	1 Stop electrical and lighting	INV22087	2025/05/06	11-Jul-25	66,00	CLAT engineering Pty Ltd	INV03416	2025/05/05	14-Jul-25	70,00	Asagip Elemental	MM008	2025/06/26	31-Jul-25	35,00	Wormdale	59	2025/06/20	04-Aug-25	45,00	ED Auto Centre	1195	2025/06/03	11-Jul-25	38,00	Wespan Electrical Services (Pty) Ltd	WES-290	2025/06/26	08-Aug-25	43,00	Supplier	Invoice no.	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The finding is noted and management does not fully agree to the finding. Reason for acceptance and non-acceptance on the above table - column "Management responses" For management of invoices days to comply with MFMA section 65(2)(e), Management has been in search of the invoice tracking register, although there is a shortage in the market for its type of system, there are system developments made on the Munsofit Financial system which will improve monitoring of invoices. Furthermore, the invoice receipt register is in place to monitor invoices, however where there are technical queries, the invoices may be paid late.	Management notes the internal control deficiency. However the invoice receipt register is in place to monitor invoice days. Where there are technical queries, the invoices may be paid late. The municipality has drafted separate SOP in line with MFMA section 65(2)(e) to improve the process.	Management introduced disputed invoices stamps and registers to ensure disputed invoices are stamped and recorded accordingly	Improvement on processes related to payments of invoices within 30 days.					
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
16	Compliance	Evaluation report for the Municipal Infrastructure Grant (MIG) and Municipal Disaster Recovery Grant not submitted to the transferring officer within 2 months after the end of the financial year	"In performance the audit of compliance with the Dora, it was identified that the municipality submitted the MIG annual report to the department of COGTA on 1 September 2025, which is more than two (2) months after the end of the 2024/25 financial year. Additionally, for the Municipal Disaster Recovery Grant, it was established that only the monthly reports as required by section 12(2)(b) and (4) of the Dora. Consequently, this results in a material non-compliance with section 12(5) of the Dora and will be reported in the audit report"	Inadequate planning in ensuring compliance timelines are adhered to.	The accounting officer and CFO should strengthen planning processes and ensure compliance timelines are adhered to.	"COMAF 46 MIG response: The management notes the finding but disagrees with the finding. The MIG report was approved by Council at a Council meeting held on the 29th August 2025. The report was submitted to COGTA on Friday 29 August 2025 as per proof of submission sent together with council resolution. The report submitted on the 29th August was in fact the final report but without the signed covering letter which is an additional internal control process not a prescribed reporting requirement in terms of Section 12(5) of the Division of Revenue Act (Dora) as the Accounting Officer was on an official engagement. The Accounting officer subsequently signed the covering letter on Monday 01 September 2025, and the report was resubmitted with the covering letter. It is important to note that there were no changes in the reports submitted on both the 29th August 2025 and the 1st September 2025 with the exception of the fact that the report submitted on the 1st September 2025 had an accompanying cover letter which is not a required in terms of Section 12(5) of the Division of Revenue Act (Dora) but more of an internal control process for the municipality. Management submits that the report was submitted within the legislated time frame. COMAF 46 Disaster grant: The management notes the finding but disagrees with the finding following an enquiry made with KZN Provincial COGTA (PDMC) who has confirmed that the Disaster Grant funds are not allocated in terms of Section 12(5) of the Division of Revenue Act (Dora) but are allocated to NDMPDC who in turns transfers the funds to PDMC and PDMC transfers the funds to the Local Municipality and of consequence the Municipality is not required to report in terms of Section 12(5) of the Division of Revenue Act (Dora) but reports on a monthly and quarterly basis PDMC. It is NDPMC who reports to National Treasury as per the conditions of the grant allocation to NDPMC hence no financial and non-financial report were submitted to the transferring authority on the 30th August 2025 as required by Section 12(5) of the Division of Revenue Act (Dora). Additionally, the Disaster Grants reports are submitted monthly and quarterly to PDMC and the municipality has not been found to be non-compliant from the transferring authority and has also recently received a grant rollover approval for same grant which would not have been received had the municipality been non-compliant. It must be further noted that Kwabukuzi Municipality further participates on Provincial COGTA Grant Steering Committee where its reports are also considered A written submission on the above submission will be confirmed by PDMC & NDPMC for onward submission to the Auditor General."	"COMAF 46 MIG response: There are no internal control deficiencies as the report was submitted and approved by council by 28 August 2025, and the same report together with council resolution was submitted to COGTA on Friday 29 August 2025 therefore the Municipality met the grant reporting requirements. As an additional internal control mechanism and not a grant reporting requirement the BU includes a covering letter signed by the Accounting Officer and hence the same report was re-submitted with the covering letter. COMAF 46 Disaster grant: The are no internal control deficiencies identified as the municipality submits reports in line with format given by the transferring authority (Monthly and Quarterly) report."	"COMAF 46 MIG response: There are controls in place that track all the compliance issue relating to conditional grants. COMAF 46 Disaster grant: There are controls in place that track all compliance issues relating to conditional grant."	No remedial action as the report was submitted within the prescribed time frame.	Proof of submission of the MIG and Disaster Grant to COGTA	ED: Civil Engineering and PMU	Civil Engineering	Quarterly

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS

MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME																																																												
17	Compliance	Competitive Bids	<table><thead><tr><th>Tender description</th><th>Tender Specification Minutes</th><th>Tender Evaluation minutes</th><th>Tender Adjudication minutes</th></tr></thead><tbody><tr><td>MW 252/2023 - SUPPLY, DELIVERY AND OFFLOADING 315 KVA & 900 KVA (11/04/2023) MINIAUDITE LOCAL MUNICIPALITY</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 77/2024 - THE UPGRADE OF DARNALL SPORTFIELD IN WARD 2 IN KWADUKUZA LOCAL MUNICIPALITY</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 64/2024 - REHABILITATION OF THE PARKING LOT IN VLAKSPRUIT CEMETERY</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 48-2024 - PROVISION OF ASSET MANAGEMENT IMPLEMENTATION SERVICES TO THE ELECTRICAL ENGINEERING BUSINESS UNIT FOR A PERIOD OF 13 YEARS</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 304/2023 - UPGRADE OF YELLOWWOOD ROAD CULVERT 2 IN WARD 16</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 331/2023 - PLANNING AND REBUSHMENT OF OK MALL PARKING</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 21/2024 - IMBONINI SUBSTATION 33KV UPGRADE</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 202/2024 - (A) GENERAL VALUATION AND PRESENTATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2026 (B) PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2026 TO 30 JUNE 2029</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 337/2023 - THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE ROAD RESERVES FOR A PERIOD OF THIRTY-SIX MONTHS: ZONE 9 (WARD 13 & 26)</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 165/2023 - CONSTRUCTION OF LINDELANI CRECHE IN WARD 5</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 63/2024 - REHABILITATION OF THE EXISTING CHANGE ROOM IN VLAKSPRUIT CEMETERY</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>ADVERTISING SERVICES - STREET LAMP POLE ADVERTISING FOR KWADUKUZA MUNICIPALITY FOR A THREE (3) YEAR PERIOD</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 99/2024 - ROAD UPGRADE GROUTVILLES SURFACE ROADS AND STORMWATER (BAMATEMEKI IN WARD 12</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr><tr><td>MW 130/2024 - UPGRADE OF KWADUKUZA MUNICIPALITY'S COUNCIL CHAMBERS IN WARD 19</td><td>Not signed</td><td>Not signed</td><td>Not signed</td></tr></tbody></table> It was noted that the minutes for the tender specification, evaluation and adjudication committee were per the table were not signed.	Tender description	Tender Specification Minutes	Tender Evaluation minutes	Tender Adjudication minutes	MW 252/2023 - SUPPLY, DELIVERY AND OFFLOADING 315 KVA & 900 KVA (11/04/2023) MINIAUDITE LOCAL MUNICIPALITY	Not signed	Not signed	Not signed	MW 77/2024 - THE UPGRADE OF DARNALL SPORTFIELD IN WARD 2 IN KWADUKUZA LOCAL MUNICIPALITY	Not signed	Not signed	Not signed	MW 64/2024 - REHABILITATION OF THE PARKING LOT IN VLAKSPRUIT CEMETERY	Not signed	Not signed	Not signed	MW 48-2024 - PROVISION OF ASSET MANAGEMENT IMPLEMENTATION SERVICES TO THE ELECTRICAL ENGINEERING BUSINESS UNIT FOR A PERIOD OF 13 YEARS	Not signed	Not signed	Not signed	MW 304/2023 - UPGRADE OF YELLOWWOOD ROAD CULVERT 2 IN WARD 16	Not signed	Not signed	Not signed	MW 331/2023 - PLANNING AND REBUSHMENT OF OK MALL PARKING	Not signed	Not signed	Not signed	MW 21/2024 - IMBONINI SUBSTATION 33KV UPGRADE	Not signed	Not signed	Not signed	MW 202/2024 - (A) GENERAL VALUATION AND PRESENTATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2026 (B) PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2026 TO 30 JUNE 2029	Not signed	Not signed	Not signed	MW 337/2023 - THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE ROAD RESERVES FOR A PERIOD OF THIRTY-SIX MONTHS: ZONE 9 (WARD 13 & 26)	Not signed	Not signed	Not signed	MW 165/2023 - CONSTRUCTION OF LINDELANI CRECHE IN WARD 5	Not signed	Not signed	Not signed	MW 63/2024 - REHABILITATION OF THE EXISTING CHANGE ROOM IN VLAKSPRUIT CEMETERY	Not signed	Not signed	Not signed	ADVERTISING SERVICES - STREET LAMP POLE ADVERTISING FOR KWADUKUZA MUNICIPALITY FOR A THREE (3) YEAR PERIOD	Not signed	Not signed	Not signed	MW 99/2024 - ROAD UPGRADE GROUTVILLES SURFACE ROADS AND STORMWATER (BAMATEMEKI IN WARD 12	Not signed	Not signed	Not signed	MW 130/2024 - UPGRADE OF KWADUKUZA MUNICIPALITY'S COUNCIL CHAMBERS IN WARD 19	Not signed	Not signed	Not signed	Management has not implemented adequate internal control process to ensure that awards were made in terms of the entity's SCM policy and that adequate documentation is maintained to support the decision to award to a supplier.	Management should forward reasons for the above discrepancies with the required supporting documentation.	Refer above comments for each.	Noted	Noted and provided. Refer POE's.	Signed minutes will be provided for future audits	Signed minutes	Head: SCM	Finance	Immediate
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MW 77/2024 - THE UPGRADE OF DARNALL SPORTFIELD IN WARD 2 IN KWADUKUZA LOCAL MUNICIPALITY	that the budget was sent at R7 937 724.35 and the estimated cost was set at R 8 000 000 by the tender specification committee. Yet the point 16 of the tender evaluation minutes state that "the TEC did not fully evaluate bidders all bidders but only evaluated bidders that were below R9 500 000". This statement contradicts the specification requirements. There are also two sets of tender adjudication minutes. The first set of minutes dated 29 - Nov - 2024 awards the tender to Flex Lake Trading for an amount of R 8 069 703.18. The second set of minutes dated 11 - Nov - 2024 award the tender to Onomuthu for R 9 027 963.45. On the minutes that award Onomuthu it claims that the it is stated that Flex Lake was removed as they did not submit a bid and that the bid was not opened. Yet the inspection minutes dated 29 Nov 2024 state that the bid was opened and the bid was awarded to Onomuthu for R 9 027 963.45. It is noted that the supplier noted on the MBD that they have a scope in the service of the state, yet they were still awarded the tender for R 6 498 420.70.																																																																								
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MW 202/2024 - (A) GENERAL VALUATION AND PRESENTATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2026 (B) PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2026 TO 30 JUNE 2029																																																																									
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<table><thead><tr><th>Tender description</th><th>MBD 4</th><th>MBD 8</th></tr></thead><tbody><tr><td>MW 304/2023 - UPGRADE OF YELLOWWOOD ROAD CULVERT 2 IN WARD 16</td><td>Was not part of the tender submission</td><td>Was not part of the tender submission</td></tr></tbody></table>			Tender description	MBD 4	MBD 8	MW 304/2023 - UPGRADE OF YELLOWWOOD ROAD CULVERT 2 IN WARD 16	Was not part of the tender submission	Was not part of the tender submission																																																																	
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MW 304/2023 - UPGRADE OF YELLOWWOOD ROAD CULVERT 2 IN WARD 16	Was not part of the tender submission	Was not part of the tender submission																																																																							

Additionally, other irregularities within the tender process are described in the table below.

Tender description	Finding identified
AW 777/2024 - THE UPGRADE OF DARNALL SPORTFIELD IN WARD 2 IN KWADUKUZA LOCAL MUNICIPALITY	that the budget was set at R 7 397 124.35 and the estimated cost was set at R 8 000 000 by the tender specification committee. Yet the point 16 of the tender evaluation minutes state that "the TEC did not fully evaluate bidders all bidders but only evaluated the lowest bidder". The TEC did not follow the tender specification requirements. There are also two sets of Tender Adjudication minutes that minutes that or on the file that award two different people the tender. The Tender Adjudication minutes date 29 – Nov – 2024 awards the tender to Flex Lake Trading for an amount of R 6 069 703.18. The second set of minutes dated 11 – Nov – 2024 award the tender to Omobuthu for R 5 027 963.45. On the minutes that award Omobuthu it was noted that the supplier was not awarded as they did not meet the requirements of schedule 27. Yet the schedule 27 was submitted per the audit team.
AW 48/2024 - PROVISION OF ASSET MANAGEMENT IMPLEMENTATION SERVICES TO THE ELECTRICAL ENGINEERING BUSINESS UNIT FOR A PERIOD OF 13 YEARS	It was noted that this supplier noted on the MBD that they have a spouse in the service of this state, yet they were all awarded the tender for R 6 498 426.70.
AW 202/2024 - (A) GENERAL VALUATION AND PRESENTATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2026 (B) PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2026 TO 30 JUNE 2029	The tender was placed on e-Tender on 2 December and the cut-off date for tender submission was 12 December 2024. This does not meet the legislated timeline of 14 day for amount less than R 10 000 000.

For the following supplier the MBD 4 and 8 were not provided.

Tender description	MBD 4	MBD 8
AW 304/2023 - UPGRADE OF YELLOWWOOD ROAD CULVERT 2 IN WARD 16	Was not part of the tender submission	Was not part of the tender submission

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
18	Compliance	Contract Management	"1. During the review of the contract register, it was noted that R6 340 849.87 was spent on Contract MN 150/2023 – NTUNGANI (PTY). The contract states the amount to be spent on the contract should be R6 283 770.25. Therefore, the Municipality has overspent on the contract by an amount of R57 079 with no addendum to the contract found. This amount should be disclosed as irregular expenditure and the variance investigated. 2. Additionally, there are contracts that have ended but are reflected as unspent on the contract register. There was no evidence of any of project monitoring to support the work done and unspent portion as reflect below: 3. The contract below has an end date of 30 June 2023 but is reflected as active on the contract register. There was no evidence to support the change in completion date. 4. There are also contract that do not contain a cap on the amount that can be spent on the contract. These contracts are rate-based contracts. Even if the contract is rate based a reasonable calculation done that would serve as a control mechanism to cap the amount that each contractor can spend on the contract over a given period. The list of contracts that do not contain any caps are listed below. 5. The following discrepancies were noted for contracts below. There is also no evidence of contract monitoring"	Management has not implemented adequate internal control process to ensure that the process contract is documented accurately and are tracked correctly on the contract register. Management has also not adequately monitored contracts over the course of their duration.	"Management should forward reasons for the above discrepancies with the required supporting documentation. Management should monitor the implementation of all contracts on a monthly basis. A detailed report should be prepared to track progress throughout the duration of each contract. Management should also ensure that all contracts comply with the National Treasury's general Conditions of contract format. Any extensions of contracts should be reviewed to confirm that they do not alter or expand the original scope of work. Management should forward reasons for the above discrepancies with the required supporting documentation."	Refer to comments on findings under each finding above.	The Contract Register to be reviewed quarterly by the contract officer and reviewed by the contract manager on a quarterly basis to ensure that all information is accurate. A dedicated official must be employed to be allocated the task of updating the contracts register with expenditure information. Contract monitoring is done by the Business Units as per the contract management Policy.	The recommendation is noted	Contract register to be reviewed more regularly. Project monitoring reports to be more readily available.	Updated Contracts Register Project Monitoring Reports	Head: SCM "Head: SCM All Bus"	Finance "Finance All Bus"	Ongoing Ongoing

AUDITOR GENERAL ACTION PLAN ...continued

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19	Compliance	AAIS Findings	A) Supplier sharing telephone numbers with employees The audit team identified that certain employees of KwaDukuza Municipality share the same cellphone number as suppliers. This raises concerns about potential conflicts of interest and fraudulent activities. Details are as follows: <table><tr><th>Supplier Name</th><th>Supplier Amount</th><th>Employee Number</th></tr><tr><td>REDJEL LEGACY TRADING</td><td>R 4 000,00</td><td>PS6289</td></tr><tr><td>MAHISHU CONSTRUCTION AND PROJECTS CC</td><td>R 500 000,00</td><td>PO2636</td></tr></table> Additionally, the municipality could not locate the invoice for Rejoice Legacy Trading, which was requested under REF 84. The absence of this supporting documentation represents a limitation of scope and indicates weaknesses in record-keeping and document management processes. B) Supplier in the service of the state The audit team identified suppliers awarded by KwaDukuza Municipality who are in the service of the state. These suppliers failed to disclose their employment status as required by legislation. <table><tr><th>Supplier Name</th><th>Supplier Amount</th><th>Department/Employed</th></tr><tr><td>THEMBELA PROJECTS AND LOGISTIC</td><td>R 5 000,00</td><td>KZN: TRANSPORT</td></tr><tr><td>SIRHOWA INGENIOSITY TRADING</td><td>R 4 393,00</td><td>MP: CULTURE, SPORT & RECREATION</td></tr><tr><td>SIRHOWA INGENIOSITY TRADING</td><td>R 4 393,00</td><td>KZN: HEALTH</td></tr><tr><td>DN WENENYA CONSTRUCTION</td><td>R 22 740,00</td><td>KZN: TRANSPORT</td></tr><tr><td>NMITHO TRADING</td><td>R 4 790,00</td><td>KZN: TRANSPORT</td></tr><tr><td>LEVOH HOLDINGS</td><td>R 15 230,00</td><td>KZN: TRANSPORT</td></tr><tr><td>KHUYI WARD</td><td>R 10 200,00</td><td>KZN: PUBLIC WORKS</td></tr><tr><td>ZEVANNIA</td><td>R 57 433,00</td><td>KZN: TRANSPORT</td></tr><tr><td>HILOLO LENKOSI</td><td>R 66 740,00</td><td>SOUTH AFRICAN POLICE SERVICE</td></tr><tr><td>MAHABOZ CONSTRUCTION TRADING ENTERPRISE</td><td>R 20 112,10</td><td>KZN: TRANSPORT</td></tr><tr><td>MINIPEA</td><td>R 14 490,00</td><td>KZN: TRANSPORT</td></tr><tr><td>MALOMAX PROJECTS</td><td>R 22 800,00</td><td>KZN: EDUCATION</td></tr><tr><td>BGO TRADING ENTERPRISE</td><td>R 16 000,00</td><td>KZN: CO-OP GOVERNANCE/ROAD AFFAIRS</td></tr><tr><td>Xpress Times North Coast</td><td>R 823 152,75</td><td>KZN: EDUCATION</td></tr></table> C) Interest Employees The following employee has a direct interest in a supplier. <table><tr><th>Supplier Name</th><th>Supplier Amount</th><th>Employee Number</th></tr><tr><td>REDJEL LEGACY TRADING</td><td>R 4 000,00</td><td>PS6289</td></tr></table> D) Interest Family The following employee has a spouse with an interest in a supplier. Additionally, the following employees or council members have partners or associates with interests in suppliers. E) Over one million in payment yet no VAT charged The municipality paid Balitlo Urban Improvement Precinct an amount of R 12,785,376.40. It was noted that no VAT was charged on this payment. Furthermore, no justification was provided for making a payment exceeding one million rand to a supplier that is not registered as a VAT vendor. This raises concerns regarding the supplier's tax compliance and the municipality's adherence to procurement and tax regulations.	Supplier Name	Supplier Amount	Employee Number	REDJEL LEGACY TRADING	R 4 000,00	PS6289	MAHISHU CONSTRUCTION AND PROJECTS CC	R 500 000,00	PO2636	Supplier Name	Supplier Amount	Department/Employed	THEMBELA PROJECTS AND LOGISTIC	R 5 000,00	KZN: TRANSPORT	SIRHOWA INGENIOSITY TRADING	R 4 393,00	MP: CULTURE, SPORT & RECREATION	SIRHOWA INGENIOSITY TRADING	R 4 393,00	KZN: HEALTH	DN WENENYA CONSTRUCTION	R 22 740,00	KZN: TRANSPORT	NMITHO TRADING	R 4 790,00	KZN: TRANSPORT	LEVOH HOLDINGS	R 15 230,00	KZN: TRANSPORT	KHUYI WARD	R 10 200,00	KZN: PUBLIC WORKS	ZEVANNIA	R 57 433,00	KZN: TRANSPORT	HILOLO LENKOSI	R 66 740,00	SOUTH AFRICAN POLICE SERVICE	MAHABOZ CONSTRUCTION TRADING ENTERPRISE	R 20 112,10	KZN: TRANSPORT	MINIPEA	R 14 490,00	KZN: TRANSPORT	MALOMAX PROJECTS	R 22 800,00	KZN: EDUCATION	BGO TRADING ENTERPRISE	R 16 000,00	KZN: CO-OP GOVERNANCE/ROAD AFFAIRS	Xpress Times North Coast	R 823 152,75	KZN: EDUCATION	Supplier Name	Supplier Amount	Employee Number	REDJEL LEGACY TRADING	R 4 000,00	PS6289										
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

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20	Compliance	Competitive bids finding	It was noted by the audit team that there was the municipality had a tender process for a third-party supplier. There are no financial implications on the municipality hence there was no contract between the winning bidder and the municipality. Based on the email above the municipality has used state resources to have a tender process for a third party.	Management has not implemented adequate internal control processes to ensure state resources are used for the benefit of the state.	"Management should provide reasons for the above discrepancies along with the required supporting documentation. All tender processes that go through the tender process should be for the benefit of the state."	"We don't agree with the finding. The tender was taken through KDM SCM committees since infrastructure being developed was for municipality. Due to municipality having no adequate funds, through SLA the developer had to provide funding for municipality and municipality re-imburse developer after certain conditions have been met. At a long run municipality will incur financial implications as per Service Level Agreement with developer when 70% of connections have been achieved."	"Taking the tender through internal SCM committees is a control measure itself. This infrastructure being developed is for municipality, municipality has to ensure that the infrastructure complies with municipality specifications. As per service level agreement with developer the state will benefit since the substation being developed was handed and also the state has to pay (re-imburse the developer)"	There is benefit to municipality since the substation has been handed over to municipality and electricity that municipality sells to consumers goes through this substation.	"Action required based on the conclusion that ""There is no agreement that is provided to the audit team showing the 70% connection agreement""				
21	Limitations of scope	Limitation of scope: requested information not submitted for audit purposes	The following requests for information were not submitted to the audit team: The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter.	The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter.	"The accounting officer should implement adequate filing and record-keeping processes to ensure that requested information is easily accessible and made available in a timely manner Management should provide the necessary information requested to the AGSA to avoid any further delays to the audit process."	The finding is accepted and confirm that the information has since been submitted except for the item 49(3) .	Whilst there is an effective filing record-keeping system in place, the coordination of the volume of information requested led to the delay in the turnaround time for the submission of the requested information.	The recommendation is noted and accepted for implementation in the future audit.	Lessons learnt from the current audit on the timely coordination of the required information will be implemented in the 2025/2026 financial year	None	All Bus	All Bus	2025/26
22		Limitation of scope: requested information not submitted for audit purposes	The following requests for information were not submitted to the audit team: The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter	The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter	"The accounting officer should implement adequate filing and record-keeping processes to ensure that requested information is easily accessible and made available in a timely manner Management should provide the necessary information requested to the AGSA to avoid any further delays to the audit process."	The finding is accepted and confirm that the information has since been fully submitted to AG.	Whilst there is an effective filing record-keeping system in place, the coordination of the volume of information requested led to the delay in the turnaround time for the submission of the requested information.	The recommendation is noted and accepted for implementation in the future audit	Lessons learnt from the current audit on the timely coordination of the required information will be implemented in the 2025/2026 financial year	None	All Bus	All Bus	2025/26

AUDITOR GENERAL ACTION PLAN ...continued

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23	Limitations of scope	Limitation of scope: requested information not submitted for audit purposes	The following requests for information were not submitted to the audit team:	The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter.	"The accounting officer should implement adequate filing and record-keeping processes to ensure that requested information is easily accessible and made available in a timely manner" Management should provide the necessary information requested to the AGSA to avoid any further delays to the audit process."	The finding is accepted and confirm that the information has since been fully submitted to AG.	Whilst there is an effective filing record-keeping system in place the coordination of the volume of information requested led to the delay in the turnaround time for submission of the requested information	The recommendation is noted and accepted for implementation in the future audit.	Lessons learnt from the current audit on the timely coordination of the required information will be implemented in the 2025/2026 financial year	None	All Bus	All Bus	2025/26
24		Limitation of scope: Requested information not submitted for audit purposes	The following requests for information were not submitted to the audit team:	The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter.	"The accounting officer should implement adequate filing and record-keeping processes to ensure that requested information is easily accessible and made available in a timely manner" Management should provide the necessary information requested to the AGSA to avoid any further delays to the audit process."	The AG was notified on the 13th that documents were ready, and a further reminder on availability of documents was done 18th November 2025. The documents are still at OK Mall offices and have not yet been Picked by the AG.	Management notes the control deficiencies and will improve the process to ensure documents are submitted on time.	Management notes the recommendation and documents have been made available.	Lessons learnt from the current audit on the timely coordination of the required information will be implemented in the 2025/2026 financial year	None	All Bus	All Bus	2025/26
25		Limitation of scope: requested information not submitted for audit purposes	The following requests for information were not submitted to the audit team:	The Municipality did not implement an effective filing and record-keeping system to ensure that documents requested for audit are retrieved timely in line with deadlines agreed upon in the engagement letter.	"The accounting officer should implement adequate filing and record-keeping processes to ensure that requested information is easily accessible and made available in a timely manner" Management should provide the necessary information requested to the AGSA to avoid any further delays to the audit process."	The finding is accepted and confirm that the information has since been fully submitted to AG with the exception of the three fines under RFH 45 which we are in engagement with the Department of Justice to confirm and retrieve.	Whilst there is an effective filing record-keeping system in place the coordination of the volume of information requested led to the delay in the turnaround time in the submission of the requested information.	The recommendation is noted and accepted for implementation in the future audit.	Lessons learnt from the current audit on the timely coordination of the required information will be implemented in the 2025/2026 financial year	None	All Bus	All Bus	2025/26
26	Disclosure	Receivables: Disclosure Note not in accordance with GRAP	During our audit of Receivable note 9 and 10 of the Annual Financial Statements, we noted that the disclosure of receivables was not adequately disclosed per category of the financial asset and the methodology used to assess the allowance of impairment not included.	Management did not adequately review the annual financial statements to ensure that disclosures are accurate and as per standard.	Management should review and revise disclosure notes 9 and 10 in the financial statements to ensure the amounts disclosed are as per standards.	The disclosure has been consistent with prior year audited Annual Financial Statements. Nevertheless, in the interests of enhancing disclosure, AFS will be amended to include additional disclosures on Note 9 & Note 10 as recommended by the AG.	N/A	N/A	AFS were amended and submitted to AG				

AUDITOR GENERAL ACTION PLAN ...continued

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27	Disclosure	Debtors allowance for impairment and related AFS disclosure discrepancies	Debtors which had balances outstanding in excess of 150 days and above and no evidence of limited/no payments in the current year and subsequent year and to be considered as a write off. The table below reflect the summary and examples of some of these accounts:	The CFO, internal audit and audit committee did not adequately review the Sundry Debtors to ensure that adequate assessment is implemented regarding debtors aging.	The CFO, internal audit and audit committee should improve the review of the impairment calculation and debtor's disclosure to confirm that it is accurate and complete and supported by credible and reliable supporting information in compliance with the GRAP standards, prior to submission for audit.	Management notes the audit finding raised regarding the adequacy of the impairment assessment and related disclosure of sundry debtors. The municipality confirms that all affected accounts have been duly considered in the current impairment provisions, in accordance with GRAP 104 requirements. Furthermore, management has commenced a detailed review of long outstanding debtor accounts in collaboration with the relevant business units to determine the recoverability of each account. This process will include verification of payment histories, correspondence with debtors, and assessments against the municipality's Debt Management and Credit Control Policies. Where recovery is deemed unlikely, formal processes for write-off or reversal will be initiated during the 2025/2026 financial year, subject to the required internal approvals and Council Resolution.	Management acknowledges that the review procedures applied to the debtors' impairment assessment and age analysis require enhancement. The municipality will review controls to strengthen its internal control environment.	Management notes the recommendation and is committed to addressing the identified weaknesses and ensuring that the municipality's financial statements accurately reflect the recoverability of its debtors in full compliance with GRAP 104.	Detailed review of long outstanding debtor accounts in collaboration with the relevant business units to determine the recoverability of each account. This process will include verification of payment histories, correspondence with debtors, and assessments against the municipality's Debt Management and Credit Control Policies. Where recovery is deemed unlikely, formal processes for write-off or reversal will be initiated during the 2025/2026 financial year, subject to the required internal approvals and Council Resolution.	Report on the review of long outstanding debts Item to Council write-offs Council Resolution	Act Director: Revenue	Finance	Ongoing review Q4 - write-offs																																											
			<table><tr><th>Debtor Account Number</th><th>Debtor Name</th><th>Debtor classification</th><th>Amount per Age</th></tr><tr><td>10300970</td><td>SANRAL PROPERTY</td><td>103- FIRE & RESCUE</td><td>11</td></tr><tr><td>10307284</td><td>KZN DEPARTMENT OF TRANSPORT</td><td>103- FIRE & RESCUE</td><td>5</td></tr><tr><td>3 10307639</td><td>SANRAL PROPERTY</td><td>103- FIRE & RESCUE</td><td>4</td></tr><tr><td>10308834</td><td>KZN DEPARTMENT OF TRANSPORT</td><td>103- FIRE & RESCUE</td><td>26</td></tr><tr><td>5 10333504</td><td>KWADUKUZA CLINIC</td><td>101- RATES & GENERAL</td><td>10</td></tr><tr><td>6 1033498</td><td>HAF- BRIDGE FUNDING</td><td>101- RATES & GENERAL</td><td>178</td></tr><tr><td>1033496</td><td>SUNDRY DEBTOR CONTRA SUSPENSE</td><td>101- RATES & GENERAL</td><td>20</td></tr><tr><td>8 1032502</td><td>KWADUKUZA MUNICIPALITY</td><td>101- RATES & GENERAL</td><td>49</td></tr><tr><td colspan="3">TOTAL</td><td>30 606</td></tr></table>											Debtor Account Number	Debtor Name	Debtor classification	Amount per Age	10300970	SANRAL PROPERTY	103- FIRE & RESCUE	11	10307284	KZN DEPARTMENT OF TRANSPORT	103- FIRE & RESCUE	5	3 10307639	SANRAL PROPERTY	103- FIRE & RESCUE	4	10308834	KZN DEPARTMENT OF TRANSPORT	103- FIRE & RESCUE	26	5 10333504	KWADUKUZA CLINIC	101- RATES & GENERAL	10	6 1033498	HAF- BRIDGE FUNDING	101- RATES & GENERAL	178	1033496	SUNDRY DEBTOR CONTRA SUSPENSE	101- RATES & GENERAL	20	8 1032502	KWADUKUZA MUNICIPALITY	101- RATES & GENERAL	49	TOTAL			30 606			
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1033496	SUNDRY DEBTOR CONTRA SUSPENSE	101- RATES & GENERAL	20																																																					
8 1032502	KWADUKUZA MUNICIPALITY	101- RATES & GENERAL	49																																																					
TOTAL			30 606																																																					
28	Inadequate disclosure: Government grants and subsidies operational and transfers and subsidies	A difference has been noted between the amounts on the financial statements, Trial Balance and disclosure notes 26 and 27 for Government grants and subsidies operational and transfers and subsidies. Below tables are a summary of the difference:	<table><tr><th></th><th>Amount as per TB</th><th>Amount as per AFS</th><th>Difference TB VS AFS</th></tr><tr><td>Municipal Infrastructure Grant</td><td>36 310 415,23</td><td>39 337 865,00</td><td>(3 027 449,77)</td></tr><tr><td>EDTEA</td><td>1 680 731,90</td><td>4 844 816,00</td><td>(3 164 084,10)</td></tr><tr><td>Total</td><td>37 991 147,13</td><td>44 182 681,00</td><td>(6 191 533,87)</td></tr></table> <table><tr><th></th><th>Amount as per AFS</th><th>Amount as per Difference AFS listing (Grant register)</th><th>Difference AFS VS GR</th></tr><tr><td>Municipal Infrastructure Grant</td><td>39 337 865,00</td><td>36 310 415,23</td><td>3 027 449,77</td></tr><tr><td>Energy Efficiency & Demand Side Management Grant</td><td>1 051,00</td><td>-</td><td>1 051,00</td></tr><tr><td>EDTEA</td><td>4 844 816,00</td><td>1 487 412,00</td><td>3 357 404,00</td></tr><tr><td></td><td>44 183 732,00</td><td>37 797 827,23</td><td>6 385 904,77</td></tr></table> <table><tr><td>Amount as per Note 26</td><td>356 864 998</td></tr><tr><td>Amount as per Statement of financial performance</td><td>348 992 733</td></tr><tr><td>Difference</td><td>(7 872 265)</td></tr></table>		Amount as per TB	Amount as per AFS	Difference TB VS AFS	Municipal Infrastructure Grant	36 310 415,23	39 337 865,00	(3 027 449,77)	EDTEA	1 680 731,90	4 844 816,00	(3 164 084,10)	Total	37 991 147,13	44 182 681,00	(6 191 533,87)		Amount as per AFS	Amount as per Difference AFS listing (Grant register)	Difference AFS VS GR	Municipal Infrastructure Grant	39 337 865,00	36 310 415,23	3 027 449,77	Energy Efficiency & Demand Side Management Grant	1 051,00	-	1 051,00	EDTEA	4 844 816,00	1 487 412,00	3 357 404,00		44 183 732,00	37 797 827,23	6 385 904,77	Amount as per Note 26	356 864 998	Amount as per Statement of financial performance	348 992 733	Difference	(7 872 265)	Management did not adequately review the annual financial statements to ensure that disclosures are accurate.	Management should review and revise disclosure notes 26 and 27 in the financial statements to ensure the amounts disclosed are accurate	Management does not agree with the audit findings. Management is available should the AG need to meet in order to assist in identifying where these items maybe located.	No internal control deficiencies were noted.	The audit recommendations are noted.	No action					
	Amount as per TB	Amount as per AFS	Difference TB VS AFS																																																					
Municipal Infrastructure Grant	36 310 415,23	39 337 865,00	(3 027 449,77)																																																					
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																									
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME												
29	Disclosure	Receivables: Difference between the age analysis and the AFS	On comparing the annual financial statements submitted for audit with the trial balance and the age analysis the differences listed below were noted: <table><tr><th></th><th>AFS</th><th>Aging Analysis</th><th>Difference</th></tr><tr><td>Receivables</td><td>554 763 355</td><td>562 725 415</td><td>(7 962 0</td></tr></table>		AFS	Aging Analysis	Difference	Receivables	554 763 355	562 725 415	(7 962 0	"Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting."	Management should ensure that schedules submitted reconcile to the amounts as reported on the AFS.	The difference represents the direct deposits on 30 June 2025 that have been credited to the consumer accounts. These have been accounted for via a manual reallocation on the AFS between Cash & cash equivalents & Receivables from Exchange Transactions – Electricity.	The reallocation is consistent with prior years.	Audit recommendations are noted	No action								
	AFS	Aging Analysis	Difference																						
Receivables	554 763 355	562 725 415	(7 962 0																						
30		Cash and cash equivalents: Difference between the trial balance and the AFS	On comparing the trial balance submitted for audit with the annual financial statements, the following differences listed below were noted: <table><tr><th></th><th>Trial balance</th><th>AFS</th><th>Difference</th></tr><tr><td>ABSA – Primary bank account (4807627126)</td><td>56 957 449.62</td><td>66 775 607.00</td><td>- 9 817.75</td></tr><tr><td>Petty Cash</td><td>- 14 804.55</td><td>0</td><td>14 804.5</td></tr></table>		Trial balance	AFS	Difference	ABSA – Primary bank account (4807627126)	56 957 449.62	66 775 607.00	- 9 817.75	Petty Cash	- 14 804.55	0	14 804.5	"Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting."	Management should ensure that schedules submitted reconcile to the amounts as reported on the AFS.	Management does not agree with the audit finding: The difference of R9 817 757.34 is broken down as follows: • Balance as per bank statement: R 66 775 607.00 • Add: Outstanding deposits: R 1 332 299.54 • Less: Unreceived direct deposits R (10 962 060.29) • Less: Outstanding expenditure R (187 996.25) • Balance as per cash book R 56 957 850.00 Details of the above are contained in the bank reconciliation that has been provided to AG. Instead of adjusting the bank recon, this has been adjusted on the face of the AFS. It has been consistently done over the past 15 years and accepted by AG.	No internal control deficiencies noted.	N/A	No action				
	Trial balance	AFS	Difference																						
ABSA – Primary bank account (4807627126)	56 957 449.62	66 775 607.00	- 9 817.75																						
Petty Cash	- 14 804.55	0	14 804.5																						

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS									
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING						
31	Disclosure	Misclassification between capital and operational expenditure	During the audit of grant expenditure, a misclassification between operational and capital expenditure of 2 973 339,43 were noted, please refer to the table below.						
			As per grants register						
			Grant Name	Opening Balance	Received For Year	Spent to date Operational	Capital	Total Unspent	Sent back to treasury
			Energy Efficient Lighting Management Grant (EELMAG)	1 051,42	-	-	1 051,00	0,42	-
			Equitable Share	-	276 746 348,07	276 746 348,07	-	-	-
			Municipal Infrastructure Grant (MIG)	-	51 625 000,00	3 027 450,00	36 310 415,23	12 287 134,77	-
			Integrated National Electricity Programme Grant (INEP) (Municipal)	485 348,07	18 523 000,00	-	18 523 000,00	-	485 348,07
			Financial Management Grant (FMG)	-	1 800 000,00	1 800 000,00	-	0,00	-
			Expanded Public Works Programme (EPWP)	-	1 589 000,00	1 589 000,00	-	-	-
			CEA Candidacy Grant	-	1 472 125,00	-	1 472 125,00	77 913,00	-
			Municipal Employment Initiative Grant	77 913,00	-	-	-	-	-
			Museum subsidies	-	260 000,00	260 000,00	-	1 002 867,89	-
			National Resource Management Grant	212 868,00	1 200 000,00	1 200 000,00	-	-	-
			Neighbourhood Development Partnership Grant (NDPG) - BASE OF BUSINESS	1 847 835,51	-	-	-	1 454 996,79	-
			Title Deeds Restoration Grant	2 688 225,00	-	3 357 404,00	-	2 688 225,00	-
			EDTEA Rec (Vuthida)	9 420 300,00	-	-	1 487 411,90	4 575 484,10	-
			Municipal Disaster Recovery Grant (MDRG)	338 048 171,00	-	-	280 102 081,92	57 946 089,08	-
			House Accreditation	9 388,00	3 242 169,68	3 242 169,68	0	9 388	-
			Department of Housing Grant	-	-	-	-	-	-
			Provincialisation- Library Services	0	6 149 000,00	6 149 000,00	0	0	-0,006
			Community Library Service Grant	0	1 834 000,00	1 834 000,00	0	0	0,00
			Total per grant register		364 440 642,75	298 808 210,57	337 896 085,05	80 042 099,06	
			Per AFS			298 808 210,57	351 952 269,05	96 759 216,53	
			Differences			301 781 550,00	348 992 733,00	146 817 766,00	
						2 973 339,43	(2 959 536,05)	50058519,47	

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
	Disclosure	Incomplete grant register	During the audit of grant management records, it was noted that the Department of Housing grant, amounting to R500 585 552, was disclosed in the financial statements but was not recorded in the municipality's grant register.	The omission appears to be due to inadequate controls over the updating and reconciliation of the grant register with the financial statements.	Update the grant register to include the Department of Housing grant and reconcile it with the financial statements. Implement monthly reconciliations between the grant register and general ledger. Strengthen internal controls by assigning responsibility for maintaining and reviewing the grant register	Management disagrees with the finding. A reading of the finding intimates that there is no register for the Department of Human Settlement Grant amounting to R 50 058 552.	N/A	N/A	No action				
33		Data Migration from Contour to OnTech	During the audit of service charges prepaid electricity, it was noted that in June 2025, the municipality changed its prepaid electricity service provider from Contour to On Tech. Analysis of meter data shows that the number of meters recorded in May 2025 under Contour was 54,539, while the number of meters recorded in June 2025 under On Tech was 49,705, resulting in a difference of 4,834 meters. This discrepancy indicates that not all meters/customers were successfully migrated to the new system. This is after considering 309 meter replacements and 2-meter removals per On Tech June report.	The variance suggests inadequate planning and monitoring of the migration process, leading to incomplete transfer of meter data from Contour to On Tech, which could pose a risk of unbilled consumption and loss of revenue for the municipality and Potential customer disputes due to service interruptions.	"Perform a comprehensive reconciliation between Contour and On Tech meter records to identify and migrate missing meters. Implement data migration validation controls for future system changes. Conduct physical verification of meters where discrepancies exist. Regularly review consumption and revenue trends to detect anomalies post-migration. Determine the financial impact on prepaid electricity sales for the 2024-25 year."	"We agree with the finding in that there is a difference in the number of meters as reflected on the Contour System (54539 meters) and that as reflected on the Ontec System (49705 meters). However, this is explained as follows: The total reflected in the Contour data for May 2025 represents the combined total for all meters. Following the data extract provided to Ontec for migration, the analysis identified several issues that needed to be addressed prior to the import (refer to attached listing of exceptions identified during migration) and is as follows:"	Management acknowledges the variance noted between the number of meters recorded on the Contour system (54,539) and those migrated to the Ontec system (49,705). However, the difference of 4,834 meters does not indicate a failure of internal controls but rather reflects a necessary data cleansing and validation process undertaken before migration to ensure that only valid, active, and STS-compliant meters were transferred to the new system.	Management confirms that the majority of these processes were already implemented as part of the formal migration project	"Action required based on the conclusion that ""The scope limitation on the completeness and accuracy of prepaid electricity sales have been transferred to the schedule of uncorrected misstatement Management has not provided sufficient evidence for the audit team to assess the information. Therefore, the finding remains and will be followed up next year""		Acting Director: Revenue	Finance	
34		Double counting of fines revenue	During the audit of fines revenue, it was noted that the current year's fines include amounts relating to fines issued in prior years but paid in the current year. These fines were already recognized as revenue in the prior year when issued, resulting in double counting of revenue in the financial statements. From the sample selected, The projected impact is 67 423.	Lack of adequate controls and reconciliation processes to ensure that fines paid in the current year but issued in prior years are not recognized again as revenue.	"Implement controls to ensure fines are recognized only once, at the point of issuance. Perform monthly reconciliations between fines issued and fines collected to prevent duplication. Update accounting policies and train staff on correct revenue recognition principles."	Management disagrees with the finding.	Management acknowledges the importance of maintaining strict internal controls and reconciliation processes relating to fines revenue. While management does not agree that there is a deficiency in the current process, we note the need to continually strengthen controls and documentation.	Management accepts the recommendations as opportunities to further improve existing reconciliation processes. The current misstatement will be enhanced to ensure clearer segregation and reporting of fines issued and fines paid relating to different financial periods.	"Action required based on the conclusion that ""The misstatement will be accumulated in the schedule of uncorrected misstatements ""		Acting Director: Revenue	Finance	

Segment	DESC	Fiscal (VYV/ MM)	TranDate (DD/MM)	Doc No	Remarks	Amount	Item 4/04
0410-40010	Fine and Penalties	2025/05	45782	526873	52/61372	300	Fines
0410-40010	Fine and Penalties	2025/05	45799	528048	3,54E+09	500	Fines
0410-40010	Fine and Penalties	2025/06	45831	5310718	3,52E+09	500	Fines
Total						1300	
Projected overstatement						67 423.50	

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY / AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
33	Disclosure	Data Migration from Contour to OnTech	During the audit of service charges prepaid electricity. It was noted that in June 2025, the municipality changed its prepaid electricity service provider from Contour to On Tech. Analysis of meter data shows that the number of meters recorded in May 2025 under Contour was 54,539, while the number of meters recorded in June 2025 under On Tech was 49,705, resulting in a difference of 4,834 meters. This discrepancy indicates that not all meters/customers were successfully migrated to the new system. This is after considering 309 meter replacements and 2-meter removals per On Tech June report.	The variance suggests inadequate planning and monitoring of the migration process, leading to incomplete transfer of meter data from Contour to On Tech, which could pose a risk of unbilled consumption and loss of revenue for the municipality and Potential customer disputes due to service interruptions.	"Perform a comprehensive reconciliation between Contour and On Tech meter records to identify and migrate missing meters. Implement data migration validation controls for future system changes. Conduct physical verification of meters where discrepancies exist. Regularly review consumption and revenue trends to detect anomalies post-migration. Determine the financial impact on prepaid electricity sales for the 2024-25 year."	We agree with the finding in that there is a difference in the number of meters as reflected on the Contour System (54,539) and that as reflected on the OnTech System (49,705). However, this is explained as follows: The total reflected in the Contour data for May 2025 represents the combined total for all meters. Following the data extract provided to Ontec for migration, the analysis identified several issues that needed to be addressed prior to the import (refer to attached listing of exceptions identified during migration) and is as follows:	Management acknowledges the variance noted between the number of meters recorded on the Contour system (54,539) and those migrated to the Ontec system (49,705). However, this is explained as follows: The total reflected in 4,834-meters does not indicate a failure of internal controls but rather reflects a necessary data cleansing and validation process undertaken before migration to ensure that only valid, active, and S15-compliant meters were transferred to the new system.	Management confirms that the majority of these processes were already implemented as part of the formal migration project	"Action required based on the conclusion that ""The scope limitation on the accuracy of prepaid electricity sales have been transferred to the schedule of uncorrected misstatement. Management has not provided sufficient evidence for the audit team to assess the information. Therefore, the finding remains and will be followed up next year""		Acting Director: Revenue	Finance	
34		Double counting of fines revenue	During the audit of fines revenue, it was noted that the current year's fines include amounts relating to fines issued in prior years but paid in the current year. These fines were already recognized as revenue in the prior year when issued, resulting in double counting of revenue in the financial statements. From the sample selected, The projected impact is 67 423.	Lack of adequate controls and reconciliation processes to ensure that fines paid in the current year but issued in prior years are not recognized again as revenue.	Implement controls to ensure fines are recognized only once, at the point of issuance. Perform monthly reconciliations between fines issued and fines collected to prevent duplication. Update accounting policies and train staff on correct revenue recognition principles.	Management disagrees with the finding.	Management acknowledges the importance of maintaining strict internal controls and reconciliation processes relating to fines revenue. While management does not agree that there is a deficiency in the current process, we note the need to continually strengthen controls and documentation.	Management accepts the recommendations as opportunities to further improve existing processes. The current reconciliation process will be enhanced to ensure clearer segregation and reporting of fines issued and fines paid relating to different financial periods.	"Action required based on the conclusion that ""The misstatement will be accumulated in the schedule of uncorrected misstatements""		Acting Director: Revenue	Finance	

Segment	DISC	Fiscal (YYYY/MM)	TransDate (DD/MM)	Doc No	Remarks	Amount	Item
0410-40010 Fines and Penalties	2025/05	45782	5262873	52/61372	300	Fines	LT104
0410-40010 Fines and Penalties	2025/05	45799	5280048	3,54E+09	500	Fines	
0410-40010 Fines and Penalties	2025/05	45831	5310718	3,52E+09	500	Fines	
Total					1300		
Projected overstatement					67 423.50		

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																								
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING										INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME		
35	Disclosure	Cut-off revenue	During the audit of service charges – sale of electricity, From the sample selected it was observed that certain customers were billed for consumption from the prior financial year in the current year. Specifically, consumption for June 2024 was included in the transaction listing for the 2024/2025 financial year and forms part of the revenue reported in the current year's financial statements.										The billing process allocates revenue based on the date of billing rather than the actual consumption period, resulting in prior year usage being recognized in the current year.	"Implement controls to ensure consumption is recognized in the correct financial period based on service delivery dates. Perform year-end cut-off and adjust prior year consumption billed in the current year. Consider system enhancements or manual adjustments to prevent recurrence."	"Management does not agree with the audit finding. The municipality consistently applies year-end billing accrual procedures to ensure compliance with the MFMA, GRAP 1 and GRAP financial reporting process. 9. As part of the annual year-end revenue accrual journals are processed in July each year. These journals accurately allocate revenue to the financial period in which the consumption occurred, regardless of the billing date. Therefore, although certain electricity consumption for June 2024 may have been billed in the subsequent financial year due to normal billing cycles, the related revenue was duly accrued back to the 2023/2024 financial year. This ensures that revenue is recognised in the correct period, in line with GRAP requirements. A copy of the accrual journals for July 2024 and July 2025 was provided to the AG Official and submitted as requested for in RF 199. Refer to the attached reversal journal number 60094 passed in July 2024 (contra to the attached accrual journal number 60093 passed in June 2024), as this demonstrates that the July billing and subsequent reversal and accrual journals effectively nullified the July revenue billing transactions on the system, and that the revenue was correctly accrued for in June for the 2023/2024 financial year."	Revenue relating to June 2024 was correctly recognised in the 2023/2024 financial year through the established accrual process. Accordingly, management maintains that there is no misstatement and does not agree with the audit finding.	Management does perform year-end procedures to identify and adjust prior year consumption billed in the current year via the July billing accrual journal.	No action						
			Account Number	Account Holder	Transaction Date	Tariff Type	Description	Old Reading	New Reading	Units Charged	Tariff Charge	Amount billed												
			7013029	PIONEER FOODS PTY LTD	09/07/2024	539 TOLUKWH PEAK		0	151489.600	151489.61	6.4264	973532.77												
			7022437	ISS 123 TRADING PTY LTD	09/07/2024	542 TOLUKWA		0	52,000.0	52,000.0	113.72	5913.44												
			1946117	ONE BEVERAGES PTY LTD 08	09/07/2024	541 TOLUKWH OFF-PEAK		0	188.690.0	188.69	1.4298	269.79												
			5545197	M & M FAMILY TRUST	09/07/2024	540 TOLUKWA STAND		0	10212.0500	10212.05	2.639	26949.6												
									Cut-off Issue Projection	1006665.6	382736.494.81													

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
36	Disclosure	Investment property – discrepancies identified	1. Greenhills staff house Erf4261 The building is currently occupied by the daughter of the former tenant, who was an employee of the municipality. There is no evidence of a lease agreement. 2. Clinics The property does not meet the definition of investment property as per GRAP 16. Investment property is defined as property held to earn rentals or for capital appreciation. - Inspected the agreement between KDM and the Department of Health and noted that the properties are used to provide a service (healthcare) indirectly through the Department of Health. The property as per GRAP 17 should be classified as PPE even if the municipality doesn't operate the clinic directly. 3. Tourism office Erf931 P617 The property does not meet the definition of investment property as per GRAP 16. Investment property is defined as property held to earn rentals or for capital appreciation. - The property is leased to Enterprise Ilembe (Pty) Ltd, a municipal entity of Ilembe District Municipality, for a nominal rental of R1 per year. - The nominal rental indicates that the municipality is not earning rentals for commercial benefit. - The property is provided for service delivery purposes, as it is used as a tourism office - Although the land belongs to Municipality, the valuation at fair value included both the land and buildings. There is no evidence to support the rights and obligations of Kwadukuza Municipality on the buildings. 4. Land erf 2218 The Municipality did not bill the tenant from the commencement date (01 December 2024) of the lease, leading to incorrect revenue recognition. This represents an internal control deficiency relating to the communication and processing of lease agreements for billing. A cut-off error is also noted as revenue relating to the 2024/25 financial period will be recorded in the 2026 financial period resulting in misstated revenue for the 2024/25 financial period. Misstatement R8500 rent per month R 59 500,00	There is no effective control to: - Review lease agreements for substance over form. - Ensure proper classification of assets based on their intended use rather than the existence of a lease. - The municipality does not have a formal policy governing the leasing of municipal property to employees. This creates a risk of inconsistent application, lack of transparency, and potential conflicts of interest. - The municipality did not bill the tenant from the lease commencement date (01 December 2024), resulting in incorrect revenue recognition. This indicates a breakdown in internal controls over the communication and processing of lease agreements for billing purposes."	- Re-classify the properties from Investment Property to PPE in accordance with GRAP 17. - Provide lease agreement for Greenhills staff house Erf4261 and evidence of rental income or fringe benefit received. - Evaluate rights and obligation control over buildings built on land owned by the municipality and the accuracy of the fair value amount. - Implement a control procedure requiring: - Assessment of the purpose of the property at inception and annually. - Documentation of classification decisions with reference to GRAP criteria.	Council entered into a lease agreement with Mr S Pillay in June 2024 for an indefinite period. Mr S Pillay is now deceased, and the BU is in the processes of seeking legal advice on the status of the lease in order to determine whether it could be re-allocated or disposed of. Erf 4261 – the lease agreement is attached. We agree with audit finding number 4 Erf 2218 – It be noted that the lease agreement was duly concluded on 01 December 2024; however, the Finance Section did not receive the final signed agreement timeously due to delays in the internal routing and registry processes. As a result, the lease could not be activated on the billing system at commencement date.	Lease agreement is provided The Enterprise Ilembe is a separate entity of Ilembe District Municipality created for Economic Development for the entire Ilembe District. The Property Management and Finance Sections have strengthened communication protocols to ensure that all approved lease agreements are submitted to Finance immediately upon conclusion.	The Municipality will update the agreement to avoid any ambiguity, and this will be undertaken by Property Management Department during the 2025/2026 financial year. Consequently, upon receipt of the lease agreement, all billing pertaining to the period from December 2024 has been billed/processed in the current financial year to ensure that all amounts due from the lease commencement date are accounted for.	Lease Agreement	"Manager: Assets: Director: Property Management and Admin"	Finance	2025/26	
										Billing Report	Manager: Revenue	Finance	31/12/2025

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																												
MR REF NO	CATEGORY	NATURE OF QUERY AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME															
37	Disclosure	Asset transferred to the FAR from AUC	A) The following projects have been transferred to the fixed register without a signed completion certificate • G46247 Upgrade of St. pipeline in Jacqueline /Zen Drive in Ward 6 (WIP) • G46247 Mfecane Street (Near Mbozamo Hall) in Shakaville; Ward 18 St. improvement (WIP) • G46247 Road & Stormwater Upgrade in Ward 21 51 (WIP) B) The Bill of Quantities (BOQ) were not provided for some of the projects. Please refer to annexure A C) Difference was noted between the amounts in the WIP register and the FAR <table><tr><th>PROJECT NUMBER</th><th>CLASSIFICATION LEVEL 6</th><th>TRANSFER TO FAR</th><th>Difference (BOQ & FAR (WIP&FAR)</th></tr><tr><td>179900</td><td>Tools & Systems Project</td><td>R (22 691 453.16)</td><td>R (12 339 975.90) R 2 962 297.94</td></tr><tr><td>179023</td><td>Salesimbone Access Road & Stormwater (Ward 11)</td><td>R (7 863 940.38)</td><td>R (2 675 367.38) R 1 616.67</td></tr><tr><td>209351</td><td>Clarindaale Community Hall - WIP</td><td>R (7 425 453.32)</td><td>R (2 618 585.21) R 745 599.00</td></tr></table> D) Differences noted between the BOQ and amount in the FAR Please refer to annexure A	PROJECT NUMBER	CLASSIFICATION LEVEL 6	TRANSFER TO FAR	Difference (BOQ & FAR (WIP&FAR)	179900	Tools & Systems Project	R (22 691 453.16)	R (12 339 975.90) R 2 962 297.94	179023	Salesimbone Access Road & Stormwater (Ward 11)	R (7 863 940.38)	R (2 675 367.38) R 1 616.67	209351	Clarindaale Community Hall - WIP	R (7 425 453.32)	R (2 618 585.21) R 745 599.00	- There is inadequate control over the asset capitalization process. Assets are being transferred from AUC to FAR without proper supporting documentation (completion certificates and BOQs). - Lack of reconciliation between WIP register, BOQ, and FAR indicates weaknesses in financial reporting and asset management controls.	- Implement a formal process requiring signed completion certificates and BOQ verification before transferring assets from AUC to FAR. - Perform regular reconciliations between WIP register, BOQ, and FAR to ensure accuracy and completeness. - Strengthen oversight by requiring management review and approval of all asset transfers - Provide reasons for the differences for points 3 and 4 above, with the relevant supporting documentation.	As above	N/A	N/A	No action			
PROJECT NUMBER	CLASSIFICATION LEVEL 6	TRANSFER TO FAR	Difference (BOQ & FAR (WIP&FAR)																									
179900	Tools & Systems Project	R (22 691 453.16)	R (12 339 975.90) R 2 962 297.94																									
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38	Stalled/delayed PROJECTS		1. No supporting documentation was received for the following projects. Request for information was sent to the client on 29/10/2025 2. The following projects were not disclosed in the AFS but trigger disclosure in terms of GRAP 17 SECTION 3. Upon inspection of the WIP register a total of 57 projects have an opening balance with no expenditure incurred in the current year. The projects are active and have not been disclosed in the AFS as delayed projects 4. Media article indicated that the following projects are delayed but management has indicated that these projects have been completed. There is no evidence of completion certificates	- There is insufficient control over project documentation and financial reporting. - Failure to disclose projects as required by GRAP 17 indicates weaknesses in compliance and governance processes.	- Ensure all projects under construction or delayed are disclosed in accordance with GRAP 17 section 87(b). Develop a checklist for compliance during AFS preparation. - Establish periodic reviews of the WIP register to identify projects with no current-year expenditure and assess their status. - Disclose delayed projects in the AFS. - Provide evidence to support all completed projects as per point 4.	1. Vouchers are attached. Comments where necessary are included on the excel attachment. 2. GRAP 17 Section 87 (b) requires disclosure for projects which are significantly delayed. Management has assessed the projects listed above and responded on these via RFI 55. The specific reasons are included therein. It must be noted that the above listing includes projects which incurred expenditure in the 2024/2025 financial year. Hence even though there may be operational delays in certain instances, these are not significant to trigger the disclosure requirements in terms of GRAP 17 Sec 87. 3. Management has assessed the above projects and has not identified significantly delayed projects that will trigger disclosure. 4. The AG is correct that the completion certificates were not submitted as this was not requested. Further this is for the 25/26 year. Where relevant this has now been provided.	Please see above	Please see above	No action																			

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																																										
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39	Disclosure	Invaded land	The following was noted during out fixed asset verification site visits for the assets below: • PARK LAND – Serial number 'N0F00000000091700151' • Land Acquisition Shakhshad - Serial number 'N0F000000000141000000 For both assets, under the entity's ownership, the land has been invaded and are subject to ongoing illegal occupation (refer pictures below). The invasion of the land constitutes an indicator of impairment as required by GRAP 21: Impairment of Non-cash-generating Assets. The Standard require an entity to assess at each reporting date whether there is any indication that an asset may be impaired. The illegal occupation may adversely affect the land's service potential, marketability, and/or fair value, thereby triggering the need to determine the land's recoverable service amount or recoverable amount. These pieces of land appear to still be carried at its acquisition costs with no impairment conducted. <table><tr><th>Serial number</th><th>Barcode</th><th>Acquisition date</th><th>Purchase price</th><th>Cost C/Balance</th></tr><tr><td>N0F000000000091700151</td><td>N0F018</td><td>01/07/1995</td><td>R6 000 000</td><td>R6 000 000</td></tr><tr><td>N0F000000000091700151</td><td>N0F018</td><td>30/06/2017</td><td>R3 500 000</td><td>R4 670 000</td></tr><tr><td>N0F000000000091700151</td><td>N0F018</td><td>30/06/2014</td><td>R 500 000</td><td>R 500 000</td></tr></table> <table><tr><th>Serial number</th><th>Barcode</th><th>Acquisition date</th><th>Purchase price</th><th>Cost C/Balance</th></tr><tr><td>N0F00000000014000000</td><td>000201</td><td>27/06/2013</td><td>R3 700 000</td><td>R3 700 000</td></tr></table>	Serial number	Barcode	Acquisition date	Purchase price	Cost C/Balance	N0F000000000091700151	N0F018	01/07/1995	R6 000 000	R6 000 000	N0F000000000091700151	N0F018	30/06/2017	R3 500 000	R4 670 000	N0F000000000091700151	N0F018	30/06/2014	R 500 000	R 500 000	Serial number	Barcode	Acquisition date	Purchase price	Cost C/Balance	N0F00000000014000000	000201	27/06/2013	R3 700 000	R3 700 000	The entity does not have adequate controls in place to monitor, prevent, or respond to illegal occupation of its land assets, resulting in land being fully invaded without timely detection or appropriate corrective action. This indicates a weakness in the entity's asset management and safeguarding controls. Furthermore, there is no evidence that an impairment assessment was done.	The entity should establish routine physical inspections and monitoring of all land parcels, supported by documented checklists and reporting procedures. This will ensure that illegal occupations are identified promptly and that management can take timely corrective action, including assessing impairment indicators as required by GRAP 21/26	The municipality disagrees with the finding. The above properties were considered for impairment testing process however given that the recoverable service amount would have been deemed to be greater than the netbook value. No impairment loss was recognized. Subsequent to the query, this has been further verified by obtaining fair value assessments of both properties. No impairment is required. Refer to the attached fair value assessment.	Disagree with the AG conclusion: The municipality has various internal controls in managing and monitoring the immovable assets with the ambit of the law. The municipality as part of dealing with illegal occupation of its land must comply with the provisions of Prevention of Illegal Eviction from the Unlawful Occupation of Land Act, 1998 and Trespassing Act. KwaDukuza Municipality dedicated resources to protect and prevent illegal occupation of its land. The property in question, particularly the Shakhshad, was invaded during the COVID 19, lock down, where people exploited the regulations which prohibited landlords or property owners of evicting people during the lockdown. Courts were not even considering the applications. Therefore, AG in dealing with this issue, must consider this as the main factor as we will show in our response. As a way of background, the municipality has established its internal controls mechanism which is being used, in detecting, preventing and enforcing the law, against those who are illegally occupying its properties.	No action				
Serial number	Barcode	Acquisition date	Purchase price	Cost C/Balance																																						
N0F000000000091700151	N0F018	01/07/1995	R6 000 000	R6 000 000																																						
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N0F00000000014000000	000201	27/06/2013	R3 700 000	R3 700 000																																						
40	Duplicated land on Fixed Asset register		It was noted that during the testing of Assets 'PARK LAND' appears Three (3) on the fixed asset register under same serial number 'N0F00000000091700151' and under the same bar code with different acquisition dates and values <table><tr><th>Serial number</th><th>Barcode</th><th>Acquisition date</th><th>Purchase price</th><th>Cost C/Balance</th></tr><tr><td>N0F000000000091700151</td><td>N0F018</td><td>01/07/1995</td><td>R6 000 000</td><td>R6 000 000</td></tr><tr><td>N0F00000000091700151</td><td>N0F018</td><td>30/06/2017</td><td>R3 500 000</td><td>R4 670 000</td></tr><tr><td>N0F000000000091700151</td><td>N0F018</td><td>30/06/2014</td><td>R 500 000</td><td>R 500 000</td></tr></table>	Serial number	Barcode	Acquisition date	Purchase price	Cost C/Balance	N0F000000000091700151	N0F018	01/07/1995	R6 000 000	R6 000 000	N0F00000000091700151	N0F018	30/06/2017	R3 500 000	R4 670 000	N0F000000000091700151	N0F018	30/06/2014	R 500 000	R 500 000	The duplication of the same asset in the FAR reflects weaknesses in:- -the accuracy and completeness of asset master data, -controls over asset verification and record-keeping, and -processes for reviewing and approving changes to asset information	Management should review and cleanse the Fixed Asset Register to remove duplicate entries and ensure that each land parcel is recorded only once with a single, accurate value. In addition, controls should be strengthened so that all updates to asset records are independently reviewed and approved to prevent future duplication and ensure ongoing compliance with GRAP requirements	We disagree with the audit finding. The said property was previously classified as Investment Property and on yearly basis when it was fair valued like the rest of other investment properties, new additional sub asset numbers were assigned to it as a result of revaluation. When it was classified to PPE, all three lines were transferred as they form one property with the total value of R11 170 000.	N/A	No action														
Serial number	Barcode	Acquisition date	Purchase price	Cost C/Balance																																						
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS													
MR REF NO	CATEGORY	NATURE OF QUERY/AUDIT QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME
41	Disclosure	Going concern assessment note disclosure	During the evaluation of the municipalities going concern assessment, the following indicators were not assessed in note 65 of the annual financial statements. • Creditors days exceed 30 days • Third party deductions overdue • Current liabilities (excluding unspent conditional grants) exceed 10% of next year's budgeted resources • Repairs and maintenance expenditure level is less than 8% • Distribution losses – Electricity losses exceeded 10%”	The municipality has inadequate internal controls to ensure that a formal going concern assessment is complete and documented as part of the financial reporting process.	Management should review and revise disclosure note 65 in the financial statements to ensure fair presentation of all factors effecting going concern of the entity.	Management Disagrees with the finding. There is no disclosure requirement in terms of GRAP 1 that the above indicators are listed as part of the note to be included in the AFS. Management does undertake a going concern assessment. This is a culmination of the cited indicators —creditors days, third-party deductions, current liabilities, repairs and maintenance, and electricity distribution losses which are monitored through quarterly and other reports. A year end assessment is also undertaken considering the above to strengthen the controls around going concern assessments. However, management does concede that for ease of audit it will be best if the assessment is consolidated into one document. This will be undertaken going forward.	N/A – However the going concern assessment will be consolidated into one document going forward.	N/A	No action				
42		GRAP 104 revised	During the audit of the AFS, it was noted that the municipality did not apply the provisions of the revised GRAP 3.32 and 3.33 to assess impact on GRAP 104(amended).	Management did not adequately review the annual financial statements to ensure that disclosures in terms of revised GRAP standards are included in the AFS.	Management should disclose the impact on GRAP 104 (amended) in the financial statements to comply with the requirements of GRAP 3.32 and 3.33.	Agreed, the disclosure note will be amended to include the upcoming amendment. It must be stated however that despite indicators above, there is no going concern challenges identified at Kwadukuza.	Disagree, there was sufficient review processes. As the amendment dealt with a forward-looking impairment as opposed to a retrospective amendment of existing account balances, the impact thereof remains changing due to evolving circumstances and will only be finalized with the completion of the 25/26 AFS. Therefore, whilst an estimate of the impact may be provided at this stage this could vary going forward. A statement to this effect will be included in the AFS.	Agreed, the change will be effected.	No action				
43		GRAP 3 – Prior period errors	During the audit of the AFS, it was noted that the municipality did not apply the provisions of paragraph 51(a) of GRAP 3 to include the nature of the prior period errors.	Management did not adequately review the annual financial statements to ensure that disclosures are in terms of the applicable GRAP standards.	Management should improve the review of the AFS to ensure that disclosures are in terms of the applicable GRAP standards.	Management Disagrees with the finding. The disclosure is inherently subjective, however in the prior years this approach has been independently reviewed (as part of the AFS review) by Provincial Treasury, Audit Committee, Internal Audit. This approach has remained consistent in the current year. Nevertheless, we will extend the disclosure to enhance independent understanding of the Annual Financial Statements.	N/A	N/A	No action				

AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																											
MR REF NO	CATEGORY	NATURE OF QUERY	DETAILED FINDING	INTERNAL CONTROL DEFICIENCY	AG RECOMMENDATION	MANAGEMENT RESPONSE ON AUDIT FINDING	MANAGEMENT RESPONSE ON INTERNAL CONTROL DEFICIENCY	MANAGEMENT RESPONSE ON AG RECOMMENDATION	DETAILED ACTION PLAN	PROPOSED POE	RESPONSIBLE OFFICIAL	BUSINESS UNIT	TIME FRAME														
44	Internal Audit	Internal Audit Function Not meeting its mandate	Evaluation of the internal audit function revealed the following issues: I. There is no evidence that internal audit completed all the reports that were scheduled for the year. The audit team has not received any of the following audit reports listed below: <table><tr><th colspan="2">Name of projects</th></tr><tr><td>Governance (Quarter: 2-2023/24)</td><td>Performance Management System (PMS) (Quarter: 3-2024/25)</td></tr><tr><td>Supply Chain Management (2024/25 Financial Year)</td><td>Debt Collection and Management (2024/25 Financial Year)</td></tr><tr><td>Current Asset Management (2024/25 Financial Year)</td><td>Fixed Asset Management (2024/25 Financial Year)</td></tr><tr><td>Financial Risk (Annual Report 2023/2024 Financial Year)</td><td>Inventory Management (2024/25 Financial Year)</td></tr><tr><td>Disaster Projects (2024/25 Financial Year)</td><td>LED Building and Development Control (2024/25 Financial Year)</td></tr><tr><td>Governance Review (Quarter: 3-2023/24)</td><td>Disaster Projects (2024/25 Financial Year)</td></tr></table> II. No evidence was provided that external quality review/assessment was conducted at least once in the past 5 years. This finding was also raised in the prior year. III. The internal audit function is not adequately and appropriately resourced relative to the size of the municipality and the nature of its operations. The internal audit functions contain only one positions Audit Manager, 2 Auditors, 2 Interns and 1 Contract Manger. This is not enough considering that KwaDukuza is a secondary city. IV. In terms of section 165(2)(b) (vii) of the MFMA, internal audit should advise the accounting officer and report to the audit committee on matters relating to items in their internal audit plan with the annual Division of Revenue Act (Dora). V. Inspected the audit committee minutes of meetings on file dated from 08 Aug 2024 to 17 Feb 2025 that were submitted for audit and could not find internal audit reporting on reviews/assurance conducted on compliance with Division of Revenue Act (Dora). VI. In terms of section 165(2)(b) (iv) of the MFMA, internal audits should advise the accounting officer and report to the audit committee on matters relating to items in their internal audit plan with including risk management VII. Inspected the audit committee minutes of meetings on file dated from 08 Aug 2024 to 17 Feb 2025 that were submitted for audit and could not find internal audit reporting on reviews/assurance conducted on compliance with risk management. VIII. Risk and risk management is not listed on the internal audit plan for the 2024/25 financial year. IX. The internal audit unit did not submit quarterly reports on the audits of performance measurements of the addressee to the municipal manager and the performance audit committee, as required by regulation 14(1)(c)(ii) on Municipal Planning and Performance Management. X. Inspected the minute on file dated from 08 Aug 2024 to 17 Feb 2025 and could not find evidence of internal audit submitted 4 quarterly reports on the audits of performance measurements of the addressee to the municipal manager and the performance audit committee. Consequently, this may result in an ineffective internal audit function with inability to play a significant role in improving and providing transparency around governance, risk management, and internal control practices of the municipality	Name of projects		Governance (Quarter: 2-2023/24)	Performance Management System (PMS) (Quarter: 3-2024/25)	Supply Chain Management (2024/25 Financial Year)	Debt Collection and Management (2024/25 Financial Year)	Current Asset Management (2024/25 Financial Year)	Fixed Asset Management (2024/25 Financial Year)	Financial Risk (Annual Report 2023/2024 Financial Year)	Inventory Management (2024/25 Financial Year)	Disaster Projects (2024/25 Financial Year)	LED Building and Development Control (2024/25 Financial Year)	Governance Review (Quarter: 3-2023/24)	Disaster Projects (2024/25 Financial Year)	"Inadequate planning in ensuring that the internal audit function is sufficiently capacitated. Inadequate evaluation of the internal audit function by the audit committee."	"Head of Internal Audit should strengthen planning processes and improve capacitation of the internal audit function. Additionally, the audit committee should adequately evaluate the internal audit function and ensure conflicting responsibilities are not performed."	I. Completion of reports for audit projects scheduled for the year The Internal Audit Unit partially agrees with the finding: II. External Quality review/assessment The Internal Audit Unit disagrees with this finding. The external quality review/assessment was undertaken by Provincial Treasury for the 2024/2025 FY, and the FINAL signed reports were submitted to AG as part of the POE File, last Friday, 21 November 2025. III. Internal Audit Function not adequately and appropriately resource The Internal Audit Unit agrees with the finding. As previously reported, Council is aware of the limited capacity within the Internal Audit Unit. The limited capacity was also highlighted by the Audit Committee for several years and reported accordingly to Council. IV. DORA Compliance The Internal Unit disagrees with the finding. The Internal Audit grant report which covers DORA compliance and minutes of the Audit Committee was submitted to the AG 21 November 2025 for further assessment. V. Risk Management The Internal Audit Unit disagrees with the finding relating to VI, VII and VIII. All matters relating to Risk Management has been provided to the AG for assessment, inclusive of Audcom minutes, the Risk Management report and the approved Audit Plan for the 24/25 FY. IX and X: Performance Information The Internal Audit Unit disagrees with the finding. All information relating to PMS has been provided to the AG for assessment, inclusive of the 4 quarterly PMS reports and minutes of the Audcom/PAC minutes.	There is a strategy to strengthen the capacity within the Internal Audit Unit, the amended organogram is awaiting Council approval as well as the prioritization of filling the vacancies within the Internal Audit Unit. In addition, there is a procurement process to create a panel for internal Audit, so that some of the audit assignments can be co-sourced to assist and strengthen the Internal Audit capacity."	Recommendation to strengthen the capacity of Internal Audit function is accepted.	Prioritization of filling the vacancies within the Internal Audit Unit after approval of the organogram Appoint panel for Internal Audit, so that some of the audit assignments can be co-sourced to assist and strengthen the Internal Audit capacity.	Appointment letters Appointment letters	Head: Internal Audit Head: Internal Audit	Corporate Governance Corporate Governance	30 June 2026 30 June 2026
Name of projects																											
Governance (Quarter: 2-2023/24)	Performance Management System (PMS) (Quarter: 3-2024/25)																										
Supply Chain Management (2024/25 Financial Year)	Debt Collection and Management (2024/25 Financial Year)																										
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AUDITOR GENERAL ACTION PLAN ...continued

2024/2025 FINANCIAL YEAR ...continued

SECTION 1 AUDIT REPORT MATTERS																																																			
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45	Disclosure	Deficiencies in the audit committee	"The performance audit committee/audit committee did not review the quarterly reports submitted by the internal auditors on the audits of performance measurement as required by regulation 14(4)(a)(i) on Municipal Planning and Performance Management. Inspected the minutes on file dated from 08 Aug 2024 to 17 Feb 2025 and could not find evidence that audit committee or performance audit committee received and reviewed the quarterly reports submitted by the internal auditors on the audits of performance measurement."	Inadequate oversight and ineffective audit committee planning calendar.	The audit committee should strengthen planning processes and ensure effectiveness of the planning calendar.	Finding is addressed and resolved by comments in finding one above	N/A	N/A	No action																																										
46		Contracted services: Refuse removal	"It was noted that during the audit of Refuse removal that the following invoice did not agree to the amount recorded in the General ledger. The direct cheque request further did not agree to the invoice. Details of the transactions are provided below General ledger <table><tr><th>Segment</th><th>Transaction Date</th><th>Doc Type</th><th>Remarks</th><th>Debit</th><th>Amount incl. VAT</th></tr><tr><td>255250001 Consultants</td><td>30/06/2025</td><td>PT3</td><td>DCWA JUNE2024</td><td>R67 797 1247.0</td><td>R7 816 693.41</td></tr></table> Invoice Details <table><tr><th>Invoice Number</th><th>Date</th><th>Description</th><th>Amount incl VAT</th></tr><tr><td>65183</td><td>30/09/2024</td><td>Refuse removal</td><td>R6 162 667.19</td></tr></table> Direct Cheque request <table><tr><th>Date</th><th>Payee</th><th>Amount</th></tr><tr><td>01/10/2024</td><td>Dolphin Coast Waste Management</td><td>R6 297 006.65</td></tr></table> Differences <table><tr><th>General Ledger</th><th>Invoice</th><th>Difference</th></tr><tr><td>R7 816 693.41</td><td>R6 162 667.19</td><td>R1 654 026.22</td></tr></table> Direct cheque request <table><tr><th>Direct cheque request</th><th>Invoice</th><th>Difference</th></tr><tr><td>R6 297 006.65</td><td>R6 162 667.19</td><td>R134 339.46</td></tr></table>	Segment	Transaction Date	Doc Type	Remarks	Debit	Amount incl. VAT	255250001 Consultants	30/06/2025	PT3	DCWA JUNE2024	R67 797 1247.0	R7 816 693.41	Invoice Number	Date	Description	Amount incl VAT	65183	30/09/2024	Refuse removal	R6 162 667.19	Date	Payee	Amount	01/10/2024	Dolphin Coast Waste Management	R6 297 006.65	General Ledger	Invoice	Difference	R7 816 693.41	R6 162 667.19	R1 654 026.22	Direct cheque request	Invoice	Difference	R6 297 006.65	R6 162 667.19	R134 339.46	The organization lacks adequate controls to ensure that payment amounts are accurately verified against supporting documentation and the General Ledger prior to processing. Payment requests are not consistently reviewed for correctness, resulting in overpayments and discrepancies between amounts paid and amounts recorded.	Management should implement stronger controls over the payment verification process. All payment requests must be reviewed and matched to approved invoices, contracts, and the corresponding General Ledger entries before payments are processed. A formal reconciliation process should be established to ensure discrepancies are identified and resolved timely.	1. Management disagrees with the finding. The invoice amount quoted by the auditor does not correspond with the invoice amounts that was paid. Below is the correct transaction: - 2. The finding is noted but not accepted. There was a credit note submitted for this transaction. Amount R134 339.46	Management does not agree to the internal control deficiency identified. The municipality has standard operating procedures on payments of goods and services, including delegations in place to ensure payments are checked, verified and authorized at appropriate levels. The finding does not constitute an overpayment or underpayment to the contractor. All the necessary amounts due were paid accordingly.	Management has appropriate processes in place to verify, check, and authorize payments in line the standard operating procedures and within the requirements of the MFMA.	None required				
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Direct cheque request	Invoice	Difference																																																	
R6 297 006.65	R6 162 667.19	R134 339.46																																																	
47	Related Parties - Disclosure not Complete The councillor is related to the directors of Inokazi Trading and Simply Bhele projects through his role as a founding member of Makhovana Primary Co-Operative Limited. Detail of the transaction are listed below.	The councillor is related to the directors of Inokazi Trading and Simply Bhele projects through his role as a founding member of Makhovana Primary Co-Operative Limited. Detail of the transaction are listed below. <table><tr><th>SUPPL. NAME</th><th>SUPPL. AMT</th><th>QRC</th><th>ENT. NO</th><th>BUSINESS</th><th>EMPL. TITLE</th></tr><tr><td>SIMPLY BHELE PROJECTS (PTY) LTD</td><td>R 1 89 000</td><td>K2019/17082/07</td><td>CO20208</td><td>EMPL. NO</td><td>CO/INCLLOR</td></tr><tr><td>INOKAZI TRADING</td><td>R 238 577</td><td>K2019/305712/07</td><td>CO20208</td><td>EMPL. NO</td><td>CO/INCLLOR</td></tr></table>	SUPPL. NAME	SUPPL. AMT	QRC	ENT. NO	BUSINESS	EMPL. TITLE	SIMPLY BHELE PROJECTS (PTY) LTD	R 1 89 000	K2019/17082/07	CO20208	EMPL. NO	CO/INCLLOR	INOKAZI TRADING	R 238 577	K2019/305712/07	CO20208	EMPL. NO	CO/INCLLOR	The Municipality has inadequate internal controls to ensure that all related parties are appropriately identified and disclosed in the financial statements.	Management should review and revise the disclosure of related parties in the financial statements to ensure fair presentation and compliance with GRAP 20 requirements.	We note the findings. One must note that there was no disclosure made in terms of the MBD 4 service providers and the councillor informing them of this audit outcome. We will act accordingly once a response is received.	We do have adequate controls in place. The MBD 4 is part of all procurement submissions and the Human Resources Department keeps all employee declaration forms. We will be requesting the HR Department to provide us with this Councillor's declaration.	The recommendation is noted and the required disclosures will be made.	The required disclosures will be made and the identified service providers will be written to.	"Head: SCM Director: Financial Reporting"	Finance	Immediately																						
SUPPL. NAME	SUPPL. AMT	QRC	ENT. NO	BUSINESS	EMPL. TITLE																																														
SIMPLY BHELE PROJECTS (PTY) LTD	R 1 89 000	K2019/17082/07	CO20208	EMPL. NO	CO/INCLLOR																																														
INOKAZI TRADING	R 238 577	K2019/305712/07	CO20208	EMPL. NO	CO/INCLLOR																																														

APPENDICES A to T

Appendix A: Councillors: Committee Allocation & Council Attendance

Purpose of the Council Committee

Established in terms of the Municipal Structures Act, Section 80. Portfolio Committees meet monthly 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.

2021-2026 TERM OF OFFICE (1ST JULY 2024 TO 30 JUNE 2025)

COUNCIL MEETINGS

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED/ UNPLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr O.L Nhaca	ANC	PR	22	17 Meetings attended 31/10/2024- Leave 28/11/2024- Leave 02/10/2024- Leave 05/11/2024- Leave 12/12/2024- Leave
Cllr N.P Dube	ANC	PR	22	19 Meetings attended 25/09/2024- Leave 02/10/2024- Absent 18/02/2025- Leave
Cllr G. Govender	ANC	Speaker Ward 19 Cllr	22	21 Meetings attended 04/03/2025- Leave
Cllr H Mbatha	ANC	Chief Whip Ward 12	22	20 Meetings attended 25/09/2024- Leave 24/04/2025- Apology
Cllr S.K Shandu	ANC	01	22	14 Meetings attended 31/10/2024- Leave 28/11/2024- Leave 27/02/2025- Leave 24/04/2025- Leave 14/03/2025- Absent 11/03/2025- Absent 27/03/2025- Absent without leave 29/05/2025- Leave
Cllr D.N Ngema	ANC	02	22	15 Meetings attended 28/11/2024- Absent without Leave. 12/12/2024- Leave 06/02/2025- Leave 11/03/2025- Absent without leave 20/03/2025- Leave 09/04/2025- Absent without leave. 26/06/2025- Leave.
Cllr S.O Nxele	ANC	03	22	21 Meetings attended 12/12/2024- Absent

COUNCIL MEETINGS ...continued

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED/ UNPLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr J.M Banda	ANC	04	22	18 Meetings attended 25/07/2024- Leave 13/02/2025- Absent 04/03/2025 – Absent 11/03/2025- Absent
Cllr A.M Baardman	ANC	05	22	11 Meetings attended 29/08/2024- Leave 25/09/2024- Leave 02/10/2024- Absent without leave 12/12/2024– Leave 27/02/2025- Leave 04/03/2025- Leave 27/03/2025- Leave 24/04/2025- Leave 29/05/2025- Leave 03/06/2025- Absent without leave. 26/06/2025- Leave
Cllr B.C Fakazi	ANC	07	22	17 Meetings attended 25/09/2024- Absent without leave. 12/12/2024- Absent without leave. 20/03/2025- Absent without leave. 09/04/2025- Absent without leave. 03/06/2025- Absent without leave.
Cllr M.E Ngidi	ANC	08	22	21 Meetings attended 18/02/2025- Apology
Cllr N.J Mpanza	ANC	09	22	18 Meetings attended 29/08/2024- Absent without leave. 30/01/2025- Absent without leave. 18/02/2025- Leave 04/03/2025- Absent
Cllr T.T Dube	ANC	10	22	16 Meetings attended 25/07/2024- Leave 29/08/2025- Leave 04/03/2025- Leave 09/04/2025- Leave 29/05/2025- Leave 03/06/2025- Leave
Cllr S Sithole	ANC	11	22	16 Meetings attended 25/07/2024- Leave 25/09/2024- Leave 12/12/2024- Absent 06/02/2025- Absent 04/03/2025- Absent 11/03/2025- Leave
Cllr N Qwabe	ANC	13	22	17 Meetings attended 25/07/2024- Leave 25/09/2024- Leave 04/03/2025- Leave 11/03/2025- Leave 26/06/2025- Leave
Cllr W.N Mntambo	ANC	14	22	19 Meetings attended 29/08/2024- Absent without leave 28/11/2024- Leave 04/03/2025- Leave

COUNCIL MEETINGS ...continued

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED/ UNPLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr B.P Ndlovu	ANC	15	22	21 Meetings attended 29/08/2024- Leave
Cllr S.S Mthiyane	ANC	16	22	21 Meetings attended 25/09/2024- Absent without leave
Cllr C.M Naicker	ANC	17	22	20 Meetings attended. 25/07/2024- Leave 25/09/2024- Leave
Cllr S.B Ntuli	ANC	18	22	16 Meetings attended 25/07/2024- Absent without leave 02/10/2024- Absent without leave 18/02/2025- Absent without leave 11/03/2025- Absent without leave 20/03/2025- Leave 26/06/2025- Apology
Cllr N.S Bhengu	ANC	20	22	19 Meetings attended 25/07/2024- Absent without leave 06/02/2025- Absent without leave 03/06/2025- Absent without leave
Cllr N.H Sithole	ANC	21	22	18 Meetings attended 31/10/2024- Absent without leave 13/02/2025- Absent without leave 11/03/2025- Absent without leave 09/04/2025- Absent without leave
Cllr P Makhan	DA	22	22	22 Meetings attended
Cllr N.C Mdletshe	ANC	23	22	18 Meetings attended 31/10/2024- Leave 28/11/2024- Leave 04/03/2025- Absent without leave 11/03/2025- Leave
Cllr V Mwandla	ANC	24	22	22 Meetings attended
Cllr S.P Khuzwayo	ANC	25	22	17 Meetings attended 06/02/2025- Absent without leave. 13/02/2025- Leave 04/03/2025- Absent without leave. 11/03/2025- Absent without leave. 20/03/2025- Leave
Cllr T.C Nxele	ANC	26	22	20 Meetings attended 31/10/2024- Leave 11/03/2025- Absent without leave.
Cllr S.G Mcineka	ANC	27	22	19 Meetings attended 02/10/2024- Leave 31/10/2024- Leave 18/02/2025-Leave
Cllr V Govender	MKP	28	22	05 Meetings attended 25/07/2024- Absent without leave 29/08/2024- Leave 02/10/2025- Leave 31/10/2024- Leave 28/11/2024- Leave 12/12/2024- Leave 26/06/2025- Leave Cllr Govender resigned as ANC ward 28 Cllr in January 2025; he was elected as MKP ward 28 Councillor during a by-election effective from 03/04/2025.

COUNCIL MEETINGS ...continued

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED/ UNPLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr S.L Cele	ANC	29	22	21 Meetings attended 03/06/2025- Leave
Cllr F Abrahams	DA	30	22	19 Meetings attended 25/09/2025- Apology 28/11/2024- Leave 09/04/2025- Leave
Cllr K Naidoo	DA	PR	22	21 Meetings attended 29/08/2024- Leave
Cllr B Mvulana	DA	PR	22	21 Meetings attended 25/07/2024- Leave
Cllr N.A Singh	DA	PR	22	21 Meetings attended 26/06/2025- Leave
Cllr M Vembali	DA	PR	22	19 Meetings attended 02/10/2024- Apology 06/02/2025- Leave 11/03/2025- Council Business
Cllr R Pooran	DA	PR	22	21 Meetings attended 03/06/2025- Leave
Cllr T.N Mthethwa	DA	PR	22	21 Meetings attended 24/04/2025- Apology
Cllr A.N Zwane	DA	Ward 06	22	18 Meetings attended 12/12/2024- Leave 11/03/2025- Council Business Cllr Zwane joined KDM on 18/09/2024 replacing Cllr T Colley.
Cllr N Sewraj	ACTIONS	PR	22	20 Meetings attended 25/09/2024- Leave 04/03/2025- Apology
Cllr S Zungu	ACTIONS	PR	22	22 Meetings attended
Cllr S.C Mwandla	ACTIONS	PR	22	21 Meetings attended 09/04/2025- Apology
Cllr H.M Ndlovu	ACTIONS	PR	22	19 Meetings attended 18/02/2025- Leave 11/03/2025- Council Business Cllr H.M Ndlovu replaced Cllr S.P Ashworth who resigned in July 2024.
Cllr A.A Singh	ACTIONS	PR	22	16 Meetings attended 25/07/2024- Leave 30/01/2025- Absent without leave 06/02/2025-Leave 18/02/2025-Leave 04/03/2025-Apolgy 27/02/2025- Apology
Cllr C.M Ntleko	Independent Alliance	PR	22	17 Meetings attended 25/07/2024- Leave 25/09/2024- Apology 28/11/2024- Absent without leave 12/12/2025- Leave 04/03/2025- Apology

COUNCIL MEETINGS ...continued

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED/ UNPLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr M.M Madlala	Independent Alliance	PR	22	Meetings attended (none) 25/07/2024- Leave 29/08/2024- Absent without leave 25/09/2024- Absent without leave 02/10/2024-Absent Cllr Madlala was replaced by Cllr I.S Mdletshe on the 8 th of October 2024.
Cllr I.S Mdletshe	Independent Alliance	PR	22	18 Meetings attended Cllr Madlala was replaced by Cllr I.S Mdletshe on the 8 th of October 2024.
Cllr S.F Phungula	Independent Alliance	PR	22	18 Meetings attended 28/11/2024- Apology 27/03/2025- Absent without leave 24/04/2025- Leave 26/06/2025- Leave Joined KDM on the 22nd of July 2024 Replacing Cllr P.S Shezi.
Cllr S.P Khuzwayo	Independent Alliance	PR	22	20 Meetings attended 06/02/2025- Absent without leave 13/02/2025- Leave
Cllr E.M Kolia	Independent Alliance	PR	22	17 Meetings attended 09/04/2025- Absent without leave Cllr Kolia was replaced by Cllr T.L Mgoyi on 21/05/2025 after being expelled by his party.
Cllr T.L Mgoyi	Independent Alliance	PR	22	03 Meetings attended Cllr Kolia was replaced by Cllr T.L Mgoyi on 29/05/2025 after being expelled by his party.
Cllr M.M Sibisi	IFP	PR	22	16 Meetings attended 25/07/2024- Leave 30/01/2025- Leave 16/02/2025- Absent without leave. 13/02/2025- Absent without leave. 25/02/2025- Leave 09/04/2025- Leave
Cllr S.C Pandaram	IFP	PR	22	04 Meetings attended Cllr Pandaram was replaced by Cllr P.S Sibiya on 15/11/2024
Cllr P.S Sibiya (Deceased)	IFP	PR	22	05 Meetings attended 30/01/2025- Absent without leave 06/02/2025-Leave 18/02/2025-Absent 04/03/2025-Absent 11/03/2025-Leave 20/03/2025- Absent 24/04/2025- Leave 09/04/2025- Leave Cllr Pandaram was replaced by Cllr P.S Sibiya on 15/11/2024.
Cllr J.F Magwaza	IFP	PR	22	18 Meetings attended. 18/02/2025- Leave 11/03/2025- Leave 09/04/2025- Leave 24/04/2025- Leave

COUNCIL MEETINGS ...continued

LIST OF COUNCILLORS	POLITICAL PARTY	WARD REPRESENTED	PLANNED/ UNPLANNED MEETINGS	COUNCIL MEETINGS ATTENDED
Cllr P.F Masuku	IFP	PR	22	Meetings attended (none) 25/07/2024- Leave 29/08/2024- Leave Cllr P.F Masuku was replaced by Cllr N.P Ntuli on the 20th of September 2024.
Cllr N.P Ntuli	IFP	PR	22	16 Meetings attended 18/02/2025- Absent 11/03/2025-Leave 24/04/2025- Leave 09/04/2025- Leave Cllr P.F Masuku was replaced by Cllr N.P Ntuli on the 20th of September 2024.
Cllr S Kheswa	EFF	PR	22	17 Meetings attended 25/09/2024- Leave 12/12/2024- Leave 11/03/2025- Leave 27/03/2025- Leave 03/06/2025- Leave
Cllr M.M Mthiyane	EFF	PR	22	16 Meetings attended 25/07/2024- Absent without leave 29/08/2024- Absent without leave 12/12/2024- Leave 11/03/2025- Leave 27/03/2025- Absent without leave 26/06/2025- Absent without leave
Cllr N.J Mbonambi	EFF	PR	22	16 Meetings attended 25/09/2024- Absent without Leave 02/10/2024- Leave 12/12/2024- Absent 04/03/2025- Absent 20/03/2025- Leave 29/05/2025- Absent without leave
Cllr C.P Dumakude	EFF	PR	22	19 Meetings attended. 25/07/2024- Leave 29/08/2024- Absent without leave. 11/03/2025- Leave
Cllr T.T Mkhize	ATM	PR	22	20 Meetings attended 02/10/2024- Leave 24/04/2025- Leave
Cllr T.T Sithole	ACDP	PR	22	17 Meetings attended 25/07/2024- Leave 12/12/2024- Leave 04/03/2024- Absent 11/03/2025-Absent 27/03/2025- Leave
Cllr D.H Mthembu	AIC	PR	22	21 Meetings attended 04/03/2025- Leave

Council Portfolio Committee Allocation and Attendance

Purpose of the Portfolio Committees

KwaDukuza Municipality has 4 Portfolio Committees, which are all chaired by the members of the Executive Committee as prescribed by the legislation. Portfolio Committees meet on a monthly basis to discuss service delivery issues and ways to improve service delivery where needed.

2021-2026 TERM OF OFFICE (1ST JULY 2024 TO 30 JUNE 2025)

FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE

Committee of Council	Names of Councillors	Planned/ Unplanned Meetings	Meetings attended
FINANCE AND CORPORATE SERVICES PORTFOLIO COMMITTEE	Cllr O.L Nhaca (Chairperson) replaced by Cllr M.E Ngidi	10	01 Meeting attended 16/10/2024- Leave 24/10/2024- Leave
	Cllr M.E Ngidi	10	06 Meetings attended 11/12/2024- Leave Cllr M.E Ngidi was allocated to the Committee in December 2024 as a Chairperson, replacing Cllr. O.L. Nhaca.
	Cllr V. Mwandla	10	10 Meetings attended
	Cllr S.S Mthiyane	10	09 Meetings attended 21/08/2024- Leave
	Cllr C.M Naicker	10	09 Meetings attended 21/08/2024- Leave
	Cllr S.C Pandaram was replaced by Cllr PS Sibiya(deceased)	10	02 Meeting attended 16/10/2024- Absent without leave
	Cllr P.S Sibiya (Deceased)	10	Meetings attended (none) 11/12/2024- Absent without leave 13/12/2024- Absent without leave 05/03/2025- Absent without leave 19/03/2025- Absent without leave 16/04/2025- Absent without leave
	Cllr N.S Bhengu	10	09 Meetings attended 04/06/2025- Absent without leave
	Cllr N.J Mbonambi	10	06 Meetings attended 21/08/2024- Absent without leave 16/10/2024- Absent without leave 05/03/2025- Leave 19/03/2025- Council Business
	Cllr R Pooran	10	04 Meetings attended 16/04/2025- Leave
	Cllr T.T Sithole	10	09 Meetings attended 11/12/2024- Absent without leave
	Cllr H.M Ndlovu	10	09 Meetings attended Cllr H.M Ndlovu joined KDM on 14/08/2024 following the resignation of Cllr Ashworth on 01/07/2024. He was introduced to the committee on 16/10/2024

22 November 2024- The meeting was postponed to 11 December 2024

INFRASTRUCTURE AND TECHNICAL

Committee of Council	Names of Councillors	Planned/ Unplanned Meetings	Meetings attended
INFRASTRUCTURE AND TECHNICAL	Cllr S.L Cele (Chairperson)	10	03 Meetings attended Cllr Cele was introduced to the committee on 28/11/2024, filling the vacancy of the late Deputy Mayor, Cllr T.V Ntuli.
	Cllr N.P Dube	10	07 Meetings attended. All the scheduled meetings were attended apart from three meetings that could not sit.
	Cllr T.T Dube	10	07 Meetings attended All the scheduled meetings were attended apart from three meetings that could not sit.
	Cllr B.C Fakazi	10	07 Meetings attended All the scheduled meetings were attended apart from three meetings that could not sit.
	Cllr S.G Mcineka	10	05 Meetings attended 12/07/2024- Leave 13/03/2025- Apology
	Cllr T.C Nxele	10	07 Meetings attended All the scheduled meetings were attended apart from three meetings that could not sit.
	Cllr P Makhan	10	03 Meetings attended. Cllr P Makhan was elected as EXCO member on 05/11/2024
	Cllr I.S Mdletshe	10	02 Meetings attended 02/05/2025- Leave Cllr I.S Mdletshe replaced Cllr M Madlala on the 31 st of October 2025.
	N.A SINGH	10	07 Meetings attended All scheduled meetings were attended apart from three meetings that could not sit.

Meetings did not take place on the dates listed below:

12 September 2024.

06 February 2025.

02 April 2025.

ECONOMIC DEVELOPMENT PLANNING, SPECIAL PROGRAMMES & YOUTH AFFAIRS PORTFOLIO COMMITTEE

Committee of Council	Names of Councillors	Planned/ Unplanned Meetings	Meetings attended
ECONOMIC DEVELOPMENT PLANNING, SPECIAL PROGRAMMES & YOUTH AFFAIRS	Cllr S.L Cele (Vacant)	10	04 Meetings attended Cllr S.L Cele vacates his appointment as Chairperson to join the IAT Portfolio.
	Cllr J.M Banda	10	08 Meetings attended 25/04/2025- Council Business
	Cllr M.E Ngidi	10	04 Meetings attended Cllr S.P Khuzwayo joined portfolio committee on 03/12/2024 replacing Cllr M.E Ngidi
	Cllr S.P Khuzwayo	10	03 Meetings attended 21/02/2025- Absent without leave 25/04/2025- Absent without leave Cllr S.P Khuzwayo joined portfolio committee on 03/12/2024 replacing Cllr M.E Ngidi
	Cllr B.S. Ntuli	10	07 Meetings attended 25/10/2024- Leave 21/02/2025- Apology
	Cllr BP Ndlovu	10	09 Meetings attended All the scheduled meetings were attended apart from 01 meeting that could not sit.
	Cllr S.F Phungula	10	07 Meetings attended Cllr S.F Phungula replaced Cllr P Shezi on 04/10/2024
	Cllr S. Kheswa	10	07 Meetings attended 23/08/2024- Leave 04/10/2024- Leave
	Cllr N.P Ntuli	10	06 Meetings attended 25/04/2025- Apology Cllr P.F Masuku was replaced by Cllr N.P Ntuli on 25/10/2024.
	Cllr S. Zungu	10	07 Meetings attended 07/08/2024- Absent without leave 23/08/2024- Apology
	Cllr B.Mvulana	10	09 Meetings attended All the scheduled meetings were attended apart from 01 meeting that could not sit.

Meetings did not take place on the date listed below:

20 March 2025- Meeting did not take place as per the schedule of meetings.

MUNICIPAL SERVICES PORTFOLIO COMMITTEE

Committee of Council	Names of Councillors	Planned/ Unplanned Meetings	Meetings attended
MUNICIPAL SERVICES	Cllr C.N Mdletshe (Chairperson)	10	05 Meetings attended Attended all the scheduled meetings apart from the five meetings that could not sit.
	Cllr S Sithole	10	04 Meetings attended 19/06/2025- Absent without leave
	Cllr S.K Shandu	10	05 Meetings attended Attended all the scheduled meetings apart from the five meetings that could not sit.
	Cllr W.N Mntambo	10	03 Meetings attended 30/08/2024- Absent without leave 19/06/2025- Absent without leave
	Cllr S.O Nxele	10	05 Meetings attended Attended all the scheduled meetings apart from the five meetings that could not sit.
	Cllr P.S Khuzwayo	10	05 Meetings attended Attended all the scheduled meetings apart from the five meetings that could not sit.
	Cllr A.A Singh	10	05 Meetings attended Attended all the scheduled meetings apart from the five meetings that could not sit.
	Cllr F Abrahams	10	03 Meetings attended 30/08/2024- Leave 10/04/2025-Leave

Meetings did not take place on the dates listed below:

19 July 2024

20 September 2024- Meeting could not sit due to quorum issues.

28 February 2025

14 March 2025

15 May 2025

Appendix B: Executive Committee and Committee Purpose

Purpose of the Executive Committee

Members of the Executive Committee are appointed by Council 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.

2021-2026 TERM OF OFFICE (1ST JULY 2024 TO 30 JUNE 2025)

EXECUTIVE COMMITTEE

Committee of Council	Names of Councillors	Planned/Unplanned Exco meetings	Exco Meetings Attended
EXECUTIVE COMMITTEE	Cllr O.L Nhaca (Chairperson) was replaced by Cllr M.E Ngidi who was elected as a Mayor on 05/11/2024	28	08 Meetings attended 09/10/2024- Leave 06/11/2024- Leave 14/11/2024- Leave 04/12/2024- Leave 24/12/2024- Leave 12/03/2025- Leave 23/04/2025- Leave 28/05/2025- Leave 11/06/2025- Leave
	M.E Ngidi (Chairperson)	28	10 Meetings attended 26/02/2025- Apology 02/05/2025- Leave 11/06/2025- Leave
	Cllr S.L Cele	28	16 Meetings attended 25/06/2025- Leave
	Cllr N.C Mdletshe	28	15 Meetings attended 28/08/2024- Apology 09/10/2024- Absent without leave
	Cllr D.H Mthembu	28	17 Meetings attended Attended all the scheduled meetings apart from 05 meetings that could not sit.
	Cllr M.M Sibisi	28	14 Meetings attended 14/11/2024- Absent without leave. 24/12/2024- Absent without leave 17/06/2025- Absent without leave
	Cllr P Makhan	28	12 Meetings attended 23/04/2025- Leave Cllr Makhan was elected to Exco on 05/11/2024
	Cllr M.M Mthiyane	28	10 Meetings attended 28/08/2024- Apology 14/11/2024- Absent without leave 24/12/2024- Absent without leave 26/02/2025- Absent without leave 12/03/2025- Absent without leave 23/04/2025- Absent without leave 11/06/2025- Absent without leave
	Cllr C.M Ntleko	28	11 Meetings attended 05/09/2024- Leave 24/12/2024- Leave 26/02/2025- Leave 02/05/2025- Apology 11/06/2025- Leave 17/06/2025- Apology
	Cllr N Sewraj	28	15 Meetings attended 04/12/2024- Leave 28/05/2025- Leave

Meetings did not take place on the dates listed below:

24 July 2024
14 August 2024
11 September 2024- Meeting did not take place, it was postponed to 09 October 2024.
25 September 2024
23 October 2024

20 November 2024
11 December 2024
22 January 2025
12 February 2025
26 March 2025
07 May 2025

Appendix C: Third Tier Administrative Structure



Appendix D: Functions of the Municipality

KwaDukuza Municipality is one of the Local Municipalities within the family of iLembe District Municipality. As a Local Authority, KwaDukuza is responsible, in terms of the Constitution of the Republic of South Africa, 1996 - Schedule 4: Functional areas, Part B for,

Air pollution
Building regulations
Childcare facilities
Electricity and gas reticulation
Firefighting services
Local tourism
Municipal planning
Stormwater management systems in built-up areas
Trading regulations

The Municipality is also responsible for the following Schedule 5 Part B functions,

Beaches and amusement facilities
Billboards and the display of advertisements in public places
Cemeteries, funeral parlours, and crematoria
Cleansing
Control of public nuisances

Control of undertakings that sell liquor to the public
Facilities for the accommodation, care, and burial of animals
Fencing and fences
Licensing of dogs
Licensing and control of undertakings that sell food to the public
Local amenities
Local sport facilities
Markets
Municipal abattoirs
Municipal parks and recreation
Municipal roads
Noise pollution
Pounds
Public places
Refuse removal, refuse dumps and solid waste disposal
Street trading
Street lighting
Traffic and parking

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

Last functionality results received from COGTA : 2024/25 FINANCIAL YEAR

No of wards	No & % of functional ward committees	Functional wards	No & % of non-functional ward committee	Non-functional wards	Reasons for non-functionality
30	15(50%)	1, 2, 3, 4, 5, 6, 7, 8, 10, 15, 21, 24, 25, 29 & 30	15 (50%)	9, 11, 12, 13, 14, 16, 17, 19, 20, 22, 23, 26, 27, 28	Ward 9, 20 – 2WC meetings held Ward 11, 26 – No community meetings Ward 12, 13, 14, 18 – No community meetings & ward report Ward 16 – 1WC meeting held, no community meetings, sectoral reports not signed by Cllr & no ward report Ward 17 – No community meetings & ward report incomplete Ward 19 – No attendance register for community meeting held Ward 22 – 1WC meeting held, no minutes for community meeting held, sectoral reports not signed by Cllr & ward report incomplete Ward 23 – 1WC meeting held Ward 27 – Cllr attended 1 WC meeting, no community meetings & ward report incomplete Ward 28 – 1WC meeting held, no community meetings & no ward report

Community feedback meetings convened by councillors in each ward.

No of wards	No of community feedback held	No of wards where community meetings were held	Wards where councillors convened community feedback meetings	Percentage of wards which convened community meetings
30	20	18	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 20, 21, 23, 24, 25, 29& 30	60%

Appendix G: Recommendations of the Municipal Audit Committee

The Committee recommends that Council prioritise the following:

1. Implement Consequence Management to address UIFW and enforce accountability.
2. Strengthen Risk and Compliance Functions through timely action plan implementation and submission of supporting documentation.
3. Fast-track the Filling of Critical Vacancies, especially in Internal Audit and ICT units.
4. Intensify Measures to Reduce Electricity Losses and improve revenue protection.
5. Implement Audit Findings from both Internal Audit and the Auditor-General.
6. Finalise the Business Continuity Plan to safeguard critical municipal operations.
7. Improve Oversight of Disaster Management Grants and report progress to MANCO and EXCO.
8. Enhance ICT Security and Governance to mitigate cyber risks.
9. Ensure Transparency and Reporting on all ongoing investigations.

Appendix H: Long term contracts & public private partnership

2024/2025

TENDER NO	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN RANDS	REASON FOR AWARD	DEPARTMENT	LOCAL	GENDER
MN 337/2023	THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE ROAD RESERVES FOR A PERIOD OF THIRTY-SIX MONTHS: ZONE 9 (WARD 13 & 26)	31/01/2024	12/07/2024	ISINYONYANE TRADING	100	RATES	THEY HAVE BEEN UPHELD BY THE APPEALS COMMITTEE	CIVIL ENGINEERING AND HUMAN SETTLEMENTS	SHAKAVILLE, KWADUKUZA	BLACK FEMALE ADULT
MN 44/2022	PANEL OF CONTRACTORS FOR POTHOLE PATCHES THREE (3) YEARS	22/08/2022	16/08/2024	MASITHWALANE TRADING	100	RATES	THEY HAVE BEEN UPHELD BY THE APPEALS COMMITTEE	CIVIL ENGINEERING	TSHOBHO AREA, MAPHUMULO	BLACK MALE YOUTH
MN 22/2022	ESTABLISHMENT OF A PREQUALIFIED LIST OF PROFESSIONAL SERVICE PROVIDERS TO PROVIDE BUILT ENVIRONMENT AND RELATED SERVICES FOR A PERIOD OF THREE (3) YEARS, AS AND WHEN NEEDED	30/11/2023	16/08/2024	NZAMAKHUZE HOLDING (PTY) LTD. & ASSOCIATES	100	RATES	THEY HAVE BEEN UPHELD BY THE APPEALS COMMITTEE	CIVIL ENGINEERING	GAUTENG JOHANNESBURG	BLACK FEMALE ADULT, BLACK MALE ADULT
MN 256/2023	PANEL OF ELECTRICAL CONTRACTORS FOR THE SUPPLY, INSTALLATION AND REFURBISHMENT OF PUBLIC LIGHTING FOR A PERIOD OF THREE (3) YEARS	08/12/2023	16/8/2024	NMR ELECTRICAL (PTY) LTD	100	RATES	THEY HAVE BEEN UPHELD BY THE APPEALS COMMITTEE	ELECTRICAL ENGINEERING	KWADUKUZA	INDIAN MALE ADULT
MN 76/2024	THE MANUFACTURING, SUPPLY AND DELIVERY OF REFUSE BIN BAGS FOR KWADUKUZA MUNICIPALITY FOR A THREE (3) YEAR PERIOD.	09/07/2024	06/09/2024	SNOBHO PLASTICS	100	13 628.00	THEY HAVE SCORED HIGHEST NUMBER OF POINTS	COMMUNITY SERVICES	SHAKAVILLE, KWADUKUZA	INDIAN FEMALE ADULT
MN 252/ 2023	SUPPLY, DELIVERY AND OFFLOADING 315 KVA & 500 KVA (11KV/420V) MINIATURE SUBSTATIONS. POLE MOUNTED TRANSFORMERS AND LOW VOLTAGE DISTRIBUTION PILLAR BOXES/ KIOSKS AND MV EQUIPMENT FOR A PERIOD OF THREE (3) YEARS	14/12/2023	26/09/2024	Worth Kings Trading cc	100	RATES	THEY HAVE SCORED HIGHEST NUMBER OF POINTS	ELECTRICAL ENGINEERING	BALLITO	INDIAN MALE ADULT

Appendix H: Long term contracts & public private partnership ...continued

2024/2025 ...continued

TENDER NO	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN Rands	REASON FOR AWARD	DEPARTMENT	LOCAL	GENDER
MN 214/2022	TENDER NO ESTABLISHMENT FOR THE PANEL OF CONTRACTORS (GRADE 1-3) FOR REHABILITATION AND CREATING OF NEW MUNICIPAL PUBLIC INFRASTRUCTURE WITHIN KWADUKUZA MUNICIPALITY FOR A PERIOD OF 3 YEARS	23/1/2023	04/10/2024	SABELA CONSTRUCTION	100	RATES	APPEALS UPHELD BY THE APPELS COMMITTEE	CIVIL ENGINEERING SERVICES	KWADUKUZA	BLACK FEMALE ADULT
MN 47/2024	PANEL OF CONTRACTORS FOR THE REPAIRS, MAINTENANCE AND REFURBISHMENT OF KWADUKUZA MUNICIPALITY ELECTRICAL MV UNDERGROUND CABLES INFRASTRUCTURE DURING AND AFTER NORMAL WORKING HOURS FOR A PERIOD OF THREE (3) YEARS	23/01/2023	15/10/2024	Zama Traffic Signal High Voltage System	100	RATES	THEY HAVE SCORED HIGHEST NUMBER OF POINTS	ELECTRICAL ENGINEERING SERVICES	DURBAN	BLACK FEMALE ADULT MALE ADULT
MN 338/2023	THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE ROAD RESERVES FOR A PERIOD OF THIRTY-SIX MONTHS: ZONE 13.1 (WARD 17)	23/01/2023	04/10/2024	Rekabal	100	RATES	HIGHEST SCORING BIDDER	COMMUNITY SERVICES	SUNDUMBILI KWAZULU NATAL	INDIAN FEMALE ADULT
MN 48-2024	PROVISION OF ASSET MANAGEMENT IMPLEMENTATION SERVICES TO THE ELECTRICAL ENGINEERING BUSINESS UNIT FOR A PERIOD OF (3) YEARS	23/01/2023	15/11/2024	SMEC SOUTH AFRICA PTY LTD	100	6 498 426,70	HIGHEST SCORING BIDDER	ELECTRICAL ENGINEERING SERVICES	PRETORIA	INDIAN FEMALE ADULT
MN 329/2023	TENDER UPGRADE AND MAINTENANCE OF THE CLOSED-CIRCUIT TELEVISION SURVEILLANCE CAMERAS (CCTV) PROVISION AND INSTALLATION OF NEW HARDWARE AND SOFTWARE AND THE DEVELOPMENT OF A CCTV POLICY AND SCOPE OF PRACTICE FOR A PERIOD OF 3 YEARS FOR THE KWADUKUZA MUNICIPALITY COMMUNITY SAFETY	23/01/2024	15/11/2024	PROSECURE	100	4 331 098,13	HIGHEST SCORING BIDDER	COMMUNITY SAFETY SERVICES	MORNINGSIDE DURBAN	INDIAN MALE ADULT

Appendix H: Long term contracts & public private partnership ...continued

2024/2025 ...continued

TENDER NO	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN Rands	RESON FOR AWARD	DEPARTMENT	LOCAL	GENDER
MN 202/2024	(A) GENERAL VALUATION AND PRESENTATION OF A VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2026 (B) PREPARATION AND UPDATING OF THE VALUATION ROLL FOR THE PERIOD 1 JULY 2026 TO 30 JUNE 2029	17/01/2025	20/02/2025	EVALUATIONS ENHANCED PROPERTY APPRAISALS (PTY) LTD	100	6 053 964,40	HIGHEST SCORING BIDDER	FINANCIAL SERVICES	MOUNT EDGECOMBE	INDIAN FEMALE MALES
MN 57/2024:	THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE ROAD RESERVES FOR A PERIOD OF THIRTY-SIX MONTHS: ZONE 4 (WARD 5)	11/07/2024	07/03/2025	AMAGAMBUSHE CONSTRUCTION	100	RATES	HIGHEST SCORING BIDDER	COMMUNITY SERVICES & PUBLIC AMMENITIES	KWADUKUZA	BLACK MALE ADULT
MN 58/2024	THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 8 (WARD 12)	11/07/2024	07/03/2025	THULUTHABE TRADING	100	RATES	HIGHEST SCORING BIDDER	COMMUNITY SERVICES & PUBLIC AMMENITIES	KWADUKUZA	BLACK MALE ADULT
MN 61/2024	THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 4.1 (WARD 5)	11/07/2024	07/03/2025	BNE GENERAL TRADING	100	RATES	HIGHEST SCORING BIDDER	COMMUNITY SERVICES & PUBLIC AMMENITIES	KWADUKUZA	BLACK MALE FEMALE
MN 62/2024	THE CUTTING OF GRASS AND LITTER PICKING WITHIN THE KWADUKUZA MUNICIPALITY: ZONE 12.1 (WARD 16)	11/07/2024	07/03/2025	TJDK TRADING	100	RATES	HIGHEST SCORING BIDDER	COMMUNITY SERVICES & PUBLIC AMMENITIES	KWADUKUZA	BLACK MALE FEMALE
TAC 058 2025	PARTICIPATION IN TRANSVERSAL CONTRACT RT29-2024 FOR AUDIT AND TOKEN IDENTIFIER (TID) CONVERSION OF EXISTING PREPAYMENT METERS AND THE SUPPLY DELIVERY, INSTALLATION, MANAGEMENT, AND MAINTENANCE OF SMART METERING SOLUTIONS TO THE STATE INCLUSIVE OF VALUE-ADDED SERVICES FOR A PERIOD 1 JUNE 2024 TO 31 MAY 2027.		07/03/2025	VODACOM	100	RATES	NATIONAL TREASURY TRANSVERSAL CONTRACT	FINANCIAL SERVICES	JOHANNESBURG	BLACK MALE ADULT

Appendix H: Long term contracts & public private partnership ...continued

2024/2025 ...continued

TENDER NO	DESCRIPTION	CLOSING DATE	AWARD DATE	SUCCESSFUL BIDDER	PREFERENTIAL POINTS	AMOUNT IN Rands	REASON FOR AWARD	DEPARTMENT	LOCAL	GENDER
MN 35/2024	PROVISION FOR BANKING SERVICES FOR THREE YEARS	02/07/2024	03/04/2025	ABSA BANK	100	RATES	HIGHEST SCORING BIDDER	FINANCIAL SERVICES	Johannesburg	WHITE MALE ADULT
MN 109/2024	HARDWARE AND SOFTWARE TO MANAGE BACK-OFFICE ADMINISTRATION AND TRAFFIC CONTRAVENTION MANAGEMENT SYSTEM FOR THE PROCESSING OF MUNICIPAL COURT DOCUMENTS AS REQUIRED IN TERMS OF THE CRIMINAL PROCEDURE ACT AND TO PROVIDE SPEED EQUIPMENT TECHNOLOGY FOR LAW ENFORCEMENT FOR A PERIOD OF THREE YEARS	31/10/2024	17/04/2025	TRUVELO AFRICA ELECTRONICS DIVISION PTY LTD	100	1 810 600,00	HIGHEST SCORING BIDDER	COMMUNITY SAFETY SERVICES	Ballito	BLACK MALE ADULT
MN 115/2024	PROVISION OF OUTDOOR ADVERTISING SERVICES - STREET LAMP POLE ADVERTISING FOR KWADUKUZA MUNICIPALITY FOR A THREE (3) YEAR PERIOD	14/11/2024	30/05/2025	JBC Media Group (PTY)LTD	100	RATES	HIGHEST SCORING BIDDER	ECONOMIC DEVELOPMENT & PLANNING SERVICES	Johannesburg	WHITE MALE ADULT
MN 156/2024	SUPPLY, DELIVERY AND OFFLOADING OF CREOSOTED WOODEN POLES AND CROSS-ARMS FOR A PERIOD OF THREE (3) YEARS	12/11/2024	30/05/2025	IJUBANE INVESTMENT (PTY) LTD	100	RATES	HIGHEST SCORING BIDDER	ELECTRICAL ENGINEERING SERVICES	Ballito	INDIAN FEMALE ADULT
TOTAL						18 707 717,23				

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 should be 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 2024/2025 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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
COMMUNITY SAFETY											
N/A	KZN Sharks Board	01/07/2021	Provision of shark's net and drumlines at KwaDukuza beaches	N/A	R5 097 700.92	R5 042 291.13	R5 349 534.00	R5 403 562.92	X		
MN 105/2021	Pro Secure (Pty) Ltd	01/04/2023	Provision of security service	N/A	R13 692 376.00 (Electrical) N/A (Community Safety)	R12 762 572.83 (Electrical) R51 258 746.46 (Community Safety)	R18 335 400.00 (Electrical) N/A (Community Safety)	R17 240 729.05 excluding VAT (Electrical) R35 362 350.00 excluding VAT (Community Safety)	X		
MN 56/2023	Fidelity Cash Solutions (Pty) Ltd	13/12/2023	Provision of cash-in- transit services	R1 642 959.00	N/A	R512 577.52	N/A	R547 653.12	X		
MN 02/2023	Sparks & Ellis (Pty) Ltd	14/11/2023	Supply and Delivery of Traffic/ Social Crime Fire and Emergency Services uniforms/ PT gear & protective clothing for three (3) years	N/A	N/A	R99 796.92	N/A	R54 353.08	X		
MN 65/2023	FG Uniforms cc	23/01/2024	Supply and Delivery of Fire and Emergency Services uniforms/ PT gear & protective clothing for three (3) years	N/A	N/A	R214 400.39	N/A	R10 475.00	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
COMMUNITY SAFETY ...continued											
MN 65/2023	3D Sensation Trading (Pty) Ltd	23/01/2024	Supply and Delivery of Fire and Emergency Services uniforms/ PT gear & protective clothing for three (3) years	N/A	N/A	R1 671 837.58	N/A	R756 520.00	X		
MN 65/2023	Vanguard Fire and Safety Inland (Pty) Ltd	23/01/2024	Supply and Delivery of Fire and Emergency Services uniforms/ PT gear & protective clothing for three (3) years	N/A	N/A	R313 864.34	N/A	R822 947.04	X		
MN 147/2021	Rural Metro Emergency Management Services (Pty) Ltd	18/11/2022	Supply and delivery of specialised fleet (Fire trucks) for a period of 3 year	R19 944 834.00	N/A	R9 899 193.48	N/A	R5 215 646.27	X		
	Total Client Services Limited	17 January 2014 Currently on a month-to- month contract	Provision of Services – Software & Product License, Product Maintenance, Client Support, Telephonic Support, Remote Support & Diagnostics, On-Site Support, Consultancy and Other Related Services.	N/A	R365 146.80	R182 573.40	R365 146.80	R243 431.20	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
FINANCE BUSINESS UNIT											
MN 187/2021	Revenue and utility management solutions (pty) ltd	2022/08/01	Supply, installation and management of an indigent software system and the audit of the indigent data base on an ad hoc basis for a period of 3 years	Rate based contract as per appointment letter	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	X		
MN 186/2021	Insidedata north (pty) ltd	2022/11/09	Bulk printing and mailing of monthly statements and ad hoc notices for a period of three years	R1,149,126.00 and rates based as per appointment letter	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	X		
MN 188/2021	Contour Technology (Pty) Ltd	2022/10/01	Supply, Installation And Management Of An STS Compliant Prepayment Electricity Vending System For A Period Of Three Years	R 9,999,999.00 And Rates Based As Per Appointment Letter	Work Completed Monthly As Of Scope Of Work In Terms Of Contract	Work Completed Monthly As Of Scope Of Work In Terms Of Contract	Work Completed Monthly As Of Scope Of Work In Terms Of Contract	Work Completed Monthly As Of Scope Of Work In Terms Of Contract	X		
MN 92/2022	Payat Electronic Payment Processing Services	2023/02/01	Receipting Of Payments Done On Behalf Of The Municipality Monthly.	Rate based contract as per appointment letter	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	Work completed monthly as of scope of work in terms of contract	X		
MN 200/2022	Serenity Financial Services	01 October 2023	Short Term Insurance	R5 865 257	N/A	The Service Provider provides short term insurance – no actual value can be attached to the contact	N/A	The Service Provider provides short term insurance – no actual value can be attached to the contact	X		
MN 27/2023	INDALO YESIZWE HOLDINGS PTY LTD	09 April 2024	Supply And Delivery Of Protective Clothing For Period Of Three Years	Rate based contract as per appointment letter	N/A	N/A	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
FINANCE BUSINESS UNIT ...continued											
MN 158/2024	Siza Sandla Pty Ltd	24 April 2023	Supply And Delivery Of Toilet Paper For A Period Of Three Years	Rate Based Contract As Per Appointment Letter	N/A	N/A	N/A	N/A	X		
MN 153/2024	Rekabal Pty Ltd	29 May 2023	Supply And Delivery Of Printing Paper For A Period Of Three Years	Rate Based Contract As Per Appointment Letter	N/A	N/A	N/A	N/A	X		
MN 27/2023	Siyaphambili Chem Pty Ltd	09 April 2024	Supply And Delivery Of Protective Clothing For Period Of Three Years	Rate Based Contract As Per Appointment Letter	N/A	N/A	N/A	N/A	X		
MN 27/2023	Kwalanga Safety	09 April 2024	Supply And Delivery Of Protective Clothing For Period Of Three Years	Rate Based Contract As Per Appointment Letter	N/A	N/A	N/A	N/A	X		
MN 27/2023	Kayosi Trading	09 April 2024	Supply And Delivery Of Protective Clothing For Period Of Three Years	Rate Based Contract As Per Appointment Letter	N/A	N/A	N/A	N/A	X		
MN 90-2022 (DEBT COLLECTION)	DWARIKA, NAIDOO & COMPANY	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		X	
MN 90-2022 (DEBT COLLECTION)	JAY PUNDIT AND COMPANY	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		X	
MN 90-2022 (DEBT COLLECTION)	VANI MOODLEY ATTORNEYS	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
FINANCE BUSINESS UNIT ...continued											
MN 90-2022 (DEBT COLLECTION)	MORGAN PILLAY, REDDY & CO	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	NAIDOO, MAHARAJ INCORPORATED	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	NOMPUMELELO HADEBE INC	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	PHUMULANI NGUBANE & ASSOCIATES INC.	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	REGGIE GOPAL ATTORNEY	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	SD MOLOI AND ASSOCIATES INCORPORATED	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	VERONICA SINGH & ASSOCIATES	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
FINANCE BUSINESS UNIT ...continued											
MN 90-2022 (DEBT COLLECTION)	M ZUMA & CO INC	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		X	
MN 90-2022 (DEBT COLLECTION)	ZUMA & PARTNERS INC	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	CEBISA ATTORNEYS	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	GOSAI AND COMPANY INC	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	HARKOO, BRIJLAL & REDDY INC	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	HUGHES MADONDO INC	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
FINANCE BUSINESS UNIT ...continued											
MN 90-2022 (DEBT COLLECTION)	M L MATEME INC.	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		X	
MN 90-2022 (DEBT COLLECTION)	SHEPSTONE AND WYLIE ATTORNEYS	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT			X
MN 90-2022 (DEBT COLLECTION)	VATHERS ATTORNEYS	2023/02/27	Appointment on the panel of Attorneys for KwaDukuza Municipality (Debt Collection)	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT		X	
MN 92/2022 (DEBT COLLECTION)	Payat Electronic Payment Processing Services	2023/02/01	Receipting of payments done on behalf of the municipality monthly.	RATE BASED CONTRACT AS PER APPOINTMENT LETTER	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	WORK COMPLETED MONTHLY AS OF SCOPE OF WORK IN TERMS OF CONTRACT	X		
MN 139/20219	BPG Mass Appraisals Ltd Pty	20 March 2020	Valuating Of Property Within Kwadukuza Boundaries And Maintaining Of Valuation Roll	As Per Appointment Letter	Monthly As Of Scope Of Work In Terms Of Contract	Monthly As Of Scope Of Work In Terms Of Contract	Monthly As Of Scope Of Work In Terms Of Contract	Monthly As Of Scope Of Work In Terms Of Contract	X		
MN 22/2022	Vijay Ori and Associates	16 August 2024	Consultancy services for the renovations to the SCM Building	ECSA RATE BASED	N/A	N/A	New Appointment of consultant to carry out design works	Design works and plans in progress	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
ECONOMIC DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS											
MN19/2021	Iyer cc Consortium	10 November 2021	KwaDukuza Ease of Doing Business Systems and Tools Project – digitalization of development applications processes	R15 246 712.65	R2 461 162.85 (Inclusive VAT)	R2 461 162.85 (Inclusive VAT)	R3 022 287.09 (inclusive VAT)	R3 022 287.09 (inclusive VAT)	X		
MN211/2019	Masakhe Media (Pty) Ltd	01/05/2021	Streetlamp Pole Advertising	R 4 111 020.00	R1 502 820	R 2 409 481.97	R1502 820.00	R1502 820	X		
MN127/2020	Primedia Outdoor	01/01/2022	Billboards	R1 038 323.39	R345 724.50	R 345 724.50	R366 228.89	R366 228.89	X		
MN127/2020	Outdoor Network	01/04/2022	Billboards	R 2 430 596.43	R809 556.30	R809 556.30	R850 034.13	R850 034.13	X		
MN71/2022	Primedia Outdoor	01/03/2023	Ad Lights- (Street Name Signs)	R579 340.56	R183 773.52	R183 773.52	R192 960.60	R192 960.60	X		
MN01/2023	Outdoor Network	01/08/2024	Free standing litter bins	R 514 023,55	-	-	R 161 460.00	R 161 460.00	X		
MN250/2023	Indalo Yesizwe Holdings	22/01/2024	Supply of School uniforms and shoes for a period of 3 years	R 855 241.40	600	600	600 uniforms	560		X	
MN251/2023	Bargain Uniforms	23/11/2023	"Appointment of panel of service providers to supply sportswear and sports equipment for a period of twelve months.	R933 788,50	Contract was for 2023/24 FY	N/A	Goods are requested as and when required	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES											
MN 227/2022	ZamaZama Konke trading	10/10/2023	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	R2 846 249.59	R2 846 249.59	R1 727 588.33	R1 727 588.33	X		
MN 225/2022	Bigmow garden services	09/02/2024	Grass Cutting		R2 222 093.10	R2 222 093.10	R2 573 806.10	R2 573 806.10	X		
MN 226/2022	Mbuyazi partners	10/10/2023	Grass Cutting		R2 272 437.32	R2 272 437.32	R1 993 276.96	R1 993 276.96	X		
MN 182/2019	BNE general trading	17/05/2021	Grass Cutting		R1 547 003.04	R1 547 003.04	N/A	N/A	X		
MN 219/2022	Ingudle construction & main.	04/01/2024	Grass Cutting		R1 759 853.57	R1 759 853.57	R1 689 227.48	R1 689 227.48	X		
MN 336/2023	Atreb trading	30/07/2024	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	R1 716 071.03	R1 716 071.03	R2 151 794.43	R2 151 794.43	X		
MN 221/2022	Roadlogic civils	10/10/2023	Grass Cutting		R2 153 404.80	R2 153 404.80	R2 080 910.17	R2 080 910.17	X		
MN 185/2019	Ukuza kwendoda constr.	19/05/2020	Grass Cutting		R474 570.19	R474 570.19	N/A	N/A	X		
MN 124/ 2020	TJDK Trading	10/01/2022	Grass Cutting		R2 115 901.23	R2 115 901.23	R890 311.98	R890 311.98	X		
MN 229/2022	Dukuza tree felling & gen.	28/11/2023	Grass Cutting		R1 270 734.05	R1 270 734.05	R1 331 848.32	R1 331 848.32	X		
MN 190/2019	Plants unlimited	14/12/2020	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	R424 713.45	R424 713.45	N/A	N/A	X		
MN 224/2022	Usiko Holding	20/11/2023	Grass Cutting		R1 339 440.00	R1 136 607.69	R1 334 697.36	R1334 697.36	X		
MN 222/2022	Njomco foods	10/10/2023	Grass Cutting		R1 132 445.78	R1 132 445.78	R1 127 149.59	R1 127 149.59	X		
MN 223/2022	Mavali makhuzeni	10/10/2023	Grass Cutting		R1 281 280.80	R1 294 606.51	R1 195 145.68		X		
MN 149/2018	Sinethemba	25/08/2020	Grass Cutting		R366 341.72	R366 341.72	N/A	N/A	X		
MN 123/2020	Bongs garden services	10/01/2022	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	R1 444 236.66	R1 444 236.66	R850 242.80	R850 242.80	X		
MN 218/2022	Njanduzwe trading	18/03/2024	Grass Cutting		R2 723 593.52	R2 723 593.52	R1 686 530.28	R1 686 530.28	X		
MN 119/2020	Nhlongoti	10/01/2022	Grass Cutting		R849 490.88	R849 490.88	R528 808.82	R528 808.82	X		
MN 159/2020	Nang-u-Mzamo	10/01/2022	Grass Cutting		R994 983.50	R998 498.74	R608 628.57	R608 628.57	X		
MN 120/2020	Hand on Hand trading	10/01/2022	Grass Cutting		R1 035 915.00	R1 035 915.00	R710 398.13	R710 398.13	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES ...continued											
MN 121/2020	Ozwide group investment	10/01/2022	Grass cutting	Service provided as and when required in line with the Service Level Agreement	R1 060 316.69	R1 060 316.69	R682 733.78	R682 733.78	X		
MN 189/2019	Clavic Investments	07/06/2021	Grass Cutting		R1 598 078.87	R1 598 078.87	N/A	N/A	X		
MN 335/2023	Ndonga Contractors	11/07/2023	Grass cutting		R1 251 853.92	R1 251 853.92	R1 149 329.97	R1 149 329.97	X		
MN 228/2022	Zama Zama Engineering	10/10/2023	Grass Cutting		R1 382 623.29	R1 382 623.29	R2 322 388.00	R2 322 388.00	X		
MN 199/2021	Siyakhula Trading & Projects	10/10/2023	Grass Cutting		R1 717 740.00	R1 768 991.29	R1 392 323.40	R1 392 323.40	X		
MN 220/2022	DT Owami Investments	10/10/2023	Grass Cutting		R932 956.77	R932 956.77	R1 573 699.42	R1 573 699.42	X		
MN 230/2022	Demi Dumalang Mani. Services	09/02/2024	Grass Cutting	Service provided as and when required in line with the Service Level Agreement	R426 682.80	R426 682.80	R1 668 617.77	R1 668 617.77	X		
MN 231/2022	Masugay Civil T/A Nyanga Contractors	03/04/2024	Grass Cutting		R143 997.06	R143 997.06	R1 867 846.41	R1 867 846.41	X		
MN 248/2022	Sakhonavilakazi construction	01/07/2024	Grass cutting		N/A	N/A	R2 091 173.80	R2 091 173.80	X		
MN 337/2023	Isinyonyane trading cc	01/09/2024	Grass cutting		N/A	N/A	R948 932.16	R948 932.16	X		
MN 338/2023	Rekabal	01/03/2025	Grass cutting		N/A		R259 666.83	R259 666.83	X		
MN 244/2023	Ntandoyakhe Projects	01/02/2024	Contract no MN 244/2023: the upgrade of Driefontein Sportsfield in Ward 21, the renewal of Stanger Manor Sportsfield in Ward 17 and the renewal of Glenhills Sportsfield in ward 13	R2 296 563.15	n/a	n/a	R2 296 563.15	R1 752 884.57			X
MN 302/2023	SMA Consultants	N/A	(Recycling and Waste Buyback Centre)- Supply, Deliver, Install & Commission of a 200kg waste bailer at KDM Waste Buyback Centre.	R 325 800,00	Supply, Deliver, Install & Commission of a 200kg waste bailer at KDM Waste Buyback Centre.	The tender was cancelled as the tendered amount was way above the available budget.	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES ...continued											
MN 173/2024	SMA Consultants	N/A	Supply, Deliver, Install & Commission of a 200kg waste bailer at KDM Waste Buyback Centre.	R 425 800.00	New contract	New contract	Supply, Deliver, Install & Commission of a 200kg waste bailer at KDM Waste Buyback Centre (R 425 800.00)	The tender in the process of cancellation as the tendered amount was way above the available budget. Currently sitting at TAC.	X		
MN 76/2024	Snobho (Pty) Ltd	07/11/2024	The manufacturing, supply and delivery of refuse bin bags for KwaDukuza Municipality for a three- year period.	Rates-based tender	New contract	New contract	Manufacturing, supply and delivery of refuse bin bags to municipality as per SLA.	Manufacturing, supply and delivery of refuse bin bags to municipality as per SLA.	X		
MN: 69/2021	Snobho (Pty) Ltd	18/11/2021	The manufacturing, supply and delivery of refuse bin bags for KwaDukuza Municipality for a three- year period.	Rates-based tender	Manufacturing, supplying and delivering refuse bin bags to municipality as and when required in line with the Service Level Agreement.			The project was successfully completed, and the contract came to an end in November 2024.	X		
MN: 145/2022	Verigreen (Pty) Ltd	13/11/23	The supply and delivery of clear refuse bin bags for a three-year period.	Rates-based tender	Manufacturing, supplying and delivering clear refuse bin bags to municipality as and when required in line with the Service Level Agreement.				X		
MN 97/2021	Ukhozi Distributors	18/07/2024	Contracted under MN97/2021 (Civil Department) – Shakaskraal Cemetery Fencing	R1 000 000	n/a	n/a	R1 000 000	R 287 438.83	X		
MN 97/2021	Onombuthu (Pty) Ltd	26/07/2024	Contracted under MN97/2021 (Civil Department) – KwaDukuza Crematorium Cemetery Fencing	R 1000 000	n/a	n/a	R 1 000 000	R 422 146.78	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
COMMUNITY SERVICES AND PUBLIC AMENITIES ...continued											
MN 91/2022	Engineered Thermal Systems	21.11.2022	Upgrade or Modifications to the KwaDukuza Crematorium to comply with the conditions of the Atmospheric Emission License issued for the facility	R15 996 285.00	R15 996 285.00	R14 806 343.10	Servicing of the cremators	Servicing of the cremators	X		
MN 233/2022	Rambros Funeral Services	18.05.2023	Provision of Indigent and Pauper burial services	N/A	New Contracts	New Contracts	N/A	N/A	X		
MN294/2023	African Compass Trading 746 CC	7.05.2024	Rehabilitation of the access road to Vlakspruit cemetery	R1 540 498.31	New Contract	New Contract	Completion of rehabilitation of the access road to Vlakspruit cemetery	Completion of rehabilitation of the access road to Vlakspruit cemetery	X		
MN63/2024	Flaxen Lake Trading cc	14.11.2024	Rehabilitation of the existing change rooms in Vlakspruit cemetery	R1 384 628.18	New Contract	New Contract	Completion of rehabilitation of the existing change rooms in Vlakspruit cemetery	Completion of rehabilitation of the existing change rooms in Vlakspruit cemetery	X		
MN248/2023	Ntandoyakhe Projects (PTY) LTD	28.03.2024	Refurbishment of Velani Community Hall Etete (Ward 7)	R849 752.40	New Contract	New Contract	Complete refurbishment of Velani Community Hall	Project was cancelled due to non-adherence to SLA			X
MN 267/2023	Zondivila Trading cc	26/04/2024	Upgrade of Ballito taxi rank	R 5 607 251.08	New Contract	New Contract	R 5 607 251.08	Project completed on the 31st of March 2025.	X		
MN 268/2023	Edge To Edge 1154cc	17/04/2024	Refurbishment of KwaDukuza taxi rank	R 17 946 577,13	New Contract	New Contract	R 17 946 577.13	TBC	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
ELECTRICAL											
MN 83/2020	Zutari PTY LTD	N/A	Construction management of the Construction of Dukuza 132kV switching substation and 132/33kV substation	139 000 000	N/A	N/A	5 000 000	752 489,42	X		
MN 84/2020	PSMT PTY LTD	N/A	Construction of Dukuza 33kV switching station, 33/11kV substation & 33kV & 11kV turn-in lines	138 000 000	N/A	N/A	5 000 000	693 263,48		X	
MN 33/2021	Igoda-Mani JV	N/A	Supply, install and commission of SCADA system at KwaDukuza municipality's distribution substations and control centre	10 000 000	N/A	N/A	10 000 000	732 405,38	X		
MN 89/2022	BI Infrastructure Consultants PTY LTD	N/A	Electrical building services upgrade and refurbishment projects	3 000 000	N/A	N/A	3 000 000	621 345	X		
MN 112/2021	Eyethu Engineers PTY LTD	N/A	MV substations upgrade and refurbishment for period of three years	16 500 000	N/A	N/A	16 500 000	325 394,42	X		
MN 94/2022	BI Infrastructure Consultants PTY LTD	N/A	KDM panel of up to three contractors for the LV network upgrade and refurbishment for period of three years	5 950 000	N/A	N/A	5 950 000	1 026 375	X		
MN 93/2023	Gibb PTY LTD	N/A	Panel of up to five contractors for MV Network Infrastructure refurbishment and upgrades for a period of three years	21 950 000	N/A	N/A	21 950 000	4 112 961,13	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
ELECTRICAL ...continued											
MN 202/2021	ODG Technologies PTY LTD	N/A	KDM panel of contractors for the supply, installation and commission of infills and electrification for a period of three years	11 654 711	N/A	N/A	11 654 711	3 857 152,59	X		
	Izingodla Engineering PTY LTD	N/A	Review of tariffs and cost of supply	600 000	N/A	N/A	546 250	546 250	X		
MN 202/2021	Thake	26.07.2022	Electrification, extensions and infills	8 686 296,61	8 686 296,61	8 686 296,61	8 686 296,61	3 987 321.50	X		
MN 202/2021	XXX Electrical	26.07.2022	Electrification, extensions and infills	5 467 908,92	5 467 908,92	5 467 908,92	5 467 908,92	2 417 897.92	X		
MN 84/2021	Thake	02.12.2022	Lot 14 Switchroom upgrade	4 979 952,25	4 979 952,25	4 979 952,25	4 979 952,25	5 725 631.01	X		
MN 33/2021	Solethu CSI JV	01.04.2022	SCADA system	23 757 645,97	13 990 715,91	13 990 715,91	6 500 365	6 305 612.35	X		
MN 94/2022	XXX Electrical		LV network upgrade	Panel	244 007,50	244 007,50	N/A	741 391.40	X		
		27.02.2023									
MN 94/2022	Capital Power										
MN 94/2022	Yebo Yes		LV network upgrade	Panel	569 448,05	569 448,05	N/A	1 052 942.00	X		
		27.02.2023									
MN 94/2022	Wenzan Electrical	27.02.2023	LV network upgrade	Panel	737 584,75	737 584,75	N/A	1 169 131.75	X		
MN 92/2022	Yebo Yes	21.06.2021	Grid protection relays upgrade	8 482 400,00	5 197 642,90	5 197 642,90	8 482 400.00	7 893 199.37	X		
MN 83/2020	Veritas		Dukuza 132/33kV substation construction	139 000000	11 800000	6 455022	139 000000	0	X		
MN 135/2020	Yebo Yes	21.01.2022	MV cable upgrade – Tinley Manor	2 192 852,15	998 088,65	998 088,65	0	0	X		
MN 135/2020	Yebo Yes	21.01.2022	MV cable upgrade – Lavopiere	11 427 489,00	3 468 312,00	3 468 312,00	0	0	X		
MN 91/2020	Capital Power	01.09.2021	Disconnections and reconnections	Panel	1 530 769,20	1 530 769,20	N/A	1 203 956.90	X		
MN 91/2020	XXX Electrical	31.08.2021	Disconnections and reconnections	Panel	3 323 068,00	3 323 068,00	N/A	2 116 054.62	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
ELECTRICAL ...continued											
MN 91/2020	Ijubane Investments	20.06.2022	Disconnections and reconnections	Panel	1 516 929,60	1 516 929,60	N/A	2 059 170	X		
MN 69/2022	Lishememi	16.11.2022	Backup generators supply and installation	1 500000	1 110 556,96	1 110 556,96	1 458 118.61	1 458 118.61		X	
MN 51/2019	XXX Electrical	01/04/2021	Repairs and maintenance	Panel	2 963 919,55	2 963 919,55	N/A	N/A	X		
MN 51/2019	Capital Power	01/04/2021	Repairs and maintenance	Panel	3 151 104,31	3 151 104,31	N/A	N/A	X		
MN 51/2019	Shantis Electrical	01/04/2021	Repairs and maintenance	Panel	3 566 127,35	3 566 127,35	N/A	N/A	X		
MN 51/2019	Best Guys	01/04/2021	Repairs and maintenance	Panel	1 347 983,70	1 347 983,70	N/A	N/A			X
MN 93/2022	Thake electrical	2023/08/22	MV upgrades and refurbishment	Panel	N/A	N/A	N/A	N/A	X		
MN 93/2022	Yebo Ys	2023/08/22	MV upgrades and refurbishment	Panel	N/A	N/A	N/A	N/A	X		
MN 93/2022	Worth Kings (XXX)	2023/08/22	MV upgrades and refurbishment	Panel	N/A	N/A	N/A	N/A	X		
MN 93/2022	Ijubane	2023/08/22	MV upgrades and refurbishment	Panel	N/A	N/A	N/A	N/A	X		
MN 93/2022	Capital Power	2023/08/22	MV upgrades and refurbishment	Panel	N/A	N/A	N/A	N/A	X		
MN 239/2022	Capital Power	N/A	Repairs and maintenance - OHL	Panel	N/A	N/A	N/A	N/A	X		
MN 239/2022	Worth Kings	N/A	Repairs and maintenance - OHL	Panel	N/A	N/A	N/A	N/A	X		
MN 239/2022	Yebo Ys	N/A	Repairs and maintenance - OHL	Panel	N/A	N/A	N/A	N/A	X		
MN 239/2022	Ijubane	N/A	Repairs and maintenance - OHL	Panel	N/A	N/A	N/A	N/A	X		
MN 239/2022	Electric Instrument	N/A	Repairs and maintenance - OHL	Panel	N/A	N/A	N/A	N/A	X		
MN 239/2022	Shantis Electrical	N/A	Repairs and maintenance - OHL	Panel	N/A	N/A	N/A	N/A	X		
MN 48/2017	Asande Projects	N/A	New Lavoipierre 20MVA substation	6 845 084	6 845 084	N/A	1 307 029,00	1 307 029,00		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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
CORPORATE SERVICES											
TAC 095	Motswako	01/11/2023	Supply, delivery, installation, commissioning and maintenance of office automation solutions	R1 200 000	N/A	N/A	Continuous Supply, delivery, installation, commissioning and maintenance of office automation solutions	Continuous Supply, delivery, installation, commissioning and maintenance of office automation solutions	X		
MN 34/2022	- REMAU OFFICE FURNITURE - CARS IN ACTION	19/05/2023	- Supply, Delivery And Installation Of Office Furniture For A Period Of Three (3) Years	R500 000.00	N/A	N/A	Supply, Delivery And Installation Of Office Furniture For A Period Of Three (3) Years	Supply, Delivery And Installation Of Office Furniture For A Period Of Three (3) Years	X		
MN 140/2020	EoH Mthombo (PTY) Ltd	1/7/2021	Network and Server Support	R 2 372 095 R104 993,85/ month	N/A	N/A	Network and Server Support Services for 36 months	Network and Server Support Services (Contract Expired)			
MN 132/2021	EoH Mthombo (PTY) Ltd	1/1/2023	SD Wan	R 4 979 840,40	N/A	N/A	SD Wan Implementation and Services for 36 Months	SD Wan Services	X		
MN46/2022	Smart HR Solutions	24/02/2023	Risk Assessments	R324 659.00	N/A	N/A	On-going vetting of new appointments	On-going vetting of new staff appointments	X		
MN130/2022	Dr R.M. Pather	24/02/2023	Staff Medical Examination and Psychosocial assistance	R996 723.00	N/A	N/A	On-going in line with the SLA	On-going in line with the SLA	X		
	Umphebele PTY LTD	24/02/2023	Staff Medical Examination and Psychosocial assistance		N/A	N/A	On-going in line with the SLA	On-going in line with the SLA	X		
MN108/2021	SARYX Engineering Group PTY LTD	17/04/2023	Provision of training to Staff members	R 3 558 632.00	N/A	N/A	On-going in line with the SLA	On-going in line with the SLA	X		
	Caylin Firearms and Training PTY LTD	17/04/2023	Provision of training to Staff members		N/A	N/A	On-going in line with the SLA	On-going in line with the SLA	X		
	Small Business Consulting Academy	17/04/2023	Provision of training to Staff Members		N/A	N/A	On-going in line with the SLA	On-going in line with the SLA	X		
MN 09/2023	Hankai Pest Control	02/05/2024	Lease of sanitary bins and regular collection for disposal for a period of three years	R250 000	N/A	N/A	Lease of sanitary bins and regular collection for disposal for a period of three years	Lease of sanitary bins and regular collection for disposal for a period of three years	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
CORPORATE SERVICES ...continued											
MN 247/2022	• Global Travel	09/06/2023	Appointment of panel of service providers-travel agency for a three-year period	3 090 899.00	N/A	N/A	Appointment of panel of service providers-travel agency for a three-year period	Appointment of panel of service providers-travel agency for a three-year period	X		
	• Travel with Flair	09/06/2023	Appointment of panel of service providers-travel agency for a three-year period	3 090 899.00	N/A	N/A	Appointment of panel of service providers-travel agency for a three-year period	Appointment of panel of service providers-travel agency for a three-year period	X		
	• Adventure Travel	09/06/2023	Appointment of panel of service providers-travel agency for a three-year period	3 090 899.00	N/A	N/A	Appointment of panel of service providers-travel agency for a three-year period	Appointment of panel of service providers-travel agency for a three-year period	X		
	• City of Choice	23/12/2023	Appointment of panel of service providers-travel agency for a	3 090 899.00	N/A	N/A	Appointment of panel of service providers-travel agency for a	Appointment of panel of service providers-travel agency for a	X		
MN130/2021	MORAR Incorporated		Appointment of Panel of Service Providers to Conduct Municipal Minimum Competency Training for a Period Three Years	Rate Based as Per Letter of Appointment	N/A	N/A	Appointment of Panel of Service Providers to Conduct Municipal Minimum Competency Training for a Period Three Years	Appointment of Panel of Service Providers to Conduct Municipal Minimum Competency Training for a Period Three Years	X		
	KYM Management Consulting		Appointment of Panel of Service Providers to Conduct Municipal Minimum Competency Training for a Period Three Years	Rate Based as Per Letter of Appointment	N/A	N/A	Appointment of Panel of Service Providers to Conduct Municipal Minimum Competency Training for a Period Three Years	Appointment of Panel of Service Providers to Conduct Municipal Minimum Competency Training for a Period Three Years	X		
MN21/2023	Quality Web Design		Appointment of Service Provider for Supply Installation and Maintenance of Staff Time and Attendance Clocking System	Rate Based	N/A	N/A	Appointment of Service Provider for Supply Installation and Maintenance of Staff Time and Attendance Clocking System	Appointment of Service Provider for Supply Installation and Maintenance of Staff Time and Attendance Clocking System	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
OFFICE OF THE MUNICIPAL MANAGER – LEGAL SECTION											
MN 90/2022	Cebisa Attorney’s	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Dwarika, Naidoo & Company	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Gosai & Company Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Harkoo, Brijlal & Reddy Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	HSG Attorneys	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Hughes Madondo Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Jay Pundit & Company	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Joselyn Moodley t/a Vani Moodley	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	M L Mateme Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Mohale Incorporated	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Morgan Pillay, Reddy & Co.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Naidoo Maharaj Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Ndlovu de Villiers Attorneys	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Nompumelelo Hadebe Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	PC Andrews Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Phumlani Ngubane & associates	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		

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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
OFFICE OF THE MUNICIPAL MANAGER – LEGAL SECTION ...continued											
MN 90/2022	Reggie Gopal Attorneys	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	SD Moloi And Associates Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Shepstone And Wylie Attorneys	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		
MN 90/2022	Vathers Attorneys	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Veronica Singh & Associates	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Z M Zuma & Co Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	N/A		
MN 90/2022	Zuma & Partners Inc.	27 Feb 2023	Provision of Legal Services	Undetermined, as and when required	N/A	N/A	N/A	N/A	X		

COMMUNICATIONS											
MN 162/2022	Madampi Media (Pty) Ltd	19/05/2023	N/A	R 6,245 162.00	N/A	N/A	N/A	N/A	X		
MN 162/2022	Sivubela	19/05/2023	N/A		N/A	N/A	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
CIVIL ENGINEERING SERVICES AND PMU											
Kufanikiwa											
MN139/2022	Ukhozi Distributors	24/11/2022	Disaster Response Grant: 2022/23	R 6 086 956.52	R 6 086 956.52	R 6 086 956.52	N/A	N/A	X		
	Sqimtwana Construction	12/11/2022	Disaster Response Grant: 2022/23	R 347 826.00	R 347 826.00	R 347 826.00	N/A	N/A	X		
MN132/2018	Edge 2 Edge 1154cc	22/08/2022	Disaster Response Grant: 2022/23	R 421 304.10	R 421 304.10	R 421 304.10	N/A	N/A	X		
FDKL Consulting											
MN133/2022	Sihawusethu Trading	16/11/2022	Disaster Response Grant: 2022/23	R7,500,000.00	R7,500,000.00	R7,500,000.00	N/A	N/A		X	
MN138/2022	Flaxen Lake Trading	16/11/2022	Disaster Response Grant: 2022/23	R8,136,044.48	R4,000.000.00	R,268,809.72	R4,424,142.68	R3,542,369.63	X		
Delca System											
MN137/2022	Nap Holdings JV Margate Construction	23/02/2023	Disaster Response Grant: 2022/23	R10 000 000	R10 000 000	R,952,690.78	N/A	N/A	X		
MN137/2022	Nap Holdings JV Margate Construction	16/11/2022	Disaster Response Grant: 2022/23	R10 000 000	R10 000 000	R9,532,148.45	N/A	N/A	X		
Vijay Orie Associates											
MN 07/2022	Tongaat Asphalt	18/07/2022	Disaster Response Grant: 2022/23	R849 999,50 (Incl. VAT)	TBC by 26/08/2024	TBC by 26/08/2024	TBC by 26/08/2024	TBC by 26/08/2024		X	
Stormwater Ward 6 Zen drive	Edge2Edge	18/07/2022	Disaster Response Grant: 2022/23	R1 000 000.00 (Incl. VAT)	TBC by 26/08/2024	TBC by 26/08/2024	TBC by 26/08/2024	TBC by 26/08/2024	X		
MN 56/2020	Jada Holdings	18/07/2022	Disaster Response Grant: 2022/23	R450 000,00 (Incl. VAT)	TBC by 26/08/2024	TBC by 26/08/2024	TBC by 26/08/2024	TBC by 26/08/2024		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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
CIVIL ENGINEERING SERVICES AND PMU ...continued											
TLS Engineers											
MN56/2020	Mlombomvu Projects	29/09/2022	Disaster Response Grant: 2022/23	R850 000,00	R850 000,00	R850 000,00	N/A	N/A	X		
MN56/2020	Afri-Success	29/09/2022	Disaster Response Grant: 2022/23	R1 275 000,00	R1 275 000,00	R1 275 000,00	N/A	N/A	X		
SMA Group											
MN 56/2020	Njomco Enterprise (Pty) Ltd	22/08/2022	Disaster Response Grant: 2022/23	R 521 739,00	R 521 739,00	R 521 739,00	N/A	N/A	X		
MN 132/2018	Jamjo Civils CC	22/08/2022	Disaster Response Grant: 2022/23	R 621 051,00	R 621 051,00	R 621 051,00	N/A	N/A	X		
MN 56/2022	Sihawusethu Trading (Pty) Ltd	22/08/2022	Disaster Response Grant: 2022/23	R 173 913,00	R 173 913,00	R 173 913,00	N/A	N/A	X		
MN 135/2022	Njomco Enterprise (Pty) Ltd	24/11/2022	Disaster Response Grant: 2022/23	R2 534 400,00	R2 534 400,00	R2 534 400,00	N/A	N/A	X		
Reflective Thinking											
Construction of C1 Shisampama Pedestrian Bridge	OKWAKHE KONKE NKK (PTY) LTD	16/11/2022	Disaster Response Grant: 2022/23	R 500 000.00	R 500 000.00	R 500 000.00	R 0.00	R 0.00	X		
Urban-Ru											
MN 07/2022	Onombuthu (Pty) Ltd	17/12/2024	Municipal Infrastructure Grant	R11,944,094.35	N/A	N/A	R11,944,094.35	R11,909,452.89	X		
Likhanyile											
MN56-2020 – Manqofini new culvert - War 11	Owethu Lomsebenzi	11/03/2023	Disaster Response Grant: 2022/23	R434 783.00	R434 783.00	R434 783.00	R0.00	R0.00	X		
MN56-2020 (Diphini Stormwater Upgrade - Ward 10)	Usiko Holdings	22/08/2022	Disaster Response Grant: 2022/23	R608 696.00	R608 696.00	R608 696.00	R0.00	R0.00	X		
MN96-2023 (Mnyundwini Bridge)	BENJIVERT PTY LTD	05/12/2023	Disaster Response Grant: 2022/23	R6 800 000.00	R0.00	R0.00	R6 800 000.00	R19 571 778,70	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
CIVIL ENGINEERING SERVICES AND PMU ...continued											
VUBA IMAGINEERS											
MN 136/2022	Benjivert (Pty) Ltd	2/01/2023	Municipal Infrastructure Grant	R25 610 551.68	R25 610 551.68	R6 897 702.06	R25 610 551.68	R11 191 618.82			X
NYELETI CONSULTING											
MN13/2022	YENA UYABUSA TRADING	19/05/2023	Municipal Infrastructure Grant	R 23 616 901	R17 316 763.29	R5 691 763,29	R 17 925 138,71	R5 202 118,35			X
ETILWENI											
MN07/2022 & MN56/2020	North Coast Suppliers	15/02/2024	KDM MIG: 2023/2024	R8 122 290.02	R4 277 987.00	R1 749 204.00	R3 250 244.97	R440 032.50			X
MN42/2023	Ukhozi Distributors	12/02/2024	KDM MIG: 2023/2024	R7 528 232.00	R4 277 987.00	R3 755 446.02	R3 250 244.97	R424 919.25	X		
DLV											
MN 123/2023	Ukhozi Distributors CC	17/01/2023	Municipal Infrastructure Grant	R17 415 205.20	N/A	N/A	R4 702 105.41	R1 383 373.47			X

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
KUFANIKIWA											
MN133/2023	Eswazi Projects	24/06/2024	Disaster Response Grant: 2022/23	R 2 844 709.65	N/A	N/A	R 1 962 849,65	R 0.00		X	
MN130/2023	Eswazi Projects	24/06/2024	Disaster Response Grant: 2022/23	R 2 155 521.15	N/A	N/A	R 1 487 309,59	R 614 205.00		X	
MN131/2023	Khulekwayo Group	14/05/2024	Disaster Response Grant: 2022/23	R 1 183 110.00	N/A	N/A	R 1 183 110.00	R 957 490.33		X	
MN132/2023	Eswazi Projects	16/05/2024	Disaster Response Grant: 2022/23	R 1 713 333.00	N/A	N/A	R 1 713 333.00	R 763 623.00		X	
MN134/2023	Skhothemlo Construction	16/05/2024	Disaster Response Grant: 2022/23	R 2 526 907.00	N/A	N/A	R 2 526 907.00	R 0.00		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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
KUFANIKIWA ...continued											
MN135/2023	Nang u Mzamo Retailers	18/06/2024	Disaster Response Grant: 2022/23	R 6 916 070.00	N/A	N/A	R 3 872 999,2	R 804 951.90		X	
MN136/2023	Njomco Enterprise	09/11/2023	Disaster Response Grant: 2022/23	R 5 997 445.00	N/A	N/A	R 5 997 445.00	R 4 086 798.81	X		
MN137/2023	Usiko Holdings	13/11/2023	Disaster Response Grant: 2022/23	R 3 333 151.00	N/A	N/A	R 3 333 151.00	R 2 250 561.78			X
MN138/2023	Nang u Mzamo Retailers	22/10/2023	Disaster Response Grant: 2022/23	R 6 961 070.00	N/A	N/A	R 6 961 070.00	R 5 537 570.35			X
MN139/2023	Nang u Mzamo Retailers	01/11/2023	Disaster Response Grant: 2022/23	R 4 750 706.00	N/A	N/A	R 4 750 706.00	R 3 959 469.05			X
MN140/2023	Zama Zama Engineering	02/04/2024	Disaster Response Grant: 2022/23	R 4 658 304.00	N/A	N/A	R 3 680 060,16	R 3 939 321.50	X		
MN141/2023	Usiko Holdings	13/11/2023	Disaster Response Grant: 2022/23	R 5 587 055.00	N/A	N/A	R 5 587 055.00	R 4 668 978.51			X
MN142/2023	Usiko Holdings	12/04/2024	Disaster Response Grant: 2022/23	R 4 750 706.00	N/A	N/A	R 4 750 706.00	R 630 522.00		X	
MN07/2023	Edge 2 Edge 1154cc	26/02/2024	Disaster Response Grant: 2022/23	R 2 171 819.00	R 2 171 819.00	R 2 171 819.00	N/A	N/A	X		
MN07/2023	Aqua Transport	19/04/2023	Disaster Response Grant: 2022/23	R 2 960 950.68	R 2 960 950.68	R 2 960 950.68	N/A	N/A	X		
MN07/2023	SM Holdings	19/04/2023	Disaster Response Grant: 2022/23	R 9 716 694.97	R 9 716 694.97	R 9 716 694.97	N/A	N/A		X	
MN07/2023	Saneh's Constructing	13/04/2024	Disaster Response Grant: 2022/23	R 1 934 255.80	R 1 934 255.80	R 1 934 255.80	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
FDKL Consulting											
MN304/2023	TBC	TBC	Disaster Response Grant: 2022/23	R687,525.48	R6,000,000.00	R687,525.48	N/A	N/A	N/A		
MN101/2023	Inakonke Trading (PTY) LTD	29 April 2024	Disaster Response Grant: 2022/23	R1,461,509.68	N/A	N/A	R3,287,722.50	R1,461,509.68	X		
Delca System											
MN108/2023 Mfecane Road link Riverside Drive at Doesberg	Ntungani Construction	25/01/2024	Disaster Recovery Grant: 2022/23	R 6,127,191.95	N/A	N/A	R996,733.31	R996,733.31	X		
MN104/2023 C-section Pedestrian Bridge	Ntandoyakhe Projects	05/05/2023	Disaster Recovery Grant: 2022/23	R 1,550,517.84	N/A	N/A	R151,950.75	R151,950.75		X	
MN56/2020 Emarasteni Retaining Wall & Stormwater Construction	Sihawusethu Trading (Pty) Ltd	07/05/2024	Disaster Recovery Grant: 2022/23	R 1,880,194.80	N/A	N/A	R164,650.49	164,650.49		X	
MN172/2023 Mfecane Road between Riverside Drive and Mbozamo Hall	Zipvilla Holdings	29/04/2024	Disaster Recovery Grant: 2022/23	R 2,138,318.05	N/A	N/A	R809,490.62	R809,490.62	X		
MN109/2023 Mfecane Street (Near Mbozamo Hall) Culvert Bridge	Camson Investments	13/11/2023	Disaster Recovery Grant: 2022/23	R 5,064,364.25	N/A	N/A	R2,573,751.77	R2,573,751.77	X		
MN110/2023 Mfecane Street to link Lindelani (D Section / Mbozamo)	Ntungani Construction	11/06/2024	Disaster Recovery Grant: 2022/23	R 3,675,541.50	N/A	N/A	R360,203.07	R360,203.07	X		
MN127/2023 Ngulube Street Pedestrian Bridge	Eswazi Projects	16/05/2024	Disaster Recovery Grant: 2022/23	R 2,972,216.17	N/A	N/A	R291,277.18	R291,277.18	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Delca System ...continued											
MN173/2023 G46247 D Section / Mbozamo in Shakaville in Ward 18 St. improvement (WIP)	Onombuthu (Pty) Ltd	29/04/2023	Disaster Recovery Grant: 2022/23	R 2,345,378.66	N/A	N/A	R0.00	R0.00	X		
MN174/2023 G46247 D Section / Mbozamo (Culvert Crossing near Mbozamo Hall & Collapsed Road) in Ward 18 (WIP)	Onombuthu (Pty) Ltd	29/04/2023	Disaster Recovery Grant: 2022/23	R 1,806,197.00	N/A	N/A	R0.00	R0.00	X		
Extension of Nokhenke to link Lindelani	Mvelarse Trading	07/05/2024	Disaster Recovery Grant: 2022/23	R 1,063,801.75	N/A	N/A	R104,252.57	R104,252.57		X	
CONSTRUCTION OF STREET CHANNEL IN MBONOKUHLE	Mgwily’s Trading	26/02/2024	Disaster Recovery Grant: 2022/23	R 9,937,745.13	N/A	N/A	R3,770,896.27	R3,770,896.27	X		
D Section / Mbozamo Regravelling of Access Road	Ibambanani Africa Trading (Pty) Ltd	03/08/2023	Disaster Recovery Grant: 2022/23	R 924,129.94	N/A	N/A	R 916,094.03	R 916,094.03		X	
Vijay Orié Associates											
MN56/2020	Zipvila Holdings	22-Aug-23	Disaster Recovery Grant: 2022/23	R414 436,71	N/A	N/A	R414 436.71	R414 436.71	X		
MN56/2020	Sithembakogawozi Trading Enterprise	26-Jan-24	Disaster Recovery Grant: 2022/23	R747 826,09	N/A	N/A	R747 826.09	R747 826.09	X		
MN07/2022	Tongaat Asphalts	19-Apr-23	Disaster Recovery Grant: 2022/23	R4 013 859,30	R4 013 859.30	R4 013 859.30	N/A	N/A		X	
MN56/2020	Sithembakogawozi Trading Enterprise	22-Aug-23	Disaster Recovery Grant: 2022/23	R659 703,41	N/A	N/A	R659 703.41	R659 703.41	X		
MN56/2020	Zipvila Holdings	22-Aug-23	Disaster Recovery Grant: 2022/23	R747 826,09	N/A	N/A	R747 826.09	R747 826.09	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Vijay Orie Associates ...continued											
MN56/2020	Sithembakogawozi Trading Enterprise	23-Oct-23	Disaster Recovery Grant: 2022/23	R748 989,28	N/A	N/A	R748 989.28	R748 989.28	X		
MN56/2020	Sithembakogawozi Trading Enterprise	23-Oct-23	Disaster Recovery Grant: 2022/23	R146 816,93	N/A	N/A	R146 816.93	R146 816.93	X		
MN56/2020	Sithembakogawozi Trading Enterprise	26-Jan-24	Disaster Recovery Grant: 2022/23	R186 706,00	N/A	N/A	R186 706.00	R186 706.00	X		
MN07/2022	Shakti Plant and Civils	19-Apr-23	Disaster Recovery Grant: 2022/23	R1 466 939,99	R1 466 939.99	R1 466 939.99	N/A	N/A		X	
MN07/2022	Tongaat Asphalts	19-Apr-23	Disaster Recovery Grant: 2022/23	R747 826,09	R747 826.09	R0	N/A	N/A		X	
MN56/2020	Sithembakogawozi Trading Enterprise	05-Feb-24	Disaster Recovery Grant: 2022/23	R920 269,16	N/A	N/A	R920 269.16	R920 269.16	X		
Closed Tender MN160/2023	Edge to Edge 1154	02-Jul-24	Disaster Recovery Grant: 2022/23	R6 732 995,50	N/A	N/A	R6 732 995,50	R0.00	X		
MN07/2022	Tongaat Asphalts	19-Apr-23	Disaster Recovery Grant: 2022/23	R165 841,98	R165 841.98	R165 841.98	N/A	N/A		X	
MN56/2020	Zipvila Holdings	07-Jun-23	Disaster Recovery Grant: 2022/23	R12 166,76	R12 166.76	R12 166.76	N/A	N/A		X	
MN07/2022	Tongaat Asphalts	19-Apr-23	Disaster Recovery Grant: 2022/23	R181 585,75	R181 585.75	R181 585.75	N/A	N/A		X	
MN56/2020	Usiko Holdings	03-Jul-23	Disaster Recovery Grant: 2022/23	R198 201,96	N/A	N/A	R198 201.96	R198 201.96	X		
MN56/2020	Usiko Holdings	03-Jul-23	Disaster Recovery Grant: 2022/23	R18 583,10	N/A	N/A	R18 583.10	R18 583.10	X		
MN56/2020	Usiko Holdings	03-Jul-23	Disaster Recovery Grant: 2022/23	R840 451,15	N/A	N/A	R840 451.15	R840 451.15	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Vijay Orie Associates ...continued											
MN56/2020	Sqimntwana Construction and Trading	03-Jul-23	Disaster Recovery Grant: 2022/23	R1 881 271,82	N/A	N/A	R1 881 271.82	R1 693 144.64			X
MN07/2022	Yena Uyabusa Trading	19-Apr-23	Disaster Recovery Grant: 2022/23	R4 563 072,17	R4381296.17	R4381296.17	R181776	R181776		X	
MN56/2020	Saneh's Contracting and Trading	23-Oct-23	Disaster Recovery Grant: 2022/23	R907 106,31	N/A	N/A	R907 106.31	R907 106.31	X		
MN56/2020	Usiko Holdings	24-Oct-23	Disaster Recovery Grant: 2022/23	R400 613,43	N/A	N/A	R400 613.43	R400 613.43	X		
MN56/2020	Usiko Holdings	22-Aug-23	Disaster Recovery Grant: 2022/23	R390 816,34	N/A	N/A	R390 816.34	R390 816.34	X		
"MN 102/2023	Usiko Holdings	06-Feb-24	Disaster Recovery Grant: 2022/23	R3 309 208,10	N/A	N/A	R3 309 208.10	R1 643 500.00	X		
Closed Tender"	Usiko Holdings	22-Aug-23	Disaster Recovery Grant: 2022/23	R351 437,95	N/A	N/A	R351 437.95	R351 437.95	X		
MN56/2020	Owethu Lomsebenzi Trading	TBC	Disaster Recovery Grant: 2022/23	R1 215 067,68	N/A	N/A	R1 215 067.68	R1 215 067.68	X		
MN56/2020	Sithembakogawozi Trading Enterprise	07-Jun-23	Disaster Recovery Grant: 2022/23	R6 840,99	N/A	N/A	R6 840.99	R6 840.99	X		
MN56/2020	Zipvila Holdings	TBC	Disaster Recovery Grant: 2022/23	R1 371 434,07	N/A	N/A	R1 371 434.07	R1 371 434.07	X		
MN56/2020	Sithembakogawozi Trading Enterprise	07-Jun-23	Disaster Recovery Grant: 2022/23	R929 074,43	R929 074.43	R929 074.43	N/A	N/A	X		
MN56/2020	Usiko Holdings	19-Apr-23	Disaster Recovery Grant: 2022/23	R939 048,00	R939 048.00	R939 048.00	N/A	N/A	X		
MN56/2020	Sibaya Asphalts	19-Apr-23	Disaster Recovery Grant: 2022/23	R4 045 740,73	R4 045 740.73	R4 045 740.73	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Vijay Orie Associates ...continued											
MN56/2020	Usiko Holdings	internal	Disaster Recovery Grant: 2022/23	R356 020,20	R356 020.20	R356 020.20	N/A	N/A	X		
MN56/2020	Zipvila Holdings	22-Aug-23	Disaster Recovery Grant: 2022/23	R638 699,60	R638 699.60	R638 699.60	N/A	N/A	X		
MN56/2020	Zipvila Holdings	TBC	Disaster Recovery Grant: 2022/23	R2 735 146,17	R2 735 146,17	R2 735 146,17	N/A	N/A	X		
MN56/2020	Unlimited ABC + Sakhona Vilakazi	13-Apr-23	Disaster Recovery Grant: 2022/23	R4 774 196,71	R4 774 196,71	R4 774 196,71	N/A	N/A	X		
MN89/2021	Zipvila Holdings	24-Oct-23	Disaster Recovery Grant: 2022/23	R2 822 355,21	N/A	N/A	R2 822 355,21	R2 822 355,21	X		
MN56/2020	Usiko Holdings	24-Oct-23	Disaster Recovery Grant: 2022/23	R113 277,70	R113 277,70	R113 277,70	N/A	N/A	X		
MN56/2020	Sithembakogawozi Trading Enterprise	19-Apr-23	Disaster Recovery Grant: 2022/23	R259 150,46	R259 150,46	R259 150,46	N/A	N/A	X		
MN56/2020	Onzwakele	13-Apr-23	Disaster Recovery Grant: 2022/23	R391 708,31	R391 708,31	R391 708,31	N/A	N/A		X	
MN56/2020	Zipvila Holdings	23-Oct-23	Disaster Recovery Grant: 2022/23	R291 362,95	N/A	N/A	R291 362,95	R291 362,95	X		
MN56/2020	Unlimited ABC	13-Apr-23	Disaster Recovery Grant: 2022/23	R561 916,52	R561 916,52	R561 916,52	N/A	N/A	X		
MN56/2020	North Coast General Suppliers	19-Apr-23	Disaster Recovery Grant: 2022/23	R371 313,04	N/A	N/A	R371 313.04	R371 313.04	X		
MN56/2020	Edge to Edge 1154	21-Apr-23	Disaster Recovery Grant: 2022/23	R9 418 041,72	R9 418 041.72	R9 418 041.72	N/A	N/A	X		
MN07/2022	Zondivula Trading	16-May-23	Disaster Recovery Grant: 2022/23	R2 626 821,57	N/A	N/A	R2 057 994.57	R2 057 994.57	X		
MN79/2021	Edge to Edge 1154	08-May-23	Disaster Recovery Grant: 2022/23	R3 243 744,53	1495652.17	1495652.17	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Vijay Orie Associates ...continued											
MN07/2022	Edge to Edge 1154	19-Apr-23	Disaster Recovery Grant: 2022/23	R914 212,52	R914 212,52	R914 212,52	N/A	N/A	X		
MN07/2022	Grace and Goodness	21-Apr-23	Disaster Recovery Grant: 2022/23	R863 003,22	R863 003,22	R863 003,22	N/A	N/A		X	
MN07/2022	Grace and Goodness	19-Apr-23	Disaster Recovery Grant: 2022/23	R595 505,13	R595 505,13	R595 505,13	N/A	N/A		X	
MN07/2022	Grace and Goodness	21-Apr-23	Disaster Recovery Grant: 2022/23	R2 070 380,45	R2 070 380,45	R2 070 380,45	N/A	N/A		X	
MN07/2022	Grace and Goodness	21-Apr-23	Disaster Recovery Grant: 2022/23	R2 097 763,48	R2 097 763,48	R2 097 763,48	N/A	N/A		X	
MN07/2022	Edge to Edge 1154	18-May-23	Disaster Recovery Grant: 2022/23	R1 139 104,83	R1 139 104,83	R1 139 104,83	N/A	N/A	X		
MN07/2022	Grace and Goodness	21-Apr-23	Disaster Recovery Grant: 2022/23	R3 081 951,71	R3 081 951,71	R3 081 951,71	N/A	N/A		X	
MN07/2022	Usiko Holdings	05-Jul-23	Disaster Recovery Grant: 2022/23	R318 242,69	R318 242,69	R318 242,69	N/A	N/A	X		
MN56/2020	Sithembakogawozi Trading Enterprise	05-Feb-24	Disaster Recovery Grant: 2022/23	R9 658,55	N/A	N/A	R9 658,55	R9 658,55	X		
MN56/2020	Edge to Edge 1154	08-May-23	Disaster Recovery Grant: 2022/23	R1 473 796,21	R1 473 796,21	R1 473 796,21	N/A	N/A	X		
MN07/2022	Edge to Edge 1154	08-May-23	Disaster Recovery Grant: 2022/23	R1 402 716,20	R1 402 716,20	R1 402 716,20	N/A	N/A	X		
MN07/2022	Edge to Edge 1154	21-Apr-23	Disaster Recovery Grant: 2022/23	R8 416 460,91	N/A	N/A	R8 416 460,91	R8 416 460,91	X		
MN79/2021	Edge to Edge 1154	19-Apr-23	Disaster Recovery Grant: 2022/23	R138 870,28	R138 870,28	R138 870,28	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Vijay Orie Associates ...continued											
MN07/2022	Edge to Edge 1154	21-Apr-23	Disaster Recovery Grant: 2022/23	R1 464 891,10	R1 464 891,10	R1 464 891,10	N/A	N/A	X		
MN07/2022	Edge to Edge 1154	19-Apr-23	Disaster Recovery Grant: 2022/23	R889 129,94	R889 129,94	R889 129,94	N/A	N/A	X		
MN07/2022	Edge to Edge 1154	08-May-23	Disaster Recovery Grant: 2022/23	R992 153,25	R992 153,25	R992 153,25	N/A	N/A	X		
MN07/2022	Edge to Edge 1154	19-Apr-23	Disaster Recovery Grant: 2022/23	R618 389,91	R618 389,91	R618 389,91	N/A	N/A	X		
MN07/2022	Edge to Edge 1154	19-Apr-23	Disaster Recovery Grant: 2022/23	R404 394,79	R404 394,79	R404 394,79	N/A	N/A	X		
MN07/2022	Yena Uyabusa Trading	21-Apr-22	Disaster Recovery Grant: 2022/23	R6 813 941,03	R6 813 941,03	R6 813 941,03	N/A	N/A		X	
MN07/2022	Yena Uyabusa Trading	19-Apr-23	Disaster Recovery Grant: 2022/23	R5 748 189,72	R5 748 189,72	R5 748 189,72	N/A	N/A		X	
MN07/2022	Benjivert	08-May-23	Disaster Recovery Grant: 2022/23	R6 765 164,85	R6 765 164,85	R6 765 164,85	N/A	N/A		X	
MN56/2020	Zipvila Holdings	22-Aug-23	Disaster Recovery Grant: 2022/23	R414 436,71	N/A	N/A	R414 436.71	R414 436.71	X		
TLS Engineers											
MN126/2023	Shakti Plant Hire	06/05/2024	Disaster Recovery Grant: 2022/23	R3 501 596,38	R0,00	R0,00	R892 531,00	R0,00			X
MN128/2023	Njomco Enterprise (Pty) Ltd	06/05/2024	Disaster Recovery Grant: 2022/23	R6 359 648,35	R682 905,47	R0,00	R1 891 233,10	R2 629 992,60	X		
MN129/2023	Saneh’s Contracting and Trading	29/04/2024	Disaster Recovery Grant: 2022/23	R4 486 551,47	R504 015,98	R0,00	R1 235 789,10	R2 397 368,43	X		
MN125/2023	Ntandoyakhe Projects (Pty) Ltd	27/06/2024	Disaster Recovery Grant: 2022/23	R1 593 443,50	R0,00	R0,00	R0,00	R0,00		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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group											
MN 56/2020	Havilah Commercial Projects	03/10/2023	Disaster Recovery Grant: 2022/23	R437 178,94	N/A	N/A	R437 178,94	R415 329,08	X		
MN 07/2022	Egxeni Engineering CC	19/04/2023	Disaster Recovery Grant: 2022/23	R1 348 058,87	N/A	N/A	R1 348 058,87	R188 236,44	X		
MN 07/2022 & MN 56/2020	Edge to Edge 1154 CC & Sithembakogawozi Trading Enterprise	13/05/2024	Disaster Recovery Grant: 2022/23	R1 198 378,09	N/A	N/A	R1 198 378,09	R982 605,54	X		
MN 07/2022	Clives Transport CC	03/10/2023	Disaster Recovery Grant: 2022/23	R1 395 374,20	N/A	N/A	R1 395 374,20	R1 255 836,77	X		
MN 07/2022	Amagambushe Construction	19/04/2023	Disaster Recovery Grant: 2022/23	R1 144 046,01	N/A	N/A	R1 144 046,01	R892 384,03	X		
MN 07/2022	Amagambushe Construction	19/04/2023	Disaster Recovery Grant: 2022/23	R2 288 551,26	N/A	N/A	R2 288 551,26	R2 059 696,13	X		
MN 56/2020	Mlombomvu Projects CC	14/11/2023	Disaster Recovery Grant: 2022/23	R419 345,86	N/A	N/A	R419 345,86	R192 385,71	X		
MN 07/2022	Hambagashle Construction	19/04/2023	Disaster Recovery Grant: 2022/23	R1 925 182,79	N/A	N/A	R1 925 182,79	R1 275 682,87	X		
MN 56/2020	Kuhle Konke Emseni Trading and Projects	23/04/2024	Disaster Recovery Grant: 2022/23	R475 576,74	N/A	N/A	R475 576,74	R451 797,90	X		
MN 189/2023	Njomco Enterprise (Pty) Ltd	16/05/2024	Disaster Recovery Grant: 2022/23	R2 865 500,00	N/A	N/A	R2 865 500,00	N/A	X		
MN 07/2022	Hershan M Contractors	11/10/2023	Disaster Recovery Grant: 2022/23	R1 108 714,32	N/A	N/A	R1 108 714,32	R992 348,91	X		
MN 56/2020	Mlombomvu Projects CC	14/11/2023	Disaster Recovery Grant: 2022/23	R137 177,57	N/A	N/A	R137 177,57	R123 459,82	X		
MN 07/2022	Egxeni Engineering CC	19/04/2023	Disaster Recovery Grant: 2022/23	R3 845 146,87	N/A	N/A	R3 845 146,87	R1 360 752,75	X		
MN 07/2022	Sibaya Asphaltting and Civils	11/08/2023	Disaster Recovery Grant: 2022/23	R2 050 267,86	N/A	N/A	R2 050 267,86	R1 845 241,08	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group ...continued											
MN 07/2022	Hambagashle Construction	19/04/2023	Disaster Recovery Grant: 2022/23	R1 801 558,96	N/A	N/A	R1 801 558,96	R1 355 538,41	X		
MN 07/2022	Roadlogic Civil (Pty) Ltd	03/10/2023	Disaster Recovery Grant: 2022/23	R1 000 799,82	N/A	N/A	R1 000 799,82	R900 719,84	X		
CQ3573-101	Ngcobo Contractors	01/12/2023	Disaster Recovery Grant: 2022/23	R80 378,10	N/A	N/A	R80 378,10	N/A	X		
MN 07/2022	GNS Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R353 449,68	N/A	N/A	R353 449,68	R318 104,71	X		
MN 07/2022	Tez Truck Plant & Civils CC	03/10/2023	Disaster Recovery Grant: 2022/23	R423 920,93	N/A	N/A	R423 920,93	R423 920,93	X		
MN3572-10	Siskelelwe Trading (Pty) Ltd	15/11/2023	Disaster Recovery Grant: 2022/23	R161 916,00	N/A	N/A	R161 916,00	N/A	X		
MN 07/2022	Tez Truck Plant & Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R2 734,98	N/A	N/A	R2 734,98	R2 461,48	X		
MN 07/2022	Zama Zama Engineering Manufacturers	23/04/2024	Disaster Recovery Grant: 2022/23	R809 660,67	N/A	N/A	R809 660,67	R728 694,60	X		
MN 07/2022	Zama Zama Engineering Manufacturers	21/11/2023	Disaster Recovery Grant: 2022/23	R295 076,71	N/A	N/A	R295 076,71	R295 076,71	X		
MN 07/2022	North Coast General Suppliers	11/08/2023	Disaster Recovery Grant: 2022/23	R1 464 042,91	N/A	N/A	R1 464 042,91	R1 464 042,91	X		
MN 07/2022	North Coast General Suppliers	03/10/2023	Disaster Recovery Grant: 2022/23	R1 025 842,57	N/A	N/A	R1 025 842,57	R1 025 842,57	X		
MN 89/2021	Havilah Commercial Projects	17/10/2023	Disaster Recovery Grant: 2022/23	R389 807,70	N/A	N/A	R389 807,70	R370 317,32	X		
MN 07/2022	Zama Zama Engineering Manufacturers	21/11/2023	Disaster Recovery Grant: 2022/23	R799 627,36	N/A	N/A	R799 627,36	R759 645,99	X		
MN 89/2021 & MN 56/2020	KB Level Construction & Mvelarse Trading (Pty) Ltd	08/03/2024	Disaster Recovery Grant: 2022/23	R839 642,28	N/A	N/A	R839 642,28	R792 269,50	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group ...continued											
MN 07/2022	Tez Truck Plant & Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R144 042,66	N/A	N/A	R144 042,66	R129 638,39	X		
MN 07/2022	Tez Truck Plant & Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R473 000,15	N/A	N/A	R473 000,15	R425 700,13	X		
MN 07/2022	GNS Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R468 849,07	N/A	N/A	R468 849,07	R421 964,16	X		
MN 07/2022	Tez Truck Plant & Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R922 966,46	N/A	N/A	R922 966,46	R830 669,81	X		
MN 07/2022	GNS Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R1 229 889,28	N/A	N/A	R1 229 889,28	R1 106 900,35	X		
MN 07/2022	GNS Civils CC	19/04/2023	Disaster Recovery Grant: 2022/23	R3 097 355,17	N/A	N/A	R3 097 355,17	R715 464,12	X		
MN 07/2022	Tez Truck Plant & Civils CC	14/04/2023	Disaster Recovery Grant: 2022/23	R2 753 835,50	N/A	N/A	R2 753 835,50	R1 037 877,57	X		
MN 07/2022	North Coast General Suppliers	19/04/2023	Disaster Recovery Grant: 2022/23	R9 240 260,66	N/A	N/A	R9 240 260,66	R4 172 963,01	X		
MN 56/2020	Owethu Lomsebenzi Trading	13/05/2024	Disaster Recovery Grant: 2022/23	R108 992,73	N/A	N/A	R108 992,73	R98 093,46	X		
MN 07/2022	Ukhozi Distributors	03/10/2023	Disaster Recovery Grant: 2022/23	R341 268,46	N/A	N/A	R341 268,46	R324 205,04	X		
MN 07/2022	Tez Truck Plant & Civils CC	17/10/2023	Disaster Recovery Grant: 2022/23	R541 924,23	N/A	N/A	R541 924,23	R541 924,23	X		
MN 56/2020	Owethu Lomsebenzi Trading	13/05/2024	Disaster Recovery Grant: 2022/23	R198 256,54	N/A	N/A	R198 256,54	R178 430,89	X		
MN 07/2022	Zama Zama Engineering Manufacturers	03/10/2023	Disaster Recovery Grant: 2022/23	R396 384,32	N/A	N/A	R396 384,32	R396 384,32	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group ...continued											
MN 56/2020	Owethu Lomsebenzi Trading	13/05/2024	Disaster Recovery Grant: 2022/23	R187 824,11	N/A	N/A	R187 824,11	R169 041,70	X		
MN 89/2021	Owethu Lomsebenzi Trading	15/05/2024	Disaster Recovery Grant: 2022/23	R255 397,22	N/A	N/A	R255 397,22	R114 928,75	X		
MN 89/2021	Heavy Feather Trading 62 CC	08/03/2024	Disaster Recovery Grant: 2022/23	R248 897,25	N/A	N/A	R248 897,25		X		
MN 07/2022 & MN 56/2020	Shakti Plant and Civils	13/05/2024	Disaster Recovery Grant: 2022/23	R412 588,95	N/A	N/A	R412 588,95	R248 277,96	X		
MN 07/2022 & MN 56/2020	Sibaya Asphalting and Civils & Flaxen Lake Trading CC	26/04/2024	Disaster Recovery Grant: 2022/23	R1 391 899,76	N/A	N/A	R1 391 899,76		X		
MN 07/2022 & MN 56/2020	Shakti Plant and Civil & Mvelarse Trading (Pty) Ltd	05/03/2024	Disaster Recovery Grant: 2022/23	R 1 180 779,25	N/A	N/A	R 1 180 79,25	R 288 362,25	X		
MN 07/2022 & MN 56/2020	North Coast General Suppliers	13/05/2024	Disaster Recovery Grant: 2022/23	R 1 705 682,02	N/A	N/A	R1 705 682,02	R1 317 004,12	X		
MN 07/2022 & MN 56/2020	Edge to Edge 1154 CC & KB Level Construction	05/03/2024	Disaster Recovery Grant: 2022/23	R 1 960 437,90	N/A	N/A	R1 960 437,90	R 942 038,51	X		
MN 07/2022	Onombuthu (Pty) Ltd	05/03/2024	Disaster Recovery Grant: 2022/23	R 981 020,25	N/A	N/A	R 981 020,25	R-	X		
MN 07/2022	Onombuthu (Pty) Ltd	19/04/2023	Disaster Recovery Grant: 2022/23	R 655 350,92	N/A	N/A	R 655 350,92	R 589 815,83	X		
MN 07/2022	Zama Zama Engineering Manufacturers	19/04/2023	Disaster Recovery Grant: 2022/23	R 517 386,07	N/A	N/A	R 517 386,07	R 465 647,46	X		
MN 07/2022	Zama Zama Engineering Manufacturers	19/04/2023	Disaster Recovery Grant: 2022/23	R 1 571 920,73	N/A	N/A	R1 571 920,73	R 612 316,06	X		
MN 07/2022 & MN 56/2020	Edge to Edge 1154 CC & Mvelarse Trading (Pty) Ltd	05/03/2024	Disaster Recovery Grant: 2022/23	R 2 574 047,65	N/A	N/A	R2 574 047,65	R1 511 413,49	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group ...continued											
MN 07/2022 & MN 56/2020	North Coast General Suppliers	14/11/2023	Disaster Recovery Grant: 2022/23	R 3 723 611,51	N/A	N/A	R3 723 611,51	R3 492 750,14	X		
MN 07/2022 & MN 56/2020	Road Logic Civils (Pty) Ltd	22/04/2024	Disaster Recovery Grant: 2022/23	R 4 692 040,46	N/A	N/A	R4 692 040,46	R3 145 832,21	X		
MN 07/2022 & MN 56/2020	Tez Truck Plant and Civil	14/11/2023	Disaster Recovery Grant: 2022/23	R 3 136 955,75	N/A	N/A	R3 136 955,75	R 2 910017,39	X		
MN 07/2022	Zama Zama Engineering Manufacturers	19/04/2023	Disaster Recovery Grant: 2022/23	R 299 404,95	N/A	N/A	R 299 404,95	R 192 493,64	X		
MN 07/2022	Onombuthu (Pty) Ltd	19/04/2023	Disaster Recovery Grant: 2022/23	R2 353 418,36	N/A	N/A	R 2 353418,36	R2 118 076,53	X		
MN 07/2022	Zama Zama Engineering Manufacturers	19/04/2023	Disaster Recovery Grant: 2022/23	R135 507,58	N/A	N/A	R 135 507,58	R 121 956,83	X		
MN 07/2022	Onombuthu (Pty) Ltd	03/10/2023	Disaster Recovery Grant: 2022/23	R1 858 219,26	N/A	N/A	R1 858 219,26	R -	X		
MN 07/2022	Onombuthu (Pty) Ltd	05/03/2024	Disaster Recovery Grant: 2022/23	R1 051 346,77	N/A	N/A	R1 051 346,77	R1 051 346,77	X		
MN 44/2022 & MN 56/2020	Rekabal (Pty) Ltd & Njomco Enterprise (Pty) Ltd	13/05/2024	Disaster Recovery Grant: 2022/23	R 764 869,67	N/A	N/A	R 764 869,67	R 393 361,44	X		
MN 07/2022	Shakti Plant and Civils	14/11/2023	Disaster Recovery Grant: 2022/23	R 1 691 983,91	N/A	N/A	R1 691 983,91	R1 691 983,91	X		
MN 56/2020	Havilah Commercial Projects	11/05/2023	Disaster Recovery Grant: 2022/23	R 2 035 621,67	N/A	N/A	R2 035 621,67	R -	X		
MN 07/2022 & MN 56/2022	North Coast General Suppliers	29/04/2024	Disaster Recovery Grant: 2022/23	R 2 515 213,00	N/A	N/A	R2 515 213,00	R-	X		
MN 07/2022 & MN 56/2022	North Coast General Suppliers	19/04/2024	Disaster Recovery Grant: 2022/23	R 1 970 340,84	N/A	N/A	R1 970 340,84	R -	X		
MN 190/2023	Celsaw Consulting (Pty) Ltd	16/05/2024	Disaster Recovery Grant: 2022/23	R 4 188 178,50	N/A	N/A	R4 188 178,50	R 294 705,00	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group ...continued											
MN 07/2022 & MN 56/2022	Sibaya Asphalting and Civils & Flaxen Lake Trading CC	23/04/2024	Disaster Recovery Grant: 2022/23	R 1 873 759,62	N/A	N/A	R1 873 759,62	R -	X		
MN 56/2020	Saneh's Contracting and Trading	13/05/2024	Disaster Recovery Grant: 2022/23	R 460 000,17	N/A	N/A	R 460 000,17	R 437 000,16	X		
MN 07/2022	Mela Okuhle Trading	19/04/2023	Disaster Recovery Grant: 2022/23	R 5 407 926,64	N/A	N/A	R5 407 926,64	R4 867 136,68	X		
MN 07/2022	Simamisa Construction	19/04/2023	Disaster Recovery Grant: 2022/23	R 2 101 335,56	N/A	N/A	R2 101 335,56	R 772 949,05	X		
MN 89/2021 & MN 56/2020	Heavy Feather Trading 62 CC & Usiko Holdings (Pty) Ltd	13/05/2024	Disaster Recovery Grant: 2022/23	R 298 682,25	N/A	N/A	R 298 682,25	R 155 358,00	X		
	Complete with KDM Technician		Disaster Recovery Grant: 2022/23	R 481 710,29	N/A	N/A	R 481 710,29	R -	X		
MN 07/2022	Onombuthu (Pty) Ltd	11/08/2023	Disaster Recovery Grant: 2022/23	R 2 111 974,84	N/A	N/A	R 2 111 974,84	R -	X		
MN 07/2022 & MN 56/2022	Amagambushe Construction CC	13/05/2024	Disaster Recovery Grant: 2022/23	R 1 007 131,71	N/A	N/A	R1 007 131,71	R 906 418,54	X		
MN 07/2022	Mela Okuhle Trading	19/04/2023	Disaster Recovery Grant: 2022/23	R 747 826,09	N/A	N/A	R 747 826,09	R 673 043,48	X		
MN 07/2022	Ukhozi Distributors	14/11/2023	Disaster Recovery Grant: 2022/23	R 1 187 467,99	N/A	N/A	R1 187 467,99	R1 128 094,59	X		
MN 56/2020	Saneh's Contracting and Trading	13/05/2024	Disaster Recovery Grant: 2022/23	R 564 094,04	N/A	N/A	R 564 094,04	R 535 889,34	X		
MN 07/2022 & MN 56/2022	North Coast General Suppliers	24/04/2024	Disaster Recovery Grant: 2022/23	R 1 576 157,77	N/A	N/A	R1 576 157,77	R -	X		
MN 07/2022	Ukhozi Distributors	02/06/2023	Disaster Recovery Grant: 2022/23	R 917 769,07	N/A	N/A	R 917 769,07	R -	X		
	Complete with KDM Technician		Disaster Recovery Grant: 2022/23	R 321 489,07	N/A	N/A	R 321 489,07	R -	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
SMA Group ...continued											
MN 07/2022 & MN 56/2022	Tez Truck Plant and Civil	13/05/2024	Disaster Recovery Grant: 2022/23	R 663 162,21	N/A	N/A	R 663 162,21	R -	X		
	Complete with KDM Technician		Disaster Recovery Grant: 2022/23	R 581 885,44	N/A	N/A	R 581 885,44	R -	X		
	Complete with KDM Technician		Disaster Recovery Grant: 2022/23	R 379 289,34	N/A	N/A	R 379 289,34	R -	X		
MN 56/2020	Saneh's Contracting and Trading	22/05/2024	Disaster Recovery Grant: 2022/23	R 116 566,14	N/A	N/A	R 116 566,14	R 110 737,83	X		
Reflective Thinking											
MN 150/2023	Ntungani Pty Ltd	23 February 2024	Disaster Recovery Grant: 2022/23	R 6 283 770,25	R 0,00	R 0,00	R 6 283 770,25	R 4 967 408,04	X		
MN 155/2023	Sakhona Vilakazi Construction Pty Ltd	02 April 2024	Disaster Recovery Grant: 2022/23	R 5 466 945,12	R 0,00	R 0,00	R 5 466 945,12	R 4 679 700,76	X		
MN 152/2023	Zoma M Projects	29 April 2024	Disaster Recovery Grant: 2022/23	R 5 802 575,72	R 0,00	R 0,00	R 5 802 575,72	R 1 791 699,07	X		
MN 153/2023	Njomco Enterprise	09 November 2024	Disaster Recovery Grant: 2022/23	R 5 693 126,17	R 0,00	R 0,00	R 5 693 126,17	R4 413 036,98	X		
MN 154/2023	Insika Yesizwe Holdings	25 January 2024	Disaster Recovery Grant: 2022/23	R 987 824,20	R 0,00	R 0,00	R 987 824,20	R 987 824,20	X		
G46247 Rehab. of Rosehill Road & St. upgrade in Shakaskraal in Ward 28 (WIP)	Kuhle Konke Emseni Trading And Projects (Pty) Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 698 668,01	R 698 668,01	R 698 668,01	R 0,00	R 0,00	X		
G46247 Rehab. of Nkobongo Roads in Ward 28 (C1) (WIP)	Benjivert (Pty)Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 2 185 667,00	R 2 185 667,00	R 2 185 667,00	R 0,00	R 0,00	X		
G46247 Rehab. of Nkobongo Roads in Ward 28 (C2) (WIP)	Grace And Goodness Building Construction And Maintenance	Implemented Internal	Disaster Recovery Grant: 2022/23	R 1 519 460,24	R 1 519 460,24	R 1 519 460,24	R 0,00	R 0,00	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Reflective Thinking ...continued											
G46247 St. upgrade in Nkobongo in Ward 28 (C3) (WIP)	Usiko Holdings	Implemented Internal	Disaster Recovery Grant: 2022/23	R 1 739 130,43	R 1 739 130,43	R 1 739 130,43	R 0,00	R 0,00	X		
G46247 Rehab. of Rd of Ndlanzi Road & St. upgrade in Nkobongo in Ward 28 (WIP)	Gns Civils Cc	Implemented Internal	Disaster Recovery Grant: 2022/23	R 250 829,06	R 250 829,06	R 250 829,06	R 0,00	R 0,00	X		
G46247 Rehab. of Laduma Road & St. upgrade in Nkobongo in Ward 28 (WIP)	Yena Uyabusa Trading (Pty)Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 463 095,05	R 463 095,05	R 463 095,05	R 0,00	R 0,00	X		
G46247 Rehab. of Millview Way in Shakaskraal in Ward 28 (WIP)	Benjivert (Pty) Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 2 884 784,49	R 2 884 784,49	R 2 884 784,49	R 0,00	R 0,00	X		
G46247 Rehab. of Millview Way & St. upgrade in Shakaskraal in Ward 28 (WIP)	Benjivert (Pty) Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 1 739 130,43	R 1 739 130,43	R 1 739 130,43	R 0,00	R 0,00	X		
G46247 Valley Lane Culvert bridge & St. upgrade in Shakaskraal in Ward 28 (WIP)		Implemented Internal	Disaster Recovery Grant: 2022/23	R 7 399 203,53	R 0,00	R 0,00	R 7 399 203,53	R 7 399 203,53	X		
G46247 Rehab. of Protea Road & St. upgrade in Shakaskraal in Ward 28 (WIP)	Benjivert (Pty) Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 3 544 892,83	R 3 544 892,83	R 3 544 892,83	R 0,00	R 0,00	X		
G46247 Rehab. of Old main Road/ School Road in Shakaskraal in Ward 28 (WIP)	Benjivert (Pty) Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 1 251 608,25	R 1 251 608,25	R 1 251 608,25	R 0,00	R 0,00	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Reflective Thinking ...continued											
G46247 Rehab. of Firewood Place & St. upgrade in Shakaskraal in Ward 28 (WIP)	Benjivert (Pty) Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 428 354.46	R 428 354.46	R 428 354.46	R 0,00	R 0,00	X		
G46247 Rehab. of Mpangele Road & St. upgrade in Shakaskraal in Ward 28 (WIP)	Gns Civils Cc	Implemented Internal	Disaster Recovery Grant: 2022/23	R 3 561 197.57	R 3 561 197.57	R 3 561 197.57	R 0,00	R 0,00	X		
G46247 Rehab. of Cemetery Lane & St. upgrade in Shakaskraal in Ward 28 (WIP)	Gns Civils Cc	Implemented Internal	Disaster Recovery Grant: 2022/23	R 5 191 298.92	R 5 191 298.92	R 5 191 298.92	R 0,00	R 0,00	X		
G46247 Rehab. of Warren Height in Ward 30 (WIP)	Zondivila Trading	Implemented Internal	Disaster Recovery Grant: 2022/23	R 699 980.27	R 699 980.27	R 699 980.27	R 0,00	R 0,00	X		
G46247 Rehab. of Ellis Place in Ward 30 (WIP)	Grace And Goodness Building Construction And Maintenance	Implemented Internal	Disaster Recovery Grant: 2022/23	R 1 727 333.84	R 1 727 333.84	R 1 727 333.84	R 0.00	R 0.00	X		
G46247 Rehab. of Ashley Road in Ward 30 (WIP)	Benjivert (Pty)Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 4 53 7500.48	R 4 53 7500.48	R 4 53 7500.48	R 0.00	R 0.00	X		
G46247 Rehab. of Reutenbach Place in Ward 30 (WIP)	Benjivert (Pty)Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 794 258.78	R 794 258.78	R 794 258.78	R 0.00	R 0.00	X		
G46247 Rehab. of Patricia Road in Ward 30 (WIP)	Benjivert (Pty)Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 4 971 083.21	R 4 971 083.21	R 4 971 083.21	R 0.00	R 0.00	X		
G46247 Rehab. of Allen Place in Ward 30 (WIP)	Grace And Goodness Building Construction And Maintenance	Implemented Internal	Disaster Recovery Grant: 2022/23	R 1 491 237.97	R 1 491 237.97	R 1 491 237.97	R 0.00	R 0.00	X		
G46247 Rehab. of Elizabeth Drive in Ward 30 (WIP)	Yena Uyabusa Trading (Pty)Ltd	Implemented Internal	Disaster Recovery Grant: 2022/23	R 3 602 112.08	R 3 602 112.08	R 3 602 112.08	R 0.00	R 0.00	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Urban-Ru											
Panel MN 89/2021	Bobusa Cooperative	13/04/2023	Disaster Recovery Grant: 2022/23	R2,002,297.08	R1,497,369.95	R1,497,369.95	N/A	N/A	X		
MN 303/2023	Tac		Disaster Recovery Grant: 2022/23	R5,238,425.00	N/A	N/A	N/A	N/A			
Panel MN 56/2020	Sithembakogawozi Trading Enterprise	03/05/2023	Disaster Recovery Grant: 2022/23	R1,171,809.00	R911,964.27	R911,964.27	N/A	N/A	X		
Panel MN 07/2022	Benjivert PTY LTD	03/07/2023	Disaster Recovery Grant: 2022/23	R2,390,783.00	R2,056,084.89	R2,056,084.89	N/A	N/A		X	
Panel MN 07/2022	Benjivert PTY LTD	03/07/2023	Disaster Recovery Grant: 2022/23	R5,948,593.00	N/A	N/A	N/A	N/A			
Panel MN 56/2020	Zipvila Holdings Pty Ltd	11/01/2024	Disaster Recovery Grant: 2022/23	R207,953.00	N/A	N/A	R175,826.93	R175,826.93	X		
Panel MN 07/2022	Clive Transport Cc	03/07/2023	Disaster Recovery Grant: 2022/23	R2,528,983.00	R2,174,925.38	R2,174,925.38	N/A	N/A	X		
Panel MN 07/2022	Clive Transport Cc	03/07/2023	Disaster Recovery Grant: 2022/23	R990,364.00	R851,713.03	R851,713.03	N/A	N/A	X		
Panel MN 56/2020	Usiko Holdings Pty Ltd	13/07/2023	Disaster Recovery Grant: 2022/23	R1,195,004.00	R1,069,503.65	R1,069,503.65	N/A	N/A	X		
MN 169/2023	Zipvila Holdings Pty Ltd	11/01/2024	Disaster Recovery Grant: 2022/23	R292,286.00	N/A	N/A	R247,130.96	R247,130.96	X		
Panel MN 56/2020	Zipvila Holdings Pty Ltd	15/06/2023	Disaster Recovery Grant: 2022/23	R1,145,589.00	R1,025,252.60	R1,025,252.60	N/A	N/A	X		
Panel MN 56/2020	Saneh's Contracting & Trading	03/07/2023	Disaster Recovery Grant: 2022/23	R1,409,564.00	1,212,225	1,212,225	N/A	N/A		X	
Panel MN 56/2022	Zipvila Holdings Pty Ltd	15/06/2023	Disaster Recovery Grant: 2022/23	R1,342,218.00	R1,179,040.49	R1,179,040.49	N/A	N/A	X		
MN 169/2023	Zipvila Holdings Pty Ltd	11/01/2024	Disaster Recovery Grant: 2022/23	R697,897.00	N/A	N/A	R590,078.11	R590,078.11	X		
MN 169/2023	Zipvila Holdings Pty Ltd	11/01/2024	Disaster Recovery Grant: 2022/23	R608,449.00	N/A	N/A	R514,448.46	R514,448.46	X		

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Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Urban-Ru ...continued											
Panel MN 07/2022	SKHOTHEMILO	13/04/2023		Disaster Recovery Grant: 2022/23	R1,901,833.00	R1,635,576.38	R1,635,576.38	N/A	N/A	X	
Panel MN 07/2022	SKHOTHEMILO	13/04/2023	Disaster Recovery Grant: 2022/23	R3,269,268.00	R2,811,570.48	R2,811,570.48	N/A	N/A	X		
Panel MN 07/2022	SKHOTHEMILO	13/04/2023	Disaster Recovery Grant: 2022/23	R974,085.00	R837,735.90	R837,735.90	N/A	N/A	X		
Panel MN 07/2022	Roadlogic Civil PTY LTD	03/07/2023	Disaster Recovery Grant: 2022/23	R414,477.00	R356,450.22	R356,450.22	N/A	N/A	X		
Panel MN 07/2022	Roadlogic Civil PTY LTD	03/07/2023	Disaster Recovery Grant: 2022/23	R2,010,742.00	R1,729,238.14	R1,729,238.14	N/A	N/A	X		
Panel MN 07/2022	Sibaya Asphalting and Civils	06/12/2023	Disaster Recovery Grant: 2022/23	R896,977.00	R771,400.22	R771,400.22	N/A	N/A	X		
Panel MN 56/2022	Saneh's Contracting & Trading	13/10/2023	Disaster Recovery Grant: 2022/23	R671,750.00	R601,216.55	R601,216.55	N/A	N/A	X		
Panel MN 07/2022	Sibaya Asphalting and Civils	06/12/2023	Disaster Recovery Grant: 2022/23	R937,747.00	R816,812.42	R816,812.42	N/A	N/A	X		
Panel MN 07/2022	Sibaya Asphalting and Civils	15/06/2023	Disaster Recovery Grant: 2022/23	R4,201,091.00	R3,612,938.26	R3,612,938.26	N/A	N/A	X		
Panel MN 07/2022	SKHOTHEMILO	03/07/2023	Disaster Recovery Grant: 2022/23	R1,719,913.00	R1,479,125.18	R1,479,125.18	N/A	N/A	X		
Panel MN 89/2021	Nhlangothi Cleaning Services	13/04/2023	Disaster Recovery Grant: 2022/23	R1,035,384.00	R890,430.26	R890,430.26	N/A	N/A	X		
Panel MN 89/2021	Khulekwayo Group	13/04/2023	Disaster Recovery Grant: 2022/23	R1,086,842.00	812,768.81	812,768.81	N/A	N/A	X		
Panel MN 89/2021	Onzwakele	13/04/2023	Disaster Recovery Grant: 2022/23	R375,861.00	281,078.68	281,078.68	N/A	N/A	X		
Panel MN 07/2022	North Coast General Suppliers	03/07/2023	Disaster Recovery Grant: 2022/23	R1,599,882.00	R1,375,898.52	R1,375,898.52	N/A	N/A	X		
MN 315/2023	Zipvita Holdings Pty Ltd	02/04/2024	Disaster Recovery Grant: 2022/23	R529,106.00	N/A	N/A	R435,049.94	R435,049.94	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Urban-Ru ...continued											
MN 89/2021	Nangu Anele Pty Ltd	13/04/2023	Disaster Recovery Grant: 2022/23	R795,948.00	R684,515.28	R684,515.28	N/A	N/A	X		
MN 315/2023	Zipvila Holdings Pty Ltd	02/04/2024	Disaster Recovery Grant: 2022/23	R575,108.00	N/A	N/A	R468,895.02	R468,895.02	X		
MN 148/2023	Zipvila Holdings Pty Ltd	23/01/2024	Disaster Recovery Grant: 2022/23	R663,019.00	N/A	N/A	R414,437.73	R473,280.83	X		
MN 148/2023	Zipvila Holdings Pty Ltd	23/01/2024	Disaster Recovery Grant: 2022/23	R499,985.00	N/A	N/A	R445,852.24	R420,537.12	X		
MN 148/2023	Zipvila Holdings Pty Ltd	23/01/2024	Disaster Recovery Grant: 2022/23	R731,935.00	N/A	N/A	R551,167.58	R521,056.95	X		
Panel MN07/2022	Camson Investments	19/04/2023	Disaster Recovery Grant: 2022/23	R1,930,356.00	R1,909,122.08	R1,909,122.08	N/A	N/A			
Panel MN07/2022	Camson Investments	19/04/2023	Disaster Recovery Grant: 2022/23	R2,377,807.00	R2,044,908.27	R2,044,908.27	N/A	N/A			
Panel MN07/2022	Camson Investments	19/04/2023	Disaster Recovery Grant: 2022/23	R1,921,768.00	R1,652,720.48	R1,652,720.48	N/A	N/A			
MN 100/2023	Usiko Holdings Pty Ltd	08/12/2023	Disaster Recovery Grant: 2022/23	R1,632,502.00	N/A	N/A	R1,322,008.73	1,255,908.30	X		
MN 100/2023	Usiko Holdings Pty Ltd	08/12/2023	Disaster Recovery Grant: 2022/23	R1,897,906.00	N/A	N/A	R1,390,670.51	R1,320,741.74	X		
MN 100/2023	Usiko Holdings Pty Ltd	08/12/2023	Disaster Recovery Grant: 2022/23	R367,525.00	N/A	N/A	R270,001.18	R253,988.37	X		
MN 100/2023	Usiko Holdings Pty Ltd	08/12/2023	Disaster Recovery Grant: 2022/23	R826,074.00	N/A	N/A	R732,243.29	R693,715.49	X		
MN 100/2023	Usiko Holdings Pty Ltd	08/12/2023	Disaster Recovery Grant: 2022/23	R1,155,942.00	N/A	N/A	R849,886.52	R805,620.09	X		
Panel MN07/2022	Camson Investments	18/04/2023	Disaster Recovery Grant: 2022/23	R3,096,685.00	R2,473,283.01	R2,473,283.01	N/A	N/A	X		
MN 148/2023	Zipvila Holdings Pty Ltd	23/01/2024	Disaster Recovery Grant: 2022/23	R994,095.00	N/A	N/A	R774,608.08	R735,623.95	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Likhanyile											
MN119-2023	Grace And Goodness Building Construction And Maintenance (Pty) Ltd	18/08/2023	Disaster Recovery Grant: 2022/23	R 8 505 867,40	R0.00	R0.00	R 8 505 867,40	R 7 593 687,76		X	
MN91/2023	Emihle Live	18/08/2023	Disaster Recovery Grant: 2022/23	R 23 891 477,72	R0.00	R0.00	R23 891 477,72	R18 052 550,96		X	
MN118-2023	Usiko Holdings	14/11/2023	Disaster Recovery Grant: 2022/23	R 7 509 141,71	R0.00	R0.00	R 7 509 141,71	R 5 640 228,06		X	
MN117/2023	Manotrim (Pty) Ltd	01/09/2023	Disaster Recovery Grant: 2022/23	R 18 499 203,92	R0.00	R0.00	R 18 499 203,92	R 16 812 682,34		X	
MN94/2023	Benjivert (Pty) Ltd	22/09/2023	Disaster Recovery Grant: 2022/23	R 32 074 225,80	R0.00	R0.00	R32 074 225,80	R28 665 984,37		X	
MN121/2023	Sm Holding (Pty) Ltd	13/11/2023	Disaster Recovery Grant: 2022/23	R 3 199 206,39	R0.00	R0.00	R 3 199 206,39	R 3 002 834,27	X		
MN111/2023	Ntungani Construction (Pty) Ltd	23/10/2023	Disaster Recovery Grant: 2022/23	R 5 255 124,88	R0.00	R0.00	R 5 255 124,88	R 3 391 101,57		X	
MN112	Ntungani Construction (Pty) Ltd	05/12/2023	Disaster Recovery Grant: 2022/23	R 5 301 323,00	R0.00	R0.00	R 5 301 323,00	R 1 117 046,80		X	
MN07/2022 (Nduli Rd)	Sibaya	07/05/2024	Disaster Recovery Grant: 2022/23	R 4 812 779,32	R0.00	R0.00	R 962 555,86	R 1 734 041,07	X		
MN56/2020 (Nduli Rd)	Kb Level	07/05/2024	Disaster Recovery Grant: 2022/23	R 2 632 886,49	R0.00	R0.00	R 789 865,95	R 789 761,75	X		
MN93/2023	Amagambushe Construction	18/08/2023	Disaster Recovery Grant: 2022/23	R 45 417 105,88	R0.00	R0.00	R45 417 105,88	R38 042 778,23	X		
MN56/2020 (Manqofini Wall)	Owethu Lomsebenzi	03/07/2023	Disaster Recovery Grant: 2022/23	R 1 227 602,20	R0.00	R0.00	R 1 227 602,20	R 1 969 678,70	X		
MN 97/2023	Owethu Lomsebenzi	18/08/2023	Disaster Recovery Grant: 2022/23	R 4 712 624,95	R0.00	R0.00	R 4 712 624,95	R 4 893 255,17	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	Previous Financial Year 2023/2024		Current Financial Year 2024/2025		Assessment of Service Providers Performance (Please mark with an x)		
					Target	Actual	Target	Actual	G	S	P
Likhanyile ...continued											
MN 113/2023	Edge To Edge	08/02/2024	Disaster Recovery Grant: 2022/23	R8 556 874,09	R0.00	R0.00	R8 556 874,09	R7 776 220,39	X		
MN120/2023	Manotrim (Pty) Ltd	28/10/2023	Disaster Recovery Grant: 2022/23	R17 169 923,76	R0.00	R0.00	R17 169 923,76	R14 919 036,35	X		
MN92/2023	Benjivert (Pty) Ltd	19/09/2023	Disaster Recovery Grant: 2022/23	R44 476 962,94	R0.00	R0.00	R44 476 962,94	R36 016 914,35		X	
MN95/2023	Benjivert (Pty) Ltd	18/08/2023	Disaster Recovery Grant: 2022/23	R30 276 402,57	R0.00	R0.00	R30 276 402,57	R26 953 895,99		X	
MN122/2023	Yena Uyabusa (Pty) Ltd	13/11/2023	Disaster Recovery Grant: 2022/23	R10 212 375,95	R0.00	R0.00	R10 212 375,95	R9 281 741,91		X	
MN07/2022 (Kheswa RD)	Benjivert (Pty) Ltd	07/05/2024	Disaster Recovery Grant: 2022/23	R8 764 534,82	R0.00	R0.00	R2 629 360,45	R8 426 255,17	X		
MN56/2020 (Kheswa RD)	Thookozamabovu Trading (Pty) Ltd	10/06/2024	Disaster Recovery Grant: 2022/23	R5 054 880,34	R0.00	R0.00	R1 010 976,07	R2 908 882,69	X		

Appendix J: Disclosure of Financial Interest

KwaDukuza Municipality (KDM) Municipal Manager and Executive Directors (Section 56 & 57 Managers)

NAME AND SURNAME	POSITION WITH KDM	SHARES & OTHER FINANCIAL INTERESTS (not bank accounts with financial institutions)	DIRECTORSHIP & PARTNERSHIP	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (As sanctioned by Council)	CONSULTANCIES AND RETAINERSHIP	SPONSORSHIPS	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER	LAND AND PROPERTY
Mr Mdakane NJ	Municipal Manager	NONE	Mdukose 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 55 shares MTN Zakhelel Futhi 150	NONE	NONE	NONE	NONE	NONE	House Fernwood Estate Shelly Beach (2 100 000) Flat Sheffield Gardens Salt Rock (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	SMK Empire Group PTY (LTD)	SMK Empire Group PTY (LTD)	R15 000,00 (Livestock)	NONE	NONE	NONE	House Witpeer Avenue (R 2 500 000.00) House Gierington Way (R 2 250 000.00)
Mr Manzini AM	Chief Operations Officer	NONE	NONE	NONE	NONE	NONE	NONE	House La Lucia (R2 100 000)
Mr Rajcoomar SM	Chief Financial Officer	Balwin property REIT- 6100 shares. Chromecto Resources- 10000 shares. Steinhoff Retail- 7000 shares. Weame Mining- 600 shares	Svarga (Pty) Ltd	NONE	NONE	NONE	NONE	Farm portion 10 (R180 000). House Stanger Manor (R1 300 000). House Sheffield Beach (R2 950 000).
Mr Nxumalo TT	ED: Civil Engineering	NONE	NONE	NONE	NONE	NONE	NONE	Residential property in Phoenix R400 000.
Mr Viramuthu SC	ED: Community Safety	Richemont opt-100 shares. PhutumaNathi- 100 shares. Growthpoint- 155 shares. Murray and Roberts- 5640 shares. Sibanye SW- 130 shares.	NONE	NONE	NONE	NONE	NONE	House Rocky Park (R900 000). House Tinley Manor (R875 000). Flat Palm Lakes (R780 000)
Mrs P.S Mntaka	ED: Corporate Services	NONE	Nimble Pty (Ltd)	NONE	NONE	NONE	NONE	Azalea, Lady Smith (R700 00.00), Calvary, Lady Smith (R900 000.00)

Appendix K: Revenue Collection Performance

Appendix K(1): Revenue Collection by Vote

Vote Description	Ref	2023/ 24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote										
Vote 1 - Chief Operations Officer Business Unit	1	12 732	12 732	12 732	-	13 094	12 732	362	2.8%	12 732
Vote 2 - Corporate Services Business Unit		163 331	84 551	90 379	14 193	97 203	90 379	6 824	7.6%	90 379
Vote 3 - Finance Business Unit		873 046	826 632	873 970	98 494	882 886	873 970	8 917	1.0%	873 970
Vote 4 - Economic Development Planning Business Unit		70 466	58 193	69 720	5 304	68 378	69 720	(1 342)	-1.9%	69 720
Vote 5 - Community Services and Public Amenities Business Unit		195 237	216 650	217 385	9 168	222 721	217 385	5 336	2.5%	217 385
Vote 6 - Community Safety Business Unit		32 114	24 451	23 876	13 462	34 719	23 876	10 844	45.4%	23 876
Vote 7 - Civil Engineering and Human Settlement Business Unit		659 588	93 585	437 881	127 244	361 579	437 881	(76 302)	-17.4%	437 881
Vote 8 - Electrical Engineering Business Unit		1 330 664	1 469 919	1 470 154	220 444	1 451 991	1 470 154	(18 164)	-1.2%	1 470 154
Vote 9 - Youth Development Business Unit		7 788	8 788	8 788	-	8 788	8 788	-		8 788
Vote 10 - Null		-	-	-	-	-	-	-	-	-
Vote 11 - Null		-	-	-	-	-	-	-	-	-
Vote 12 - Null		-	-	-	-	-	-	-	-	-
Vote 13 - Null		-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	3 344 965	2 795 501	3 204 884	488 309	3 141 359	3 204 884	(63 525)	-2.0%	3 204 884

Appendix K(2): Revenue Collection by Source

Description	Ref	2023/ 24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		1 236 513	1 398 776	1 385 636	210 002	1 364 985	1 385 636	(20 652)	-1%	1 385 636
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		97 659	103 074	103 074	9 178	109 363	103 074	6 289	6%	103 074
Sale of Goods and Rendering of Services		29 840	37 376	35 726	3 631	29 264	35 726	(6 461)	-18%	35 726
Agency services		12 505	14 689	13 289	2 681	13 931	13 289	642	5%	13 289
Interest		-	-	-	-	-	-	-		-
Interest eared tom Receivables		9 572	11 000	11 000	890	10 881	11 000	(119)	-1%	11 000
Interest from Curent and Non Current Assets		142 348	54 423	82 461	19 285	93 721	82 461	11 261	14%	82 461
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental fom Fixed Assets		2 342	3 028	3 420	(60)	2 640	3 420	(779)	-23%	3 420
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		40 868	22 090	36 814	13 119	51 254	36 814	14 440	39%	-
Non-Exchange Revenue								-		
Property rates		690 235	731 912	746 798	67 379	744 332	746 798	(2 465)	0%	746 798
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		44 532	33 515	40 950	13 292	43 450	40 950	2 500	6%	40 950
Licence and permits		886	976	1 501	55	1 097	1 501	(404)	-27%	1 501
Transfers and subsidies - Operational		219 942	300 343	303 883	4 919	300 101	303 883	(3 782)	-1%	303 883
Interest		-	-	6 191	1 576	6 937	6 191	754	12%	6 191
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	107	138	-	138		5 000
Other Gains		6 831	5 000	5 000	10 145	11 752	5 000	6 752	135%	-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		2 606 073	2 716 201	2 775 742	356 199	2 783 846	2 775 742	8 104	0%	2 775 742

Appendix L: Conditional grants received : excluding MIG

This is contained as Annexure B to the AFS.

Appendix M:Capital Expenditure - New & Upgrade/Renewal Programmes: including MIG

Appendix M (i): Capital Expenditure: New Assets Programme

Capital Expenditure: New Assets Programme	Total	Total
Assets:Non-current Assets: Construction Work-in-progress:Acquisitions: Outsourced	150 017 436	129 010 745
Assets:Non-current Assets: Heritage Assets:Cost Model: Works of Art:Paintings Cost:Acquisitions	400 000	-
Assets:Non-current Assets:Intangible Assets:Cost:Internally Generated: In-use: Computer Software: Acquisitions	10 000 000	-
Assets:Non-current Assets: Intangible Assets:Cost: Other:In-use: Computer Software:Acquisitions	483 100	175 361
Assets:Non-current Assets: Property, Plant and Equipment: Cost Model: Community Assets: Cost: Acquisitions	1 540 000	1 433 549
Assets: Non-current Assets: Property, Plant and Equipment: Cost Model: Computer Equipment:In-use:Cost:Acquisitions	10 000 000	16 382 733
Assets: Non-current Assets:Property, Plant and Equipment: Cost Model: Hectrical Infrastructure: In-use:Capital Spares:Cost:Acquisitions	2 446 996	1 210 099
Assets:Non-current Assets: Property, Plant and Equipment: Cost Model: Furniture and Office Equipment:In-use:Cost: Acquisitions	1 000 000	-
Assets: Non-current Assets:Property, Plant and Equipment: Cost Model: Information and Communication Infrastructure: Cost:Acquisitions	1 000 000	16 382 733
Assets:Non-current Assets: Property, Plant and Equipment: Cost Model: Machinery and Equipment:In-use:Cost: Acquisitions	5 094 721	2 583 580
Assets: Non-current Assets:Property, Plant and Equipment: Cost Model: Other Assets:Cost: Acquisitions	230 000-	139 870
Assets:Non-current Assets:Property, Plant and Equipment: Cost Model: Solid Waste Infrastructure:Cost: Acquisitions	425 800	-
Assets:Non-current Assets:Property, Plant and Equipment: Cost Model: Transport Assets: Owned and In-use:Cost:Acquisitions	16 299 610	15 668 568
Assets: Non-current Assets: Property, Plant and Equipment:Leased Assets: Furniture and Office Equipment: In-use:Cost:Acquisitions	-	120 260
TOTAL NEW ASSETS PROGRAMME	197 937 663	166 724 763

Appendix M(ii): CAPITAL EXPENDITURE-UPGRADE / RENEWAL PROGRAMME

WARD NUMBER	CURRENT PROGRESS OF PROJECTS	BUDGET	TYPE
1	Sokesimbone: Implementation Stage Yield:1 000 Houses & VIPs Built:987 13 Beneficiaries are missing.The project is in the closeout Phase	Closeout Phase	rural
2	Nkwazi Siyembezi Phase 2 Title Deeds Transfers Yield: 1100 Houses and services completed: 1094 (624 transfers to be affected), funds are with the Conveyancers	R 6 000 000	urban before ISU
3	Nonoti Mouth Planning Stage Yield: 500 Record of Decision Environmental Authorization received (Approved) Planning approval granted; ROD received end of March 2025	R 789 595.00	ISU
3	Nyathikazi: Implementation Stage: Yield: 912 The Project was installing services as per the approval of 912 services, Approval of the construction of 300 houses. 495 sites have been serviced to date	R 7 465 481.31	ISU
4	Shakashead phase 2 Title deeds transfer Yield: 737 Houses & VIPs built:701. Outstanding: 36.There is no land to construct more houses Human settlement approved R 1 955 942.21 for replanning/ redesigning and transfers. The project received planning approval (SPLUMA) in September 2024. Land surveyors and town planners are working on the township registration and obtaining of section 53. Parallel to this, the municipality will start with social facilitation	R 50 000	ISU
5	Lindelani 303 was reduced to 284 because of 19 withdrawals. Title deeds transfer stage. Yield: 284 Houses and services -284 Title deeds handed over -254 Title deeds in Deeds offices -19 7 sites had RDP Houses; 12 sites had bad access/ there was no space to build	R 47 351.25	ISU
7/20	Etete Phase 4 Implementation stage: Houses Built: (Phase 1) 141 sites. 113 houses & VIPs completed; 141 serviced sites completed. (Phase2&3):279 sites 279 services, 261 houses completed. TOTAL 425 SITES AND 378 UNITS COMPLETED (Phase 4&5):553 sites 553 sites serviced. Challenges: Obstructions, Siza water, water connection fees, Bulk water, and sewer (Ilembe is awaiting WULA application) Budget limitations	R 499 544.82	ISU
9	Groutville Priority 5 (Mnyundwini+) Implementation Stage: Yield: 900 Houses and VIPs Built:724 Outstanding: 94 Lost Few Sites Due to Wetlands & Graves 82 The province approved R 2 022 400.35 for replanning to be able to issue title deeds	R321 000	ISU

Appendix M(ii): CAPITAL EXPENDITURE-UPGRADE / RENEWAL PROGRAMME ...continued

WARD NUMBER	CURRENT PROGRESS OF PROJECTS	BUDGET	TYPE
9	Mgigimbe Implementation stage (Installation of services) Yield: 534 Water: Installation of services is completed The project has approval for the construction of houses The project has paused because of limited budget allocation.	R 931 140.80	ISU
11	Groutville Priority 2 Implementation stage: (Blocked) Yield: 1980. Houses: 1441 20 Homes were built by KZNHS in partnership with the Flemish Government Province approved funding for replanning to effect transfers amounting to R 3 195 748 The project will be aligned with the 2022 subsidy quantum to unblock the construction of the remaining 200 houses. Challenges. Land invasion	R 300 000	ISU
12	Ethafeni (Blocked Project) Yield: 842. Houses completed: 663 KZNHS approved funds for Title Deed transfers amounting to R 795 600. Challenges: 40 houses were left at different stages of construction. Intervention. Human Settlements appointed a service provider to assess the 166 houses report with the province	R282 200	ISU
13 / 16 & 26	Steve Biko Phase 2 Implementation Stage Yield: 1,028, 881 service and house construction approved House completed: 355 Site services: sewer 56%, water 57%, Roads 62% and stormwater 62% Challenges Land invasion	R 9 338 363.53	ISU
14	LLOYDS Implementation stage 1000 sites services, and 45 houses approved. Progress: Services: 190 sites water, 294 sites sewer, 138 sites roads, and 56 stormwaters 45 Houses completed. The project requires funding for bulk linkage pipes. Due to the land invasion, the projects require land surveying funding for the rerouting of the internal services and funding for the replanning so that title deeds can be issued.	R 1 301 996.88	ISU
16&19	Enhance the Extended Discount Benefit Scheme Yield: 1887. Transferred Units:1800 Outstanding:87	R53 000.00	FLATS
20	Sheffield Planning Stage: 700 Stage 1 activities are underway, as the funding was approved in June 2022. Approval of interim services was granted it is in progress.	R 7 042 910.32	ISU
21	Sinqobile The initial stage of planning Human Settlements appointed a service provider to do the upgrading plan for the area. 706 Households were recorded on site, the plan was concluded, and submitted to the province	R 1 944 780	Upgrading Plan

Appendix M(ii): CAPITAL EXPENDITURE-UPGRADE / RENEWAL PROGRAMME ...continued

WARD NUMBER	CURRENT PROGRESS OF PROJECTS	BUDGET	TYPE
24	Sihle Phakathi 1000 sites and 45 houses approved, Approved Beneficiaries: 744 Progress to date: Installation of services Phase 1: 597 Sites, roads 95%, water reticulation 90%, sewer 70% and stormwater 80% Phase 2: 133 Roads, 20% water 10%, stormwater 50% Phases 3 and 4 have not commenced as yet Construction of 45 houses completed:19. The municipality appointed MZANSI Africa for the completion of the 45 houses, and Metro Project was appointed to install the services. The area is highly dense	R 13 957 936.74	ISU
27	Madundube Implementation Stage Yield:2400. The project was approved for site services in February 2022. Services completed:254 sites. The site was shut down in December 2023. The Project had experienced 10 stoppages from the locals. Furthermore, these work stoppages have led to the following: The main contractor (WKSA) terminated their contract with the Implementing Agent (CHS). WKSA submitted standing time claims to CHS. WKSA is also claiming loss of income from CHS using a GCC contract clause. Housing project funding does not accommodate standing time claims and loss of income claims	R 2 516 757.88	ISU

Appendix N: Capital Programme by business unit including adjusted budgets

Business Unit	Approved Budget	1 st Adjusted Budget	2 nd Adjusted Budget	2024/25 Actuals (28/08/2026)	YTD %	Available Balance
Office of the Muncipal Manager	13 578 355	8 301 821	8 301 821	8 295 976	99.93%	5 845
Corporate Services	9 330 000	7 856 798	7 911 000	3 620 147	45.76%	4 290 853
Finance	4 190 000	1 390 000	1 390 000	1 168 319	84.05%	221 681
EDP	10 885 000	16 522 067	16 522 067	6 219 073	37.64%	10 302 994
Community Services & Public Amenities	49 122 590	41 176 484	41 176 484	31 734 931	77.07%	9 441 553
Community Safety	19 676 000	19 635 203	19 635 203	14 752 270	75.13%	4 882 933
Civil Engineering	93 918 737	383 832 360	376 072 360	315 152 258	83.80%	60 920 102
Electrical Engineering	127 871 958	145 571 958	145 430 958	131 183 236	90.20%	14 247 722
Total	328 672 640	624 286 601	616 439 893	512 126 210	83.08%	104 313 683

Appendix O:Capital Programme by project by ward

Whole of the Municipality (WOM)

CAPITAL PROGRAMME BY PROJECT BY WARD		2024/25 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
ASSET SUB-CLASS	WARD LOCATION	BUDGET YEAR 2024/25	BUDGET YEAR +1 2025/26	BUDGET YEAR +2 2026/27
Transport Assets:255 1 Ton Bakkie	WOM	R685 000	-	-
Machinery and Equipment:Machinery and Equipment	WOM	R2 000 000	-	-
Transport Assets:Printroom Vehicle	WOM	R 270 000	-	-
Transport Assets:22-Seater Bus for councillors	WOM	R900 000	-	-
Municipal Offices:Upgrade to Council Chambers	WOM	R3 500 000	R2 500 000	-
Machinery and Equipment:Floor Scrubber/polishing Machine	WOM	R60 000	-	-
Outdoor Facilities:Upgrade to Beach Facilities	WOM	R2 000 000	-	-
Outdoor Facilities:Upgrade Darnall Sportsfield	Ward 2	R8 000 000	-	-
Outdoor Facilities:Upgrade of Tinley Manor Tidal Pool	Ward 12	-	R8 100 000	-
Outdoor Facilities:Salt Rock Main Beach Reinstatement	Ward 22	-	R9 200 000	-
Outdoor Facilities:Thompsons Bay Beach Reinstatement	Ward 6	-	R6 731 000	-
Transport Assets:Marine Safety Fleet	WOM	R1 750 000	-	-
Machinery and Equipment:Rescue Surfboards	WOM	R216 000	-	-
Machinery and Equipment:Boat Safety Equipment Kits	WOM	R15 000	-	-
Machinery and Equipment:PTT Radios	WOM	R25 000	-	-
Machinery and Equipment:Shark Pods	WOM	R25 000	-	-
Machinery and Equipment:Motor Stand	WOM	R5 000	-	-
Machinery and Equipment:Sets Bathing Beacons	WOM	R50 000	-	-
Machinery and Equipment:Nonoti Beach Equipment	WOM	R200 000	-	-
Transport Assets:Fire Fleet	WOM	R5 000 000	-	-
Transport Assets:4 X 4 Double Cab	WOM	R900 000	-	-
Transport Assets:042 2 x Utility LDV	WOM	R1 200 000	-	-
Furniture and Office Equipment:042 Furniture	WOM	R50 000	-	-
Municipal Offices:Upgrade Avondale Repeater Site	Ward 6	R200 000	-	-
Machinery and Equipment:Emergency Equipment	WOM	R200 000	-	-
Machinery and Equipment:Security Cameras (North & South Fire Station)	WOM	R200 000	-	-
Machinery and Equipment:042 Portable & Mobile Two Way Radios	WOM	R100 000	-	-
Machinery and Equipment:Battery Operated Jaws of Life Combi Tool	WOM	R250 000	-	-
Halls:Security Gates	WOM	R150 000	-	-
Furniture and Office Equipment:Furniture & Equipment	WOM	R80 000	-	-
Halls:Refurbishment of KwaDukuza Town Hall	Ward 19	-	R2 000 000	-
Halls:Fencing	WOM	R500 000	-	-
Computer Equipment:Computer and Office Equipment	WOM	R40 000	-	-
Furniture and Office Equipment:Furniture & Equipment	WOM	R40 000	-	-
Machinery and Equipment:Container Storage	WOM	R20 000	-	-
Furniture and Office Equipment:Equipment	WOM	R100 000	-	-

Appendix O:Capital Programme by project by ward ...continued

Whole of the Municipality (WOM) ...continued

CAPITAL PROGRAMME BY PROJECT BY WARD		2024/25 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
ASSET SUB-CLASS	WARD LOCATION	BUDGET YEAR 2024/25	BUDGET YEAR +1 2025/26	BUDGET YEAR +2 2026/27
Municipal Offices:Upgrade to Finance Building (WIP)	Administrative Offices	R2 000 000	-	-
Machinery and Equipment:Elec Staff Attendance Register 021419516	WOM	R560 000	-	-
Police:Law Enforcement Equipment	WOM	R100 000	-	-
Transport Assets:Steel Canopy	WOM	R120 000	-	-
Transport Assets:4 x Vehicles for Law Enforcement	WOM	R2 400 000	-	-
Transport Assets:Traffic vehicles	WOM	R1 800 000	-	-
Furniture and Office Equipment:Air conditioners	WOM	R80 0000	-	-
Machinery and Equipment:Firearms	WOM	R180 000	-	-
Machinery and Equipment:Sirens And Blue Lights	WOM	R100 000	-	-
Machinery and Equipment:Speed Camera	WOM	R200 000	-	-
Machinery and Equipment:CCTV Equipment	WOM	R600 000	-	-
Furniture and Office Equipment:Furniture & Equipment	WOM	R100 000	-	-
Machinery and Equipment:Tools & Equipment	WOM	R125 000	-	-
Machinery and Equipment:Engineering Equipment	WOM	R500 000	-	-
Machinery and Equipment:Grader	WOM	R2 500 000	-	-
Furniture and Office Equipment:Air conditioners	WOM	R80 000	-	-
Municipal Offices:Build ramps to toilet for Disabled people	WOM	R80 000	-	-
Machinery and Equipment:CCTV Equipment	WOM	R250 000	-	-
Transport Assets:IDP Bakkie	WOM	R500 000	-	-
Road Structures:ABM Infrastructure Upgrades	WOM	R12 338 000	5 850	-
Machinery and Equipment:IDP Electronic Equipment	WOM	R70 000	-	-
Furniture and Office Equipment:Office Furniture & Equipment	WOM	R70 000	-	-
Municipal Offices:Upgrade to SCM Building (WIP)	WOM	R2 000 000	-	-
Machinery and Equipment:Trolley	WOM	R20 000	-	-
Furniture and Office Equipment:Furniture & Equipment	WOM	R100 000	-	-
Machinery and Equipment:Tools & Equipment	WOM	R250 000	-	-
Municipal Offices:Container Conversion	Administrative Offices	R230 000	-	-
Machinery and Equipment:Professional Mark IV camera suits	Administrative Offices	R200 000	-	-
Machinery and Equipment:Sound System	Administrative Offices	R230 000	-	-
Public Ablution Facilities:Upgrade to the ablution facility and construction of a guard house KwaDukuza peoples park	Ward 19	R2 000 000	-	-
Halls:Melville Hall	Ward 24	R2 080 000	-	-
Cemeteries/Crematoria:Cemetery Fencing	Ward 5	R1 000 000	-	-
Roads:Rehab. parking area in Vlakspruit cemetery	Ward 7	R6 430 000	-	-

Appendix O:Capital Programme by project by ward ...continued

Whole of the Municipality (WOM) ...continued

CAPITAL PROGRAMME BY PROJECT BY WARD		2024/25 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
ASSET SUB-CLASS	WARD LOCATION	BUDGET YEAR 2024/25	BUDGET YEAR +1 2025/26	BUDGET YEAR +2 2026/27
Taxi Ranks/Bus Terminals:Woodmead Taxi Rank	Ward 20	R4 000 000	-	-
Outdoor Facilities:Chris Hani Sport field	Ward 15	R3 000 000	-	-
Outdoor Facilities:Ward 17 Dendethu Sport Field	Ward 17	-	R9 013 000	-
Outdoor Facilities:Construction Of Sport & Recreational Facility in Isnembe	Ward 21	-	R7 669 000	-
Roads:Rehabilitation of Kenny Khanyayo Street and Pigogo Street Imfezi Street Klebe Street And Ukhozi Street in Shayamoya Ward 23	Ward 23	R3 128 000	R7 258 000	-
Halls:OHLANGA HALL	Ward 1	R1 044 000	-	-
Halls:Melville Hall	Ward 24	R12 586 000	-	-
Halls:Nsikeni Community Hall	Ward 27	R5 733 000	-	-
Halls:Charlotdale Community Hall - WIP	Ward 14	R5 231 000	-	-
Halls:Charlotdale Community Hall - WIP	Ward 14	R722 000	-	-
Halls:Nyoniyamanzi Hall	Ward 16	-	R5 241 000	R7 559 000
Road Structures:Traffic calming measures	Whole of Municipality	R1 000 000	-	-
Road Structures:Ward 14 Retaining of lloyds Housing Project Walls (Gabion Guard Rails)	Ward 14	R5 400 000	-	-
Road Structures:The Construction of Vehicular Bridge & Link Road between Ward 7 & 20	Ward 20	-	R3 488 000	R13 359 000
Road Structures:Construction of Low-Level Bridge Crossing & Road Rehabilitation in Wards 8 & 23	Ward 23	-	R1 826 000	R11 957 000
Roads:Groutville Surface Roads & Stormwater	Ward 10	-	-	R7 490 000
Roads:Groutville Surface Roads & Stormwater	Ward 12	R3 022 000	R 7 258 000	-
Roads:Rocky Park link to Testing Station	Ward 19	-	R3 710 000	R4 348 000
Roads:Sokesimbone Access Road & Stormwater (Ward 1)	Ward 1	R5 635 000	R5 217 000	R5 217 000
Creches:Lindelani Cr?che	Ward 18	R2 677 000	-	-
Roads:Ward 3 Nonoti Beach Road Access	Ward 3	R12 007 000	-	-
Roads:Ward 3 Nonoti Beach Road Access	Ward 3	R2 190 000	-	-
Roads:Ward 17 Dendethu Access Road	Ward 17	-	R1 739 000	R6 957 000
Creches:Lindelani Cr?che	Ward 18	R1 739 000	-	-
Transport Assets:Municipal Fleet	WOM	R2 000 000	R2 000 000	R2 000 000
Furniture and Office Equipment:Furniture & Equipment	WOM	R150 000	R200 000	R200 000
Machinery and Equipment:Tools & Equipment	WOM	R200 000	R200 000	R200 000
Computer Software and Applications:Network Master Planning (Reticulation)	WOM	R2 000 000	R500 000	-
Computer Software and Applications:Tools & Systems Project	WOM	R8 000 000	R5 000 000	R5 000 000
MV Switching Stations:Control Boxes in Eskom Areas	WOM	-	R1 000 000	R1 000 000
Furniture and Office Equipment:Furniture & Equipment	WOM	R300 000	R300 000	R300 000
MV Networks:MV Network Upgrades Cluster A	WOM	R750 000	R800 000	R850 000

Appendix O:Capital Programme by project by ward ...continued

Whole of the Municipality (WOM) ...continued

CAPITAL PROGRAMME BY PROJECT BY WARD		2024/25 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
ASSET SUB-CLASS	WARD LOCATION	BUDGET YEAR 2024/25	BUDGET YEAR +1 2025/26	BUDGET YEAR +2 2026/27
MV Networks: MV Network Upgrades Cluster B	WOM	R2 500 000	R2 550 000	R2 600 000
MV Networks: MV Network Upgrades Cluster C	WOM	R750 000	R800 000	R850 000
MV Networks: MV Network Upgrades Cluster D	WOM	R2 000 000	R2 000 000	R2 100 000
MV Networks: MV Network Upgrades Cluster E	WOM	R2 500 000	R2 050 000	R1 750 000
MV Networks: MV Network Upgrades Cluster F	WOM	R1 950 000	R2 000 000	R2 100 000
MV Networks: MV Network Upgrades Cluster G	WOM	R3 500 000	R4 700 000	R4 750 000
LV Networks: Housing Electrification Projects INEP	WOM	R1 500 000	R2 000 000	R2 000 000
LV Networks: Housing Electrification Projects INEP	WOM	R10 155 000	R4 497 000	R4 063 000
LV Networks: Metering Kiosk - Vuthela Project	WOM	R3 155 000	-	-
LV Networks: Implementation of Energy Efficiency on Buildings	WOM	R1 500 000	R1 500 000	R500 000
LV Networks: LV Network Upgrades Cluster A	WOM	R1 100 000	R1 100 000	R1 100 000
LV Networks: LV Network Upgrades Cluster B	WOM	R1 300 000	R1 300 000	R1 300 000
LV Networks: LV Network Upgrades Cluster C	WOM	R550 000	R550 000	R550 000
LV Networks: LV Network Upgrades Cluster D	WOM	R750 000	R750 000	R750 000
LV Networks: LV Network Upgrades Cluster E	WOM	R750 000	R750 000	R750 000
LV Networks: LV Network Upgrades Cluster F	WOM	R750 000	R750 000	R750 000
LV Networks: LV Network Upgrades Cluster G	WOM	R750 000	R750 000	R750 000
LV Networks: Public building services electrical infrastructure refurbishment	WOM	R3 000 000	-	-
HV Substations: New Dukuza 132/33/11Kv 80Mva Bulk (Ward 28)	Ward 28	R5 000 000	R3 000 000	R3 000 000
Road Furniture: NV Street Lights Refurbishment Cluster A	WOM	R1 000 000	R1 600 000	R800 000
Road Furniture: NV Street Lights Refurbishment Cluster B	WOM	R1 000 000	R1 600 000	R800 000
Road Furniture: NV Street Lights Refurbishment Cluster C	WOM	R1 600 000	R800 000	R800 000
Road Furniture: NV Street Lights Refurbishment Cluster D	WOM	R1 600 000	R800 000	R800 000
Road Furniture: NV Street Lights Refurbishment Cluster E	WOM	R1 600 000	R800 000	R800 000
Road Furniture: NV Street Lights Refurbishment Cluster F	WOM	R1 600 000	R800 000	R800 000
Road Furniture: NV Street Lights Refurbishment Cluster G	WOM	R1 600 000	R800 000	R800 000
MV Substations: Lavoupiere Substations	WOM	R5 952 000	R4 497 000	R4 063 000
Workshops: Buildings refurbishment - Mechanical workshop	WOM	R260 000	R260 000	R260 000
Workshops: Buildings refurbishment - Electrical workshop Lavoipierre	WOM	R260 000	R260 000	R260 000
Workshops: Buildings refurbishment - Electrical workshop Ballito	WOM	R260 000	R260 000	R260 000
MV Substations Upgrades and Refurbishment: Stanger Substations	WOM	R4 500 000	R6 050 000	R4 100 000
MV Substations Upgrades and Refurbishment: Shakaskraal Substations	WOM	R4 000 000	R4 700 000	R4 700 000
MV Substations Upgrades and Refurbishment: Ballito Substations	WOM	R2 000 000	R2 100 000	R2 200 000

Appendix O:Capital Programme by project by ward ...continued

Whole of the Municipality (WOM) ...continued

CAPITAL PROGRAMME BY PROJECT BY WARD		2024/25 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
ASSET SUB-CLASS	WARD LOCATION	BUDGET YEAR 2024/25	BUDGET YEAR +1 2025/26	BUDGET YEAR +2 2026/27
MV Substations Upgrades and Refurbishment: Business Park Substations	WOM	R1 000 000	R1 000 000	R1 000 000
MV Substations Upgrades and Refurbishment: Shakarock Substations	WOM	R3 000 000	R3 500 000	R3 000 000
MV Substations Upgrades and Refurbishment: Sheffield Substations	WOM	R1 000 000	R1 000 000	R1 000 000
MV Substations Rebuild: SAPPI Substations - KDM	WOM	R10 000 000	R10 000 000	R1 000 000
MV Substations Upgrades and Refurbishment: Gledhow Substations	WOM	-	R500 000	R500 000
MV Substations Upgrades and Refurbishment: Glenhills Substations	WOM	R2 000 000	R2 450 000	R2 500 000
MV Substations:Simbiti Infrastructure Refurbishment	Ward 6	R4 000 000	R4 000 000	R2 500 000
MV Substations:Zimbali Infrastructure Refurbishment	Ward 6	R4 000 000	R4 000 000	R2 500 000
Road Furniture:Streetlights(Cluster A) 100S/L (Ward 1 2 3 25)	WOM	R500 000	1 000	R500 000
Road Furniture:Streetlights (Cluster B) 37S/L (Ward 13 19 27)	WOM	R750 000	R2 000 000	R1 000 000
Road Furniture:Streetlights (Cluster C)100S/L (Ward 14 15 24 26)	WOM	R1 000 000	R2 500 000	R1 250 000
Road Furniture:Streetlights (Cluster D)100S/L (Ward 9 10 11 12)	WOM	R1 250 000	R3 500 000	R1 750 000
Road Furniture: Streetlights (Cluster E)100S/L (Ward 7 8 20 23)	WOM	R1 000 000	R3 000 000	R1 500 000
Road Furniture:Streetlights (Cluster F)50 S/L (Ward 4 6 21 22)	WOM	R250 000	R500 000	R2 500 000
Road Furniture:Streetlights (Cluster G)50 S/L (Ward 5 16 17 8)	WOM	R1 250 000	R3 500 000	R1 750 000
Machinery and Equipment:Tools & Equipment	WOM	R520 000	R700 000	R700 000
Machinery and Equipment:Safety Equip Fas Ppe Portable	WOM	R260 000	R260 000	R260 000
Capital Spares:Capital Spares	WOM	R10 000 000	R10 000 000	R9 000 000
MV Networks:Repl & Grad Prot Relays 11K P3 (Ward 22)	Ward 22	R2 000 000	R5 000 000	R3 000 000
Furniture and Office Equipment:Furniture & Equipment	WOM	R50 000	-	-
Social Housing:Etete Housing Retaining Walls and Access Roads(Ward 7 20)	Ward 20	R2 000 000	-	-
Social Housing:Steve Biko Housing Retaining Walls and Access Roads(Ward 13 16 26)	Ward 13	R2 000 000	-	-
Municipal Offices:Relocation of infrastructure services	Administrative Offices	R500 000	-	-
Municipal Offices:Office Internal Improvements	Administrative Offices	R500 000	-	-
Public Ablution Facilities:Ablution Facility (VIP)	WOM	R1 700 000	-	-
Social Housing: Renovation to Compounds (Ward 18)	Ward 15	R2 000 000	-	-
Machinery and Equipment:Tools & Equipment	WOM	R50 000	-	-
Furniture and Office Equipment:Furniture & Equipment	WOM	R15 000	-	-

Appendix O:Capital Programme by project by ward ...continued

Whole of the Municipality (WOM) ...continued

CAPITAL PROGRAMME BY PROJECT BY WARD		2024/25 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
ASSET SUB-CLASS	WARD LOCATION	BUDGET YEAR 2024/25	BUDGET YEAR +1 2025/26	BUDGET YEAR +2 2026/27
Stalls:Informal Trading Facilities	WOM	R2 000 000	-	-
Machinery and Equipment:Digital camera	WOM	R10 000	-	-
Furniture and Office Equipment: Risk Management Projector	WOM	R10 000	-	-
Taxi Ranks/Bus Terminals:Upgrade of Ballito Taxi Rank	Ward 6	R6 580 000	-	-
Taxi Ranks/Bus Terminals:Refurbishment of KwaDukuza Taxi rank	Ward 19	R17 707 000	-	-
Computer Equipment:PC and Printer Upgrades	WOM	R1 500 000	-	-
Computer Equipment:Network Upgrade	WOM	R500 000	-	-
Distribution Layers:KDM Wifi Network	WOM	R1 000 000	-	-
Roads:Rehab. of access road to Vlakspruit cemetery	Ward 7	R318 000	-	-
Municipal Offices:Refurbish changerooms in Vlakspruit Cemetery	Ward 7	R1 324 000	-	-
Road Structures:REINSTATING SALT ROCK BRIEDGE WARD 2	Ward 22	R4 000 000	R4 000 000	-
Roads:REHABILITATION OF NEWTOWN ROADS - JONES STREET	Ward 19	R8 500 000	-	-
Roads:REHABILITATION OF NEWTOWN ROADS - FITH STREET	Ward 19	R6 000 000	-	-
Municipal Offices:Ballito Office Parking	Ward 6	R1 000 000	-	-
Municipal Offices:Upgrade to Salt Rock Offices	WOM	R3 000 000	R3 000 000	-
Municipal Offices:Upgrade to Blythedale Offices	WOM	R100 000	-	-
Transport Assets:Quad Bikes	WOM	R200 000	-	-
		R321 402 000	R336 070 000	R207 207 000

Appendix P: Service connection backlogs at schools & 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

WATER		Jun-25																
Local Municipality	Population	Households	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	Percentage of HH served to date
Mandeni	180 939	40 436	23 031	19 452	18 534	18 400	18 400	18 400	18 400	18 400	18 400	18 400	18 400	17 488	17 488	17 488	16 748	
KwaDukuza	324 912	96 368	9 725	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	9 119	
Ndwedwe	165 826	29 981	6 255	4 798	4 798	4 798	4 798	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	4 298	
Maphumulo	110 983	20 397	11 116	7 528	5 982	2 032	1 431	327	327	327	327	327	327	(173)	(173)	(173)	(173)	
	782 660	187 182																
HH without access to water			50 127	40 897	38 433	34 349	33 748	32 144	32 144	32 144	32 144	32 144	32 144	30 732	30 732	30 732	29 992	16.02%
Achievements per year			2 350	1 355	2 464	4 084	601	1 604	-	-	1 604	-	-	1 412	-	-	740	
HH served			137 055	146 285	148 749	152 833	153 434	155 038	155 038	155 038	155 038	155 038	155 038	156 450	156 450	156 450	157 190	83.98%

Calculation for water backlog

Backlog for 2023/2024	16.06% (30 732/191 369)																	
Backlog for 2024/2025	16.02% (29 992/187 182)																	
% decrease in backlog as at end of June 2025	0.40% (740/187 182)																	

Source: iLembe District Municipality Performance Management Unit 2025

Appendix Q: Service Backlogs experienced by the community where another sphere of government is responsible for service provision ...continued

SANITATION													Jun-25		
Local Municipality	Population	Households	2010/ 2011	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	Percentage of HH served to date
Mandeni	180 939	40 436	8 167	2 919	1 892	1 571	799	638	78	(412)	(722)	(1 337)	(2 033)	(2 933)	
KwaDukuza	324 912	96 368	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	12 311	
Ndwedwe	165 826	29 981	12 660	6 805	5 053	4 741	3 947	3 347	2 103	1 613	929	314	(426)	(876)	
Maphumulo	110 983	20 397	19 440	14 579	13 182	12 922	12 150	11 550	10 990	10 500	10 190	9 575	8 825	7 573	
	782 660	187 182													
HH without access to sanitation			52 578	36 614	32 438	31 545	29 207	27 846	25 482	24 012	22 708	20 863	18 677	16 075	8.59%
Achievements per year			6 219	3 247	4 176	893	2 338	1 361	2 364	1 470	1 304	1 845	2 186	2 602	
HH served			134 604	150 568	154 744	155 637	157 975	159 336	161 700	163 170	164 474	166 319	168 505	171 107	91.41%
Calculation for water backlog															
Backlog for 2023/2024	9.759% (18 677/191 369)														1.39%
Backlog for 2024/2025	8.658% (16 207/187 182)														
% decrease in backlog as at end of June 2025	1.39% (2 602/187 182)														

Source: iLembe District Municipality Performance Management Unit 2025

Appendix R: Declaration of loans & grants made by the municipality

This is contained as Annexure A 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 & 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 in the Annual Report.

Appendix U: 2025/2026 Organisation SDBIP

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (Weighting 18%) 12 TARGETS											
To enhance organisation performance	OPMS 01	Recruitment & Selection(NKPI)	R0	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), by target date.	3	3 people employed from the employment equity target groups in the three highest levels of management by 30 June 2026	1	1	1	0	All Wards
	OPMS 02	Recruitment & Selection	R0	The percentage employment of women candidates from all levels, by target date.	50%	Ensure 50% employment of women candidates from all levels by 30 June 2026.	50%	50%	50%	50%	All Wards
	OPMS 03	Recruitment & Selection	R0	The percentage employment of youth candidates from all levels, by target date.	30%	Ensure 30% employment of youth candidates from all levels by 30 June 2026.	30%	30%	30%	30%	All Wards
To enhance organisation performance	OPMS 04	Recruitment & Selection	R0	The number of disabled candidates employed by target date.	2	Disabled candidates employed by 30 June 2026.	0	1	0	1	All Wards
To invest in skills development	OPMS 05	Workplace Skills Development Plan (WSP) (NKPI)	R1 500 000	The percentage of a municipality's budget actually spent on implementing its workplace skills plan, by target date.	90%	90% (R1 350 000) of a municipality's training budget spent on implementation of Workplace Skills Plan (WSP) by 30 June 2026	20%	30%	70%	90%	N/A

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (Weighting 18%) 12 TARGETS ...continued											
To maintain and upgrade existing municipal infrastructure	OPMS 06	Upgrade to Council Chambers (accumulative target)	R12 987 149	The percentage of the Council Chamber upgraded by target date.	100%	100% of the Council Chamber upgraded by 31 March 2026.	50%	33%	17%	0	Ward 19
To enhance organisational performance	OPMS 07	Top layer of the SDBIP and SDBIP	R0	The turnaround time for the approval of the SDBIP by the Mayor after the approval of the Budget, by target date.	28	2026/2027 Service Delivery and Budget Implementation Plan (SDBIP) approved by Mayor within 28 Days after the approval of the budget.	0	0	0	28	N/A
To enhance organisational performance	OPMS 08	APR submission to AG.	R0	The number of the Annual Performance Reports submitted to the Auditor General, by target date.	1	1 Annual Performance Report (APR) for 2024/2025 submitted to the Auditor General (AG) by 31 August 2025.	1	0	0	0	N/A
To enhance organisational performance & To ensure compliance with the laws and regulations	OPMS 09	Tabling of Annual Report	R0	The number of Annual Reports for 2024/25 tabled at Council, by target date.	1	1 Annual Report for 2024/2025 tabled at Council by 31 January 2026.	0	0	1	0	ALL
To enhance organisational performance & To ensure compliance with the laws and regulations	OPMS 10	Oversight report	R0	The number of MPAC Oversight reports on the Annual Report submitted to Council for adoption, by target date.	1	1 MPAC Oversight report on the Annual Report submitted to Council for adoption by 31 March 2026.	0	0	1	0	N/A

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 1 : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (Weighting 18%) 12 TARGETS ...continued											
To enhance organisational performance & To ensure compliance with the laws and regulations	OPMS 11	Reports to EXCO or Council on Performance Information.	R0	The number of quarterly performance reports submitted to the EXCO/ Council, by target date.	4	4 quarterly performance reports submitted to the EXCO/ Council by 30 June 2026.	1	1	1	1	N/A
To enhance organisational performance & To ensure compliance with the laws and regulations	OPMS 12	Performance assessments and reviews	R0	The number of Performance reviews and performance assessments for Section 56/57 Managers conducted, by target date.	2	i)1 Formal Review for Mid year 2025/2026 conducted by 31 March 2026. ii)1 Formal Annual Assessment for 2024/2025, by 30 June 2026.	0	0	1	1	N/A
NATIONAL KEY PERFORMANCE AREA 2: GOOD GOVERNANCE & PUBLIC PARTICIPATION (Weighting 9%) 6 TARGETS											
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.	OPMS 13	Approval of IDP	R0	The percentage adoption of the 2026/2027 IDP in line with S129 MFMA & Chapters 5&6 MSA by Council, by target date.	100%	Approval and adoption of the 2026/2027 IDP in line with S129 MFMA & Chapters 5&6 MSA by Council by 31 May 2026.	0	0	34%	66%	N/A
To provide effective and efficient Internal Audit services for Council	OPMS 14	Risk based Annual Internal Audit Plan submitted to council	R0	The number of Risk based Annual Internal Audit Plan submitted to council, by target date.	1	1 Risk based Annual Internal Audit Plan for 2025/2026 submitted to council by 30 September 2025.	1	0	0	0	N/A

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 2: GOOD GOVERNANCE & PUBLIC PARTICIPATION (Weighting 9%) 6 TARGETS ...continued											
To provide effective and efficient Internal Audit services for Council	OPMS 15	Organisational Compliance Reports to EXCO/ Council	R0	The number of reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to EXCO/ Council, by target date.	2	2 Reports on organisational compliance with relevant laws and regulations compiled by Internal Audit and submitted to EXCO/ Council by 30 June 2026.	1	0	1	0	N/A
To ensure compliance with the laws and regulations	OPMS 16	Audit & Performance Audit Committee reports to Council as required by Municipal Planning & Performance Regulations (MPPMR) 14(4) (a) (iii) & in terms of the MFMA requirements.	R0	The number of Audit and Performance Audit Committee Reports submitted to Council as required by MPPMR 14(4) (a) (iii), by target date.	2	2 Audit & Performance Audit Committee reports submitted to Council by the Audit Committee by 30 June 2026.	1	0	1	0	N/A
To ensure compliance with the laws and regulations	OPMS 17	AG action plan reports	R0	The number of progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to EXCO/ Council, by target date.	4	4 progress reports on the percentage of AG findings resolved in the AG action plan, compiled by IA and submitted to EXCO/ Council by 30 June 2026.	1	1	1	1	N/A
To address oversight requirements of risk management and institution's performance with regards to risk management	OPMS 18	Risk mitigation reports.	R0	The number of reports on strategic top 20 risk action plans submitted to Council or EXCO, by target date.	4	4 reports on top 20 risk action plans submitted to EXCO or Council by 30 June 2026.	1	1	1	1	N/A

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 3: FINANCIAL MANAGEMENT AND VIABILITY (Weighting 25%) 16 TARGETS											
To improve expenditure on Municipal Infrastructure Grant (MIG) allocation	OPMS 19	MIG EXPENDITURE	R52,725,000.00	The percentage of expenditure on the Municipal Infrastructure Grant (MIG) funding, by target date.	100%	100% (R52 725 000) expenditure on the Municipal Infrastructure Grant (MIG) funding projects by 30 June 2026.	25%	50%	75%	100%	All Wards
To improve expenditure on Capital Budget	OPMS 20	CAPITAL EXPENDITURE(NKPI)	R230,796,621	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, by target date.	90%	90% (R207 716 958.45) of a municipality's capital budget actually spent on capital projects by 30 June 2026.	22.5%	45%	67.5%	90%	
To ensure that the revenue of the municipality is collected and accounted for.	OPMS 21	Irregular expenditure	R0	The percentage reduction of irregular Expenditure in comparison to 2024/2025 Financial Year End Irregular Expenditure, by target date.	70%	70% reduction of irregular expenditure in comparison to the 2024/2025 Financial Year End Irregular Expenditure by 30 June 2026.	20%	30%	50%	70%	N/A
To ensure that the revenue of the municipality is collected and accounted for by improving Credit Control and Debt Collection processes	OPMS 22	% Reduction of debt	R0	The percentage reduction of debt in the greater than 60 days category when compared to debt as at 30 June 2025	2%	2% reduction of debt in the greater than 60 days category when compared to debt as at 30/06/2025 by 30 June 2026.	0.5%	1%	1.5%	2%	N/A
To ensure municipal budget complies with MFMA and Treasury regulations	OPMS 23	Budget - Approval	R0	The number of milestones achieved towards the approval of the Annual Budget, by target date.	2	Submission of 1.Draft 2026/2027 budget to council by 31 March 2026. 2.Final 2026/2027 budget to council by 31 May 2026.	0	0	1	1	N/A

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 3: FINANCIAL MANAGEMENT AND VIABILITY (Weighting 25%) 16 TARGETS ...continued											
To ensure municipal budget complies with MFMA and Treasury regulations	OPMS 24	Budget - Reports	R0	The number of Budget implementation reports submitted to Council on budget spent, by target date.	4	i) v3 Budget implementation Section 52(d) reports by 30 June 2026. ii) 1 MFMA S72 Report submitted to Council on budget spent, by 31 March 2026.	1	1	1	1	N/A
To ensure financial viability of the municipality	OPMS 25	Analysis of Key ratios to ensure that it remains within or exceed agreed upon targets	R0	Ratio of Outstanding service debtors to annual revenue actually received for services (i.e. electricity and refuse)	0.25:1	Outstanding service debtors to revenue not greater than 0.25:1, by 30 June 2026.	0.25:1	0.25:1	0.25:1	0.25:1	N/A
To ensure financial viability of the municipality	OPMS 26	Analysis of Key ratios to ensure that it remains within or exceed agreed upon targets	R0	Debt coverage ratio. Total operating revenue received - operating grants/ debt service payments	15:01	Debt coverage ratio. Not less than 15:01, by 30 June 2026.	15:01	15:01	15:01	15:01	N/A
To ensure financial viability of the municipality	OPMS 27	Unencumbered cash coverage Ratio : The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from unencumbered cash and short-term investment without collecting any additional revenue, during that month.	R0	Unencumbered cash coverage Ratio	1:1	Unencumbered cash coverage Ratio of 1 month. 1:1, by 30 June 2026.	1:1	1:1	1:1	1:1	N/A
To ensure financial viability of the municipality	OPMS 28	AFS submission to AG.	R0	The number of Annual Financial Statements (AFS) to the Auditor General (AG), by target date.	1	1 Annual Financial Statements (AFS) submitted to the Auditor General (AG) by 31 August 2025.	1	0	0	0	N/A

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS-No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 3: FINANCIAL MANAGEMENT AND VIABILITY (Weighting 25%) 16 TARGETS ...continued											
To ensure that all citizens have an electricity service connection	OPMS 29	Free Basic Electricity. Consumers registered on the indigent register.	R0	The percentage of indigent households earning less than R5000 per month with access to Free Basic Electricity, by target date.	100%	100% of indigent households, as per Council's Indigent Register, earning less than R5000 per month with access to Free Basic Electricity by 30 June 2026.	100%	100%	100%	100%	All wards
To provide access to basic solid waste services to all citizens	OPMS 30	Free Solid Waste Removal. Consumers registered on the indigent register.	R0	The percentage of indigent households earning less than R5000 per month with access to Free Basic Solid Waste, by target date.	100%	100% of indigent households, as per councils indigent register, earning less than R5000 per month with access to basic level of Free Solid Waste removal by 30 June 2026.	100%	100%	100%	100%	All wards
To maintain and upgrade existing municipal infrastructure	OPMS 31	Multi Year Target MV Network Upgrades in Cluster A to Cluster G, Zimbali infrastructure refurbishment & Simbithi infrastructure refurbishment - WIP - (MN 93/2022) End 2026.	Total R15 450 000 Cluster A-R400 000 Cluster B-R1 275 000 Cluster C-R400 000 Cluster D-R1 000 000 Cluster E -R1 025 000 Cluster F-R1 000 000 Cluster G-R2 350 000 Zimbali - R4 000 000 Simbithi - R4 000 000"	The percentage expenditure on MV Network upgrades in Cluster A to Cluster G; Zimbali & Simbithi, by target date.	90%	90% (R13 905 000) expenditure on MV Network upgrades in Cluster A to Cluster G & Zimbali & Simbithi completed by 31 March 2026.	5%	50%	90%	0%	Cluster A TO G
To maintain and upgrade existing municipal infrastructure	OPMS 32	Multi Year Target LV Network Upgrades in Cluster A to Cluster G - WIP(start 2022/2023 End 2025/2026)	Total R2 975 000 Cluster A-R550 000 Cluster B-R650 000 Cluster C-R275 000 Cluster D-R375 000 Cluster E -R375 000 Cluster F-R375 000 Cluster G-R375 000"	The percentage expenditure on LV Network Upgrades in Cluster A to Cluster G, by target date.	90%	90% (R2 677 500) expenditure on LV Network upgrades in Cluster A to Cluster G completed by 31 December 2025.	30%	90%	0%	0%	Cluster A to G

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS-No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 3: FINANCIAL MANAGEMENT AND VIABILITY (Weighting 25%) 16 TARGETS ...continued											
To maintain and upgrade existing municipal infrastructure	OPMS 33	NV Street Lights:	Total R2 000 000	The percentage expenditure on new streetlights in Cluster A to Cluster G, by target date.	90%	90% (R1 800 000) expenditure on new streetlights in Cluster A to Cluster G by 31 December 2025.	50%	90%	0%	0%	All Wards
		Cluster A 100 SL	Cluster A-R285 716								
		400452122 WIP	Cluster B-R285 714								
		Cluster B 37SL	Cluster C-R285 714								
		400452123 WIP	Cluster D-R285 714								
		Cluster C 100SL	Cluster E-R285 714								
		400452124 WIP	Cluster F-R285 714								
		Cluster D 100SL	Cluster G-R285 714"								
		400452125 WIP									
		Cluster E 100 SL									
To maintain and upgrade existing municipal infrastructure	OPMS 34	MV Substations	TOTAL R8 550 000	The percentage expenditure on MV Substations Upgrades and Refurbishment, by target date.	90%	R7 695 000 Expenditure on MV Substations Upgrades and Refurbishment by 31 March 2026.	5%	50%	90%	0%	Ward 6; 13, 19; 28
		Upgrades and Refurbishment. (Multi Year Projects)	1.R6 050 000								
		1-Stanger Substat WIP (Year two 25/26)	2.R1 000 000								
		2-Business Park Sub WIP	3.R1 000 000								
		3-Sheffield Substat	4.R 500 000								
		4-Gledhow Substation WIP									

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS-No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 4: SPATIAL PLANNING, ENVIRONMENTAL MANAGEMENT & SOCIAL SERVICES (CROSS CUTTING ISSUES) (Weighting 8%) 5 TARGETS											
To prevent and reduce the impact of disasters within KDM jurisdiction	OPMS 35	Outreach Programmes.	R0	The number of outreach programmes conducted on fire safety, social crime and road safety campaigns, by target date.	60	60 outreach programmes conducted on fire safety, social crime prevention and road safety by 30 June 2026. 20 Fire Outreach programmes. 20 Social Crime Prevention Outreach programmes. 20 Road Safety programmes.	15	15	15	15	Various Wards
Developing and sustaining the spatial, natural and built environment	OPMS 36	SPLUMA Implementation	R0	The percentage of SPLUMA applications (Rezoning/subdivision/ Scheme Amendments) processed within stipulated the time.	92%	92% of SPLUMA applications processed within 90 days from the closing date of advert.	92%	92%	92%	92%	All Wards
Developing and sustaining the spatial, natural and built environment	OPMS 37	SPLUMA Implementation	R0	The percentage of consent applications (i.e. relaxations) processed within 60 days from closing date of advert or date of submission.	92%	92% of consent applications processed within 60 days, from the closing date of advert or date of submission.	92%	92%	92%	92%	All Wards
Developing and sustaining the spatial, natural and built environment	OPMS 38	Building plans>500m2	R0	The percentage of building plans more than 500m² approved within 60 days of submission.	95%	95% of building plans more than 500m² approved within 60 days of submission.	95%	95%	95%	95%	All Wards
Developing and sustaining the spatial, natural and built environment	OPMS 39	Environment Management	R0	The number of Environmental Awareness Programmes conducted, by target date.	12	12 Environmental Management Community awareness Programmes conducted by 30 June 2026.	3	3	3	3	Various Wards

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 5: LOCAL ECONOMIC DEVELOPMENT (Weighting 5%) 3 TARGETS											
To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed	OPMS 40	JOB creation- LED initiatives. (NKPI)	R0	The number of jobs created through the municipality's local economic development initiatives, by target date.	100	100 Jobs created through LED initiatives by 30 June 2026.	25	25	25	25	All wards
To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed	OPMS 41	JOB creation- CAPITAL initiatives(NKPI)	R0	The number of jobs created through the municipality's Capital Projects in the IDP, by target date.	153 (Civil:103 Electrical: 10 Comm Serv.:40)	153 jobs created through municipality's Capital Projects in the IDP by 30 June 2026. (Community Services : 40 Electrical Services: 10 Civil Services : 103)	45	45	23	40	All wards
To use capital infrastructure and social investment to provide poverty and income relief through temporary work for the unemployed	OPMS 42	B2B - Job Creation EPWP	"Total R2 957 000 R1 000 000 (Council) R1 957 000 (Grant) "	The number of job opportunities created through implementation of Expanded Public Works Programme (EPWP), by target date.	70	70 job opportunities created through implementation of Expanded Public Works Programme by 30 June 2026.	70	70	70	70	All wards
NATIONAL KEY PERFORMANCE AREA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (Weighting 35%) 23 TARGETS (Energy losses 1 target Weighting 5% on its own)											
To facilitate provision of formal housing through construction of high quality houses.	OPMS 43	Construction of new houses	0 - DOH	The number of new houses constructed, by target date.	112	112 new houses constructed by 30 June 2026.	20	25	25	42	All wards
To ensure fair, transparent and compliant housing beneficiary management system.	OPMS 44	Allocation of houses to qualifying beneficiaries	0 - DOH	The number of houses handed over to beneficiaries, by target date.	112	112 houses handed over to beneficiaries by 30 June 2026.	20	22	22	48	All wards

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (Weighting 35%) 23 TARGETS (Energy losses 1 target Weighting 5% on its own)											
To facilitate provision of formal housing through construction of high quality houses.	OPMS 43	Construction of new houses	0 - DOH	The number of new houses constructed, by target date.	112	112 new houses constructed by 30 June 2026.	20	25	25	42	All wards
To ensure fair, transparent and compliant housing beneficiary management system.	OPMS 44	Allocation of houses to qualifying beneficiaries	0 - DOH	The number of houses handed over to beneficiaries, by target date.	112	112 houses handed over to beneficiaries by 30 June 2026.	20	22	22	48	All wards
To provide access to basic municipal services to all citizens	OPMS 45	Sites serviced and ready for housing development.	0 - DOH	The number of sites serviced, by target date.	190	190 sites serviced by 30 June 2026.	40	50	50	50	All wards
To restore human dignity through asset ownership	OPMS 46	Enhanced Extended Benefit Scheme (EEDBS)	R0	The number of Enhanced Extended Discount Benefit Scheme (EEDBS) units transferred as per the business plan with Dept of Human Settlements (DOHS), by target date.	10	10 EEDBS units transferred as per business plan with DOHS by 30 June 2026	0	5	0	5	All wards
To ensure that the community has access to functional public amenities	OPMS 47	Melville Hall WIP - Changed to Multi year project. Year 1 2024/2025. Funds to be moved to 25/26.	R7 461 551	The percentage of Melville Hall completed by target date.	100%	100% of Melville Hall completed by 30 June 2026.	15%	30%	60%	100%	Ward 24
To ensure that the community has access to functional public amenities	OPMS 48	Nsikeni Community Hall	R5 582 879	The percentage of Nsikeni Community Hall completed by target date.	100%	100% of Nsikeni Community Hall completed by 30 June 2026.	15%	25%	55%	100%	Ward 27

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (Weighting 35%) 23 TARGETS (Energy losses 1 target Weighting 5% on its own) ...continued											
To ensure that the community has access to functional public amenities	OPMS 49	Ohlange Community Hall	R956,926	The percentage of Ohlange Community Hall completed by target date.	100%	100% of Ohlange Community Hall completed by 30 June 2026.	15%	25%	50%	100%	Ward 25
To ensure that the community has access to functional public amenities	OPMS 50	Lindelani Creche - Changed to Multi year project. Year 1 2024/2025. Funds to be moved to 25/26 financial year.	R1,739,130	The percentage of Lindelani Creche completed by target date.	100%	100% of Lindelani Creche completed by 30 June 2026.	20%	45%	50%	100%	Ward 5
To maintain and upgrade existing municipal infrastructure	OPMS 51	Groutville Internal Roads Upgrade Ward 10 - WIP	R11,153,710	The number of kilometres of Groutville Internal Roads Upgraded by target date.	0,75km	0,75km of Groutville Internal Roads Upgraded by 30 June 2026.	0	0	0	0,75km	Ward 10
To maintain and upgrade existing municipal infrastructure	OPMS 52	Groutville Surface Roads and Stormwater MIG in Ward 12 WIP	R6,956,521	The number of kilometres of Groutville Surface Roads and Stormwater Upgraded by target date.	1km	1km of Groutville Surface Roads and Stormwater Upgraded by 30 June 2026.	0	0	0	1km	Ward 12
To maintain and upgrade existing municipal infrastructure	OPMS 53	"Rehabilitation of Newtown Roads Curtuis 2784m2 Jones 1008m2 Blaine & Howe 4797m2 Gizenga 4158m2 Blain & Jones Link Road 995m2 TOTAL: 13 742m2"	R12,568,768	The number of m² of Ward 19 - Newtown Roads rehabilitated by target date.	13742m²	13742m² of Ward 19 - Newtown Roads rehabilitated by 30 June 2026.	0	0	0	13 742m²	Ward 19
To maintain and upgrade existing municipal infrastructure	OPMS 54	Rehab & St. improvement in Primrose WIP	R7,000,000	The percentage Rehabilitation of Primrose road completed by target date.	100%		15%	40%	65%	100%	Ward 5

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (Weighting 35%) 23 TARGETS (Energy losses 1 target Weighting 5% on its own) ...continued											
To maintain and upgrade existing municipal infrastructure	OPMS 55	Ward 3 Nonoti Beach Road Access - WIP	R5 602 528	The number of km of Nonoti Beach Road Access completed by target date.	1,8km	1,8km of Nonoti Beach Road Access completed by 30 June 2026.	0	0	0	1,8km	Ward 10
To ensure that the community has access to functional public amenities	OPMS 56	Chris Hani Sportsfield	R3,000,000	The percentage of Chris Hani Sportsfield completed by target date.	100%	100% of Chris Hani Sportsfield completed by 30 June 2026.	15%	25%	45%	100%	Ward 15
To ensure that the community has access to functional public amenities	OPMS 57	Construction of Sport & Recreational Facility in Isinembe	R7,669,461	The percentage of the Sport & Recreational Facility in Isinembe completed by target date.	100%	100% of the Sport & Recreational Facility in Isinembe completed by 30 June 2026.	15%	45%	50%	100%	Ward 21
To maintain and upgrade existing municipal infrastructure	OPMS 58	Upgrade to Ebrahim Drive Bridge WIP	R5,500,000	The percentage Upgrade to Ebrahim Drive Bridge, by target date.	100%	100% Upgrade of Ebrahim Drive Bridge by 30 June 2026	15%	40%	50%	100%	Ward 17
To ensure that all citizens have an electricity service connection	OPMS 59	"LV Networks: Housing Electrification Projects INEP - New households with access to basic level of electricity. (MN 82 Service Connections)"	R2 000 000 (Council)	The number of new households with access to basic level of electricity, by target date.	40	40 new households with access to basic level of electricity by 30 June 2026.	40	0	0	0	All wards
To ensure that all citizens have an electricity service connection	OPMS 60	NKPI - The number of households with access to basic level of electricity: 63 675(24/25 baseline)+ 40(New) = 63 735		The number of households with access to basic level of electricity, by target date.	63,715	63 715 households with access to basic level of electricity by 30 June 2026.	0	0	0	63,715	All wards

Appendix U: 2025/2026 Organisation SDBIP ...continued

KwaDukuza Municipality 2025/2026 Organisational Service Delivery & Budget Implementation Plan (SDBIP)											
IDP REFERENCE: STRATEGIC OBJECTIVE FROM THE IDP	ORG OPMS- No.	NAME OF PROJECT	ANNUAL BUDGET & SOURCE OF FUNDING IF OTHER THAN COUNCIL	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	TARGET DESCRIPTION	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Ward
NATIONAL KEY PERFORMANCE AREA 6: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT (Weighting 35%) 23 TARGETS (Energy losses 1 target Weighting 5% on its own) ...continued											
To ensure that energy losses are reduced within legislated guidelines	OPMS 61	Energy Losses Reduction - reduction calculated from a baseline of the municipality for 2024/2025.	R0	The percentage of Energy Kilowatts Loss reduction, by target date.	2%	2% reduction in Energy kilowatts loss, reduced from 27% to 25% by 30 June 2026.	0.5	0.5	0.5	0.5	All wards
To provide access to basic solid waste services to all citizens	OPMS 62	Solid Waste Removal (NKP1)	R0	The percentage of households with access to basic level of solid waste removal , by target date.	100%	100% of estimated households with access to basic level of solid waste removal by 30 June 2026.	100%	100%	100%	100%	All wards
To ensure that the community has access to functional public amenities	OPMS 63	Upgrade to Beach Facilities: 1- Zinkwazi Main Beach Sewer System	R1 900 000	The number of beach facilities upgraded by target date.	2	2 Beach facilities upgraded by 30 June 2026.	0	0	0	2	Ward 6
To ensure that the community has access to functional public amenities		2- Thompsons Bay Beach Reinstatement	R6,730,936								Ward 3
To ensure that the community has access to functional public amenities	OPMS 64	Upgrade to the Darnall Sportsfield. Multi Year project.	R8,275,673	The percentage of Darnall Sportsfield upgraded by target date.	100%	100% of Darnall Sportsfield upgraded by 30 June 2026.	35%	28%	28%	9%	Ward 02
To ensure that the community has access to functional public amenities	OPMS 65	Rehab. Parking area in Vlakspuit cemetery, Multi year - 25/26 Year 2.	R4,930,000	The percentage completion of the Rehabilitation of the Parking Area in Vlakspuit Cemetery Project, by target date.	100%	100% completion of the Rehabilitation of the Parking Area in Vlakspuit Cemetery Project by 30 June 2026.	40%	20%	30%	10%	Ward 21